

# **Constructing and Communicating Meaning During the Implementation of Strategic Change**

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Dissertation Overview for OMT/MOC/ODC Doctoral Consortium

I develop and test a model of strategic change implementation grounded in a theory of meaning-making. I draw from functionalist and interpretive perspectives to develop theory about how change implementation unfolds as the dynamic interplay between managers disseminating information and employees actively interpreting information. My dissertation consists of three interrelated empirical papers using data collected from a Fortune 500 retailer undergoing a strategic change. Study one is an explanatory case study and narrative analysis that elaborates theory around the meaning-making processes of strategic change. I focus on how managers and employees construct meaning through narrating the resolution, identification and emergence of problems. I link meaning-making to change implementation behaviors through three core micro-processes: motivating, transforming and informing. The narrative structure and corresponding micro-processes reveal that strategic change implementation unfolds in loosely patterned ways driven by affective, behavioral and cognitive processes. In study two, I theorize and test the outcomes and antecedents of an individual-level view of meaning-making and strategic change implementation. I focus on how commitment to change and unit identification link meaning-making to change implementation behaviors. I also draw from communications theory to hypothesize and test the antecedents of employees' meaning-making. In study three, I develop and test a unit-level model of meaning-making and strategic change implementation. I examine the relationship between convergent/divergent meaning and unit-level change performance. Together, the three studies develop and test a discursive perspective on strategic change implementation and contribute to theories that highlight the role of meaning-making in explaining organizational processes and performance. For the doctoral consortium, I will focus on study one.

## **Study One:**

I develop a view of strategic change implementation using a meaning-making perspective that shows how change unfolds through the creation and subsequent enactment of narratives. I draw from three theoretical perspectives—sensegiving (Gioia & Chittipeddi, 1991), information adequacy (Schweiger & DeNisi, 1991) and narratives (Barry & Elmes, 1997). These literatures focus on how information is disseminated in organizations to manage the symbolic environment (Pfeffer, 1981). While managers spend their efforts selling strategic change to employees (Burgelman, 1983; Dutton & Ashford, 1993), employees do not always adopt the interpretive reality championed by managers. Instead, they may modify or re-write the change by altering its meaning and its implementation.

I conducted an in-depth interpretive case study at a Fortune 500 national retailer grounded in narratives. My case study design allowed for understanding the process of strategic change by showing how managers and employees co-construct meaning and then subsequently enact their narratives. The study also enabled understanding the content of the change by illustrating the macro-level changes to an organization, including the emergence of a new form (a type of store) and marketing strategies. I examined three core research questions:

*RQ-1: How do managers narrate strategic change?*

*RQ-2: How do employees narrate strategic change?*

*RQ-3: How do strategic change narratives shape strategic change implementation?*

I find that the meaning-making of both managers and employees is moderately coupled and forms a latent structure that affects how change happens. Managers narrate the identification of a problem and a resolution. However, this resolution creates a new problem for which employees need to respond. Similarly, employees narrate the identification and resolution of problems and also create problems for which managers need to respond. This back and forth between

identification, resolution and emergence of new problems provides actors with autonomy to resolve problems in varying ways, but constricts what problems they address.

By uncovering a latent structure of strategic change implementation, I also find that meaning-making explains macro-level changes, such as the emergence of a new form and marketing strategies. Three core micro-processes—motivating, transforming and informing—link meaning-making to behaviors that alter an organization’s relationship to the environment. Motivating encapsulates an affective dimension of strategic change by showing how the creation of energy alters employees’ interactions with each other and customers, something which defines the “feel” of a newly created form (in this case, a store). Transforming involves the development of new work identities which affect the type of job routines enacted to manage the customer environment. Informing entails an expansion of knowledge which allows managers to adjust resource allocations and enables employees to alter their interactions with customers. Collectively, these three core processes explain how meaning-making creates energy, cognitive reorientations and knowledge that guide organizational actors to behave in ways that alter an organization’s structure and interactions with the environment. This approach contrasts with scholars who have historically focused on observable macro-level changes, without explaining the origins of such changes (Reay, Golden-Biddle, & GermAnn, Forthcoming).

I also explain how strategic change involves multi-party interactions across levels of an organization, thereby challenging the limited role of non-senior managers in strategic change research (Balogun, 2003; Balogun, Huff, & Johnson, 2003; Bartunek, 1993; Huy, 2002). In carving out a wider role for ordinary employees in strategic change—and in offering a more accurate depiction of strategic change inside of organizations—I confront the assumption of employees as simply change resistors (Dent & Goldberg, 1999) and offer a more complicated picture that explains how employees’ actions both advance and challenge managerial objectives.

My research also broadens how scholars think about communications and meaning during strategic change. According to extant views, information more or less uniformly transfers to employees, with minimal disruption (Ackoff & Emery, 1972). Such a view, wedded to the conduit metaphor for information (Axley, 1984; Putnam, Phillips, & Chapman, 1996) and a consequence of functionalist meta-theoretical perspectives often used in strategic change research (Heracleous & Barrett, 2001), overlooks how individuals narrativize information, thereby recreating it (Boland & Tenkasi, 1995). By relaxing the assumptions of the objective and static nature of information, I examine how strategic change emerges through the creation and enactment of stories —as opposed to the careful planning and analysis typical of theories of strategic change (Ansoff, 1965).

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