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Being human.

An argument for improvising.

By

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ABSTRACT

This research is about improvisation. By applying a compare and contrast view, it examines two successful organizations operating in the same market. Each company chose a different way of structurally coping with market requirements; one applied a traditional structure with a top-down strategy whereas the other relied on a bottom-up improvisational setup.

The dissertation discusses the concept of improvisation emerging from behavioural disciplines into organizational and management research and the problems with applying an exclusively positivist measurement on it. Instead, it vouches for a postmodern social construction to reveal benefits for organizations and contribute to theory building. It connects improvisation with two other relevant concepts, sensemaking and emergent strategizing. It aims to show that while organizational members improvise they draw on believe and action driven sensemaking which acts as a validated framework. This implies a strong cultural foundation. While creating new realities, patterns of actions are produced. Bundling them in hindsight allows the organization to use an emergent strategizing concept.

While working for each of the companies and by applying a participant-observer research method, I took a closer look at how the two companies were set up, how members cooperated and how everyday issues were handled. The top-down organization controlled strategy delivery via strong financial controlling, technology and personal goals and incentives. However, it counted more employees in relation to its customer base and struggled with target setting. The second company just set a rough annual focus and relied on a strong vision and mission agreement with staff, subordinating budgeting, technology and controlling processes. It was cost efficient. Organizational life was improvisational, but it made sense because it enabled the whole organization to adapt to market needs fast and continuously. Above all, it was very human.

Chapter 1: Introduction and Summary

"Plans are all right sometimes and sometimes just stirring things up is all right – if you're tough enough to survive, and keep your eyes open so you'll see what you want when it comes to the top."
(Dashiell Hammett, Red Harvest 1928; in Isenberg, 1987)

This work is about strategic management, and the role improvisation takes within it. This research aims at highlighting the concept of improvisation in strategy making and, in the best case, initiate thought-provoking impulses for organizations to start playing with this fascinating concept. And this research is about empowering the human being in the organization.

Improvisation is still very often misunderstood. When talking about improvisation with managers, I very often hear arguments like "We had better have a plan" or "It does not work without proper planning." Managers still mainly understand strategy as a prescriptive process, maybe because they feel in control when planning and because a plan is proof of professional thought and action in a world dominated by the power of its stakeholders. Certainly, it is still very often the classical way of strategy formulation in the sense of Chandler (1962) where "structure follows strategy." This is astonishing because the world has changed, products and services are shorter-lived commodities today. Information is available in real-time to customers and their behaviour can be unpredictable. Companies struggle with organizational adaptation. How do they answer this challenge? One often encountered behaviour is to tie the a priori targets of the organization to the employee's personal goals with the introduction of incentives. Many organizations spill out bonuses to all employees when they achieve what is requested, not only in sales functions. While this is a viable way of dealing with performance, unfortunately, it still does not help the organization in adapting to its environment fast enough. This research shows that such a construction adds additional rigidity to an already dominant structure. Employees, with good reason, try to achieve their

planned targets but forgo organizational opportunities. With good reason this way of strategizing should be challenged with a more adapted model.

The concept of improvisation has been neglected in the management literature, and by managers, for a long time. It is not widely regarded as a serious alternative to the usually applied models of strategy. Why is this the case? In the second half of the 1990's, researchers like Crossan (1996), Eisenhardt (1997), Weick (1998) and some others started to investigate on how improvisation might be of help to organizations in dealing with faster-changing markets and alternating requirements. The result from that research could be summarized as 'the jazz metaphor era' in which the way of composing music in an extemporaneous way served as a metaphor on how to create new realities in organizational settings. Today, 20 years later, research still tries to overcome this metaphor (see, for example, Hadida et al., 2014 and Cunha et al., 2014). However, in an institutionalized organizational world the jazz metaphor might have had a hard time to be accepted and transferred into organizational settings by managers. Also, managers might not have accepted a metaphor as being scientific enough for a breakthrough of the concept. Some more, and mainly exclusively positivistic, research approaches (see Moorman & Miner, 1998 and Johnson & Rice, 1984 in Cunha et al., 1999) trying to measure improvisation, unfortunately, were of no avail for explaining improvisation holistically. Recent research (Hadida et al., 2014) suggests to frame to better understand the phenomenon. However, the concept seems to be to restricting in that it does not cope with the dynamic property and pace of improvisation. The difficulty of defining tasks and outcomes in complex and fast moving organizational landscapes further limits the model. These examples show that science still works on defining and describing improvisation in a way to expose its nature of order in organizations and to operationalize the concept.

This study aims at applying a social construction perspective in the sense of Weick's research to investigate and reveal the potential benefits of improvisation for organizations and theory building. Thus, this research introduces the 'improvisational strategizing model'. The model emphasises the micro-level importance of individual acting within organizations by linking sensemaking to improvisational action.

However, contrary to the dominant sensemaking literature, i. e. Weick (1995, 2001) this research splits sensemaking into a sensemaking frame and a sensemaking cycle. The sensemaking frame draws on defined organizational stimuli, whereas the sensemaking cycle focuses on receiving inputs from distinct elements of variation and variety set against elements of stability. The effect of suggesting this split means that it allows for a refined understanding of the relevant dynamic forces acting on improvisers and the model is simple to operationalize. The outcome of the model generates incremental organizational construction over time. Thus, the model links emergent strategizing theory, as presented by Eden & Ackermann (1998), to improvisation to reveal the impact of the concept on an organizational level. The benefit of the model is that its stimuli and elements are defined, they can be detected in organizations in order to assess the viability of improvisational strategizing as a whole or to amend single elements and/or stimuli to attain equilibrium between them. What this research finds is, that improvisation allows the exploitation of organizational variation and variety and 'reconfiguring' it to newly emerging demands. However, the organization is required to provide a landscape of variation and variety as a prerequisite, not only in products, services and practices, technology and organization but also in human capital by empowering people who deal with everyday issues based on a culture of variation and variety. Because the classical structure in this model plays a subordinate role, elements of stability such as group, leadership and partners matter as a counterbalance to the perceived instability of 'variation and variety'. Finally, the research contributes a further step to expose the nature of order within improvisational organizations.

To develop the improvisational strategizing model and elaborate on it, this research explored in depth two real world organizations by contrasting and comparing them. It was undertaken in a manner that permits access to the improvisational idea for the reader by offering a different view of the organization through the improvisational strategizing model.

1.1 UNDERSTANDING IMPROVISATION

"It's not easy to improvise, it's the most difficult thing to do. Even when one improvises in front of a camera or microphone, one ventriloquizes or leaves another to speak in one's place the schemas and languages that are already there. There are already a great number of prescriptions that are prescribed in our memory and in our culture. All the names are already pre-programmed. It's already the names that inhibit our ability to ever really improvise. One can't say whatever one wants, one is obliged more or less to reproduce the stereotypical discourse. And so I believe in improvisation and I fight for improvisation. But always with the belief that it's impossible. And there where there is improvisation I am not able to see myself. I am blind to myself. And it's what I will see, no, I won't see it. It's for others to see. The one who is improvised here, no I won't ever see him."

(Jacques Derrida, unpublished interview, 1982;

[www.derridathemovie.com. 2004])

Derrida's statement is remarkable in describing the main improvisational aspect: the individual trying to unfold within his social context experiencing difficulties expressed through structure, schemas, prescriptions and languages forming part of our believe system, our culture. Weick (2001:351) sees improvisation as a powerful concept for organizations with the ability to substitute organizational strategy but "to understand improvisation as strategy is to understand the order within it." In improvising organizations the order is a different one than what we usually encounter. This chapter introduces two other concepts, 'emergent strategizing' and 'sensemaking' which, together with improvisation, outline an elaborated model of 'improvisational strategizing.' My goal is to offer the reader a possible understanding of the order within an improvisational organization and the benefits it can create.

Improvisation derives from the behavioural sicences, it is an individualistic concept. In the literature chapter, I present several definitions of improvisation from various researchers. It seems commonly accepted that when improvising, "doing" is immediate, rapid, spontaneous and embedded in the circumstance of the moment and

that it thereby creates something; it invents meaning, it produces "new kinds of sense." Thus, improvisation can serve two functions, either it is used for creating something new in an intuitive and creative way, or improvising is used as part of an opportunistic behaviour to adapt to an accidentally new situation by making the best sense out of the situation. Ultimately, it can be a combination of both. Researchers have linked improvisation to product innovation, organization, management, marketing, strategy and more, see Cunha et al. (1999) for a comprehensive overview. This research is about the role improvisation can play in rapid organizational adaptation and renewal, it is about operational influence of strategy.

As we sense in Derrida's statement, prescription is the antagonist of improvisation. Thus, the less prescription there is the more improvisation is likely to happen. However, prescription is structure which provides stability. Loss of prescription has to be substituted by a different element of stability in order to provide a workable environment, Derrida hints at the importance of culture. Culture is still very often underestimated (Weick, 2001). The purpose of culture is to emit stability and trust for corporate members and to serve as a frame of reference in which they can act. "Without trust people won't commit, and without commitment, they won't take risks to reach beyond the status quo" (Crossan et al., 1996). The importance culture and stability play in an improvising organization becomes particularly evident when comparing the improvising organization with the non-improvising company in which culture was entirely substituted by performance. The company called this a 'performance culture.' with an work presents two organizations. However, 'Performance culture' is characterized by analytics which is structural. This research shows that investment into culture nurtures improvisational action, something other researchers proved before (see, for example, Crossan, 1997, 1998; Weick, 1995, 2001). My work links improvisation to organizational emergent strategizing (Eden & Ackermann, 1998) and sensemaking (Weick, 1995, 2001). Eden & Ackermann's model of strategy making and delivery is informed "by the reality of dispersed power in organizations and by the role of emotional and reasoned commitment of the participants." In other words, it heavily relies on organizational culture. The same is valid for sensemaking theory as presented by Weick. My model of 'improvisational

strategizing' draws from the two theoretical models to 'anchor' improvisation in the organizational environment by revealing sensemaking mechanisms leading to 'pragmatic action' which can lead to emergent strategizing and thus to incremental organizational construction.

1.1.1 Emergent strategy and emergent strategizing

How is improvisation embedded into an organization? The concept of emergent strategy was first introduced by Mintzberg and defined as "the result of a pattern in a stream of actions" (Mintzberg & Waters, 1985). Eden & van der Heijden (1995) give emphasis to the process-related aspects of the concept thus suggest calling the idea 'emergent strateg*izing*'. Eden & Ackermann (1998) refer to the process as "a stream of actions that are not random but form a pattern – a pattern which, as Mintzberg points out, usually becomes evident as such after the event rather than before. It is this detectable pattern in a stream of actions in the continuing cycle of sustaining relationships with those who have a stake in the organization, adapting and reacting to the environment, negotiating ways of doing this, and being opportunistic, that can be called emergent strategizing." This research shows links between 'emergent strategizing' and improvisation. In unstable environments searching for quick solutions to issues and knowing or assuming that things can change quickly, it might be that managers reinforce ties with their team to exploit alternatives. In doing so, they might connect in the form of a "collective mind" (Weick, 2001: 262). In such a scenario the implicit understanding of an organization's direction might be shared through its commonly experienced culture, and its members empowered to act and to follow 'a path' without an explicit plan but rather through improvising. Managers start "acting thinkingly" (Weick et al., 2005) which is preconditioned by sensemaking.

This research introduces the concept of 'improvisational strategizing,' which it shares with 'emergent strategizing' in that it is grounded in the organizational culture and does not follow a prescriptive target. Furthermore, it builds on dispersed organizational power. However, 'improvisational strategizing' differs from 'emergent strategizing' in that it derives cues for action from its environment, it is

pragmatism driven by desire rather than relying on a 'world taken for granted.' The model still allows for a form of prescriptiveness. The deliberate intention by the organization's top management to invest in its culture implies that there is a prescriptive strategic bracket – an insight this research reveals.

1.1.2 Sensemaking

Improvisation primarily is an individualistic concept, when people act spontaneously, they use their intuition for improvising. Thus, sensemaking matters because "it highlights the invention that precedes interpretation… [ ] …it implies a higher level of engagement by the actor… [whereas]… interpretation connotes an activity that is more detached and passive than the activity of sensemaking" (Weick, 1995). People 'include' making sense of their situation by 'reading into' it 'superordinated' significant meaning and then take action. In an 'improvisational strategizing' setup, people have this higher level of commitment, something this research confirms. This is of relevance because the feedback to people's action is learning. "Organizational learning is defined as the process by which knowledge about action outcome relationships between the organization and the environment is developed" (Duncan & Weiss, 1979). Improvising is highly interrelated with know-how generation in organizations. For Weick & Maeder (in Weick, 1995) "this has implications for technology which has to be incorporated into any discussions of sensemaking." This research reveals that the same applies for improvisation. Thus, it is only sensible that it vouches for a simple core technology controlled by the improvising operational units rather than leave solutions to the different subcultural group of 'engineers' (Schein, 1996).

The last point I want to highlight is the organization's vision. The easier a vision is to understand the better people derive sense out of it for their improvisational action. As this research shows, vision acts as a signpost, something which is underestimated but Weick (1995) confirms: "In short, what is needed in sensemaking is a good story."

1.2 DETECTING IMPROVISATION

Can we 'measure' improvisation? Cunha et al. (1999) suggested to take a stopwatch and a score of the 'standard plan' and search for deviations. While Cunha's suggestion might be applicable to literally search for deviating action from an a priori expressed intention, it is limited to specified confines, that is, projects, product development etc. But what, if there is no plan in the first place?

If we understand improvisation as "acting thinkingly" (Weick et al., 2005) with an ability to substitute a strategic plan, we have to ask ourselves, what organizational environment is supportive of such acting? For Eden & Ackermann (1998) emergent strategizing suggests an "examination of structural properties of embedded routines, actual procedures and processes in use – 'the way we do things round here' – and how they relate to formal and informal reporting and decision-making structures" and "capturing theories in use – the wisdom, belief systems, around and about the organization that are the basis for action."

This research makes use of Eden & Ackermann's suggestion as a way to better understand improvisational phenomena in organizations.

1.3 MOTIVATION FOR THE RESEARCH

A lot of literature about improvisation refers to the jazz metaphor which was established some 20 years ago. (see, for example, Crossan, 1996, Eisenhardt, 1997, Weick, 1998). Weick (1995, 1998, 2001) contributed a lot of stimulating work but his elaboration of improvisation in his influential essay from 1998 is theoretical and difficult to operationalize. Something Hadida et al. (2014) and Cunha et al. (2014) confirm and both offer their own extended frameworks beyond Weick's original work. As noble as their intention is, the models seem similarly hard to operationalize. My motivation was to contribute a model which would expose the natural order within an improvising organization and could be operationalized in order to assess relevant organizational elements for improvisation.

When I researched emergent elements in strategy during my pilot project, I stumbled upon improvisational action. Analysing the data and interviewing the project managers nurtured my interest in the concept because, I realized how important the concept was for the organization to succeed operationally but also how important it was for the persons involved. I also experienced two dimensions improvisation has: i) it is individual because, after all, it is a personal technique incorporating intuition and creativity to make the best out of a situation. And ii) it is also social because making sense of a situation requires intensive exchange with other members beyond formality. Thus, improvisation is inherently human, it is a stable social concept. But I found an additional dimension: improvisation resembles emergent strategizing in the sense of Eden & Ackermann (1998). Likewise, its base is grounded in organizational culture and is capable of influencing the future of the organization but with an important difference: it is 'desirable driven', opportunistic pragmatism rather than taking things for granted.

Working as operations manager and member of the executive management at one of my research settings for 2 years (I will refer to this organization as COM2) opened an entire new world of improvisational operations. I was able to observe improvisation in action during this period. With the transition to another organization (COM3) with its emphasis on structure, a new perspective on improvisation opened up as a result of being able to compare and contrast the two organizations.

Improvisation gradually became a fascinating concept as my career progressed. I seemingly encountered improvisation in many occupational positions I held. I have mainly been working in the operational part of organizations. Often there was a plan, but things do did work out as the scheme intended. Operational units have the task to make things work. This is where things for me started to get interesting because it made work enthralling but also human. To fix issues under time pressure by calling people to account did not appear to work, teamwork seemed to be the solution. Experiencing engaged people solving issues purposefully under pressure was immensely rewarding. Mutual trust and understanding appeared to go well beyond the typical focus on formal exchange.

I cannot think of a concept which is so diversified and at the same time can be so influential. However, it needs to be treated with exceptional discretion. I agree with Crossan et al. (1996) that "it is not sufficient to read about improvisation; you must experience it to grasp the power of its effect. Experiencing is what improvisation is all about."

1.4 SETTING OF THE RESEARCH

1.4.1 Places this research was conducted

A pilot project was carried out at the location of an SME company, referred to as SME1 to retain anonymity. The company operated in the industrial sector and employed a staff of 30. During the pilot project, I was the commercial CEO of SME1. The main project research was conducted at two larger communication companies. I refer to them as COM2 for the first and COM3 for the second organization to retain anonymity (subsidiaries of the respective organizations are referred to as SUB2 and SUB3). AT COM2, a pan-European company, I was responsible for customer operations and a member of the management team of the country organization. After the acquisition of the COM2 country organization by COM3, I headed the team that took over the responsibility for the products and services of COM2 within COM3. Due to confidentiality reasons all names and places have been left out or anonymized.

1.4.2 Why this research was initiated

When I started to work for SME1, I realized that something in the organization was unlike what I had experienced in other companies. I talked to employees and looked more closely at everyday working procedures to be able to make sense of this experience. The company was in the industry business; its services had a clear daily deadline when products were picked up by the postal service. To me, it seemed that employees were under extensive pressure from the owner to deliver results from their customer projects. Every project manager had their own way of dealing with clients and delivering project results. When I talked to the customer project managers, they replied that they found their way of how to deal and solve problems for their clients

by themselves over time. However, when a project manager was absent or ill, another project manager who had to temporarily take over struggled because the structure and processes of the co-workers were different, this triggered mistakes. This reinforced pressure from the owner who expected flawless performance from the project managers. Additionally, there was pressure from customers on the project managers when things did not work as expected. The project managers often complained to the owner who yet again further increased pressure. When I talked to the owner, he expressed disappointment in the project managers and blamed them for not being up to the task for which they had been employed. When I listened to the project managers they mentioned, that time was tight, and that tehy always had to improvise to get things done to keep any deadline. Additionally, machine problems and data handling caused further issues and delays they could not influence. This situation created organizational instability.

I was employed as the commercial director and took over responsibility for the employees from the owner. Thus, it was the right time to investigate the strategy of the SME. Approaching the owner, he was clear only in that he wanted to have a well-performing company and he wanted the organization to grow. He understood strategy as only the tactics for acquisition.

Interesting data can be found in organizations under change and when this need to change is at the beginning, it can be an ideal opportunity to study organizations (Eden & Huxham, 2004). Because I was newly employed as the commercial director, it was the right time to investigate the organizational issues, present possible solutions and discuss the future direction of the company with the management team.

1.5 THE CONTRIBUTION THIS RESEARCH MAKES

In the second half of the 1990's the literature on improvisation established the jazz metaphor (Crossan, 1996; Eisenhardt, 1997; Weick, 1998, 2001). Even though there has been research on improvisational aspects thereafter (see literature chapter), the jazz metaphor remains omnipresent in the literature, even after 20 years (Leybourne, 2014; Cunha et al., 2014; Hadida et al. 2015). In 1998 Weick defined what seemed to be improvisation and what not. However, Weick's contribution is theoretical , it is very difficult to operationalize, a fact that Cunha et al. and Hadida et al. substantiate. Cunha & Cunha (2006) found that reversing the old complex organization with simple people (except at the top) with a simple organization enabling complex and professional people to create the strategy seemed to be the solution for which Leybourne (2014) detects strong links "to current emerging managerial themes relating to the breakdown of traditional planning models, and the shift from [sustainable] competitive to 'transient' competitive advantage (McGrath, 2013)."

An important element of 'transient' competitive advantage for McGrath is "constant reconfiguration." An insight Weick (2001: 352) appears to have found already some years earlier "If improvisation is treated as a natural form of organizational life, then we become interested in a different form of strategy than we have seen before… This newer form I will call a just-in-time strategy. Just-in-time strategies are distinguished by less investment in front-end loading (try to anticipate everything that will happen or that you will need) and more investment in general knowledge, a large skill repertoire, the ability to do a quick study, trust in intuitions, and sophistication in cutting losses." Weick's notion of 'minimal structure' (Cunha et al., 2014) remains revealing, especially what concerns sensemaking (1995, 2001). This is where this work aims to contribute to theory and practice. It offers a deconstruction of improvisation into stimuli, elements of variation and variety as well as elements of stability. It introduces the model of improvisational strategizing and links theories of sensemaking (Weick, 1995, 2001) and emergent strategizing (Eden & Ackermann, 1998) to improvisation opening the perspective from macro-level pragmatic action to incremental organizational construction.

Contrary to Weick, the research reported here integrates two levels of sensemaking, a sensemaking frame shaped through organizational stimuli which act as drivers for organizational action and which can be understood as underlying organizational force and a sensemaking cycle for which shorter-term input derives from the organizational elements of variation and variety as well as stability.

The model developed tries to distract from structure and classification but rather focuses on the arrangement of the underlying stimuli and the equilibrium of the elements variation and variety as well as stability. Together with a proposed checklist, the model is simple to operationalize and interesting for assessing practical organizational readiness for pragmatic action because it forces organizations to question each individual element and stimuli and its influence on the sensemaking process and personal enactment.

Another important finding of this work is that technology, that is, transactional systems, is part of the variation and variety elements, it is subordinated to operational action and part of a solution not of bounded structure. Especially the last demand is delicate because generally technology is understood as being part of structure and thus stability.

One important insight is that improvisation is very human. People are empowered to act on their individual and peer sensemaking to respond to the environment, this fosters communication and discourse integrating alternative perspectives, it shapes opinions and identity, it makes people proud and welds them together. Furthermore, it solves issues right where they arise and where the knowhow is. Improvisation treats people as emancipated human beings and takes them seriously. For these reasons the title of this thesis encompasses 'Being human. An argument for improvising.'

Linking improvisation to emergent strategizing and sensemaking aims at contributing a clear and simple model on how improvisation can work in organizations through the unfolding of micro level behaviour into strategy while incorporating aspects of

power. The key to this is, again, organizational culture and managerial commitment of fostering variation and variety while maintaining stability, in short embracing improvisational strategizing. Finally, this work aims to make a contribution to the ongoing process of exposing the order within improvisation.

1.6 SUMMARY

In this chapter, the concept of improvisation has been introduced. The first part of the chapter elaborated on why improvisation can still not be found in many organizations, a circumstance that theory was not able to significantly change. However, it also aimed at showing that improvisation might very well be a viable solution to keep organizations agile. It discussed what improvisation means within organizational confines and introduced the mental model of this work: linking improvisation to emergent strategizing and sensemaking. A brief discussion on how improvisation can be detected and researched followed.

The second part of the chapter picked up on the motivation of this research and the fascination of the improvisational concept. Then, places and organizations of this research were presented as well as why this research was initiated was discussed. Finally, the contribution this work makes was highlighted.

1.7 COMPOSITION OF THE THESIS

This chapter is about the introduction into the research reported in this thesis. It aims at presenting the objective of the research and the setting of it as well as why this research was started. Furthermore, it provides an overview of the work, its purpose, and significance as well as a summary of the main outcome.

Following is chapter 2 which provides the reader with the pilot project conducted before starting the main research project. During the pilot project phase, I gained experience in researching an organization and in detecting improvisation, I mainly researched emergent elements of organizational action when I came across improvisational behaviour. The research was qualitative in using interviews and participant-observer data gathering together with an analysis of a priori and emergent elements in the sense of grounded theory.

Chapter 3 is about relevant literature related to this research It presents a theoretical construction of the phenomenon of improvisation in organizations. First, it discusses the concept of improvisation and from where it originated and found its way into management literature. Second, it extends the view by linking improvisation to 'emergent strategizing' incorporating the strong cultural elements as well as discussing the emergent nature of the concept to influence the future of an organization. Third, it links sensemaking to improvisation and discusses elements of identity, stability, leadership and communication. Fourth, it aims at showing the power improvisation can exert in an adequate organizational setting. I present a 'joint model of strategy development' called 'improvisational strategizing.' Furthermore, I discuss implications for the organization. The relevant theoretical concepts concerning improvisation and sensemaking come from Weick (1995, 2001) and the contributions about emergent strategy and strategizing come from Mintzberg & Waters (1985) as well as Eden & Ackermann (1998). The cultural elements are from Schein (1984, 1996, 2010).

Chapter 4 covers the methodology used for researching the main project. First, it discusses issues in methodological choice for researching improvisation understood as part of the emergent strategy part of an organization and drawing from researching emergent strategizing as Eden & Ackermann (1998) suggest. Data collection was done by taking notes and collecting documents as a participant-observer and then writing descriptions and narratives from the notes. Analysing was done using a priori elements from the literature and the pilot project as well as researching emergent elements in a similar way as described by Glaser and Strauss (1967) for grounded theory.

Chapter 5 is dedicated to data collection and analysis. First, the context for data collection is presented and then the individual settings of the two organizations follow. Next, the elements from theory with which data is compared are discussed including the seven resources of sensemaking from Weick (1995). The second part is about the analysis in which 802 data chunks have been assigned to a priori and to eight emerging elements. The analysis part is done in a compare and contrast way, qualitatively discussing the emerging results for the improvising as well as the non-improvisation organization. To capture the cause-effect relationships between emerging data I used Decision Explorer software with which I was able to visualize relevant links.

The main findings of the research are presented in chapter 6. The results of the analysis part are summarized and discussed in relation to the research question and literature review of this work. A model of 'improvisational strategizing' is presented and discussed. The results are supportive of the theoretical model constructed in the literature chapter. The contribution to theory and practice is the model emphasising organizational variety as legitimation and field for improvisational action. A checklist with questions for the practitioner is a further contribution to practice. The model and the checklist aim at giving the practitioner a tool to assess improvisational organizational setups and arts thereof. Furthermore, it allows reflecting about employee empowerment. And, it can be simply operationalized.

I see my contribution to knowledge in the construction of a theoretical model by linking the three concepts sensemaking, improvisation, and emergent strategizing, testing it and, based on the findings, offer the model of 'improvisational strategizing' with which the organization can be assessed considering elements of stability and elements of variety. Thus, this work reveals the ability organizational improvisation has to exploit organizational resources and directly link them to changing demands. Furthermore, by linking improvisation to loose coupling, an additional contribution to theory is offered. I have not found researchers highlighting the link between improvisation and resource exploitation, sensemaking and between improvisation and loose coupling in the way this work does.

Chapter 7 concludes this work. I revisit the research including the literature review and the findings. Furthermore, the contribution to practical and theoretical knowledge is briefly revisited too. The chapter is concluded by touching on the limitations of this research as well as on possible future inquiry.

After chapter 7 the references section can be found, followed by the appendices section which provides reference material to which the text might refer. For the convenience of the reader, the appendices part is divided into a section A in which material from the pilot project can be found, section B refers to research methodology material, section C to data collection material and D includes supportive material concerning the analysis part.

An overview of figures and tables of this work, including appendices tables, can be found after the table of contents.

Chapter 2: Pilot project

"Strategy making is changing. Fast decision makers explicitly linked the speed of their strategic decision making to success. They claimed: you've got to catch the big opportunities, simply do something."

(Eisenhardt, 2008)

2.1 INTRODUCTION

I conducted a pilot project titled "Analysing elements of improvisation at an SME" which contributed twofold to the main research: methodologically and with its findings.

First, the research setting (referred to as SME1 to retain anonymity) is presented and the impact of working for the organization as well as researching it at the same time is discussed. The company was in a crisis when I joined, everyday work looked improvisational, there was high staff turnover. Also, in the organization, no written material was available, no charts, no mission statement. Thus, my research centred around what Weick (2001) calls a "just-in-time strategy" upon which the research question was formulated.

A brief section about theory follows which mainly draws from work of Weick and Crossan and a joint model of improvisational elements is presented which is further used for data analysis. Data for this pilot research was gathered from interviews as well as participant-observer techniques and analysed through qualitative research. Moreover, issues in coding the data are discussed.

In the last part of this chapter, the results are presented, and a discussion of the findings follows. The research has exposed that employees improvise because they do not know what to expect from management while management seems to have its unexpressed expectation. This raises the question of bad management. The result frames the main research. A summary closes this chapter.

2.2 RESEARCH SETTING AND DATA ACCESS

SME1 is a typical SME company. The organization was founded in the early 1990's by the owner who is still running it today. SME1 takes care of more sensitive packaging requirements of its customers. This niche market defines daily operation by applying secure processes and access precautions and is dominated by no more than a handful of SME-companies in the country. Moreover, those organizations do execute more common packaging tasks, for example for marketing projects.

The organization grew initially from two employees, the owner and his wife, to some 6 to 8. In the year 2000, it managed to win a major order making it necessary to expand its capabilities into electronic data exchange and handling. An IT expert was employed to handle the digital part of the business. Also, many of the larger companies started to outsource noncore businesses, such as packaging. At the time, the volume of transactions exploded and within the next 3 to 4 years SME1 expanded to around 30 employees.

In 2006 SME1 was still run by the owner and his wife, both also members of the executive board. The owner's wife took responsibility for finance. The IT manager took care of electronic data processing and was also responsible for key customers. Furthermore, he was the superior of two project managers and two administrative employees which formed the administrative office staff. Except for the sales representative, all other employees worked in production. For 2004 and 2005 the organization reported a staff turnover of around 30% p.a. The owner had accused some of the employees who left the organization of not having complied with rules and regulations and legally sued them.

I was employed as the new managing director by the owner because he planned to withdraw from the operational business to focus on future projects. When I discussed my employment with the owner and the IT manager, we agreed on my role as the commercially responsible director taking over responsibility for all employees. Both, the IT manager and the owner, were not keen to lead the employees. I received a free

choice of how to set up the future organization. However, during the next weeks and months to come, the owner did not retire from the business but kept interfering daily by telling me what didn't satisfy him after his daily walk through the premises. I gathered his inputs and talked to every employee in the company.

Two months later, I presented the owner with my future organizational setup, including a process map and an organization chart. Furthermore, I initiated this pilot research project which I considered helpful in delivering more detailed answers for the future alignment and strategy of the company. After an enthusiastic initial acceptance of my proposal, followed by a staff information and an official release in the organization, things began to change for the worse. The owner requested changes in the organogram; he criticized staff with whom I had already made appraisal interviews fixing goals for the record. The personal relationship between the owner and me worsened even though we conducted several talks in private. It was not possible to interview the owner, his wife or the IT manager for my pilot research. The owner was informed about my research work from the beginning and approved it, but he did not see any results because I left the organization.

2.3 THE RESEARCH QUESTION

The company disclosed a high staff turnover, the owner complained that he seemed to be out of luck in finding good people; a lot looked to be executed in a very improvisational manner; I newly joined the organization. I decided to take this situation as a starting point for my research which I expected to deliver insights as a basis for future discussion on company development as well as tentatively elaborating a theory of improvisation.

When talking to the owner, it immediately became apparent that there are no documents referring to a strategy and that no mission statement existed, there was no organizational chart. For him, it was self-evident in which business his company operated, and he did not see any value in publishing papers which would need to be

constantly updated due to change happening. Furthermore, he stated that the employees knew what they had to and that they would not need to know more[1].

This seting initiated my investigation in search of improvisational elements within what Weick (2001) calls a "just-in-time strategy" and possible implications on the organization. The research question was: "Is the strategy at SME1 defined during the everyday emergent action and if so, what implications would this have on the organization?"

2.4 THEORETICAL CONCEPTS

The pilot project research is mainly based on theory from Karl E. Weick and Mary M. Crossan. Weick in his 1998 essay "Improvisation as a Mindset for Organizational Analysis" defines improvisation as dealing with the unforeseen, the word "proviso" provides for something in advance and the prefix "im" reverses the meaning into the opposite. Emphasizing the impromptu quality of the activity, Weick draws on Crossan and Sorrenti (1996: 1) as "intuition guiding action in a spontaneous way," whereas intuition is defined by rapid processing of experienced information which ultimately leads to a "just-in-time strategy" (Weick, 2001: 352). For Weick (citing Berliner 1994: 400) "flexible treatment of pre-planned material" is a sub-theme of improvisation. Consequently, he makes a distinction between *transformational change* and *incremental change*. He understands transformational change as 'real' improvisation which is triggered by radical environmental or internal impact on the organization, changing it considerably, whereas incremental change depends on any initial model and influences the organization only in shifting, adding, switching, altering and revising it. Weick calls this weaker influence interpretation, embellishment, and variation.

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[1] Statements the owner made during initial meetings with the researcher.

For Crossan (2005: 131), improvisation is a time-based phenomenon, and for her, many researchers do not consider time as important as "spontaneity and other in-the-present qualities." In fact, she argues time pressure and uncertainty seem to be critical to stimulate improvisation (Moorman &Miner, 1995; Vera & Crossan, 2004; Weick, 1993).

Besides what improvisation is, Vera and Crossan (2004) and Crossan (2005) understand creativity and spontaneity as a must for successful improvisation but also intuition, knowledge, and skill influence the process in its effectiveness on a personal level. On a group level, expertise and teamwork matter. For the entire organization experimental culture, real-time information, and communication, as well as memory, are of importance.

I have merged Weick's (1998) 'prescriptions for an adapting organization' with the theory of Vera and Crossan (2004) and Crossan (2005) and assembled four main concepts for my research: i) *management expertise*, ii) *teamwork skills*, iii) *knowledge & memory*, and iv) *real-time information & communication*. An experimental culture is the main driver of the above concepts. The model which provides a synthesis of this body of literature is presented in figure 1, followed by a discussion of the concepts shown in the model. For reference and better readability, I have numbered the concepts in the map and in the subsequent text. Furthermore, I have noted in parenthesis which literature contributed to the theory of the concepts.
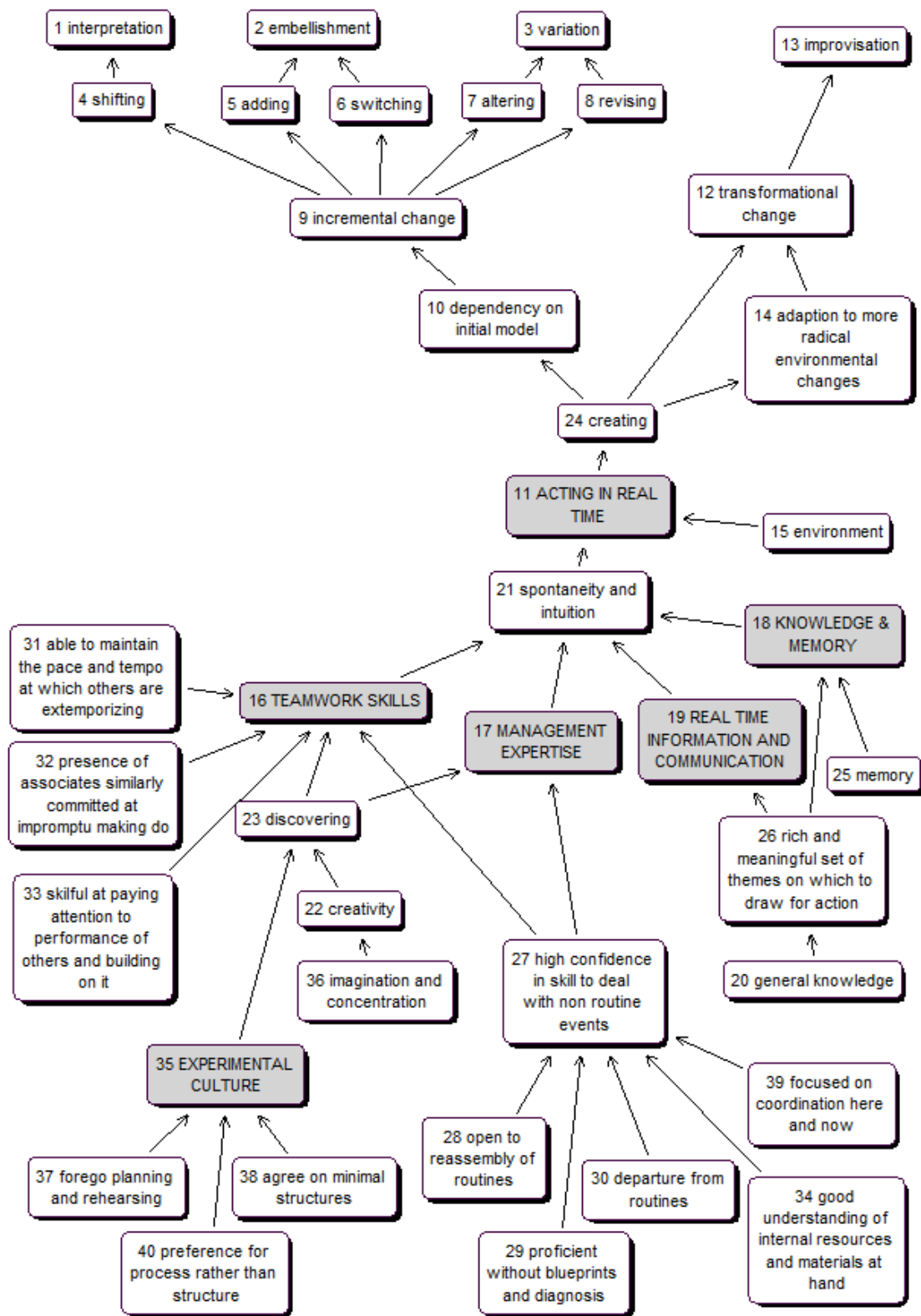
Figure 1: Joint model of improvisational elements (based on Weick and Crossan)

Teamwork (16, Vera and Crossan, 2004)

Underlying teamwork is the urge to discover (23) ways to deal with uncertainty. This urge to discover emerges from creativity (22) and imagination (36) of team members. However, the context has to be supportive too, experimental culture (35) becomes necessary. When acting thinkingly (Weick et al., 2005), in real time (11), spontaneity and intuition (21, Crossan, 1998, Vera and Crossan, 2004) are central and assume high confidence in skills to deal with non-routine events (27, Weick). This is nurtured by an openness to reassembly of and departure from routines (28 & 30, Weick), proficient without blueprint and diagnosis (29, Weick), a well-developed understanding of internal resources and materials at hand (34, Weick) and being focused on coordination here and now (39) and not distracted by memories or anticipation (39, Weick). The team should be able to maintain the pace and tempo at which others are extemporizing (31, Weick). It should show the presence of associates similarly committed to and competent at impromptu making (32, Weick) and be skilful at paying attention to the performance of others and building on it to keep the interaction going (33, Weick). What is valid for teamwork is equally valid for management.

Management expertise (17, Vera and Crossan, 2004)

Managers are a guide for the team. However, managers also are responsible for the creation of an experimental culture (35). A culture which is supportive to improvisational acting in that it is open and allows for creativity (24) is mandatory. Education and 'investment' into team members disperses power over the organization and increases stability, trust, and commitment. If management is not supportive of above points, organizational members will more likely depend on approved models to be safely backed. Again, what is valid for teamwork is also valid for management.

Knowledge & memory (18, Crossan et al. 2004, 2005)

A good general knowledge (20) and memory (25) to draw from seems mandatory to act intuitively, spontaneously (21), and without blueprints (29). Knowledge means to have experience about techniques, processes, and organizations allowing for a 'rich

and meaningful set of themes on which to draw for action' (26, Weick). Memory stores information, it acts as a guideline for action, intuition retrieves from memory. Also, memory allows avoiding future similar mistakes and supports teamwork because organizational knowledge and organizational memory are the summaries of individual knowledge. It should be accessible to all team members at any time.

Information & communication (19, Crossan, 2005)
Organizational members need real-time information to act in an impromptu manner because decisions are based on what they know at that moment. Furthermore, intuition becomes important because it is a summary of individual experience unfolding and influencing the decision. Equally important is immediate communication, information exchange, between team members and within the organization, but also with partners for all organizational members to act improvised. Information and communication are the feedstock of knowledge and memory as well as of good teamwork.

The organizational base is its experimental culture (35, Crossan) which should allow forgoing planning and rehearsing (37, Weick), have a preference for processes rather than structure (40, Weick) and agree on minimal structures (38, Weick). It is important to note that these attributes are equally valid for group leaders and management.

Central to the 'joint model of improvisational elements' (figure 1) is '*acting in real time*' (11) which creates new realities (24). Whether we can talk about improvisation (13) in the sense of Weick or, what we see in the organization as an interpretation (1), variation (2) or embellishment (3), depends on the impact of change for the organization. If change is transformational (12) we talk about improvisation (13). However, if change is based on the existing organizational model (10), we see an interpretation, variation or embellishment, depending on the refined sub-concepts (4-8). Usually, the environment (15) is the source for organizational change, organizational adaptation (14) is a reaction.

However, it is also possible that the organization itself develops a process or a product which becomes transformational in change.

The model shows the basic assumptions leading to the four core concepts (16, 17, 18, 19) which are relevant for *acting in real time* (11) and while doing so *creating (change)* (24) based on *spontaneity and intuition* (21). If change is *transformational* (12), which can be a result of internal and/or external (15) action, Weick talks about *improvisation* (13). However, if created change is based on an *initial model* (10), it qualifies as *interpretation* (1), *embellishment* (2) or *variation* (3), depending on its sub-elements (4-8).

For this research, the external environment has been deliberately excluded because the specific industry sector of specialized packaging was a stable, growing niche market with a handful of operators.

2.5 PILOT PROJECT METHODOLOGY

A "just-in-time strategy" as per Weick (2001) derives out of impromptu organizational action. Overall organizational strategy finally emerges out of those just-in-time strategies (Eden & Ackermann, 1998). Eden & van der Heijden (1995) suggesting different ways of how to detect such an emergent strategy: analysis of documentation, using participant-observer research, working with "pain" and interview and feedback technique. Furthermore, this work is about organizational behaviour for which "…typically, the methods employed […] involve interviews, field observations, case studies, and grounded theory." Floyd and Wooldridge (2000).

Due to actual circumstances, more about which can be found in the 'research setting and data access' section, I decided to conduct individual interviews with the principal employees as well as applying participant-observer technique. The crisis in which the organization was when I arrived would have allowed for 'action research.' I recognized that a future change of action would be necessary.

However, I also realized that there was friction between the employees and the two key figures: the owner and the IT manager. Action research requires to identify and agree on the main problem as well as develop an action plan with organizational members and, during the whole process of acting towards the desired change, observing, gathering data, analysing and reflecting on it whilst ensuring triangulation between the participants through dialogues in order to allow them a better perception of the issue but also to enlighten and empower them (Grundy, 1988; French, 2009). It would have been a strong opportunity to apply action research or Eden & van der Heijden's (1995) method of working with "pain" which has similarities with action research. However, I rated those two techniques as being unrealistic to apply due to the owners reluctance to give employees equal rights.

According to Eden & van der Heijden it is easier during crisis situations to reveal issues employees situations, something my interviews seem to confirm. I chose to conduct extensive individual interviews with three key managers responsible for project management and administration. Eden & van der Heijden talk about iterative cycles to detect different opinions and later incorporate team feedback to align members to shared goals. I was not able to extend my research to the group level. Also, integrating the owner and the IT manager in this round would have been relevant. Yin (2003: 90) sees interviewing key informants as critical for the success of a study because "such persons not only provide […] insights into a matter but also can suggest sources of corroboratory or contrary evidence." However, he also warns not to become overly dependent on a key informant "…especially because of the interpersonal influence" and to consider interviews as verbal reports only "…subject to the common problems of bias, poor recall, and poor or inaccurate articulation." Thus, relying on other sources of evidence is reasonable.

Participant-observer research for me as a new organizational member seemed appropriate as a second data source because even though I was appointed as responsible for the organization, I did not consider myself biased through past experiences within the organization. Of course, this is subjective because what I identified to note down for the descriptive narrative might have been different if

someone else observed the same situation, there is always some bias. Furthermore, the two roles one takes as an employee and a researcher at the same time might not be free of friction. The situation of being new in the business and the organization gave me some degree of independence. I had access to the employees and the premises. I had the competence of changing things, but I also felt that the employees, mainly administrative staff, had high hopes concerning the future of the organization while the owner and the IT manager remained reserved. It was an area of conflict for me, as a member of the organization employed by an owner who imposed his expectations quite subtly and constantly, expecting loyalty, and as a researcher who had to act in a neutral way revealing organizational reality as objectively as possible.

Exploring elements of improvisation assumes a requirement to conduct qualitative research with the goal of receiving answers for practice but also building theory from gathered data. For the pilot project, I used interview and participant-observer research for data collection and I analysed my data through a priori as well as emerging elements.

2.6 DATA COLLECTION AND DATA ANALYSIS

2.6.1 Origin of data

Data came from two sources: interviews and a descriptive narrative. Three in-depth interviews were conducted in April/May 2007, and the descriptive narrative was written during the same period and based on daily notes I took during work.

2.6.2 Interviews

I interviewed three main employees holding key functions in the organization, HP, head of the customer project team, HA, head of administration (and project manager) and PM, project manager. An interview questionnaire was developed with open questions based on improvisational theory as synthesised in figure 1. The complete interview part was divided into three subsections: preparation of the interview including searching for a suitable location to hold it, the interview itself and the subsequent processing of the captured data.

Interview preparation and questions

The interview was open-ended. I chose six main questions to follow my line of inquiry, but at the same time, I tried to keep it open for the interview to develop and emerge as things progressed. Six sets of sub-questions were selected to maintain the discussion along the line or explore areas not touched by the interviewee. Next, a brief introduction to the theoretical concepts behind the respective sets of questions is presented, the questions can be found in appendix A.1.

The first set of questions was formulated to get the conversation going and to understand more about everyday teamwork at SME1. When improvising, members of a team build on their peers to further develop what is going on. Crossan notes that this principle of accepting the offer made by a team member and building on it is the essence of improvising in a group. It differentiates improvisation from the usual way of working with norms and standard operating procedures (Hosking & Morley, 1991; in Furnam, 2005). And yet "to have a common goal [thus] is critical for improvisation" (Crossan, 1998). Kanter (2002) calls it a theme. Vera & Crossan (2005) define "trust among players, a common goal, shared responsibility, a common vocabulary, and the ability both to lead and follow" relevant teamwork skills.

The second set of sub-questions are about information, processes and "interpreting the environment" (Crossan, 1998). She notes that "A principle of improvisation is that the environment will teach you if you let it, rather than trying to control it." However, for Crossan the spontaneous nature of improvisation makes individuals quite uncomfortable "…and taxes more fully the fundamental skills of listening and communication." Also, Weick (1995) observes that "There may be unanticipated opportunities or problems with no routines on which to relay and which in turn may result in a lost opportunity and thus stimulate an improvisational response. In contrast, ambiguity and uncertainty are associated with the notion of shocks." Thus, for Weick "lack of understanding may lead to people acting by learning from interpretations of the improvisations necessary to handle the case." It is why real-time information flow is critical which is defined as "information about a firm's operations or environment for which there is little or no time lag between occurrence

and reporting." (Eisenhardt, 1989; Eisenhardt & Tabrizi, 1995; in Vera & Crossan, 2005).

The next set of questions addresses whether the motivation of members is supported and if there is 'designed participation' in the sense of Eden & Ackermann (1998: 20) when they note "Attending to those accountable and responsible requires the recognition that, for the strategy making to be successful, the approach must address issues relating to power and at least carefully consider the extent of participation." Again, the questions also seek a common theme (Kanter, 2002). In contrast, for Eden & Ackermann (1998) the strategy might be "in the head of managers as they take courses of action in relation to their 'world-taken-for-granted,'" thus acting with an implicit perception of an appropriate direction for the organization and because of that, problem-solving resembles more 'firefighting' on a day to day basis.

The next block of questions deals with management involvement and team and company memory and knowledge. Vera & Crossan (2005; based on Crossan et al. 1999) note that "memory includes declarative and procedural knowledge stored in the systems, structure, strategy, culture, rules, and procedures" at organizational and team level. When improvising "Memory becomes a helpful resource [for team members] because improvisation is frequently the result of the creative recombination of previously successful routines of knowledge and action" (Weick, 1993; Moorman and Miner 1998a; Miner et al. 2001; in Vera & Crossan, 2005).

For Eden & Ackermann (1998) a powerful vision connected to a plausible success for the organization is important in reducing stress for employees: "Without a vision that is attractive to those who have to realize it, management becomes increasingly dependent upon coercion as the basis for organizational change and continued effectiveness." Also, it is important for Eden & Ackermann that members of the organization see the link between their work and their contribution towards the vision because it is "this relationship between thinking and action which provides the necessary basis for individual, group and organizational learning." Something which is mandatory for improvisation if we understand it as "acting thinkingly" in the sense

of Weick et al. (2005). Improvisation is in need of a reference, a theme (Kanter, 2002). For Weick (2001) a general direction, a frame of reference is sufficient, "In the hands of bright, ambitious, confident people who have strong needs to control their destinies, general guidelines are sufficient to sustain and shape improvisation without reducing perceived control."

The last block of questions seeks to find out if members recognize a deliberate vision, a theme, a strategy in the organization which influences behaviour and work and if any of Weick's qualities can be attributed to management.

To round off the interview as well as to give the candidate the opportunity to add something felt necessary, I formulated the last question in an general manner.

As a location for undertaking the interviews, a self-service restaurant some 10 minutes away from the organizational premises proved to be practical, mainly because it was neutral ground and offered enough space to discuss in privacy. To be sure to capture the raw data as it was reported from the interviewee, I decided to tape the sessions with a digital recorder; I asked each interviewee for permission to do so. This setup allowed me to concentrate better on the answers and pick up on important statements but also be ready to formulate any relevant sub-questions.

Interviewing

Each interview took nearly an hour and was performed in a free flow mode. The remote location was positively supporting the sessions because it was in no way related to the company and the issues discussed. I had the impression, that all three candidates felt free and spoke in an open and relaxed manner. I made a brief introduction touching on my study, not too much; I did not want to hint at a specific direction. Then, I informed the candidates that the interview was part of my academic work, that all information would be treated confidential, and that no details would be passed to anyone except to my academic supervisors. No written documents were handed out to the interviewees before, during or after the interview.

I started with some general questions and noticed that the counterpart began to sense what to expect during the next hour or so, the situation was relaxed.

To be sure that the tape was running, I kept an eye on the recorder in a very inconspicuous way not to steer attention away from the talking. Even such a small thing proved to be difficult when, at the same time, one has to be fully concentrating on what is being said, one has to follow up and jump to the next question. I stopped the digital recorder after around half an hour and restarted it to generate two files not to produce too large voice files. After that short interruption, it was not easy to resume the talk where we had stopped.

Yin (2003) states "… this means that throughout the interview process, you have two jobs: (a) to follow your own line of inquiry, as reflected by your protocol, and (b) to ask your actual (conversational) questions in an unbiased manner…" After the first interview, I was confident about the process because I learned which questions triggered more explanation from the candidates. I also noticed that I started to change the way I asked questions.

After processing of interview data

Immediately after each interview, I transferred the content of the voice recorder to the Personal Computer. After the last interview had been taped, I started to transcribe the data. Transcribing was the most underrated action in the complete process. Only when I began to listen to the tape and at the same time typing the transcript, rewinding, typing, rewinding, I realized how time-consuming this step is, and I agree with Yin (2003, p.92) that the process "takes enormous time and energy." After the first transcription was done, I translated the complete text into English, again a very time-consuming task, especially if one aims of exactly preserve the meaning of the original statement. However, transcribing is a process which is "… neither neutral nor value-free.. transcriptions are, quite unequivocally, interpretations." (Arksey and Knight, 1999; in Henn, 2006).

Unfortunately, when I wanted to transcribe the first half of the third interview, I realized, that the voice data was corrupt and could not be played back. Therefore, I had to ask for a second interview with one interviewee who was prepared to repeat the interview without any hesitation. I realized that the second time the interviewee was more direct in accusing others in the organization, he articulated his standpoint much clearer. I assumed that the reason for his behaviour was that he had handed in his notice in the meantime and felt much more free to speak. From the behaviour of the interviewee one might conclude that there could be issues around the validity of the other two interviews. However, the outcome of all three interviews was very similar (see appendix A.2).

2.6.3 Data analysis

"Data analysis consists of examining, categorizing, tabulating, testing, or otherwise recombining both quantitative and qualitative evidence to address the initial propositions of a study" (Yin 2003). My data from the interview transcripts consisted of 24 A4-pages, each interview contained between 7,000 to 8,000 words, and the descriptive narrative which counted 4 A4-pages of notes or 1,550 words. I went through the 28 pages of raw data to detect statements, sentences and fragments which I positively identified to match one of the four a priori concepts of my theoretical model (see figure 1): *teamwork skills*, *management expertise*, *knowledge & memory* and *real-time information & communication*. Strauss & Corbin (1998) call this disaggregation of data into chunks, with the aim of conceptualizing and aggregating data back in new ways, open coding and define it as the central process by which theories are developed from data. They name three main sources to derive names for the concepts (a) utilize terms that emerge from the data (b) terms used by participants or (c) terms used in existing theory and literature. I used names from theory for the concepts, but I remained open to emerging concepts from my raw data. While analysing the data, I added three additional concepts to the model: *customer perspective*, *supportive systems*, and *general*.

The coding process proved that assigning data to concepts is not without its difficulties and raises questions of consistency. The lens through which the

researcher looks at his research, research design, data gathered, which and how much data, but also time influences validity and replicability of the work and defines its rigidity. When crafting the concepts from emergent data, I realized that selecting such concepts as well as assigning data to them are tasks which can't be fully replicated either without at least some degrees of variation if done so by other researchers. The process of coding is liable to the interpretation of data and "…cannot be regarded independently of their collection or the sampling of the material" (Flick, 2006). Thus, Flick suggests taking notes during the coding process. Furthermore, assigning data directly to theory concepts might be difficult because such chosen concepts can be too abstract. In this case emerging terms (see above) might be an alternative which leads to more abstract concepts in the next step of axial coding in which relationships between resulting categories are identified, subcategories established and hierarchically arranged to investigate a phenomenon. By formulating questions and testing them like a hypothesis against the raw data "…the researcher moves back and forth between inductive […] and deductive thinking" (Flick, 2006) searching for further evidence.

2.6.3.1 Interview analysis

I analyzed the transcripts of the interviews and identified data chunks which I was able to assign directly to the a priori concepts. During the analysis, I added three emerging concepts: *customer perspective*, *supportive systems*, and *general*. In nearly every case the data was a negative or positive statement. Therefore, I subdivided the results table into negative, positive and neutral values. Interestingly, each interviewee assessed the situation very similarly, the distribution of the data assigned to the concepts was nearly identical. An overview of the concept assignments from interview data can be found in appendix A.2. Out of a total of 466 assignments 392 were negative ratings, corresponding to 84%. However, the interviewees appraised the situation considerably more negatively than observed in my notes (which scored 57% negative). 48% of the concepts were assigned to *management expertise*, 17% to *teamwork*, 13% to *information & communication*, 9% to *general*, 8% to *knowledge & memory*, 5% concerned *customer perspective* and 1% *supporting systems*.

Managerial expertise

All interviewees rated managerial expertise as lacking and blamed the management for not being up to their position. Furthermore, management was seen to apply finger pointing when problems arose. Employees experienced an 'upper' and 'lower' class within the organization; management were seen to play power games. Employees did not feel supported; rather they felt left 'out in the rain' to solve issues by themselves (see appendix A.3 for an extract of managerial expertise concepts).

Management was seen as not being open towards staff; they did not seem to want to empower their employees rather, if people mad a mistake, sometimes they were not talked to for weeks. The impression arose that management just looked for itself and was not interested in communication and exchange with employees. Everything seemed to follow a direction deliberately wanted by the management which was seen as their old way of doing things as they had always been done. If employees changed parts of processes, management defined it as wrong. Management deliberately did not want a structure; they seemed to leave the field to the employees and observe if staff acted as they expect. Furthermore, management did not appear to care about an organizational culture at all. 'Culture' in the organization was based on mistrust and interpersonal relations. The interviewees made some interesting remarks: "They [management] manage to work that way because people do things for years," "Everyone seems to make the best out of what he or she is doing, "It is rewarding to survive in this "non-structure" if you can translate into actions" and "If there is a strategy which supports acting in an opportunistic way, I can live." However, also, that management usually starts to put on pressure quite early in a project and that sometimes there is immense time pressure mainly because work is badly divided and processes not formalized. Management applies a basic principle "Everything that comes in today, leaves the production today." This generates additional pressure on the employees.

Teamwork

Every member worked individually on his or her projects and tried to find the best solution for the situation he or she found him- or herself in. All interviewees clearly

stated that there is potential to more efficient and effective working. Spirit amongst the employees seemed to be good, and they helped each other out. The situation was difficult for everyone, and therefore they might help each other additionally.

Information & communication

The rating for information & communication is very negative (89%). Information was seen to be very scarce in the organization, especially up and down the hierarchy. Employees seemed to long for information and would be ready to exchange it. Instead, they seemed to be left to their own judgement of what to do next and whom to ask. Also, feedback from management was seen as virtually non-existent which alienated employees additionally.

General

The key employees saw a lot of potential to do things more effectively and efficiently in the organization but they blamed the management for moving or rearranging patterns consistently and without a clear direction which would allow employees to understand and follow.

Knowledge & memory

Rating for this criteria also is quite negative. There was seen to be no, or only little, know-how available to the employees in the organization. Everyday reality drove the process, even if repeated over and over again. Management did not care about it; they seemed to miss the point of managing processes and recognizing the value of building knowledge for the organization. Furthermore, the interviewees suspected that management 'is not up to their job' to take responsibility for the development of the company but rather, they seem to fear to lose influence. For an extract of knowledge & memory expertise concepts, see appendix A.4.

Customer perspective

It is interesting that customer perspective received positive mentions. Clients of the organization seemed to be able to hand over nearly everything to their assigned project manager and furthermore they could address whatever they wanted. Also,

customers appeared to be aware of the difficult situation in the organization and might have been capitalizing on it.

2.6.3.2 Descriptive narrative analysis

For the descriptive narrative, I observed the organization during April 2007. I took field notes from everyday situations which I found to be relevant for this work. The data was analysed in the same way as the interview data (for an overview, see appendix A.5). I assigned 58 statements to the concepts of which 57% were negative, 24% positive and 19% neutral. Most of the concepts concerned management expertise (41%) followed by information & communication (24%) and teamwork (16%).

Managerial expertise

Two-thirds of the concepts were negative. The skills of the owner and his wife were questioned, they appeared to lack skills in different required fields. Both had a way of answering back to issues in an unpredictable but definitive manner. This weakened the position of the employees who were not expected to argue. Often their expertise was based on short notice thinking and acting and not respecting what had been agreed to earlier; they seemed to change their opinion often. Also, what the owner said was very often contrary to what his wife said and for the staff it remained unclear what to do without risking further problems from one or the other of them. Furthermore, the owner did not want to communicate directly with the employees; he preferred to do it via the IT manager. The IT manager more than once stated that the owner would change every organizational chart within days. He was not planning ahead, and it was unclear, when he was going to be in the office and when he left the office. Therefore before he left, there was a hectic situation because employees needed information from him to execute their jobs. The IT manager seemed to be well aware that he was managing the everyday business and that nothing would work without him.

Teamwork

I found that 90% was rated negative or neutral. Welcoming new employees was not a strong part of the company, computers had to be installed by the new employee and office furniture organized to be able to start working. The owner also didn't seem to put much effort into strengthening teamwork, for example, he did not want the sales executive being in the operational offices – a requirement which no one understood. He also only talked to employees in a one to one relationship, usually calling someone into his office. Furthermore, the owner apparently was choosing meeting attendees at random and changing participants from meeting to meeting. An act that was incomprehensible for the employees, especially when in their eyes they should have been participating because their project was also discussed in the meeting. This weakened their confidence and trust.

Information & communication

Two-thirds of the concepts were rated negatively. The owner was not a strong communicator; he pushed through his agenda in the way he thought was appropriate and without communicating it. He very seldom considered inputs from others which generated bad feelings with the employees. The owner communicated organizational issues by word-of-mouth only which left employees often unaware of organizational matters. The IT manager took liberties by disregarding duty rosters and informing members of the organization about his own absences at very short notice. Information exchange between sales and operations was lacking, the sales executive had his laptop with his own software and was not connected to the organizational network. Front office answered all external calls and noted the time and the caller and company into a diary. The owner continuously checked this diary and if he sensed something unusual he asked very general questions to find out if someone would tell him the story he wanted to hear based on who called. Positive attributes related to the changes I had introduced when I was appointed new commercial CEO. I credited this to the fact that I was new in the organization and open to exchange. Also, I had introduced the first organogram in the company, something employees seemed to be longing for. Statements in the interviews were confirmative of this.

Knowledge & memory

Before the IT manager joined the company, the owner seemed to have a clear view and way of doing things. After the IT manager had taken charge, the owner involved less. For the employees, a clear statement was that it seemed to be better to build their own sense of purpose in the organization and build on their knowledge and experience which they gathered from the projects. If there was an issue with a project and the owner was not satisfied with the manner in which the issue was being managed he would reassign the project to someone else rather than instructing the affected project manager. Thus, employees only reluctantly took over projects from colleagues away on leave or reported ill because the gained knowledge would give management an argument form reassigning projects. Employees did not want to take further responsibility because they feared punishment, rather they tried to cope with the situation of scarce information, interpret it and do act in anticipation of what the owner or management expected in the best possible way. The organization was unpredictable for its members; they did not trust it.

Customer perspective

Customers seemed to value the technology, the material and the flexibility of the employees. However, that perspective did not appear to play a major role in the company itself. When quotes had to be made employees did not receive from the wife of the owner needed finance figures for days. It appeared that project managers had to fight for customer requests within the own organization.

In the new *general* category, I assigned the note that the owner and president of the executive board was the founder of the company. He was strongly tied to what he once started and developed over time and his belief, as well as his influence, remained omnipresent after nominating commercially and technically responsible staff. The owner saw things his way without caring about other opinions he did not see any additional value in listening to his employees and expressed low respect for them. He often used pressure to enforce a decision from the project managers. Even though in his perception he exactly knew how the decision had to look like, he did not express it. If the project managers decided differently, he blamed them.

This scared the employees and left them focusing their energy on trying not to get discuss matters with him. The owner's decisions are based on his expertise and experience with the one exception, the IT responsibilities. The reason why the IT manager had a voice was that neither the owner nor his wife understood the IT processes of the business, the owner's expertise derived from the mechanical world.

The criteria *supporting systems* revealed a dependency on IT when employees improvise under time pressure. IT became an obstacle and a bottleneck to master for them because they needed someone to tell them how to operate the system, or they did not have access to it, or the system had changed in the meantime.

Overall, the organization was rigid; it did not particularly value exchange and learning. Management held on to their old 'recipes' and established practices. A shared understanding was missing, rather, employees were punished when thinking outside of what management expected. The owner, his wife and the IT manager played their power off against the employees. This was unfortunate because there were positive points to build on such as a good customer base and supportive employees who were prepared to respond to their clients needs. Also, staff valued exchange and development.

2.7 DISCUSSION

2.7.1 Findings from the pilot project

What attracts immediate attention are the high negative ratings from the interviews but also from the descriptive narrative. In each case over 40% of the concepts concerned management behaviour and expertise and between 30% to 40% claimed issues in teamwork as well as information & communication. It sheds an ambivalent light on the role of management.

The reason for researching this organization was that it was facing a difficult situation and that a lot seemed 'improvised' every day. The analysis speaks a clear language; the main culprit for that situation appears to be management. The employees managed project by project matching Kanter's (2002) statement that improvisation is just chaos and messiness unless a clear theme drives it. For the employees at SME1, their projects grounded in their customers' requests are their theme. They managed the projects with their know-how of the organization, assembled over time and constantly amended in the course of everyday action. Several prescriptions for improvising organizations (see figure 1) seem to match: *processes matter more than structure* (40), in fact, there is no structure known to the employees. However, there is a focus on *coordination here and now* (39) and project managers are *proficient without blueprints and diagnoses* (29). Looking at the organization superficially it looks flexible and adaptive.

However, the know-how employees gained was not further spread or exchanged in the organization, it remained 'isolated' and did not unfold into the team and the organization as such. There was only sporadic teamwork. However, without effective teamwork, no common understanding evolved between team members, the verbal exchange was also scarce. These issues directly threaten the three core concepts *teamwork* (16), *knowledge & memory* (18) and *information & communication* (19).

The company appeared to be 'steered' by the *politics* of three management members. The employees challenged the management capabilities of the owner and his wife

while the two delegated management to the IT manger. "It matters that key actors in organizations have a driving energy and wish to manage and control their future" (Eden & Ackermann, 1998). However, the IT manager did not care about strategy; he was interested in keeping his own 'cultural web of routines, rituals, structure and power alive' (Johnson and Scholes, 1993; in Eden & Ackermann, 1998) through playing employees off against the owner where he found this to be appropriate. Furthermore, information and communication within the organization was scarce which likewise played into the hands of the IT manager. He knows and capitalizes on it, for example when project managers have to ask him even for something trivial like a cost price for envelopes when they calculate offers for customers. Because he often is out of the office on short notice, employees have to call him every time. Something, he does not complain about, rather he seems to wallow in this situation.

The owner and his wife seemed unable to cope – "What they can do is what they know" (Bower & Gilbert, 2005). However, this directly affects the fourth concept, *management expertise* (17). Eden & Ackermann (1998: 7) state "While the chief executive may be described as a 'man (or a woman) of vision', the vision will often not be articulated, but rather detected through their style and the pattern of entrepreneurial steps taken. In some ways, this is the epitome of an emergent strategy. Patterns can be detected, but only just, opportunism rules, and 'muddling through with success' could be an appropriate description of the organization." This description resembles the actual situation I encountered at SME1 when I arrived.

When I was hired as the new CEO, it was an opportunity for the owner and his organization to change. The owner committed to receding from the operational business at the time of the takeover. This seemed a logical step, however, a step he did not take. It was *his* organization which he had directed over many years, and when hiring the IT manager for a part which neither he nor his wife understood, the IT manager was able to cultivate his niche in the organization into which the owner, knowing full well, did not interfere. The IT manager reinforced this situation when behaving opportunistic in all discussions and decisions which didn't cover his

territory. Still, the owner addressed issues over the IT manager because he did not like to talk about organizational matters directly to his employees. In the position of the commercial director at SME1, I became aware of this problem and raised the issue with the owner[2]. He was not completely satisfied with the situation either, but he needed the IT manager who had the technical expertise and who had extended his influence over the past years.

It was different with a new CEO taking over responsibility *from* the owner for the entire staff and organization. After two months and in agreement with the executive board which consisted of the proprietor and his wife, I introduced an organizational chart and started to define formal processes. Soon after publication, the owner began to criticise the chart and wanted to change it. Eden & Ackermann note, that "to insist that such an organization should have a well-defined strategy may kill strategic success – as long as the chief executive remains in post." The CEO here is the owner who might have started to fear to lose his influence thus he continued to constantly destabilize the organization and forcing it to his own intended and deliberate direction; this is a matter of power. The available organizational potential was not exploited, instead, for the employees, it remained a narrow band of "delivering of what they want." The power could not disperse among employees, and their commitment was not received (Eden & Ackermann, 1998). Improvisation is delicate in the face of power.

Management has to be criticized on their lacking ability to develop a vision or a mission for organizational members to strive for, something "that's positive for them, that taps important values, that gets them something they desire, and it has to be presented in a compelling way that they feel inspired to follow" (Martin Luther King, Jr. in Eden & Ackermann, 1998). However, what we detect in the organization are artifacts, Weick's (1998) ornaments of interpretation, embellishment, and variations of how employees handle their projects because they lack information and remain restricted regarding trying to "please' management in their unexpressed thinking. It raises the question of bad management and improvisation and how the two can be

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[2] Personal talk with the owner on 15th of October 2006

differentiated. When staff at SME1 act, they have *developed skills to deal with non-routine events* (27), they are *open to reassemble routines* (28), for example when they adapt their processes because there is an IT bottleneck. They are *proficient without blueprints and diagnosis* (29), very little is available in written, learning is done on the job. These are strong indications of improvisation, however, not in the sense of Weick. Employees are un-deliberately *forced* to their improvisational behaviour by management who does not recognize the own lack of commitment to a cooperation and the responsibility they bear in making the own environment "as sensible and orderly" as they possibly can (Weick, 1995; in Schein, 2010). Rather, the owner constantly tries to impose his culture on the organization. Schein (2010) notes "that culture and leadership are two sides of the same coin in that leaders first start the process of culture creation when they create groups and organizations." However, management signals mistrust and un-verbally communicates distance. Furthermore, management is not aware or does not care about their role model when they act or react haphazardly. Employees have to prove themselves in their daily work while management observes their action. Data from my pilot research shows that many critiques from the employees centred around management information and communication capabilities and the owners behaviour towards their employees. Management was accused of not being on top of their job. Thus, employees expressed a lack of trust towards them; they did not feel even-handed. Schein (2010) suggests that "if elements of a culture become dysfunctional, it is the unique function of leadership to perceive the functional and dysfunctional elements of the existing culture and to manage cultural evolution and change in such a way that the group can survive in a changing environment."

This challenging situation might have developed over time with the owner losing faith in his organization because he was not able to find 'good staff.' On more than one occasion he mentioned that he seemed out of luck in hiring excellent staff. However, the problem was that he did not realize the importance of trust. The organization was a place of mistrust directly fostering staff turnover. Trust is the basis for a common belief system, but management had not invested into an engaged exchange with its project managers and its employees in the production facility to

build and maintain such a belief system. Employees remained 'firefighters' depending on the will of the owner. Schein (2010) finds clear words "The bottom line for leaders is that if they do not become conscious of the cultures in which they are embedded, those cultures will manage them. Cultural understanding is desirable for all of us, but it is essential to leaders if they are to lead." Schein talks about leaders and leadership; my research uncovers managers 'controlling or administering an organization or group of staff' (Oxford dictionaries).

Searching for further evidence in Weick's prescriptions, indications emerge of where the organization is weak: *experimental culture* (35), *good understanding of internal resources* (34), *high confidence in skill to deal with non- routine events* (27), *agree on minimal structures* (36), *discovering* (23), *creating* (24), *creativity* (22). However, these concepts need to be evident, and *all* have to commit. Only management conviction for an experimental culture allows for improvisation to unfold because it implies stability and provides meaning and predictability to the group (Schein, 2010).

Before discussing the implications for practice and theory form this pilot project it is important to emphasise that this research was a *pilot project* that was designed to permit an initial exploration of concepts from the literature (figure 1). The conclusions identified in the next two sections must, therefore, be seen as highly tentative (see section 2.7.4).

2.7.2 Implications for practice
At SME1, management followed a path of opportunistic behaviour and tactical decision making based on emergent operational inputs, daily arising issues and opportunities, customer requests and financial abilities mixed with a situational approach to complexity reduction "…where important and relevant aspects of a situation are ignored or not appreciated." (Eden & Ackermann, 1998). Furthermore, "there is a strong tendency for 'the urgent to drive out the important'" (Isenberg, 1987). In this sense strategy at SME1 evolved from the everyday emergent action. In the niche in which the company operated, it might be affordable for SME1 to act in this way because financially the organization was successful. However, is this the

only measure? What about employee satisfaction, staff turnover, expertise, teamwork, and reputation? It cannot be a long-term vision, because it carries destructive elements, lacks commitment from the workforce and does not substantiate the company with the needed stability to grow further. Management behaviour was ineffective. Management has to take an active role in the process of building trust and developing a common belief system. This was a problem at SME1 with the owner leading the company and trying to remain in control which raised the question of how to implement an experimental culture in a small SME organization. Finally, the owner had to be persuaded about the advantages. However, the outsourcing industry is dominated by SMEs with a smaller workforce and it is centred around the provision of services emphasizing processes. This is a good starting position. Interviewees have pointed out their connection to customers; these contacts might be further exploited and extended *into* the organization over time. It could be done through a more extensive exchange between customers and management, involving the project managers. Furthermore, the company could appoint a manager for the production part, which has no voice today. The CEO, the IT and the production managers would form the management team with the goal of a better representation and balance between the organizational units, within management and towards the owner. The new management would have to create an organizational atmosphere of trust for the company culture to develop.

2.7.3 Implications for theory

Weick (1998) summarizes characteristics for organizational groups "with a high capability for improvisation" which I used in my synthesised model of improvisational elements (figure 1, see the methodology chapter). Weick's differentiation "on a continuum from 'interpretation', through 'embellishment' and 'variation' ending in 'improvisation'" (Lee Konitz cited in Berliner 1994; in Weick, 1998) which "…mirrors the spectrum from incremental to transformational change" and thus "…becomes less common in organizations than we anticipated" might be a very refined way of approaching and understanding improvisation but, at the same time it is hard to operationalize. When is a change transformational for an organization and does this matter for the impromptu act? How can the different states

be measured? Does this matter for the impromptu act? Is not the very moment of acting without a plan improvisation, irrespective of what the result is? Weick later described improvisation as a "just-in-time strategy" (Weick, 2001) and improvising as "acting thinkingly" (Weick et al., 2005). In this pilot research, I became aware of the fact that interpretation, embellishment, and variation seem to be a margin at the discretion of the acting employee and depending on the hierarchical exchange. These characteristics can very well be attributed to an emerging organization in which things "are taken for granted" in the sense of Eden & Ackermann (1998). Even though improvisation shares the same inductive and emergent qualities, it relies on a different 'desirable driven' belief system *deliberately* allocating risk taking and responsibility for the outcome to the impromptu acting protagonists. Thus, for theory, it seems only reasonable to research improvisation regarding such an encouraging belief system within which understanding the role of leadership is significant. More about these concepts can be found in the literature review chapter.

2.7.4 Reliability of research data and outcomes

I was employed by the owner of the company in fall of 2006 in order to take over the commercial responsibility of the organization. Some years earlier, the owner engaged the IT manager who became a key person within the organization. Before I was definitively employed, the owner together with the IT manager met with me to discuss the future organizational setup. In this meeting my role as commercial director was defined and, after discussing some options, it was agreed, that all employees would report to me. This particular point was a request from both the owner and the IT manager. When I started working at SME1, the administration staff consisted of the head of administration and two administrative staff as well as the head of customer projects and two additional project managers. These staff reported to me. Furthermore, the wife of the owner, with a part time person, took care of the company's finance and the IT manager was accountable for IT matters and at the same time looked after the key customers of the company.

The head of administration had started working for the company some months before I came and the head of customer projects started about the same time as I did. The

two senior project managers had been working for the company for several years. I chose to interview the head of administration as well as the head of customer projects and a senior project manager. The reason for this was that all the three were reporting to me, two of them had managerial functions but were quite new, and one had organizational experience. Furthermore, they represented the company interface between customers and the production part. I had no other relationship with the interviewees. I planned to extend my interviews to the IT manager and the owner to finally gather insights from all key persons. However, because the relation between me and the owner started to get worse over time, it did not make sense to still conduct the interviews.

This situation might suggest a potential weakness to my pilot project data in that it is unilateral. Nevertheless, for the research on improvisation, there are important tentative conclusions I was able to draw and which led me to formulate my experimental perception of improvisational strategizing, see the next section.

2.8 IMPACT OF THE PILOT ON THE MAIN RESEARCH PROJECT

Going through the findings and reviewing the concepts, I detected three relevant insights that should influence the main research project:

First, two interesting quotations from the interviews hint at a model that management unknowingly seems to rely on. While management believed that it steered the organization by applying pressure and criticize the way employees handle a situation, "They [management] manage to work that way because people do things for years." Project managers mention that they have good relations with their clients, listen to their wishes and undertake efforts to realize them. They tried to implement solutions for them within the organization where they encountered constraints from management. A second statement seems to support this evidence: "It is rewarding to survive in this 'non-structure' if you can translate into actions," "When people act, they absorb uncertainty; they rearrange things" (Weick, 2001). Because there is no organizational frame, employees are forced to rely on their know-how and break

through constraints they meet to get customer requests solved. Their "acting thinkingly" (Weick et al., 2005) is for their clients as well as the organization, and it absorbs their uncertainty. Over time the strategy emerges because the rearrangements of everyday action move the organization towards its future.

This improvisational behaviour might be found in organizations dealing with what Weick calls "radical environmental changes." In this case, the instability comes mainly from within the organization itself. However, to improvise against their own organization was demoralizing over time, and led to exhausted employees and high staff turnover. Management did not seem to be aware of or did not care about this negative cycle. However, what, if management positively supported this scenario? This idea led me to formulate an experimental perception about improvisation in organizations which I called 'improvisational strategizing.' From an initial position of a "just-in-time strategy" deriving out of impromptu organizational action, as suggested by Weick (2001), an overall organizational strategy emerges over time in a constant process in the sense of Eden & Ackermann (1998). Eden & Ackermann call this emergent strategizing (abbreviated: ES):

> "Organizations deliberately using emergent strategizing (ES), while relying on the use of improvisation as an adaptive tool to address environmental changes, can 'steer' the organization by adding short-term 'top down' objectives. An integration of improvisation into ES has the potential to rapidly and flexibly align the company to new external and internal necessities while it empowers the own workforce."

For improvisational strategizing to work, "Organizational culture becomes influential […] because it affects what people expect will be orderly" (Weick, 2001). It is especially important in an improvisational environment because such an environment foregoes structure in favour of processes. Thus, the second relevant point for the main project is the role of organizational culture. Organizations *are* cultures, rather than *have* cultures, thus those at the top are equally subject to premise control (Meek, 1988; in Weick, 2001: 78).

For management this implies a) an ultimate responsibility to provide an environment which is supportive to improvisational strategizing and b) management must be part of it. Therefore, my further research has to consider organizational context.

The third insight is that three new concepts emerged from data analysis out of which two seem to matter: 'customer perspective' and 'supporting systems.' Customer perspective was mentioned by the interviewees several times as their principal motive, a position Kanter (2002) confirms when she states that improvisation has to be driven by a clear theme otherwise it might just be chaos and messiness. Customer perspective has been discussed above. Another concept is 'supporting systems' which did not manifest itself clearly yet but still seems of importance. When acting, employees touched on issues with systems, either they turned out as bottlenecks or obstructions hindering them in their performance. It raises the question of what role IT systems play within an improvising environment.

I changed employment during this study. Based on the gained insights of the pilot project, for the main research work, I investigated improvisational strategizing aspects within two additional and very different organizations.

2.9 SUMMARY

This chapter covered the pilot project which focused on elements of improvisation and emergent strategizing at an SME organization. Data came from interviewing key staff and from participant-observer research, the analysis was conducted through a priori and emerging concepts according to theory from Strauss & Corbin (1998).

The results of the pilot project mainly sketched a negative picture of SME1 management. Nevertheless, the findings were thought-provoking and significant for my research in several ways.

First, the results of this research led me to articulate an experimental perception about improvisation and emergent strategy because the two concepts seem to match

very well. Organizations could deliberately operationalize their entrepreneurial ideas by empowering their employees in an "acting thinkingly" manner (Weick et al., 2005) within an emergent strategizing organizational setting and thus leverage their ability of strategic alignment to the environment.

Second, improvisation can only actually unfold within a supportive corporate culture. Weick (1998) as well as Vera and Crossan (2004) and Crossan (2005) articulate prescriptions for adapting and improvising organizations, see the theoretical concepts section in this chapter. Even though employees followed a clear theme being their customers' requests (Kanter, 2002), most of the other concepts did not apply to SME1, due to a missing common understanding between staff and management. Thus, when researching improvisation, organizational context and the roles of management vs. leadership become key.

Third, I discovered new emerging concepts from the data. IT systems (or specialist support) may play a relevant role in improvising environments. Something which will be considered for my further research.

The main project explores two different organizations which are compared and contrasted to find out more about the mechanics of a successful improvising organization. Before researching the organizations, the literature review in which I elaborate in more detail on the experimental, theoretical framework follows.

Chapter 3: Literature Review

"If the future is uncertain, best learn to improvise.
Find out how by looking at how actors and jazz musicians do it."

(Crossan et al., 1996)

3.1 INTRODUCTION AND OVERVIEW ON LITERATURE

During data analysis for the pilot project I made an interesting observation, SME1 was not operating under the expected improvisational strategy with the potential to change the direction of the organization but instead improvisation seemed to be a tool employees used to adapt to the changing and unpredictable decisions coming from the top. The two stakeholders appeared to have an implicit understanding where the company might move, or they changed their implicit opinion, whereas the rest of the organization was not aware of a deliberate, communicated strategy. The employees knew what they had to do based on experience and 'how things were done' and they adopted their behaviour when, suddenly, explicitly communicated expectations from the two stakeholders did not match with what they understood to be right. Because of that, situations very often resembled 'firefighting.' However, the organization was nevertheless applying an emergent strategizing scenario.

The research showed, that improvisation and emergent strategizing work together. Both concepts are grounded in and rely on organizational culture. Improvisation is a cognitive tool a member of the organization applies to create immediate new realities, now this behaviour especially would make sense within an environment allowing to point the whole organization to an appropriate path, non-deliberately or deliberately, by influencing management. While improvisation can unleash creative potential in members of the organization, it becomes a powerful tool for adapting the organization to new emerging opportunities. However, what does the literature say about improvisation, and what is needed from an organization to make improvisation work in the above sense?

The first part of this chapter reviews available improvisation literature; it discusses where the cognitive concept comes from and how it was tried to transfer it in a socially acceptable way to organizational sciences by using metaphors. This part further discusses purely positivist approaches to measuring improvisation and its rather thin outcomes. It vouches for a social construction approach to understanding the potential of the concept. Several studies are touched upon to show that researchers started to acknowledge the influence improvisation exerts on acting, learning and empowerment as well as management and that it was indeed able to change behaviour in teams and organizations.

The second part reviews the literature about emergent strategizing and in doing so aims at finding the right 'organizational environment' for improvisation to prosper. It shows that emergent strategizing is heavily dependent on organizational culture and so is improvising, both grounded in it. It is further discussed how such a construct might work. The researcher argues that improvisation in a *deliberate* emergent strategizing environment can evolve into the highest use for organizations.

The third part is about sensemaking. Sensemaking is the feedstock of improvisation. Only when we know that when improvising people make sense of the situation by applying a framework of reference, we come to realize how important culture is and what role the environment, such as leadership, the group, and technology play. These concepts are developed during the discussion of sensemaking, and the mechanism of sensemaking is briefly explained, mainly by examining theory from Weick, Crossan and Schein but also from others.

The fourth part then *synthesizes the literature on the concept of improvisation* and emergent strategizing grounded in culture and sensemaking. A 'joint model' (a significant development of figure 1) is presented and the concepts for researching the data are briefly discussed.

The fifth and last part of the literature review chapter presents some additional concepts which might play a relevant role when talking about improvisation like

bricolage, the theory of small wins, loosely coupled systems theory and institutionalization.

This review further aims to show that no particular author explicitly connects improvisation with deliberate emergent strategizing as well as with sensemaking in organizations the way it is suggested here.

3.2 IMPROVISATION

"I might assemble two or three people who I know have a particular specialism in an area… you just get on the phone and make something happen informally, which fits with the idea of improvisation for me."
(Senior Manager within BigBank, Leybourne, 2006)

The concept of improvisation dates back as far as to the 1920's, with Follett's "Creative Experience" (M. P. Follett, 1924) and Whitehead's book called "Process and Reality" (A. N. Whitehead, 1929) but until the 1950's not many papers addressed this particular phenomenon. In the 1960's and 70's the notion of improvisation started to receive more attention and interest from researchers and by the early 1980's improvisation found its way mainly into the behavioural sciences. From there it further emerged into organizational and management research.

Researchers understand improvisation in different ways depending on their perspectives and field of work. Improvisation has been understood through the lenses of sociology, psychology, organizational learning (Crossan & Sorrenti, 1997; Miner et al., 2001; Vendelo, 2009), memory (Moorman & Miner, 1998), innovation (Moorman & Miner, 1998b; Kamoche & Cunha, 2001; Kyriakopoulos, 2011), marketing (Slotegraaf & Dickson, 2004), project management (Leybourne & Sadler 2006; Leybourne, 2009), technology (Weick, 1995), structure (Weick, 1995, 2001), strategic management (Floyd & Wooldridge, 2000) and more. I will discuss some of the relevant work for organization and management next. However, the problem with improvisation is that applying a 'fixed lens' for researching it in an organizational

environment might often not lead to a satisfactory result. Only when we use a 'zoom lens' at its widest position do we become aware that successful improvisation is a process arising from collective sensemaking incorporating cues from everyday organizational action and interaction which in the very act of improvising then generates an output. This output is a socially constructed product grounded in a mutually crafted understanding; it derives straight from meaning. "A socially constructed world is a stable world" (Weick, 1995: 154). This is what organizations in uncertainty look for because it allows them to understand what is happening. I understand this as the core part of the improvisational concept, once understood, it makes it possible to use improvisation as a powerful tool and take organizational advantage out of it. Improvisation is about context and context is grounded in culture.

Unfortunately, improvisation is still very often misunderstood, and thus the concept does not receive much support in organizations, this is surprising in a time of higher instability of markets. When talking about improvisation with managers, I very often heard arguments like "We better have a plan" or "It does not work without proper planning." Managers still mainly understand strategy as a prescriptive, a priori process, maybe because they feel in control when making plans. Or, as Cunha et al. (2014) note "From this [rational] perspective, allowing improvisation is a sign of things not being managed properly." Unfortunately, in doing so, managers often forgo real opportunities for their business because there is *this* plan to adhere to and incentives coupled to it. Viewed in hindsight, the result from that plan is often not what was intended in the first place. This probably could have been avoided by applying a more flexible technique, by improvising within an emergent strategizing environment. However, as Cunha et al. (2014) point out, the reason for managerial aversion might be that "By definition, specific acts of improvisation cannot be predicted: they are always potentially politically risky, as they do not conform to dominant logics, industry recipes and strong binding cultural constraints."

Because improvisation can influence strategy it is powerful. Thus, we will revert to this critical discussion. However, for now, let's keep in mind the above thoughts and look at what the literature says about improvisation and how it defines it.

3.2.1 The behaviour scientist's view

Before improvisation found its way into the management literature, it was described and defined in behavioural sciences (sociology and psychology) already some years earlier, mainly in the first part of the 1980's. Powers (1981: 289; in Cunha et al. 1999) saw it as "the extent to which [meaning is] invented by the people immediately involved in a relationship." For Sharron (1983: 224; in Cunha et al., 1999), it was an "immediate and spontaneous … process of creation" and Erickson (1982: 161-166; in Cunha et al., 1999) saw a "… strategically adaptive action," "… making new kinds of sense together in adapting to the fortuitous circumstances of the moment". For Leinhardt & Greeno (1986: 75-76, in Cunha et al., 1999) improvising was just "… making rapid on-line decisions" and "planning and decision making embedded in the performance [of a task]." And for Tyler & Tyler (1990) it was "the negation of foresight, of planned-for, of doing provided for by knowing, and of the control of the past over the present and future."

What we learn from the behaviour scientists is that improvising is manifold. Sharron talks about a process were as Erickson sees an action, and for Leinhardt & Greeno it is planning and decision making. However it seems commonly accepted that this 'doing' is immediate, rapid, spontaneous and embedded in the circumstance of the moment and that it thereby creates something, it invents meaning or it produces 'new kinds of sense.' This implies that improvisation can serve two functions, either it is used for creating something new in an intuitive and creative way, or improvising is used as part of an opportunistic behaviour to adapt to an accidentally new situation and thus make the best sense out of it. Likewise, improvising is a social activity, Powers talks about "…people [immediately] involved in a relationship" and Erickson uses the word "…together…" This means that improvising even though it is action deriving from a personal cognitive moment affects or involves others. Erickson's "strategically adaptive action" might hint at an implemented strategy, a plan or at least a shared understanding of a direction in place which is altered.

Tyler & Tyler talk about a negation of foresight and planning points towards a *deliberate* intention of just trusting the moment and do without trying to find out

more, without a need to know before acting. It implies that by acting we produce *meaning* and that it is this very meaning that defines our path into the future.

Summarising, behaviour scientists define improvisation as an extemporaneously social action ranging from planning, deciding or doing while taking into account the circumstances of the moment to meaningfully create a new reality or to adapt to an imposed new reality. By applying improvisation deliberately in the way Tyler & Tyler see it, it would be nothing less than the emancipation from legacy.

Now that we know how the behaviour scientists define improvisation it makes sense to look at what organizational, and management theory has to say about it. Since the concept is not that common in organizational theory, a short outline of the development of the concept in our field is presented next.

3.2.2 Improvisation in organization and management

Cunha et al. (1999) in their paper "Organizational improvisation: what, when, how and why" categorized the conceptual evolution of improvisation into three stages:

Theory stage / Author's generation	Main characteristics
First / First	● Grounds: Activities where improvisation is standard practice (jazz, improvisational theatre). ● Goals: Use these instances as metaphors to present a systematic list of characteristics and facilitators of improvisation that can be transposed to organizational settings.
Second / Second	● Grounds: Empirical and anecdotal examples of improvisation in organizational settings. ● Goals: Formal definition and characteristics of improvisation in organizational settings.
Third / First	● Grounds: Improvisation in jazz. ● Goals: Question current theory on organizational improvisation and fine-tune a formal definition and characteristics of this phenomenon.

Table 1: Three stages of theory development (based on Cunha et al., 1999)

In the first stage of research "… were, apart from fuelling interest in the topic, the translating of jazz performance elements into the organizational arena" (Cunha et al.,

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1999) companies were provided with lists of competencies and abilities to apply improvisation to an efficient degree. The second stage focuses on the field of " … using anecdotal and empirical evidence (e.g. Crossan and Sorrenti, 1997; Moorman & Miner, 1998) authors develop formal definitions and test, mostly using grounded theory, propositions…" This approach allowed building a more solid ground for a positivist research approach. According to the authors during that period a more general definition of the concept focusing on the temporal distance between conception and execution seemed to be shared by all the main writers. The third stage saw a comeback of the first stage authors criticizing mainly the temporal definition of the phenomenon as being too limited however they still failed to provide a more valid one according to Cunha et al. (1999).

Why does this matter? It must be agreed with the first stage authors criticizing the temporal definition of the phenomenon; it is indeed too limited. Perhaps the dilemma of researching improvisation lies in our epistemological view of trying to apply an entirely positivistic research approach. As we can see in Cunha's three stages of theory, second stage researchers focused on time aspects and thereby sought to approach the phenomenon with a set of clearly defined and exclusive a priori assumptions to make it measurable and to emancipate the phenomenon from its metaphor. How to detect improvisation and exactly how to measure it in an organization has not been an easy task until this day, and only a few studies have been carried out. Moorman & Miner's work on the role of memory in new product development (Moorman & Miner, 1998) is widely regarded as the first research of this type trying to measure improvisation (Cunha et al., 1999). In this study, the authors used a seven-point semantic differential scale to find out about "composition converge(ing) with execution" (Moorman & Miner, 1998: 702). They gauged "the length of time between the design and execution of an action" and delivered a standardized measure of temporal convergence between planning and execution. Even though the model can be quite easily operationalized, it remains limited. First, it focuses on the timely aspect only, second by asking members of the organization it is disposed to an over-reliance of perception by the subjects because of the

questionnaire directly asking about improvisation and third, and most important, it does not take into account the role of the organizational context.

Another quantitative study conducted by Johnson & Rice (1984: 170; in Cunha et al., 1999) counts the variations around what was planned. Cunha et al. (1999) see the value of this research in concentrating on the "content difference rather than the temporal one," and thus the authors measure "the organizational / group / individual" ability to make the most out of the available structure." Again, this study allows for useful operationalization but does not integrate the wider social context of the setting too. Both studies were undertaken at a more accurate organizational level, mainly product development. This implies that improvisation in these two cases was seen as a 'creative tool' applied to deliver new variations within product development.

The difficulties with measuring improvisation in organizations might be the reason why this concept has not become a wider quantitative researched field in the social sciences but rather 'relied' on model developing, using mostly grounded research techniques. Inductive research, looking at phenomenology, incorporate meaning and human interest (Ramanathan, 2008) to a wider context might indeed allow us to understand the impact of improvisation on organizational strategy. However, this requires analysing more integral parts of an organization, looking at it 'as a whole' and trying to capture the complexity of interactions. I believe that it is social constructivism that allows us to understand the mechanism of improvisation to its fullest extent.

3.2.3 The 'jazz theory era'

In 1996 Crossan published a paper called "The Improvising Organization: Where Planning Meets Opportunity" in which she looked at how theatre actors and jazz musicians improvised and what it meant if transferred to organizations. This paper kicked-off the 'improvisational phenomenon' in management literature. Just one year later Eisenhardt (1997) followed with her essay called "Strategic Decisions and All That Jazz". Another year later Weick (1998) wrote his influential essay "Improvisation as a Mindset for Organizational Analysis" in which he too uses the

vehicle of jazz improvisation as a way to "improve on how we talk about organizational improvisation."

Most definitions of improvisation date back to that 'jazz theory era.' Cunha concluded, "formal definitions of this construct are produced by one of two methods: either 'cutting and pasting' from jazz theory or by cutting, at the author's convenience, the construct as it has been defined (again) by researchers in jazz improvisation" (Cunha et al., 1999). The jazz metaphor has certainly helped and influenced authors in organizational sciences thinking about what improvisation is but unfortunately it might also have posed a strong analogy to overcome for some time.

For Crossan (1996) "… managers did not feel bound by their original plan; they were prepared to work with the situation they faced – in other words, to improvise" and "action is taken in a spontaneous and intuitive fashion" (Crossan, 1998: 593). Eisenhardt (1998: 2) sees improvisation as "... organizing in such a way that the actors both adaptively innovate and efficiently execute." Weick (1998: 544) sees improvisation as "rooted in the word 'proviso' which means to make a stipulation beforehand, to provide for something in advance, or to do something that is premeditated. By adding the prefix 'im' to the word proviso, as when the prefix 'im' is added to the word mobile to create immobile, improvise means the opposite of proviso. This improvisation deals with the unforeseen; it works without a prior stipulation; it works with the unexpected." In Weick's view, those descriptions of improvisation often associated with jazz describe this lack of prior planning as "Composing extemporaneously producing something on the spur of the moment." However, Weick's previously mentioned essay is guided by Berliner's definition "Improvisation involves reworking precomposed material and designs in relation to unanticipated ideas conceived, shaped, and transformed under the special conditions of performance, thereby adding unique features to every creation" (Berliner, 1994: 241).

Other authors defined the phenomenon as "… fabricating and inventing novel responses without a prescribed plan and without certainty of outcomes; discovering the future that [action] creates as it unfolds" (Barrett, 1998: 605), for Hatch (1998) it meant "…intuition guiding action upon something in a spontaneous but historically contextualized way." Berniker (1998: 583) interpreted it as "…becoming acting managers, " and Mirvis (1998: 587) understood "… make things up as they go along." Finally, Peplowski (1998: 560) is one of the few researchers who talks about "… deliberately painting [yourself] into corners just to get out of them."

The transition of improvisation from behavioural to organizational sciences did not alter the definition per se. What started to become clearer within organizational environments was mainly two things. First, there has to be something on which to improvise, "Organizational improvisation does imply the pre-existence of a set of resources, be it a 'plan of action', knowledge or a social structure, upon which variations can be built" (Orlikowski & Hoffmann 1997; Weick, 1999), and second, the role improvisation is able to play as an organizational answer to environmental instability and uncertainty.

3.2.4 'Beyond all that jazz'?

In the last nearly 20 years investigation has moved on in the direction of examining improvisational facets. For Kamoche the balance between structure and flexibility is necessary, and he vouches for improvisation to manage the contradicting demands of control and creativity faced by organizations in highly competitive environments (Kamoche, 2001; Sawyer, 1999, 2000). Miner et al. (2001) found "… a variety of improvisational forms and the factors that shaped them [which] led us to refine prior definitions of improvisation and view it as a distinct type of real-time, short-term learning." Vera & Crossan (2005) researched collective improvisation in teams creating "…behavioural change going beyond the individual to the team and, ultimately, to the organization." Moreover, when Leybourne (2006) looked at improvisational working practices when implanting strategic change, he found 'emerging best practice' led to motivation and happiness with the workforce.

Cunha used scenario planning not as a planning tool but as a dialectic strategy building mechanism allowing organizations to "still plan" but without jeopardizing flexibility associated with informal coordination systems (Cunha et al., 1999: 4). This approach was later refined as improvisational scenario planning to "create an action infrastructure for allowing organizations to plan in real-time" (Cunha et al., 2001: 67). However when Cunha researched complexity theory in strategy he found that reversing the old complex organization with simple people (except at the top) with a simple organization enabling complex and professional people to create the strategy seemed to be the solution (Cunha & Cunha, 2006). Leybourne (2014) takes up the complex people theory citing Cunha & Cunha (2008) and detects strong links "to current emerging managerial themes relating to the breakdown of traditional planning models, and the shift from [sustainable] competitive to 'transient' competitive advantage (McGrath, 2013)." An important element of 'transient' competitive advantage for McGrath is "constant reconfiguration." An insight Weick (Weick, 2001: 352) suggested some years earlier "If improvisation is treated as a natural form of organizational life, then we become interested in a different form of strategy than we have seen before… This newer form I will call a just-in-time strategy."

For Weick "Just-in-time strategies are distinguished by less investment in front-end loading (trying to anticipate everything that will happen or that you will need) and more investment in general knowledge, a large skill repertoire, the ability to do a quick study, trust in intuitions, and sophistication in cutting losses." Weick concludes "This form of activity looks very much like creating a stable small win. And once an assortment of small wins is available, then these can be gathered together retrospectively and packaged as any one of several different directions, strategies, or policies." Kanter (2002) too found the improvisational model as being incremental thus investments in organizations are made project by project rather than all at once, "As results from a portfolio of projects accumulate, the organization's direction changes – slowly at first but significantly over time."

Researchers started to acknowledge the influence of improvisation on organizational learning, on motivation and empowerment, on behavioural change in teams as well as in the whole organization. When these aspects are affected, so is organizational culture. Moreover, because "A corporation does not have a culture, a corporation is a culture" (Weick, 1985), a changing culture is a changing strategy. Something Eden & Ackermann (1998) confirm, "Strategy is ultimately expressed through the culture of an organization."

Recently, research has undertaken two new attempts to structure the improvisational landscape, Cuna et al. (2014) and Hadida et al. (2014; 2015 adding a third author to their work). Hadida et al. outline the evolution of research on organizational improvisation after Cunha et al.'s overview from 1999. Leybourne (2014) notes, the jazz metaphor continues to dominate the literature, Hadida et al. observe the same and detect "that the accumulation of research on organizational improvisation remains low, and that the existing taxonomies of organizational improvisation tend to focus on a single metaphor, jazz". These researchers see three reasons for this, a) the inseparability of jazz and improvisation in people's minds, b) jazz representing the most complicated example of improvisation and thus legitimating it for organizational complexity, and that c) improvisation "begins from a certain structure, which frames it without caging it" and therefore showing parallels to organizational circumstances.

In their work, Hadida et al. introduce a nine field level/degree framework. The level contains individual, interpersonal and organizational attributes while the degree ranges from minor over bounded to structural improvisational action. The model can be understand to be an enhancement of Berliner's (1994) continuum Weick (1998) used in his work and which the researchers consider to be limited. Hadida et al. advocate the development of more cross-level analysis of organizational improvisation. However, for Leybourne (2014) the work "downplays the centrality of dimensions, such as culture, power and time, which must be in focus if we want to advance our knowledge about the phenomenon of organizational improvisation."

Cunha et al. (2014) too build on Berliner's (1994) and Weick's (1998) typology of degrees of improvisation by trying to articulate the established dimensions of spontaneity and creativity with the case of power. The researchers observe that "different contexts of action produce different types of improvisation" and that "The role of improvisation in innovation within organization theory has been over-exposed; by contrast, the connection between improvisation and power and politics has been under-considered." Thus, they introduce four types of improvisational contexts: *Adhoc*, a spontaneous response to unexpected events (spontaneity and creativity is high), *Covert*, local informal reaction to status quo (spontaneity is low, creativity is high), *Provocative*, an attempt to challenge some organizational practice (spontaneity is high, creativity is low) and *Managed*, a skill, trained and managed, to respond in real time (spontaneity is low and creativity is low).

The problem with the above model is that when I looked at my research object, I was not able to properly match it to any of the proposed types and that might be the issue for other work too. Indeed Cunha et al. state that "the typology should not be viewed as constituted by mutually exclusive types but as complex combinations of processes that may emerge in diverse configurations." However, if such processes are to emerge they are in need of a supportive organizational context in order to be of value to the organization. Thus, is it actually possible to a priori frame improvisational action into contexts which are not supportive of the phenomenon? Indeed, for the managed context type, the researchers themselves pose the question of how managed can improvisation be? How does managed improvisation correspond with Weick et al.'s definition of 'acting thinkingly,' emphasizing the individual? And what is the difference to institutionalization when spontaneity and creativity is low?

I agree with Cunha et al. in their argument "that seeing improvisation as mostly associated with individual creativity and innovation downplays the importance of other factors involved in organizational improvisation, namely power and politics, because everything organizational has a power component (Clegg, Courpasson & Phillips, 2006)." However, in this work, I propose to link improvisation with emergent strategizing (next subchapter) because of the emergent elements both

concepts share and which are embedded in "the context of advancing a strategy which is politically feasible as a basis for achieving change" (Eden & Ackermann, 1998:10). Furthermore, this model acknowledges that power and politics are products of organizational culture.

Cunha et al. (1999) in their review paper noted that the first stage authors pronounced critics about the second stage over-emphasising the temporal definition (see table 1). However, this time, allegations of under-emphasising cultural elements in recent research on organizational improvisation might emerge. For Hadida et al. (2014) "The absence of a common typology may be seen as liberating under the assumption that OI [organizational improvisation] is inherently uncontained, and consequently inherently uncontainable. It is a setback, however, to expanding, comparing and mapping existing findings." This might also be a reason why, even 20 years after the original 'jazz area,' the metaphor still plays a strong role when talking about improvisation.

What we can derive so far from the research on improvisation is that improvising is a cognitive concept of impromptu acting. It includes planning and deciding while taking into account the circumstances, and thus possibilities, of the moment to create a new reality either in order to adapt to a surprising situation (because that situation might not have been anticipated) and/or to create something new wheras time plays a relevant role. Furthermore, it derives from an individual or a group and has the power to influence the direction of the whole organization. Why don't we come across organizational improvisation more frequently? Garud et al. (2008, in Cunha et al, 2014) note "In spite of the need for adjustment, the world of mainstream modern organization and management theory has progressively developed an excess of institution and a deficit in ingenuity in a propensity for completeness that excluded improvisation from organizational design." For Weick (1995: 36) improvisation is about action and enactment, not about conceptual pictures. Thus, a strong cultural organizational foundation in favour of individual enactment counteracts institutionalization, organizational culture and thus power and politics matter.

3.2.5 Strategy as practice

Researchers such as Weick (1995, 2005) or Mintzberg (1994) have expressed their reserve concerning strategic planning and the danger of over relying on analytical tools for the determination of the organizational future. For Weick (2001: 345) "a little strategy goes a long way. Too much can paralyse or splinter an organization." Both theorists belong to a school of researches who emphasize the value and importance of experience, action and learning, in short of practice, see figure 2 for schools of strategy. For Cunha et al. (2012) "the idea of strategy as practice may be taken quite literally, given that there is no such a thing as improvisation in the absence of action." However, for Weick in organizations "thought precedes action in the form of much more general expectations about the orderliness of what will occur." Bridging this gap "between the utopia of the mind and the realism of experience falls squarely into strategy-as-practice research." (Jarzabkowski et al. 2015). Whittington (2007; in Jarzabkowski et al. 2015) suggests "that we take a 'sociological eye' to strategy, examining not only specific tools or actors, but also the rich interactions within which people and things are engaged in doing strategy work. A sociological eye encourages close attention to tools as they are used in context, the motivations of actors in using them, the purposes to which tools are put, and their potential to lead to an array of sometimes unanticipated outcomes."

This work aims at exactly that, it aims at emphasizing the context of improvisational action in its whole. Thus, it suggests linking improvisation to emergent strategizing to exploit its organizational potential (see next chapter). But, it also links improvisation to sensemaking to reveal the factor of empowerment as a source of motivation and human interaction (see chapter 3.4 sensemaking). The outcome is a proposed model that segments the organization into elements of variety and elements of stability in need of organizational attention to explain improvisation within its organizational context but also to show that improvising can serve as a tool to exploit the organizational universe of existing variation and variety nurturing best practice.

3.3 EMERGENT STRATEGIZING GROUNDED IN CULTURE

"People formulate strategy with their fingertips."
(Andy Grove, CEO Intel; in Crossan, 1996)

Mintzberg introduced the concept of emergent strategy in 1972 and defined it as "the result of a pattern in a stream of decisions," later redefined as "the result of a pattern in a stream of actions" (Mintzberg & Waters, 1985). Mintzberg & Waters do not focus on any process in their concept but for Eden & van der Heijden (1995) 'emergent strategy' indicates an active process and thus "might be better named 'emergent strategizing'…" (Eden & van der Heijden, 1995: 331). Eden & Ackermann (1998) go on "By emergent strategizing we refer to a process, a stream of actions that are not random but form a pattern – a pattern which, as Mintzberg points out, usually becomes evident as such after the event rather than before. It is this detectable pattern in a stream of actions in the continuing cycle of sustaining relationships with those who have a stake in the organization, adapting and reacting to the environment, negotiating ways of doing this, and being opportunistic, that can be called emergent strategizing."
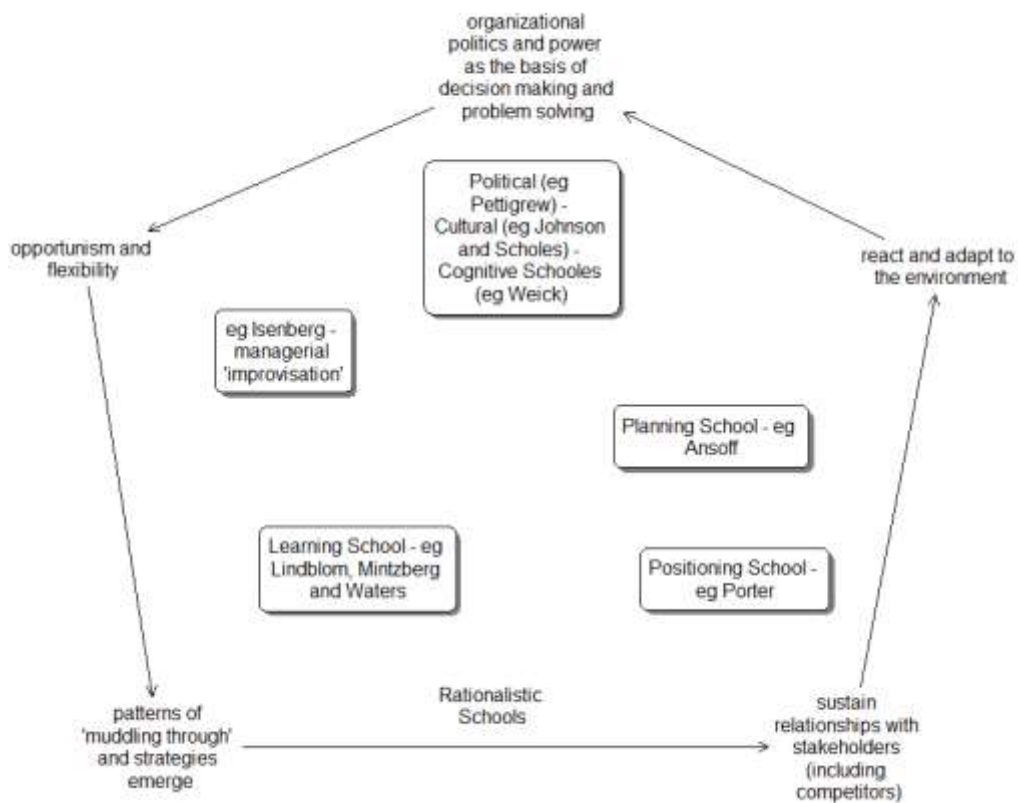
Figure 2: Emergent strategizing, schools of strategy (Eden & Ackermann, 1998)

Emergent strategizing incorporates improvisational behaviour. Eden & Ackermann (1998) use above figure to show the stations an organization is supposed to cycle through. Lindblom (1959) talks about 'muddling through, Quinn (1980) about 'logical incrementalism.' For this research two points are important. First, an organization can be in any state of the cycle, however, at least it is a strategy of 'muddling through'. Being without an emergent strategy is impossible. Second, if the strategy is implicit, if it is a result of patterns of action, the strategy is embedded in the culture, "the way we do things around here" and "in the head of managers as they take courses of action in relation to their 'world-taken-for-granted'" (Eden & Ackermann, 1998). Eden & Ackermann see those managers acting with an implicit perception of an appropriate direction for the organization and because of that problem solving finally resembles more 'firefighting' on a day to day basis.

As true as this is, in uncertain environments searching for quick solutions to issues and knowing or assuming that things can change fast, it might well be that managers

reinforce ties with their team to exploit their alternatives. In doing so, they might connect in the form of "collective mind" (Weick, 2001: 262). In such a scenario the implicit understanding of an organization's direction might be shared through its commonly experienced culture, and its members empowered to act and to follow 'a path' without an explicit plan but rather through improvising. Managers start "acting thinkingly" (Weick et al., 2005). Acting thinkingly is preconditioned by sensemaking. When an organizational member intends to do something, his or her action is either triggered by shared beliefs or a cue related to a frame of reference mutually agreed upon a priori. Also, Eden & Ackermann (1998: 16) acknowledge the importance of a framework: "Having a framework to guide decisions helps relieve the stress of too many options, too many possible ways of acting and thinking." They relate the process of acting thinkingly to individual cognition rather than a shared understanding grounded in organizational culture, "…meaning that managers develop a capability to act quickly, without paralysis by analysis, and yet the actions are informed by a framework of previous thinking, actions which in turn inform future thinking and action." In other words, managers may start to use their intuition which Crossan (1996: 14) defined as "a rapid processing of experienced information." In this sense action, based on intuition, works like improvising.

Eden & Ackermann's model of strategy making and delivery is informed by the reality of dispersed power in organizations and by the role of emotional and reasoned commitment of the participants (Eden & Ackermann, 1998). Those participants for Schein (1996: 236) belong to one of three different cultures within an organization, "Two of these cultures are based on larger occupational communities and thus are more stable in the assumptions they hold" (Van Maanen & Barley, 1984; in Schein, 1996). Engineers share a common occupational culture, Schein (1996): "I have labeled this community 'engineers,' but it includes the technocrats and core designers in any functional group. For example the designers of information technology systems […] the designers of financial reward systems…" Executives are another group," they share similar assumptions "based on the daily realities of their status and role" which is mostly informed by financial performance and their liability towards owner-shareholders. For Schein, the third cultural group is "the operators,"

and he defines them as "the line managers and workers who make and deliver the products and services that fulfill the organization's basic mission." This group's composition is much more heterogeneous concerning the background of its members. A sensible reason for such occupational communities can be found in Habermas who viewed practical knowledge as tacit and embodied in action and technical knowledge as formal, explicit, propositional, and discursive (Habermas, 1971; in Van de Ven, 2006: 805).

Decisions result from complex negotiations in which power of those individual groups and their members become a major factor. Often those negotiations deliver an emergent strategy not deliberately intended initially by the involved participants (Crozier & Friedberg, 1979; Mintzberg, 1994). If we see improvisation as a cognitive act from stakeholders trying to enhance the deliberateness of the emergent part of organizational strategy and action (Crossan & Sorrenti, 1997; Mintzberg & McHugh, 1985; Perry, 1991), improvisation might play its strongest role as a tool of opportunistic organizational adaptation. Eden & Ackermann's (1998) view is "…that they each offer important help in understanding the process of strategy making where description and prescription need to weld themselves together." Isenberg (1987) is supportive of this rational and sensible way of working because of "…the ability to remain focused on long-term objectives while staying flexible enough to solve day-to-day problems and recognize new opportunities."

What can we learn so far for our concept of improvisation? We start to understand a) the critical role *culture and subculture* plays as a foundation for improvising as well as for the emergent strategizing environment in which improvisation plays a role. And b) we might search for improvisation mainly within the 'operators' confines and much less so in the 'engineers' or 'executives' ponds, whereby we acknowledge that those different groups have their very *own* subculture. And c) we recognize that negotiations of power might be influenced by improvisational activities making improvisation a sensible way of strategizing. Weick (2001) puts it "…to understand improvisation as strategy is to understand the order within it."

Schein (1992) defines culture "as a set of shared, taken-for-granted, implicit assumptions that a group holds and that determines how it perceives, thinks about, and reacts to its various environments," the outcome being norms. However, he stresses that behind those norms "lies this deeper taken-for-granted set of assumptions that most members of a culture never question or examine. The members of a culture are not even aware of their own culture until they encounter a different one." He sees culture, "…viewed as such taken-for-granted, shared, tacit ways of perceiving, thinking, and reacting" as one of the most powerful and stable forces operating in organizations (Schein, 1996). For Weick (2001) corporate culture is very often underestimated because we do not believe that small things like logos, furniture, preferences, meeting agendas, a Christmas party, etc. do have such a large effect. But all these symbols are very powerful and provide a strong "general direction and frame of reference that are sufficient" (Weick, 2001).

We understand that culture is both, implicit through these shared assumptions no member of an organization usually asks about but instead just perceives and absorbs every day, and explicit through what we see and what happens around us. Once we have acclimatized, culture is so powerful because its purpose is to emit stability and trust for us to serve as a frame of reference in which we can act. Crossan (1997) talks about a culture of friendship "People care about one another and try to support each other's efforts, which in turn cultivates a high degree of trust" and "Without trust people won't commit, and without commitment, they won't take risks to reach beyond the status quo" (Crossan, 1996). However, when employees take risks they also make more mistakes thus an improvisational culture requires "…tolerance for error both by the customer and by the organization" (Crossan, 1996).

If we understand improvisation as a part of emergent strategizing and both concepts are grounded in culture, the missing link is the concept of sensemaking. In this work, it is understood as a prerequisite to improvising.

3.4 SENSEMAKING

"A socially constructed world is a stable world…"
(Weick, 1995, p. 154)

Sensemaking is about stability; it is about "structure the unknown" (Waterman, 1990: 41; in Weick, 1995) and it "begins with the basic question, is it still possible to take things for granted?" (Weick, 1995: 14) If the answer is no, and "when environmental change is rapid, diverse skills and beliefs are the solution, not the problem" (Weick,2001: 351). Claxton (1984) defined that individuals in organizations have a desire to be consistent, comfortable, confident and competent. Working in an unstable environment compromises those four C's, the same is valid when improvising (Crossan, 1998). People do not have control over the unexpected. Still, they have to act; this triggers gathering information about the environment. Crossan (1998) talks about to listen and communicate, because "we can know, but we cannot predict" and "the environment will teach you if you let it, rather than trying to control it." Or when she compared a jazz ensemble with a symphony (Crossan, 1996): "As the jazz melody continues, the members of the quartet feel the energy of the audience (customers) – a continually changing environment. Thus, the musicians absorb the mood of the audience into their creative process. During a more traditional performance, the symphony defines the mood for the audience." Weick (2001: 244) talks about scanning, "which is defined as the process of monitoring the environment and providing environmental data… [ ] …scanning is concerned with data collection." The gathered data has to be interpreted, "data are given meaning" (Weick 2001: 244), however here it is important to stress the difference between interpretation and sensemaking for improvisation. "Individuals are not seen as living in, and acting out their lives in relation to, a wider reality, so much as creating and sustaining images of a wider reality, in part to rationalize what they are doing. They realize their reality by 'reading into' their situation patterns of significant meaning." (Morgan, Frost, Pondy, 1983: 24; in Weick, 1995: 14) Thus, for Weick (1995) sensemaking matters because "it highlights the invention that precedes interpretation… [ ] …it implies a higher level of engagement by the actor…

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[whereas]… interpretation connotes an activity that is more detached and passive than the activity of sensemaking." This implies that when people interpret data when improvising, they 'include' making sense of their situation by 'reading into' it 'superordinated' significant meaning and then take action. The feedback to their action is learning. "Organizational *learning* is defined as the process by which knowledge about action outcome relationships between the organization and the environment is developed" (Duncan & Weiss, 1979). However, people may receive answers the did not expect and triggering a need for explanation, "…interpretation, or meaning, is attributed to surprises… it is crucial to note that meaning is assigned to surprise as an output of the sense-making process..." (Louis 1980: 241; in Weick, 1995). This scanning – interpretation – learning cycle is a feedback loop that provides new collective insights for members (Weick, 2001: 245) based on which they act again. For Thomas, Clark, and Gioia (1993: 240; in Weick, 1995) sensemaking thus is "the reciprocal interaction of information seeking, meaning ascription, and action," it includes scanning – interpretation – action (thus learning). It also implies that intuition understood as "…a rapid processing of experienced information" (Crossan & Sorrenti, 1996: 14) is part of sensemaking which is the same for improvisation, seen as "Intuition guiding action in a spontaneous way" (Crossan & Sorrenti, 1996: 1). Ultimately for Ryle (1976) it is about thinking, "therefore to think is, always and essentially, to go through a sequence of 'mental' leap-froggings." Indeed Thomas et al. and Sackman (1991; in Weick, 1995) mention "action" in conjunction with sensemaking and for Weick (1995: 12; 1979: 133) it is simply where sensemaking starts, "…action as the occasion for sensemaking," based on the recipe which Weick sees central for organizational sensemaking "How can I know what I think till I see what I say?" Thus also improvisation is central to sensemaking, it delivers the action from which data is produced and interpreted within a larger frame of reference, "Action shapes cognition" (Weick, 1995: 12) which, in turn, guides improvisational activities. Again, this is a cycle.

What is important here is that we have to take the environment as it is, however, we have to constantly 'read the signals,' the *environment* thus matters as input for an improvisational process. Also, when members of a group lose their comfort 'zone',

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defined by the four C's, they have to make sense of their situation by other means in order to keep or regain their stability, their faith in what they do. This is the case in fast moving organizations where they not even might ever reach that zone. Because, as we have discussed in the preceding chapter, in an emergent strategizing environment there is no clear signpost from the bridge, people have to make sense from what *is* there. That are the mechanisms that "include the standards and rules for perceiving, interpreting, believing, and acting that are typically used in a given cultural setting" (Sackman, 1992: 33), *culture* becomes immensely important. It draws a frame within which members *have to* feel comfortable to act. Also, recall Mead's observation that society precedes mind (Weick, 1995: 107). But for Feldman (1989: 19; in Weick, 1995: 5) a process "for organizational members to understand and to share understandings about such features of the organization as what it is about, what it does well and poorly, what the problems it faces are, and how it should resolve them" is equally important. The immediate periphery, the organizational *group*, starts to plays a central role in sensemaking because people have to share and reflect their observations and sentiments, "Sensemaking in organizations is about words in action" (Dave O'Connell, 1998). It is this process of reciprocal exchange that generates trust among group members, or as Crossan (1996) puts it, "…when you relinquish control of a situation, and you do not know exactly where you are heading, you must have trust in our fellow team members and in the process. Reciprocation is a critical ingredient in developing trust. It requires that you are able to give, receive, and acknowledge information and cues." We might understand trust here as Sims (2005: 1636) does "…as feeling that you know how the other person will respond…(O'Neill, 2002; in Sims, 2005). If there isn't that sense of trust, they may be emplotted in a character where unpredictability or unreliability are built in. This imposes its own kind of predictability and reliability by acknowledging that this person is not trustworthy." For us it imposes, that there is no good improvisation without trust, an empirical fact I have described in the pilot project chapter, trust is a basic ingredient for sensemaking and improvisation. However, if an organization relies on strong first and second order control, trust becomes a minor concern.

There are some important observations about group dynamics to add here. We have seen that action is learning. Every 'scanning – interpretation – action/learning' cycle thus is a small win in the sense of Weick (2001: 433) "From a psychological perspective, small wins make good sense." Small wins are significant contributions to individual and group stability and ultimately for the organization, "underlying all transformational change are incremental changes in thinking at the individual level" (Crossan, 1996). It is precisely those small wins that are equally central for improvising.

Groups crafting their own stability also create reliability and thus reduce errors which are part of instability and unavoidable but essential, for learning. Interesting here is the self-fulfilling prophecy which good sensemaking lends to improvisation and reinforces confidence: "If they live by their wits, take risks, and improvise, then just that intensive effort to make things work can prevent some errors. Because they can make do and improvise, they essentially create the error-free situation they expected to find. What they fail to see is that their own committed efforts, driven by faith in the system, knit that system together and create the reliability which up to that point existed only in their imaginations" (Weick, 1987: 122). (Note that the pilot project supports this view of Weick). Such mechanisms have an enacted quality which protrudes "…because it has not been taken over by technology, accommodates to human limitations rather than automates them away." We come to understand that technology might limit human action and can influence our sensemaking process in the way of seeing structure as a major obstacle in allowing us to act. "Because technology is a crucial part of organizations, it is important to incorporate it into any discussions of sensemaking" (Weick, 1995: 114). Thus, *technology* matters when researching improvisation. Even more so if we recall our discussion further above about the subcultures of groups, in this case, the 'engineers' as stakeholders of technology. Because technology is an intercultural 'phenomenon' and subject to negotiation, it ultimately might influence strategy to some not unimportant extent.

The last statement I want to make concerning groups, particularly working under time pressure and/or complexity (uncertainty), is about performance. Lowe & McGrath (1997 in Weick, 2001: 134) note that "the recurrent finding that the relationship between stress and performance is curvilinear, holds for individuals, but when it is examined as a group phenomenon, the relationship is found to be more linear." For Weick (2001) this matters because "…as we move from individual to group, increases in stress should lead to increases in performance, not decreases. However, this shift is dependent on whether individual coalesce into a team that is a distinctive entity exhibiting unique functional relationships or whether they merely act in the presence of another and respond and fall apart, more like individuals than like groups." It confirms that a consistent team understanding is a foundation for improvisation and sensemaking, the prerequisite being that group members fit and feel in one's element but if so it is fun to explore together what is hitting next. Someone finding him or herself in such a situation will for sure know earlier than later if it works or not.

Next, I will talk about the literature on *leadership* for sensemaking and improvisation. In fast moving environments where uncertainty is high, and the organization itself is not determinant towards clear goals but rather lends itself to an emergent strategy, the role of a leader is undeniably demanding because it would suggest that he has to adapt his style to an improvising situation. Vroom & Yetton (1973; in Furnham, 2005: 584) identify five leadership styles for a given set of circumstances:

A-I	The leader solves the problems or reaches a decision using available information.
A-II	The leader obtains the information from followers, then decides on the solution to the problem. The leader may or may not inform followers what the problem is in acquiring information from them. The role of followers is to supply information.
C-I	The leader shares the problem with subordinates individually, getting their ideas and suggestions without bringing them together as a group. The leader makes the decisions, which may or may not reflect followers' influence.
C-II	The leader shares problems with subordinates as a group, obtaining their ideas and suggestions. The leader then makes a decision that may or may not reflect followers' influence.
G-II	The leader shares a problem with followers as a group. Together the group generates and evaluates alternatives and attempts to reach consensus on a solution. The leader acts as a chairperson. The solution that has the support of the entire group is accepted and implemented.

Table 2: Styles of leadership by Vroom & Yetton (Furnham, 2005: 584)

Further, Vroom & Yetton categorize three leadership practices, autocratic (A), consultative (C) and group (G). They are appropriate, depending on attributes found in a problem situation, like quality and commitment requirements, leader and subordinate information, problem structure, goal congruence, time constraints and some more. Furnham (2005) gives some rules of thumb: "where subordinates' commitment is important, more participative styles are better… [and] … where both problem structure and leader information are low, C-II and G-II tend to be best.

However, the advantage of Vroom & Yettons model is its modularity and fit between leader and situation. Therefore, it comes closer to what is needed from leadership in an improvisational environment, but it still has its limitations just because of a) it treats decision-making separate from acting, b) is understood as a top down, bottom up process only and c) does not consider the leader-team relationship. Here, the leadership behaviour continuum from Tannenbaum & Schmidt (1958; in Furnham, 2005: 595) comes to help because while at the 'boss-centred' end of the continuum the manager makes a decision and announces it (very much like in A-I above), at the 'subordinate-centred' other end a manager permits subordinates to function within defined limits. However, also this model is not fully covering improvisational needs because "many people have a strong tendency to try to control the story by planning where they want to take it, rather than building on other's ideas" (Crossan, 1997: 41).

While a leader is eventually responsible for the team and its executions, improvising requires acting which often includes deciding by the one who improvises. Thus, the focus is more on rich information exchange within the team including the leader. The base is an agreement of beliefs within the cultural framework of the organization between the leader and the team from which members become enacted and reassured their leader is supportive. The leader blends in as a 'primus inter pares,' getting 'out of the way' of members acts, taking the role of an observer and enabler, the leader becomes a coach, "who charts out realistic paths for the team… [ ] … help the subordinate find the best path… [ ] … and to remove stressful barriers along the way." Crossan (1996) when comparing to jazz talks about "…the sax player demonstrates a style of leadership referred to as the "servant-leader." Leaders who learn to serve first are more apt to pick up on the subtle nuances of client relations and employees behaviour. A servant-leader also requires foresight: a sense for managing in an unknowable and unforeseeable environment. In these respects, the sax player is a servant-leader who intimately listened to and communicated with the other members of the band, assumed roles that benefitted the rest of the group, allowed others to lead and fully develop their ideas, and whose skill in listening and communication enhanced the overall performance of the group." Importantly, also members have the feeling when to involve their leader depending on how the situation develops. This strengthens trust between the involved. It allows members to genuinely throw in their stance and where issues arise in presence of their leader, very much in the sense we have already discussed, including leadership: "for organizational members to understand and to share understandings about such features of the organization as what it is about, what it does well and poorly, what the problems it faces are, and how it should resolve them" (Feldman 1989: 19; in Weick, 1995: 5). Paradoxically, once the group has internalized the above, the leader can nevertheless take decisions by applying A-I, A-II, C-I, C-II and G-I if needed, because the team 'understands' their leader 'as one of them' and is supportive to such necessities because it also understands the situation.

Again, Crossan (1996) when comparing jazz musicians with a symphony orchestra, observes: "In improvisation, leadership takes on a new meaning, the musicians

(employees), each of whom is committed to intense individual improvement, are integral parts of the unit. Assuming either leadership or support roles to play the song, improvise a solo, or underscore a soloist, the individuals must listen carefully and communicate clear ideas through their instruments. By contrast, the musicians in a symphony must follow specific roles; many of these are exclusively supportive. Although listening to the other musicians is crucial, the participants play in an environment that is not conducive to developing new ideas or individually responding to others' ideas." For Thayer (1988; in Weick 1995: 10) it is of importance, that "…The leader is a sense-giver. The leader always embodies the possibilities of escape from what might otherwise appear to us to be incomprehensible, or from what might otherwise appear to us to be a chaotic, indifferent, or incorrigible world – one over which we have no ultimate control." So for Weick (1995) "…in short, what is needed in sensemaking is a good story" and who else is better suited to tell that story than the leader? That sense giving story now is open to being further developed. "In improvisation, actors develop stories in an incremental fashion, they feed off every subtle nuance or aspect of the situation, amplifying each one in a process that permits deeper exploration and more extensive development" (Crossan, 1996) and that connects with emergent strategizing as Crossan makes the point "Story development closely relates to strategy development. Managers must 'manage what is on the plate' at a given point in time by focusing on small, anticipatory developments as in the technique of continuous improvement rather than making large, reactive decisions."

The important point for the group in relation to the environment is that it gathers sense and stability. It starts to operate like a ship's crew at rough sea because it works together so well, the ship starts to feel 'stable' in the sense of a socially constructed world (Weick, 1995: 154), what is moving is the sea. The group is in command, scanning the horizon and steering their ship.

Crossan emphases the importance of personal skills when she states (1996) "… successful improvisation requires a strong skill base in traditional practice and performance skills. Indeed, the improvising journey is a more difficult one because

of this reliance on both modes of learning – traditional and improvisational" and (1998) "the spontaneous nature of improvisation taxes more fully the fundamental skills of listening and communication… [ ] …improvisation demonstrates that you need to be committed and engaged to be convincing." My results, however, show that traditional skills seem not to be necessary, they can even hinder improvisation. What is needed is a clear intellect, a broad general interest, and openness to share, in short, a generalist attitude. Such minds make good use of sensemaking when 'playing.' Because improvising enacts people and produces small wins (see separate section), commitment and engagement should result from their acting rather than be a prerequisite. "Emotional commitment to any course of action comes partly from having played with the ideas and alternatives." (Eden & Ackermann, 1998: 71)

Weick (1995) defined seven properties of sensemaking. I briefly discuss those attributes because they are the feedstock of sensemaking. First I list them, together with a short explanation. '*Grounded in identity construction*'; sensemaking needs a sense-maker. For Weick (1995), "The establishment of identity is a core preoccupation in sensemaking, " and he goes on that "we are many," because "…to shift among interactions is to shift among definitions of self... [ ] …once I know who I am then I know what is out there." The self has three relevant needs: self-enhancement, self-efficacy, and self-consistency, that is the ground for individual sensemaking. '*Retrospective*': Weick understands sensemaking as "meaningful lived experience" (Schultz, 1967; in Weick, 1995). We live in a stream of experience, and we create meaning by attention to distinct events, but it is "…only possible to direct attention to what exists, that is, what has already passed" (Weick, 1995). However, that meaning is influenced by how we feel when looking back to such events. Thus it is modified. People need "values, priorities and clarity about preferences to help them to be clear… [which] … gives some sense of what that elapsed experience means." A central point for Weick is that strategic planning is of low use if not linked to "reflective action and history, this supports emergent strategy concepts." '*Enactive of sensible environments*': the environment people face is often produced by them (Pondy & Mitroff, 1979; in Weick, 1995), "People create and find what they expect to find…" Thus, they socially create their world, which then guides their

choices and action "…where transacting parties play out preordained roles and 'action routines'" (Ring & Van de Ven, 1989: 185) linking sensemaking with institutional theory (see 'other influential concepts' chapter for a discussion of institutional theory). '*Social*': "human thinking and social functioning… [are] …essential aspects of one another" (Resnik & Levine & Teasley, 1991; in Weick 1995). Moreover, for Kahlbaugh (1993; in Weick, 1995) "… an individual creates novel thoughts in the context of interactions with others and then communicates them to the larger community. I viable, the larger community generalizes these ideas such that they become part of the culture." Sensemaking is a social process including self, action, interaction, interpretation, meaning and joint action. '*Ongoing*': For Weick (1995) "To understand sensemaking is to be sensitive to the ways in which people chop moments out of continuous flows and extract cues from these moments. There is widespread recognition that people are always in the middle of things. We acknowledge that sensemaking is ongoing and neither starts fresh nor stops cleanly." '*Focused on and by extracted cues*': "Extracted cues are simple, familiar structures that are seeds from which people develop a larger sense of what may be occurring." (Weick, 1995) For example, leadership is such a point of reference and Smircich and Morgan (1982; in Weick, 1995) "argue that control over which cues will serve as a point of reference is an important source of power… [it] … is a consequential act." What we see here is a link with the negotiation of stakeholders in emergent strategizing (see 'emergent strategizing grounded in culture' chapter for the discussion of emergent strategizing). '*Driven by plausibility rather than accuracy*': "Sensemaking is about plausibility, coherence, and reasonableness. Sensemaking is about accounts that are socially acceptable and credible" (Weick, 1995). Or, as Starbuck & Milliken (1988; in Weick, 1995) put it: "Filtered information is less accurate but, if the filtering is effective, more understandable."

Summarising Weick's list, the self needs to be stabilized to derive meaning out of the environment, this becomes core when arguing one's stance in discussions with others and which in turn allows for making sense of other positions. The 'lived experience' is filtered through actual values and priorities coming from organizational culture and leadership with the purpose of imposing clarity for action. The enactment of the

environment becomes a socially constructed world seen through the lens of 'lived experience.' This point is delicate because it also can lead to strong policies and institutionalization as we see when Weick cites Weiss (Weiss, 1980; in Weick, 1995): "Many moves are improvisations. Faced with an event that calls for response, officials use their experience, judgment and intuition to fashion the response for the issue at hand – the response becomes a precedent, and when similar – or not so similar- questions come up, the response is uncritically repeated, soon what began as improvisation has hardened into policy." To improvise one has to scan the environment, to listen to it and not trying to control it as we have seen in our discussion further above. Sensemaking is social because it affects and shifts perceptions when shared and those common perceptions affect improvising. Further, it is ongoing which means that it is under constant change and supports scanning of the environment. Extracted cues work like a filter; they give structure to which they are related to a framework of 'lived experience' to derive meaning. Finally, plausibility contributes to one's socially constructed world; it becomes understandable and stable.

Because sensemaking is mainly about cognition when looking at organizations there are some other points to mention which expand on above discussion. For this work, the most important ones are 'minimal sensible structures' as Weick (1995) calls the substance of sensemaking, "The combination of a past moment + connection + present moment of experience [creating] a meaningful definition of the present situation." Further ideologies, defined as "shared, relatively coherently interrelated set of emotionally charged beliefs, values, and norms that bind some people together and help them to make sense of their worlds" (Beyer, 1981 and Trice and Beyer, 1993; in Weick, 1995: 111). This is of particular importance because Meyer (1982b; in Weick, 1995) clearly states "Since robust ideologies incorporating harmonious values elicit self-control and voluntary cooperation they can substitute for formal structures designed to achieve the same ends." Then, 'third-order controls' based on Perrow (1986; in Weick, 1995) and understood as "first-order control by direct supervision, second-order control by programs and routines, and third-order control consisting of assumptions and definitions" that are taken as given. The indirect

function of third-order control allows foregoing "… the more direct, more explicit, more obvious control by rules and regulations" (Weick, 1995: 115). The last point that matters is about 'stories of sequence and experience' based on "the idea that people think narratively rather than argumentatively or paradigmatically" (Zukier, 1986 and Bruner, 1990; in Weick, 1995). Stories can explain an outcome in hindsight, "they gather strands of experience into a plot that produces that outcome... [ ] …stories are inventions rather than discoveries" (Weick, 1995: 128). However, "because the story in the repertoire has a punch line, the connection between the old story and the new event raises the possibility that outcomes can be predicted, understood, and possibly controlled" (Sutton & Kahn, 1987; in Weick, 1995).

Ultimately, for Weick (1995: 145) "Sensemaking is a process of making do with whatever resources are at hand" which is what is needed for someone to act, to be able to improvise.

After having discussed sensemaking, how its mechanics work as well as connect it to organizational situations for improvising, in the next chapter I am synthesizing the three concepts.

3.5 A JOINT MODEL OF STRATEGY DEVELOPMENT

"Structure creates hierarchy and hierarchy creates constraints."
(CEO of SEMCO; in Crossan, 1996)

In the first chapter of the literature review part, we looked at how improvisation found its way into organizational sciences, what it is, and how it advanced. The second part aimed at showing the reader in what organizational arrangement improvisation can unfold its power to influence management and probably alter the direction of it and the third part tried to illustrate the importance of sensemaking in connection with improvisation and emergent strategizing. I have also tried to shell out relevant concepts to be able to compare and contrast the data of my research. This chapter is about synthesizing improvisation, emergent strategizing and

sensemaking. However, it also is about summarising the relevant concepts for this research found in the literature and previously discussed. Finally, it shall give a viable guidance in how to research organizational improvisation.

Emergent strategizing and improvisation belong to the descriptive schools of strategy, see Eden & Ackermann (1998) for an overview of descriptive and prescriptive schools in strategy. The two concepts are interwoven, to show the notable differences which will be used for this research, I have developed a joint model map with the underlying 'enabler,' organizational culture:
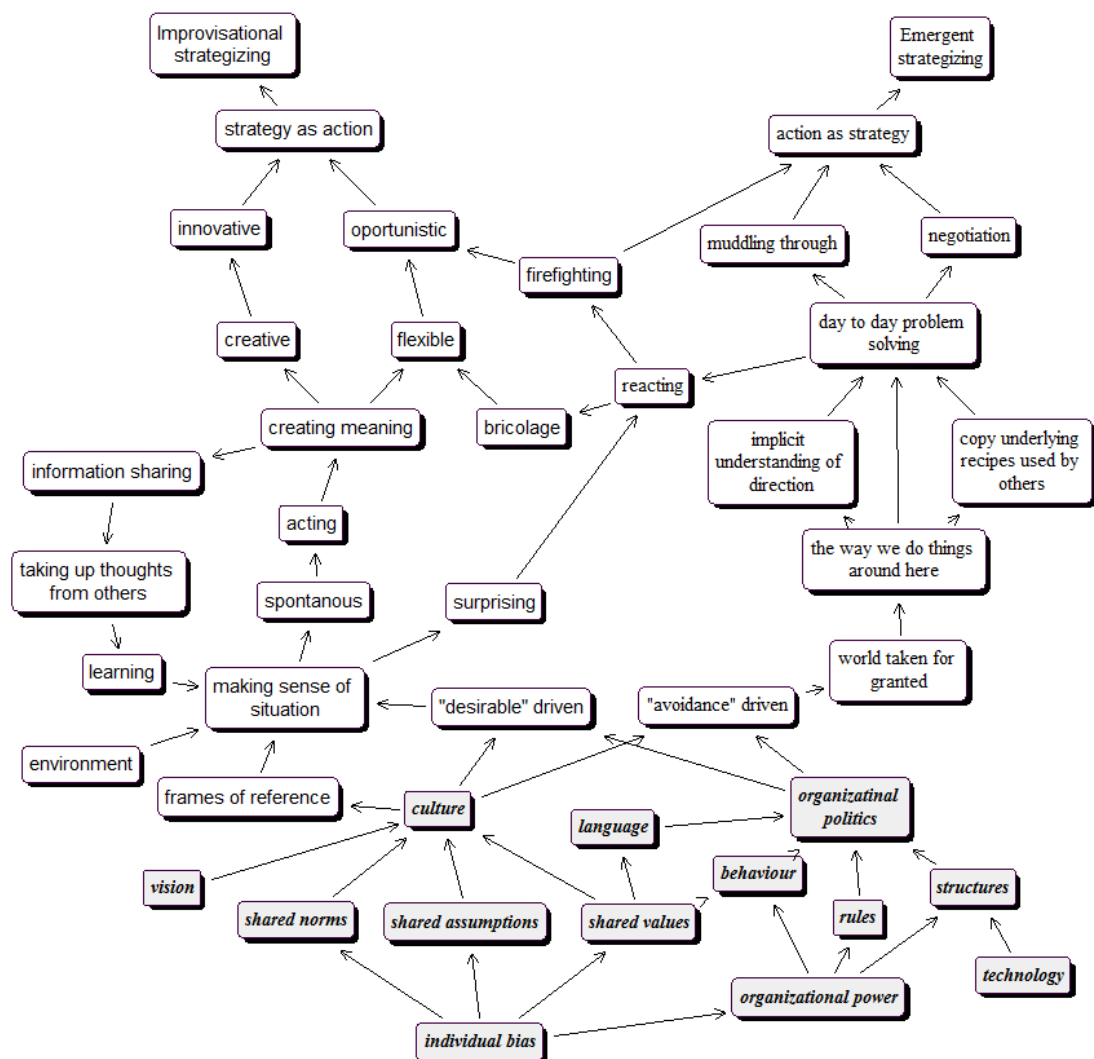
Figure 3: Joint model of emergent strategizing and improvisation

The two concepts in the figure above are not shown to explain that these are two different models but rather to reveal that 'improvisational strategizing' as I called the left part in figure 3 (in arial font) works in an emergent strategizing environment. For both concepts within an emergent strategizing environment, "meaning lies in the action" (Weick, 2001) and both are grounded in the culture of the organization (shown in italics).

However, because there is no explicit communicated strategy, the emergent part of a traditional non-deliberate emergent strategizing environment and pictured on the right side in figure 3 (in times fonts) derives stability from its 'world taken for granted' view based on the implicit understanding of the direction the organization is taking, this includes the environment. Acting is more 'avoidance' driven and more focused on internal procedures; the pilot project research revealed such an arrangement (chapter 2). This implies that *culture*, 'the way we do things around here,' is important. Working is based on rules, structures, technology and organizational power (normally) delivering needed stability people can rely on, day to day action incrementally crafts the strategy. It holds true for the improvisational concept, "The equivalent of emergent strategy in improvisation can be seen in the way actors develop story lines spontaneously" (Crossan, 1997: 41). However, cultural aspects defer and rely much more on shared vision and values defining 'a direction,' incorporating implicit and explicit elements and thus 'embedding' and legitimate action. In an improvisational environment, the stability of a 'world taken for granted' is replaced by a 'making sense of the situation' behaviour and thus *environment* matters because it delivers the cues for sensemaking and acting. In the literature on emergent strategizing there is no specific mention of time constraints and/or complexity, something which is very much the case for improvisational environments. In other words adding pressure starts to propel our 'improvisation' model. "The likelihood of survival goes up when variation increases, when possibilities multiply, when trial and error becomes more diverse and less stylized when people become less repetitious and creativity supported" (Weick, 2001). When this happens plans are created by acting thus, the strategy *is* the action; Weick calls it a just-in-time strategy. Because this all happens in real-time, *group* behaviour and

leadership are much more challenged, we have talked about those two concepts in depth further above already. What remains is *technology,* which is shown in the figure more as an 'input' into culture. This is important because technology has the power to alter culture which alters acting and ultimately influences strategy in our model.

Now what to draw from this model for our research? First, when revisiting the pilot project I became reinsured that SME1 was using an emergent strategizing approach, there was no deliberate strategy formulated and staff were working on their customer projects with an implicit understanding of the company moving in a certain direction. The improvisational 'artifacts' I detected however rather came from the 'internal' pressure management imposed on the employees. Under that stress, the employees became uncomfortable with what management wanted and created an 'improvised solution' for their very own 'survival' and not in the sense of creating new ideas and concepts for the organization as a whole and its future progress. In the absence of a formulated strategy, organizational politics and culture (figure 3, italics) play a much more important role because the *delivered strategy* directly depends on an 'investment' into this part of the organization, nurturing the concepts above, and becoming paramount. At SME1 culture and shared beliefs played no relevant role yet it seemed a deliberate management tactic no to let them grow but rather demonstrate power.

Second, deriving from the conclusions above, it is of importance to consider cultural and political context to a higher degree than how it was reflected in the pilot project. The concepts applied to research have to be revisited with a focus on improvisational acting and should be anchored in the 'observed reality' as Schein suggests (Schein, 1987). Thus, this research suggests to apply a participant-observer technique and construct a social reality from which cues can inductively inform theory and practice.

Third, when researching improvisation, I equally propose to apply what Eden & Ackermann (1998: 81) suggest for emergent strategizing: "1. An examination of structural properties of embedded routines, actual procedures and processes in use –

'the way we do things round here' – and how they relate to formal and informal reporting and decision-making structures of the organization; and 2. Capturing theories in use – the wisdom, belief systems, around and about the organization that are the basis for action (both of which derive from and drive 1)."

Fourth, in this context improvisation and sensemaking, is about cognition but in becoming strategically relevant it also incorporates politics and negotiation. Eden & Ackermann (1998: 28) regarding culture, cognition and politics state "We regard this triad of schools as probably the most fruitful perspectives to focus upon if we wish to understand the emerging strategizing of any organization." I propose the same for improvisation, embedded in such an environment.

Finally, when talking about cultural, cognitive, learning and politics schools of strategy, we talk about parts of the descriptive models, these contrast the prescriptive rationalistic schools like positioning, design and planning schools. Eden & Ackermann's (1998: 25) view on this is, "…that they each offer important help in understanding the process of strategy making where description and prescription need to weld themselves together." Where description and prescription meet in organizations is where improvisation lies. It is where organizational opportunities can be exploited for practice and where improvisation can be studied in theory.

3.6 OTHER IMPORTANT CONCEPTS

> *"We have a policy not to have policies."*
> (CEO of SEMCO; in Crossan, 1996)

Following are four concepts which are influential on improvisation. The concepts of bricolage, small wins and loosely coupled systems support improvising whereas the idea of institutional theory is more attached to the prescriptive schools of strategy applying top-down goals and particular agenda setting. Each concept is shortly presented.

3.6.1 Bricolage

Theorists sometimes also talk about bricolage when talking about improvisation. The term bricolage, coming from the French language, according to Collins Dictionary is used in architecture and associated the meaning of "the jumbled effect produced by the close proximity of buildings from different periods and in different architectural styles. However, it can also be attributed to "the deliberate creation of such an effect in certain modern developments." For anthropologist Levi-Strauss (1966) a bricoleur "is still someone who works with his hands and uses devious means compared to those of a craftsman" but Rodenbeck (2008) just in this "devious means" sees a "heterogeneous repertoire…[for]… brilliant unforeseen results." Thayer (1988: 239; in Weick 1995: 10) understands bricolage as "Making things work by ingeniously using whatever is at hand, being unconcerned about the 'proper' tools and resources," and for Boxenbaum & Rouleau (2011: 278) bricolage refers to "An assembly of readily available elements." The same as Leybourne (2006) sees it, "It is clear, however, that improvisation encompasses using resources that are to hand to resolve unforeseen occurrences. This is the essence of bricolage." Leybourne (2007: 234) sees bricolage as one of the essential constructs of organizational improvisation as defined by Moorman & Miner (1998). Finally, Cunha et al. (1999) found "research […] seems […] to be unable to separate bricolage from improvisation," both concepts belong to the same construct, and they see bricolage and improvisation as "two lenses that can be used to look upon a single phenomenon…" In this research, the concept of bricolage is seen as an 'integral' part of improvisation. It is not examined more specifically.

3.6.2 Small wins – tailoring problems

Small wins theory is not unimportant to a successful concept of improvising. Small wins theory understands problems as social constructions and attempts to consider what is seen as an issue in the first place. For Weick (1995: 426) "People often define social problems in ways that overwhelm their ability to do anything about them," and that is right where the problem starts for him. Because when there are problems, there is arousal and that has an impact on control and predictability, lowering arousal raises understanding and manageability (Weick, 1995: 434).

Problems should be defined in ways in which the state of arousal can be kept to a sensible level in order that the problem is interpreted more as a challenge by the worker which he or she can master when applying own skills. Doing so allows for curiosity, quicker acting, and incremental learning. Small wins for Weick thus work indirectly on the solution. It becomes important, how managers deal with problems, how they define and communicate about them. Particularly in uncertain environments and given the reality of bounded rationality (March, 1978; Perrow, 1981; in Weick, 1995) "Small wins may be effective as much because they are 'small' as because they are 'wins.'" This effectiveness matches improvising in which acting usually is on a smaller scale too and might deliver 'immediate' wins or, at least minimize losses. This effect is important just because it stabilizes the individual who is acting, strengthens his or her self-confidence and reassures him in what he is doing. This process can work as a self-fulfilling prophecy and for Weick (1995: 434) doing so does not exceed bounds of rationality. "Small wins are compact, tangible, upbeat, noncontroversial…" (Weick, 1995: 439). Bundling such small wins retrospectively is about emergent strategizing. For a discussion of emergent strategizing, see the respective chapter.

3.6.3 Loosely coupled systems

Loose coupling is present when systems have either few variables in common or the variables they have in common are weak (Glassman, 1973:73; in Orton & Weick, 1990). The real benefit of such loose coupling according to Orton & Weick (1990: 217) are persistence, adaptability, buffering and satisfaction. The concept is about varying interdependencies at any organizational locations, for example in hierarchy, between departments but also in time (what happened yesterday vs. tomorrow), etc., incorporating determinacy as well as spontaneity. Thus such "a system is simultaneously open and closed, indeterminate and rational, spontaneous and deliberate" (Orton & Weick, 1990: 205). For Orton & Weick (1990) such concepts "sensitize the observer to notice and question things that had previously been taken for granted," "Organizations as loosely coupled systems may not have been seen before because nobody believed in them or could afford to believe in them." It is conceivable that preoccupation with rationalized, tidy, efficient, coordinated

structures has blinded many practitioners as well as researchers to some of the attractive and unexpected properties of less rationalized and less tightly related clusters of events" (Weick, 1976).

Further Weick questions if elements of intention and action hold an organization together as Olsen (1976) suggested, rather, intentions and action are loosely coupled. "Unfortunately, organizations continue to think that planning is a good thing, they spend much time on planning, and actions are assessed in terms of their fit with plans. Given a potential loose coupling between the intentions and actions of organizational members, it should come as no surprise that administrators are baffled and angered when things never happen the way they were supposed to."

Weick describes more important attributes of loose coupling which makes the concept a good vessel for improvisation: loose coupling incorporates better sensing mechanisms than tightly coupled systems. Therefore they 'know' their environments better but also adjust themselves better to their surroundings without affecting the whole system. Also, because of the preserved uniqueness and identity of many members, the system better withstands radical and adapts to a wider range of changes. The system is relatively inexpensive to run because coordination is at a minimum but it is unspecifiable and "nonrational to fund allocation."

What does this mean for members of such a system? There is high self-determination not usually found in tightly coupled systems, "where discretion is limited" (Weick, 1976) and Birnbaum (1981; in Orton & Weick, 1990) found "…that research groups composed of members who agreed on the overall goals of the research project, but had diverse academic training and affiliations, were more productive on same dimensions than groups composed of members with less diverse academic training and affiliations." Peters and Waterman (1982; in Orton & Weick, 1990) argued "…that employee autonomy, experimentation, and innovation can be facilitated through a strongly held set of shared values" and on a general organizational level "…simultaneous loose-tight coupling helped create "excellence."

3.6.4 Institutional theory

As a result of their specific situation, organizations interact with their environment. This interaction influences the organization and impacts sensemaking and emergent strategy.

Weick quotes Ring and Van de Ven (1989: 181) "The process of understanding emerges from the need of individuals to construct an external factual order 'out there' or to recognize that there is an external reality in their social relationships," and he goes on "In other words people act in such a way that their assumptions of realism become warranted. The socially created world becomes a world that constrains actions and orientations," once again he cites Ring and Van de Ven (1989: 185) "What was once recognized as a socially constructed transaction takes on the form of an externally specified objective reality, where transacting parties play out preordained roles and 'action routines'" to conclude "It is this institutionalizing of social constructions into the way things are done, and the transmission of these products, that links ideas about sensemaking with those of institutional theory. Sensemaking is the feedstock for institutionalization." (Weick, 1995: 36) Meyer and Rowan (1977: 340) argue that organizations adapt their structure according to what they think that the environment is expecting from them without questioning if those structures are efficient in terms of what the organization really needs. "Many formal organizational structures arise as reflections of rationalized institutional rules… Organizations whose structures become isomorphic with the myths of the institutional environment – in contrast with those primarily structured by the demands of technical production and exchange – decrease internal coordination and control in order to maintain legitimacy. Organizations that do so increase their legitimacy and their survival prospects, independent of the immediate efficacy of the acquired practices and procedures".

Institutionalized activities occur due to influences on three levels according to Oliver (1997): individual, organizational, and inter-organizational. Members of the organization follow norms, habits and traditions both consciously and unconsciously (Berger & Luckmann, 1967) however on organizational level shared political, social,

cultural and belief systems support following traditions of institutionalized activities and finally on the inter-organizational level industry alliances, government and expectations from society define what is socially acceptable and what is expected organizational behaviour. (DiMaggio & Powell, 1983). For Johnson et al. "Institutions are defined by their rules. This is so both in terms of what we mean by institutionalization and in terms of how individuals identify with those institutions…" (Johnson, Smith & Codling, 2000: 574) and the concern "… has been to understand organizations in terms of norms and rules… and how individuals are captured within these…" (Johnson, Melin & Whittington, 2003). Scott talks about institutions that are "regulative, normative, and cognitive structures and activities that provide stability and meaning for social behaviour" (Scott, 1995: 33). Those institutions exert pressure on organizations and in order to survive they must adapt and conform to those rules and belief systems which are prevailing in the environment in which they exist (Scott, 1995).

Institutional theorists focus on the underlying processes of social structure like norms, routines and schemes becoming established as guidelines for social group or collective behaviour over longer periods of time and research the question of why subsystems of institutions, in this case, organizations, tend to look and act the same over time (DiMaggio & Powell, 1983).

Weick sees sensemaking as a feedstock for institutionalization. This is equally the case with improvisation. Over time routines and conceptual frameworks emerge from the learning of what started as making sense of everyday situations and spontaneous action. If learning changes organizational culture towards more prescriptiveness, sensemaking and improvising lose organizational importance. Eden & Ackermann's cycle (see figure 2) is supportive of this. However, for Weick (1995: 36) "Enactment is first and foremost about action in the world, and not about conceptual pictures of that world." Thus, if the culture is strongly in favour of individual enactment, anchored in the organization's foundation, it might impede institutionalization.

3.7 SUMMARY

In this chapter, we have discussed relevant literature. First, I aimed at developing a valid definition of the term improvisation and found out that it derived from the behavioural sciences finding its way into management literature. Improvisation stands for "acting thinkingly" and is about personal cognition.

Second, in the management literature, some concepts joined the model, *environment*, often acting like a stimuli or cue to improvisation in the affected organization. *Culture*, the underlying whole being the sense-maker and framework for improvising staff. The *group* enabling teamwork, exchange and alignment and thus holding the important function of reassuring its members. *Leadership*, 'signposting' the group as a coach, empowering its members and working as an enabler, confirmer, and additional sense-maker. And finally, *technology* incorporating a very critical role. It can play a subordinated and supportive role to improvising organizations by being flexible and 'out of the way', or it might be impairing the process due to its excessive structure.

Third, the reader has been introduced to the important concept of *sensemaking* which underlies improvisation and without which improvisation would simply not work in an organizational environment, sensemaking adds the logic.

Fourth, I have developed a joint model from *sensemaking* to *improvisation* to deliberate *emergent strategizing* which can affect the whole organization and guide its strategy. Furthermore, I have highlighted the role of different *stakeholders* with their professional backgrounds, their proneness towards improvisation as well as their power in organizational negotiation and politics.

And finally related concepts like *bricolage*, *small wins*, *loosely coupled systems* and *institutional theory* have been discussed and their relevant connection exposed to improvisation.

Chapter 4: Research Methodology

"There's nothing worse than someone just doing their job: just doing the minimum that's required. My job as a manager would be a lot simpler and more satisfying if more employees understood improvisation."

(Ken Peplowski, 1998)

4.1 INTRODUCTION

This chapter covers the research methodology used in this thesis. First, the research question is discussed. Then, issues in methodological choice are presented and alternative options argued. The selection of the methodology is disclosed, and the role of myself as the researcher as well as issues in collecting data, data validity, saturation, and reliability but also the analysing process are discussed.

Figure 4 shows the development of the research framework:
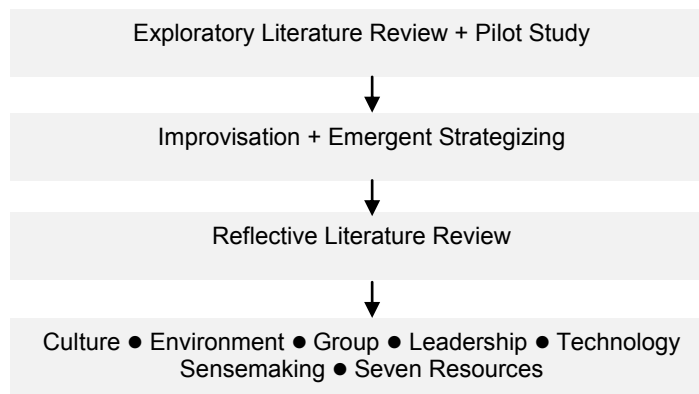
Figure 4: Development of research framework

My research commenced with an initial literature search and the pilot study. I identified two concepts as being particularly salient: improvisation and emergent strategizing. In taking into consideration the two concepts and the pilot study, further reading – a reflective literature review – confirmed the five elements *culture*, *environment*, *group*, *leadership* and *technology* as being the focal lenses for the two

detailed studies of COM1 and COM2. Furthermore, an additional concept emerged as feedstock of improvisation: sensemaking. Thus, Weick's (2001) seven resources of sensemaking were additionally used in this work to research the data from a different perspective.

I researched a phenomenon within a social group trying to incorporate meaning and human interest (Ramanathan, 2008) to a wider context. Thus, the research was undertaken in a social constructivist paradigm. I believe that this paradigm allows us to better understand the mechanism and impact of improvisation in organizations. I decided to use participant-observer data capture as the means for eliciting the data. Then I used a priori elements from the theory and the pilot project to start analysing my data, however, I remained open to emerging elements in the way it is described in grounded theory research by Glaser & Strauss (1967) and Strauss & Corbin (1998).

4.2 THE RESEARCH QUESTION

After I had conducted my pilot project at SME1, the results showed that SME1 was un-deliberately applying an emergent strategizing (ES) approach. However, improvisation within this environment was not supported through organizational culture. Rather, it seemed to be a result of management mistrust towards the workforce. The pilot project uncovered the importance of culture in this context and showed that 'customer perspective' and 'supporting systems' play a major role for 'improvisational strategizing.' However, these findings were in need of further research. This circumstance led me to think of an experimental, theoretical framework: "Organizations deliberately using emergent strategizing (ES) could add 'top down' aims and thus 'steer' the company while relying on the use of improvisation by its members as an adaptive tool to address environmental changes. Used in a deliberate way, improvisation might have the potential to rapidly and flexibly align the business to changing market needs and at the same time empower the own workforce."

When I started working for COM2 in May 2007, I observed something very different happening in the organization. It was evident to me that COM2 was improvising too, but it was done differently than at SME1. This reinforced my interest. Why did people improvise here, how did they do it and why was working in this environment much more positive compared to SME1 and despite the existing pressure?

In September 2008 COM2 was sold to COM3. Subsequently, the organizations were merged. COM3 had a different approach to managing their business, very prescriptive with clear targets and personal incentives. For me, managing was a harder task at COM3 then it was at COM2, but why was this the case?

Comparing the three organizations, only one stood out in the way they managed their operational business, COM2. The way of doing business at COM2 resembled my experimental, theoretical framework. Thus, I formulated following research questions: "How does COM2 keep its business agile?" and "What are critical issues within an improvising environment?" I also wanted to find out, why COM2 used an improvisational strategy rather than rely on a more traditional one. In trying to answer these questions, I want to make a contribution to practice by supplying insights for practitioners thinking about making their organization more flexible, and I want to contribute to theory in suggesting a combination of the concepts of sensemaking, improvisation and emergent strategizing when researching improvisational phenomena.

4.3 ISSUES IN METHODOLOGICAL CHOICE

There is a choice of appropriate methodologies that can be applied to this research which is led by the framework developed in the literature research chapter around the five concepts: environment, culture, group, leadership, and technology. These concepts are about culture which matters in an improvisational environment, something the pilot project confirmed. Schein (1992) favours an ethnographic observation when studying strong cultural aspects.

Cunha et al. (1999: 314) suggest that the researcher prepares himself "with a cognitive map of what the subjects believe is the 'standard' course of action […] measuring of improvisation in a specific performance possesses a higher degree of reliability if the researcher takes with him or her not only a stopwatch but also a copy of the written score of the 'standard' of the song played in the performance." I didn't find this approach a feasible way for a longer observation period; it seemed more usable for project-oriented research. Furthermore, to have a 'copy of the written score' is a challenging task if there is not much available in written work a priori to compare with. Finally, implications concerning organizational strategy might not be directly derived from such results. It seems to cover more the micro level, for example, new product design, etc.

Eden & Ackerman (1998: 26) mention 'improvisation' as part of opportunism and flexibility by quoting Isenberg (1987) when they put emergent strategizing into context with other schools of strategy, both concepts represent the descriptive part. More about this can be found in the literature review chapter. Important here is that Eden & van der Heijden (1995) give some advice on how to detect emergent strategy in organizations, namely by analysis of documentation, using participant-observer research, working with "pain" and interview and feedback technique. Together with Schein's suggestion of observation, this method of making inquiries seemed more suited for researching improvisation in this particular study. Thus, each of the suggestions made by Eden & van der Heijden is shortly discussed for its appropriateness.

4.3.1 Analysis of documentation
Official documents are part of the culture of an organization and tell a lot about their attitude and 'how things are done,' But how much is there in written? At COM2 I was able to gather official information about cultural values, the vision, how the organization defined and saw itself. COM3 did not publish any noticeable words that implied its culture or strategic intent. However, the annual reports delivered some cues. The documents form an important part of my analysis because they are official statements and give a direction for the workforce (Weick, 1995). Furthermore, I

asked the main coordinator on my team to write essays about organizational aspects at COM2, later at COM3. After the integration of COM2 into COM3, a COM3 employee conducted a survey on how COM2 employees experienced working differences within the two organizations. The survey is also part of this study.

4.3.2 Participant and observer

The method is commonly used in qualitative research for collecting data concerning organizational behaviour. Participant-observation is defined as a field strategy that simultaneously combines document analysis, interviewing of respondents and informants, direct participation and observation, and introspection (Denzin, 1989: 157-158). This research method is appropriate for research on improvisation, particularly when a wider organizational context has to be considered. Data collection in this research was made as participant-observer and data was collected on a day-to-day basis. More about this can be found in the section 'data collection with notes.'

Participant-observer technique is not free of problems. In order to be able to collect data, it is important to have access to the organization, the people and the data. I was a member of the two organizations and had an open exchange with other members; I worked for the organization every day and was able to start collecting data right away. Being a member of the organization meant, that I was part of the research myself. I had two roles one as an observer and, at the same time, one as participant-member of the organization. I was aware of these conflicting roles. I have elaborated more about my role in the section 'the role of the researcher.'

Observing can be done by using a structured sheet though this is often less recommended because such a 'guide' could prevent the observer's attention to discover something new (Flick, 2006: 221). I did not use such a structured method but preferred to write my notes in a notebook which I had with me and which ensured a chronological order.

4.3.3 Making use of a crisis situation

Employees are working under "pain" when the organization is facing a crisis situation; this can be internal or external or both. Under such circumstances, members of the organization search for solutions on how to overcome the situation. Thus, they might be more open discussing their own issues and worries. Such circumstances permit for detecting people's issues, addressing and solving them and, in the same process, solve an organization's real strategic issue. I met something like a crisis situation at SME1, more about this can be found in the pilot project chapter. However, neither COM2 nor COM3 where operating under a crisis situation.

4.3.4 Interviews

Before starting collecting data for the main research project, I conducted interviews for the pilot project, more information on the technique used can be found in the section 'interviewing' within the pilot project chapter.

For the main research, I did not use interviews due to the reason that COM2 and COM3 did not manifest an interest in the research. This was clearly stated by the CEO of COM2[3] when I asked him about possibilities for conducting studies in the organization. I was allowed to do the research, but he wanted me to do it in an unobtrusive way. When the organization was merged with COM3, my new superior[4] took note of my research but did not further care about it. This might raise the question if researching organizations not showing any interest is appropriate. My intention was to conduct my research with the aim of finding out more about improvisation within emergent strategizing environments. Neither did I intend to alter the organization in any way based on research findings nor was this research conducted to value the organizations or their staff. Both organizations approved my research even though they did not show any particular interest in the outcome. I was requested to keep all material confidential and not to reveal any secrets.

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[3] Personal talk with the CEO of COM2, May 2007
[4] Personal talk with the director residential customers COM3, January 2009

4.3.5 Questionnaires/Surveys

Questionnaires are suitable as a method of data collection when the researcher has no or little information about the topic he is researching. This was not the case in this investigation as I was a member of the organization myself. An issue with questionnaires can be that when people fill them in, and the company is in a sort of a crisis situation, they do not necessarily say what they really mean which is called the halo effect (Furnham, 2005). Furthermore, a direct inquiry is difficult should a statement in the questionnaire be unclear.

4.3.6 Action research

Action research would require identifying the problems while acknowledging that a future change of action was necessary. Next, a proposal is made, and the elements of the proposal plan implemented whereas the organization is observed, data is gathered, analyzed and reflected while acting towards the desired change (Grundy, 1988; French, 2009). It is important that this cycling is done together with organizational members as participants who agree to the main problem and the action plan. Dialogues during the process ensure triangulation between the participants and should lead to a better perception of the issue but also enlighten and empower them (Grundy, 1988; French, 2009).

The possibility to conduct an action research study would have been available to me in theory since I was a member of the respective organization at the time of the research and current with everyday problems the organizations were facing. I have discussed the possibility of an action research in the pilot project chapter, for SME1 it might have made the most sense. However, applying action research was not an appropriate way of conducting research in the case of COM2 or COM3 because I had no intention of influencing the outcome.

4.3.7 Participant-observer research and mainly inductive analysis

Does participant-observer data collection make sense for researching improvisation? Improvisation is part of the cognitive strategy school which is related to the cultural school 'in a number of important ways,' and thus strategy is ultimately expressed

through the culture of an organization (Eden & Ackermann, 1998: 27). For Weick (1985) "A corporation doesn't have a culture, a corporation is a culture." Thus, researching the culture is researching strategy. Culture is organizational behaviour, observing culture is to recognize the role of rituals, routines, symbols, stories, organizational structure, control systems and power structures (Johnson & Scholes, 1993). This is what matters when researching improvisation in its organizational environment.

Not every culture might allow for improvisation to happen, but the more emergent the environment is, the more improvisation can be found because ultimately improvisation is action which is embedded in culture. Thus, for Weick (2001) improvisation can even act as a substitution for strategy. Observing everyday working routines as an integrated member of the organization does make sense for gathering qualitative data. Schein (1996) states "I believe our failure to take culture seriously enough stems from our methods of inquiry, which put a greater premium on abstractions that can be measured than on careful ethnographic or clinical observation of organizational phenomena." This research is not about quantitative analytical analysis; it is about social behaviour. For Floyd and Wooldridge (2000) "Typically, the methods employed […] involve interviews, field observations, case studies, and grounded theory" and for Weick (1995) "To engage culture is to tell stories about joint experiences." For Floyd and Wooldridge (2000): "Inductive theory building represents an important alternative for examining the renewal process," and "…researchers should appreciate the context-specific and longitudinal nature of the phenomenon being studied."

The above statements apply to this research because I investigated social behaviour within its context over a long time period and for two different organizational environments. Analysis was done using a research approach that resembles what Glaser & Strauss (1967) describe as a process for developing grounded theory. I disaggregated my data consisting of statements, descriptions, narratives, and documents into chunks with the aim of conceptualizing and aggregating data back in new ways, Strauss & Corbin (1998) call this open coding. According to Strauss &

Corbin this is the central process by which theories are developed from data in grounded theory, see also subchapter 2.6.3 'data analysis' in the pilot project chapter. However, "every type of inquiry rests on the asking of effective questions" (Strauss & Corbin, 1990: 73). Thus, "it has to be taken into account that observation and the development of theory are necessarily always already theory guided." In that sense a theoretical pre-knowledge flows into the data's interpretation (Reichertz, 2010). In this work a priori elements from theory and emerging elements from the pilot project guided the first part of data analysis, see subchapter 5.5.2 'Part 1: analysing a priori elements of improvisation,' particularly figure 8. During analysis further elements emerged which constituted subchapter 5.5.3 'Part 2: analysing emergent elements of improvisation.'

4.3.8 The role of the researcher

I was a member of both organizations at the time of my research. I joined COM2 as senior manager operations and member of the management team in May 2007 and was working at the organization until it was taken over by COM3 in December 2008. At COM3 I became the responsible manager of COM2's customer base until I left the company in the fall of 2010. During my time at both companies I was able to develop good insight into the workings of the organization and I gained a broad understanding of processes and 'how things were done.'

A positive aspect was the fact that I did not have to lose time to accommodate with the organizations and its members as an external researcher most probably would. I was familiar with the environment and thus also understood people and their formal and informal behaviour in different situations. External researchers can have issues with general access, access to employees but also access to data, where to search and in receiving permission to do so. As a member of the particular organization in general and management team, in particular, access to everyday working practice without a barrier allowed me to naturally take notes. However, there are several ethical issues when observing and taking notes, especially as a member of the organization and member of the management team. Even though I had informed my colleagues in management, my team and the external partners that I was doing a

research project, of course it was not obvious to them if my note taking was for business and/or for research reasons. Also, since notetaking is non-obtrusive and my research extended over a long period of time, it might well have been that fellow members of the organization lost their awareness about the fact that I was still researching. Furthermore, because of the more ethnographic nature of my research everyone could become an 'instant research participant,' the research boundaries are blurry making it impossible for actors to voluntary participate or withdraw from the process. As a researcher, especially as member of the management team, I carried high responsibility of discretion and privacy and to not misuse any received information. It was fundamentally important to me not to harm anyone through my research nor do someone a disservice. Also, I paid very high attention to not misuse the trust employees showed towards me.

I collected data as a member of each of the organizations and thus I also became part of this study. For example sometimes data or narratives included parts in which I was acting as a staff member or in collecting data related to covering the team and leadership. This meant that I had two roles to play, one as a staff member and one as a researcher collecting data about the organization and sometimes about myself. This is not free of problems and can potentially be biased, for example, because I might have had preferences for certain employees over others. In the role of a manager, members of my team reported to me, there was a reciprocal dependency. Equally, this might have been the case with external partners because as senior manager, external partners were part of my business relations which I would have been able to influence or change. Furthermore, a senior manager undoubtedly has a certain perception of how things should work which influences the thinking and acting of other members. Leaders "teach their organizations how to perceive, think, feel, and behave based on their own conscious and unconscious convictions" (Schein, 2010) which create "what would be typically called the 'climate' of the organization" (Schneider, 1990; Ashkanasy, Wilderom, and Peterson, 2000; in Schein, 2010). Thus, what I observe might be part of what I imposed on the organization in the first place. However, organizations *are* cultures, rather than *have* cultures, thus, those at the top are equally subject to premise control (Meek, 1988; in Weick, 2001: 78),

something Schein (1996) confirms "We did not grasp that norms held tacitly across large social units were much more likely to change leaders than to be changed by them." In a certain way, this puts the aforementioned into perspective.

Furthermore, knowing the organization, staff and processes are not only positive because often one might conclude a priori when looking at data without waiting for the outcome of the analysis or probably even also influencing the analysis per se.

My superiors had been informed about the study I was conducting; they had no objections. However, COM2 required that any use of correspondence would be limited to my academic research and not be transferred to other parties. Furthermore, no secrets would have to be published and any information anonymised before publication.[5]

However, as well as benefits from being a participant-observer there are, of course, also some limitations. One limitation is that as a participant-observer what I collect is inevitably subjective. Subjectivity can also be evident when deciding on what data will flow into the analysis as well as for the analysis itself. This is especially the case in qualitative research. These, and other, imitations are discussed in subchapter 7.3.

4.3.9 Naturally occurring resources and the right data

Data coming from naturally occurring resources reflect the "real world" because "they are formed in the natural setting of the social world" (Henn et al., 2006: 187). Such facts in contrast to primary data have not been influenced by a researcher. However, there is still a risk that they deliver a distorted picture when people behave in a way they want you as a researcher to believe is reality, for example, when they do not say what they really mean. This risk might even be higher when conducting interviews or working with questionnaires. For Pettigrew (2000: 256-7) ethnography, as well as grounded theory, are naturalistic research methods. Naturalistic research methods consider context and therefore might cause criticism from supporters of

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[5] COM2 letter „Usage of business correspondence", dated 5. Mai 2008

positivist approaches. However, meaning can only be properly derived from data that is collected from within the field (Henn et al., 2006: 188).

Observers collect a huge amount of data but do they collect the right data? There is a natural selectivity about what the researcher observes because he simply cannot observe everything. The range of variation and variety (Flick, 2006: 222) was addressed by collecting data over a longer time period and at different places. The data was gathered in the real world of the organization, in meetings, discussions, calls, at the coffee bar, just where people met and exchanged and where I was a part of it. The data was collected constantly, over the complete time period of my work for the two organizations. Thus, it represents to a high degree 'what we did' and 'how we did it' from an *operations* perspective. What was worth taking a note of, and what was not, was nevertheless a subjective decision. Participant-observation work is qualitative rather than quantitative research and thus relies on careful interpretation.

4.3.10 Validity

Validity, in general, is vulnerable to reactivity, subjectivity and 'going native' (Henn et al., 2006). These three points are discussed next.

Employees may not say what they really mean, especially if they know that someone is researching the organization. Because of that, the collected data from an observation might represent what people want the researcher to believe but not what actually is happening in the real world. However, I did not detect this being an issue in my research because a) I was an acting member of the organization at the time of research b) I took my notes over a long time period, and c) being a member of the management board allowed me to access and describe a wider range of organizational realities which influenced the direction of the organization at that time. These useful features of the data collection might not have been possible as an independent researcher. Taking notes in a variety of situations was not something other members noticed as research even though they knew that I was doing research

work. Also, the research was not used to actively alter a situation based on statements from employees who did not know that they might have been observed.

I have collected information over the complete time in which I was a member of the two organizations. My notes were taken at meetings, in discussions, over lunch, at the coffee bar, at partner premises, etc. This data represents 'what we did' and 'how we did it' from my perspective and in my role as a senior manager. More can be found in the following section 'data collection with notes'. For me, it was important that the collected data was plausible in the sense that someone who attended the same meeting or discussion would largely see the same if asked about it.

Flick (2006: 371) notes "The production of the data becomes one starting point for judging their validity and the presentation of phenomena and of the inferences drawn from them becomes another one." To understand the data in relation to the phenomenon, I coded the narrations and the available documentation. For Yin (2003) "A proposition helps to focus attention on certain data and to ignore other data." My starting proposition for coding came from the theoretical concepts. However, during the coding process, additional elements emerged from the data. For Hammersley (1992; in Flick, 2006) phenomena exist independently of our claims. Because "we aim at presenting reality rather than reproducing it, our assumptions can only be more or less approximate and should be judged on plausibility and credibility by applying a subtle realism," and for him "Reality becomes accessible across perspectives on phenomena." I tried to gather and analyse my data and documentation in a plausible and reliable way. Furthermore, in using Weick's (1995, 2001) seven resources of sensemaking as further codes I tried to look at the phenomenon through an additional conceptual lens (see figure 4).

In qualitative research, particularly with participant-observation over a long time, there is a risk that the researcher can get too close to a group or members of the organization and identify with them (Henn et al., 2006: 177). Being part of the real world operation, he can favour one group over another or become biased over time or in certain situations. This might lead to a distorted picture and influence the

collection of data. I mainly detected two such situations. First, extensive exchange with a group in an improvisational environment is predetermined (Crossan, 1998; Weick, 1995, 2001). Since I was leading the operational group, I was nearer to my team members than to other groups. However, this was also an opportunity for a closer observation of the acting team and its connection to the environment. Also, I asked the main coordinator on my team to write essays to help triangulate the data. Second, when COM2 was bought and integrated into COM3 over time a certain halo effect might have taken place where everything that 'they' did and how 'they' did it was bad and what we did was 'good' (Furnham, 2005). I was aware of this problem during my observation and attributed it to the changed cultural surrounding. For this research, I aimed at collecting data from interactions between members as well as from 'official' documents seen particularly relevant to my concepts. This was done in the same manner for both organizations.

Ultimately, the lens through which the two organizations were looked at is the one of improvisation, emergent strategizing and sensemaking.

4.3.11 Saturation

A state of saturation is reached when data does not reveal new or additional information which is relevant to the research. When is this the case? For this work, I consistently gathered data from May 2007 until December 2008 for COM2 and from December 2008 until fall 2010 for COM3. I noted what was the occasion for the exchange, who attended, what was discussed or decided and who made what contribution or notable comment. Thus, raw data for the research period represents to a considerable degree 'what we did' and 'how we did it' from my perspective as an operations manager. When looking at the data, analysing it, it became evident that over time situations started to repeat; discussions were similar, stakeholders behaved in the same way, usual problems emerged, etc. This was an indication of how things were done around the organization, how patterns of action unfolded in the sense of Mintzberg & Waters' (1985) definition of emergent strategy as a strategic consequence of past actions. For example, COM2 showed more spontaneous meetings held on short notice whereas for COM3 I had almost only records from

standard scheduled meetings. Or, when I looked at the budgeting and accounting process, I realized that at COM2 the CFO never requested any figures from operations. This was different at COM3 were the COM2 team met regularly with controlling to discuss actual and forecast figures.

4.3.12 Reliability

The complete research was done by myself having an independent status without the sponsoring of any organization. In fact, no influence nor any expectations from any party applied. Instead, it was my aim to safeguard a consistent and plausible collection of data which aimed at ensuring reliability.

When researching the pilot project at SME1, the situation presented itself was difficult for the employees and for myself. My function as CEO in relation to the way the owner of the company acted was critical. I aimed strictly at taking a neutral position in that particular situation. Work on the research data was done separate from the business. This remained the way of researching at COM2 and COM3 since the two companies expressed no particular interest in the study. At SME1 data collection was done mainly via interviewing key employees in their free time while at COM2 and COM3 research was done by screening documents including the independently written essays from the main operations coordinator, observing the organization and its members during work and taking notes in a consistent manner. This consistency of the data collection aimed at reinforcing reliability.

4.4 DATA COLLECTION WITH NOTES

Data for the main project has been collected as a participant-observer. Notes have been collected on a day to day basis and have been written by hand into a booklet in order to have them together and chronologically ordered. What has been noted was the date and sometimes the time as well as where the discussion, meeting or exchange took place and who participated. Furthermore, I noted who made a contribution or a statement and what it was about. Furthermore, where available additional papers have been collected from the event and put into the notebook under

the particular event. The chosen notebooks were of the Moleskin type with a black cover and in A5 format so as to have it with me as much as possible thus making data capture easy and timeous.

The first notebook starts on 22nd of May 2007, when I began my work for COM2, and it ends on 24th of November 2008 which is quite near the date of the COM3 takeover which was officially 1st December 2008. The second notebook starts on this date and expands until 15th of June 2010. Together and chronologically ordered there are 193 pages of hand written raw data in notebook 1and 148 pages of hand written raw data in notebook 2. Following is an excerpt from my notebooks:

Date	Topic	Location	Who	Comments
16.5.08	Costs are much higher than what we receive from you	EXT	CG	CEO of XY does not want to offer her services anymore to COM2
16.5.08	What about offering the service with reduced opening hours?	EXT	VV	Would like to get new offer based on customer requirements
16.5.08	Say that we would withdraw the service, how long would we need for the whole process?	EXT	VV	CEO seems to have a hidden agenda as she does not offer an alternative
24.03.09	We have good results in ULL with approx. 900 new ADSL customers	MMRC / COM3	VV	Head wants to hear good news from the migration
24.03.09	Marcom informs that they only have a campaign until July and then restarting from Sept.	MMRC / COM3	PS	Why don't they inform us about such things directly? We lose marketing power!

Table 3: Example of notes taken

Most of the notes taken are verbally expressed statements from employees or partners at internal or external meetings, discussions at the coffee bar or in the restaurant or statements made during phone calls. Furthermore, many of the notes are from formal group discussions, but there are also notes from informal exchanges. I took the notes, and no one else had access to them.

The phenomenon I researched was not clearly standing out of its context. In such cases according to Yin (2003), it makes sense to converge multiple sources of evidence, see figure 5:
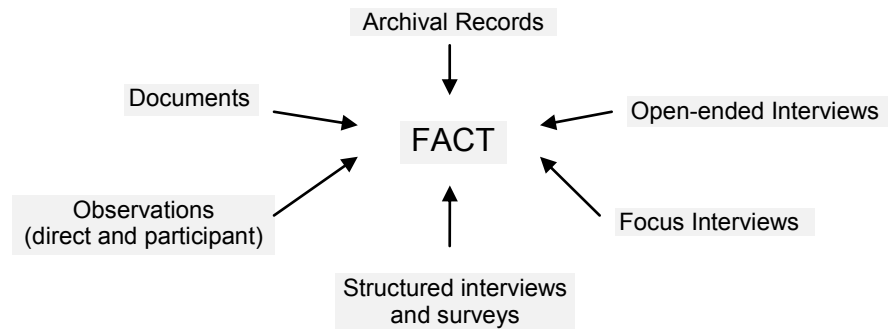
Figure 5: Convergence of Multiple Sources of Evidence (Cosmos Corporation)

The aim of my analysis was to converge evidence into facts, as shown in figure 5, in order to derive meaning out of it. I combined improvisation with an emergent strategy and with sensemaking in my experimental perception, see the literature review chapter. Thus, I was searching for three things in my data a) 'higher events' which hinted at significant organizational actions, b) patterns of actions which had an impact on the organization and represented a typical behaviour of 'how things were done' in the organization, and c) data that seemed particularly relevant to the theoretical concepts acting as lens.

My data existed of my observational notes supplemented by official documentation, the survey and the two essays.

I defined interactions with external partners, sales & marketing, billing, IT, budgeting, project management and personal exchange to be such significant 'higher events' because my research notes related the most to them. Next, I arranged my notes in chronological order; and now they started to show patterns of action, and convergent validity, for an example see appendix B, table B.1 for an 'example of notes and sources of evidence for IT narrative.' The chronologically ordered notes narrated the descriptions in the analysis chapter. The descriptive narrations 2.1 to 2.8 for COM2 and 3.1 to 3.7 for COM3 (see appendix C) originated from the same method. They belonged to additional and typical patterns I identified of 'how things were done' in the organization and which I found to be of importance for my work

because they led to a noteworthy outcome for the organization. Furthermore, the essays 2.9 for COM2 and 3.8 for COM3 (appendix C) originating from a member of my team formed part of the raw data.

Next, I started to analyze the narratives, documents, and essays by coding them to the a priori elements of 'culture', 'leadership', 'group' and 'environment' and the emerging element 'technology', for more information concerning these elements see chapter 2. During this process, further elements started to emerge for my data: 'time', 'costs', 'best practice', 'informal exchange', 'stakeholders', 'complexity', 'responsibility', and 'options'.

To capture the relationships between data during my analysis and to help organize my thinking as well as develop the mental model, I used causal mapping software (Decision Explorer) with which I was able to visualize and experiment with relevant links. Huff (1990; in Floyd & Wooldridge, 2000) talks about "maps that show influence, causality-maps that show the structure of argument and conclusion." Even though maps might oversimplify the sense-making process, Huff argues "that this simplicity is appropriate for strategic management cognition studies because 'getting the big picture' is precisely the point."

For example, when I analysed cultural elements of COM2 (see figure 9) in my raw data which I had assigned to the element 'culture,' I found recurrence of statements about cost-pressure expressed in meetings or discussions from members of the COM2 organization. But not only members mentioned costs, I found them in the behaviour of the CFO and the vision of the organization. Cost was omnipresent at COM2 and that established the nodes 16, 17, 18 and 19 in figure 9 as an emergent new element. However costs were also part of the enactment resource in Weick's seven resources of sensemaking, people mentioned that they had to make the best out of situations knowing that "there was no money." This lead to node 7, enactment in figure 9.

The same was the case with time pressure which could be found in the corporate values of flexibility and quick adaptation (node 20). However it also stood out in the cultural element and in the resources of "enactment" and 'identity' thus it too became an emergent element which I was able to link to 'enactment.' Time and costs seemed to be focus areas of COM2 (node 11) and importantly contributing to node 7, "enactment." I found cost-consciousness and adaptation also in the cultural believe system of COM2 expressed through their vision and values, together with "open" (node 22) and "challenging" (node 23). This led to node 5 which I called "heterogeneous culture" because I found statements of openness, accepting other points of view and using self-determination and good judgement in making the best out of what was available. The resource 'context' was supportive of the open and constructive atmosphere. Furthermore, I found evidence of experience and learning which lead to the "sensemaking cycle" (node 4) as input to "enactment" (note 7). Enactment based on the personal sensemaking cycle (node 4) and the focus areas of the organization (node 11) became the feedstock of improvisational action (node 24) leading to a pragmatic (under pressure of time and costs, node 14) but also opportunistic (solve what is needed, node 15) outcome. Finally, figure 6 and 7 which I developed out of staff statements expressed in the survey seemed to support the emerged evidence of cultural aspects (figure 9). The established linkages advanced out of emerging properties of the analysed data. Thus, the maps facilitated an explication of a bundle of emergent characteristics along with the inter-relationships as a simplified representation, in a single diagram.

During my analysis I have coded 802 narrative chunks to a total of 27 elements; 19 a priori elements and 8 elements which emerged during coding. Overall, this generated 2458 assignments. Furthermore, I have coded the 802 narrative chunks to the seven resources of sensemaking from Weick (2001) which generated additional 1430 assignments. This work was done using an excel sheet. As a next step, I copied all the relevant data assigned to specific element to an excel subtab keeping a link to the original source, then I started the qualitative analysis. The same procedure was used to code data to the seven resources.

4.5 SUMMARY

In this chapter, the research methodology was discussed. It opened with the presentation of the research framework; then the research question was discussed. The available choices in methodology were presented and debated. This work was undertaken within a social constructivist paradigm, using inductive theory as the method and participant-observer data capture as the means for elicitating the data. Next, the role of the researcher, as well as specific issues in collecting data, have been highlighted. Finally, the reader was presented with the process of how data in this research was collected, chosen, aggregated and analyzed.

Chapter 5: Context and Analysis

"Effective management thus becomes an iterative process based on constant questioning, experimenting, reflecting, debugging, and retesting."
(Isenberg, 1987)

5.1 INTRODUCTION

This chapter consists of three parts. The first part briefly introduces the reader into the research context: the market in which the two researched organizations operated. It aims at showing the fast moving nature of the environment, the shift away from landline to mobile and internet products and the resulting technological transformation. Furthermore it outlines the strong position of the incumbent and the fight for market share of the other participants. Next, each organization is introduced and the setting of each of the researched organizations is exposed, followed by a more detailed description of the organisational characteristics and everyday organizational life. The descriptions and narratives written from the notes and used for the analysis (see preceding chapter) can be found in appendix C – data collection.

The second part covers the qualitative analysis. It incorporates findings and discusses them by comparing and contrasting the two organizations through the lenses of the theoretical concepts of improvisation and emergent strategizing that were introduced in chapter 3.

In the third part, analysis through Weick's (1995, 2001) seven resources of sensemaking is undertaken, in this work used as a different conceptual perspective, is presented and the analysis summarized. A summary concludes the chapter.

5.2 THE CONTEXT

The two organizations in which this research was undertaken form part of this country's telecom market. Five main telecom operators existed, COM (A) was the market leader, derived from former public telephone and postal services and still owned by the government, who hold a majority of the shares. In 1996 two new full-service telecom companies joined the local market: the country's leading electricity companies founded one, and the national railway together with the largest retailer in the country established the second one. When two Nordic countries invested into the latter of the two new entities in 1997, the company was renamed into COM3, in 2001 the two telecom companies merged under the COM3 brand. COM2, a subsidiary of a foreign operator, started offering low priced fixed network services in 1998. Finally, in 1999 a fourth company, COM (B), a subsidiary of a foreign country operator, joint the local market in offering mobile services. The fifth operator, COM (C), mainly operated in the cable TV segment (CATV) and offered broadband and telephone services at the time.

In 2008, when COM3 took over COM2's country organization, COM3 was in need of market growth but was not able to generate it out of their own operations. It was the time when the country liberated the 'last mile' market for operators to offer free pricing in the broadband business, independent from COM (A). COM3 had heavily invested into infrastructure to deliver the 'last mile' into the country's homes and seized the opportunity to take over COM2 with its more than 400,000 fixed network customers to offer them their broadband products. In 2009 COM3 and COM (B) announced a merger of their operations to form a stronger competitor against COM (A). However, the merging deal did not pass through the competition authority. Thus, the proprietors sold COM3 to an investment company in 2010.

In 2007 the COM2 group refocused its strategy to the mobile network business and expanded its operations to Eastern Europe and the Russian region. A total of 17 new

mobile licenses covered a population of 19.1 million potential customers[6]. To fund the strategy, COM2 disinvested its operations in a number of European countries.

Broadband	2007	2008	2009	2010	2011	2012
COM (A)	1164000	1325000	1472000	1584000	1661000	1727000
	72.7%	74.1%	75.3%	76.7%	77.3%	78.0%
COM3	232000	325000	340000	350000	366300	367200
	14.5%	18.2%	17.4%	16.9%	17.1%	16.6%
Others	206000	137000	144000	131000	120700	118800
	12.9%	7.7%	7.4%	6.3%	5.6%	5.4%

Table 4: Broadband market share 2007 – 2012 (Comcom commission)

Table 4 shows the country's broadband market share. The effect of selling the COM2 business to COM3 in 2008 is visible, 93'000 new broadband customers were generated, market share jumped from 14.5% to 18.2%. Furthermore, COM3 succeeded in adding 246'000 new mobile customers to its base, significantly increasing the lead over COM (B) as table 5 shows.

Mobile	2007	2008	2009	2010	2011	2012
COM (A)	5007000	5370000	5602000	5828000	6049000	6217000
	62.3%	61.8%	62.1%	61.9%	61.9%	62.0%
COM3	1524000	1770000	1860000	2015000	2116000	2124000
	19.0%	20.4 %	20.6%	21.4%	21.6%	21.4%
COM (B)	1509000	1543000	1565000	1571000	1614000	1669000
	18.8 %	17.8%	17.3%	16.7%	16.5%	16.6%

Table 5: Mobile market share 2007 – 2012 (Comcom commission)

5.3 THE COM2 SETTING

COM2 saw itself as one of Europe's leading alternative telecommunication operator with a mission to provide price leading and easy to use services. COM2 was founded in 1993 and from 1996 listed on Nasdaq. The company was active in 11 countries, counted 24 million customers and employed 5,800 staff, it reported an EBITDA margin of 20.6% for 2009. The COM2 group followed a strong acquisition strategy

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[6] COM3 Russia expands operations into 17 new regions, COM3.com, 16.11.2007

by either opening regional offices in European countries or by buying local telecom operators. The offered products differed from country to country and included residential and corporate customers in the mobile, broadband and fixed network market. Not every product category was provided in every market. With the success of the iPhone and the advent of stronger mobile interaction, in 2007 the strategy started to shift towards the mobile business. The COM2 group participated in the acquisition of mobile telecommunication licenses in several Eastern European countries.

Here, COM2 started its business from scratch in 1998 offering fixed network pre-dial services for very low prices, exclusively selling over the internet and call centres. Later, broadband and mobile services were added to the portfolio. Ten years after launching, COM2 reported a customer base of nearly 500,000 customers. In January 2008 it received approval from head office to locally invest in the mobile business. New aggressive mobile market offers were launched while at the same time the sales channel was expanded to include large supermarkets, postal offices and railway sales points. TV advertising supported the initiative.

The COM2 group relied on a matrix organization; the local organizations matched the head office organization. The local senior managers discussed the so called main focus areas with their superordinated director at the head office and then aligned them with the local CEO for their markets. Several country organizations were grouped to form a region. For each organizational function, sales, operations, finance and technical, an appointed functional country manager additionally acted as a regional manager coordinating the country organizations to promote information and best practice exchange. To ensure operations, COM2 worked together with external partners.

5.3.1 The local organisation

I started working for COM2's country organization in May 2007 as manager of the customer operations department and member of the regional management team. The management team further consisted of the CEO, the CFO, the CTO, who worked for

the local organizational since its launch in 1998, in addition there was the CIO, the sales director, the company attorney and the project office manager.

The country organization employed a total of 55 staff of which 20 belonged to the technical department, 10 worked for sales, marketing and retention and nine reported to operations. Nine employees were concerned with financial matters and four with billing and IT issues. Two members overlooked organizational projects; one was responsible for HR and one for legal matters, and there was the CEO.

COM3 premises were generous in space after the organization moved to the new location in 2007. All employees worked on the same floor. Premises were completely open, no one had a separate office, not even the CEO. After the reception area which included a kitchen, a bar and two large meeting rooms, the sales and marketing department followed. The CEO together with the attorney and the two staff of the project office formed the next cluster. The other half of the floor was occupied by the operations department, billing & IT, as well as finance. To access the technical department, a permission was needed. Four additional meeting rooms could be found on the premises. Each of the six conference room was equipped with a conference call system and conference call numbers for 5, 7 and 11 participants.

The customer operations department was responsible for the organizations daily business. Call centre functions were provided by CAL1, the most important partner for all inbound customer calls. CAL1 also handled most of the back office work for all products. CAL1 belonged to the COM2 group but was an independent company. When the COM2 local organization was opened, a CAL1 representation was opened to take care of COM2's services. Because CAL1 was part of the COM2 group, it was the only partner under a central agreement. The central agreement was valid for all markets in which COM2 and CAL1 worked together and was negotiated by head office. To adapt the agreement to local needs, service and work orders were locally negotiated. All other external partners of COM2 were contracted locally. In 2005, the COM2 local organization bought another local pre-dial vendor. In order to provide services to this vendor, CAL2 was contracted. CAL2 also covered the mobile pre-

paid business and served as an overflow call centre to CAL1. Forward logistics, i.e. sending out fixed network and mobile devices, etc. was handled by LOG1 exclusively. LOG2 was COM2's partner dealing with all return shipments but also performing back office work for the pre-paid product and handled most of the customer email traffic.

Customer operations department employees were called coordinators and took charge of coordinating all external partners and instructing them how to handle product specific issues as well as addressing emergent issues. Two employees were responsible for broadband including lawful interception; one was assigned to fixed telephony and pre-paid mobile; one was responsible for mobile services. There was a quality assurance employee as well as a process manager who acted as assistance to the department manager. The coordinators formed seating groups; broadband, fixed telephony with quality assurance and mobile services and process management together with me. Reception with the two receptionists was reporting to the customer operations department too.

At COM2 the management team met biweekly. Every department manager maintained an action list which he or she presented quickly running through actual action points. The action points were the topic of debate and coordination between senior management. Besides my function as operations manager, I wrote a short management team action list of each meeting. The department meetings were called roundtables; each department held them once a week. It was up to each department to write minutes. However, departments rather used their own action lists. Meetings were held briefly but often, they acted as an information exchange for everyone taking their relevant bits of information out of it. Customer operations held a roundtable every Tuesday; someone of the team usually took down a short memo of workable actions. Most of the daily information was exchanged bilaterally by walking over to the colleague and have a quick chat about prevailing issues. Meetings were not generally planned in advance, if more employees were involved, they spontaneously met in one of the meeting rooms; external people joined via ad hoc conference calls.

The customer operations department had a weekly meeting with CAL1. Sometimes someone from the sales & marketing team participated in informing partners about company products. The other partners were visited approximately every two to three weeks. A partner meeting typically consisted of two parts: monitoring and feedback. First, a selected phone line, e.g. sales, service or retention was actively monitored, and notes were taken. In the second part, issues were discussed and corrective actions agreed. A senior manager from the partner joined the sessions and the partner's CEO very often attended the second part. The COM2 coordinators visited partners together with the operations manager or autonomously to monitor, discuss and advance projects.

Every month COM2 organized CAL1, broadband, and escalation roundtables called 'TOP10'. Each partner sent a representative; own staff included sales, service, and technical agents. The main topic was to discuss the ten most frequently reported reasons for customer calls available through disposition codes (see narrative 2.3 in appendix C). A summary of the 'TOP10' issues per product was escalated to senior management and part of the management meeting review. Furthermore, a monthly quality circle was conducted which included all departments and partners with the aim to detect issues in processes, discuss and improve them.

Once a year, the customer operations department organized appointments for every COM2 staff to go and listen to customer calls at partners. This was a procedure every COM2 organization performed according to COM2's cultural understanding that each employee should know about its customers. Together, the CEO, the sales director and I listened to calls bimonthly and exchanged afterwards. To keep in contact and receive feedback, a yearly agent 'feedback round' was conducted. This exchange emphasized to bring senior management in contact with agents from the partners to brief them about COM2 products personally and to get feedback from them at first hand. The event was closed with an informal aperitif. The CAL2 CEO remarked that this event "carried stability and pride to his employees."

Action at partners was steered with what COM2 called scripts. The scripts collection was stored in the COM2 database which was accessible to all the partners. The scripts were 'tailored' to requests from customers who called. They acted as a guide for the agent to answer questions from customers and to trigger internal action. Similarly, for back office staff, samples of letters were available for customer correspondence. The scripts and letters were a common work of the customer operations coordinators and the agents, they were constantly amended and changed, based on new insight or feedback from agents. For example, when coordinators met with partners and listened to calls, amendments were incorporated into the scripts together. Furthermore, the scripts were used by the partners to train their staff.

But scripts also formed the base to measure the length and quality of a call. Call friendliness, quality of advice, listening skills, problem-solving, logistic and system update were assessed in so called monthly 'calibration' meetings. Together with the call length the aforementioned criteria defined the call price and, at the same time, formed the feedstock of COM2's customer operation. The main task of the operations coordinators was to work iteratively on these processes and ensure quality by monitoring and measuring partner transactions together with their representatives and agents. The coordinators were keen on reducing process time and thus lower prices. Price negotiations were the responsibility of the customer operations department manager.

Projects were generally initiated by local demand, it was up to the local management to decide what was needed. However, they often were developed with the support of other countries by relying on their experience. For example a country had submitted an RFQ for upgrading the trouble ticket system (ARS). This was to be coordinated with the CST project, the search for a customer support tool (CST) initiated by head office with the aim that all markets would receive common disposition codes. Or, an order management tool (OM) was in the pre-study phase, initiated by billing and IT after they had found a matching solution at COM2 in Spain. A web self-care project incorporating bill presentment to customers and order handling information was launched in Norway and was scheduled to be rolled out to other interested countries.

5.4 THE COM3 SETTING

In 2009, COM3 was part of the COM3 group providing telecom services in five northern European countries as well as in this country. The group employed 12,800 staff and counted 11.7 million customers. The EBITDA margin was 36.3%. COM3 was striving for a higher market share (see section 'context') and seized the unique opportunity to rapidly enlarge its customer base by acquiring COM2's country organizaiton in 2008 "The acquisition of COM2 was the most successful acquisition in COM3's history."[7] COM3 paid CHF 50m (~£38m at the current exchange rate) for COM2. For Hänni[8] the acquisition "can be counted among the most successful and lucrative transactions in European telecommunication markets in recent years." The audit reports an EBITDA of CHF 49m in the first year. For the three subsequent years, a total accumulated EBITDA of more than CHF 120m resulted. All customer bases developed better than the assumptions made in the original business case.

After the closing date of the COM2 sales deal on the 20th of November 2008 and with a thumb up from the competition commission, COM2's local unit was allowed to start talking directly to the new owners. COM3 expressed their concern of losing unassured customers and employees to the competition thus things went fast. On the 26th of November, the first meeting with all COM2 employees was organized. The COM3 CEO promised to reveal the new organization within the coming two weeks. Being responsible for COM2's customer operation, I was very busy developing a framework for a future COM2 operation within COM3. COM3 had appointed a chief coordinator with whom I had several meetings about organizational issues and options. I strongly voted to keep the entire operations team together since in my opinion it would guarantee a smooth transition as well as a stable operation because COM2 customer operations team members had not expressed any intention to leave the organization. I was sure about this because since the start of the process I intensively exchanged with my team members, people were able to express openly their feelings and fears about the situation everyone was in. I made it clear that I would not leave the company

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[7] Statement of head of strategy COM3 during meeting with COM2, 2009
[8] M. Hänni, post-acquisition study, Warwick Business School, 2012

At the beginning of December, I presented my plan to the COM3 management. The director residential customers at COM3 supported my points, the director of operations at COM3 voted for a team split taking over the larger part of the COM2 operations team. The final decision COM3 management took was to split the team. The second information session on the 8th December revealed that Finance and Accounting were integrated into COM3's finance team, the COM2 CFO was no longer needed. Billing & IT, the technical department, and the operations staff were incorporated into the respective COM3 units too; the COM2 CTO was assigned a project manager role. The former COM2 CEO left the company. I was appointed manager for COM2's customer base with a staff of two and reported directly to the director residential customers who was a member of the management team at COM3.

5.4.1 The organisation

COM3 used premises at different locations. The main building consisted of two huge towers; it impressed by the dimensions when set against local standards. On the top floor, there was a lounge with a restaurant overviewing the northern part of the city and a gym for the employees. In the beginning, the CEO's office was located on the top floor too; later it was relocated to the second floor. There was a system of four central elevators; the destination floor could be chosen and the elevator logic calculated which lift would stop. Many employees could be found in front of the elevators, long waiting times prevailed. On the ground floor and on the first floor several larger meeting rooms could be found. Smaller rooms were spread all over the buildings. The meeting rooms could be booked over a calendar software in COM3's intranet. However, the rooms were always occupied; it was tough to find space for meetings. Often employees could be found gathering in the restaurant and the coffee areas for their meetings. Larger units, like the residential customer department which counted some 100 employees, were spread over several floors. The physical relocation of COM2 staff to COM3's premises needed 4 months because of room planning and technical issues; the team moved in March 2009. The new COM2 customer base team was situated on the 5th floor of the second tower, physically embedded into the residential customer part of COM3. The director of the department had his own glass office at the end of the open space room. After the first

three days of working in the tower, the main operations coordinator told me that she felt very 'tiddly' in this location.

The department's senior management meeting was held every Monday and started at 9 o'clock; it typically lasted for three to four hours. The director residential customers and his approx. 16 subordinates from marketing, marketing communication, direct sales, indirect sales, CRM, logistics, sponsoring, COM3's sub-brand (SUB3) and the respective controlling representative attended. During the meeting, attendees used their laptop and worked on projects, answered emails, etc. They switched to 'attendance mode' when the discussion was in need of their involvement. When it was my turn, I briefed the round about the COM2 startegy our team was pursuing, usually a few minutes of information only. People selectively listened but I had the impression that people couldn't do anything with the 'new unit.' Very rarely someone asked a question or identified potential synergies. COM3 performed what was called 'management review meetings,' bimonthly presentations with the CEO. Sometimes, on short notice, I had to put together a presentation about our activities and present a state of affairs. However, due to more important issues, the meeting was often postponed or canceled. COM3 employees were masters in applying power point; their presentations usually consisted of dozens of pages including several annexes with a lot of detailed business figures and statistics. Everything was perfected in the company's template. COM2's main operations coordinator was in charge of our COM2 presentations which looked poor in comparison. After a few briefings, she didn't like to do them any longer. However, some months later she found that COM3 presentations were just a show and that in reality people often talked themselves out of doing things.

5.5 SURVEY

In the official press release of 21st November 2008, COM3 stated: "COM3 takes over the 53 employees and will further engage them at their regular working place or within COM3 for now…" In 2012 M. Hänni conducted a post-acquisition study as a research work for Warwick Business School. At that time, he was employed by

COM3 as a product manager for Internet products. His work investigated three aspects of COM3's acquisition of COM2: acquisition price, successful migration and retention of COM2 customers and successful integration of COM2 employees. The study was classified as confidential.

For this research, the third part was of particular interest and I received the author's permission to show parts of his findings concerning the integration of COM2 employees. Hänni listed the employment figures of both companies:

Employees	June 2008	December 2008	November 2012	Compound Annual Fluctuation Rate
COM3	2000	2053	1774	3.72%[9]
COM2	72	53 (within COM3)	7 (12 incl. network engineering outsourcing)	65.9% (45%, incl. network engineering outsourcing)

Table 6: Employee development COM2 vs. COM3 over the years (M. Hänni)

A total of 26 former COM2 employees who transferred to COM3 in December 2008 received the questionnaire out of which 15 returned it completed. Hänni found the return rate to be low "Because the sending out of the questionnaire was coincidental to a three days later mass layoff at COM3 (140 employees, 5 of which from former COM2), the return rate was affected by low morale and consternation." However, Baruch & Brooks (2008) found that an average return rate of 52.7% resulted in studies that utilized data collected from individuals. Thus, the 58% return rate seems to be above average. Taking into consideration the actual circumstances and that the former COM2 employees had been working for COM3 for a long time, the return rate might even be understood as a persisting employee commitment towards COM2. In fact, after four years immersed in a different organizational culture, 54% of the employees still partly or fully identified with COM2 were as 46% had abandoned their identification in favour of COM3. The former COM2 employees still seemed to show empathy towards their old employer.

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[9] As COM3 variously increased and downsized departments during December 2008 and November 2012 the real fluctuation rate might be higher

After four years at COM3, 80% of the employees felt that their knowledge was not (50%) or only partly (30%) needed and 81% of them stated that their performance had not or had only partly increased. 44% of the employees found satisfaction in their role at COM3.

Gellerman (1960; in Furnam, 2005: 637) describes climate as the "personality" of an organization. "In fact, climate may prove to be one of the primary causes of job satisfaction and job performance in organizations" (Furnham 2005: 635). However, 64% of the employees specified that they soon preferred the COM3 corporate culture over the one of COM2, 36% did only partly or did not prefer the new culture. It is difficult to say what exactly the employees understood as culture when answering the question. The survey was conducted after four years of integration, at that point also 64% of the employees stated, that over this time at COM3 their career had improved. Furthermore, when starting to work for COM3, 50% of the employees were better off in terms of salary compared to COM2. Thus, the higher preference for COM3's culture might be a result of the employees well-being in terms of career and remuneration at COM3. COM3's performance culture with clearly measurable and incentivized targets for each individual defined what was expected of the employees, a clear contrast to COM2's 'blurry' focus areas. Schein (2010: 215) notes that "norms around the authority of the leader," that "make member more dependent on the leader" might, in effect," achieve a greater comfort level." Moreover, COM3 seemed to have a more 'professional' image, it was a large organization and number two in the market, and it was ranked number 3 in customer perception whereas COM2 was number 6.[10]

Concerning the business strategy, 56% of the employees answered, that they did not know COM3's strategy compared to 29% who stated not to know the strategic intention of COM2, even though COM3 expressed clear annual company and individual targets. Still, former COM2 employees seemed not to know the company's intention or they did not trust it. The reason might be the environmental context influencing the organizational climate. The CEO of COM3 changed in 2010

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[10] Marktstudie COM2, 2008

shortly before an investment company bought COM3 from the northern European owner. The goal was to sell it off by the end of 2014 as formulated in the investment company's strategy paper[11]. Furthermore, COM3 used different efficiency programs to improve their position and in 2012 it nominated a new ICT partner and outsourced 70 employees. Starting 2013 the CEO was replaced again, and the outsourced employees reintegrated[12]. Table 7 summarizes the main findings from the survey:

- 18% felt that their performance increased at COM3
- 20% felt that their knowledge was really needed at COM3
- 45% were not satisfied with their role at COM3
- 50% were better off in salary and benefits
- 54% still partly or entirely identified with COM2
- 64% preferred the culture of COM3 over the one of COM2
- former COM2 employees seemed to have issues with COM3's 'personality.'
- company and individual targets are clear signals for the employees but do not seem to be a substitute for organizational stability.

Table 7: Key findings of survey 'COM3 as seen by former COM2 staff'

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[11] www.schweizamsonntag.ch
[12] www.inside-it.ch

The most important question for this research was the one relating to the cultural differences of the two organizations. Table 8 shows the answers from the employees.

What was the most obvious corporate culture difference? (e.g. processes, social, control, autonomy)
• In COM3 there is more structure, more processes, advanced monitor and measuring tools; more hierarchy levels, less involvement in decisions, longer decision processes.
• In COM3, the management board seems to have mistrust in the financial and technological solutions of managers and teams.
• Co-operative entrepreneurship (COM2) vs. political power culture (COM3)
• Some people in COM3 try more to avoid work than to be part of the solution.
• COM2 is 'talk the way,' COM3 is 'walk the way.' In COM2 we were like a start-up, many issues were solved when they came up by sitting together and finding solutions.
• In COM2 we were a big friendly family where people were open to help each other also outside their task. We didn't have personal targets like there are in COM3. Therefore we didn't work against each other.
• In COM3, with that target culture, employees tend just to care for their own profit; the common feeling often gets lost.
• I left because I had no identification with my job and with COM3.
• I [team leader] was fired by the CEO of COM3, for personal reasons, but never pronounced.
• I understand why COM2 employees are fleeing from COM3.
• One of the statements the author heard from a COM3 employee: They did the same like we did, just worse.

Table 8: Cultural differences as seen by COM2 employees (M. Hänni)

Someone from the employees has referred to COM2 as 'talk the way' and COM3 as 'walk the way' when answering the question about the cultural differences (table 8). Weick (1995: 182) uses the very similar expressions of 'talk the walk' and 'walk the talk' and he directly connects them with sensemaking "People make sense of their actions, their walking, their talking." This is relevant because sensemaking is the feedstock of improvisation in my theoretical model (see the literature review chapter), people make sense of their environment and action, their walking, their talking. I used Weick's two expressions to summarize what people said when they thought about the culture they encountered and visualized it in figure 6 and figure 7.
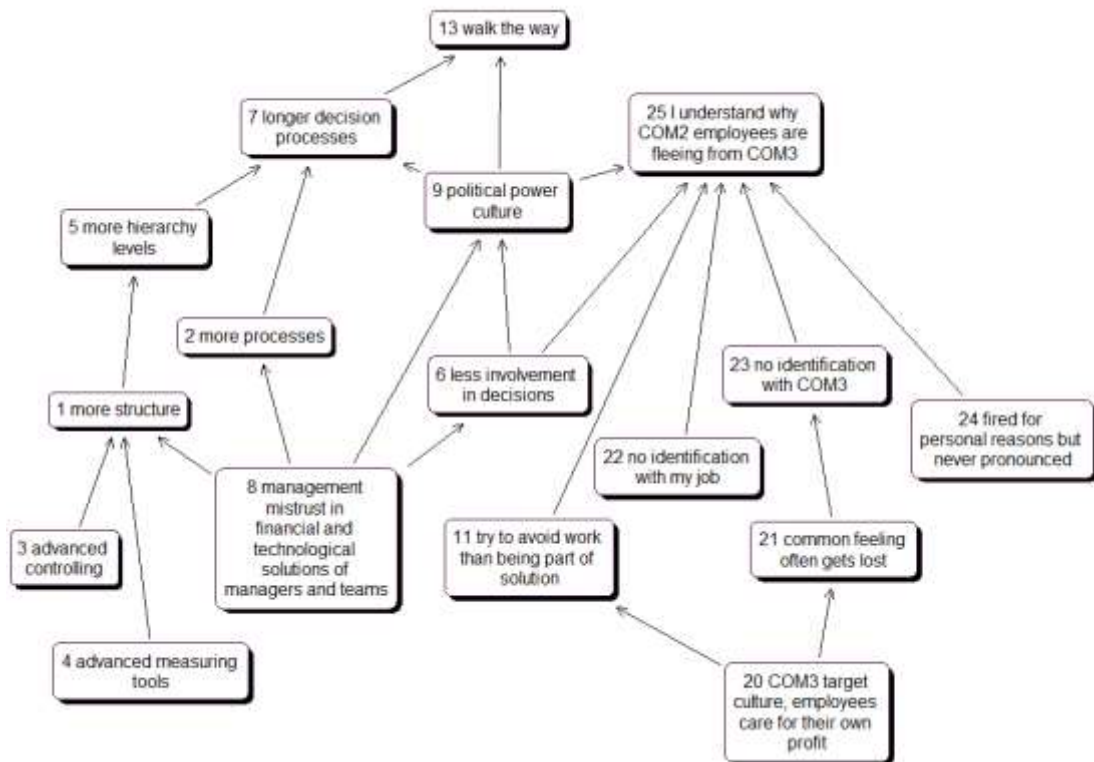
Figure 6: Cultural aspects of COM3 as seen by former COM2 staff

Weick states "If they are forced to walk the talk, this may heighten accountability, but it also is likely to heighten caution and inertia and reduce risk taking and innovation." Employees talked about more hierarchy levels (number 5, see figure 6), more and longer decision processes (2, 7), more structure (1) and advanced controlling and measuring tools (3, 4). Advanced controlling and measuring together with a target culture, or 'performance culture' as COM3 calls it (20) heightens accountability. Hierarchy, many and long decision processes and structure promote inertia. Moreover, a lost common feeling (21), less involvement in decisions (6), avoiding work rather than being part of the solution (11), no identification with the job and COM3's organization (22, 23), management mistrust (8) and political power culture (9) increases caution and might impact organizational stability while it hinders risk taking and creativity. Furthermore, advanced controlling and measuring and management mistrust in team solutions hint at a primacy of technology. The model seems to confirm the survey figures. After four years with COM3, 45% of the former COM2 employees were not satisfied with their roles at COM3, only 20% felt that their knowledge was really needed and only 18% felt that their performance had

increased. Even though, for 64% the career at COM3 had improved, and 50% were financially better off right from the beginning.
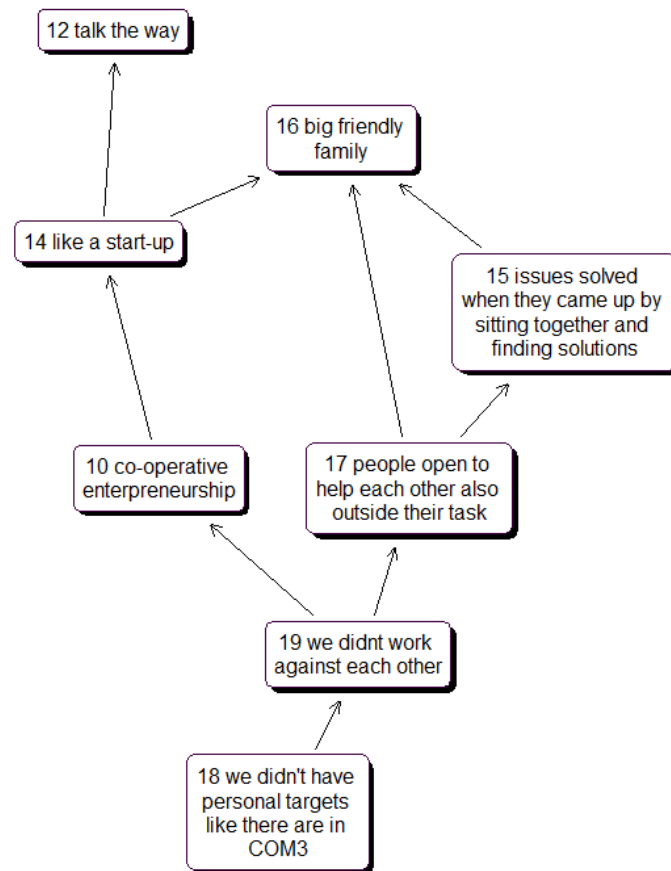
Figure 7: Cultural aspects of COM2 as seen by former COM2 staff

For Weick (1995: 182) "Walking is the means to find things worth talking about. People discover what they think by looking at what they say, how they feel, and where they talk. The talk makes sense of walking, which means those best able to walk the talk are the ones who actually talk the walking they find themselves doing most often, with most intensity, and with most satisfaction". This is what former employees called "big friendly family" (16). It is interesting that the COM2 model is very simple and focuses completely on positive human aspects, it emanates stability. We can sense this stability when Weick (1995: 183) notes "To 'talk the walk' is to be opportunistic in the best sense of the word. It is to search for words that make sense of current walking that is adaptive for reasons that are not yet clear." And we encounter stability when employees help each other also outside their tasks (17).

They do not work against each other (19) and they solved issues when they came up by sitting together and finding solutions (15). Furthermore, number 15 is a clear hint at improvisational working and plausibility. Thus, it might not be surprising, that after four years still 54% of the former employees partly or fully identifyed with COM2, they felt needed in the organization.

The last remark on the list about cultural differences (see table 8) was added by the author and originated from a COM3 staff member. Hänni did not further state why this comment was added. However, in the light of two formal occasions in which COM3 members of the management team stated that they were eager to understand how COM2 managed to handle half a million customers with a core staff of only 72, the above statement is interesting because it hints at the likelihood of COM3 never considering other cultural aspects than their 'performance culture' as a valid foundation for organizational excellence. Nevertheless, a behaviour that is comprehensible because the awareness for another reality can often only be attained through having experienced an alternative truth. This is particularly the case with an improvising organization's culture (Crossan, 2005).

Summarising the findings from the survey, former COM2 employees seem to confirm the different cultural foundations of the two organizations. The impact on the former COM2 employees is profound, although 50% of the COM2 employees were better off in terms of remuneration at COM3 and 64% made advances in their career, only 18% found that their performance had increased and only 20% felt that their knowledge was needed. Comparing the two cultural models (figure 6 vs. figure 7), it is not entirely clear whether the 64% who stated that they preferred COM3's culture actually did so, because of the higher remunerations and incentives paid at COM3.

5.6 DATA ANALYSIS

5.6.1 The conceptual framework for analysing

My theoretical model has linked sensemaking with improvisation and emergent strategizing. This analysis section contains three parts. The first part examines the five elements defined a priori from improvisational theory. During the analysis, eight additional elements emerged from the data, the second part analyses and discusses them. The third part investigates the data under the focal lens of sensemaking by applying Weick's theory of the seven resources of sensemaking and points to the significant link between sensemaking and improvisation. Multiple sources have been analysed for evidence: participant-observer notes, essays, documents and the survey. The survey has been presented and evaluated at the end of the preceding chapter; it is supportive of the two different cultural foundations. The outcome of the analysis of the a priori and emergent elements as well as from the resources is discussed in the respective analysis section. The subsequent findings and implications chapter 6 aims at providing a synthesis.

I have coded a total of 802 statements and 'narrative chunks' from the organizational descriptions and narrations. The coding consisted of scanning the descriptions and narrations line by line and assigning relevant data to the a priori elements or, if applicable, creating new (emerging) elements. To keep track of the coding process, I used an excel sheet in which I entered the data into the first column cell one after the other, grouped according to the respective description or narration. The top line cells showed the a priori elements. Each data chunk was assigned a '1' to a matching a priori element. If data could not be assigned, a new element was named and added to the top line. Furthermore, each element received its own excel-tap and the assigned data was carried over to that area in order to have the relevant data grouped around the respective element. I kept a link of the data to the original source so that it could be traced back for analysis. The complete coding process is extensive work, it took two months to accomplish it before I started the analysis.

Out of the 802 statements, 484 have been derived from COM2 data, the other 318 statements came from COM3 data. Overall, 3888 assignments have been made for the analysis: 1746 assignments to the five a priori elements and 14 sub-elements, 712 assignments to the eight emerging elements and 1430 assignments to the seven resources of sensemaking. For an overview, see appendix D.1 and D.2. For COM2 one statement has been assigned to 3.2 elements in average and for COM3 2.9 elements have been coded.

The elements 'culture,' 'leadership,' and 'technology' account for roughly the same amount of assignments for both organizations. The elements 'environment,' and 'group' contribute double the amount for COM2 whereas 'emergent elements' contributes double for COM3. While the figures seem to hint at more coded data to the elements 'environment' and 'group' for the improvising organization, the emerging elements accumulate for 42% at COM3. Considering that the a priori elements to which the data is coded represent an improvisational perspective, the result appears plausible.

Looking at the relationship between the a priori and the emergent elements, for COM2 the a priori elements 'environment,' 'group,' 'technology,' 'leadership,' and 'culture' seem to be relevant. However, the elements 'best practice,' and 'informal exchange' emerged. At COM3 the emergent elements 'options,' 'complexity,' 'responsibility,' and 'stakeholder' appear to be of significance. The emergent elements 'costs,' and 'time' seem to be of similar importance for the two organizations.

5.6.2 Part 1: Analysing a priori elements of improvisation
In the pilot study, I used a model of improvisational elements based on theoretical concepts mainly found in the work of Weick and Crossan to analyze my data. In the reflective literature review, I further elaborated on the theory of improvisation using an additional concept, sensemaking theory from Weick. Based on the results of the pilot study as well as the extended theoretical framework presented in the literature chapter, I have modified the original model of 'improvisational elements, ' simplified

it, and called it 'influential elements in improvisational organizations.' Figure 8 introduces the model. The main elements' (numbered 1-5) are shown in capital letters with a grey background (the process for constructing this figure and the other similar figures in this chapter follow the same procedure outlined in section 4.4 of the research methodology chapter 4):
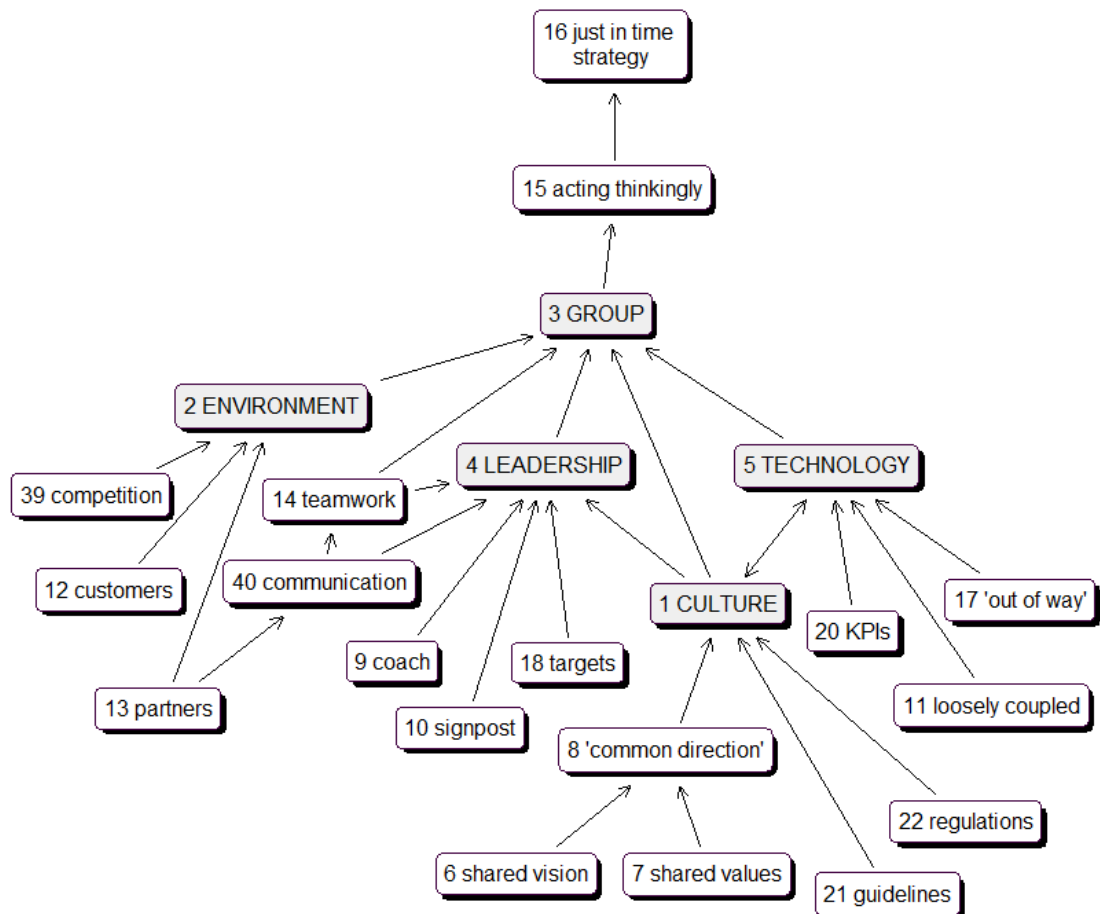
Figure 8: Elements in improvisational organizations

An in-depth description of the data collection, as well as the analysis process, can be found in the research methodology chapter. I gathered my raw data in two notebooks, one for COM2 and one for COM3. Then, I started to group the data to 'higher events' representing organizational importance which also defined the themes of the descriptions and narratives. Furthermore, I sorted them in chronological order. The notes which seemed to be of particular relevance for the concepts of improvisation and emergent strategizing were chosen for writing the descriptions and narratives.

Next, the descriptions and narratives were coded to the five a priori elements by assigning them to their sub-elements contributed from theory and the pilot study and which are shown in figure 8 above. Where the note's content was of relevance and could be assigned directly to sub-elements, this has been done. No data was directly assigned the two sub-elements 'shared vision' (6) and 'shared values' (7), instead, it was assigned to 'common direction' (8). Furthermore, where data could not be assigned to the three 'technology' (8) sub-elements, it was coded directly to 'technology.' Finally, to the element 'group' (3) a sub-element 'environment' was added.

Next follows the analysis of the 2458 assignments to the 19 a priori elements. I start with comparing the a priori elements of the two organizations.

5.6.2.1 Culture

The sub-elements of culture are 'common direction,' 'guidelines' and 'regulations.' These three sub-elements have been deliberately chosen in order to research if the company has a stronger organizational 'doctrine' than just 'working together.' 'Regulations' are understood to be binding for members, whereas 'guidelines' have a supportive character for the work. Everything which I could not clearly assign to either 'regulations' or 'guidelines' has been coded to 'common direction' as long as it concerned cultural aspects of collaboration.

For COM2, more data was available, specifically also official documentation. The distribution of the data hints at a clear profile for each origination. I was able to assign more data to the sub-element 'common direction,' and virtually exclusive to 'guidelines.' This seems to indicate a looser collaboration based on supportive guidelines at COM2. At COM3 the collaboration seems to be based on a tighter perception expressed in solid regulations which reduce the need of a 'common direction.'

COM2 invests in its culture and talks about it. An important part of the cues emerges from the official documentations. On the first page of the annual report, the CEO

talks about customer needs and how he found out, by listening to them via visiting the call centre and not through a report. This is an important message because the yearly call centre visit is virtually the only regulation at COM2 in every country, for every employee. The business strength is expressed in the organization's heterogeneous culture and the experience that shows that practice is the best way of getting to know the market. This is a commitment towards its employees to learn and gathering know-how. In fact, in the annual report employees from different countries make testimonials about this. There are other relevant principles: open, challenging, quick adaptation, flexible, a simple organization, simple solutions, cost-consciousness. However, acting – with a focus on the solution and revel in speed – is explicitly mentioned too. For COM2 the most important lesson in its history is " To go our own way and the fact that we have done so in many occasions." The culmination is COM2's vision of "Cheap and simple products" (cheap is understood as price leading). These statements are noteworthy: 1) even in the annual reports, generally addressing a more financially targeted audience, the organization prominently and very openly lays out a robust cultural foundation as its source of success. 2) The annual report is an expression of "How we are and how we do things." For Weick (2001: 233) "To look for enactment […] is to listen for verbs of enactment," the language of the annual report is full of verbs and supportive of this. 3) Targets are not prescriptive and called 'focus areas.' 4) The vision and "The way we are" is simple to understand. 5) COM2 has a strong social face.

COM2's cultural endeavour is further supported by its brand book used to introduce the company's core values to new employees. Furthermore, the book acts as an assistant to the yearly organizational initiative 'The COM2 way,' a survey of culture and collaboration, providing direct feedback from every employee to the group's CEO. Thus, COM2 consistently measures social behaviour.

The operative 'focus areas' consist of one A4 paper for one year and are centred around the customer. Compared to the previous year, they represent an evolution but forgo a deliberate target setting. What is noteworthy here is: 1) the simplicity. 2) 'Focus areas' do not mention any target figures. 3) they represent departmental

signposts. 4) One focus point is always on costs-consciousness. 5) The 'focus areas' integrate into the overall cultural understanding the organization expresses.

These cultural aspects are in line with the employee target settings and reviews. The target/review form is descriptive; it is a copy of the talk. The specific target setting part is called 'duties and targets,' it leaves open what to exactly define as a goal but underlines that duties and targets are interlaced. What is filled in is 'hands on,' and a simple 'over,' 'achieved' or 'under' rates the action. The corporate values take a good deal of the paper and are reviewed in detail by developing a profile rather than ticking boxes. Like in the job descriptions, there is a part of what the employee likes to do and what not and how personal capabilities can be better deployed for the employee and the company. Furthermore, staff rate their superiors in an own section of the paper. Ratings are gathered by HR and discussed in the personal review with the next higher superior. The process aims at securing organizational values throughout the hierarchy and points at a highly integrated and cooperative management style. The review process is coherent and constructive, and it is a place to elaborate organizational values together. Every review talk takes some two to three hours and so seems to confirm commitment from both parts.

The budgeting process is rather non-existent in the usually known form of an interaction between the operations and the finance department. AT COM2 budgeting is part of the CFO's experience and built on previous figures. He only intervenes when cost figures exceed his expectations, as I have described in some examples. COM2 has no controllers. Noticeable is, that I have assigned many statements of actors to the element 'costs' confirming an internalization of cost-consciousness when they state "There is a pressure on costs, it has to be inexpensive and work which makes nothing impossible," "Pressure on costs leads to improvisation" or "How many do we talk about?" before starting to search for a solution. This question, one of the most asked questions at COM2, implies a pragmatic handling of issues because it makes clear from the beginning that the solution has to be simple, e.g. low-cost and fast.

The other factor influencing behaviour is time, expressed by D.'s statement "We are always low on time." Other evidence is "High pace in implementation, structural and on the operative level," "Short timespan from idea to realization" or "High grade of self-determination based on fast decision taking." Cost and time are two of the emerging elements I review in more detail further down. What is key here is that cost and time are constantly 'felt' by the employees, it is part of their working environment. Cost and time act as the practical ratification to behave according to the organization's cultural foundation, backed by a parsimonious CFO. Furthermore, they foster enactment and self-determination in COM2's descriptive environment. A fast involvement of many spreads responsibility and involvement while gaining wide support also for the consequences. Thus, the individual is not blamed. This makes sense for people and is the feedstock of improvisation. I found evidence of this in the eager attitude coordinators showed when they cut process time and squeezed out lower prices from COM2 partners or, how they asked around different country organizations what solution they applied when in search for an answer to a local issue. Furthermore, this last evidence exposed a link between the sub-elements 'guidelines' and 'best practice,' one of the emergent new elements I discuss further down. Another process I detected within 'guidelines' is that the job descriptions are made by the job holders themselves. These descriptions are not static and incorporate a rating by the post holder indicating how a specific task is liked. Thus, the list acts as a guideline for new members or at briefings when work is shifted to or exchanged with other employees. This behaviour is pragmatic and opportunistic.

The emphasis on cultural aspects at COM2 is noticeable. However, it is not something people steadily talk about rather, it interferes with everyday work in the form of personal enactment. The strong cultural foundation at COM2 deliberately seems to act as a substitute for strategy in the sense Weick (2001: 351) noted "We keep underestimating the power of corporate culture because it seems improbable that something as small as a logo, a slogan, a preference, a meeting agenda, or a Christmas party could have such a large effect. The reason these symbols are so powerful is that they give a general direction and a frame of reference that are sufficient."

Between the everyday experienced frame of time and cost, culture acts as a foundation for action, "Culture coordinates action at a distance" Weick (1987). But what generated action? "I visited our call centre. Sitting next to the team leader, I listened to a live call et voilà, I was just confronted with my first project. We didn't have a credit limit for business customers." In D.'s statement intuition, salient cues, enactment and identity can be detected which are part of the personal sensemaking process and ignite improvisation. The last three are incorporated in Weick's seven resources of sensemaking discussed in the third part of the analysis chapter. Figure 9 summarizes the cultural aspects found for COM2:
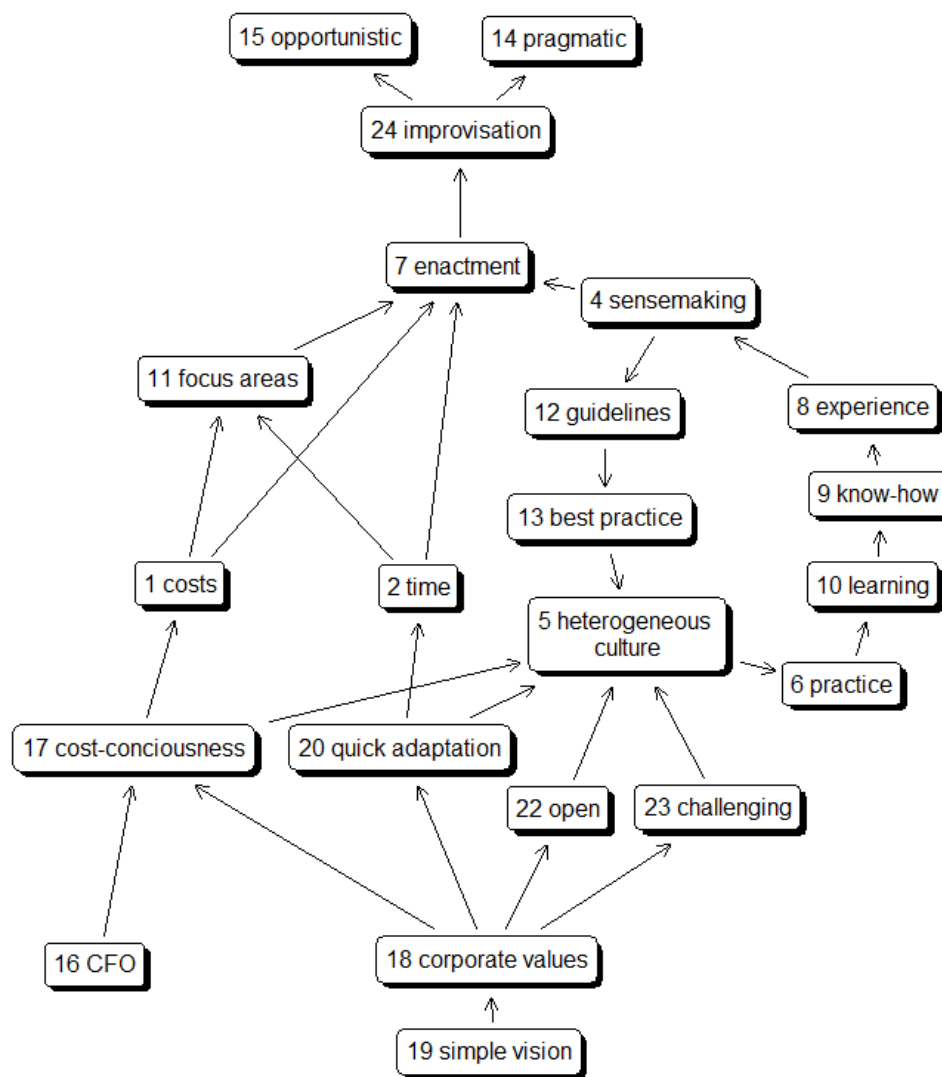
Figure 9: COM2 organizational/cultural aspects

Looking at figure 9, at COM2 everything starts with a simple company vision (19) and is further expressed in corporate values (18). While the corporate values (17, 20, 22, 23) influence the culture (5), cost-consciousness (17) and quick adaptation (20) convert into costs (1) and time (2) and influence the yearly focus areas (11). The focus areas act as a signpost for daily work which is understood as enactment (7) here. However, costs (1) and time(2) are main drivers for action and influence enactment even if work is not focus area related. The behaviour of the CFO (16) reinforces cost-consciousness (17) and subsequently costs (1). The open and challenging heterogeneous culture (5) is what COM2 sees as the source of success and validation "to go the own way." In fact, this can be seen as a distinctive competency of COM2 because learning and know-how are accumulated within the organization in a "culture of many." The cycle in figure 9 represents a learning cycle allowing for sensemaking out of which guidelines and best practice develop with further exchange. However, sensemaking enacts the employees to improvise (24). The behaviour is pragmatic (14) and opportunistic (25) because it aligns the organization fast to the issues encountered.

Comparing my findings of cultural elements with how former COM2 employees described the company culture, see figure 7, both descriptions account for human enactment and variety, and cooperative entrepreneurship often found in start-ups.

Cultural elements at COM3 compared to COM2 show a similarly coherent picture albeit in a different way. I was not able to find a lot of official information about COM3's own cultural understanding. COM3 talks about bolstering its 'winning culture,' improving employee motivation and productivity, in the annual report for 2009. This is done by reinforcing employee motivation, increasing leadership capabilities and continue to implement performance management. No further explanation is provided. In this context, employee motivation must be clearly understood as financial motivation. The language the CEO uses is more of a 'martial business type art,' he talks about 7 'must win battles'. In figure 10, the organizational and cultural aspects for 2009 are summarized:
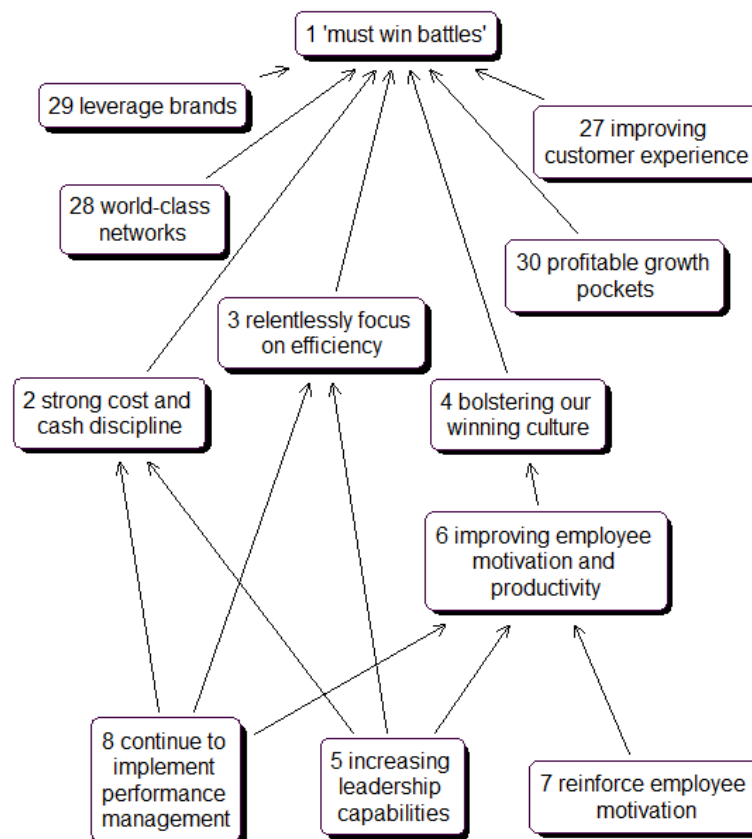
Figure 10: COM3 organizational/cultural aspects 2009 (COM3, AR)

There is a strong emphasis on cost and cash discipline and a 'relentless focus on efficiency.' Furthermore, the annual reports list technical aspects and talk about profit and performance. The annual review 2010 mentions two important projects on page 16 "COM3 will revitalise the organisation from the bottom up through the implementation of COM3 2.0, a group-wide behavioural and cultural transformation project aimed at improving performance, productivity and employee satisfaction," as well as "COM3 will carry out a fundamental review of its operating model through COM3 Pro, a project aimed at increasing efficiency, simplifying production, reducing lead times, strengthening cross-functional collaboration and exploring outsourcing opportunities. These two projects are among the 10 strategic priorities and among the 5 first which COM3 sees as its "ongoing corporate transformation." Both projects aim at improving performance, productivity, and efficiency and foster a high-performance sales culture. One project is intended to improve employee satisfaction, which the year before was expressed as motivation. However, again it

mentions improving performance and productivity in the same context. The COM3 group seems to understand employee satisfaction and motivation as purely financial issues. The figure below summarizes the operational and cultural aspects found:
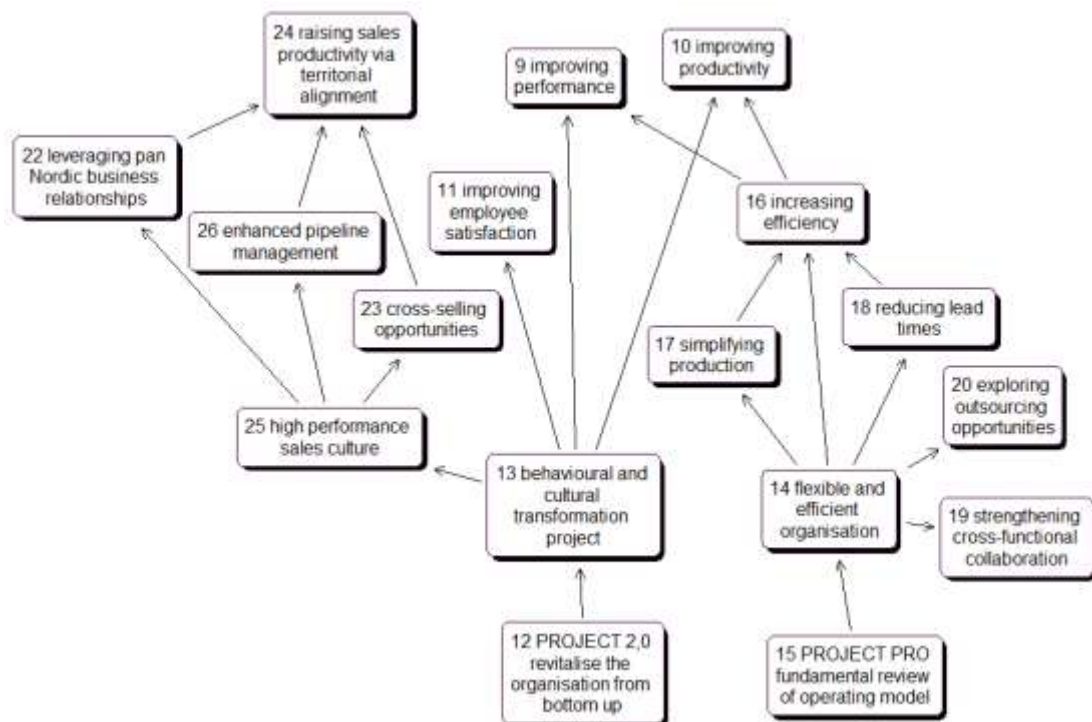
Figure 11: COM3 organizational/cultural aspects 2010 (COM3, AR)

COM3's local mission is "We delight existing and future customers with the best price performance ratio and a strong customer care," "We expand our position as a strong number two in the fields of wireline, mobile and internet" and "We generate competition in the telecommunication market through consistently lowering prices and investing in infrastructure." Furthermore, COM3's target for 2010 is a 50% encrease of infrastructure coverage and an emphasis on bonus plans for employees.

The behavioural and cultural transformation mentioned in the annual report was not felt by staff to be something changing the organization. The focus was on lean and mean high-performance sales. After the falling of the last mile and liberalization of the prices in 2008, COM3 seized the business opportunity to buy COM2 and add nearly 500'000 new customers to their network.

COM3 officially argues that its strategy is an analytical top down process targeting sales, performance, and productivity. No other statements about the company culture could be found other than the mentioned "winning culture." The social face of the organization remains vague. Furthermore, COM3's mission is hard to understand. Everyone has a good price performance ratio and lowering prices and investing in infrastructure sounds contradictory. Additionally, COM3's offerings in the market are partly confusing and difficult to understand, something even senior management acknowledges. COM3 positions itself as a strong number 2 in the market, this is a clear sign. However, the way it is expressed points to more of the same rather than offering alternatives. This is not to say, that COM3 did not bring technical innovation to the market, but the organization is very traditionally set up. In the preceding chapter, the survey delivers a picture of how the former COM2 employees perceive COM3's culture, see figure 6. Contrasting it with figures 10 and 11 reveals what COM2 employees miss: identity, involvement, trust and a 'common feeling.' COM3 is not responsive to what used to be the employees former cultural foundation. The employees acknowledge more processes, structure and hierarchy, longer decision times and advanced controlling and measuring.

The organization has an emphasis on employee bonus plans. The target achievement process is very detailed, thought-through and extensive; it is institutional. It affects all employees, and it is a central cornerstone of COM3's culture. The HR department leads the whole process; operational departments define the targets. Finance contributes the results, and C&B (compensation and benefits) is responsible for the final payout to each employee. The process is time-consuming for the managers because individual measurable targets have to be identified first and then discussed with each team member. Elements of procedural justice have to be considered as managers assign targets to individuals: do they do the same job? What can be really measured, how do we measure and when? The target setting process has to be completed by the end of March every year. However, the budgeting process (from which the company targets are derived) is already concluded in October of the previous year and financial reports available for the first two months of the actual year. Thus, a tendency is apparent and influences the individual target setting.

Because senior management set higher targets than what managers regarded as realistic, the results of the first months of the new year already show a gap which has to be made up additionally, this deteriorates the mood of the employees very early in the process and has an impact on trust and solidarity. In the eyes of the employees, middle managers became executioners of targets set by senior management after they failed to convince senior management from their own calculated targets. Furthermore, because it is impossible to align targets for every function, employees are confronted with contradicting targets which lead to fights over what actions are to be executed, this influences the working atmosphere. I have mentioned two examples in the text. The concern over target achievement not entirely in one's own hands but still being personally responsible is critical for cooperation and spirit. The complete cycle is complex and includes four sub-processes. It is challenging to clearly distinguish the processes mainly because every process uses its own forms and is timely asymmetrical. Furthermore, from September until March concentration is focused on budgeting and targeting issues.

The size of the organization has to be considered. COM2 has more structure and more hierarchy levels. There are long meetings with formal meeting minutes. Many issues are transferred to other meetings including discussions which meeting is the right one for an issue. The meeting attendees work on their laptops when attending meetings; this is commonplace. Employees have less involvement in decisions and decision processes are longer and more complex, the organizational lethargy is felt. D talks about "Hierarchy and size of the company preventing individual self-determination" and "Little creative leeway." Another issue with hierarchy is political power culture; this expression was mentioned by a former COM2 employee in the survey. From my data, additional elements emerged which relate to the political power culture: stakeholders, complexity, responsibility and options. They will be reviewed in the second part of this analysing chapter.

Crossan (1996) mentions organizational sizes for improvisation to effectively work "For individuals to work at their potential, they need to know everyone around them. Therefore, the effective organization cannot be of more than 150 people. […]

Most improvisational groups operate with only three to six members at a time." However, my experience is that by applying a 'loose coupling of organizational units and systems' the autonomy of organizational units can increase and allow them to act more independently, I will revert to this later.

COM3 applies advanced controlling and measuring tools, something which is apparent at meetings. Attendees present findings and proposals with presentations including dozens of pages of analytical data to back up statements and underline proposals. I describe a situation in which I had a dispute with my superior (see narration 3.5 in appendix C.) He blamed me for not applying enough analytical data which in his opinion revealed issues too late. My opinion was different because at COM2 issues emerged directly when listening to customer calls. In the subsequent meetings, they were immediately addressed.

My data on the sub-element of 'regulation' shows that COM3 plans all activities on an annual base and from a resource based view. COM3 employs a controller for every department. Planning confirmation needs a lead-time of 2-3 months for adaptation. Product and services related actions in most cases require a business case including usage calculations for controlling and approval from the respective specialists, i.e. technical, marketing, market research or sponsoring. Furthermore, internal assignments are handled in a strictly 'first come – first served' order.

It is noticeable that COM3's language is very analytical and business oriented. COM3 focuses on targets, technology, and projects. There is no word about its workforce. The organization is more complex. It heavily relies on a classical a priori top-down strategy planning and implementation model, integrating a resource-based view within which allocation is also part of the top-down decision. This is further supported by a resilient and sophisticated initiative to incentive its employees when targets are met. But articulated as official goals and strategies, these top management decisions limit the attention span of organization members (Burgelman, 1991, 1994; Huff, Huff & Thomas, 1992; in Floyd & Wooldridge, 2000) and may become a source of "core rigidity" (Leonard-Barton, 1992; in Floyd & Wooldridge, 2000).

This contradicts COM2's way of mainly investing in a cultural diversity with an emergent strategy formation process from activities of participants throughout the organization in the sense of Mintzberg & McHugh (1985). It is these 'unconfined' activities that generate sense for participants. Or, as Weick (2001) articulates "Strategic planning is today's pretext under which people act and generate meanings, and so is the idea of organizational culture. Each one is beneficial as long as it encourages action. It is the action that is responsible for meaning."

5.6.2.2 Environment

For an improvising organization Crossan (1996) notes "In permitting your environment in shaping you, you must minimize preconceptions and biases that tend to focus your attention on the familiar and expected." Looking at the preceding section, the question arises to what extend the implicit performance culture COM3 applies allows the environment to influence the organization.

The environment accounts for 10% of all COM2 assignments and for 4% of all COM3 assignments. In this section I analyse the sub-elements 'partners' (142 assignments), 'customers' (41 assignments), and 'competition' (7 assignments). 154 of the assignments concerned COM2, 36 related to COM3. This shows the direct importance of partners and customers for COM2 in contrast to COM3 which seems to focus more on the competition. One reason for this might be that when COM2 operated under COM3, it was within the residential customers department of COM3 and the analysis was made from this COM2 viewpoint.

At COM2 partners, operate the customer call centres. Thus, they are the core of customer operations; all customer contacts take place through the call centres. The partners are associated with COM2 since the beginning or for several years; they have not been changed or re-assessed. Partners are not exclusively executing COM2 work, based on previous activities and experience, they prearrange staffing. Thus they are able to handle variability by reassigning work quite flexible. COM2 partners train their employees independently, on the job and based on their own best practice. Evidence of this is when D. reports "I put my main attention towards correcting the

training documents. Content, yes can be learned but methodology and documentation were just disastrous. The folder, forgotten, it lies in a cupboard, never updated or restructured, priority low." Between COM2 and its partners, there is mutual trust. Employees of partners mentioned several times that they were proud to work for us. The COM2 operations department with its coordinators provides guidelines, exchanges information, handles issues and ensures quality by monitoring calls together with the partner's supervisors. Technically call centres use the information database and the main billing system reporting each transaction with a disposition code. The coding list is the feedstock for improving products and services throughout the organization. Together with all partners, the TOP10 list is discussed and changed at frequent roundtables because "changing codes was changing behaviour of customers and thus relevant information." Furthermore, possible sources of increased costs emerge from the list. However, the main process at COM2 is to visit its partners weekly, monthly, bimonthly and the most important part of the visit is to listen to customer calls and exchanging information with the agents at the frontline and the partner's coordinator. In my role as manager of customer operations, I participated in most of the meetings too. Most of the notes about partners are about this process. When there is an issue, an idea or something has to be changed in the daily operations process, the procedure often starts with the sentence "Let's ask partner CAL1 and LOG2 how we do it and what they think of the idea." I have assigned notes about this to 'partners' and 'customers.' Usually, the partner calls back immediately, and a discussion starts on what to do. If something has to be sorted out, the partner's CEO calls me or the coordinators.

When operational issues emerge, for example wrongly charged calls, prepaid charging problems, sending information material due to a changed product, COM2's operational department immediately assigns relating work to one of the partner's teams. This is done by a phone call or an email and the coordinator choses the most suitable partner out of experience. If necessary, the work is split between two or three partners, depending on the time pressure and the type of work.

Every employee at COM2 has to listen to customer calls at least once a year; this is one of the few rules at COM2. I organized the visits for the entire staff. The employees often gave a personal feedback after the visit: "I have to go and listen to our customers more because I just found out that we have a problem with the credit limits," "I am impressed by how call agents do their job every day," "When listening to a call I realized that we don't have enough information on our internet page about this." Some staff were reluctant to the visit, mainly from the technical department. But when they came back they were intrigued "The customer had a technical problem, and the call agent didn't know what to do. I could help her; she just learned something." Furthermore, COM2 runs the 'COM2 on tour' program. The COM2 management team visits all partners once a year and receives plenty of valuable feedback about customer's issues and organizational processes. The CEO of one partner remarked that the agents were proud to be able to inform COM2 management directly about customer issues and their problems.

When coordinators listen to customers on the call lines besides the actual problems customers report, they hear reasons for why customers chose COM2, I have listened to many calls myself. Most of the feedbacks are about the low prices COM2 offers and that they were satisfied with the COM2 offer and quality. COM2 has a simple product offer which is intended for occasional callers, heavy users and young people. The sales manager periodically visits our partners together with me to inform about products and to hear what agents are reporting from the front line. Furthermore, he asks about customer reactions to newly introduced products or services. If there is a need for action, the product is adapted. There are no written briefing forms between sales and customer operations.

Several points emerge from the 'environment' data. COM2 exclusively relies on its partners for its core business of customer operations. Partners are long time affiliates, and there is mutual trust. Because partners are own entities, they have their own culture. The COM2 'affiliate-network' is loosely coupled, partners use the main billing system and exchange intensively with COM2 customer operations. Otherwise, they pursue their own business. Gibson and Dibble (2008: 222-223; in Schein, 2010:

385) use the name "collaboration," and they note "Participants may feel as though they share a common purpose for the duration of a given project, yet may not view themselves as a 'team.'" Collaborators may never meet face-to-face, may be geographically dispersed, and may be primarily connected by communication technology. Thus, collaborations are more loosely structured, more temporary, more fluid, and often more electronically enabled than traditional teams." However, this way of working is supportive of the improvising organization because the different entities are a source of variation when they suggest a solution for an issue which deviates from what COM2 sees appropriate (or vice versa). Moreover, because of their autonomy, the partners are a source of stability for COM2. But what makes a collaboration with different cultures within an improvising environment a successful collaboration? Schein (2010: 389-398) introduced the concept of cultural islands, which he understands as "A situation in which the rules of having to maintain face are temporarily suspended, so that we can explore our self-concepts and thereby our values and tacit assumptions." For Schein, "Procedures and checklists are devices that can function as cultural islands in the sense that going through the lists is a culturally neutral process." This is also the case for COM2 and its partners when the TOP10 list is frequently discussed and serves as a base for operational focus and management attention. Thus, this is the 'jigsaw piece' to embed COM2's partners into its "heterogeneous culture" introduced in figure 9 in the section 'cultural elements.' COM2 calls its heterogeneous culture "a source of success." What emerges is how COM2 exchanges with its environment rather than attempts to manage or control it (Crossan, 1996).

COM3 positions itself as the strong number two in the business. COM3 relies on its data warehouse system to analyse customer behaviour (see also technology section). The discussion between my superior and me over the amount of analytical data vs. experience to evaluate a market situation is an example of the two significantly different organizational approaches to customer input. COM3 invests a lot of time for product management meetings in which product design and services are evaluated, and market research is involved. What is discussed comes from a 'view as number two in the market' in relation to the incumbent, i.e. broadband products or the SIM

only mobile subscriptions. The potential products are screened by an analytical business case and approved by controlling. After a decision is taken, a formal request to the IT department is placed. However, because of long lead times and technical complexity, product or services might have to be re-evaluated and altered which ignites additional discussions about resources. Furthermore, the marketing and sales department does not know what is technically feasible, at COM3 this is a decision of the IT department, taken after the request is handed in.Thus, product managers often sound viability with the IT department before any requests are placed. This process consumes time and resources. Results "arrive slowly but measurable and more "rocket science." However, coincidentally also not always thought through to the end." Often they are difficult to understand as I have proved to members of senior management. D. notes, there is a "low implementation rate of projects even if they call it fast track." I have elaborated on the three years lead time for the TV product. Moreover, only when it became apparent that COM2 migration figures also counted into COM3 sales targets, COM2 propositions, like a free wireless router for migrating customers, started to be supported.

Up to the integration of COM2, COM3 relied on a restricted network of partners. With the integration, COM2's main partner was closed and other partners joined COM3's partner network. To operate the network, COM3 has a procurement department, price and volume negotiations are divided from the operational business. This requires planning the activities over the year. More specific projects have to be assigned with a lead time of 2 – 3 months. All the activities have to be requested through COM3's coordination office. The increased broadband network requires additional marketing capacity for COM3. Thus, the coordination office assigns COM2 capacity (from COM2 partners) to COM3. This leads to internal fighting over partner resources. In order to handle the requests internally, the coordination office extends its staff.

Comparing the two organizations, what stands out is that COM2 builds completely on its partners and receives customer information directly from its customers and partners, even for the sales department. COM2 seems to understand its partners as an

integrated part of the own organization even though partners are independent entities. These independent entities collaborate in a loosely coupled arrangement and contribute variety and stability to the improvising COM2. In contrast, COM3 uses its comprehensive data warehouse to analyse customer behaviour. However, the focus of its actions is the incumbent. This view is comprehensible; COM3 is the number 2 in the market. COM3 has technically invested into the new broadband network, the resources for market development are scarce. Internally partners are regarded as a resource problem over which fights ignite because for the actors they are a means to an end. COM3's partners serve as executors of what COM3 strategically plans.

At COM2 the reason behind the action is the information gathered as raw data comes from listening to customers, we see that when D. says "Sitting next to the team leader, I listened to a live call et voilà, I was just confronted with my first project…" The TOP10 list shows an aggregated condition of issues and is discussed in senior manager meetings. Furthermore, it is used as a base to set annual focus areas. Important is that the list delivers past data which in hindsight defines the future course of action in the sense of Mintzberg & Waters (1985) and Weick (1995) within one of the main COM2 processes. Furthermore, when talking about the aggregated list, the participants are the same and know the practical issues behind it. For example, when COM2 registered an increasing amount of requests concerning billing, the coordinator had already heard that customers complained due to wrongly calculated amounts while monitoring calls with partners. After a short briefing, the decision was taken that COM2's partner called the remaining 240 customers and proactively informed them about a correction on the next invoice.

The above discussion shows how near COM2 is to its environment compared to COM3. But it also raises the question about the "relationship between information technology and sensemaking" especially "…when that technology is run by people at the top who are far removed from the action that is unfolding." (e.g., Fulk, 1993; Prasad, 1993; in Weick, 1995: 177) Thus, technology matters for an improvising organization. Technology is further reviewed in the 'technology' section.

5.6.2.3 Leadership

Most of the coding for 'leadership' is assigned to teamwork (198 assignments); this is also valid for COM2 (131 assignments). The next sub-element of importance for COM2 is 'communication' (92 assignments out of 132), followed by 'targets'(58 out of 141), 'signpost' (51 out of 61) and 'coach' (36 out of 37). For COM3 'targets' received the most assignments (83 out of 141) followed by 'teamwork' (67 out of 198) and 'communication' (40 out of 132). In contrast to COM2, the two elements 'signpost' and 'coach' do not show special relevance for COM3. The relative distribution of the sub-elements between the two organizations confirms the picture for COM3 and its preference for 'targets.' For COM2 with the exception of 'targets,' which received less assignments, the sub-elements are equally assigned.

At COM2 employees assess their superior, this is part of COM2's culture. Because of this, I have been able to develop a profile from the attributes the employees have used. By sensibly grouping the keywords, four main qualities emerged. Figure 17 shows the attributes:
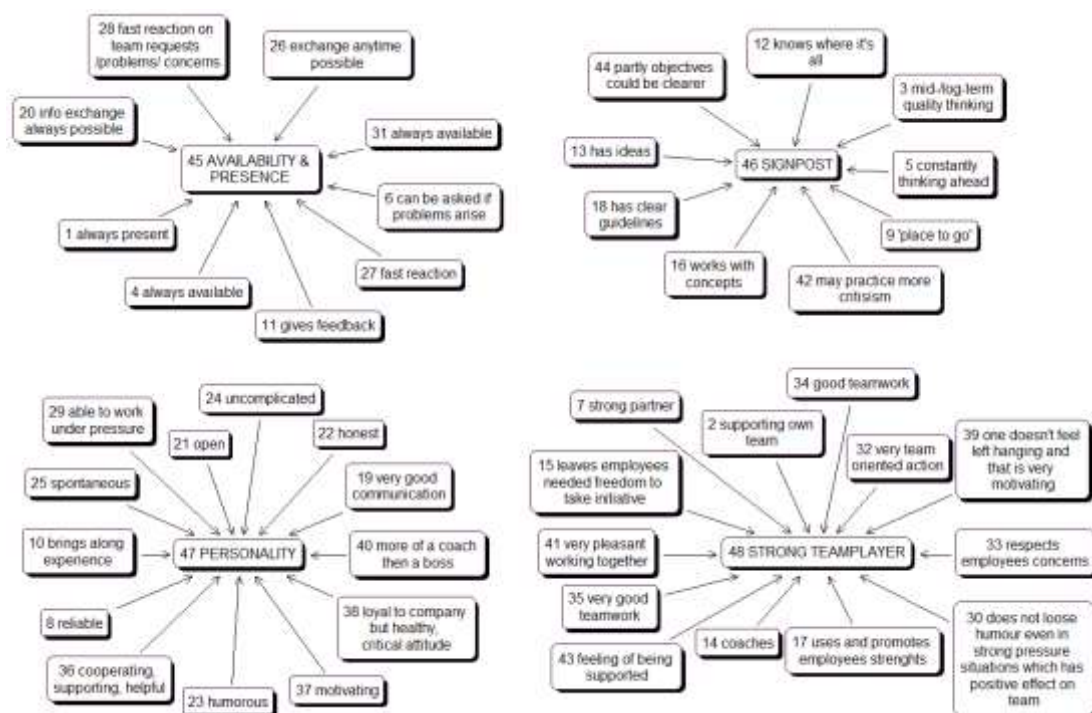
Figure 12: COM2 leadership attributes (researcher, staff review 2008)

It is interesting is that the profile with the main attributes 'strong team-player,' 'signpost,' 'personality' and 'presence' is in line with the coding to the a priori sub-elements 'signpost,' and 'coach' which for COM2 scored strongest in relation to COM3. The attribute 'personality' stands for open (21), honest (22), reliable (8), critical (38), experienced (19) and communicative (19); it's about credibility and trust, and it appears to signalise a coach (40) to the team. Loyal to the company but with a healthy, critical attitude (38) seems to support credibility and trust. Furthermore, the closeness and immediacy to the team are expressed through being a strong team-player (48) supporting (2,43) the team and through very team oriented action (32) as well as through availability and presence (45). Important seems to be 'does not loose humour even in strong pressure situations which has a positive effect on team' (30). The superior seems to be considered as a partner and coach, a 'primus inter pares' in the team where team members have their freedom to take initiatives and speak freely. This correlates with the theory of leadership in the reflective literature review. The superior acts as a signpost (46) for the employees, the place to go (9), he is described as "constantly thinking ahead" (5), "has ideas" (13) and a "mid-/long-term quality thinking" (39). This is noticeable because Schein (2010: 215) indicates that if the leader "…shares power with the group, some group members, depending on their own patterns of needs and prior experiences, may feel less comfortable than before." For Weick (1995) "…in short, what is needed in sensemaking is a good story" and for Crossan (1996) "Story development closely relates to strategy development. Managers must 'manage what is on the plate' at a given point in time…" The statements of the employees seem supportive of this characteristic.

Team members made two other statements: "partly objectives could be clearer" and "may practice more criticism." These hints at a possible dilemma when coaching an improvising team, the relation between acting team members and the degree of prescriptiveness from the team leader. Facilitating the team is important, Floyd & Wooldridge (2000) identify facilitating as a core strategic role in coalescing new ideas into strategic initiatives. Floyd & Wooldridge's (2000) research showed that "Performance was highest in firms in which middle managers were uniformly

involved in downward implementation." I did not explicitly measure performance, but the attributes hint at a strong commitment of the team members.

COM2 does not prescribe targets. Instead, the organization uses the term 'focus area.' The group CEO made statements at different occasions in which he emphasised the long term vision: price leadership, customer and employee satisfaction. He pointed to the fact that the group would become bigger which would mean more control but a balance of control vs. creativity was needed. Thus, "We keep working – with a sharper focus." The company is organized as a matrix, for the local organization, the operational focus is discussed with the operations director at head office and the local CEO. The operational 'goals' consist of a simple A4 paper with three focus areas. Generally one of them is about cost-consciousness.

The senior management meetings resemble briefings from the different departments presenting their action lists and the TOP10 customer issues list. Key is that the issues emerge from everyday activities which induce action from the departments. What the senior managers do in the management meeting is to show their already induced solution. Thus, the solution is found in the team; the managers are involved in downward implementation (Floyd & Wooldridge, 2000). The hierarchy is flat, the team leaders are the department managers and form the senior management of the organization. This imposes responsibility and accountability to the managers and enrols them to act situationally.

For COM2, D. notes: "Maybe that is possible due to an environment without a strategy, enabling just everything." However, this situation might just allow transforming managers into leaders. In the eyes of their team members, they are a coach and a signpost with a story (Weick, 1995; Crossan, 1996). I have notes on the elements 'coach' and 'signpost' hinting at the emergent element 'informal exchange.' Such discussions with team members, for example with D. at the 161 or with B. about information systems or with M. about her place in the organization seems to reassure them in their position and faith in the organization and induces mutual trust. Moreover, the strong cultural foundation of the organization with the

assessment of the leader allows the team to be on a par with the leader. However, such environment also requires cultural empathy from the leader. Schein (2010: 216) notes "Because so many variables are involved, the resultant group culture will usually be a unique and distinctive one."

At COM3 many targets are prescribed. COM3 has a clear plan for its technology rollout, for example, broadband. This already defines the scope and the priority. But also the annual reports define what COM3 wants to achieve. Probably this is owed to the fact that COM3 is the number 2 in the market inducing a clear conception. Managers are heavily involved in the budgeting process and in defining targets for their department and their employees, this can be seen in my description of the two rather complex and time consuming processes. My data about informal complaints of managers in the budgeting process hint at a potential dilemma concerning the override of target setting by senior management and 'on which side' middle managers stand. They understand the senior management influence as mistrust of their ability to predict realistic business figures and as an additional pressure to achieve targets. Also, they express difficulties in telling their subordinates why the targets are so high. Some employees accuse their superiors of backing away. There is an annual management meeting in which assessments of all employees are compared in order to even out differences and aim for procedural justice. Furthermore, each year managers have to hypothetically appoint an own successor out of the team. This is a source of mistrust towards the senior managers as some managers have stated.

In daily operations COM3 managers often seem to involve less, I have described different situations in which they sent their deputies or in which they did not show up. This is practice throughout the hierarchy. I have also described the situation in which managers do not engage but rather seem to search for an excuse involving additional departments or processes; a former COM2 employee has described this as "trying to avoid work rather than being part of the solution" in the survey. During meetings managers worked on their projects, rarely someone asked a question or saw synergies outside of his or her frame of reference. This behaviour might be because every employee has a defined number of targets which have to be achieved by the

end of the year – so why bother with other issues? Furthermore, budgets are given, the way of doing things defined to a high degree a priori. There are discussions about ideas and possible alternatives, but if systems are involved, which is everyday life, official requests have to be handed in, I have described this process too. The team members know how to initiate processes, they act independently. Thus, COM3's organization in a way is efficient but paradoxically as soon as a request is initiated things get complex. Going through my coded data, I found some hints pointing at the emergent elements 'complexity,' 'options,' and 'time' resulting in a dilemma for managers: long time resource allocation versus short time targeting. The traces further lead to 'stakeholder' and 'responsibility.' For example, the sales department wanted to make use of pop up stores to address potential customers in order to meet the higher targets. But this became a logistics department issue for which no resources were available. The manager for the points of sale handed in a request which affected budgets of other departments because the global budget could not be changed. However, this directly impacted activities and targets of other departments. It became a matter of stakeholders' responsibility bargaining over their targets. Also, the acquisition of COM2 was not planned; COM3 seized the opportunity. Thus, managers struggled with the resources; this can be observed in my description on how resources planned for COM2 activities were incorporated into COM3 departments for their own projects.

The missing cultural values of the organization legitimates the behaviour of the actors. Fights over contradicting targets influence working atmosphere but are inevitable. Finally, the elements 'signpost', and 'coach' have a week meaning because every stakeholder has his reasonable frame of reference in the form of his defined goals.

5.6.2.4 Group
For the group elements, some 80% of the data has been coded to COM2 (358 out of 452 assignments). 'Teamwork'(139 out of 196), 'partners' (120 out of 139), and 'communication' (90 out of 107) receive equally high consideration whereas 'environment' (9 out of 10) has significantly less assigned information. The same can

be acknowledged for COM3 but on a considerably lower level. The assigned data reveals that for COM2 the partners are the environment and the main source for action, partners act as a transmitter for customer issues. The element 'environment' hints at the high volume of information floating around COM2's organization inducing pressure on the team and is linked to the emergent elements 'time' and 'costs.' In this respect, it is supportive of an action driven setting. At COM3 'environment' points to data warehouse analysis from which the team derives relevant information, this links to the leadership element 'targets.'

At COM2 so many things are going on. A large number of meetings, many partners and an excess of information from these sources generate action; I have hundreds of notes taken in meetings. After only three months of working at COM2, a member of the retention team handed in her notice. I asked her why she resigned. She told me that she just was not able to handle "that everyday chaos, the frequent changes," and that she needed more organization. At COM2 the environment, the partners as a source of information define how the team works. The information is frequent and dense, fostering fast answers and a high implementation pace. Thus, the time span from an emerging idea to realization is rather short; quick decisions are needed. The cultural environment and the way the organization understands leadership is supportive of this, the grade of self-determination for group members is high. We have seen this in the preceding chapters about culture, environment and leadership. In her statements, D. confirms this but notes that concerning know how there is "narrow support," team members are learning by doing in their daily interactions and based on this altering the shared guidelines which I have described.

According to Nonaka & Takeuchi (1995; in Floyd and Wooldridge, 2000: 79), tacit knowledge can only be acquired through direct experience and internalizing, for Daft & Legel (1986; in Floyd & Wooldridge, 2000) it requires rich information processing mechanisms. According to my reflective literature review, this mechanism is Weick's sensemaking (1995), it is a process of enactment and identity for the team members. 'Enactment' and 'identity' are two resources of sensemaking discussed in the third part of this analysis chapter. However, the process resembles self-

organizing "Inducing the trust necessary for members to share a creative dialogue in which tacit knowledge can be transferred […] the boundaries of self-organized teams are fluid, and this facilitates a variety in perspectives that is consistent with creativity" (Nonaka, 1994; in Floyd & Wooldridge, 2000).

For Nonaka, it is the role of the leaders to mediate between "the horizontal and vertical flow of information." The three previous chapters on culture, environment and leadership have revealed the mechanism of horizontal and vertical information exchange at COM2; an embedment of the leader into the team and an intensive exchange with its partners under use of Schein's (2010) concept of cultural islands. The link to the emergent element 'informal exchange' is of special importance here because it is a source of trust, acts as a signpost and reinforces the cycle. Furthermore, figure 9 in the section analysing cultural elements, illustrates the learning-cycle which I have described as a distinctive competence for the organization. Eden & Ackermann see a willingness to experiment with ideas, thinking and action as a demand following the learning cycle (Kolb, 1984; in Eden & Ackermann, 1998). And Floyd & Wooldridge (2000: 70) stress the significance of the process for the organization "Tacit knowledge is important in strategy because it is difficult – if not impossible – to imitate."

For the team, Crossan (1996) notes "To improvise in real time, requires an environment that does not punish mistakes or criticize what might superficially look like foolishness." In the data, I have found evidence for this. D. notes "Even though it [the way of working] can cause shortcomings, the consequences from acting are supported by all, the individual is not blamed," and "There is active involvement of many which spreads responsibility and gains broad support." The survey is supportive of this: "People are open to help each other also outside of their tasks," "We don't work against each other," "Cooperative entrepreneurship," "Big friendly family."

D. calls it a "strength." It is team empowerment when people "solved issues when they came up by sitting together and finding solutions." People pragmatically and

persistently follow their way and take what they need; we see this in D.'s essay or in her briefing, it is the same for the other members. Knowledge is "created and organized by the … flow of information" (Nonaka, 1994; in Floyd and Wooldridge, 2000: 68). People use their accumulated knowledge in their search for a solution; we find such an endeavour in D. description on scanning or when B. sets up the first prototype of an information system. There are drawbacks, for example when D. complains about taking months until the scanning solution worked and that no one knew how specific processes functioned when a team member from billing left the company. She notes "…mistakes arise which then have to be corrected somehow. This makes everything very human and the awareness for the ordinary, the day-to-day routine is refined."

At COM2 the experience of team members is part of the formal and informal exchange and triggers mutual support. Furthermore, evidence in my data points to the emergent element 'best practice.' Cost-consciousness which is in the cultural DNA of the organization, see the section about cultural elements, acts as a framework for the team members and seems to reinforce self-determination but also the search for best-practice within the organization. Exchange tacit knowledge and build fast, simple and convenient working solutions is the strength of the organization.

Team members are between 20 and 35 years of age and have a good or even high (university level) education. However, none of them is from the business. The employees are assessed to match the organizational culture and their co-workers. When I assessed potential employees, they had the opportunity to exchange with staff and to work with the team for a day. The teamwork is more important than the industry knowledge or any long term experience. I do generally agree with Crossan (1996) concerning management practice when she notes "To improvise in an organizational setting, individuals must be highly trained before they can adapt the technique to management practice. Therefore they must first develop the process skills – listening, communicating, coaching, and time management – along with the substantive skills of the particular trade." But, where do people learn this if not in

practice? Thus, it seems to be sensible to empower the unacquainted employees and that they advance in their position over time. This was my point of view in the discussion with the CFO about the takeover of someone from his team (see narration 'Com2 budgeting process and human resources'). My observation while working for COM2 was that team members learned the needed skills through their readiness of mind and willingness to learn in order to push projects ahead. In this regard, the rather young age and low initial experience together with an empathy from the team leader are helpful. Furthermore, the strong cultural foundation of the organization understood as a 'big friendly family' is supportive.

As mentioned, partners induced action. One of the main activities of the coordinators was to participate in the frequently held roundtables. The meetings were rather short but held often. The main tool for reporting was the TOP10 list filled by the call agents. Data for 'communication' shows that flexible handling of the list by altering codes, deleting or adding reasons for customer calls, emerged from daily activity and call monitoring. Key is that the deeper reasons for the changes hiding 'behind the list' are known to all actors, and appropriate solutions are initiated instantaneously. The loop is tight and involves only a handful of employees.

The COM2 premises are open space, all employees work on the same floor, including the CEO who has no separate office. The teams are near each other and observation shows that there are a lot of spontaneous team exchanges with marketing, sales, finance, HR and technical staff. Most of the time people just come by and talk for a few minutes. The floor provides enough meeting rooms, equipped with special conference call phones which often were used to engage further people from partners or head office within a discussion in which an additional information was needed.

Team members are flexible and turn the reception desk for picking up parcels and deal with spontaneously showing up customers even so this is not the job they are supposed to do. If a customer turns up at the reception and has an issue with finance or a technical problem, someone from the respective department is directly asked for

a quick help. I have talked to customers myself and received positive feedback from them concerning this uncomplicated and pragmatic way of problem solving.

What can be found in my data is a positive team atmosphere. People know each other and exchange formal and informal, in the organization and in private; I have many examples. The operations department Friday afternoon team aperitif became renowned throughout the organization. It was the informal weekly team member exchange at the bar next to reception which other organizational members often used to stop by and have a chat, including the CEO. Furthermore, there is a lot of evidence that humour is part of the organizational culture and laughing belongs to the 'mandatory' daily activities at COM2. Several employees noted that one was able to hear D. laughing when they stood at the tram station outside the building and that her laughing was just catching and worked wonders for their mind and soul.

COM3's premises are distributed over a wider area. The main building is the COM3 twin tower consisting of two tall buildings, one with 22 and the other with 26 floors, including a gym and a restaurant at the top and a sushi bar at the entrance level. Larger departments, like the residential customers unit, are distributed over more than one floor. This makes communication with other teams a less spontaneous activity. The four main elevators are constantly full, waiting times persist. The meeting rooms are bookable over the company's intranet, but they are reserved months in advance. It is nearly impossible to find a free time slot. Therefore employees meet in the canteen or in the coffee areas. Workplaces can be found over the intranet phone book. To meet people, five to ten minutes have to be considered for reaching the respective office premises.

The former COM2 customer operations unit has been split and integrated into the respective COM3 functions. The main COM2 unit belongs to the residential customers unit and is operated by a staff of three whereas the rest of the team reports to the operations and assurance department. Further COM2 units have been integrated into the technical department and into three sub-units of the residential customers department. In order to exchange with operations, there are newly

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introduced weekly coordination meetings. Furthermore, there is a frequently held meeting with the IT manager for the technical integration. Because of the scattering, the coordination efforts for the main COM2 team have increased, for example, the coordination office from the procurement department, technical solutions units but also controlling claim their influence. What is visible in the data is, that the different COM3 units which have incorporated COM2 resources over the time started to exert their influence and responsibility too. Furthermore, accusations of units claiming that they were not informed about COM2 initiatives started to rise over time and triggered additional meetings and discussions.

Working together is straight down to business at COM3. Consulting the intranet is the way for initiating an action, several hundred forms can be found in alphabetical order. Before an initiative or a project can be executed, the intranet form has to be filled in. Depending on the extent of the project, different stakeholders have to sign off the request. Regulations in the form of a checklist help to guide through the process. However, the processes do not match COM2's daily actions because they split the work into different COM3 sub-units who claim to be responsible and insist on being consulted. Furthermore, the rule is "first come, first served." I have mentioned several examples elsewhere. For D. the new working behaviour means "To do one thing after the other, very calm and think concepts to the end" because at COM3 "One has to plan ahead predictively." Furthermore, "Decision processes are longer" and "Each decision must be chewed through." D. mentions that "Individuals can decide little and there is little creative leeway," something former COM2 employees seem to confirm in the survey: "More processes, hierarchy and structure an longer decision processes," leading to "less involvment in decisions," "no identification with the job," and "often, the common feeling gets lost." Furthermore, the survey mentions the target culture of COM3 which former COM2 see as the culprit for "employees caring for their own," and "trying to avoid work rather than being part of the solution." The concern over target achievement not entirely in one's hands but still being personally responsible is critical for cooperation and spirit and fights over contradicting targets, for example with the sales manager internet,

influences the working atmosphere. This has been discussed already when analysing cultural elements, but it is equally crucial for group work.

COM3 teams rely on system data analysis. They use statistical analysis software (SAS) for clustering customer behaviour and developing initiatives. My two team members start to use the software too. However, I cannot find the intense 'stream of actions' that used to flood COM2's team. Work is split up at COM3. Within the teams, specialists are responsible for a specific part of the work. I observed that they do not talk to each other that much but seem to be more concentrated at their work, for exchange they prefer meetings. The COM2 team exchanges with some dozen specialists for the daily work, opinions have to be aligned in meetings, and through 'official' exchange, this takes time because people are busy on their projects. The COM2 team leader has restricted influence on people and processes. The visiting of the call centres also has declined over time. My notes of the meetings show responsibilities distributed over COM3 stakeholders and former COM2 employees integrated into COM3 units who still use a dedicated COM2 cost centre because officially they still execute work for COM2. In reality, they more and more neglect agreements with the justification that they work on other projects and cannot engage more (see narrative 3.1, appendix C.3.1). A disintegration of COM2's capabilities and a limitation of sensemaking within the COM2 group become observable. A loss of influence from COM2 management is noticeable. After working for several months immersed in COM3's culture, D. writes to me that she would prefer to only talk to me and the other team colleague rather than to the COM3 staff and that she would accept any role which would allow her to do so, assistant, secretary or the heart and soul of the team. In her opinion only this would allow her to communicate her opinion freely. In that mail, she also suggests reinstating the coffee break information round we used to have at COM2 because she "really misses this fruitful way of exchange."

In this environment, the COM2 team discusses possible options to offer COM2's products to customers in the future but also to save COM2's spirit within COM3. The team comes up with the suggestion to merge the COM2 unit with COM3's small

mobile prepaid sub-brand SUB3 to strategically strengthen SUB3 with the addition of COM2's fixed network customers, providing COM2 clients with a new 'home' without forcing them to migrate to COM3. Furthermore, the solution allows COM2 to forgo a complex COM3 system migration with all its hurdles. Even though the initiative was initially supported by the responsible management team member, it crackled fast with the other stakeholders. The CEO was surprised why this idea was suggested at all. Only six days after the meeting with the CEO, the second and more fruitful initiative was launched from COM2. It was the spontaneous suggestion of the COM2 unit to buy the COM2 billing system and forgo the technical migration. COM3's IT department had not thought about such a solution at all. However, the IT senior manager supported the initiative due to resource bottlenecks, and the COM2 system was bought. The two initiatives from the COM2 team show their capability to initiate improvisational strategic initiatives within COM3 but also demonstrate the team's generalist view is inducing sensemaking propositions. However, COM3 had technically invested into broadband and COM3's target was to win as many new broadband customers as possible and it spilled out incentives for that.

The initiatives might hint at two issues in COM3's organization seen through the improvising perspective: the attention span of organization members might probably have ignored strategically significant change in another domain (Burgelman, 1991, 1994; Huff, Huff & Thomas, 1992 in Floyd & Wooldridge, 2000) because later attempts to strengthen SUB3 were discontinued. And "On the induced side of strategy, top managers are a primary source of inertia" as Aldrich notes (1979; in Floyd & Wooldridge, 2000).

5.6.2.5 Technology

For technology, I have assigned 238 data notes. Most of the data have been coded to the sub-elements 'general 'and 'KPI' for both organisations. I have tried to assign data to the two a priori sub-elements 'loosely coupling' and 'out of way' which emerged out of the pilot project and the reflective literature review. However, this proved to be a difficult task in practice. I have found only a handful of hints for the two sub-elements and only for COM2.

COM2's network of systems is complex but so is the one of COM3. The complexity is inherent to the industry and owed to the communication network and international data exchange. However, there are significant organizational differences concerning operations. What is noticeable is that COM2 systems are of standard quality and functionality, they have to do the job. For example, COM2 uses a very simple prepaid system with no customer access; this is the case for the other systems too. Except for the prepaid product, the main system used by operations and all partners is the central billing system. The system receives the call data, is used for customer invoicing and is linked to a data warehouse. All transactions in customer operations are registered with a manual entry into the customer record, and a disposition code is assigned. Every month the disposition codes are retrieved and put in an excel TOP10 list which serves as a base for operational focus and setting core areas of management attention because it allows identifying increased operational costs together with call monitoring, one example was the faulty routers. When customer behaviour changes, the codes are adapted. A data warehouse system is connected to report the basic key figures for financial statistics only. Every other transaction is done outside of this system. The billing system allows for flexible data export. Using a selection of criteria, customer data can be exported directly to files by operations coordinators The lists are typically used for cross-selling initiatives and complain issues but also for operational quality and partner analysis. If the scripts need to be adapted to consider different attributes, the billing and IT department arranges this.

The billing & IT department consists of five employees. The main duty of the unit is to ensure correct and timely billing to customers. Thus, it engages with the execution of a plethora of scripts needed to assure a complete and qualitatively flawless invoicing process. The billing data is delivered to an external facility which prints the invoices. Furthermore, the unit orders and sets up the local desktop workstations and laptops and is responsible for the shared data drive and its backup. However, billing & IT does not have any connection to COM2's partners.

At COM2 the systems used by customer operations or other departments are generally evaluated, implemented and owned by the respective units; the scanning

solution, the information system but also the web & self-care systems are owned by customer operations and resources have to be allocated adequately. The local project office is of help to connect to head office or to contact other countries to check for already implemented solutions in the organization and to adapt the system to local requirements. For the operations department, the way other units have implemented the solution is of special interest. However, the local implementations are not without problems; no user groups exist to develop the system in terms of functionality. D. talks about "narrow support concerning know-how," and a "short timespan from idea to realization" which "leads to rather low qualitative system requirements." Furthermore, there is pressure concerning costs, "it must be inexpensive, has to work, that makes nothing impossible," and "leads to improvisation." The example of the order handling systems shows, that even though the sales manager has the impression of a "still fairly unusable" tool, the CEO clearly favours rolling out and correcting issues afterwards. The CFO clearly states his opinion that the partners should provide the systems. The first project in this direction is the deal with COM2's main partner CAL1 to scan and archive incoming customer documents. It is a "between me and you deal" arranged by worth of mouth among CAL1's CEO and myself.

There are a few noticeable points about COM2's IT behaviour. COM2 has no IT department, the billing & IT unit operates the billing system but is not in charge of a system strategy for the organization. The departments in need of an IT solution are free to choose an adequate solution, implement and operate it, they also provide the resources. This leads to rather simple solutions because there are time and cost constrains and which can be seen in the description of how B. implements the information system. Furthermore, the answer to the question of adequate know-how is own learning, the narrative for the search of the scanning solution is exemplary. The CEO undoubtedly supports implementation before adaptation. Key is that the way COM2 handles IT solutions decouples them from any organizational structure and in this sense they also get 'out of the way' because they are not large projects involving several departments over a longer time. Rather, they are the product of people working with them every day, see the narration about the index files.

Eden & Ackermann (1998) state about MIS systems "They encompass that which can be attributed numbers and ignore (so far) qualitative information. However, it is qualitative information that usually should dominate the thinking about the strategic direction of the organization." At COM2 this is the case because of a) there is no data warehouse for analysis of operational data and b) the scripts coordinators use to investigate an issue in the billing system usually is applied *after* the cue emerged with a partner or at a call monitoring which insures a deeper understanding.

"Because technology is a crucial part of organizations, it is important to incorporate it into any discussions of sensemaking" (Weick & Maeder, 1993; in Weick, 1995: 114). And because sensemaking is crucial to improvisation, the significance of technology and who has control over it is equally essential in an improvisational environment. At COM2 technology's significance might be described as "a means to an end." Control over technology and what it needs to be able to do is in the hands of the coordinators and not the IT department; it is an integral part of the solution the coordinator is in search for and incorporates spontaneous ideas such as D.'s indexing file which was the essential part for searching stored contracts. COM2's technological landscape lacks sophistication but calls upon the actors. It is a critical part of the improvisational process, and at the same time, it insures cost-consciousness and fast implementation. Furthermore, it keeps the IT administration at a minimum.

COM3 runs a large IT department which is completely responsible for any solution delivery. D. notes "Results arrive slowly but measurable and more 'rocket science' however coincidentally also not always thought through to the end." I have described the process for launching IT projects and the way COM3 prioritizes those requests. With over 100 projects pending, the only way of a faster delivery is to declare the project as 'fast track.' However, there is a "low implementation rate of projects even if they call it 'fast track'" according to D. The reason for this might be twofold: a) the organization needs a longer planning horizon for its resource allocation process. Shorter-term requests due to changing market needs lead to an increasing number of projects and fast track requests. This is especially the case for product adaptations,

many of the requests affect changes in price plans. The complex products of COM3 are a part of the problem. B) The COM3 IT department engineers are completely responsible for the solution design, it is not possible as a requester to come up with an idea, the requester can only describe the problem which has to be solved as accurate as possible. This is understandable because the engineers try to unite the requests and program more efficiently. But this takes time and might alter the initially intended solution; this has happened twice.

Schein (1996) argues that engineers share an own common occupational culture (see literature review chapter). Leaving the solution entirely in their hands is critical from an improvisational standpoint because "It is difficult to override decision rationality when that rationality is built into the technology by engineers who are true believers" (Perrow, 1983; Winner, 1986; in Weick, 1995: 178), technology risks unintentionally to end in itself.

The COM2 unit often has been accused of not having a plan what to do with their customers by the responsible IT coordinator at COM3. There are plenty of statements about this from the different meetings. Her standpoint was that only once it had been decided what to do with the customers, a detailed system requirement could be made which then enabled the IT department to select an adequate solution. Again, this shows the critical role IT takes from an improvisational perspective.

Management decisions at COM3 are based on technology resources and financial analysis. Characteristic for COM3 is the coding to the element 'KPI.' The understanding of the role of IT is fundamentally different in the two organizations. The presentations at COM3 with dozens of pages of analytical backup material. The dispute between my superior and me over how much analysis really was needed to understand migrating customers. The survey statement "Management has mistrust in financial and technological solutions of COM2 managers and teams." For COM3 IT is central and an important part of its strategy and culture of efficiency. However, it follows the same COM3 principles of efficiency raising questions of contradiction in connection with COM3's target setting.

5.6.2.6 Summarising the a priori elements

The a priori elements are significant for the improvising organization; this can be seen in the overall assignments to the elements. For an overview, I have pulled together the substantial concepts thus far in figure 13, the a priori elements are shown in capital letters with a grey background:
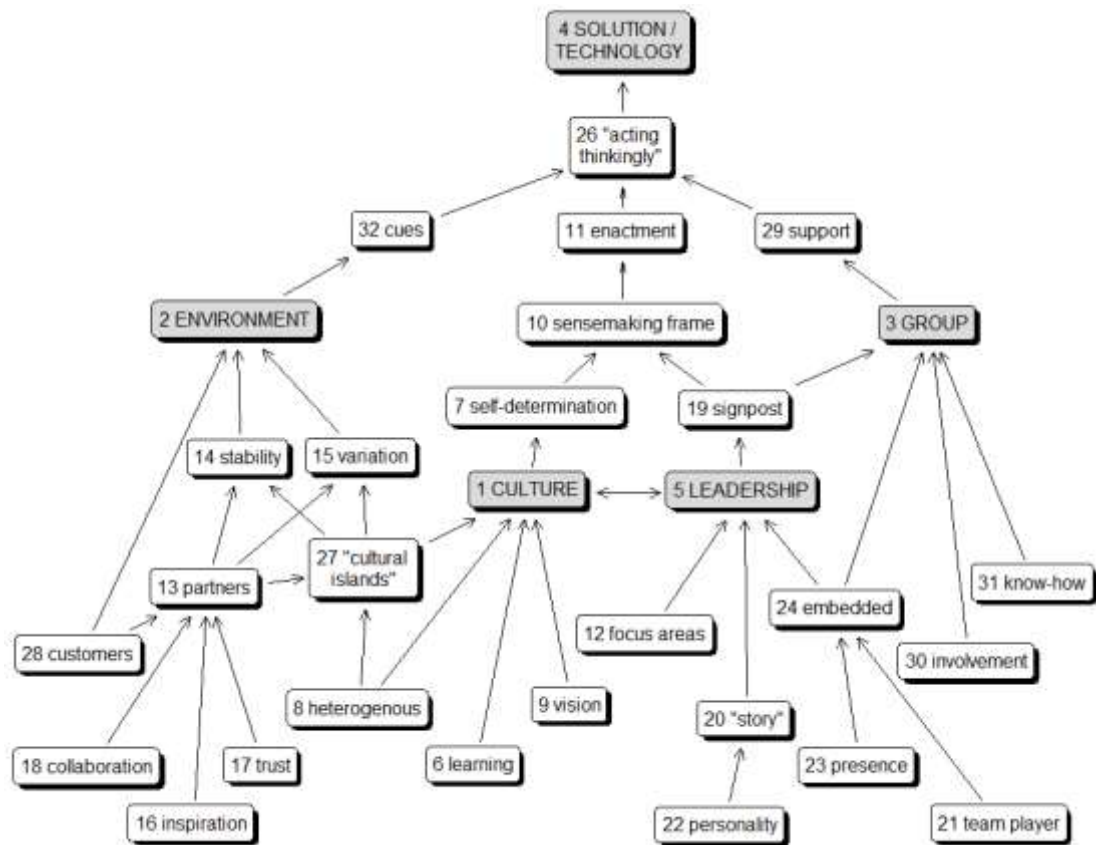
Figure 13: Significance of a priori elements and concepts for COM2

COM2 invests almost exclusively into its cultural foundation (1), leadership (5) is a part of it. Schein (2010: 3) notes " The connection between culture and leadership is clearest in organizational cultures and microcultures.", he goes on "Culture comes to constrain, stabilize, and provide structure and meaning to the group members even to the point of ultimately specifying what kind of leadership will be acceptable." COM2's culture (1) is one of learning (6, discussed in the cultural elements section) a simple vision (9) together with focus areas (12) instead of targets. This fosters members self-determination (7). Leadership (5) is embedded in culture but also in the

group (3) through the leader's presence (23) and as a team player (21). The leader's personality (22) and vision (9) accounts for the 'story' (20) which acts as a robust signpost (19) for members. Self-determination (7) and signpost (19) finally are the sensemaking frame (10) enacting (11) the employees. The group (3) involves and adds know-how, it takes a supportive (29) role for the individual action. Partners (13) are a relevant part of the organizational environment (2), trust (17) and collaboration (18) defines the relationship. Partners form a part of the heterogeneous (8) culture. The link between the different cultures is Schein's (2010) concept of "cultural islands," discussed in the environmental elements section. Because of this and their independent acting, partners are a source of stability (14) but also variation (15) for the organization and the individual member. They deliver the cues emerging from customer (28) interaction. The employees act thinkingly (Weick et al., 2005), they improvise, by taking up cues (32) and through support (29) of the group. Their action is guided and ratified through the sensemaking frame (10) which enacts them (11). Thus, the a priori element technology (4) which emerged from the pilot study, at COM2 is a *result* of the action; it is only a means to an end and part of a solution. This is valid for the use of information as well as transaction systems. Technology is subordinated to improvisation. Or, in other words, operation has primacy over technology. Noticeable is that figure 13 predominantly shows human aspects.
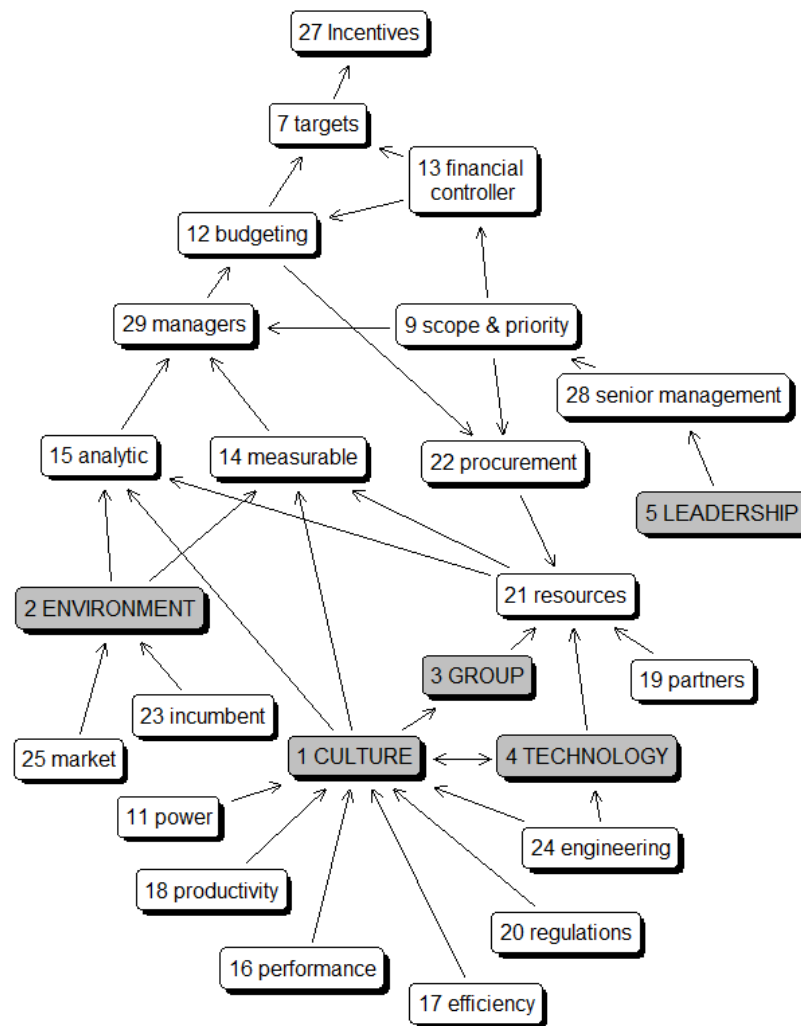
Figure 14: Significance of a priori elements and concepts for COM3

Figure 14 shows the picture for COM3. Central to COM3's model is its analytic (15) and measurable (14) nature. Noticeable is that everything subordinates itself to measurability. Consequently, COM3 describes its culture (1) as "performance culture." I assigned keywords from the cultural elements analysis: regulations (20), efficiency (17), performance (16), productivity (18), and power (11). Technology (4) seems to be tightly interwoven with culture, engineering (24) influences both and allows for measurability. The market (25) and the incumbent (23) defines the environment (2) which is analysed through analytical information systems. Resources (21) are an integral part of the model which are too measured and steered. Technology (4), partners (19), and staff (shown as group, 3) are understood as resources. The group (3) does not seem to be of special relevance other than being

functional. Leadership (5) is not disconnected from culture (1) and technology (4) because it is responsible for it (Schein, 2010) however it is a function of senior management (28) because it sets the scope & priority (9) for the middle management (29), financial controlling (13) and procurement (22). The link to procurement is relevant because the time horizon for resource allocation is generally longer than for the budgeting process. Middle managers (29) plan the budgeting cycle (12) and define the individual targets (7) which spill out personal incentives (27) if targets are achieved. Ultimately, the incentives drive the COM3 model. In fact, it could be argued that COM3 has abandoned culture in favour of targets. This is consistent with the circumstance that nothing about culture in the sense of COM2 was found in COM3's data.

This summary concludes the first part of the analysis. The second part is about the emergent elements.

5.6.3 Part 2: Analysing emergent elements

Out of the coding process, eight new elements emerged: 'best practice,' informal exchange,' 'time,' 'costs,' 'stakeholder,' 'responsibility,' 'complexity,' and 'options.' Overall, 712 concepts of data have been assigned to these emergent elements, 317 for COM2 and 395 for COM3. The emergent elements account for 21% of all assignments for COM2 and for 42% of all assignments for COM3. Considering that the a priori elements in the previous chapter represent an improvisational research perspective, the higher assignments to emergent elements for COM3 appears plausible. What is noticeable is that 'best practice' and 'informal exchange' are relevant for COM2 whereas 'stakeholder,' responsibility,' 'complexity,' and 'options' matter for COM3. The two elements 'time,' and 'costs' seem equally important. Next, I will analyse and discuss the emergent elements:

5.6.3.1 Best practice

COM2 country organizations are very different concerning their products and services. While some offer fixed network, mobile and internet, others concentrate on mobile only. Furthermore, in some countries, COM2 was founded as a subsidiary organization starting from scratch while in other countries, the market entrance was accomplished through acquisition of local agencies.Thus, the group is very heterogeneous not only what concerns products and services but also concerning the organization, technology and experience. Newly integrated units are not forced to migrate their systems; they decide independently what they need to run their business. Seen from the group's perspective, this is consistent because it is cost-conscious. Furthermore, it is a potential pool of tools and know-how for the group's different country organizations. There is a loose coupling of organizational and technological elements not only in the country organization, see the section about analysing elements of 'environment' in which the partners are discussed, but also on a group level. I have described the regional meeting , see narrative 2.2, which is held once a year and which is a demonstration of best practice from local country organization representatives and how they solve organizational challenges. The presentations not only cover technology but also processes and how local partners are involved. In 2007 I participated for the first time, allowing me to get to know

decision makers and engage in discussions about customer issues. The regional meeting opened the door for further exchange; I have described this. When the CEO talked about the future in that regional meeting, he recognized that while the group was growing this needed more control but he deliberately emphasised the balance between control and creativity. Even though the CEO seems to acknowledge that in more mature markets the relevance of quality increases, he pictures the five-year vision of price leadership, quality (understood as customer satisfaction), and employee satisfaction. He emphasises to measure employee satisfaction once a year. When looking at COM2's core values, see the analysis of cultural elements, this must be understood to keep the employees enacted in order to use their creativity to fulfil the mission. Furthermore, in the context of the regional best practice meeting, this is an invitation to make use of the variation and variety of solutions found in the group, and it is coherent with cost-consciousness. The suggestion is not prescriptive. Thus, senior management seems to be aware of an emergent part of their strategy and the significant role it plays.

COM2 makes use of regional country managers who have the task to promote the exchange of best practice. I participated in monthly call conferences, and the local organization was actively involved in two cases. Many of the technical systems the local organization uses, originate from another country organization. Especially technology is seen as a means to an end at COM2, see figure 13. Thus, the solutions are often simple and not very complex to replicate. What other COM2 offices use, varies in quality and depends on the local market requirement, for example, Germany uses more sophisticated solutions; eastern Europe branches settle with simpler answers. Additionally, the local project office is in charge to scan the group for adequate solutions; I have described this. Furthermore, there are requests from the head office about what solutions are implemented locally, I have assigned notes on emails about this. Typically for the organisation, the subject is part of interactions through different channels. Moreover, the local COM2 organization makes use of a quality circle to address best practice exchange between local partners and learn from it. One of the results of a quality circle meeting was the drawing of an interaction

landscape to better understand the processes and transactions between partners and their interdependences.

At COM3 leeway for the use of best practice in operations is narrow, this is system inherent. First, technology is a centrepiece of COM3's organization, see the technology section and figure 21, it follows its own rules. The responsibility is completely in the hands of the engineers. Second, COM3's group potential is restricted to five countries of similar wealth and markets. Third, partners, staff and technology are understood as a resource which is prescriptively planned. COM3 data does not reveal any relevant insight.

5.6.3.2 Informal exchange

My data hints at frequent informal exchange at COM2. There is an intensive exchange between D., the main operations coordinator, and me. This happens over lunch at the 161, see narrative 2.4. However, there is also an informal exchange with the other members of the team, either when they join the lunch or in coffee breaks or in the car while driving to a partner meeting. I usually explain how I see the situation and what would be a desirable condition but also D. has a solid perception of how things should be and then we have a discussion. This contributes to the stability of the team, see the discussion of group elements. From time to time the CEO spontaneously joins lunch. For example, the team then mentioned the information system which operations wanted to introduce, and he acknowledged this to be good work. There is a climate of trust. I noted that people feel to be taken seriously and express some pride. Every now and then the CEO spontaneously just asks if I would join for lunch, sometimes our company lawyer or the sales director joins too. We talk about the organization, ideas and partners. I have gathered some examples of how I understand the cooperation with partners and where the CEO points to the costs but does not interfere in any way with a practical suggestion. This is the same for the other colleagues. I have a note from one of the senior managers remarking that the personal influence one can exert is tremendous and rewarding.

I have notes on short discussions covering a usual workday morning, for example, the project office who wants to get an opinion on the intake system and D. tells them how she would do it. Or B. starts to talk about the information system and he would like to hear some answers on new ideas he has. M. is comfortable when she hears my evaluation on issues because she is a more anxious person she tells me. Every day we talk about private stuff and have a good laugh about things, on business and private, I have described some of this. There are also some more personal conversations; narrative 2.7 is an example. The private exchange with my team affects behaviour; I noted that people are more easy-going. I received feedback on this from members of the organization including the CEO.

There periodical lunches with the CEO's of the partners are casual, sometimes D. or other members of the team are present too. Especially the informal exchange with the CEO of the main partner is constructive because it leads to operational action. Our encounters helped to shape his company. What we settled on he called the "between me and you deals." For example when we impulsively agreed on future scanning solutions supplied by his organization coming from an idea that I mentioned.

What can also be traced back in the notes is that humour was a crucial part of the organizational life at COM2. Not only was this the case in the teams; there were episodes of pleasure for all. I mentioned examples before, like when the company lawyer jumped for joy, inviting all employees to a glass of champagne because he had won a lawsuit. Moreover, the notes on staff gatherings, EM party, new terrace, summer barbecues, birthday parties, Friday afternoon aperitifs. All these gatherings are evidence for informal exchange but also solidarity and team spirit. This constitutes a part of the "Big friendly family" as someone called COM2 in the survey.

For COM3 I am not able to contribute evidence concerning informal exchange. I had one informal lunch with my superior in two years in which we talked about a few ideas. After work people leave the office, only sporadically some people meet for a drink. There is not the same catching spirit at COM3, what COM3 does is much

more serious and 'official.' This finding is supported by D.'s expression that for her it "would be best to talk to me and the other team colleague only to express her own opinion freely" or that the former "coffee break information round was very fruitful and missed at COM3" and that she wants it to be reinstated. Before I left COM3, D. told me that she was curious about how my successor, a COM3 manager, would behave and that she expected him to contact her any time to discuss the future setup. Desperately disappointed, after a month, she handed in her notice because she had not heard anything at all. This shows the different cultural assumptions of the two organizations.

5.6.3.3 Time

Data gathered from both organizations show aspects about time. However, time in each organization has a different meaning. COM2 employees are "always low on time," there is "high pace in implementation," "short timespan from idea to realization," pressure on time," "fast decision taking" and "fast implementation." "There is so much happening," "issues are solved when they came up," there are ad hoc meetings and "spontaneous enlargements of meeting with additional members" and "people had a pragmatic way of doing things." Furthermore, looking at D.'s working schedule reveals how fragmented it is, she only attributes a short time span to each issue. This leads to rather low system requirements because it just has to do the job. Technical solutions are first released into service and only then are they improved with feedback from all. This increases time pressure; the unit is under pressure to deliver an improvement and subsequent costs for it are approved by the leader who is directly involved.

Time at COM2 acts as a homemade pacemaker for action. The official documentation at COM2 confirms that time pressure is intended: "execute and react quickly," "fewer are quicker," and "acting – focus on the solutions, revel in speed." This has implications on culture and behaviour, it encourages self-determination and enacts people to act thinkingly, to improvise. In such a scenario "There is a strong tendency for the urgent to drive out the important" as Isenberg (1987) notes. But the urgent is part of the important in an emerging environment. However, Isenberg still

is supportive of the model because of "…the ability to remain focused on long-term objectives while staying flexible enough to solve day-to-day problems and recognize new opportunities."

At COM3 "decision processes are longer," there is "more structure," "more hierarchy levels" and there are "more processes". This is what former COM2 employees observed, see the survey. D. notes "Each decision must be chewed through" and "Changes arrive slowly." Furthermore, the IT department has a backlog of requests, even if they are marked as 'fast track' implementation is slow. This is the same for the COM3 data verification team, the procurement department with its coordination office for external partner orders. COM3 units accept requests on a "first come – first served" basis only. Moreover, there are fights over resources with other departments. This needs meetings, discussions and leads to disputes on how to proceed in each case which takes weeks or months to progress. The time span is long because the issues are part of the COM3's resource allocation process. Crossan et al. (2005) note "We expect that firms with closed, rigid, and nonexperimental cultures will promote linear-time management and will value strict adherence to the resource allocation guidelines defined in the plans for the desired future." This is the case for COM3, the lethargy of the organization can be felt; D. describes the situation as "Time is everything because one has to plan ahead predictively." Compared to the resource allocation process, the shorter time span of the budgeting and targeting process impacts time too because what is not part of it has no qualification to be considered; this is consistent with the organization.

5.6.3.4 Costs

Cost-consciousness is a part of COM2's DNA. It is the most important statement because it can be found everywhere in the organization and it is part of every move the company makes. The vision and the mission talk about cost-consciousness and "cheap and simple communication," it is found in the annual reports and the brand book which also explicitly states: "customers before investments" and "invest as late as possible." In every speech of the group CEO cost-consciousness has its appearance which he links to the price leading position of the company. This is

consistent with the positioning of the company in the low price mass market. Furthermore, I have notes from different meetings with head office and senior management where it is part of the discussion, for the organization but equally for its partners. Noticeable is that the message is spread across the organization by worth of mouth and as a significant element of its culture whereas the company does not rely on a comprehensive controlling unit. For the local organizations, cost-consciousness is part of the annually defined focus areas. However, the local organization does not use the classical budgeting process; I have described the procedure. The local CFO 'controls' expenditures based on previous data and experience, when he discovers deviations, he starts asking questions. Furthermore, the CFO favours part-time employees and has a critical attitude primarily towards the main partner. Everyone knows this; he is the incarnation of the cultural attribute of cost-consciousness. There are no a priori forms to be filled out for a project request. Some offers are enough to discuss this with the CEO. But this is generally not needed because people have internalized cost-consciousness, we see this in the description of the search for a scanning solution or the information tool. For the coordinators, it is an important task to incorporate thoughts about costs when they act. For example, they request firm orders if the price list does not cover the work. The cheapest will get the order. D. rants about such a firm order from the main partner in her essay. Furthermore, the TOP10 list is not only about customer issues but also about sensing increasing costs. Finally, call duration and transaction time define the monthly expenditures to the partners. Standard transactions are picked by the coordinators on a frequent base and assessed with the aim to reduce transaction time and thus costs; this was a common topic of discussion in the operations meetings. COM2 was free to place orders in the local market.

Costs are paramount and the coordinators know this. Costs are not made explicit through budgeting or targets but through sensitizing the employees to consider them important. This is consistent with the concept of sensemaking and acting thinkingly. D. notes "subsequent costs are approved," which is an evidence of trust in the abilities of the employees and the appreciation of the improvising role.

At COM3 costs are a result of the resource planning, the targeting and the budgeting process. Once the annual budgeting process is finished, it is nearly impossible to get any exceptional funding. All activities need to be signed, cost centre assigned and budgeted before execution, "No one would do a thing without having received the respective account number," I have described some examples. Furthermore, were products are involved, a business case including usage calculations have to be submitted to controlling.

At COM3 the controllers are paramount. Each department has an assigned controller who is in charge of the complete financial part. Team members and I have taken part in numerous controlling meetings because the controller wanted to know how the operative business was performing and if it was developing as projected. Because everything is measured, the questions from controlling are extremely detailed. Furthermore, they tried to get hold of the cost trend a priori. Based on discussions in meetings, controlling altered the figures and forecasts which several times led to misunderstandings. For example when changed figures led to changed target achievement figures and no one knew. Or when controlling reduced budget figures based on the lower expenditures in a month. Probably because of this, a former COM2 employee accused the COM3 management of mistrust into financial solutions of managers and teams in the survey. COM3 conducts meetings about EBITDA gab closing measures and tactical roadmaps which are held by the department controller and concern measures to be taken to close target deviation. I have noted the options of expanding market share by open more company branches and faster migrating customers from COM2 to COM3 until the end of the year and cutting costs by closing the PR department and integrate functions into the marketing department. Furthermore, additional tasks were externalized. The decisions are integrated into the tactical roadmap and constantly revisited.

Analytic measurement allows COM3 to apply a very effective way of realtime optimization but what happened was that it affected individual target achievement which had to be reconsidered and subsequently kicked-off the target setting procedure which I have described in detail. What I also have noted is, that senior

management expected more performance but at the same time already had committed to a cost reduction program. This was not enthusiastically received by the department managers, two claimed that they had not enough resources from the beginning, yet they had to reduce staff again.

The critical issue here is that the controlling structure fosters organizational politics and stakeholder influence because intended action has to run though a detailed process including the description and proven profitability. The process ultimately alters the original intention, as described in the example of the cheap mobile phone offer.

5.6.3.5 Stakeholders

For COM2 I found employees representing their cultural groups in the sense of Schein (1996), discussed in the reflective literature review. For example the network department with the engineers or the financial department with the CFO. There is no IT department at COM2. Mutual influence of the units are minimal; they are loosely coupled. What 'keeps them together' is COM2's cultural foundation. Evidence of this is found in my data but also in the survey when people talk about "sitting together and finding solutions," "we didn't work against each other" or "we were a big friendly family where people were open to help each other also outside of their task." People do not follow strict targets at COM2. In everyday activities, it is hard to find stakeholder behaviour with one 'subtle' exception, the CFO. However, he is not obtrusive but persistent in his quest to keep the costs down.

At COM3 already in the survey stakeholder influence is observable "political power culture." It can also be seen in my description on what happened when COM2 made a proposition for a future strategy, see the name change dilemma narrative. Everyone has his standpoint; the COM2 suggestion becomes a web of interdependencies between the different stakeholders and no one decides. First, it was a legal issue; I had to deal with the legal department which gave me short and rather hypothetical answers. Then, it became an IT issue because the SUB3 manager feared an unstable system while the IT director stated that it was purely a business decision. However,

he did not provide any solution for the 'instability' issue of the system. The director for residential customers expressed that it was "a good idea," but he did not further involve. The strategy director attended only one of the meetings and suggested to check with market research. In the important meeting, the three senior management stakeholders had only a little time to spare, one came late to the meeting, the other had to leave early, the meeting was short and finished without a decision. Finally, the CEO expressed his view, prompting to further migrate the customers to COM3. There are risks for the stakeholders because the COM2 suggestion endangers the actual course of action in which the actors have their stake. Every actor has his legitimate view, but no one can be persuaded about an idea outside of his comfort zone. Some simple facts finally become the legitimate reason for not being able to do it. It is difficult to induce ideas from the bottom up at COM3. Aldrich notes "On the induced side of strategy, top managers are a primary source of inertia" (1979; in Floyd & Wooldridge, 2000). Stakeholders follow their top down scheme. The improvisational acting of COM2 is not compatible with COM3's prescriptive paradigm.

The operation manager, after placing her issues, always leaves meetings early; she is not interested in COM2's issues. On the request of the operation manager's superior, an additional meeting is set up. However, only after three consecutive gatherings, it is cancelled because the superior is not attending anymore. The COM2 unit cannot offer a router for free as a retention to customers just because product management does not offer it to COM3 clients.

What I found when analysing my data longitudinally is that the influence of stakeholders increased over time. After the integration project, see COM3 project management narrative, was dissolved, the COM2 unit was understood as integrated into COM3's organization. However, I found evidence that from this moment on, the interest COM3 stakeholders showed for COM2 dropped and COM2 resources within other COM3 departments, originally installed and paid for by COM2 and supported by senior management, coincidently stared to refuse to work for COM2. This seems

to show the true interest of COM3's stakeholder, the own targets and the resources needed to achieve them.

5.6.3.6 Complexity

D. notes "The project coordination proved more complex than actually planned. Simultaneous engagement involving different projects, ideas and the daily business, part time work, absences and wrong prioritizing, long response times and flaws in coordination raise this project to a prototype." This way of working can also be found in D.'s work schedule. It is exemplary for the way of working at COM2. The complexity derives from dealing with many different issues and aspects at the same time. Furthermore, not everything turns out the way it was expected and mistakes or misunderstandings happen. Over time this way of working is challenging, but it also can make work tiring and exhaust people. What I also found is, that because of the complexity, employees select solutions which insure fast implementation, like B. who selects an external partner because of "fast and flexible feedback." Or, when the long pricelist for services from partners is periodically simplified.

COM3 is a larger organization; it has more structure, processes and hierarchy levels. The decision processes are longer, and there is less involvement in decisions. Also, COM3 uses advanced controlling measuring tools. This is how former COM2 employees see COM3 in the survey. However, COM3 has also a more vague vision and more complex product combinations. I described the COM3 leaflet which no one really completely understood. Also, senior management admitted its complexity. But no one did something against this. Furthermore, there are different stakeholders who rise technical or financial or procedural issues but do not necessarily contribute to a solution. COM3 has a resource allocation process which has a different time span than the budgeting and targeting processes which themselves are extensive. The example of combining a simple mobile phone with a simple price plan show that this is a complex endeavour, the business plan, the usage calculation, the logistics issues, the price plan which could not be implemented because no one knew how to do it in COM2's system. But also initializing a process or request with a form which needs to be signed, approved and which finally still is not what COM2 needs, leading to

further discussions. Meetings take several hours and partially involve up to 16 subordinates. The presentations consist of dozens of pages including annexes with a lot of detailed business analysis and statistics to back a case. In the beginning, D. is impressed but later she changes her mind "COM3's presentations are a show in which people often talk themselves out of doing things." This is supported by the statement found in the survey that "some people in COM3 try more to avoid work than to be part of the solution."

5.6.3.7 Responsibility
AT COM2 people take responsibility. D. describes this enactment as "hi-grade of self-determination based on fast decision taking." There is time pressure and a need for a solution, employees engage. This engagement is supported by a cultural value of 'together', see sub-section about cultural elements. But responsibility is also a result of leadership behaviour which integrates into the team and is supportive, I have described this. Furthermore, in using focus areas instead of clear targets in emphasising cost-consciousness, COM2 signalises a path for action but leaves open room for personal engagement. Responsibility can be found in the narrative about the two trainers who do not know how the system will be going to work but nevertheless self-consciously train the partners. Or, in D.'s descriptions and B.'s self-interest in information systems. I find it in the actions of the other coordinators when they handle complaints, measure transactions and monitor calls. The reason that responsibility is taken by employees is also, that "consequences are supported by all, the individual is not blamed" as D. notes. This evidence is found also in the survey, together is an important attribute. Finally, also the CFO shows responsibility when he personally engages about financial matters instead of relying on a classical budgeting process. At COM2 responsibility is acting.

The element of responsibility emerged because of COM3 data. My observation shows that no decision is taken rather, other stakeholders, see stakeholder element, become involved which only complicates the matter. Every actor has his perception based on regulations. This can be seen when starting a request, in projects handling and resources allocation. A simple offer cannot be created because involved

stakeholders need additional data and find themselves unable to act, even though the ideas was developed and agreed with a senior manager. A router cannot be offered because COM3 does not offer it with the same conditions and no one takes responsibility for wrongly dispatched invoices even so it was made at COM3. The same issue of responsibility can be observed in the name change dilemma, see the narrative, no one from senior management decides. Finally, the culprit is an unstable system. The same is valid for the complex product brochure which no one understands but also no one acts. The behaviour resembles making excuses or "try to avoid work rather than being part of the solution" as found in the survey, see also the discussion on group elements. Target achievement focuses behaviour and narrows responsibility for action outside of the own scope. It does not enact people because it does not reward people.

5.6.3.8 Options

Options emerged from COM3 data. When I coded the data, I called the element 'options' to which I assigned statements and situations found to be of relevance. However, the data I assigned indicate rather "restricted options" in the sense of "without an alternative." The element is tightly connected to 'responsibility,' 'stakeholders,' and 'complexity.' Furthermore, this links to questions about institutionalization. It reveals the circumstances at COM3 in which COM2 has no other choice than to accept 'the facts.' I have described such situations in the analysis of the other emerging elements. This is of relevance because even senior management of COM3 is bound to these structural restrictions preventing an organizational adaptation to emerging opportunities, see the description of the TV product. In comparison, at COM2 options emerge out of everyday action, examples can be found, in D.'s essays, in the emerging additional option to buy the COM2 system which no one at COM3 considered, or in the suggestion about the future strategy. Furthermore, at COM2 options arise out of variations and variability as described in some other examples. These options are the solution to emerging organizational issues originating from customer demand. I understand this as part of the sensemaking and improvising process, of acting thinkingly (Weick et al., 2005).

5.6.3.9 Summarising the emergent elements

Four emergent elements are relevant for COM2: 'best practice,' 'informal exchange,' as well as 'time,' and 'costs.' Figure 15 reveals the influence and the sources of best practice at COM2:
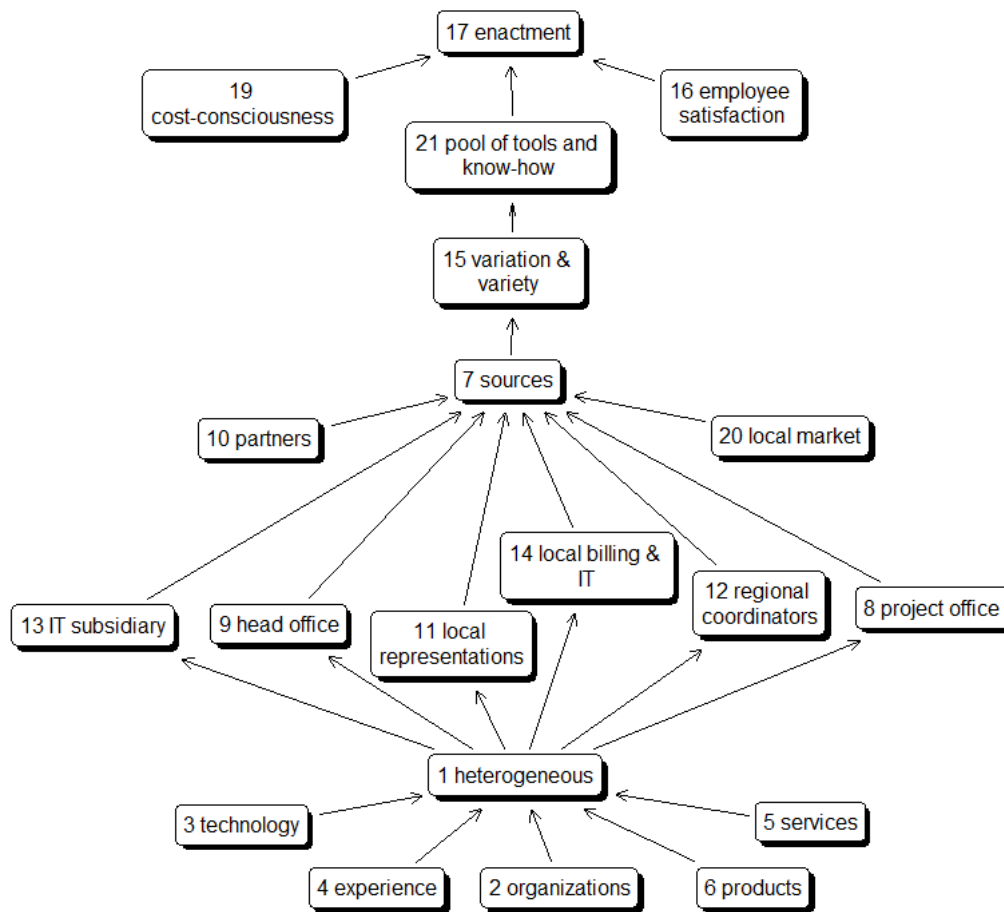
Figure 15: Influence and sources of best practice at COM2

Best practice makes sense for the improvisational environment because it adds the dimension of variation and variety (15) to the enacted (17) employee, he has a pool of tools and know-how (21) to draw from. The CEO and the documentation of COM2 talk about a heterogeneous culture (1). This is understood as a variety of products, services, organizations, technology and experience which are deployed in the group's over a dozen units and available to other local units of the COM2 group. Local units have many sources (7) to interact for what they need: the central IT subsidiary (13), the head office (9), the local representations (11) of other countries,

the local billing & IT department (14), the regional coordinators (12), the project office (8) as well as to use services from the local partners (10) or to buy solutions from the local market (20). There is no regulation concerning who or what has to be considered as long as it is chosen in a cost-conscious (19) way.

Figure 15 is an extension of the figures 9 and 13. Cost-consciousness (19) in figure 15 comes from the CEO but also from the focus areas (11), costs (1) and the local CFO (16) as visualized in figure 9. Furthermore, employee satisfaction (16, figure 15) is a result of the sensemaking cycle (4) in figure 9 which enacts (7) people. The pool of tools and know-how (21) is part of the sensemaking cycle (4, figure 9) too, incorporating best practice (13) and heterogeneous culture (5) in figure 9. Moreover, enactment (17) in figure 15 is shown in figure 13 as based on the sensemaking frame (10) leading to "acting thinkingly" (26). The concept is coherent and simply based on cost-consciousness and variation and variety.

Figure 16 illustrates the analysis from the element 'informal exchange:'
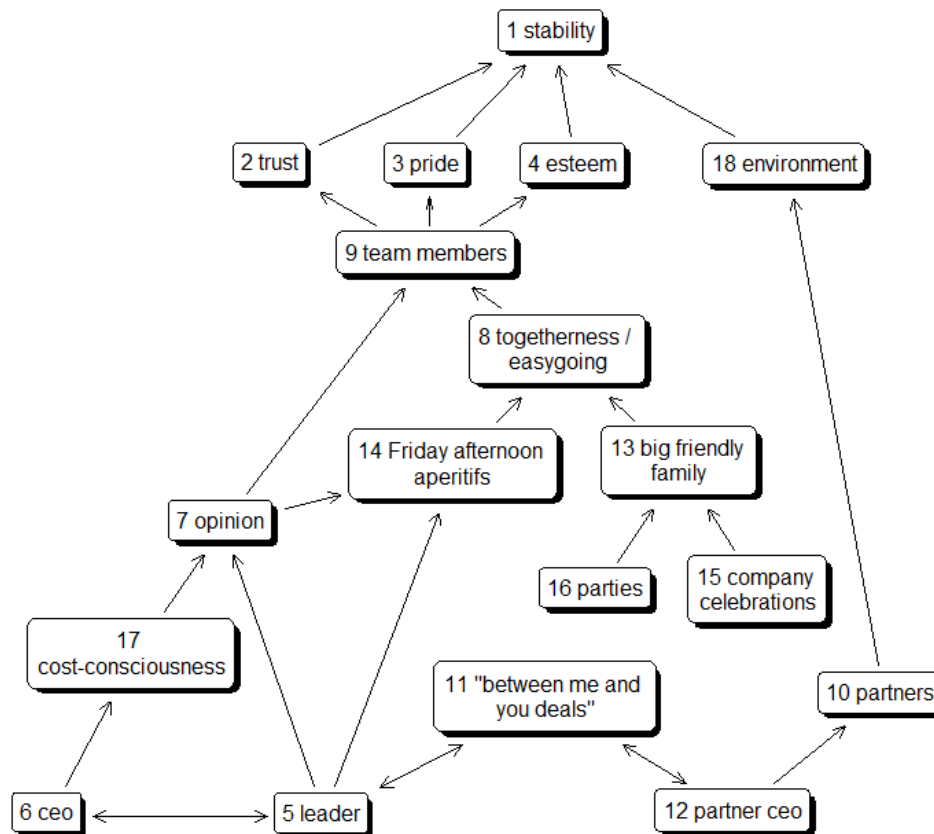
Figure 16: Influence of informal exchange at COM2

COM2 has many informal gatherings. Company celebrations (15) and parties (16) contribute to the big friendly family (13). The CEO (6) exchanges with the team leader (5). However, his message is cost-consciousness (18), he does not interfere with operations. The CEO's, as well as the leader's opinion (7), are directly exchanged with team members (9) or in one of the Friday afternoon aperitifs (14). The big friendly family (13) which is the organization but also the Friday afternoon aperitifs (14) which are a group event, reassure the team members of togetherness and easygoing. Furthermore, the network is a source of trust (2), pride (3) and esteem (4) and induces stability (1). The team leader (5) and the partner CEO exchange and agree on "between me and you deals" (11). Via partners (10) and environment (18) this bolsters stability (1). Figure 16 is connected to figure 13; stability is part of the signpost (19) and sensemaking frame (10) leading to enactment (11). Furthermore,

stability (14) is shown as part of the environment (2) in figure 13. In figure 9, stability is part of the sensemaking cycle (4) and enactment (7). It must be added, that the compact size of the organization with a flat hierarchy in which the team leader is the department head and also a member of the senior management is supportive of informal exchange and fast action.

Time and costs

The analysis has shown that time and costs are significant drivers for both organizations. However, the way the organizations deal with the two elements is very different. Figure 17 illustrates the model COM2 applies:
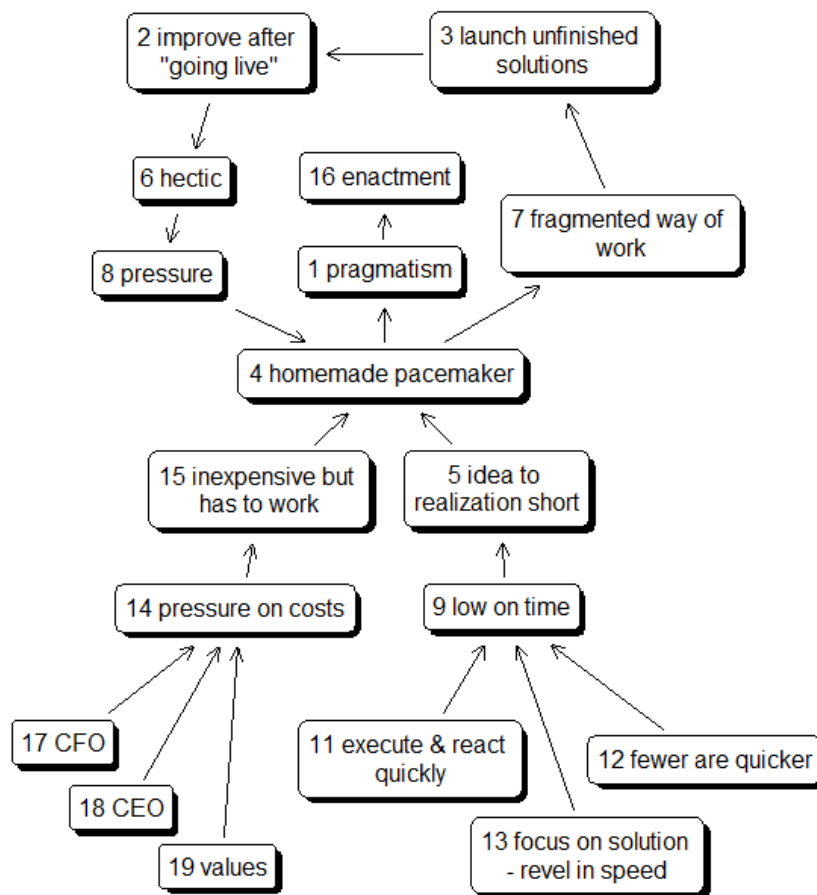
Figure 17: Influence of time and costs at COM2

Cost-consciousness is paramount at COM2, see also figures 9, 15 and 16. COM2 by making use of their cultural values (19) and constantly reinforcing the importance of

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costs through the group and local CEO (18) and CFO (17) the awareness of the actors is shaped (14). At the same time, the company values about time (11, 12, 13) rationalize time pressure (9). Evidence of time pressure has been found in the data too. This leads to short time spans from idea to realization (5) and at the same time costs dictate an inexpensive solution. It just has to be functional (15). The two drivers (5, 15) act as a homemade pacemaker (4), fuelling a cycle. Everyday work is fragmented into many tasks (7), unfinished solutions are launched (3) and improved after the 'going live.' (2) which adds emits hectic (6) and induces additional pressure (8) to solve issues. However, this 'pacemaker' legitimates pragmatism (1) and enactment (16). This is consistent with figure 15 when actors search for best practice. But it also interlinks with figure 9, see costs (1) and time (2) and with the sensemaking cycle (4). Furthermore, informal exchange (figure 16) adds stability. Again, noticeable is the emphasis on human enactment as a concept of COM2. However, it also becomes visible how time and costs set the scope of the action.

Figure 26 illustrates the influence of time and costs at COM3:
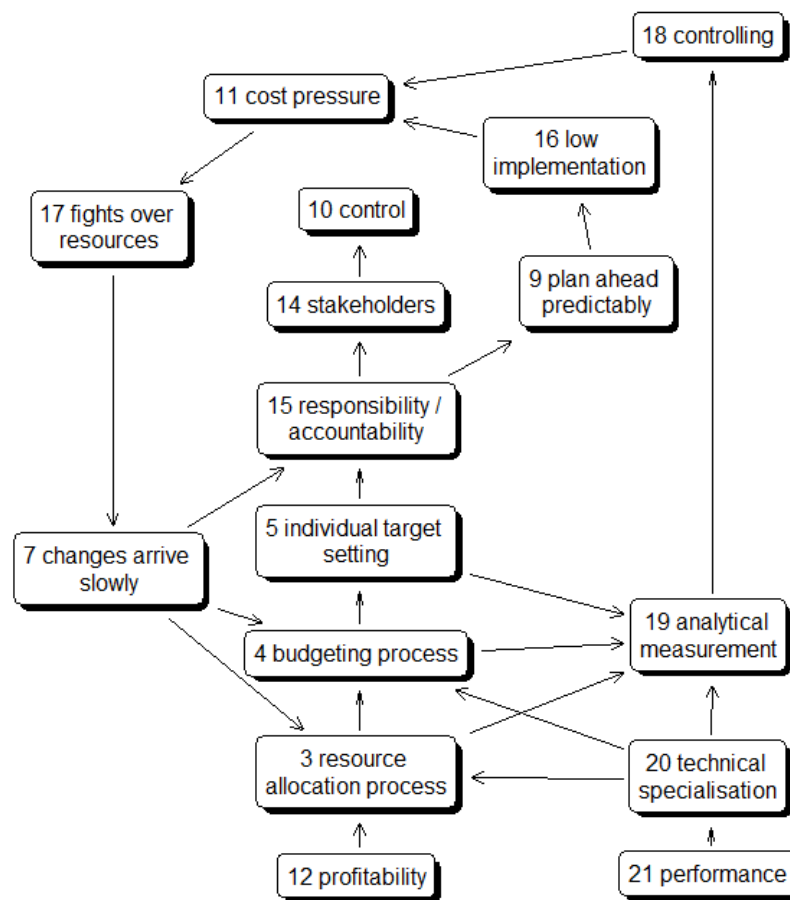
Figure 18: Influence of time and costs at COM3

The underlying values of profitability (12) and performance (21) lead to a technical specialisation (3) and a resource allocation process (3) with the aim of analytical measurement (19) of organizational behaviour. The budgeting process (4) and individual target setting (5) focus the action and introduce responsibility (15) understood as accountability. This leads to a cycle of predictable planning (9) and low implementation (16). Based on actual financial data, controlling influences the cycle with pressure on costs (11) leading to fights over resources (17). Changes arrive slowly (7) because the resource allocation process (3) and the shorter time span budgeting process (4) are affected involving individual target setting (5) and responsibility (15). Accountability and a personal financial share introduce stakeholders (14) exerting control (10), or power, over their stakes. The whole

system is inert because it is complex but also, as data shows, because stakeholders are not interested in change which puts their personal share at stake.

Complexity, responsibility and options

The emerging elements 'complexity,' 'responsibility,' and 'options' are supportive the larger organizations lethargy. While at COM2 complexity is understood as dealing with different events and issues at the same time, a lot of the rest seems to be quite simple: the vision, the solutions, the technical implementations. it is enactment and trust in the individual intuition to solve issues with choices that just do the job.

COM3 believes in performance, efficiency and profitability and it believes in its technical solutions which need time to plan and implement. The technical solutions are essentially a product of COM3's engineers. COM3 uses advanced controlling and measuring tools. This makes the organization complex to understand. There is a primacy of technology and controlling over the individual perception of a situation. Furthermore, responsibility becomes accountability, focused on individual target achievement. Thus, options are restricted.

5.6.4 Part 3: Analysing resources of sensemaking

The feedstock for "acting thinkingly," for improvising (figure 8, number 15), is sensemaking. I have described sensemaking and Weick's seven resources of sensemaking in detail in the reflective literature review. For Weick, first of all, sensemaking is a personal reflective incident. However, people exchange in teams, and Weick (2001) asks "What happens to these seven resources of sensemaking when people organize to accomplish tasks that cannot be done alone?" For him, people will continue to make sense of what they encounter as long as the design maintains or strengthens those seven properties. However, "If the design undermines or weakens these resources, people will tend to lose their grasp of what may be occurring." If this is the case then also improvising will be impaired. Figure 27 shows the seven resources of sensemaking:
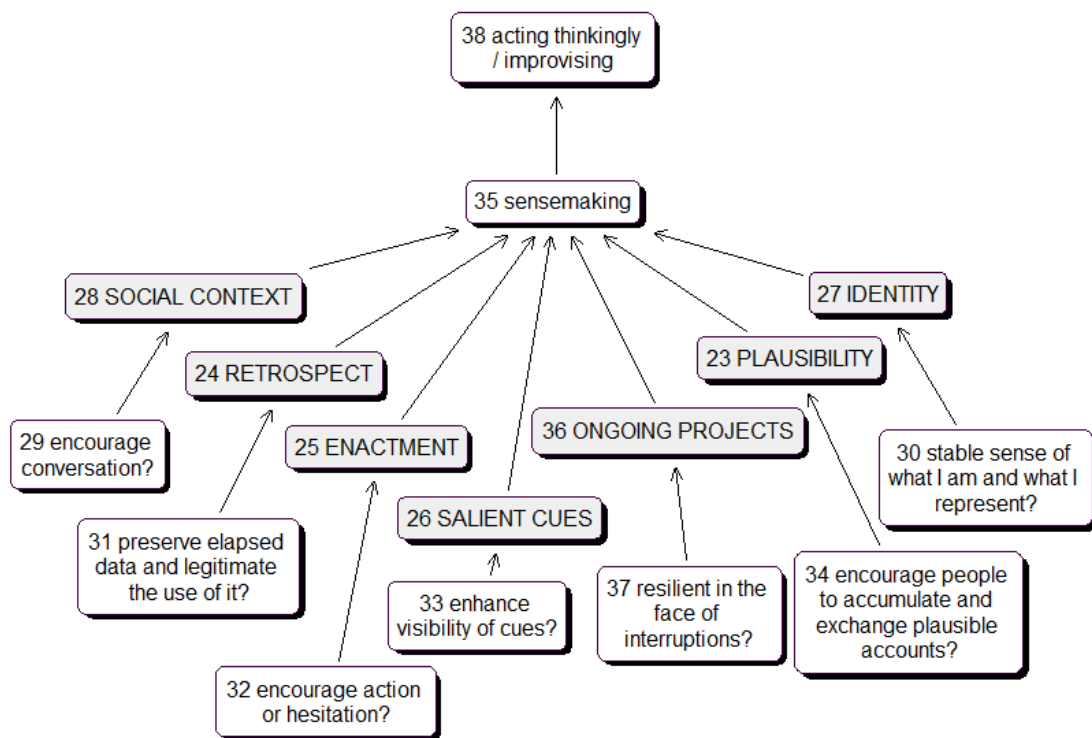

Figure 19: Seven resources of sensemaking (Weick, 2001)

The resources of sensemaking are a sound foundation for improvisational behaviour. Thus, I have used the model as an additional perspective for data analysis. From the 802 statements an overall of 1430 assignment to the seven resources were made. I

coded a significantly higher number of statements from COM2 data to the resources then what was the case for COM3 data, 1063 assignments accounted for COM2 and 367 for COM3. This seems to confirm COM2's higher sensemaking capabilities. Overall, the resources 'enactment' (393 assignments), 'context' (255), 'salient cues' (252) and 'identity' (240) received most of the coding. The same resources together with 'plausibility' also scored highest for COM2 whereas data grouped around 'enactment' and 'identity' seemed to be more relevant for COM3. Comparing the relative distribution of the coding between the two organizations, the sensemaking resources are coherent and equally distributed for COM2.This seem to support that at COM2 sensemaking is an important part of everyday organizational life. For COM3, the sources 'identity' and 'enactment' score highest whereas 'retrospect' does not seem to be of relevance at all. For COM3 issues of identity and enactment seem to prevail.

Next follows a compare and contrast analysis of COM2 vs. COM3. The analysis builds on the preceding analysis of the different elements and aims at concentrating the discussion.

Social context – does the form encourage conversation?
For COM2 I have high assignments of data from interaction with employees of the organization at formal and informal occasions, the many short meetings, including conference calls, to clarify and settle issues in a spontaneous way when they come up. This is the same for the interaction with partners, the disposition codes leading to the TOP10 list at roundtables is an intensive source of discussion and exchange. The departments are small; members know each other very well. Also, many employees of the partner organizations are in charge for many years. The coordinators are 'generalists' with a good educational background but do not have industry-sector-specific training; this seems to connect people without prejudice. There is small support concerning know-how. People exchange to make sense of issues they have to solve (Weick, 1995). I found that this is particularly the case because technology is an integrative part of operations and a challenge. The atmosphere is one of common sense. Employees are helpful, there is active involvement of many, and the

consequences are supported by all, the individual is not blamed. This encourages people to engage. The fact that the leader is part of the team and engaged in downward implementation (Floyd & Wooldridge, 2000) is one of the most important sources of conversation according to my research. This equally is true for the informal exchanges at 161. The conversation is spontaneous, uncomplicated and pragmatic. The premises of COM2 provide enough space for unscheduled meetings; everyone works on the same floor in an open-plan office, including the CEO.

COM3's organization is larger, hierarchy, structure and processes lead to less involvement in decisions for COM2 employees. Employees are 'specialists' and responsible for dedicated functions. This means to talk to different people, everyone with his own opinion and his targets he has to achieve. Discussions concerning contradicting targets and 'us versus them' are commonplace. The debate focuses on formalities and regulations of the organization. Technology is highly integrated and everything analytically measurable. Emphasis is on controlling. This makes people believer of reports. The engineers of the IT department decide on the technological solutions. Members of COM2 show hesitancy in pursuing projects in this environment, they feel management mistrust in financial and technological solutions of managers and teams. The premises rather hinder exchange because departments are spread over several floors, meeting rooms are chronically overbooked.

Identity – does the form give people a distinct, stable sense of who they are and what they represent?
Each COM2 employee has a distinct function and is accepted in that role by everyone in the organization. Employees are generalists and know about products, processes and technology. The organization seems a one stop shop. Hierarchy is flat, and all talk to all, including the CEO. Informal exchange with employees includes also the CEO. CEO's from partners call the coordinators directly if issues arise. This emits trust and esteem for employees. Employees give the organization a face; they vouch for it. Coding hints at leadership style, appreciating the employees and exchanging intensively with them. Employees value the leader as a team player.

People are competent to act; they are not blamed for doing so. The organizational environment of time pressure and cost-consciousness allows for self-determination.

Employees at COM3 represent their area of expertise and are called specialists. There are issues with titles, identity is defined by title and hierarchy, a bottom up conversation is not very fruitful. Data evidence about COM3 hints at issues with stakeholders, some in the IT department, some in the residential department. It seems unclear, who is responsible for accomplishment, there are accusations. Stakeholders seem to wait for others to act. Also, there is little empathy. Emphasis is on personal targets. The annual successor discussion among management members does not emit trust. There is a feeling of being replaceable any time.

Retrospect – does the form preserve elapsed data and legitimate the use of those data?

The raw data for action at COM2 comes from customer calls; the issues are reported with the TOP10 list, at roundtables with partners solutions are discussed. Senior management frequently listens to customer calls. Periodical agent feedback rounds, scripts and monitoring deliver cues. Capturing processes, systems and context is about decisions made; mistakes induce learning. Searching, defining and taking care reveals details. Time and cost constrain fosters best practice.

COM3 relies on system analysis (MIS). Business plans and calculations are needed to realize ideas. Presentations are backed by analytical data. Discussions circle around cause and effect.

Salient cues – does the form enhance the visibility of cues?

At COM2 everyday interaction with partners, monitoring calls and discussing the TOP10 list at roundtables delivers cues for action. Releasing simple unfinished solutions deliver feedback for enhancement from all involved and indicate additional issues. Senior management relies on the same methods. No a priori targets, no organizational structure interfere with daily work. Mistakes, searching, capturing

processes, taking care of details refine the awareness. The quality circle locates issues and aims at improving operations.

COM3 relies on systems and processes which are not adapted to COM2; this leads to mistakes. System requirements have to be described in detail a priori, IT engineers decide on the final solution, implementation is slow. Discussions about formal organizational issues do not encourage solutions implementation. Senior management requests in-depth system analysis.

Ongoing projects – does the form enable people to be resilient in the face of interruptions?
Coordinators are generalists at COM2; they work on many projects and issues at the same time. The briefing from D., see narrative 2.8, is evidence. Because many processes are interweaved, finding a solution for one is also a step nearer to the completion of another. Or, it uncovers that more is needed. For example work on the scanning solution revealed eventually that archiving was a separate issue. Furthermore, data from D.'s essay and from the other coordinators indicate high identification with their work. The personal enactment and responsibility for the whole solution, including the IT part, stimulate the employees and ensure a flow. Furthermore, the tight and personal exchange with the team leader provides consistency.

At COM3 processes are fragmented because several units are a part of it. We see this in examples of working with partners but also with the IT department. The employee does not exert complete control over the process. Furthermore, because every employee has personal targets, this might lead to contradictions, as has happened. Also, because it takes the time to implement technical solutions, the process is very time consuming, it requires planning ahead. Thus, there is not an immediacy and a feeling of being in charge. Often processes disrupt because of formal organizational issues and people have to care about formalities.

Plausibility – does the form encourage people to accumulate and exchange plausible accounts?

COM2 is a one stop shop; solutions have to work. The time and cost pressure ensures simple solutions based on what is available. Common sense prevails, the technical solutions are part of the operations, but employees are not IT experts, this leads to hands-on solutions. Technical solutions are developed incrementally, only when further need arises. Technology is subordinated to action based on customer behaviour. Disposition codes are a simple means to detect issues together with direct monitoring of call.

At COM3 employees try to plan as much functionality into systems as possible because additional changes need requests and that is a question of time and cost. This distracts from the initial issue. The processes are not easy to understand and require adherence to formalities. There is an interdependency from specialists.

Enactment – does the form encourage action or hesitation?

At COM2 issues are solved when they come up. The solutions are based on everyday emergent action. D. calls this "COM3 tries it." Employees are enacted to solve customer issues they hear while monitoring calls and at roundtables when discussing the TOP10 disposition codes. The organization emphasis the start of a process rather than the end of it and uses action lists throughout the company, including senior management.

COM3 means planning ahead; D. calls this "COM3 plans it." Everything takes time; issues are dealt on a "first come, first-served" base. Resource allocation and budgeting are relevant processes; there are fights over resources. Personal targets are incentivized, this focuses staff attention. Controlling is paramount. Adherence to formalities fosters administration. Stakeholders have different opinions concerning issues; responsibility is pushed around.

I have pulled together the main statements which refer to evidence found in the data for the seven resources of sensemaking analysis. The figures from the analysis as

stated in the beginning of this subchapter are supportive of the higher sensemaking capabilities of COM2 which the compare and contrast aggregation confirms. Furthermore, this part of the analysis seems to confirm that the feedstock of improvisation is sensemaking as suggested in the reflective literature review.

5.7 SUMMARY

This chapter was about data collection and analysis. In the first part, the wider context of the two organizations was introduced. Next, the descriptive narratives aggregated with the raw data collected in 2007 and 2008 for COM2 was presented. Then, the same was presented for COM3 based on raw data from 2009 and 2010. In the second part, a detailed qualitative analysis was conducted and discussed. The analysis part consisted of three parts: the first part analysed a priori elements from the reflective literature review and the pilot study. The outcomes were summarized. The second part analysed the emergent elements from the data analysis and also included a summary of the outcomes. The third part used the perspective of the seven resources of sensemaking from Weick (2001) to analyse the raw data and to compare and contrast the outcomes.

Chapter 6: Findings and Implications

"Strategy is not a lengthy action plan but rather the evolution of a central idea through continually changing circumstances."
(von Moltke, chief of Prussian general staff 1800 - 1891)

6.1 INTRODUCTION

This chapter is about the findings and implications of the research. I have already presented findings in the analysis chapter and discussed them. Thus, in this chapter, I will pull together the outcomes and focus the discussion on the relevant findings and implications. Based on my findings, I present a cognitive model of improvisational strategizing. Finally, the contribution to practice and knowledge is elaborated.

6.2 REVISITING IMPROVISATION

6.2.1 Culture and sensemaking are the feedstock for improvisation

For Weick (2001) "…to understand improvisation as strategy is to understand the order within it." My analysis reveals that the 'cognitive order' at COM2 derives mainly from its culture and the empowerment of the employees. "To look for enactment […] is to listen for verbs of enactment" (Weick, 2001: 233). The organization has a strong cultural face with clear values the organization embraces. This starts with a plain vision of "cheap and simple products." It vividly transmits "how we are," and its culture of "we are many," broad-minded and open to divergent opinions. Culture is omnipresent; organizational programs support the social endeavour. And it is part of the employee appraisals. For Weick (2001) corporate culture is very often underestimated because we do not believe that small things like logos, furniture, preferences, meeting agendas, a Christmas party, etc. do have such a large effect. But all these symbols are very powerful and provide a strong "general direction and frame of reference that are sufficient." The analysis shows that employees consider the organization as "talking the walk," as a descriptive

environment, like a big friendly family. Crossan (1997) talks about a culture of friendship "People care about one another and try to support each other's efforts, which in turn cultivates a high degree of trust." Noticeably, the organization nowhere emphasizes clear targets, rather, it talks about focus areas. The teams and senior management use action-lists, the start of an action is more important than any end result. No personal incentives are linked to organizational outcomes. What the organization emits is descriptive.

What triggers organizational action? Direct involvement with customers issues deliver the cues for action, analysis (TOP10) is simple and links to cause. There is little time, people solve problems pragmatically and with self-determination when they arise. People exchange intensively, and the teams support each other. The implicit understanding of the organization's intentions is shared through the experienced culture. The employees are enacted and "act[ing] thinkingly" (Weick et al., 2005) in using their intuition nurtured by sensemaking. In the reflective literature review, I have linked improvisation with sensemaking. The sensemaking cycle in figure 9 from my analysis is supportive of this process. Furthermore, the outcome of the analysis of the seven resources of sensemaking confirms, that the improvising organization has high sensemaking capabilities. The sensemaking process is central to the improvisational action.

Improvisation becomes the strategy (Weick, 2001). Something the analysis confirms. Improvisation has been linked to emergent strategizing in the reflective literature review, see figure 3. However, the results also confirm that improvisation which spreads into emergent strategizing is not based on the assumption that employees rely on a world taken for granted (Eden & Ackermann, 1998), rather, they guide their destiny by 'desirable' driven action. This resembles Weick's (2001: 196) theory of a self-fulfilling prophecy in connection with enactment.

The top-down organization uses a "winning culture" and replaces cultural values with performance and efficiency targets. It uses a rigid structure in which processes are clearly defined and personal targets linked to incentives reinforce the importance

of achieving organizational objectives. The organization is prescriptive throughout. This structure imposes a sense of true professionality to the organization. From this perspective, the improvisational organization seems chaotic, unorganized and less efficient.

This is what makes the concept of improvisation difficult to understand, the lens through which one looks at it and which is imposed by the more general economic system. The top-down organization understood culture as performance. When senior management wanted to comprehend how the improvising organization was able to handle its large customer base with fewer employees, from their perspective, they might not have been able to recognize the role improvisation and culture played. Schein (1996: 239) notes "We can only see that to which we expose ourselves and, I fear, we have limited our exposure too much to the artificial. We will not learn about the power of culture unless we cross real cultural boundaries." For Crossan et al. (1996) "It is not sufficient to read about improvisation; you must experience it to grasp the power of its effect. Experiencing is what improvisation is all about."

6.2.2 Leadership - group teamwork

The reflective literature review provides an in-depth appraisal on leadership requirements in improvising organizations. My analysis show that leadership cannot be described exactly with the concepts provided by Vroom & Yetton (1973; in Furnham, 2005: 584) and Tannenbaum & Schmidt (1958; in Furnham, 2005: 595). Data reveal a role of being immersed in the activities of the team and intensively exchange, see also figure 12. Hearing what is going on at the moment, inquiring and listening to the proposition of the coordinator without starting to be prescriptive, waiting and see what happens next while reflecting possible ways of solving the issue. Crossan (1998) emphasis the skills of listening and communication. But it is Thayer (1988; in Weick 1995: 10) who comes very close when he notes "…The leader is a sense-giver. The leader always embodies the possibilities of escape from what might otherwise appear to us to be incomprehensible, or from what might otherwise appear to us to be a chaotic, indifferent, or incorrigible world – one over which we have no ultimate control." For Weick (1995) "…in short, what is needed in

sensemaking is a good story," this is the same for improvisation but "In improvisation, actors develop stories in an incremental fashion" (Crossan, 1996). This is what I see too, the story from the leader is not prescriptive, it does hint at a possible direction. When the story actually develops, improvisation constructs the future of the organization in an incremental way. Crossan confirms this "Story development closely relates to strategy development."

What I found is that the leader is a team facilitator with high presence and constant availability for the team members, this has been confirmed by the team members. Formal but also informal exchange within the group is high and induces trust and stability, see figure 24. Furthermore, I have found numerous occasions in which humour plays a good part of discussions. Weick (1995: 189) observes that "People who do things together should build strong cultures, even if they fail to share a common interpretation of what they did."

However, for the 'improvising act' the group as a group did not emerge as that important in my research, I attribute this to the assignments of the coordinators to different products, covering slightly different customer needs with different technical solutions and the constant exchange with the group leader. The group has a supporting role, see figure 13 (node 3). This finding differs from research on improvisational teams for example in new product design (see Kamoche, 2001; Crossan, 1999, 2005). Furthermore, the team members have a good intellect but have no experience in the business. From my interpretation of the data, this helps for sensemaking because the team is open to fast learning.

Because on many occasions the team or members of the team have worked together intensively and found an adequate solution even for simple problems in the chaotic environment, they resemble small wins very much in the way described in the reflective literature review. Evidence of this is that such situations often were mentioned in later discussions about issues.

6.2.3 Technology – operational primacy

Technology in improvisational environments is a dilemma. In the reflective literature review, technology is shown as a part of the culture; it feeds into structure and organizational politics (see figure 3). I noted, "Because technology has the power to alter culture which alters acting and ultimately influences strategy." See also the discussion about technology in the literature review under sensemaking. After analysing the improvisational organization, I support my description because technology is prescriptive. However, my description seems to be what happens in organizations when institutionalization transforms them.

A significant finding of this research is that in the improvising organization the operations department controls technology because it is responsible for it. Thus, technology is mostly subordinated to improvisational action, and not accounted for by the cultural subculture of engineers (see emergent strategizing grounded in culture). Moreover, this avoids "rationality [is] built into the technology by engineers who are true believers" (Perrow, 1983: Winner, 1986; in Weick, 1995: 178). Figure 13 (number 4) illustrates that technology is understood as a means to an end, as part of a solution to an emerging issue. The exception is the transactional system needed for call pricing and billing and the MIS for standard finance reporting as well as the ticketing system. Responsibility for all other technological solutions is with the customer operations, from evaluation to implementation and operation. This organizational answer has the advantage to transfer operational know-how directly into technological solutions. However, this also means that the technical solutions are simple, they just have to work. Many of the implemented solutions work with scripts and file transfers and thus are flexible in adaptation. But there are issues, projects can take months to implement, know-how has to be acquired by the coordinators, projects are released unfinished and adapted later, see figure 25. The benefit is that the operations department can decide on a technical solution while the issues emerge, no formal requests have to be made. Furthermore, the coordinator can choose from different sources and search for best-practice, see figure 23. The systems are rather simple, sometimes unusual, do not incorporate additional functions.

For Weick an "area of growing importance is the relationship between information technology and sensemaking (e.g. Fulk, 1993; Prasad, 1993; in Weick, 1998) and that such technology tends to focus on what is judged a priori. Something also Eden & Ackermann (1998: 86) acknowledge "Information systems act as a 'set of spectacles' through which to see or not to see." These remarks consider MIS systems. While authors researched information systems in improvisational environments , e.g., Ciborra (1996), Bansler (2003), Verjans (2005), I have not found any specific research on transactional operation systems in an improvisational environment. Also, research on the influence an improvisational environment exerts on its systems was not found.

Generally, systems in organizations are centralized. The argument is comprehensible; technology needs specialists to develop, run and support it. However, this also means to invest and plan ahead which works against an improvising environment. The different cultural assumptions of IT groups vs. operational groups might make it difficult to align technology with the operating environment. Furthermore, the targets with personal incentives are problematic because they seem to accentuate the problem. My descriptions of the issues in the top-down organization are exemplary.

This research is not able to solve the dilemma between prescriptive technology and descriptive improvisational action. However, it aims to consider an alternative way of dealing with the contradiction. My research shows that the improvising organization favours a subordination of technology to the improvising environment. The reason for this can be found in the strong cultural endeavour of personal enactment, cost-consciousness and the credo "customers before technology." But the outsourcing policy might also be a good reason because it supports the solution. Partners are linked via the billing system; other systems are independently used at their discretion. I have discussed the connection between partners and the team via the concept of "cultural islands" (Schein 2010). The combination of the way the organization exchanges with its partners with the subsidiarity on technical solutions allows for sensemaking to remain intact. There is a loose coupling of partners in aspects of culture and technology, see the 'other important concepts' in the literature

review chapter. Because partners are understood to be solution providers, it is in their interest to invest in technology otherwise, they eventually might lose the contract.

6.2.4 Loosely coupling – behavioural discretion

When I analysed the data, I found evidence of loose coupling in the organization: internally, externally and technologically. Internally, the group's targets are not explicitly stated, rather, they are expressed in focus areas. For Weick (1976) a loose coupling might exist between an organization's intention and action. The improvising organization seems to be aware of this; it only commits to a general direction. Also, the different internal departments are loosely coupled, the focus points are set with the respective head office department in a matrix organization and are coordinated locally with the CEO, interdependency is low. Each department uses an action list for its activities which are coordinated in the senior management meetings biweekly. There are no interdepartmental processes (budgeting and financial controlling is non-obtrusive) or tightly coupled systems. The common variables are few (Glassman 1973:73; in Orton & Weick, 1990).

The operations department is loosely coupled with its partners. The reason for a loose coupling can be fragmented external environment (Orton & Weick, 1990: 217). The split of work between external partners is based on products and/or processes. But, there are five involved partners. Technology is loosely coupled, see the previous section. A direct effect of such a loose coupling is behavioural discretion (Orton & Weick, 1990) allowing the team members to solve issues in their own way and "construct or negotiate some kind of social reality they can live with" (Weick, 1976). Furthermore, Weick (1976) notes "Under conditions of loose coupling one should see […] a great amount of face work and linguistic work […] and in general one should find a considerable amount of effort being devoted to punctuating this loosely coupled world and connecting it in some way in which it can be made sensible. Tightly coupled portions of a system should not exhibit nearly this preoccupation with linguistic work and the social construction of reality." My analysis is supportive to this for the improvising compared to the top-down organization.

Loose coupling in my research allows for three other effects. First, the time aspect. Issues can be solved under time pressure because parts of the solution can be allocated to different independent partners. Partners process the issue at the same time and use their own way of organizing it. Second, variation. Solutions vary in requirements; the coordinator can choose appropriate resources. Third, stability. Partners act independently and are a source of reliability for customer operations. For Orton & Weick (1990: 217) the real benefit of such loose coupling are persistence, adaptability, buffering and satisfaction. This seems to confirm my findings. Furthermore, Weick (1976) notes that such a system is inexpensive because it needs minimum coordination, but it is "nonrational to fund allocation." This research has shown that only a few coordinators are needed to balance the system. Moreover, because external partners are involved, the costs are specifiable, but a monthly variation has to be considered due to unpredictable issues.

What we see is, that COM2 deliberately relies on loose coupling throughout the organization.

6.2.5 A stream of action – effects of time and costs

'Time' and 'costs' emerged from this research as the two main drivers for improvisation. They have to be understood as a frame within which the operational action happens. Time and costs deliberately form a part of COM2's DNA; they are paramount in the organization; they can be literally experienced every day. COM2 does not need a senior management who rhetorically confesses to some theoretic values. The concept is much more subtle because the two drivers bring the cultural values of the organization to life. No member of the company can ignore them.

Cost-consciousness could be called the only prescription COM2 has. However, it is not prescribed, rather, it is part of the organizations values and strongly tied to the company's vision of providing 'cheap and simple' products. COM2 wants to be perceived as the price leader in the market; it is a clear positioning attribute. A local market survey confirmed that customers connect COM2 with the attribute 'cheap.'[13]

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[13] Market Survey, 16. January 2008

No other brand has scored higher. Internally, the CEO of the group but also the local CEO and CFO keep mentioning cost-consciousness, see figures 12, 23, 24, 25. Management has a plausible cause in linking the external price leader attribute with internal cost-consciousness. It makes sense. Cost-consciousness is memorized by organizational members and partners. Furthermore, it might very well be that the market perception reinforces the effect on employees and partners. Cost-consciousness becomes the 'organizational conscience.' Because there are no explicit targets, budgeting processes, project initialisation forms, etc. the perception is strong enough to steer action. Evidence of this can be found in my research. Employees make do with 'what is there,' and 'what does the job.' The importance of 'cheap,' of cost-consciousness is a central argument for improvising.

The second argument is time, see also figure 25. Crossan et al. (2005) note "However, under conditions of time pressure and/or uncertainty, a planning orientation is insufficient. Improvisation becomes an alternative." This study has not used time as a priori element to research the phenomenon because the assumption was that the environment seemed unstable and the organization was under time pressure. For Ciborra (1998) in planning organizations, time is measurable "This lengthy process (e.g. carried out through a scientific study of work tasks and flows) leads to the outline of plans, procedures, structured sequences of activities, which need to be followed in a sequence for optimal performance." Crossan et al. call this time 'clock time.' This condition is observable for COM3. However, for Ciborra, this is "an 'unauthentic' way of experiencing time, a way that is deceivingly manipulable and controllable." In contrast, he describes time experienced in improvisational environments as "an 'authentic' temporality which goes hand in hand with effective economic decision making." Crossan et al. call this way of experiencing time 'event time,' "with a focus on flexibility, in order to respond to internal and/or external changes or events." This also seems to be the understanding COM2 has about time.

There is another important aspect about time and improvisation. Crossan et al. talk about cyclical-time and linear-time. Linear-time assumes that the past is never repeated in the future, the future is mainly predicted based on quantitative data.

"Thus, learning is limited to making the past as explicit as possible in order to integrate it with strategy formulation and to forgetting it when it comes to implementation." However, what we see in COM2's data is implementation as the main task. In cyclical-time, the past occurs again and again which needs "detecting which past routines and action schemes are necessary in the present circumstances." But, in cyclical-time, the original routines are enacted again and again "here the past is not used as an input for deciding on new routines and behaviours." For Crossan et al. "Improvisation helps to synthesize linear and cyclical times because it is a process in which past and future blend together in a deep experience of the present." For COM2 both time views make sense, when the TOP10 data is analysed, linear-time aspects emerge, but there is a lot of cyclical-time involved when scripts or best practice are copied and adapted to actual requirement. Weick's (2001) retrospectivity found in the seven resources of sensemaking are supportive of this.

However, the analysis reveals that the time pressure is 'homemade.' Like costs, it is part of the company values. In the organization, this 'value' is implemented by a minimum of employees needed for the task, the story of the CFO wanting to hire part-time employees only is such an example. There is another aspect about time pressure; it empowers people to act. The behaviour is consistent with the value of cost-consciousness, the outsourcing policy and the cultural values of enactment of the organization.

6.2.6 Best practice – adding variation
From my analysis the element best practice emerged, see figure 23. For Weick (2001) "Improvisation is not making something out of nothing." However, improvising is only sensible when we learn and when there are options to chose from. Weick (2001: 351) notes "The likelihood of survival goes up when variation increases, when possibilities multiply" The heterogeneous organizational environment of the COM2 group is a repository of products and solutions. Thus, it makes sense to exploit the resources because they represent executed investments for the group, multiplying them is efficient and again part of the cost-consciousness. Furthermore, the experience of the employees is a part of the products and processes

which are exchanged as my research shows. From a strategic point of view, the variation in the organization contributes to flexibility. For Levin & March (1993; in Floyd & Wooldridge, 2000: 50) "Strategic renewal must recognize that maintaining adaptiveness requires both exploiting existing capabilities and exploring new ones more important – that these two facets of organizational learning are fundamentally inseparable."

6.2.7 Summarizing

COM2 foregoes a prescriptive strategy in favour of a descriptive environment fostering improvisational action by enacting its employees. The model COM2 applies is subtle. It relies on three main elements: *time, costs* and *culture*. The main strategic element is cost and derives out of the company's positioning in the market as a price leader. This is the organizations raison d'être. In order to keep costs low and exploit new possibilities to keep them low for the future, the organization relies on the power and intuition of its workforce. It vividly transmits this via its broad-minded and open to divergent options culture.

'Time' and 'costs' emerged from this research as the two main drivers for operational improvisation. They have to be understood as a frame within which the action happens. The two drivers bring the cultural values of the organization to life. Cost-consciousness is strongly tied to the company's vision of providing 'cheap and simple' products. Management has a plausible cause in linking the external price leader attribute with internal cost-consciousness which becomes the 'organizational conscience.' This perception is strong enough to influence action. Employees make do with 'what is there,' and develop 'what does the job.' Cost-consciousness is a central argument for improvising. This study has not used time as a priori element to research the phenomenon. However, the analysis reveals that time pressure is 'homemade' and acts as a pacemaker to act and empowers people. Like costs, it is part of the company values. In the organization, this 'value' is implemented by a minimum of employees needed for the task. This is supported by applying an outsourcing policy. Time behaviour is consistent with the value of cost-consciousness and the cultural values of enactment of the organization.

An important finding is that COM2 deliberately relies on loose coupling throughout the organization, this allows for behavioural discretion and has three further benefits: *time*, *variation* and *stability*. Issues can be solved under time pressure because parts of the solution can be allocated to different independent partners. Only a few coordinators are needed to balance the system. Solutions vary in requirements; the coordinator selects appropriate resources available to him internally and externally. Partners act independently and are a source of reliability for customer operations.

A significant finding of this research is that the operations department controls technology because it is responsible for it. Thus, technology is mostly subordinated to improvisational action. It is understood as a means to an end, as part of a solution to an emerging issue. Responsibility for most technological solutions is with customer operations, from evaluation to implementation and operation. This means that the technical solutions are simple, sometimes unusual, do not incorporate additional functions, they just have to work. Know-how has to be acquired by the coordinators, projects are released early and adapted later. This is a source of fast learning. The coordinator choses from different options and searches for best-practice. Technology, in this case, integrates into the pace of the action.

The heterogeneous organizational environment of the COM2 group is a repository of products and solutions. Thus, it strategically and economically makes sense to exploit those resources. The different local markets and the heterogeneous products and services of the group offer a variation of answers. The experience of employees already using the solutions in other markets is a relevant criterion for decision.

The employees are enacted and "act[ing] thinkingly" (Weick et al., 2005) in using their intuition nurtured by sensemaking. The team member is the enacted person who improvises. I have linked improvisation to sensemaking because the actor makes sense of the situation at the moment he decides on a solution. Sensemaking is the central mechanism for improvisation. In this situation, the leader is a sense-giver (Thayer, 1988; in Weick, 1995). The leader is immersed in the activities of the team. he is a team facilitator with a high presence and constant availability for his team

members. Formal but also informal exchange within the group is a key point to induce trust and stability and to advance 'the story' together. Humour plays a good part of discussions. When the story develops, improvisation constructs the future of the organization in an incremental way. Improvisation becomes the strategy (Weick, 2001).

In order for improvisation to work, it needs a descriptive environment. Furthermore, improvisation is inductive; it relies on sensemaking which makes sense of the actual situation based on past action. Thus, improvisation is inherently behavioural; it enacts people 'to do.' Burgelman (1983a, in Floyd & Wooldrigde, 2000) understands the work of top managers "to design the organization so that it encourages rather than suppresses entrepreneurship." COM2 applies such a model. The local units are delibereately descriptive, paving the way for the organizaiton to exploit resources and construct new solutions from as much brainpower as possible. On a group level, a prescriptive 'strategy bracket' can be applied by using portfolio management to decide on investment or divestment of local units.

Sensemaking is central for improvisation. Furthermore, in my analysis, I have found elements of stability and variation to be of relevance. Thus, in the next section, I introduce a cognitive model based on my findings.

6.3 THE COGNITIVE MODEL OF IMPROVISATIONAL STRATEGIZING

From the analysis chapter, five figures are relevant to develop the cognitive model of improvisational strategizing: figures 7, 9, 13, 15, 16 and 17. Figure 7 illustrates the result from the survey, based on how COM2 employees understand COM2; figure 9 is a résumé from the cultural elements analysis; figure 13 pulls together the functions of the a priori elements. Figures 15, 16 and 17 developed out of the emergent elements analysis and contribute best practice (figure 15) perceived as 'variation and variety,' informal exchange as a source of stability (figure 16) and the two elements time and costs (figure 17) acting as drivers for the model. Figure 20 aims to

consolidate the compare and contrast analysis and present a cognitive model of improvisation:
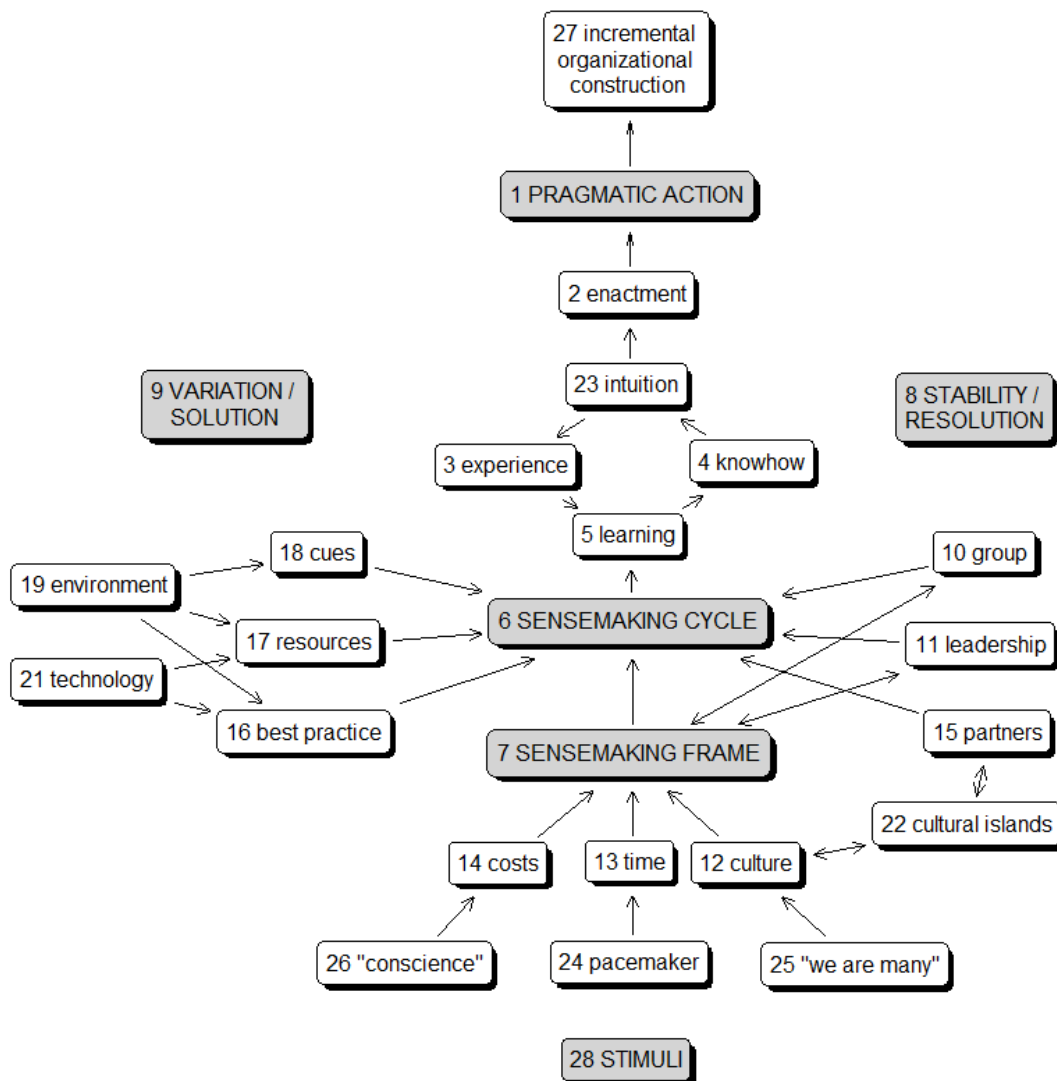

Figure 20: The cognitive model of improvisational strategizing

The cognitive model incorporates five main elements: the *sensemaking frame* (7) and the *sensemaking cycle* (6) as well as the elements of *stability/resolution* (8), *variation/solution* (9) and *stimuli* (28). The outcome is *pragmatic action* (1) understood as improvisation. Next, all elements are discussed.

6.3.1 The sensemaking frame and stimuli

The sensemaking frame (7) is understood as the bracket for organisational improvisation because it delivers the general direction and the essential foundation. The concept emerged out of figure 13, number 10, when researching the a priori elements. It incorporates cultural (12), group (10) and leadership (11) elements. The cultural attributes (12) are summarized as "we are many," referring to the open and large-minded organizational foundation. Culture is one of the three internal stimuli (28) for action; the other two are time (13) and costs (14), derived from figure 17, number 4. Time is part of the frame because it is part of the general organizational cognition and is the pacemaker (24) for action. Costs-consciousness acts as the organization's "conscience." The two stimuli time and costs are a deliberate and binding part in operational improvisation, figure 17 is supportive of this. Cost is understood as the theme (i.e. Kanter, 2002). Already the sensemaking frame allows for action because it contributes the theme, the pace and the legitimation.

6.3.2 The sensemaking cycle

The sensemaking cycle (6) builds on the sensemaking frame (7) but is more personal and incorporates short-term elements. The sensemaking cycle derives out of figure 9, number 4 and leads to personal enactment (2). The sensemaking cycle is a loop because it consists of learning (5) which leads to knowhow (4) and fosters intuition (23) feeding personal experience (3). Intuition based on the sensemaking cycle leads to personal enactment (2). The sensemaking cycle has many receptors which influence intuition, awareness and insight. The receptors can be a source of stability/resolution (8) or a source of variation/solution (9) depending on the situation. Significant seems to be that the sensemaking cycle is balanced between the two poles for sensible enactment.

6.3.3 Sources of stability and variation or resolution and solution

I have named the poles stability/resolution (8) and variation/solution (9). In the model the elements group (10), leadership (11) and partners (15) influence the sensemaking cycle (6) by inducing stability and support for pragmatic action (1). Thus, it is also a source of resolution for the actor. The group support derives from

figure 13, group (3) and support (29). The leadership element arises from figure 13, embedded in the group (24), focus areas (12) and signpost (19). Additional stability originates from the informal exchange, figure 16, number 1. Furthermore, the group (10) and leadership (11) are influenced and/or influence the sensemaking frame (7), see figure 13. The partners are a source of stability with their own culture. They are linked with the organization through Schein's model of 'cultural islands' (22). I have elaborated on the concept in the discussion of the a priori elements in the analysis chapter. The elements cues (18), resources (17) and best practice (16) belong to the pole of variation/solution (9) because they supply a choice to the sensemaking cycle (6). The input to cues, resources or best practice can be the environment (19) or technology (21). The environment is understood as customers, partners but also other parts of the organization. It is important to note that variation/solution is the antipole of stability/resolution (8) and that technology (21) is a part of it. For Floyd & Wooldridge (2000: 54) "Variation without order leads to chaos." The order or 'cognitive structure' in my model is provided by the stability/resolution pole (8).

6.3.4 How the model works – an example

Customers (environment, 19) can be seen as a source of variation delivering cues (18) in the form of issues triggering pragmatic action (1). The sensemaking frame (7) acts as organizational awareness, the sensemaking cycle (6), consisting of learning (5), knowhow (4), intuition (creativity) and experience (3) starts to mentally construct the solution. The stability/resolution part (8) takes a supportive function in contributing to the solution either as a signpost, a door opener (to variation/solution part) or for the exchange of ideas. However, the solution itself is found in the variation/solution part (9), through scanning for cues (18), resources (17) and best practice (16) which includes the environment (19) and technology (21). The actor then settles for what matches his mental construction. Over time, this model of pragmatic improvisational action (1) leads to incremental organizational construction (27).

6.3.5 Implications of the model

I have discussed sensemaking as the feedstock of improvisation in the reflective literature chapter, mainly based on Weick's theory. My model splits sensemaking into a sensemaking frame and a sensemaking cycle. The sensemaking frame is the legitimation for improvisation with its three organizational stimuli. It incorporates a clear theme which acts as the 'organizational conscience.' The theme can only be about keeping costs low because any other theme would not make sense in an improvisational context in which quality is understood as customer satisfaction with simple and low priced products. Rather, the theme calls for improvisation. Time is the pacemaker for fast action. However, also time is self-imposed because the number of employees is intentionally kept low (fewer are quicker) and consistent with outsourcing. The cultural foundation of "we are many" is of high importance to propel the model. But, also here there is no other choice which would make sense in this context.

The sensemaking cycle builds on the sensemaking frame; it is personal and dependent on the individual actor; it covers the short term elements of improvisational action. The cycle is in need of induced stability to counteract variation and provide guidance. It strengthens the resolution of the actor. Variation is relevant to find a fast adequate solution or to construct one. It is a pool of tools for the actor to provide the answer to the issue. Note that the partners can also be part of the variation/solution pole.

Improvisation can only sensibly work with stability, variation and stimuli, because improvisation builds on sensemaking capabilities which are nourished by the three elements. If one of the three elements is absent, improvisation will be restricted, inefficient or is not an appropriate strategic model. The reason is that it either forgoes the organizational legitimation (no stimuli and/or no variation) or it ends in chaotic conditions (not enough stability), see Floyd & Wooldridge (2000: 54). The incremental organizational construction is impaired. The organization is decoupled from the ability to adapt to its environment over the improvisational strategizing model. Improvisation in such a case might resemble 'firefighting' in the sense of

Eden & Ackermann (1998), see the section 'emergent strategizing grounded in culture' in the reflective literature review.

Summarizing the implications of the model: improvisational strategizing needs variation, stability and stimuli to activate the sensemaking frame and cycle. The sensemaking frame and the sensemaking cycle are mandatory for sensible improvisational action leading to incremental organizational construction.

6.3.6 Theoretical viability of the model

I have developed the cognitive model based on findings from this research. However, it is supported by theory. Sensemaking is about stability; it is about "structure[ing] the unknown" (Waterman, 1990: 41; in Weick, 1995: 4). For Weick "The well-known phrase 'frame of reference' has traditionally meant a generalized point of view that directs interpretations (Cantril, 1941: 20). When people put stimuli into frameworks, this enables them 'to comprehend, understand, explain, attribute, extrapolate, and predict" (Starbuck & Milliken, 1988: 51; in Weick, 1995: 4). The stimuli in my model compose the sensemaking frame. The sensemaking cycle is based on the actual interpretation of the situation in the sense of Burgelman (1983b, 1983c; in Floyd & Wooldridge, 2000: 26) when he argues "that the environment is socially constructed within the organization - that decision makers effectively enact the parameters of the situation facing them (Weick, 1979)." Stabilizing the cycle are sources of stability guidance, see sensemaking section including Weick's the seven resources of sensemaking. Furthermore, elements of variation are the source for the creation of opportunistic solutions "Large firms are themselves a source of "internal" variation" Burgelman (1983b, 1983c; in Floyd & Wooldridge, 2000). For Weick (2001: 351) "The likelihood of survival goes up when variation increases, when possibilities multiply."

6.3.7 Testing the model of improvisational strategizing

I have researched two other organizations in this work, SME1 and COM3. While at SME1 improvisational elements emerged, COM3 controlled its strategy through financial controlling, technology and personal goals and incentives. By applying the

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improvisational strategizing model to the two organizations in a brief thought experiment, the practical viability of model is tested.

Stimuli	Theme: no theme, no word about costs, this was not the employees business Time: self-imposed, what came in had to leave the production the same day Culture: the owner did not care about cultural values, staff employed to do their job
Variation	Cues: from customer concerning variation in process Resources: no access to technology, this was the domain of the IT expert Best practice: not available, small independent SME
Stability	Group: people supported each other to get the production job out Leadership: owner did not communicate what he expected, IT expert did not bother about leadership either

Table 9: Variation, stability and stimuli at SME1

Table 9 illustrates the multi-layered issues with improvisation at SME1; the organisation has no 'conscience' nor does it stand for any cultural values. The sensemaking frame is impaired, the same is valid for the sensemaking cycle, variation and stability are not induced. What looks like improvisation is 'firefighting' to get the production job out.

Stimuli	Theme: target achievement, measurable Time: first-come, first-served, resource allocations Culture: performance culture, measurable, no quality values
Variation	Cues: Information systems, analytic research Resources: technology is core, no influence on technology, long leading times Best practice: restricted to five organizations, high grade of standardization
Stability	Group: functional importance, specialists Leadership: target oriented stakeholders Partners: seen as a resource, measurable

Table 10: Variation, stability and stimuli at COM3

For COM3 it seems to be clear that improvisation is the wrong strategy. However, table 10 shows noticeable stability issues of the top-down organization. Variation does also not give an orientation for solutions. Furthermore, cues derive out of information systems which impair sensemaking (Weick, 1998). The stimuli are replaced by target setting and performance measurement.

The cognitive model of improvisational strategizing is easy to apply and allows to assess organizations for their improvisational potential or to improve an organization by focusing on the sensemaking process of employees. Thus, it is valuable for reflections of employee empowerment and employee satisfaction.

6.4 CONTRIBUTION TO PRACTICE

This section is divided into three parts. The first part contributes a checklist for the cognitive model in the form of organizational questions. The second part is a comparison between the three researched organizations and the applied concepts and how they allow or hinder improvisational strategizing. The third part consists of recommendations to COM2 and COM3 how the organization could be adapted.

6.4.1 Checklist for the cognitive model

The contribution to practice of this work is the cognitive model of improvisational strategizing because it incorporates the essence of my research about improvisation. It can be understood as food for thought when leaders think about organizational adaptation and the role their employees play in it.

The cognitive model incorporates three main elements which fuel sensemaking for improvisation: organizational stimuli, stability and variation. All three are of equal importance. The challenge for leaders is that all three elements have to exist in the organization and have to be directly accessible to the improvising employee. This means the employee has to be enacted deal with solutions in an immediate way.

In the previous chapter, I have briefly assessed the organizations SME1 and COM3 with the cognitive model, see tables 9 and 10. The model works with or without outsourced partners. However, independent partners are an important source of stability and variation. Partners might enhance the improvisational activities of the core team if they are loosely coupled and favour an exchange via "cultural islands" (Schein, 2010). The experience from this work is that including partners, the numbers of employees can reach up to 250.

In order for leaders to evaluate the feasibility for organizational improvisation or to reflect about issues in relation to an improvisational organization, I have assembled questions to support their own evaluation with the cognitive model. Furthermore, I have deliberately described different documents in the data collection section which can be used as points of reflection on how to adapt the own material.

The questions serve as a checklist to 'feed' the cognitive model and are grouped according to the main elements stimuli, stability and variation:

6.4.1.1 Stimuli – contribute to the sensemaking frame

The three stimuli do have to be coherent. Ideally, culture should give an answer on how the organization intends to address the stimuli 'organizational conscience' and 'pacemaker.'

Organizational conscience – long term signpost

For organizations in mass markets, this should be costs.

Does the organization have a clear and simple theme which the employees embrace?

If asked what the company stands for, what would employees answer?

If asked what the company stands for, what would customers answer?

Is customer and employee perception of the organization the same?

What has to be changed or adapted to introduce such a long term signpost?

Characteristics:

The organizational conscience should:
- have the power to guide employees without any additional targets
- be valid for the whole organization if improvisation is intended to incrementally construct the organizational future
- be a trigger for the employees to embrace the cultural values

Pacemaker – ensuring action

For organizations in mass markets, this should only be time.

What triggers organizational action in the organization?

How is time experienced by employees, in the organization?

Does the need for action originate from a 'neutral' source such as time instead of targets?

Are there organizational obstacles hindering a pacemaker like asynchronous processes or technology?

Characteristics:

The pacemaker should:

- favour event-time over clock-time
- lead employees to act in an immediate fashion
- generate a stream of action
- targets should concern the whole company
- together with the organizational conscience be enough for action

Culture

What cultural values does the organization have?

What is the emphasis of the cultural values?

Do the values support a culture of "we are many" and allow for different views?

Can the cultural values be experienced in everyday organizational life?

Are the cultural values supportive of action?

Are the cultural values expressed in some detail?

Is there a regular company programme to reinforce cultural values?

Are company partners part of the cultural programme?

Are the cultural values part of the employee appraisal?

Is humour part of the culture?

Characteristics:

The cultural values should:

- give an answer how the organization understands to address the organizational conscience and the pacemaker
- Integrate organizational conscience and pacemaker

- emphasis the customers and what they expect
- allow for a variation of opinions
- empower the employees
- express "how we are" in a simple and vivid language
- foster to exploit the organizational resources
- cover a broader area of behaviour in detail and be 'story-like'
- integrate leadership and appraise leadership behaviour by employees
- forgo performance, efficiency, productivity speech in favour of 'together'
- forgo rules, regulations and prescriptions
- incentives should only be paid for engagement outside of the own field of work
- Together with the organizational conscience and pacemaker be enough for action, rough direction and the way how the company anticipates this to be done

6.4.1.2 Stability – sensemaking and personal resolution

Stability comes from the leader, the team and partners (if there are). The team and the team leader should be united. The leader should be compensating rather than predominant. The stability input to the sensemaking cycle has to be constant.

What role does the team play?

How much formal and informal exchange is there between the leader and the team members?

Is there mutual trust between the leader and the team members?

How do the team members learn exchange know-how in the team and with the leader?

What is the leadership role?

Does the leader have 'a story' and focus areas rather than targets?

Is the leader embedded in the team and facilitate the team?

Is the leader present and available to the team members?

Is the leader engaged in downward implementation?

Are the group members able to appraise the leader?

How do team members see their leader?

Is there fun and humour in the team including the leader?

For organizations with outsourced operational units:

How much is formal and how much is informal exchange with partners?

How are learnings and know-how exchanged between the partner and the organization and the team?

Is there a loose coupling between partners and the organization?

Is there mutual trust between partners and the organization?

Do employees and partners exchange open and at eye level?

Are employees open to visit the partner at any time without notification?

Are the employees of the partner proud to work for the organization?

Characteristics:

Stability should ensure that:

- Team members are enacted, they are able to make sense of situations
- the team supports each other to solve issues; they are able to make sense too
- the team including the leader is completely open to exchange; all are up-to-date
- there is an ongoing and open exchange of learning and know-how
- that there are small wins in the team
- the leader is embedded in the team as 'primus inter pares'
- the leader facilitates the team and is a sense-giver
- the leader has a story and acts as a signpost to team members
- the leader acts in a compensating way between team members and between other employees or the partner
- the leader is present and available to team members
- partner staff should be handled in the same way like own employees
- the leader interacts informally with team members and partners
- employees are enacted to deal with the partner on projects and issues, etc.

6.4.1.3 Variation – cues, resources and solutions

Cues from the environment, i.e. customers are part of the variation and the most important input to the sensemaking cycle. Every other element of variation is part of the solution.

How 'intimate' and intensive is 'listening to the customer?'

Is the team leader involved in the 'listening to the customer' sessions too?

Where do the cues come from if not from the customers?

How long does it take to initiate and solve customer issues?

How flexible/rigid are technical solutions?

How long does it take to implement technical solutions?

Is there any variation concerning solutions in the organization?

How are solutions constructed, is best practice part of the solution?

Is there an emphasis on initializing a solution rather than on knowing how the finished solution looks like?

Is the employee free to choose a solution from any source (incl. external)?

For organizations with outsourced operational units:

Do partners act immediately on cues?

Are the partners contributing to the solution independently and effectively?

Do partners offer variation in solutions?

Characteristics:

Variation should insure that:

- customers are always first, input comes from direct monitoring and observation of customer behaviour, less from analytical research
- solutions are initiated immediately, see enactment
- there is a choice of immediate solutions to issues, incl. external
- customers before technology
- primacy of operations over technology, technology is a means to an end
- there is a loose coupling between cues, systems, sources, departments
- plausibility, solutions including technology are simple and 'do the job'

- best practice is part of a solution
- there is only the needed analytical and measurable analysis
- implementation speed is important

6.4.2 Comparison of organizations and concepts

In this work, I have researched three organizations. Each company defers in its understanding and use of culture and improvisational possibilities. SME1 is a smaller SME company, led by its founder. The local COM2 organization is medium in size and favours a descriptive culture. COM3 is a larger company and forgoes culture for prescriptive targets. Table 11 illustrates the concepts and its implications on sensemaking, improvisation and incremental organizational construction (emergent strategizing):

Concept	SME1	COM2	COM3
Incremental construction ↑	Unintentionally taking the organization to any direction	Emergent, based on 'acting thinkingly'	Non-existent
Improvisation ↑	Means to 'survive in the organization'	Interpersonal, team, partners	Non-existent
Sensemaking	Fails to make sense of situations	Interpersonal, situational, influenced by environment	Targets and measurability are meaningful signposts
Cultural foundation	Non-existent	Strong, values, variations, 'of many,' big friendly family	'Performance culture' based on financial remunerations
Leadership	Does not care about cultural issues	Emphasizes culture on all levels and occasions	Focuses on riskless efficiency
Stability	Instable	Stable	Superficial stability
Environment	Homogeneous, local	Heterogeneous, multi-national	Homogeneous, national
Strategy school	Haphazardly	Descriptive, Inductive	Prescriptive

Table 11: Comparison of organizations and concepts

At SME1 the owner does not care about culture, he expected the workforce to do their job. Thus, no cultural foundation exists. There is not much exchange between

management and employees. Leadership is passive but prescriptive when mistakes happen. The team exchanges but has no cultural orientation; people fail to make sense of situations. Improvisation is a means to survive in the organization. The company is rather unstable because it might take one or the other direction depending on the conception of the owner.

COM2 invests in its culture and a big friendly family of many. There are no incentives. COM2 targets are 'focus areas' which give employees an orientation. Leadership is embedded in the teams. Sensemaking is constant and interpersonal; cues come from the customers and partners. Team members search for adhoc solutions. The culture of 'many,' sensemaking, the team, the leader and the independent partners deliver stability. Action steers intention, strategy emerges.

COM3's model is straight it relies on 'performance culture' based on individual financial remuneration; there are no cultural values. Targets are prescribed from the top down for every employee. Leadership focuses on riskless organizational efficiency. Even though the model emanates stability, COM3's target and performance culture seems to tread a narrow path. Credibility and trust are attached only to the targets. The company relies on a prescriptive model dispersed throughout its organization, the improvisational strategizing concept – sensemaking, improvisation, emergent strategizing – cannot unfold.

6.4.3 Recommendations

For COM2 I see three points for improving organizational processes: a) introduce a better way of exchanging on best practice, for example, a simple database index to look up what systems or solutions are available within the COM2 universe and who can be contacted for more information. b) To start implementation and coordinate issues, COM2 had implemented an 'IT independent' project office staffed with one employee originating from operations and one IT process-oriented person. The idea is to relieve pressure from daily activities while at the same time add more expertise to allow faster searches for solutions and best practice within the COM2 country organizations and to support implementations. c) COM2 introduced a quality circle

comprising of staff from each department as well as its external partners in order to discuss main processes and how to make them more efficient.

For COM3 it is hard to rearrange the organizational setup because there is no corporate culture officially supported from senior management which can be fostered. Operations are dependent on the a priori target setting procedure into which a lot of energy flows. With other words, COM3 uses mainly a prescriptive strategy. One way of allowing more emergent elements within the organization would be to outsource more parts of the operational business in order to reduce the size of the core units and forego specialist offices who deal with contracts. Instead, line managers should be empowered. This step allows keeping the operational stability while the core team could be prepared for an emerging stream of action from the outsourced partners. Furthermore, personal targets should be changed into team or unit targets, nurturing teamwork and support for other teams. Middle management should be more downward oriented and leadership embedded in the teams. Also, a program to assess managers by their subordinates would make sense.

A critical part of any transformation is the IT department. I would reduce technology to the core unit which is responsible for operating the standard system and the MIS part. It might be sensible to decouple systems and use them in a loosely coupled web. Changes can be realized by applying simpler systems, for example as SUB3 did when they introduced a new system in May 2010 but used the billing system of COM3. 'System designers' should be integrated into operations teams and those teams should take over responsibility for the technical solutions they require and implement. Working with partners might bring more flexibility and time benefits when going to market.

However, the most important thing is to start to invest in corporate culture focusing on customers. It seems that COM3 fears a loss of control underestimating the power of culture.

6.5 CONTRIBUTION TO KNOWLEDGE

The cognitive model of improvisational strategizing is the main contribution to knowledge out of this research. It aims at showing that improvisation is inherently inductive and embedded into to emergent part of strategy in the same way as emergent strategizing is and with the same effect of being able to influence an organization's future. Thus, in this research, I have called my model improvisational strategizing. Eden & Ackermann (1998) stress that emergent strategizing is a result of patterns of action and therefore strategy is embedded in culture. This is the same for improvisational strategizing. However, while Eden & Ackermann see managers taking courses of action in relation to their 'world-taken-for-granted,' this research has linked improvisational strategizing to sensemaking. No other author has attributed the same importance regarding this connection. By linking the two concepts, my model offers a different theoretical view on improvisation and tries to open new aspects for research. Furthermore, by connecting the concept of loose coupling allows adding variation as a source to improvisation. I have not found any researcher highlighting this connection. Nevertheless, it seems to be of specific importance for improvisation, specifically for the research of organizations operating in mass markets. The experience out of this research has shown, that especially loose coupling of technology might provide an answer to the problem of descriptive organizational behaviour and the prescription of technology.

A practical contribution to knowledge is the checklist to the cognitive model because the questions in connection with the model do not only allow the practitioner to evaluate possible organizational configurations but might be helpful for additional reflections on the research of the concept.

"Arguing that the environment is socially constructed within the organization (Burgelman, 1983b, 1983c; in Floyd & Wooldridge, 2000: 26) through sensemaking, improvisers "enact the parameters of the situation facing them (Weick, 1979; in Floyd & Wooldridge, 2000). Thus, this research aims at suggesting to use the perspective of social construction for the research of improvisation.

Finally, for Eden & Ackermann (1998: 25) "…description and prescription need to weld themselves together…" to understand the process of strategy making. Through this research, I aim to contribute support with the findings.

6.6 SUMMARY

In this chapter, the findings of the research have been presented. Based on the findings a cognitive model of improvisational strategizing was offered, discussed and tested. Furthermore, a checklist for the practitioner was developed to assess aspects of improvisation in organizations and to reflect about employee empowerment. Finally, the contribution of this work to theory was revealed, the cognitive model aiming at showing new aspects of the improvisational concept in connection with sensemaking and linking improvisation to the concept of loose coupling, especially concerning the critical issue of prescriptive technology and the descriptive organizational environment. Finally, the work vouches to use a social construction to research improvisation in organizations.

Chapter 7: Conclusion

"I think one doesn't have to plan at all, to plan life is ridiculous."
Friedrich Dürrenmatt (1921 - 1990)

7.1 INTRODUCTION

This chapter summarizes this research. It starts with a review of the findings. Then it addresses the contribution to practical and theoretical knowledge. Next, a brief discussion on possible limitations of this work is presented. Finally, potential areas of future research arising out of this research are highlighted.

7.2 REVIEW OF FINDINGS

When I researched the SME company about elements of improvisation in the pilot study, I became interested in the concept of improvisation even though the results were sobering. While the employees in charge showed improvisational behaviour, management blamed them for not being up to the task. However, employees behaved loyally to the organization's customers. This nurtured my interest in the improvisational concept because I became convinced that the organization's performance could only profit from employees applying improvisational behaviour sanctioned by management. At that time I started work for COM2. This company looked improvisational throughout. However, not only in behaviour but also in how it was organized. After 1 ½ years, the company was sold to COM3. This organization, for which I worked for nearly two years, emphasised a "winning culture" fostering profitability and efficiency by running a rigid target setting process, including personal objectives for every employee. During the time at COM2 and COM3 I took notes from discussions in meetings, in roundtables and from my personal exchange with employees. Furthermore, I collected relevant documents of both companies and asked the main coordinator about her view on organizational issues in order to compare and contrast the two organizations and to elaborate on

improvisational aspects of COM2. I wanted to be able to answer two questions about the improvising organization: how did COM2 keep their business agile and what were critical organizational issues when applying an improvisational strategy?

Because this work also aims to present an integral view of improvisation in organizations, I started my literature review in search for the origin of improvisation and found it in the behavioural sciences. This was also the place to learn about what it means to improvise; it is a personal "immediate and spontaneous… process of creation" (Sharron, 1983: 224; in Cunha et al., 1999). During the 1980's the term found its way into management literature, and in the 1990's, it moved into the spotlight of strategy researchers who mainly tested propositions by means of grounded theory. Even though more quantitative, exclusively positivist approaches tried to 'measure' improvisation; it remained a social phenomenon which can only be researched incorporating the wider social context. Thus, it seemed to be social constructivism which allowed us to understand the mechanism of improvisation to its fullest extent, especially when it played its part in strategy delivery. Particularly the emergent part of strategy, operations.

Improvisation is inherently inductive; it can only flourish in an emergent environment. Thus it can be found in the descriptive schools of strategy, albeit still rarely. I have linked improvisation with emergent strategizing (Eden & van der Heijden, 1995; Eden & Ackermann, 1998) and showed that it has a lot in common with emergent strategizing, like culture and subculture, mainly 'operator subculture' and that it influences forgoes negotiations of power. It is a sensible way of strategizing. However, the main difference of improvisational strategizing, as I called the concept, in relation to emergent strategizing is that it is 'desirable' driven operational, opportunistic pragmatism fuelled by customer behaviour rather than a managerial 'world-taken-for-granted.'

I have furthermore linked improvisation to sensemaking because I understand sensemaking as the feedstock for improvisation, but because improvisation is action, according to Weick (1979, 1995), it is also the "…the occasion for sensemaking," I

see this as a cycle. From the theory, I have defined four significant elements for improvisation: environment, culture, group and leadership. As a fifth element technology emerged from my pilot study. Then I have discussed the seven resources of sensemaking established by Weick (1995) which I consider equally coercive when talking about improvisation. Finally, I have debated additional relevant concepts in relation to improvisation: bricolage, small wins, loosely coupled systems and institutional theory.

For the research methodology, I chose a participant-observer field strategy "…that simultaneously combines document analysis, interviewing of respondents and informants, direct participation and observation, and introspection (Denzin, 1989: 157-159). However, I was not able to conduct interviews because the organization was not interested in this research. I aggregated the data for COM2 and COM3 and presented the descriptions and narratives in the data collection and analysis chapter. My analysis was conducted in an inductive way similar to grounded theory described by Glaser & Strauss (1967) but it also made use of a priori elements. I assigned the data from each organization to the elements *environment*, *culture*, *leadership* and *group* from my literature review, and to one element which emerged from my pilot study: *technology*. Furthermore, I coded my data to the seven resources of sensemaking, *identity*, *enactment*, *plausibility*, *retrospect*, *salient cues*, *social context* and *ongoing projects* to apply another perspective. During the analysis, additional eight elements emerged: *time*, *costs*, *best practice*, *informal exchange*, *stakeholder*, *complexity*, *responsibility*, and *options*. While time and costs played a different role in each of the organizations, best practice and informal exchange were of relevance to the improvising organization. The emerging elements *stakeholder*, *complexity*, *responsibility* and *options* are of importance to the top-down organization.

My research confirms the reflective literature review. Improvisation is inductive and thus part of the emergent portion of an organization's strategy. This has implications for the organization. Culture matters most for improvisation The organization actively and consistently cultivates its culture and communicates it constantly to its members. Leadership is downward implementation oriented and tightly connected to

the team. The formal and informal exchange in the team builds trust and stability. The team leader acts as sense-giver, his role is not predominant. The driving force behind improvisation is cost-consciousness, it directly derives from the vision of 'cheap and simple products' and is internalized by the employees when they act. Time is experienced as scarce which focuses action on 'here and now.'

Best practice emerged as being important, the universe of the organization concerning variety in products, services and experience is a source for improvisation. The elements 'costs' and 'time' serve as drivers to improvisation. Furthermore, culture is the prompt to encourage improvisational action. The organization is loosely coupled throughout, from intention to effective action but also between departments and partners. Furthermore, one finding is, that technology is mostly loose coupled too. These findings apply specifically to an organization operating in a mass market with an outsourcing policy.

7.2.1 Contribution to knowledge

The contribution to practical knowledge is the cognitive model of improvisational strategizing. It aims at introducing a different view on improvisation, especially for organizations in mass markets using outsourcing. But it also aims to show that improvisation can be a viable alternative to a traditional top-down organization. the research describes how the two drivers costs and time can be applied in an organizational environment and how culture as an answer to the two elements comes to life. This has implications for leadership. Mangers are not predominant in this environment; they are embedded in the team. This work aims at giving practitioners support on reflecting on the advantages an improvisational environment might deliver them: enactment of employees, fast and simple solutions and exploiting organizational resources. For the organization, this means to use employee sensemaking capabilities in adapting the business incrementally to the changing environment. Improvisation is a pragmatic and opportunistic way of organisational adaptation. The checklist is an additional item to reflect about connections and context when using the cognitive model.

The cognitive model of improvisational strategizing is the main contribution to theoretical knowledge out of this research. It aims at showing that improvisation is inductive and embedded into to emergent part of strategy with the effect of being able to influence an organization's future incrementally. Thus, this research links improvisational strategizing to sensemaking. No other author has attributed the same importance regarding this connection. By linking the two concepts, the research aims at a different perspective for improvisational research, especially concerning organisations in mass markets with outsourcing policies. Together with the concept of loose coupling, improvisation is linked to variation and aims at opening a new perception for theory. I have not found any researcher highlighting this connection.

7.3 LIMITATIONS

For this work, there might be limitations the reader has to be aware of. First, as the researcher, I researched the two organization as participant-observer, but at the same time, I was working for the organizations as a full-time employee. This raises the question of bias because a part of the research covers my own actions in the two companies. The question of bias might be further raised when the first organization (COM2) was bought by the second one (COM3), and I continued to research the second organization 'through the lenses' of the first one. However, because this work is about comparing and contrasting two different organizations to elaborate on the improvising company, this perspective might also have shaped my perception of differences.

Second, the research method matters. Research in strategy according to Floyd & Wooldridge (2000: 74) typically involves interviews, field observations, case studies and grounded theory. This work has been conducted mainly by participant-observation technique and includes relevant documents, essays written by a key employee of my department and a survey which was independently carried out by an employee of COM3. I have not conducted interviews for the main work. I took notes from discussions, roundtables, internal and partner meetings and of situations which I thought were of relevance for this research. I used the raw data to aggregate the

stories and narratives. However, what I noted and what I selected for aggregation is inevitably subjective.

Third, improvisation is a highly individualistic concept which has been confirmed by other research. In order for improvisation to prosper within an organization, it needs the right cultural context. This research aims at presenting such an organizational environment. It has been conducted in an organization operating in the mass market, and the organization relies on outsourcing. This makes the improvisational environment of the organization captivating for research. However, the research was conduction in only one such organization. Thus, generalizing the findings has to be done with some precaution.

7.4 FUTURE RESEARCH

This work aims to show how an organization makes use of improvisation to deal with everyday operational action and how this action is able to influence the direction the organization is taking. However, improvisation is not easy to research. Thus, the work tries to deconstruct improvisation into three relevant areas: sensemaking as the feedstock of improvisation, improvisation as everyday action, nourishing sensemaking, and emergent strategizing which is the outcome of improvisational action and influences the organization's future. It aims at researching improvisation with the means sensemaking, and emergent strategizing are researched.

During my analysis, the importance of culture and leadership to enable improvisation were confirmed and seem to support the literature. However, for Cunha et al. (2003) "Not much is known about the role of leadership in the process of improvisation." Their exploratory research did not generate palpable findings. My research seems to show that leadership has to be 'embedded' in the improvising team and, as a member of the team, acting as a signpost. Furthermore, informal exchange seems to be of significance. This appears to sustainably increase the team's appreciation for the collective journey. For sensemaking, Thayer (1988; in Weick, 1995: 9) calls the

leader "a sense-giver". I understand this to be the same for improvisation. It would be fascinating to further research the role and behaviour of leadership in various improvising organizations.

What also emerged from my research is that not only information systems but particularly transactional IT systems play a relevant role in improvisational environments. In the pilot study, they vaguely emerged as an obstacle. Weick sees an "area of growing importance is the relationship between information technology and sensemaking." (e.g. Fulk, 1993; Prasad, 1993; in Weick, 1995: 177). How can an organization improvise and at the same time also develop its technical solutions without influencing improvisation and limiting itself with a technical prescription? For Ciborra (1996) "Interestingly, the way computer specialists attempt to fix the problem may be worse than the departure point." My research revealed an improvising organization with a primacy of operations over technology as a possible answer. However, improvisers are no specialists. This restricts options and might even lead to more improvisation. This is another interesting field for further research.

Another significant field for additional studies is the collaboration in the team and between the improvising organization and its partners. My study touches on how people learn but also that knowhow is rapidly lost as soon as someone leaves the organization. In recent years new forms of collaborations have emerged rapidly, for example, scrum. It seems to take up many points of the sensemaking and improvising organization. For Takeuchi and Nonaka (1995), it is a form of "organizational knowledge creation, […] especially good at bringing about innovation continuously, incrementally and spirally." It would be appealing to research an improvising organization using scrum to find out if it might be an answer to the dilemma. Finally, Eden & Ackermann (1998) illustrate stations an organization is supposed to cycle through, see figure 2. For Weick (1995: 36) the same seems to be valid for sensemaking as a feedstock for institutionalization. It is sensible to assume such shift for improvisation. In the two years, I observed the improvising organization, I was not able to find evidence for this. However, it would be exciting to find out, especially in connection with technology, i.e. transactional systems.

7.5 SUMMARY

In this chapter, the conclusion of this research was presented. It started with the review of the findings. Furthermore, the contribution to theoretical and practical knowledge was briefly discussed. Finally, possible limitations of this work and future areas of research were highlighted.

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Appendices

A. PILOT PROJECT

Set 1

Q1: What is (was) your position in the Company and what are your responsibilities?

Q2: What have been the memorable positive or negative events that occurred in your time with the company?

Q2.1: Feelings about the new function, why was it created and how did you get along?

Q2.2: How long did you need to settle down and get a confident feeling about your job?

Q2.3: Please take a moment to think of an ordinary day of your work, what are you typically doing?

Q2.4: Where are interfaces from your work to other employees and how would you describe the workflow and the exchange of information to those employees?

Q2.5: Do you think, the others do receive from you what they need and expect and do you receive what you need and expect from them? If you do not get the needed information, what do you do, is there an escalation procedure in place?

Set 2

Q2.6: Do you think, you have all information which you need and do you know all processes in place?

Q2.7: Have processes been changed since you took over the position (how, reasons, by whom)?

Q2.8 If you look from a customer perspective, how would you sum up positive as well as negative incidents with your company?

Set 3

Q3: If you look at your work do you think you are contributing to the development of the company and in what way?

Q3.1: How would you rate your inputs are welcomed by management? What might be the reason for it?

Q3.2: How much involvement into daily operations does management execute (explain)?

Q3.3: How would you rate the behavior from management towards employees in general and (if applicable) in more detail?

Appendix A.1: Complete set of formulated interview questions

Concepts	HP			HA			PM			Total		
	Neg.	*Pos.*	*neutral*	*Neg.*	*Pos.*	*Neutral*	*Neg.*	*Pos.*	*Neutral*	*Neg.*	*Pos.*	*Neutral*
Teamwork	12	9	0	22	6	1	17	9	2	51	24	3
Information & communication	24	2	0	16	0	1	14	1	3	54	3	4
Knowledge & memory	13	0	1	15	0	0	10	0	0	38	0	1
Management expertise	60	1	3	79	4	1	64	5	5	203	10	9
General	11	3	0	4	0	5	10	3	4	25	6	9
Supporting systems	2	0	0	1	0	0	0	0	0	3	0	0
Customer perspective	5	1	0	4	2	0	9	2	0	18	5	0
Concepts negative	127			141			124			392		
Concepts positive		16			12			20			48	
Concepts neutral			4			8			14			26
Total assignments			147			161			158			466
										84%	10%	6%

Appendix A.2: Overview concept assignments from interview data

"employees are here to work and to be sure to have everything out by the evening, that's it" ● feeling of trying to keep you out of the process that I cannot catch up and endanger position ● management "I do not have time at the moment, just go and check it out for yourself" ● "if you fail to do it right, the problem is on your side not on ours" ● letting you feeling that you are not from the business and therefore you do not understand ● nothing positive, no compliments and no feeling for managing employees ● management takes input personally and defends on it ● employees don't seem to be taken as human beings ● one can make it either way, it is the wrong way according to

management ● there was that feeling of an "upper class" and "lower class" ● no change in behaviour from management noticed ● owner manages employees in an old fashioned way and unfeasible ● motivation does not come from the top ● they build that company but didn't develop it ● they are like in a "cocoon" where they just were busy with themselves ● to lose control and power is a problem for management ● no high regard and respect at all towards other employees ● it's none of your business, that's the style they live in ● chairman saying, that everything is defined and clear, clear processes in place ● employees are machines, they must not be informed ● mgmt: "we have been around for 14 years, what do you really want to change?" ● owner not a real manager but draws from his past experience as "machine operator" ● you never ever seem to do it right ● you are not able to become strong, superior to them, they have a real problem in that field to see it in favour for the organization ● you are not allowed to become a champion in this company ● owners go into another direction against openness and empowerment ● you don't receive freedom to contribute more to the organization ● management doesn't accept things from employees ● one can't change their mind, not even with good arguments ● if you change a detail process they just tax it as wrong ● they say yes, change something, don't let me do it and alter it very differently ● employees are a production factor, don't have to talk about ethical issues ● people doing mistakes are not being talked to for weeks sometimes ● culture of this company is based quite strongly on mistrust ● culture of this company based also on interpersonal relations ● one doesn't want a structure, doesn't want a culture ● there is no continuity because one doesn't want it by virtue ● people who hold the power today would have to give up a few things ● it is just personal tactical movement of the owner ● you are a small number here ● those inputs to management are often twisted ● in case of mistake respect and attitude are missing ● rumours often comes from mgmt ● demands too much from them intellectually

Appendix A.3: Extract of managerial expertise concepts

no educational training of management ● owner has no idea of how to manage company really ● management talks about A and an hour later about B ● hand to mouth managing of employees ● management does daily work and doesn't realize that organization might stumble ● management misses the point of managing processes ● management is not up to its job ● management is feared about opponents in own organization ● management afraid of losing control over company ● they have very good employees but don't realize that ● you are part, possession, of the owner ● they don't recognise it, they miss a lot of knowledge ● if I say it nasty, they just are not able to do it ● they have a problem if an employee is superior to them ● they might be afraid to lose control over information ● they are not up to the whole job and don't accept help from others ● change demanded to much intellectually from the owners ● one just can't do it better

Appendix A.4: Extract of knowledge & memory expertise concepts

Statements	Concepts	Neg.	Pos.	Neutral
owner in need of someone able to handle data process	management expertise			1
IT manager started to apply his IT/technical centered view of processes	management expertise			1
owner and wife thankful, IT manager is welcomed relief and help	management expertise		1	
employees did not really understand organizational setting	management expertise	1		
HI became responsible for printing and packaging machines	management expertise			1
the owner thinks employees should report to intermediate not directly to him	management expertise			1
IT head not successful in leading people	management expertise	1		
positive feedback from owner concerning the development of the organization	management expertise		1	
I felt that I had his trust about what I was doing	management expertise		1	
the owner complained about IT head and his role in the company	management expertise			1
IT head was not planning ahead	management expertise	1		
IT head said, owner would change every organizational diagram	management expertise	1		

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within days				
Owner and wife start to blame the newly appointed head of admin.	management expertise	1		
owner stated out of the blue that HA was not capable of doing the job	management expertise	1		
he wanted to change her assignment to project manager	management expertise	1		
he did not want to have too much change in organization was reason	management expertise	1		
owner and wife started to build pressure on CEO to change HA's position	management expertise	1		
no evidence delivered on mistakes that should have happened	management expertise	1		
wife of owner suddenly didn't want to change office anymore	management expertise	1		
HI wanted HA as help for his work	management expertise	1		
the owner started to email me and put pressure once again	management expertise	1		
head of customer project should lose leading role just two weeks after introduction	management expertise	1		
I felt to have lost confidence and trust of the owner immediately	management expertise	1		
two weeks later I had a meeting to resign from my role as CEO	management expertise	1		
		16	**3**	**5**
not felt very welcome at starting with the company	teamwork	1		
PC was not installed; configuration is done by myself	teamwork	1		
Calling customers handled by front office only, keeping track in Journal	teamwork	1		
employees seemed to know whom to report or ask	teamwork			1
IT head usually had word at production meetings	teamwork			1
not clear, why the selection of people attended a production meeting	teamwork	1		
the owner did not want that all participate, non-of their business	teamwork	1		
salesman running an own business simultaneously	teamwork			1
the owner does not want sales exec in operational offices	teamwork	1		
		6	**0**	**3**
Price lists and directives available for employees before IT resp. came	information & comm.		1	
no organizational chart published	information & comm.	1		
the owner sometimes joined project meeting, not clear when	information & comm.	1		
sales and production are missing at Project meeting	information & comm.	1		
owner afraid that sales exec takes important information with him	information & comm.	1		
sales exec has own laptop and software, no access to company system	information & comm.	1		
no upcoming sales opportunities were communicated to project mgrs.	information & comm.	1		
new organizational diagram welcomed by employees	information & comm.		1	
publish of information on white boards positively taken by employees	information & comm.		1	
new duty roster introduced	information & comm.		1	
the owner often came into office to have a chat	information & comm.		1	
IT head disregarded duty rosters, but only informing on shorthand	information & comm.	1		
they never talked to HA about that	information & comm.	1		
the owner did not communicate anymore about that	information & comm.	1		
		9	**5**	**0**
data process became more and more virtual	knowledge & memory			1
before IT manager came, the owner had a clear view of doing things	knowledge & memory		1	
		0	**1**	**1**
company owner founded	general			1
		0	**0**	**1**
accounting system on separate Mac, only two employee access	supporting systems	1		
not all office members had direct Email	supporting systems	1		
		2	**0**	**0**

		neg	pos	neut
special glue gives USP for selling locally	customer perspective		1	
an ideal choice for automated enveloping	customer perspective		1	
smoothly run on enveloping machines guaranteed	customer perspective		1	
less jammed paper	customer perspective		1	
customers wanted complete service not only envelopes	customer perspective		1	
the personal intensive process of enveloping is no key competence	customer perspective			1
		0	**5**	**1**

Total concepts negative	**33**		
Total concepts positive		**14**	
Total concepts neutral			**11**
Total assignments		**58**	
	57%	24%	19%

Appendix A.5: Overview concept assignments from descriptive narrative

B. RESEARCH METHODOLOGY

Notes	Source
Project team to accompany integration process Dec. 2008 until May 2009 with aim of 'stabilizing' integration	COM3 info leaflet, Dec. 2008
Network department took over technical staff, billing & IT staff assigned to IT department	COM3 info leaflet, Dec. 2008
Technical cost optimization, migration, platform strategy	COM3 info leaflet, Dec. 2008
E. reports not any more to core & VAS engineering manager	Note first directors meeting 18.05.2009
X and Y want an explanation, what is the matter?	Note first directors meeting 18.05.2009
April 2009, decision on technical migration due, no responsibility assigned	Meeting agenda for the project
E expects a proposal	Note project meeting 24.04.2009
Don't know the technical landscape, shouldn't they make a suggestion?	Note and discussion: project meeting 24.04.2009
Have to shut down system by end of the year	Contract between COM3 and COM2 parent company
Decided to extend systems contract with COM2	Note discussion E. no date
Data warehouse to be matched first, CRM team says that this is not possible	Note discussion with E. 30.4.2009
Some reports integrated by the finance department, can't access them	Note IT migration meeting 8.05.2009
CRM team placed requirements for the system	Note IT meeting of 8.05.2009
COO: copy existing higher revenue mobile rate plans to "whatever system" and keep customers on the system until switch-off, forced migration of rest	Note management meeting 18.06.2009
E. prefers SUB3 system, main billing system inflexible, very long	Note from a discussion on

lead times for change requests. SUB3 system very fragile, in search new solution	19.06.2009
Main billing system has stability issues due to too much load, why don't we know?	Note management meeting 23.06.2009
SUB3 wants to migrate to a formerly evaluated system, E. doesn't recommend it	Note IT technical migration meeting 20.07.2009
Evaluation for a solution still ongoing, focus on an in-house system. E. looks at the main billing system. Placed a fast track change request, priority 3 of 128	Note COM2 directors meeting 20.07.209
Fast track change request moved to position 67, why?	Note of discussion with St. 31.07.2009
Contact J. about down prioritizing	Note Email to COO, 31.07.2009
Explained our change request and its urgency. IT wants to know from first-hand, full meeting room, never seen something like that.	Note IT tollgate review on 4.08.2009
Each project discussed, takes hours… every participant has to confirm that project still valid and important and give further explanations if needed	Note IT tollgate review on 4.08.2009
E. wants to know if we intend to develop products in the future or if a must have config. Is ok. E. is convinced that SUB3's newly evaluated system not appropriate for us, saw a demo. SUB3 has priority for dwh connection	Email attached to notes dated 4.09.2009
Future strategy sent to COO	Email attached to notes dated 11.09.2009
Controlling asked to describe technical migration scenario for budgeting 2010	Note budgeting workshop 23.09.2009
Call from D. analyzed emails, proposes to stay with our system, why not? Good idea, agree	Note call from D. 1.10.2009
E. not pleased, it's no choice, system due to be switched off at the end of the year	Note call to E. 1.10.2009
E. changed her mind, supports us. E. will contact purchasing department	Note call from E. no Date marked
J. wants to first try to migrate customers to COM3 or SUB3 without new system then migrate mobile only to SUB3 and call/internet customers to COM3	Email attached to notes dated 9.10.2009
D. and B. favour main billing system, it allows for everything irrespective of COM2 developed as sub-brand. Why are they involved now?	Email attached to notes dated 16.10.2009
We keep migrating as done until now	Note from directors meeting 19.10.2009
A. supportive to buy COM2 system	Note management meeting 24.11.2009
negotiations with the responsible from COM2's mother company under the lead of COM3's head purchaser kicked-off	Note meeting 8.01.2010
COM2 system is phase-out model, no future support due to no know-how	Note from discussion with E. 28.01.2010

Appendix B.1: Example of notes and sources of evidence for IT narrative

C. DATA COLLECTION

C.1.1.1 The COM2 way

The organization run a permanent initiative called 'The COM2 way.' The purpose of the program was to sensitize their employees about values the organization considered central. At COM2 premises, there were posters on the walls showing show business celebrities which were superimposed with statements like "We like speed and handle issues in a dynamic way, day by day." When I started my work at COM2, I asked the staff about it, and they said, that this was part of a campaign and that they received an introduction when they joined the company, the brand book was also a part of this (see next section).

In fall 2007 the COM2 group CEO addressed an email message to all employees recalling the importance of 'The COM2 way' for the organization and its members an requested an honest feedback. This was part of the annual questionnaire all staff received. The email comprised a link to a web form which had to be filled in personally. Around two months later the results were published down to department level showing the anonymized mood of the employees. The results were taken seriously in the organization an discussed by senior management. It was decided that every department exchanged with its employees and created an action list to address open issues. The lists were collected by the HR department for follow up with the CEO. Furthermore, senior management discussed to roll out 'The COM2 way' to local partners for 2008 with the CEO to leading a workshop on the initiative for all staff. Because in 2008 COM2 reviewed its strategy and consequently the country unit was sold to COM3, no further 'COM2 way' activity occurred in that year.

C.1.1.2 The COM2 brand book

In 2007, COM2 issued what was called a 'brand book' containing 50 pages. The aim was to communicate the organization's core values to its employees. In the welcome message, the CEO stated "It's not hard to offer good quality products and good service. Just spend money and let the customers pay. To offer easy to use products

and services cheap is much harder. Then you have to think different, find new solutions, be picky and save money in all areas."

The three main concepts form an integrated whole: 'soul,' 'personality' and 'core values.' Soul is defined as *simplicity*: "We always look for simplicity in everything we do. Solutions that are smart, lean and slim." *Action*: "We are a company of doers. We believe a stone of action is worth more than a mountain of theory." *Lean* and *slim*: "We don't let customers be guinea pigs for new technology. We leave that to our competitors. We don't spend money on expensive offices or exclusive stores."

Personality is defined as *challenging*: "We're here to turn every stone in our search for a smarter, cheaper way to give people the products and services that they want. If there's an alternative way to do things, we'll try it." *Straightforward*: "So while our competitors are busy painting a pretty picture of visions to come, we give our customers the stuff they want now – at a better price. And as a rule, if an offer takes longer than five seconds to explain, it's probably not simple enough." *Witty*: "Being witty means having good intellectual capacity. It means being clever in execution. We are the smart and funny kid in school that everyone likes to be with. We don't believe in boring the customers into buying our products. That's why we always do things with a twist." *Proud*: "We are proud to feel that we make a difference."

Finally, core values are defined as "Every contact each one of us has with customers will affect our brand. That's why it's so important that we say and do the same things. COM2 has three core values. Those values should be visible in everything we communicate." Four pages about the fundamental values of the organization follow, the table below summarizes them.

Core values	internal	external
FLEXIBILITY	· Listen to the customer. · Execute and react quickly. · Fewer are quicker. · Hate bureaucracy. · Love change.	· COM2 listens to us. · Fast and personal service. · Less bureaucratic. · Lots of interesting offers.
OPENNESS	· Straight and honest communication. · Share your experience, ability	· COM2 tells it like it is. · Lots of smart tips.

	and knowledge.	
	· Teamwork – help out where needed.	· They don't blame each other.
	· Be available, return calls and stick to deadlines.	· They keep their word.
		· They have transparent services.
COST-CONSCIOUSNESS	· Low costs and standardization – a prerequisite for low prices.	· COM2 isn't flashy or fancy.
	· Always question all costs, without jeopardizing customer quality expectations.	· Always easy to see what things cost.
	· Invest as late as possible.	· They don't waste their money or mine.
	· Customers prior to investments.	· They don't try to sell untested products to me.

Appendix C.1: COM2 core values (COM2 brand book 2007)

C.1.1.3 COM2 annual reports

COM2's annual report for 2007 consists of 84 pages, there are two pages dedicated to the organization. One is about values, and the other one shows four employees from different country organizations, they each make a short statement. The report is opened by the president's message, stating "Can you guess the most frequently asked questions from our customers? They usually ask about two things. They either want help in understanding how our services work or finding a solution which gives more value for money. The reason I know is not because someone has thrust a hefty report into my hands, but because I, like all COM2 employees, regularly visit our customer service departments in order to listen to and answer customer's questions."

The reader finds some information about the organization. For COM2 diversity is a business strength: "A homogeneous business concept such as ours requires a heterogeneous culture in order to succeed" and "COM2's success is dependent on one thing more than anything else – customer focus. This is not some empty phrase we use, but a real success factor in our daily working life." On page 24, the annual report presents three outlines (tables C.2, C.3 and C.4):

PRACTICE	The best way of getting to know our customers is by direct contact. All our employees are required to complete a practical placement in customer service at least once a year. Experience shows that practice is the best way of getting to know the market and ensuring we fulfill our mission to provide user-friendly and attractively priced communication.

Appendix C.2: Practice (COM2 annual review 2007)

| FLEXIBILITY | We are in touch with customers' needs and can adapt quickly. |
| OPENNESS | COM2 prides itself on coherence, straight answers, and a simple organization. We have a set of clear values and simple working methods. Our corporate culture is not some desktop product – it runs through the very veins of the company. |

Appendix C.3: We ensure our work has… (COM2 annual review 2007)

ACTING	We focus on the solutions, not the problems. We revel in speed and celebrate our successes.
COPYING WITH PRIDE	We select simple solutions, copying what is good and never changing what already works.
CHALLENGING	We achieve the impossible by going our own way. The fact that we have done so on many occasions is the most important lesson in our history.

Appendix C.4: …and we succeed by (COM2 annual review 2007)

C.1.1.4 COM2 focus areas

The goals for 2008 were discussed and agreed upon at the customer operations manager meeting which was held on 20th of November 2007 at COM2's head office. Participants were the country operations managers for the area 'Southern Europe' as well as the director of operations and her assistant. After some years of growth, the customer operations director seized the opportunity to shift focus on customer operations. She interpreted the development as an opportunity to give customer operations more weight in the organization while strengthening customer loyalty. Thus, she promoted attention to service levels, customer surveys and benchmarks with other telecommunication companies. She invited all countries to use this opportunity and contribute.

The documentation concerning operational goals consisted of two A4 papers and covered 2006-07 and 2008. They were titled "Customer operations focus areas." COM2 used the term "focus areas," the organization did not talk about goals or targets. The two papers both symbolized the customer in the centre and focus points including an argumentation were shown around it. The paper for 2006/07 stated two drivers: 'new products complexity' and 'bundling and convergence,' an arrow led to

the expected outcome in customer operations: 1) cost growth and 2) quality decline. Four focus points followed: a) simplicity to contact b) customer value uplift c) self-service channels over the web, IVR, SMS, and d) test of alternative call centre partners. For 2008 the focus points were: a) quality –> customer satisfaction b) self-service -> channel management c) awareness d) customer value and e) cost control.

C.1.1.5 COM2 personal target setting and review (appraisal)

The COM2 review and target setting process was done at the beginning of the year and consisted of a formal review talk between the employee and the superior and a commonly filled in form. The form highlighted the goal of the review talk "This review shall ensure that the employee knows where he/she is standing and that he/she knows the development potentialities. Each employee working for this company for more than 6 months has the right to such a review once a year. This review shall help the superior to exploit the possibilities of the particular employee even better and align performance and behaviour towards department targets."

The first question covered development fundamentals and performance and was filled in by the employee and the superior a priori of the review. It was divided into two subquestions: 1a) how did the employee assess him/herself concerning target achievement and duty fulfillment? 1b) how did the superior evaluate the employee based on defined tasks and objectives? Three ratings were available: over achieved, achieved, not achieved, a comment was mandatory in the case of non-achieving. For 2008 a total of 37 duties/targets were defined for the five operations coordinators. The objectives were very tangible and action oriented, they did neither have a due date nor were they quantitatively measurable. They functioned like the yearly department focus areas but on a more direct and personal level.

Question 1 c) was about values, it was a semantic profile between 'agree' and 'don't agree' and covered flexibility, openness, cost-consciousness, copy with pride, challenge, and activity. It was supplemented with keywords which could be crossed out, underlined, weighted or added. Further values were the quality of work, teamwork, communication behaviour, reliability and customer orientation.

Furthermore, there were three criteria for superiors: leadership behaviour, technique, and expert know-how.

Questions 1 d) and e) were evaluated together in the review and covered following more general questions: What duties did the employee like best? What duties troubled the employee most? Which knowledge and skills could not be applied at the current position? What did the employee manage exceptionally well? Where did the employee have the potential to improve?

The next part focused on how the employee rated his/her superior. In table C.5 the actual answers of five team members are shown for 2008.

Criteria	Employees actual evaluation
Quality	always present, supports the own team, mid-/long-term quality thinking
Quantity	is always available, constantly thinking ahead, can be asked if problems arise
Professional competence	strong partner, reliable, a place to go, brings along experience, gives feedback, knows where it's all
Initiative	has ideas, coaches, leaves employees needed freedom to take the initiative
Organization	works with concepts, uses and promotes employees strengths, has clear guideline
Communication	is informed and informs employees currently, very good communication, information exchange always possible, open, honest, humorous
Flexibility	uncomplicated, spontaneous, exchange anytime possible, fast reaction, is available, fast reaction on team requests/problems/concerns
Work under pressure	able to work under pressure, does not lose humour even in strong pressure situations which has a positive effect on the team, always available
Teamwork	very team oriented action, respects employees concerns, good teamwork, cooperating, supporting, helpful, motivating, very good teamwork
Loyalty	one feels the loyalty to the company but also has a healthy/critical attitude
Other	partly objectives could be clearer, may practice more criticism, feel supported, doesn't feel left hanging and that is very motivating, superior is more a coach than a boss, very pleasant working together

Appendix C.5: COM2 superior evaluation by employees (COM2 review form)

Question 2 was about development measures to be filled in together with the employee. It consisted of two questions: what education and training were needed to

solve future duties even better? What new targets and obligations did develop or would need adaptation out of this review? Question 3 addressed the development possibilities: How did the employee rate his/her personal development and future within the organization and how did the superior rate it? Part 4 was a résumé of the review and contained additional comments from the employee and the superior. The evaluation form was signed by the employee and the superior. The last field allowed setting a date for reappraising the discussed arrangements.

Each review talk with members of the operations department took between 2 and 3 hours and contained discussions about the organization and personal views.

The review process at COM2 was simple, and everything was on one form. I have described the review form in detail because it is a critical part of COM2's cultural exchange with its members. Moreover, the description might give the reader an indication on how to design this part for an improvising organizational environment.

C.1.1.6 COM2 Job descriptions

For every job in the operational department, COM2 had job descriptions. The descriptions were not homogeneous, some listed only tasks, others were divided into the sections: main tasks, call centre support, administrative charges, occasional items, different items. However, the descriptions were made by the job holders themselves, based on what they did every day. They resembled checklists to not forget important job tasks, and they also served as checklists for shifting work to other employees or for the introduction of new staff members. The descriptions were updated quite frequently, and the tasks were colour coded to show how much the job owner liked to do them. When new tasks were introduced, employees compared their descriptions and shifted tasks if appropriate, and someone else in the team preferred to do it. Furthermore, the list was used to prepare the appraisal (see above).

Table C.6 shows an outtake of a job description at COM2, the standard tasks are marked green (=like it), yellow (= ok, don't care) or red (= do not really like it), in the table yellow is shown with a grey background. In marking the tasks, it becomes

visible if someone prefers a routine which someone else does not. Thus, tasks can be reassigned or passed on to fellow members.

Schriftlicher, telefonischer Kontakt mit diversen Partnern
Passwörter für Agenten (diverser Call Center) bestellen/löschen lassen und verwalten
Kreditlimiten für Agenten (diverser Call Center) bestellen/löschen lassen
Adress-Quality-Check für diverse Kampagnen (Call by Call, Winback) und Weiterleitung an die entsp. Call Center
Ursprung von Kundenreklamationen prüfen, erledigen und an das entsprechende Call Center korrekt instruieren
Anweisungen/Informationen für diverse Call Center verfassen
Filesbearbeitung (vor allem Spezialfiles) diverser Call Center prüfen
Austrittslisten diverser Call Center prüfen
Kärtli-Verwaltung für alle Call Center
Activity-Plan (Rechnungs-/Mahn-/Newsletter-/Mailingsankunft, Suspendierungen, etc.) aktualisieren und weiterleiten
Gesprächsrunden mit Agenten organisieren: Fragen / Anregungen der Agenten protokollieren und anschliessend bearbeiten
Wöchentliche Feedbacks, Verbesserungsvorschläge der Call Center überprüfen, beantworten und ev. umsetzen
Call Center – Offertenvergleich erstellen und evaluieren

Appendix C.6: Outtake from COM2 job description with colour coding

C.1.1.7 COM2 budgeting process and human resources

At COM2 the yearly standard budgeting process which starts around August and usually includes two rounds of discussions with management and which is finally approved or disapproved by senior management was non-existent. The CFO knew the monthly revenue and cost figures from all departments based on his experience; he was in the company right from the beginning. COM2 did not employ controllers. The CFO spontaneously talked to department managers in the corridor if there was something unusual he saw in his reports; an anomaly or a deviation from what he expected to see. I was contacted by the CFO a few times out of the blue concerning the invoices from our partners, typically at the end of the month. The CFO was focused on costs, and he always favoured fast and low cost solutions. His role resembled one of a controller checking operating figures to make sure that *his* budgets were not exceeded.

COM2 had contracts with its partners which covered compensation based on executed transactions. Calls and back office work were taxed at a fixed rate which depended on the transaction length and customer issues, i.e. documentation requests, complaints, support, etc. Since partners were paid by the effective transaction time, it seemed clear to the COM2 customer operations department that they were not particularly interested in cutting transaction time which resulted in less revenue for them. Periodical re-measurements of these transactions were performed by the

COM2 coordinators. Thus, a measure directly influenced the future compensation of the partner. However, detecting potential efficiency increase beyond measurement was the aim of the customer operations department. For example, in providing all partners with faster and better information or using system support to cut down process time and costs. I had two short discussions with the CFO on funding such projects; the customer intake system in spring 2008 and the new knowledge system in fall 2008. His opinion was straight; our partners should provide those systems because they would take the greatest benefit from them. However, our partners had a different opinion. They were prepared to evaluate and operate any requested systems, but COM2 would have to pay them as well as all expenditures. Moreover, they were not willing to open their own systems to other partners in the COM2 network because they considered their systems to be their competitive advantage.

Human resources formed part of the financial department. The HR manager was only 25 year old and still studying. Her role was more an assistant to the CFO. The CFO always set a financial frame of what he was ready to pay for hiring a new employee, but he did not state it until the last minute. He favoured part-time employees over full-time staff. One had to persuade him, but even then he remained unconvinced and kept asking questions. The CEO wanted a fully staffed reception desk during regular office hours. Being responsible for customer operations including the reception desk, I supported this because customers showed up randomly at our premises. I requested one full-time employee and one part-time employee to cover absences. However, the CFO favoured a part time solution thus we started with an employee covering only the morning on selected week days. Because the sales manager expected visits from external partners, but no one picked them up, and the CTO waited for urgent parcels which were left at the front door, and no one knew, they started to complain too. Together all could convince the CFO that if we wanted to run a reception properly, we needed the staffing I had suggested. Until the receptionists started, customer operations staff occasionally toured the desk and dealt with customers, visitors and parcels, but they had no problem in doing the job.

In the customer operations department, I had a vacancy for a coordinator because management had decided to invest into the mobile business. Some external and two internal candidates emerged from the searching. Both internal candidates worked in the financial department. After a thorough evaluation, the second round consisted of one external and one internal candidate. The CFO told me that he was aware of the fact that someone out of his team wanted to change to the customer operations department but he would not support the change. The internal candidate finally met the requirements best; he matched the existing team members, and he was familiar with the organization. The CFO reacted reluctantly and told me that he was 'fed up' of training staff only to see them changing to other departments and he imposed a notice period of two months which was the same as if the candidate would have left the organization for an external position. Members of the customer operations department 'unofficially' met with their new co-worker over lunch and in work breaks to get him up to the task during the two months of the notice period.

C.1.1.8 COM2 project management

At COM2 projects were driven by the 'project office.' Two employees handled the requests form the departments and coordinated them with the central coordination office at head office. The idea of the central coordination office was to offer help to find solutions while using synergies and to learn from local implementations. Every department took care of its system needs and was free to place quotations in the domestic market. Billing & IT, even though it carried IT in its name, was responsible for executing core transactions on systems which were already operational. Usually, also billing & IT was not involved in the design and development from the beginning, it took over core system transactions in a later phase of the project. However, it could be that billing & IT or the project office initiated a project in the same way as the other departments did. The COM2 group ran an own IT organization which supplied services and solutions to the country units. Because of the CIO, who was the manager of the billing & IT department, having a good connection to the IT organization, the departments often contacted him when they were in need of a technical solution. The IT organization then offered the implementation of existing systems from other countries, adaptations and delivery

had to be negotiated. However, the way the IT organization often behaved prompted people at COM2 to understand their business model as implementing a system in the COM2 universe and then replicate the earnings in the countries that followed, although the system was paid by COM2 originally. The organizational structure at COM2 allowed for the departments to choose an independent supplier, to involve the project office or to get in contact with the COM2 IT organization via the billing & IT department. However had the best solution with the best implementation time at the best price would be selected.

It was common practice at COM2 to use different names for the same project or system which made communication harder because not everyone knew what people exactly meant. The reason for this was that the projects or systems were called differently by teams or in the country they originated from. For example, the order management tool to some was known as 'OM,' others called it 'OHS' – order handling system. In the country in which it was originally implemented, it was named 'Crayfish' and head office talked about 'Minister.'

OHS was in the roll out phase. Two staff members from the customer operations team had been assigned to train the partners. In an internal meeting held on 29th of May 2007, just after I had started to work with COM2, I heard about the training. I decided that I would join the education on the 5th of June to get an idea of the system, its scope as well as how training was performed. While the two coordinators led through the web-based system and explained it, a participant asked if this system was intended to replace the actual main system. The answer was no, but since new sales points were opening soon, all orders would have to be entered into the OHS for all, and this included existing partners, as from the 18th of June. A discussion started and soon it became clear, that additional system features were needed for the different sales channels to enter their orders. The inputs from the discussion were noted and passed on to the project team. The project manager reassured that only some cosmetic changes needed to be implemented. The two coordinators said that they received the task to train the new application, but they did not know how the finished product was going to look like. After a second training with the sales department, the

reactions were similar, the head of sales expressed the impression of a "still fairly unusable" tool. Because there were different opinions over the practical usability of the system, project office escalated the matter to the CEO for a final 'going to market' decision. For the CEO the company could not wait any longer, the sales channels started to open. For him, any corrections to the system could still be made at a later stage and should include practical experience.

After OHS was introduced, it generated some headache to different departments. Customer operations had realized that some 700 customer files got stuck in the system, they did not get the information package by mail. We informed billing & IT, and they rechecked with the project office. The project manager asked, "How many customers do we talk about?" My experience with COM2 was that this was one of the most asked questions in the organization, it was usually placed before starting to search for a solution. To solve the problem of the 700 customer files, customer operations together with billing & IT filtered out the names and addresses and commissioned the back office partner with immediate shipping of the information package.

Customer operations had to fix additional difficulties; our partners had received orders for mobile handsets from retailers without a corresponding contract. The coordinators found out that the reason for this was that the retailers had a different settlement cycle. Furthermore, the coordinators detected fraud cases; customers had picked up more than one handset within a short time and at different retailers. There were credit check rejects pending and orders were executed, but customers did not receive their handset via the postal service. Moreover, there were number portability issues. One problem after the other was solved by customer operations together with internal departments and partners. Accounting lists were compared with operational lists, and the whole process was traced and put on paper to adapt the OHS system. All this was done under time pressure and customer complaints.

The written contracts started to drop in from the retailers and COM2 needed a scanning solution to digitize them. The partners did not have such a system.

Coordinator D. started to search for a solution and found out that we already had a contract with a local company which was subcontracted to another company. Technically we were not able to store the scanned documents directly in our main billing system, finding a storage software was another project. D. came up with a pragmatic approach, the indexing idea. The contracts had a serial number which, together with relevant customer contact data, was stored in a TXT file via a script during OCR (optical character recognition) scanning. When a call centre agent needed contract details, he searched the TXT-file for the name or telephone number of the customer and got the corresponding serial number of the contract. Then he was able to pick the contract with the number. Because until now the contracts were stored after their date of arrival at our partner, they had to be reorganized too (more about this can be found in narrative 2.9).

Internationally, COM2 partners used COM2's database Lotus Notes. Because a call agent needed some skills to find the right information in this system, the duration of a customer call was longer. Customer operations wanted to supply the partners with a fast 'real time' knowledge management system which, at the same time, should improve experienced quality for customers. When this was discussed in a customer operations meeting, the internet coordinator offered to install a knowledge system. He had studied knowledge systems for group use and had already gained some familiarity with it. He was personally interested to be involved in the project. The coordinators agreed that he would develop a model and present the result in future meetings to discuss progress. Within a month, he had talked to billing & IT and external partners, and he had a running prototype ready under a free license. He selected one external partner to discuss practical issues directly because of "flexible and fast feedback" as he told me. Because company policy did not allow internal hosting, he had requested two offers from external suppliers and received approval from the CIO who was willing to take over the hosting costs.

C.1.1.9 COM2 sales and marketing interactions

Ten employees worked for the sales and marketing department. Five members were sales representatives, three employees took care of product management, two looked

after retention and one was responsible for marketing communication and one for web sales and marketing. Each week there was the main sales meeting in which a coordinator from the customer operations department participated to be up on what was planned and what would concern the operations department soon. The sales director was very discreet, he usually briefed his staff about what was going on at the head office and in the management meeting, then a short discussion of issues which had to be addressed followed. Members presented a brief overview of what they were working on. There was no formal protocol, someone of the group jotted down a short action list and made it available on our organization drive. Most of the interaction between sales and operation was solved via direct communication of involved members. Ad hoc meetings were scheduled, and affected group members invited. The round was spontaneously enlarged with additional members either in person or via a telephone conference if a further evaluation was needed. Shortly after I started work for COM2, there was a discussion on the introduction of a form to inform the operations department about planned sales campaigns because the operations team complained about not knowing what was going on and short notice action. The solution was to intensify information exchange between the teams but to not introduce any sort of written form because it was regarded as to static and time-consuming.

C.1.1.10 COM2 billing & IT department, project office

COM2 did not operate a traditional IT department. The department was called billing & IT and staffed with five employees. The CIO had been with the COM2 for some ten years, and he had served in different countries. Furthermore, the CIO had a good knowhow about the infrastructure landscape of COM2 and whom to ask in the group. Initially, billing & IT was part of the finance department, but over time it became an independent unit. The CIO from time to time complained that his department was understaffed, but he would not get any additional positions from the CEO and the CFO for the handling of issues. The CFO in contrary did not understand why things used to go better at billing & IT when they only had three employees and that staff already had been ramped up to five.

The main task of the department was to ensure timely billing to all customers. Cost amendments coming from international customer calls, online time, etc. were extracted from the main billing system with the use of scripts. The produced lists then were checked for their validity by the customer operations coordinators. After the check, billing & IT added the amendments to the customer bills via an interface. The aggregated data was sent to the printing factory abroad and dispatched to customers through postal services. This monthly process was tight on schedule, and high attention was paid to it by all involved teams.

IT projects were not necessarily the duty of billing & IT because COM2 had a project office consolidating the different activities. More about this can be found above under the section 'project management'. Billing & IT acted as the assurance team once a project was operational, but responsibility usually was assigned to the department which requested the project. For example on 26th of September 2007 when the operations director from head office stated that web & self-care systems were owned by customer operations and resources would have to be allocated adequately.

C.1.1.11 COM2 technical department

The technical department counted 23 employees. It mainly consisted of radio planners and network staff as well as engineers who ensured the complete technical operation and network for half a million customers; it was the largest department. The technical department was operating in the way of an army unit. The CTO passed orders to his staff, and he expected everything to work as planned. He had his preferred employees sitting around him, like in a control room. The department was physically separated from the rest of the organization; access was only possible via a personal admission card which was issued by HR. Furthermore, the technical department seemed to go its own way; communication was scarce, no exchange meetings with other departments were held, they literately aired "If something is broken tell us and we fix it." Customer feedback concerning technical issues, e.g. bad reception or roaming problems, had to be reported in opening a ticket in the ARS system. However, often no one replied acceptably, he or she just put their standard

answer into the system. This caused problems for the coordinators to inform customers and partners adequately. Moreover, insisting on an answer often just provoked a very general comment like "We can't comment on every customer who has a problem" or "Soon we will cut over the network and then everything should work without any troubles." Customer operations staff remained sceptic and expressed the concern that customers who complained just initiated tracking a fault by the technical department which the technical department accounted for in the first place. In management meetings, the CTO usually reacted irritated when he was confronted with customer problems which derived from technical faults.

C.1.2.1 COM3 annual reports

The report for 2009 covered 240 pages; the 2010 issue had 245 pages; both include eight pictures. The appearance was very business-like, text and figures heavy. For 2009 COM3 talked about bolstering its 'winning culture' by improving employee motivation and productivity which was done by reinforcing employee motivation, increasing leadership capabilities and continue to implement performance management. The CEO talked about 7 'must win battles'. There was a strong emphasis on cost and cash discipline and a 'relentless focus on efficiency.' The effects of the acquisition of COM2 were only mentioned with a few words, as on page 6 "Revenue was also positively affected by the acquisition of COM2 in November 2008" and page 66 "In COM3, the acquisition of COM2, in particular, and a significant favourable exchange-rate development generated positive growth." On page 67 for the COM3 group the following statement could be read "The gross profit […] is up by 2.4% compared with 2008. The 0.2% decline in gross profit in Nordic Business was more than offset by a 12% increase in COM3." In other words, through buying COM2's country organization, the COM3 group prevented a decline in profit.

The annual review 2010 mentioned two important projects on page 16 "COM3 will revitalise the organisation from the bottom up through the implementation of COM3 2.0, a group-wide behavioural and cultural transformation project aimed at improving performance, productivity and employee satisfaction" as well as "COM3 will carry out a fundamental review of its operating model through COM3 Pro, a

project aimed at increasing efficiency, simplifying production, reducing lead times, strengthening cross-functional collaboration and exploring outsourcing opportunities." These two projects were among the 10 strategic priorities and among the five first which COM3 saw as its "ongoing corporate transformation." Both projects aimed at improving performance, productivity, and efficiency and fostered a high-performance sales culture.

After COM2 was bought by COM3 on the 20th of November 2008, a welcome leaflet was issued to COM2 staff in which three statements about COM3's mission could be found "We delight existing and future customers with the best price performance ratio and a strong customer care," "We expand our position as a strong number two in the fields of fixed network, mobile and internet" and "We generate competition in the telecommunication market through consistently lowering prices and investing in infrastructure." Furthermore, COM3 talked about its infrastructure goals: 30% coverage, 80% planned for 2010, the glass fiber net, mobile network and investments. What also could be found in the second leaflet of the information session of the 8th December 2008 was a clear emphasis on bonus plans for employees.

C.1.2.2 COM3 personal target setting and performance

The targets achievement and performance processes were completed by a development process and called 'performance management & development – cycle.' Table C.7 shows an overview and influence of the processes.

Performance Management & Development - Cycle		
Performance Management - Process		Development - Process
Performance-Assessment (myPerformance)	Target-Review (myTarget)	Development talk (myDevelopment)
▼	▼	▼
Salary increase	Bonus	Development

Appendix C.7: COM3 target setting and review processes (COM3)

The target review process also included the target setting and was held with each employee. It was called myTargets. In order to explain the process, there was a 2-

page process guide for managers and a 12-page booklet on bonus plans. Team managers informed their group members about the dialog and set the respective dates. The annual process was kicked off at the beginning of the year by the HR department. The main process incorporated two sub-processes, target review, and target setting. The form for the target review had to be completed by mid-February and the one for target setting by the end of March. COM3 distinguished two target categories, company objectives, and unit/team/individual targets.

Target setting	Target review
1a) the member of the management team (MT) decides which targets of the category 2 (= unit or team or individual goals) are to be set for his/her unit. 1b) the MT member decides on the process for target setting (e.g. workshops with whole teams or bilateral meetings with individual targets between superior and employee). The process for target finding depends on a high degree from the sub-targets of category 2. When setting individual targets, it is advisable to strongly involve the concerned employee; the following points should be considered: • What is the unit policy concerning category 2 targets? • What are reasonable targets that can be derived from the next higher targets? • Concentrate on key targets! • Clear circumscription of targets (SMART rule) • Clear circumscription of the target achievement fulfilled, not fulfilled, excelled) with clearly measurable criteria. 1c) the superior fills in the target setting form (available under forms A-Z on the intranet) and prepares him/herself for the talk.	The superior and the employee prepare individually for the target conversation, based on last year's filled in target setting form. The form is stored electronically with the executive assistant of the unit or with some other defined person. The original is filed in the employee's personal dossier or in a central dossier at HR. The following points are to be considered: • Target achieving of company targets (category 1) will be communicated through finance department in February and automatically transferred to the payroll for March by C&B. • Target achieving for individual targets (category 2 = unit, team, individual targets) are subject to the evaluation of the unit respectively the direct superior. The target achieving degree is assessed towards the defined criteria on the target achievement form.
2) the superior discusses the proposals with his/her, employee/team. In the case of individual targets, the superior comes to an agreement with the employee/team about one or more targets. Recommendation: not more than 3 individual targets from the target category 2 with at least 10% weighting.	The superior talks with the employee and informs about the target achievement degree.
3) the document which is signed by all parties has to be copied in the respective quantity. The original has to be sent to HR which is filed in the personal dossier. The filled in template will be electronically centrally filed within the unit (executive assistant or to be defined person).	Bonus payment with March payroll.
4) the targets will be reviewed periodically during the target achievement period, and information over the achieved progress is gathered.	
5) In line with the mid-year review (optional), feedback is given on actual target achievement.	

Appendix C.8: COM3 sub-process target setting and target review (COM3)

The company targets were filled into an electronic form. The header showed the weight distribution between company objectives (category 1), 50% and other objectives (category 2), 50% and the target bonus the employee would get should the goals be achieved, for example, 10% of his salary. The company targets were divided into 3 sub-targets and weighted: for example revenue 15%, EBITA 15%, and free cash flow 20%. The other goals were subdivided into unit, team and individual targets. For each of these objectives, there was an area for a detailed description of them, the measure of success and the relevant source. For the COM2 team, I achieved to use a unit target rather than individual sub-targets after some discussion with the COO. The sub-targets were stated as 'target value' which correlates to 100%, a 'floor' which is 95% and a 'top' being 133%. The floor had to be reached to get a payment. However, should the 'top' be achieved, additional payments were payable. There was a target review section where the result was entered as soon as it was published. The 'system' target field showed the calculated achievement in percent and the 'factor' field the pay-out percentage; those fields could not be altered. Additionally, two areas were designated: 'self' in which the employee could enter his perception of achievement and 'superior' which was the view of his boss.

There were two additional processes with particular forms a) myPerformance (deadline January) and b) myDevelopment (deadline February). MyPerformance contained the main duties, criteria for evaluation if they were reached and a rating done by the employee and one done by the superior. Furthermore, there were general criteria to be evaluated: quantity, quality, handling of change, communication, teamwork, leadership (only for managers). Judgment was done by one of 5 possible grades: A, B+, B, B- and C. There was a 4 page FAQ leaflet for an explanation of the process. MyDevelopment was the personal development plan and contained the personal growth goals what, how, who and when. Up to three goals had to be defined and signed by the employee, the superior and the next higher superior, like all the documents in this cycle.

C.1.2.3 COM3 budgeting process and human resources

When the COM2 team was integrated into the COM3 organization, each employee had to sign a COM3 contract. At COM2 the operations employees were called coordinators. COM3's HR department had prepared the new contracts, and a first information round was held with the employees. In this meeting, COM3 called the COM2 operations staff 'managers.' I scheduled a meeting with COM3 HR and every employee of the operations team in order to inform them about the new contractual conditions, regulations and the wage first-hand. Shortly before the first meeting was due I received a phone call from HR informing me, that the function designation 'manager' was wrong, they had made a mistake. The correct designation was 'specialist' which was in line with COM3 staff at the same level. I didn't expect a huge problem due to that misstep because we never really cared about titles at COM2. However, I was wrong, two COM2 employees, when confronted with this change, complained because they hated the function title 'specialist.' They argued that coordinator or manager would match their role much better which they understood to be a generalist. I had to convince them that this was not an issue. There was a further discussion concerning the reward system (see personal target setting at COM3). A team member stated that she was unconvinced about the reward system because it would obviously mean that employees would rather fight against each other than cooperate. The HR representative reacted astonished and said that until now no one complained about having the chance of getting a bonus.

Budgeting was a challenging and endless calculation process. The controlling department kicked off the annual budgeting process around September and sent a lot of information material and budgeting forms via email to the department managers. The schedule was strict to be followed. Unit managers had to calculate their intakes, costs, and needed resources and send the form back to controlling which then aggregated all the department data. Next the so called department budget review meetings were held. In the first review meeting in 2009 it became apparent that the 'bottom up' data aggregation delivered lower figures than that of the actual year. The head controller made clear that he would have problems to submit that budget to senior management. Several department managers raised to speak arguing that the

figures were the direct consequence of cutting costs during the running year and that they were simply not able to achieve more. After the senior management budgeting meeting, the controller came back with a clear message, management rejected the budget and set a fixed target to be achieved. Sales managers complained that the fixed target was unrealistic. One manager contacted me shortly after the meeting and tried to squeeze out more migrations from our unit in order to meet his targets. In the following discussion about migration figures, he said that this was what happened almost every year. He expressed frustration because it was a simple calculation that the planned figures could not be met by the end of the actual year. Thus, the initial point for January would be too low from the beginning and the budget for next year could be fulfilled only by a miracle. This would put everyone under extreme pressure again.

Once the annual target was fixed, sub-targets were defined for the department units. These targets were also relevant for the personal target setting procedure (see personal target setting at COM3). Around midyear, it became apparent that the fixed annual target from management would not be met, the personal targets were at stake. This led to a huge discussion, first in management, then with the employees. During that time of the year, a lot of energy in the organization went into this issue. Finally, management reacted by lowering the annual target.

In August 2009 the sales manager for broadband products realized that his customer intake target for the month was not met, there was a deviation he could not explain thus he investigated and came to a conclusion, that the COM2 migration customers were also a part of his 'new customers target'. No one was aware of this. He was upset and demanded to have all migration plans with details from our unit because he was responsible for the overall intake. I explained to him that I didn't care about that since my team's goal was to migrate as many customers as possible from COM2 to COM3 irrespective the months. The marketing manager replied that he had a personal incentive and that he was eager to reach it. Thus, he would make sure that we complied as well. From that moment on COM3's broadband sales department demanded matching campaigns and started to exert influence on our activities.

C.1.2.4 COM3 project management

In order to support COM2's unit integration into COM3 project 'timber' was launched in December 2008. The project team consisted of COM3 key staff who took responsibility for technical, financial, customer and HR issues as well as a CEO representative. To represent COM2, I was part of the project team too. The task of the team was to report on the status of integration to senior management and to coordinate particular issues in connection with the integration. No one of the team members belonged to the management team of COM3.

On the 5th of May 2009, the integration project was terminated, and the team was dissolved according to the initial plan. The responsibility was passed to the line managers. In the last meeting, all COM3 team members understood the integration as successful and gave positive feedbacks. Even though I valued the project work, I criticized that we had some serious problems unsolved, namely the dimension of system integration. Thus, a successor meeting platform was set up, called the 'COM2 director's meeting.' Being responsible for the COM2 customer base, I was assigned responsibility. Two weeks later, on the 18th of May, the first COM2 director's meeting was held. During the meeting, the IT manager requested an official systems migration project (see section COM3 IT department). In the second meeting of 15th June, two participants came late, and two delegated the attendance to members of their teams, and one participant did not show up at all. This remained the common behaviour for the next meetings. COM2 staff interpreted their behaviour as an expression of not interest.

It was hard to understand who was who in COM3's large departments, the integration project coordinator helped the COM2 team in getting along. COM3 used their intranet for everything, the pay slips and the bimonthly staff magazine was available online only. Employees searched for other employees in the intranet or started processes by searching for the adequate process form. The internal databank revealed names, functions, phone numbers, email, a picture of the responsible and a location information. The heart of the intranet consisted of an extensive collection of forms. Nearly every process was started by some sort of form at COM3. The forms

usually included a checklist for the process, once it had been filled in and send off, it acted as a guideline for what would happen next. If a member of the team was in need of a change in the technical set up or if someone needed access to a system or was about to initiate a project, first the form data bank was searched for key words in the hope to find an appropriate information. Usually, some sort of form was found. However, to be sure that the form was the right one for the intended process, the requester searched for the responsible employee and contacted him or her to verify the procedure. The reply was to start the process first, in the course of action, the responsible would revert if something was unclear or needed further clarification. The forms had to be signed by the requester and the superior, sometimes also by an additional function holder. Depending on the size of the project, more than one manager had to sing off the request which then often was a print copy. Very often there was a discussion on who was allowed to sign a request. COM3 had many specific rules and regulations on how to proceed with a particular request. A mandatory form field was the cost centre number. At COM3 no one would do anything without having received the cost centre account. Several fights on cost allocation and how to proceed in each case were held between the different departments at COM3 and COM2, and it took weeks for progress. As manager for the COM2 customer base, I was forced to schedule meetings to discuss who was to take over what costs. For the way COM2 worked, the COM3 procedures were obstructions. Thus, no one from the COM2 team was keen to start such painful journeys.

C.1.2.5 COM3 sales and marketing
The former COM2 team was split up and integrated into several COM3 departments. Four members have been integrated into marketing, marketing communications, indirect sales and CRM and another four members were assigned to COM3's customer assurance department. Being responsible for COM2's customer base, I participated in bi-weekly sales meetings which lasted the whole afternoon. However, after some meetings, I still could not see much use in my participation because COM3 issues were discussed in great detail, but they did not affect COM2 in any way. Therefore, I agreed with the COO that I would pop in should there be a topic

which concerned COM2. Hence, COM2 presented their activities once a month in the sales meetings.

When the decision to split up the COM2 team was taken, management committed that former COM2 employees who took over their positions at COM3 remained assigned to their COM2 work and being responsible for the COM2 customer base, it was in my competence to use their capacity and knowledge for COM2. This was in the interest of COM3. On the 14th of March, the COM2 product manager told COM2 that he had no time and that he had other work to do and on the 14th of April in the management meeting I was surprised when product management handed in a proposal for price increases concerning COM2 products. No one in the COM2 team knew about this. On the 5th of May, COM3 product management changed the COM2 broadband hardware delivered to our customers because our hardware was not supported thorough the IT department at COM3. COM2 was briefly informed about this move via a short email. On the 14th of May 2009, the director of indirect sales requested the contacts of our external partners. The specialist for indirect sales projects, a former COM2 employee, stated at a marketing meeting on the 20th of May that he would not execute any COM2 plans because he was in charge of COM3 projects. On the 30th of May, the CRM team forced us to change partner data delivery to a weekly frequency because this was the way COM3 delivered data. On the 2nd of June, the customer assurance manager informed meeting participants that the opening hours of COM2's customer service were aligned to the COM3 opening hours which meant a decline in service for COM2 customers. On the 12th of June at a meeting with one of COM2's partners, the COM2 team was informed that COM3 had contacted them in order to reserve capacity for their business. The COO was afraid of losing customers to the competition; he did not trust our churn figures. Thus, he contacted the COM3 customer director via email on 1st of July. The email answer from the customer department was an action list proposal; the COM2 team was copied in. Hence we took notice. At a meeting one week later, the customer director insisted on our reporting to look the same as the COM3 reporting. This was the start of a discussion which lasted several months and centred around different opinions on which figures would be the correct ones and how they would have to be

calculated. This issue triggered further data warehouse projects. However, the COM2 specialists were not able to book costs generated from customer campaigns to the cost centres because that was a management task at COM3. I had to request a special permission with the head controller for the COM2 team.

In June, the COM2 team was contacted by market communication because they were in need of a communication plan covering all activities until the end of 2009. The market communication manager insisted on budgeting every communication activity. I was able to calm down the market communication manager in reassuring her that they would not have to fear any costs from our side and that COM2 would not affect their planning because COM2 had a global marketing budget. On the 14th of July, the specialist in the market communication department told the COM2 team, that he could not handle COM2 requests because he was assigned more work due to the dissolving of the sponsoring team at COM3.

C.1.2.6 COM3 IT department

When the integration of COM2 started, a project team accompanied the process from December 2008 until the beginning of May 2009 with the aim of 'stabilizing' that period. This was affirmed through the management of COM3 at the second information meeting on 2nd of December 2008. One part of the process was working on a succession plan for the COM2 systems. The core & VAS engineering manager at COM3 was responsible for this in the project; he reported to the network department, and he took over the COM2 technical staff. The COM2 billing & IT staff was assigned to the IT department reporting to the manager of IT solution delivery. Our contact during the whole time at COM3 was the IT manager who reported to the core & VAS engineering manager in the project and after dissolving the project to the IT solution delivery manager. This organizational change invoked some additional COM3 IT managers who wanted an explanation what was going on. According to the meeting agenda for the project in April 2009 a decision on the technical migration was due, but it was not clear who was in charge of this. The IT manager claimed that she was expecting a proposal from our team. At the 24th of April project meeting, I made clear that we did not know the technical landscape at

COM3 and that we rather expected a system proposal from IT. Because we were supposed to move out of the COM2 system by the end of the year, we decided on a prolongation of the systems contract with the parent company of COM2 by one year. First, the COM2data warehouse had to be matched with COM3, but the CRM team stated that this was not possible. Later some reports were integrated into the finance department. However, I did not receive access to them and had to request it fromaly from the main controller. At the same time, the CRM team at COM3 placed requirements for the system, but we were only informed in the IT meeting of the 8th of May from the IT manager. On the 18th of June, the COO said in the management meeting, that he wanted to copy existing higher revenue mobile rate plans to "whatever system" and keep COM2 customers on the COM2 system until switch-off which would force the rest to migrate. On the 19th of June, the IT manager told us that she preferred the SUB3 system because the COM3 main billing system was inflexible and had very long lead times for change requests. However, now that she had heard about the SUB3 system to be very fragile the SUB3 team probably needed a new solution. On the management meeting of the 23rd of June, I heard that COM3's main billing system had instability problems due to heavy load, no one told us something even though we were migrating a lot of customers at that time and which might have caused the issues. On the 20th of July, the COM2 team attended two important meetings, the IT technical migration meeting, and the COM2 directors meeting. In the first meeting, it was disclosed that SUB3 had decided to migrate to a formerly evaluated system, but IT did not recommend it for COM2. In the directors meeting, I made clear that despite the fact that SUB3 had decided to go for a new system, which we just heard of, the evaluation for a COM2 solution was still ongoing, however now with a focus on the in-house system. IT focused on the main COM3 system again and had handed in a main project fast track change request; it was prioritized number 3 on the list which contained 128 change requests. Because no one on the IT project prioritizing meeting saw or understood the urgency of the COM2 project, our fast track change request was moved to number 67 on the 4th of August. I had to intervene with management about this, and I had to take part at the next IT prioritizing meeting, which I did not know existed until then, to explain the rationale behind our change request. The room was completely overcrowded with

people sitting and standing everywhere and I was told that if a requester did not participate in that meeting the change request was not seen important enough from IT and would be down scheduled in priority. The meeting consisted of someone from IT proclaimed the next change request from the list and the respective requester just had to answer "here, that is important…" and give further explanations if needed.

On the 4th of September, the IT manager asked in an email if COM2 intended to develop their products in the future or if the intention was to operate in a limited 'must have' configuration. In the same email, she communicated that SUB3s newly evaluated system was not an appropriate solution for COM2 as she became convinced during a system demonstration. However, SUB3 would receive priority for connecting the system to the data warehouse. On the 11th of September I proposed a future strategy to the COO (see narrative 3.7), and in the budgeting workshop of the 23rd of September, I was asked to describe the technical migration scenario which was needed for budgeting the year 2010. On the evening of the 1st of October, I was just at the airport; I received a call from my assistant. She had analyzed the emails and issues around the technical migration and proposed to stay with the COM2 system. I thought about it; we shortly discussed the implications, I agreed and then I called the IT manager right away to consider that option. She was not pleased with it and told me that this was definitely not a choice, the system was due to be finally switched off at the end of the year. I told her that COM3 should consider buying the system from COM2. After a few days, she called me, she had come around and voted for the same solution now. She contacted the purchasing department in order to start preparations. On the 9th October the COO sent an explaining email in which he stated that we would first try to migrate customers to COM3 or SUB3 without any new system, then we would migrate mobile only customers to SUB3 and customers with call/internet products to COM3. Ten days later in the directors meeting I made clear that we would not change things and further migrate to COM3. On the 16th of October, the project coordinator of COM3's customer operations together with the head of system architecture wrote a very technical and cost driven email stating that COM3's main system would technically allow everything and COM2 could be developed to a sub-brand as was SUB3. At a

subsequent meeting, no one from management or SUB3 attended. In the management meeting of the 24th of November, the CIO supported our proposal to buy the COM2 system. On the 8th of January 2010, COM3 started negotiations with COM2's mother company under the lead of COM3's head purchaser. After three meetings the system was bought. However, the IT manager made clear to the COM2 team that this system was a phase-out model and no one would be servicing it because no one knew how to do it. For SUB3 go live of their new system was on the 10th of May 2010, the payment and collection part was executed with COM3's main system.

C.2.1 Narrative 2.1 – COM2 some personal notes

When I started my work for COM2 I experienced the organization as being chaotic, so much was going on. An excess of information coming from the meetings, the many partners, different systems and projects was spilling over me. I felt uncomfortable, and I felt pressure because it was not clear to me what I was observing. COM2 had the habit of conducting significant numbers of meetings in different compositions. Usually, they used to be short, never longer than an hour. Over the next several months, I got habituated to the way of working at COM2. Employees had a pragmatic way of doing things, and I observed, that they behaved very open and helpful and they took an interest in everyday issues, whatever hit them. A company habit was that employees invited their colleagues for a drink on their birthday, small parties were regular events. For example, end of April 2008 one of the receptionists just walked through the premises inviting everyone to come to the kitchen and take a piece of the huge birthday cake which her father who was a pastry baker had specially baked. He just delivered the cake himself, everyone including the CEO attended. But parties were also held outside, at the lakeside and in bars. During European football championship 2008, a TV evening was organized by our technical colleagues and the grill was fired up. We also celebrated the new terrace and inaugurated it with a summertime barbecue. One morning in June 2008 the company lawyer jumped through the corridors and shouted "Champagne for all!" because he had won a long legal battle with the incumbent. In the customer operations department, I introduced what was to become the 'almost legendary Friday afternoon operations apéro.' During an aperitif in the bar, for approx. half an hour, operations department staff exchanged what happened during the week, the

plans for the weekend people had and a short outlook for the week to come. We nearly always were joined by colleagues from other departments including the CEO for a short chat and some information exchange. Even though work was challenging and so much happened, I would describe the atmosphere as something special, as comfortable and as one of a big friendly family. In November of 2008, a few days before the organization moved to COM3, I was invited to lunch by the operations team. I was donated an Oscar statuette engraved with a personal acknowledgement and a team picture they had taken at a photo studio to commemorate our teamwork. I found people's attitudes at COM2 open, sincere and self-conscious.

C.2.2 Narrative 2.2 – COM2 vague strategies and a big family

In fall 2007 operation managers from all countries met. The director of customer operations opened the meeting and talked about the focus areas of 2007, contact simplicity for customers, customer awareness, and self-service. For 2008 focusing on quality, value and cost control would be appreciated.

As guest speaker, the CEO appeared. He was always casually dressed. For most of the time of his speech, he was sitting on the table. He talked about broadband "It is somehow difficult, there are some changes and a realignment to be expected but the strategy is vague and a balancing act, however, it will surely become more concrete. Fixed wire communication has no future but mobile looks promising. We observe a consolidation in the industry but the next generation network is on the horizon and cable operators become a greater thread. We have a strong brand recognition and will further establish our price proposition and mission: price leading and easy to use communication services." The CEO stated that becoming bigger would "see more control but needed a balance of control versus creativity." He further vouched for using synergies between countries and be cost conscious. Then he talked shortly about return on capital employed (ROCE), EBITDA target, capital and operational expenditure in relation to earnings. The company would further operate in the consumer, business and carrier segments and he mentioned the market share he wanted to achieve with mobile and broadband. For the future he wanted us to start talking about quality in mainly mature markets and to consider that his 5-year 'goals' would be "price leadership," "quality = customer satisfaction" and "employee

satisfaction." He emphasized that it was important to measure employee satisfaction once a year.

In the early evening, we all met in front of the hotel and went for a guided one-hour city walk and then enjoyed an excellent meal and friendly exchange. It felt like in a big family reunion without actually knowing the family members up until now. There was a lot of chatting , getting to know each other and asking about local products and what solutions were used. People were keen and eagerly interested, and they had a lot of stories to tell. I found out that in every country the company had a different size and thus a different market position, from small to incumbent and the markets ranged from 'new entrance' to 'mature.' The country organizations offered different products, from mobile only to the complete network range and they served different market segments through various sales and service channels, online, call centres and also own shops.

The next day was a presentation day for operation managers from various country organizations: One manager shared his experience on how the unit was struggling in quickly building a customer service in order to keep track with the fast growing number of mobile clients. Another manager gave a demonstration of the new chat bot for an online FAQ integration. One manager showed a first prototype solution for tracing emails, letters, monitoring and history which was to be introduced and other country manager tested an email OCR recognition system.

The responsible for customer web self-care at the head office told the attendees that web self-care would be owned by operations and thus resources should be allocated from the operating department. The director of customer operations talked about customer satisfaction and the disposition code system which was central to understanding customer issues and that she would like to align such codes for the different countries and thus proposed a customer focus group. Then all discussed how to identify areas where cost savings could be realized in order to keep the price leading mission of COM2.

The last presentation came from the COM2 subsidiary company which operated call centres in many countries were COM2 was active. They gave an overview of staff training initiatives and showed the new price plan model called "customer / errand model" developed for better customer satisfaction at lower costs. It was due to be tested in an eastern county organization for the next 3 months.

Between the presentations, I talked to a country operations manager about the OCR scanning solution which looked promising. The tracing technique presented by a country representative looked fascinating for our unit; we agreed to further exchange and eventually also pay a local visit. The manager for an eastern country organization wanted to know from me how we had implemented a technical solution for prepaid. I just shot my colleague at home an email to send her the appropriate documents and to offer help. In the evening we went for a dinner. The director wanted a picture of us all, so we made a group photo. Later most meeting participants met at the hotel bar to get to know each other.

When I returned to my office the next day, my colleague had already sent the material and received a big thank you back from abroad. Because my colleague was working on a post-paid product script, she took the change and asked for such a paper in the same mail, and she received the scripts in return from them. She commented to me "Now that's cool you got some contacts, let's get to know those folks and exchange, this way I don't have to do everything from scratch."

C.2.3 Narrative 2.3 – COM2 sensing the temperature, dispo codes
The main tool for collecting and reporting issues was the transactional disposition code which every country organization used to capture customer transactions. When customers called in or when back office work was performed, each transaction was assigned a code in the central billing system. The codes themselves were programmed into the system and could be selected by the operator via a drop down menu. The agent selected a code based on his knowledge and conscience. The codes were the same for all partners and had to be delivered to COM2 operations within the first three days of the successive month in an excel list. At COM2 operations, the

lists were assembled into one main excel list for the country and immediately forwarded to head office. The list was the main topic of the monthly 'TOP10' product meetings in which issues were discussed and solutions implemented. Moreover, the list was discussed at management meetings including intended action.

The dispositions list comprised 4 levels: level 1 was the product concerned, level 2 covered 7 main areas of interaction which were the same for every product but could extend if specific product areas were needed. Level 3 focused on issues, and level 4 revealed details of the respective issues. The codes were assigned by agents in a cascaded form when working on the case. The complete list comprised some 432 codes. The table below shows the structure of the coding. It also illustrates that the table itself was exposed to continuous change. At the monthly operational meetings with partners the codes were re-evaluated, new codes were added based on agent feedback and codes which seemed obsolete were crossed out on the list. The changing number of disposition codes per product and area of action per month was what was the relevant part of the list. Changes in customer behaviour, i.e. interest in new products, more contract terminations, problems with invoices or logistics became immediately visible.

Total dispo codes	
Level 1	**Fixnet**
Level 1	**ADSL Privat**
Level 1	**Dial-up**
Level 1	**Mobile Privat Postpaid**
Level 2	**(1) Anmeldung für Neukunden**
Level 2	**(2) Anfragen (nicht existierende Kunden)**
Level 2	**(3) Up and x-sales**
Level 2	**(4) COM2 Produkte**
Level 2	**(5) Rechnungen und Zahlungen**
Level 2	**(6) Technische Fragen**
Level 2	**(7) Kundenadministration**
Level 3	PIN / PUK vergessen / verloren
Level 3	Mobilegerät/SIM gestohlen/verloren/ nicht erhalten
Level 3	Daten Änderungen
Level 3	Roaming Informationen / aktivieren-deaktivieren
Level 3	Sperren ein- / ausschalten
Level 3	Mobilegeräte-spezifische Probleme
Level 3	~~Mobile defekt~~
Level 3	~~Anruf aufgrund Callback-Karte~~

Level 3	~~Mobile rejected~~
Level 3	~~SIM/Mobile nicht erhalten~~
Level 3	~~Penalty Reklamation~~
Level 3	~~verspätete Lieferung~~
Level 3	Retention
Level 4	~~erfolgreich~~
Level 4	~~Kündigung~~

Appendix C.9: COM2 disposition code table level 1 to 4 incl. corrections

The monthly dispo code list sensed the temperature on customer issues. At the same time, it was the base for operational focus and action. It was simple but powerful at steering operations and at setting core areas of management attention. With the dispatch of the list to headquarter, an overall picture of issues became available to management. The list acted as a driver for action within the whole organization.

The disposition codes were different for every country organization. It was an aim from head office, to unify the codes in 2008 in order to better compare the markets. However, the codes emerged from local action. What started as a copy from another country organization changed over time because it was adapted to the local market. Due to market differences, central coordination work was more of a consolidation than a change.

Another important task of the list was to easily show where an increase in costs came from. Customer issues were directly linked to organizational costs. Issues were detected in the 'TOP10' monthly meetings and became the main focus of action. For example, in June 2007 the list showed increasing customer complaints about broadband routers which triggered an investigation from the product manager leading to an exchange of some thousand faulty devices. Partners (and thus customers) and finance were informed adequately.

C.2.4 Narrative 2.4 – COM2 strategizing at 161

I very often went for lunch with the customer operations main process coordinator, D. Our preferred location was just next to the company building, a small Italian restaurant called after the house number in which it was located, 161, uno-sei-uno. We ordered at the entrance, paid, moved to our small table next to the window. D. sat

down, grabbed her tobacco and paper and started to roll a cigarette; we were already in an inspiring discussion when she usually just addressed someone sitting at a table next to us for a light. We both referred to those 'sessions' as strategy 161. D. told me what was discussed in the different meetings and projects she attended and what happened so far in her projects. But we also talked about people, and why they might have behaved the way they did in that meeting or discussion. I could really trust her. Thus, I told her what was in the pipeline quite early in order that she was able to align her thoughts but also that she could raise issues she sensed. She just saw the point immediately. Usually, she knew things before other staff came to know, that made her a reliable partner. Furthermore, D. had a strong sense of justice; she expressed dissatisfaction with employees not caring about their job or the company. Sometimes other members of our team or even the CEO joined us. We also met with people from our main call centre partner who was located in the same building, sat together and discussed things at 161. But we also talked about private things, and we used to laugh a lot about many things. Once she started "I have bent the handlebar of my bicycle this morning when cycling to work." I asked what had happened, she said "I couldn't brake fast enough and collided with a car but besides the handlebar nothing broken!" that was D.'s usual temper.

C.2.5 Narrative 2.5 – COM2 working with the outsourced partners
The main work for customer operations was to ensure a smooth and efficient customer service. COM2 worked with outsourced partners, and most of the transactions were contracted. However, intensive contact with our partners was of high importance, and I met the five partners regularly, some on a weekly base and others once per month or bimonthly. All our partners, with the exception of the forward logistics partner, were SMEs. Almost always the main operations coordinator D. joined the meetings and very often other members of our team attended too. This generated a personal atmosphere between COM2 and the partners which was intended and allowed for an unbureaucratic and pragmatic teamwork. The meetings usually were split into two parts, a 'practical' part in which we listened to customer calls and talked to agents who told us what they experienced in daily customer contacts and a subsequent discussion with the responsible supervisors and

coordinators. The partners CEO always attended our meetings or at least a part of it in which we exchanged information about efficiency, workload, and costs very openly. D. usually summarized what we called action points and sent them to everyone involved, including the partners CEO right from the meeting. Sometimes after the meeting, we went for a casual lunch. Usually, the next morning we already started to receive feedback form partners concerning the action points. For example, in June 2008 agents reported that the customers were complaining about wrongly invoiced surcharges, I was able to listen to such a call myself. We discussed the issue right in the meeting, and D. called our office to check the surcharge adjustments for that month with the responsible coordinator. Half an hour later the coordinator called back and reported that the specific adjustments were indeed wrongly calculated and that some 350 customers were involved. However, a correction was already initiated for the next invoice. Our partners immediately informed their agents to pass this information to affected customers who called in.

Partner meetings were partly formal when other staff of our partners joined but often they had an informal part as well, one CEO referred to that part as "between you and me deals." Those 'deals' concerned issues not covered in the main contract and which should pave the way for future cooperation. For example, when discussing digitalization, that partner agreed to take over responsibility for data scanning independently of our company relation because he assessed that part as being critical for the success of his organization. By word of mouth, we decided that he would conduct a project on his costs and become a future technology partner.

C.2.6 Narrative 2.6 – COM2 daily activities

I asked the main operations coordinator on my team to note all her daily activities in order to get an impression of how her work was arranged. I received the following list covering three consecutive days. I have assigned a category to each activity.

Time	Item	Category
2nd September 2009		
0800-0945	solving IT problems	technology
	go through mailbox	information
	overfly emails, order them, mark	information
	update absence list	team
	information ‚email to all'	communication
0945-1015	check and clarify internal mail	communication
1015-1105	study business unit review COM2 and take down questions	information
1105-1116	searched for system requirements and sent to MT	technology
1118-1145	FTP server task SK	technology
1230-1330	update on FTP SK	technology
1330-1345	Email SK, document check	communication
1345-1430	revise direct marketing campaign postpaid	teamwork
1430-1530	update continuation	technology
	partner key points factor analysis	team/partner
	scope technical migration	technology
	directors meeting minutes	information
1530-1620	FTP cross sale accounting	information
3rd September 2009		
0812-0816	going through email	information
0816-0955	requirements system and tech migration comparison	technology
1000-1100	meeting technical migration	meeting/technology
1100-1200	requirements system and tech migration comparison	technology
1200-1210	email archiving	organization
1240-1306	system update	technology
1310-1330	retention inbound partner	customer/partner
1330-1430	meeting MT requirements technical migration	meeting/technology
1430-1442	COM2 reporting request	communication
1445-1455	new CRM coordination system	technology
1455-1515	technical requirements	technology
1515-1540	email clean up	organization
1540-1550	disposition codes	information
1550-1615	mobile strategy	teamwork
4th September 2009		
0850-0900	going over email and mail SP due to system settle	information/technology
0900-0930	coffee and information exchange with customer director	communication
0930-1000	activity meeting	partner
1000-1015	new cross selling figures	customer/partner
1030-1100	setup laptop, mapping g drive, install billing system	technology
1100-1115	change scripts to get cross sale and complaint data	technology
1115-1145	quality: disposition codes and agent complaints	partner/technology
1215-1419	analysis of mobile churn figures and porting cases	customer/partner
1430-1640	analysis partner monthly billing, cross sale, system query	partner
1640-1704	summary to head of operations	communication

Appendix C.10: COM2 daily activities

The coordinator spent 42% of her time connected to information, communication, meetings, and teamwork and used 23% for partner/customer exchange. 32% was reserved for technology and only 3% of her time was used on organizational matters. In other words, 2/3 of the time was assigned to information exchange and 1/3 to technology matters. There were a variety of tasks which covered a broad spectrum of

topics within different organizational hierarchies. Thus, we rather see an agenda of a generalist than that of a specialist (even though the activates were noted when COM2 already operated as part of COM3).

C.2.7 Narrative 2.7 – COM2 Ms gut feeling

In May 2008 one of the coordinators requested a personal call with me. I was a little surprised because usually, we exchanged on the fly. I quickly reserved some time, and we met in the adjacent meeting room. M. told me that she had just been contacted by her former boss offering her a new job with the competition. She really wanted to have her because she offered a lot more remuneration. We talked for nearly two hours, but the talk was not about what COM2 would do to hold her back, e.g. probably higher her wage. It was about how she felt with our organization and that she really enjoyed the atmosphere, the colleagues, the work, the daily changes and challenges and the good humour the team always expressed. I told her that it was entirely up to her to decide and that I wouldn't oppose at all in helping her to get her new job if she was really convinced because this was a unique chance for her. We spoke about what makes a job interesting and she told me that it was stability which was very important for her. I said that she might very well take her time in deciding and that no one would get to know anything. She preferred to make things clear fast. We agreed to sleep over the matter and that she would inform me about her decision the next day. The next morning she came to my desk and said to me "My head said yes right from the beginning but my gut feeling said that this was the best place to be for me, among those colleagues, I rejected the offer." I felt relieved on that day. I recalled that conversation on December the 8th 2008 when I entered the COM3 building with my team for the first time to attend the second information session about what was to happen with us all in the new organization. In the lobby, I called M. and said to her "Remember? Now you're here without even changing your job, what a coincidence" and she replied, "Yes I am, but I am here together with all of the team and that's the difference!"

C.2.8 Narrative 2.8 – COM2 Ds briefing within the team

To keep things moving we had to make sure to stay up-to-date, especially if someone left for a holiday. We often exchanged task lists in written. Following is a briefing from the main operations coordinator, it was written on 3rd of October 2008:

Hey, before I leave for my holiday an actual state of affairs:

e-Archive:
Info about new web-access communicated (Info tool). Info about a new access for contracts which is soon available communicated (Info tool). Info that we are uploading but NO recall possible yet. If uploaded, in a first step we open up for back office (Info tool). Responsible company is checking why upload did not work. Have loaded two zip files from the backlog, however, transfer into the archive doesn't work yet. Should be ok when I am back, though. C will receive instruction on how he has to do it in the future. FAQs for finding contracts adapted (Info tool). P has sent me a TT (trouble ticket), can't find it at the moment, in which he asks questions about how central billing has to mass convert. I will see to it when I am back. I think that until the end of October the backlog on the archive is cleared and the daily process should be initiated. Will clarify conversion of verbal contracts with P as a next phase of the project. Request for a new index file from a partner, likewise next step of the project.

System M:
The process is put on and being tested. Porthandler: credit check will be initiated. G must enter the prepaid porting > if the scripts work we are able to test the communication towards data entry. Scripts requested from P; I don't expect that they will arrive today. Hope ready when I am back, then we can jump off. C informed and according to feedback ok.

F (marketing):
Should he run out of work: upgrade confirmation (mobile) according to contract prolongation confirmation. Create new job. Porting form: perhaps new job based on the job which is generated out of system M with integrated customer data? Update billing system notes documentation: cancel jobs and bring up to date.

Retention:
H shall amend those damn scripts including FAQs! Meeting scheduled after holidays. Overview to be found on Info tool. Overview over quality measurement instruments G:\CC\PROJECTS quality measurements. J and G informed about intended immediate retention inbound.

Miscellaneous:
Feedback from a partner about Christmas IVR still open. Strategy quality A and B score to be discussed: idea, take both together and present to our partners as feedback (in monthly meeting, quality circle or roundtable). Extension of the roundtable to be discussed, content, superordinated to products…M should check with H that my Visio processes can be integrated. According to H no problem, make sure they stick around it. Must make time for documenting the A processes, after the holiday ;-) Sales drive must be unlocked. A shall send us the apparently documented processes and contact data, just in case…

Outlook:
Preparing process presentation, meeting with a partner, at best include monthly meeting. Documentation A processes.

Appendix C.11: COM2 typical briefing notes

I will work off emails now. In the case of emergencies (haha) reachable on mobile. I hope to build up a healthy distance to the whole, not to unnecessarily annoy me. Have a nice week.

I had a personal agreement with D. that she could contact me anytime on my mobile in order to discuss important issues and get my opinion on the matter when I was away.

C.2.9 Narrative 2.9 – COM2 Ds stories that have accompanied me
I asked D. to take some notes on what was happening during her daily activity and how she was doing. When COM3 officially took over COM2's local organization in December 2008, she handed me over the following essay. The original paper is written in German.

After the official take over meeting which took place at the end of November and the end of the local COM2 organization as part of an international corporation, I wrote the last pages of my diary. I went through my personal notes and paradoxically they started at the same time I began working for COM2. A good moment to look back and to write down COM2 stories. When I think back, emotions overwhelm me. I have to laugh because humour accompanied that time and this is one of the best signs for me. Tasks that make one laugh, enrich a team, a community immensely. Maybe that is possible because of an environment without a strategy enabling just everything. Sometimes out of wrong decisions mistakes arise which then have to be corrected somehow. This makes everything very human and the awareness for the ordinary, the day-to-day routine is refined. The reality and the extemporaneous mastering of many different and not always ideal coincidences reveal that there is a human being behind everything. People must stand separated from the description of organizational stories. It is about capturing processes, systems, context and finally also about decisions of makers who are part of this all. The psychological dimension of such an entity, and in view of COM3 I must add small-minded, is huge and maybe it is just this dimension becoming more intensive and important because overviewing the whole also means capturing and categorizing the people behind it. Sympathy and antipathy have a lot of potential in gaining weight when only a few are involved. Jet,

this just makes everything enthralling. In my opinion, this, among other, is reason enough to recognize the value of the documentation. For me because I fancy academic work too and for you. I want to write in a style that allows insight to non-adepts. I think this allows me to achieve better objectiveness, describe more precisely and lastly recognize my own faults. Stories that have accompanied me.

It was on my fist day after returning from the product training session. Actually, that could not possibly be called training, during the whole lesson I put my main attention towards correcting the training documents. Content, yes can be learned but methodology and documentation were just disastrous. The folder, forgotten, lying in a cupboard, never updated or restructured, priority low. Changing how information is stored and communicated reinstates the importance of the content. Of course, I should have taken action immediately, but the idea only created wistful head nodding and ignoring.

I visited our call centre. Sitting next to the team leader, I listened to a live call et voilà, I was just confronted with my first project. We didn't have a credit limit for business customers. Ironically just the week before I was instructed to send our FAQs[14] covering credit limits to a COM2 local organization abroad. Well, where do I find them? In our one and only Lotus Notes knowledge databank. Ok, and where exactly? No idea, just search. Ok, search function? None? Ok. After an extensive search, I found nothing, nothing exists. Only a forwarded email and nota bene the one from the previous job to inform the abroad country organization containing 5 cues: all mobile customers CHF 600, how many customers are affected and two 'yes' and one 'no' to a question.

A business customer lost his nerves because he unexpectedly didn't get any incoming calls anymore although paying invoices of CHF 2'000 per month. He could not make any calls anymore too, essential for his business, I think. What do we do

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[14] This term is used in the telecom business for most frequently asked customer questions but also misused as a label for directions for actions in systems, processes, responsibilities, dusty emails, scripts, tables and overviews. How we reintroduced order here is another story…

with him now? He has to pay at least an installment[15]. Ouch. Together with credit control, I started to define guidelines. Many thanks from the email recipient. Of course, the early warning SMS is essential, not to say market standard.

An idea was born, a process provided orientation, a knowledge databank structure provided orientation. Shortly after our move, the idea was addressed in the aquarium[16]. It took one year until the implementation became specific and the benefit noticeable. Unfortunately even today the credit limit process is not implemented. Why those delays? Why so slow? Did informality prevent implementation?

For the credit limit process, meetings have been called, responsible for finance, product management and IT (then still called billing) were consulted. According to the manager no problem, the SMS send out mechanism can be triggered through parameters and queries from the billing system. Fine. I discussed with the product manager what influence the billing cycles would have on this? What influence the customer's payment morale would have when adding up the appropriate amount from un-invoiced calls with the still unpaid amount? What if we would inform the customer via SMS based on the second reminder about being suspended before he actually *is* suspended? A process by the way which was incidentally implemented and customer care had to deliver the SMS texts urgently. What gets in the way of the process and how? A complicated formula was developed in order to simulate customer behaviour and possible outcomes in different customer categories (which belongs to an integrated billing system, but that for another chapter). Finance didn't want it. First reason: the credit limit should not be officially valid (GTCs?). And why for mobile customers only? Because customers shouldn't know that, they could actually set their own limits. The invoicing problem, no real time accounting, INA- and roaming is accounted weekly. Thus, an amount can suddenly exceed the credit limit, and COM2 cannot be held responsible. Ultimately this is also no limit for an own safeguard. And certainly, fear from high losses through so-called Hamster-

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[15] VV COMs first official act was the introduction of reactivation of such customers in the inbound call centre procedure. With much joy this was introduced in the shortest of time despite resistance and trials of prevention from Credit Control. Thank you, it was a pleasure!
[16] COM2's new meeting room with glass walls

kunden[17] and other blacklist candidates. Also, the possibility that customers would be freed from the limit under certain prospects didn't help the project's success. An immediate reactivation of clients in the inbound call centre line was also not desired, to high the fear of misuse, money first, an installment. Yes, just the conventional way without a chance for the customer. Resigned I quit. Have put finance in the driver seat, however, they didn't prioritize this very high, with the prospect of implementing System C[18] everything became irrelevant anyway and postponed to later. We don't have any mobile business customers, and we also don't want any.

When I visited the data entry department of the same call centre, I noticed that the mobile contracts are piled on windowsills. Organized? Yes, according to the date of receipt (!). So why are those contracts not being scanned? Well, that should be the case soon, the responsible from COM2 communication and process management has programmed settings into the scanner. And what happened with them so far? The contracts are stored in the archive, if we need one we just hike the long way to them and invoice a time tracked effort. And why are fixed network contracts being scanned right now? Capas[19] is unable to handle other contracts; the incumbent isn't allowed to see our mobile contracts. How was the incumbent able to "see" them? For a long time, this question remained unanswered even though the answer would have been easy, they couldn't see them if the systems settings were configured accordingly, but that's another story[20]. Someone from COM2 is working on the case, that is positive, I will ask there. Yes, all forms have been checked and are scannable. The scanner is from a former local company which was sold to a foreign firm. Our contract still refers to the old company. However, the contacts are abroad. The software is called SF and exists of a recognition and a corrector application. But I anticipate because this was not even roughly clear to me at that point in time. The

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[17] customers grabbing mobile phones at different selling locations during a very short period of time

[18] new billing system of COM2

[19] Capas system for inter carrier handling of relevant network data

[20] When scanning fixed network and ADSL contracts an index file is generated, the same as when verbal contracts are concluded (TPVs). This xls-file contains personal customer data. It is loaded into Capas by storing it into a folder, manually. Capas is only responsible for loading missing data from the billing system. The generated additional file is delivered to the incumbent via email, the answer arrives back via email as well. Capas stores this data and the respective contract scans. Verbal contract files (TPVs) are being delivered via CD and stored separately.

only person knowing it but not telling anything, because I had not specifically asked for it, knew as well how to modify the software and how to create new settings. But he, unfortunately, didn't tell anyone. Apparently, all mobile contracts and they existed in any desired variation, as a standard was not known then, had been already prepared in the scanning solution and ready. Months later I wasn't able to find any appropriate configurations. And when does the project proceed? Unfortunately, we were reliant on a decision from head office if a centralized solution for all COM2 countries or local projects would be favoured. Thus, allowing us to spend any money for it. It was made clear to me that my questions were annoying because of a) the project was ready b) the forms were prepared and c) everyone was waiting for the go from head office. At that point in time, unfortunately, I did not realize, and apparently, nobody else did, that archiving the scanned contracts was not regulated either. As of Q4 the process manager left the company and there was no successor. His work remained undocumented. Thus, the only know-how inside the organization to configure the scanner software was lost. This had unimagined consequences for the progress of the project. Due to controlling reasons no one responsible for the scanning at the partner site was instructed how to make use of the software, they only knew the five steps needed for scanning a document, and they didn't make any arrangements for presenting an own solution, welcome to the 90's! The pile on the windowsills grew and the explosive opening of new retailers, as well as the rise of sales, perfected the chaos. Searching for contracts didn't just become easier, sorting contracts according to the date of receipt didn't turn out to be very efficient due to the fact that sales points sent them in weekly. After a longer period of complaining, they started to rearrange sorting into an alphabetical order which was a great initiative. Our department had no option than taking more intensive care of the situation. We asked for a meeting with the billing department. Obviously glad to let disappear the IT part and thus only taking an advisory role (note: the dropped out process manager was subordinated to the billing and IT department) they behaved highly cooperative, helpful and incredibly far-sighted. A promising meeting with a corporate IT partner was called for. The E-archive[21] solution was introduced rough-and-ready exemplarily explaining the neighbour country case. A lot of talking about

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[21] The E-archive at that point was used to archive invoices in order for agents to be able to print exact copies of already sent customer invoices.

indexing and search criteria etc. until my last and most important question, who is scanning? Well, don't you have a scanning partner? No, obviously we are just searching for one. Sorry guys, we will revert, but apparently, we must clear the decks here first, shit! Now it was clear that the scanning project actually existed of two projects, a scanning project, and an archiving project. I should have realized it earlier, but for some reason I assumed that this was one system scanning, transferring and archiving. Today this instrument is called workflow tool or P-tool or LG-tool and offered by our most important partner.

Ironically I was handed over the original maintenance agreement when we held one of the first meetings concerning the urgency of a scanning solution with our partner. Unaware of its content I took that paper with me. Back to square one and searching for a scanning partner, fortunately, I remembered, sought and found it. The agreement had been negotiated with the aforementioned company and days after my email to them; I received an answer which forwarded me to a company abroad.

May I introduce our competent counterpart, an insanely complicated personality. I was able to formulate my request at least partially: I WANT TO SCAN THOSE DAMN CONTRACTS! Tell me (well already after the first email we called each other "du") tell me how to reposition those damn yellow fields in your software to the right location on the monitor and relatively uncomplicated for any desired settings (different products, different sources, different versions). Oh and yes, we have an archive - ha, and here a related affair passes my mind. What a hoot! Ok. In the meantime, we realized that costs are high for the procurement of our contracts (remember time tracking, cellar archive, stopwatch, intelligent filing) approx. CHF 100'000 p. a. and logically, the longer we couldn't scan the higher those costs rose. And thus it was clear that the main project contained further two sub-projects: scanning of the existing archive contracts and scanning of the newly incoming contracts. Our call centre partner, not stupid, immediately offered us scanning the archive for CHF 100'000. How? That was our business, but they would do it. Where did this amount come from? 50'000 contracts, 2 minutes per contract… presented to us in a fictional example. Yes, I will do it for CHF 60'000 including software

solution and simple file archiving. Who offers less? Fortunately, we took it with a sense of humour and we knew once more that we had to handle it ourselves. Focusing on the kickoff, as said before, the archive turned more and more irrelevant. Initiation has priority.

The yellow fields. Shit, we constantly argued. Who, how, when, training, quotes going back and forth. After persistent insisting, my partner confirmed me that he found some settings. Hence just deliver them. But that wasn't so easy since he needed to access our system directly. Ok, I coordinated it, difficult as usual and then finally he was able to log into it. Fine, next challenge, in the meantime our creative heads from marketing and communication had designed new contracts because they found mistakes in them. Fields had been forgotten; legal aspects were unclear and new products needed more space, last, but not least they had incorporated some of our advice. I could not anticipate that they didn't use standard forms. Mea culpa. And this meant repositioning the yellow fields once more. We settled on a flat fee after discussions on the quote. The whole process took us weeks. Two weeks ago the responsible from our partner told me that they would have to update most things manually anyway. First, that was not quite correct and second why did they not just propose something better? Anyway, dealing with my partner just didn't work out very well. I had the smoking ace on the phone recommending to me to destroy the first invoice they sent and agreeing to deliver two templates which they adapted to our forms, one for contracts and one for porting forms. Did I define keywords, which data did we want to scan from the contracts? What criteria? We have the scanner number which is automatically generated, the customer number, a few other fields, and a postal code. I have never been asked by them what I wanted to have in the index files. They said that a modification of those files was not allowed. Why and who said that? The answer was: COM2. Even though we paid CHF 6'000 p. a. for support to them, of course, changes were calculated additionally. Who for heaven's sake negotiated that contract? Our CEO.

After months our company partner enquired how far we were with the project. They contacted our billing and IT, and the responsible said with an arrogant serenity: since

customer operations took over responsibility, please do contact them... Ok, we could start making the definitions, doing the requirements. It's clear; we now have scanned contracts, but the index files look shit. Virtually empty and in a format which is not compatible with the partner's request but who really wonders? From the start it was clear, we wanted to build a garage for 12 Cadillacs even though we would park only two VW in it. We wanted the possibility of scanning all damn relevant data from that contract, to recognize them and to store them in an index file which would be loaded into our archive and later would allow searching for just those criteria. Since April we scan with the software since August our E-archive is ready, but we have to convert these files into the right format. The requested solution from billing abroad is useless, and we have to convert thousands of files. Only now our scanning partner has managed to scan all contracts and to load the corresponding index files into the archive, this after nine months of ignoring our requirements.

The project coordination proved more complex than actually planned. Simultaneous engagement involving different projects, ideas and the daily business, part time work, absences and wrong prioritizing, long response times and flaws in coordination raise this project to a prototype. Waiting for an answer, meantime changes, new adaptations, lack of technical know-how and understanding are my faults. Not proceeding step by step but rather everything at the same time, reacting to a sudden appearance of the head office central unit which was very interested in the scanning solution but didn't ask about costs or a business case, distracted and confused more, creating ambiguity rather than simplifying the matter. A partner who already in December 2007 jubilantly presented the previously mentioned scan and workflow solution but nonchalantly ignored our comments, preferring no involvement at all rather than partnering in a solution-oriented approach from the beginning.

If one takes something into his own hands no one is going to take over the work eagerly; it can last forever. Finally, the self-initiated restructuring might fail due to non-optimized project and communication processes. But that is yet another story.

C.3.1 Narrative 3.1 – COM3 some personal notes

In my opinion, working at COM3 was straight but often a difficult task. When the COM2 team started in December 2008, I had the impression that COM3's employees were interested but at the same time also reserved towards COM2. The COO, director residential customers department, head more than once prompted us just to say what COM2 needed in order to get the job done. Furthermore, COM2 had confederates in the different COM3 units, the former COM2 team colleagues, who were there to pick up orders from the COM2 team and pursue them in a professional way and with the help of the larger organizations background. However, the COM2 team and I observed something which did not seem to encourage teamwork in the way COM2 employees were used to.

Former COM2 employees who now were spread all over the COM3 organization were no more exclusively there to secure COM2's functioning. They had been won over by their superiors to execute COM3 work even though the allocations were financially carried by COM2 budgets. COM3 departments profited from additional manpower without additional costs. The former COM2 employees were not reluctant to this because COM3's strategy was to migrate as many customers as possible from COM2 to COM3, something which did not secure COM2's future. This behaviour was completely understandable, and it became apparent when orders from the COM2 team were more and more neglected with the justification that they worked on other projects and could not engage more. In my function, I often had to intervene with their superiors because of that and to get needed activities through. My job started to become a caretaker for COM2's customers and COM2's remaining team members within COM3's organization. As when I started my work for COM2, I felt pressure, but a different one. I felt the weight of the organization manifested in an organizational lethargy that moved decisions from unit to unit, from department to department. For example, my suggestion for a possible future COM2 strategy (see the name change dilemma) became a web of interdependencies between different actors and no one decided. First, it seemed to be a legal issue, but the legal department gave short and hypothetical answers. Later, it was an IT issue; the SUB3 manager feared an unstable system while the IT head did not provide a solution to

the 'instability' argument but stated that it was purely a business decision. The COO found my suggestion to be "a good idea" but did not further involve, and the head of strategy attended only one meeting and wanted COM2 to check with market research. Finally, the CEO understood the company strategy as a priori defined, migrating all the customers and closing COM2; he was surprised when I dropped in because of this matter. Another example of this organizational behaviour can be found in the discussion about the system migration (see IT department).

Every actor had his legitimate view, but no one could be persuaded of an idea outside of his or her framework of thinking. Some fact finally became the legitimate reason of not being able to do it. I got the impression that in order to move something in this organization it was mandatory to be an important stakeholder equipped with the power to act from the top down. A small unit like COM2 which was bought and integrated was not endowed with such a legitimation.

Working together at COM3 was straight 'down to business.' On the 4th of September, the main operations coordinator from the COM2 team sent me an email in which she suggested that it would be best if only she could talk to me and the other team member. Furthermore, she would accept to be an assistant, a secretary or the heart and soul of the team just because only that would allow her to communicate her opinion freely. Moreover, she suggested reinstating the coffee break information round we used to have at COM2. She stated that she really missed this productive way of communication at COM3. These statements were in contrast to her former statement which she made when the COM2 team started working in the COM3 premises "that she had to get used to a new working behaviour, not getting ahead of herself, keeping calm and thinking concepts to the end."

COM3 used to have an allowance of one day per year and employee for an outdoor event. During the two years I spent at COM3, there was twice a management outdoor skiing day. Social activities were up to the employees and seemed to be quite rare.

C.3.2 Narrative 3.2 – COM3 information exchange

Department information was exchanged at the Monday morning meeting, it started at 9 o'clock and went on until noon. Participants were all direct subordinates of the COO; his assistant wrote the minutes. Usually, there were 14 - 16 attendees. The first employee started with his briefing; it was the one sitting next to the COO, then the next employee in turn followed. Every attendee had his or her laptop on the table and was working while waiting for the turn. When a specific discussion started, after some time it had to be 'transferred' into a marketing or sales meeting because relevant people or information were not available.

There was a biweekly product management meeting and a biweekly sales meeting, both started in the afternoon and were open ended. Depending on the discussion, themes were transferred to more appropriate meetings or, if needed, a special meeting was scheduled. It was not always clear which meeting was the right one to discuss an issue. Thus, meeting attendees often discussed, were the issue would have to be treated. There was a product and sales meeting in which the COO also participated, and there were several marketing meetings. A business review meeting with the CEO took place bimonthly. Furthermore, there was a weekly IT meeting in which system migration items were discussed. The customer operations meeting between COM2 and COM3 was held every week. Usually, the responsible manager for COM3 grabbed the word first in order to dump her open issues and then left the meeting with an argument that she had to attend another important meeting. After she had left, the meeting went on for another hour. However, issues involving her had to be postponed or put on the open issues list. After some months the superior of the customer operations manager called for an additional weekly meeting, but after the third session she did not attend anymore, and the future meetings were dropped.

When COM2 was integrated, one of the first moves was the attempt to integrate COM2's reporting system into COM3's data warehouse to allow supervision by the controlling department. However, there were many discussions between the teams of COM2 and COM3 concerning deviating migration and revenue figures. The COM2 team still used COM2's reporting system for operations. Several meetings with

controlling and data warehouse specialists needed to be held in order to drill down data and do plausibility tests. After the figures had been available in COM3's system, we got a lot of emails and had a lot of discussions concerning our churn figures, especially broadband, because they were higher for COM3 than for COM2, additionally, management feared to lose customers to the competition. One of the problems was that COM3 defined cases differently than COM2 did. At COM3 reporting was purely data warehouse-driven, and the meetings very often were quite analytic and consisted of market research studies, tactical roadmaps, EBITDA gap-closing measures, financial reporting figures and outlooks, etc.

C.3.3 Narrative 3.3 – COM3 dealing with the outsourced partners
After COM2 had been integrated into COM3, sales and marketing campaigns were still directly planned and executed at COM2's customer base department using COM2's former external partners, except COM2's main partner who was closed down. COM3 justified the move in an official statement with not wanting to enlarge the number of their partners. However, the reason might have been that COM2's main partner was part of the COM2 group.

In February 2009 the COM2 team was contacted by a market activity coordinator who informed the team that it was mandatory to request any partner activities via the coordination office. The coordination office was responsible for all external partner negotiations; their task was to ensure aligned and fixed terms among their partners. We were not allowed to deal with external partners directly anymore. Furthermore, the negotiator banned us from talking about prices and requested to be invited to the meetings. We met and discussed the issues COM2 had with an in-between coordination and that COM2 briefed its partners on a short term rolling manner when we visited them. The partners staffed themselves based on this information, the figures of the previous months as well as actual market and competition influences. The coordinator insisted that planning had to be made on an annual base because that was in line with COM3 department planning and budgeting. Furthermore, we would have to request additional capacity with a lead time of 2-3 months and using their capacity requirement forms. After a longer discussion, COM2 finally agreed and

requested 20 activities right away. Because COM2 did not receive any feedback and the campaigns were due to be planned with partners, I complained. The COM3 coordination office replied that next to us also COM3 departments requested external activities. Thus, the process was on the basis of first come first served. For COM2 this was not acceptable, and we met again and agreed on an exceptional direct contact with COM2 partners. However, COM2 had to copy in the coordination office for all correspondence. This was as an informal solution found in order to cover COM2 needs as well as to comply with standard COM3 procedures. COM2 had to schedule monthly or bimonthly meetings dealing with pricing issues in which the coordinator attended. Often he was not available for meetings. Thus, he started to schedule separate meetings with partners. This bottleneck triggered the urgent need for the coordinator to enlarge his department if it wanted to keep up with future requests. On the 20th of May at a COM2 partner meeting, the partner refused an increase of capacity and offered COM2 some allotments only. When asking back why this was the case they referred to COM3 marketing and product management requesting capacity. The COM2 team started to realize that the COM3 coordination office had assigned COM3 campaigns to former COM2 partners because they were in need of additional resources for their broadband market activities.

C.3.4 Narrative 3.4 – COM3 complexity and slow sellers

During the bi-weekly meeting with the COO; the COM2 team discussed possibilities of improving migration figures for mobile customers. Some days earlier, I had received a COM3 brochure with several market offers and possible product combinations. However, I did not really understand which combination was possible at what price, I found it to be very confusing. To test if this was me only, I presented the brochure to the COM2 team, and they interpreted the combinations in different ways too. At the next COM3 management team meeting, I confronted the senior managers with this problem and they agreed that it was not 'optimal.' However, because nothing seemed to happen, the COM2 team came up with a 'complexity reduction product' for our customers. Instead of offering confusing options we wanted to propose a good price plan together with an attractive mobile device. The COO was open to the idea and told us to contact the logistics manager who was in

charge of the mobile devices line up. I called him in order to pursue the idea and described him what the COM2 idea was right on the phone. He told me that it was not that easy to get devices, he did not have them lying around. Furthermore, he was surprised about the COO's perception. Because he could not find spare time, we met two weeks later. The meeting was short. The logistics manager complained that everyone from sales just wanted to have mobile devices, but he needed to order them from the manufacturers, this took time. Furthermore, if the campaign did not sell well, he remained sitting on them, no one wanted to take the risk. He promised to let me know what he could do. Five days later the COM2 team received an email in which the logistics manager offered some 500 units of a two-year-old slow seller. However, he insisted that he needed an ordering request with a complete business case to deliver the devices. I checked the conditions with controlling and was told that mobile devices could only be assigned to campaigns if a calculation based on the expected customer usage under consideration of the price plan was submitted. The price plan itself was a problem too because no one wanted to create a new one in the COM2 system which was to be migrated (see IT department). The COM2 team did a calculation and accepted the offered mobile devices because there was no alternative. Finally, the campaign sold some 30 packages.

C.3.5 Narrative 3.5 – COM3 a letter from the competition
When the COM2 team started with migrating customers from COM2 to COM3 in spring 2009, the COO showed me an advertising letter form the competition which was addressed to a COM2 customer. Someone in the management team had passed the letter on to him. The COO was convinced, that the competition tried to headhunt insecure COM2 customers and he wanted to offer the migration to all COM2 customers at once. I did not share his opinion. I was convinced that the COM2 team would have received signs form partner visits and call monitoring if this was the case and the COM2 churn figures were stable. Furthermore, I was against a strategy of staking everything on one card and risking to wake up our customers. Another problem was the fact that no one had the capacity to perform such a daunting task at once. I agreed with the COO on researching our customer base for more evidence but even after weeks we did not find any confirmation that more customers had received

such a letter. The COO accused me of underestimating the danger coming from other market participants. In his opinion, proper data research would uncover such problems earlier than just rely on 'experience. I did not agree with him and replied that from my point of view common sense and expertise were much more efficient, especially in such a situation. COM2 did not need huge data graveyards. Instead, COM2 just listened to its customers.

From an operational standpoint, it was impossible to handle half a million of migration offerings and follow up on them at the same time. The practical batch size was around 30-40'000 customers at the same time because COM2 had two bottlenecks. First, the data verification process which had to be performed through COM3 took between one and three weeks for the above batch size. However, COM3 worked on a 'first come – first served' mode and had to process COM3 data as well. Second, the country had a total of 2.5 million households, call centre capacity to follow up a campaign which covered 1/5 of the countries households was impossible to organize. In fact, COM2 was fighting over capacity with other COM3 units, all in need of additional transaction volume.

C.3.6 Narrative 3.6 – COM3 our customers want WLAN and TV
The monopoly over the last mile to the households of the incumbent had just been legally removed. Thus, in 2009, when COM2 was integrated into COM3, COM3 was busy with offering its new broadband product to customers. However, the incumbent expanded its broadband offerings including TV already in 2006. In spring 2009, when the COM2 team prepared its migration offers, employees listened to the retention phone lines in search of what customer wanted but did not get at COM2. We discovered that an increasing number of customers cancelled the contract because of that TV offer from the incumbent. In May 2009 I brought this up during a management meeting and at several subsequent meetings when talking about churn figures. Over the months, the incumbent intensified its TV campaign. At COM3 only a simple desktop TV application was available. COM2 suggested to partner with an internet TV provider. However, the reaction was straightforward; COM3 was focused and busy with their broadband rollout. The real TV product was a further

project to be kicked off; it was finally launched in the year 2012. The renowned consumer organization Kassensturz[22] compared market offers in 2012 and concluded that COM3'sTV product was weak and was advertised making wrong promises. COM2 had early cues from its customers and proposed solutions, but it needed 3 years to set up a TV service at COM3. In 2010, after I left COM3, I had the opportunity to meet with the managing director of the mentioned internet TV provider and I asked him about COM3. He told me that he did not have any contact with COM3. This seems to confirm that COM3 never considered a TV strategy with external partners.

COM2 cancellations also showed that customers started to appreciate wireless network functionality (WLAN). Many of the COM2 customers still used the standard cable connection. At COM3 the broadband offer included a standard router for free, and the wireless model was subject to a surcharge. The COM2 team suggested offering a wireless router for free to migrating customers; this would make a good offer. However, because COM3 did not offer the wireless model for free to its customers, they did not support the COM2 suggestion. Furthermore, the logistic manager persisted on a cost centre. Because the COM2 mailing production turned out to be less expensive, I took over the additional costs for the wireless router on COM2's account offhanded. However, COM2 had to promise to COM3's product management that it would not offer the wireless router to its regular customers for free because that would downgrade COM3's offer to its customers.

Migrated customers were registered like new customers in COM3's system. Orders including a wireless router generated an invoice with the surcharge to the customers because this was the offer at COM3. We recorded 495 complaints from customers about this surcharge. The surcharges had to be manually canceled in the customer file. There was a discussion on who would be responsible for correcting this; COM3's customer service insisted that this had to be done by COM2 since the problem was related to COM2 customers. COM2 finally agreed to correct the files even though no one at COM2 was aware of how a customer was registered in

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[22] www.srf.ch/sendungen/kassensturz - Digital-TV-Anbieter versprechen zu viel

COM3's system. In order to be able to identify future migration customers coming from COM2, additional meetings were held with COM3 managers; the situation was explained to each of them, but no one wanted to take the responsibility. For the COM2 team, this was hard to understand because every migrated COM2 customer was a new customer for COM3. Finally, the COM3 customer assurance department found a solution with the help from former COM2 employees within the department who dealt with the additional work.

C.3.7 Narrative 3.7 – COM3 the name change dilemma, a strategic proposition
After the takeover closing COM3 was only allowed to use the COM2 brand name for an additional three years in the local market. The COM2 team worked on possible solutions for a future branding, and it came up with a proposal which seemed to be the most pragmatic approach to this challenge. COM3 had a sub-brand called SUB3. SUB3was administered by a small team of five employees and situated on the same floor like the COM2 unit, both units reported to the COO. SUB3 offered prepaid mobile services mainly targeted towards ethnic groups using their cell phone for calling abroad into their home countries. They just started entering the mobile post-paid segment and offered a new price plan. The COM2 team heard about their entry into the postpaid market and discussed a rebranding of COM2 into SUB3 internally. This move would propel SUB3 mobile customer numbers to over 100'000 and it would enlarge the product portfolio of SUB3 with an additional fixed network. In this scenario, the broadband customers would be further migrated to COM3. An additional advantage was that while the SUB3 brand was strengthened, we could circumvent a possible rebranding of COM2 at a later point. The recommendation included merging the two small organizational groups. I formulated the suggestions via email to my superior the COO on the 11th of September 2009, at exactly 12 o'clock. After only 44 minutes he answered to my A4 long email with just one sentence "I find this good too." Nothing more happened. I set up a meeting with the SUB3 manager in order to discuss the proposed strategy. The meeting only lasted some 15 minutes; we talked about our products the team and systems. He seemed to be superficially interested. We agreed to meet again, and after two additional meetings without getting specific, we arranged a third session with the COO, the

strategy director and the director of the IT department, all three members of the management team at COM3.

I had high hopes for this meeting. However, the three management members had only a little time to spare and thus the meeting was rather short. Unfortunately, the COO was stuck in another meeting and arrived later, only some minutes before the CIO had to leave. Nevertheless, I opened the meeting by explaining that brand perception of COM2 and SUB3 was similar in the market and thus a merge of those two brands would probably make a lot of sense. Furthermore, SUB3 received a chance to advance into a full-service provider and COM2's customers would benefit from new products and services without having to change the vendor and that would probably be a strong signal in the market. The third argument for the case was that the COM2/SUB3 organization would remain 'independent' from COM3 and think differently what concerned systems, procedures, and strategy while keeping its flexibility. After migrating customers from COM2 to COM3 for some five months, the COM2 team regarded such a strategic decision as becoming increasingly important and urgent because soon COM2 had to contact customers already for a second time offering a migration to COM3. The COM2 team feared that it would start to lose customers to the competition the more we would contact them with a new offer. The only caveat was that the SUB3 brand would have to be transferred to a new legal entity, but this was more of a formal issue.

The SUB3 manager suddenly raised objections concerning his system; he feared that it was not able to absorb that many additional customers at once, he predicted issues on stability and added that the degree of capacity utilization was already critical at their IT provider based on the recent experience he made. Furthermore, he saw a problem in differentiating the customers in the service units.

The CIO said that this would have to be well investigated and this needed time also because the system agreement would have to be renegotiated with the provider. Otherwise, the decision was a pure business decision, and IT would accept whatever

would be decided by the business part. Then, the CIO had to leave the meeting for another conference.

The strategy director's view was that the market perception would have to be clarified with market research, but if the residential customer and IT department would see a case here, they should hand in a proposal. The COO, who had just arrived at the meeting did not want to endanger the SUB3 system stability and thus raised concerns over a proposal.

I was disappointed. Thus, I started a last attempt to discuss this matter directly with the CEO. I scheduled a meeting with his assistance for the 25th of September 2009. The CEO was surprised when he heard my suggestion and said that he believed that we would migrate COM2 customers to COM3 by applying special offers as once discussed in a management team meeting. I confirmed that this still was the case but that COM2 genuinely saw an opportunity and synergies in merging with SUB3 and COM2 still had the problem of the name change. The CEO said that he did not understand why the COM2 unit intended to modify the strategy. He wanted the COM2 team to use more competitive transfer offers until customer numbers were low enough to close COM2. Thus, forcing the rest of the customers to change.

In 2012, three years after above meetings, SUB3 withdrew its post-paid product from the market, and COM2 was given a new brand name.

C.3.8 Narrative 3.8 – COM3 Ds planning vs. trying

In January 2010, D. the COM2 main operations coordinator worked under COM3 for a year. I asked her to answer spontaneously to some keywords I sent her per email and contrast the two organizations from her view. Following is her answer dated 27th January 2010:

COM2	COM3
Keywords: time, pace, pressure	
- Low on time - Hectic environment - High pace in implementation, structural and on operational level - Short time span from the idea to realization - Pressure concerning costs: conditionally high: it must be inexpensive, but it has to work anyhow low-cost level, but nothing is impossible - Pressure on costs leads to improvisation - Pressure on time leads to rather low qualitative system requirements - Subsequent costs are approved	- Time is everything because one has to plan ahead predictively - Low implementation of projects, even if they call it "fast track" - Changes arrive slowly, but they are measurable and somehow more "rocket science" but also not always thought through to the end - Need to plan and realize things with precision and perfection due to high-cost pressure and profitability is important
Keywords: organization, empowerment, entrepreneurship	
- High grade of self-determination based on quick decision taking which is narrowly supported concerning knowhow. However, the consequences are supported by all - The individual was not blamed, and the active involvement of many has spread responsibility and gained broad support - From a philosophical standpoint more into the direction of strength, improvising and fast implementation. Could however also cause shortcomings - Resources were applied specifically - Improvement also through the introduction of a quality circle to cover particular issues	- Each decision must be chewed through; individuals can decide little - The organizational structure seems rigid, hierarchy and the size of the company prevent (also with good reason) individual self-determination - Little creative leeway, resource booking instead of self-determination - State of the art: COM3 plans it COM2 tries to reach it, every day differently
Keywords: size, division	
Large sized pan-European company (30 million customers) small national	Medium sized pan-European company (13 million customers), large national organization
Keyword: strategy	
Rapid development of new market, break up the monopoly and disappear again?	Keep up in mature markets and innovative (technology) at the very front?

Appendix C.12: D. keywords contrasting COM2 vs. COM3

D. ANALYSIS

Element	Sub-element	Total assigned	COM2 assigned	COM3 assigned
Culture	common dir.	179	116	63
	regulations	72	3	69
	guidelines	46	46	0
		297	**165**	**132**
Environment	partners	142	116	26
	customers	41	34	7
	competition	7	4	3
		190	**154**	**36**
Leadership	teamwork	198	131	67
	targets	141	58	83
	communication	132	92	40
	signpost	61	51	10
	coach	37	36	1
		569	**368**	**201**
Group	teamwork	196	139	57
	partners	139	120	19
	communication	107	90	17
	environment	10	9	1
		452	**358**	**94**
Technology	general	171	118	53
	KPI	56	34	22
	loosely coupled	7	7	0
	out of way	4	4	0
		238	**163**	**75**

Emerging elements				
	stakeholder	256	91	165
	responsibility	106	23	83
	time	128	72	56
	costs	65	34	31
	informal exchange	48	45	3
	complexity	47	8	39
	best practice	44	43	1
	options	18	1	17
		712	**317**	**395**

Appendix D.1: Overview of data assignments to elements

Resource	Total assigned	COM2 assigned	COM3 assigned
Enactment	393	277	116
Context	255	214	41
Salient cues	252	199	53
Identity	240	130	110
Plausibility	132	100	32
Retrospect	86	83	3
Ongoing projects	72	60	12
	1430	**1063**	**367**

Appendix D.2: Overview of data assignments to resources of sensemaking