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**SENSE GIVING AND SENSE MAKING  
IN INTEGRATION PROCESSES**

**A NARRATIVE APPROACH TO THE  
STUDY OF INTERNATIONAL  
ACQUISITIONS**

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## **ABSTRACT**

*Most studies of mergers and acquisitions have a managerial tilt and are founded on short visits to the companies investigated. This essay is based on a longitudinal study of a company that experiences a series of international acquisitions, giving voice to a wide range of organizational actors at different hierarchical levels, interviewed at different points of time over a period of six years. The collected narrative interviews are viewed as retrospective interpretations of change processes in the acquired company, made by organizational actors as parts of the plots they are continually constructing and revising to make sense of the course of organizational actions and events. Greimas' actantial model is used to systematize the different plots that can be seen as results of both individual and collective processes of selection, hierarchization and sequencing of organizational actions and events. It is argued that a narrative approach is well suited to clarify changing patterns of identification and justification and to display different modes of storytelling. The narratological analyses moreover illustrate that even central actors within an acquired company often have such different work-views and world-views that it may be problematic or even counterproductive if upper-level management introduces corporate storytelling through conscious efforts without any negotiation of the different versions of stories told by the employees.*

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## **ELECTRA TAKES OVER FONODAN: A BRITISH CEO'S NARRATIVE**

I wanted to be a managing director but I wasn't to be, so I left Electra<sup>i</sup> after many years and went to Hong Kong to do something myself. A year later Electra decided to get into GSM technology because this area seemed to have a high profit potential in the future years. Suddenly Richard Dutton [*Electra's owner*] contacted me and said: "Danny, I've just bought a company to you. I promise that you can run it timelessly with no interference from the head office". Therefore I decided to take the job as managing director in Denmark.

But I found a pretty desperate situation when I arrived. The first task was to determine what products we wanted developed in Fonodan. Colleagues came from England in order to see what could be built from the component stocks. We created a plan and started to employ more engineers for various disciplines.

Having worked for Electra I'd been used to being in a very fast-moving company. I had to get that way of making fast decisions passed out to people here in Fonodan, which I don't think was a problem. Because they'd seen the old way of making decisions and perhaps not been given very good directions.

I cannot wait for committees to make decisions, because it's too important. So I kind of make all the decisions before the meetings - that's a bit my key. I have a strong personality and I tend to get my way due to force and arrogance. I've heard many people's opinion of me, but it doesn't worry me. That's just life.

Fonodan's production and administration is located in one building and R&D in another. The people on this side felt that the engineers were treated with gloves. But that's the way it has to be because R&D is the creative part of our business. But one of my objectives was to get people talking to each other. So I developed a management team structure, a very flat structure with just 13 department managers. When the meetings started nobody was saying anything except for me. They didn't want to point the finger at their colleague and say: "he's not doing his job well". After three to five months, people were becoming more vociferous. There were even occasions where I had to dig a hole and hide because I felt a bit embarrassed about how the Danish managers were speaking to each other. They were so friendly, opening up, pointing out where the problems were.

I thought: OK, I've been making all the decisions for the past year. Now I want the company to think that I'm not making all the decisions. But I still needed to know what was happening at these management meetings. Therefore I made sure that the human resource manager attended every meeting, so that she could advise me of the progress of the managers: are they good enough?

I'll still put my fingers in the pie - get involved in activities that I consider important. Development. Production. Marketing. I'm involved in a lot of areas, and as long as I'm here as managing director, I'll always do so. I'm not the kind of person to sit back and just relax and watch the world go by. It's not my style.

I'm used to thinking internationally, having the world as a market. I have that knowledge, and I just need people to carry it out. When I came here from Hong Kong, the center of the world in terms of business, I didn't think in Scandinavian terms, but in worldwide terms.

Strategically, Fonodan wants to be number four. I know from experience that we have the right product for the market for the next four to five years. We're fortunate with me coming from the consumer electronics background - I've already learned by my mistakes. The key for us is to jump the customers and the big operators. We offer something better than just the price. We also offer a partnership as a strategic long-term partner for the customers.

In the future, we'll develop new products - bringing in resources from all parts of the Electra organization: fax communication, networking in computers, mobile phones, satellite receivers, multimedia.

We're actually in a very strong position now, because we have a long-term strategic partner. Such partners are the key, you know. There's always a risk that other big companies buy out your core development engineers, and we know that they're the key to our future. But right now the company is expanding, the engineers can see a good future, a very interesting job, lots of projects outlined for the next two to three years. This is the kind of situation where they can get paid a lot of money, so I'm confident that they won't leave the company.

## **INTRODUCTION: WHY A NARRATIVE APPROACH TO THE STUDY OF INTERNATIONAL ACQUISITIONS?**

What you have just read is the narrative of an international acquisition - but of course just one version among many others. The British managing director - a man in his fifties - told me this narrative in March 1995. The human resource manager, the development engineers and everyone else involved all had their own accounts of what had happened - different in some ways, similar in others. But all were told in individual voices, representing events of the past as seen from various positions and points of view.

Often, when you read studies of international mergers and acquisitions, you wonder whose voices are heard in accounts about success and failure. It is probably safe to say, that most of these studies have a managerial tilt, and that managers' narratives and the public storytelling of what has happened in an organization (e.g. press releases, annual reports, web-sites) may well conflict with and marginalize some voices while privileging others (Søderberg, Gertsen and Vaara 2000).

One of the forces of a narrative approach to organization studies is that it is well suited to give voice to a wide range of organizational actors, showing in which ways their interpretations of organizational reality may correspond and differ. The narrative approach enables the researcher to see the organization in an integration perspective, in a differentiation perspective, and in a fragmentation perspective (Martin 1992) all at the same time. Or put differently, to see that which is agreed upon by all organizational members, that which is shared only within certain groups, and that which is fragmented and ambiguous.

In this essay I apply a narrative approach to the study of change processes in a telecommunications company. The Danish company Fonodan was first acquired by a British corporation and then, after four years, by a German MNC. Martine C. Gertsen<sup>ii</sup> and I followed these developments closely, collecting a considerable number of stories about the organization and the organizational changes that took place. These stories were related to us in narrative interviews with numerous organizational actors at different hierarchical levels at different points in time over a period of six years. Some were told in an emotional voice, others in a highly factual way and in a distant tone, but all had plots, motives and characters.

Such a longitudinal study of organizational narratives is well suited to clarify changing patterns of identification, justification, and causation among organizational actors. It is also useful when assessing to what extent understandings of what is going on in post-acquisition integration processes are shared, and if such understandings can be used strategically in the form of corporate storytelling.

However, before I revert to the study of sensegiving and sensemaking processes in the company Fonodan, let me elaborate on the theoretical framing of the narrative analysis.

## **THEORETICAL PERSPECTIVES**

Over the past 20 years, an increasing number of organizational theorists interested in understanding the social construction of organizations have shifted their attention from the study of organizational structures to the analysis of the interaction processes through which organizations are constituted and maintained over time (Weick 1995). Rather than being taken for granted, the organization became the very phenomenon to be explained.

A variety of perspectives have been put forward to describe the organizing processes by which organizations emerge from interaction and how they are reproduced in the course of daily routines. Among the metaphors used to describe organizing, that of a grammar suggested by Weick has been particularly influential. Such a metaphor drove communication and organization scholars' attention from the content of organizational activities to the implicit rules and schemata involved in organizing.

The section below is devoted to a presentation of the theoretical concepts and models I use in this essay, when analyzing a collection of organizational narratives. First, I briefly introduce Weick's concept of sensemaking and Gioia and Chittipeddi's concept of sensegiving. Afterwards, I define a narrative as well as narratology, before finally introducing the main components of Greimas' narrative grammar, which he developed into an actantial model.

### **WHAT IS SENSEGIVING AND SENSEMAKING?**

Weick (1995) reminds us that storytelling is a process of making sense of actions, events and objects, or of explaining the relationships between them. Members of an organization make sense of processes or activities in the organization by fitting them into an interpretative scheme or system of meaning that has developed through experience and socialization. When the organization is altered in some drastic way, for example by a reorganization brought on by post-acquisition integration processes, members often find that their existing interpreting schemes or frames of reference no longer suffice to make sense of the situation. According to Weick, what they need in such a situation is a good story:

(...) something that preserves plausibility and coherence, something that is reasonable and memorable, something that embodies past experience and expectations, something which resonates with other people, something that can be constructed retrospectively, something that captures both feeling and thought, something that allows for embellishment to fit current oddities, something that is fun to contrast. In short, what is necessary in sensemaking is a good story (Weick 1995: 60-61).

When organizational members are in need of new interpretation patterns, a CEO or other top managers can attempt to articulate or advocate their vision or preferred interpretive scheme, thus engaging in sensegiving processes and influencing the sensemaking processes of internal and external stakeholders. As Watson states:

Human beings, who join work organizations with all sorts of interests, wants, needs of their own, will not be drawn together into the sort of positive cooperative effort typically required in modern organisations by systems and rules alone. To contribute initiative and give commitment to a broader purpose shared with others, the work needs to be made meaningful to people (Watson 1994: 33).

Sensegiving processes can take place between top and middle managers and between managers and employees. Initiatives can also be taken at the organizational level to give sense to organizational change processes, through corporate storytelling that frames the actual and future situation and the common values in understandable and evocative terms.

Sensegiving is different from sensemaking, in that the person trying to *give* sense is attempting to influence other people to perceive and interpret certain actions and events in particular ways. In their study of strategic change processes, Gioia and Chittipeddi found that:

(...) 'sensemaking' has to do with meaning construction and reconstruction by the involved parties as they attempted to develop a meaningful framework for understanding the nature of the intended strategic change. 'Sensegiving' is concerned with the process of attempting to influence the sensemaking and meaning construction of others toward a preferred definition of organizational reality (Gioia and Chittipeddi 1991: 442).

Theoretically, one can thus distinguish between sensegiving and sensemaking at a given moment in time. In practice, however, it is most often the case that people engage in sensegiving processes based on their sensemaking processes.

In their study, Gioia and Chittipeddi (1991: 438-441) describe a change process as beginning with the envisioning phase, progressing through the signaling and re-*visioning* phases, only to finish off, nice and neatly, with the energizing phase. However, it might be difficult to distinguish so distinctly between different phases. It must also be emphasized that in so far it is possible to give sense in organizational change processes, sensegiving is not initiated by the upper-echelon members alone. It is rather in the interaction/negotiation between different organizational actors that some beliefs/interpretations are exchanged and new ones adopted. As Kanter et al. state:

Change is extraordinarily difficult, and the fact that it occurs successfully at all is something of a miracle. Change is furthered, however, if and when an organization can strike a delicate balance among the key players in the process. No one person or group can make change 'happen' alone - not the top of the organization mandating change, not the middle implementing what the top had ordained, and not the bottom 'receiving' the efforts. (...) Those who make change must also grapple with unexpected forces both inside and outside the organization. (...) No matter how carefully the leaders prepare for change, and no matter how realistic and committed they are, there will always be factors outside of their control that may have a profound impact on the success of the change process. Those external, uncontrollable, and powerful forces are not to be underestimated, and they are one reason why some researchers have questioned the manageability of change at all (Kanter et al. 1992: 370; 374).

Kanter et al. believe that it is possible to point to three organizational change agents: firstly, change strategists, such as top managers, who create a vision and influence the direction of any given change; secondly, change implementers who enact the vision; and finally, change

recipients who interpret and try to make sense of the changes induced on them - or fail to adopt the change plans.

In this essay I choose the narrative approach for gaining access to different organizational actors' sensegiving and sensemaking processes in post-acquisition processes, as they were displayed in my interviews with them. I am curious to know how top and middle managers as change strategists may seek to influence the lower echelons in the organization through corporate storytelling. But I also want to investigate how the addressees interpret these sensegiving attempts, how they as change implementers integrate events and actions into a plot in order to make the organizational changes understandable for themselves in relation to their local context, and how they reinterpret and enact leaders' visions of organizational change.

### **WHAT IS A NARRATIVE?**

Narrating is a fundamental human activity, a mode of thinking and being. We constantly tell and interpret narratives (Currie 1998). We organize our experience and our memory of what has happened mainly in the form of narrative - stories, excuses, myths, reasons for doing and not doing. We tell narratives in order to understand our own as well as the lives of other people (Polkinghorne 1988).

In this essay, I use the terms "narrative", "story" and "tale" interchangeably, but in the literature the term "narrative" is usually preferred. Drawing on Bruner (1991), I focus on five essential characteristics in the working definition of a narrative. Each of these five attributes is a necessary but not sufficient defining criterion of a narrative.

#### 1. Narratives are accounts of events occurring over time

Any narrative has a chronological dimension; it is made up of a sequence of events along a line of time. Events can be defined as "*the transition from one state to another, caused or experienced by actors*" (Bal 1985: 13). The basic question concerning the structure of a story is: what happens next? However, a narrative's discourse does not have to present the story in purely chronological fashion; it may easily execute a flashback and/or a flash forward.

A narrative can be primarily concerned with recollections of past events, or with sequences of actions and events taking place in present time, such as the narrating of ongoing actions, strategies, and reactions of other organizational actors. Eventually, a narrative may focus on the future, as with sequences of events such as threats or planning of actions (Ochs 1997).

Hence, the specific punctuation of a course of events is a central issue. Horsdal describes the narrative's temporal aspect in this way:

We create meaning in the movement of life by experiencing it as a series of events, a narrative. We interfere with the course of time with beginnings and endings, which enclose and demarcate a sequence, so that we can ascribe meaning to it (Horsdal 1999: 27 - my translation).

Narratologists often distinguish between "discourse time" - the time it takes to listen to or read a passage or a whole narrative - and "story time", which is more like clock time and refers to the actual duration of the action episode or the whole action narrated. The relationship between "discourse time" and "story time" is important when we interpret narratives. An episode told in a way where its "discourse time" is considerably shorter than its "story time" typically characterizes a summary or a panoramic mode of presentation in which the narrator condenses a

sequence of actions into a thematically focused account. In contrast, events experienced as crucial to a given plot are typically narrated in more detail - such as a scene with a continuous stream of detailed actions instead of just a summary. Thus, “discourse time” approaches “story time” in the focal points of narratives (Chatman 1978; Genette 1980).

## 2. Narratives are retrospective interpretations of sequential events from a certain point of view

When a narrator tells of an event, he or she relates the event to a human project and thereby integrates it into a plot structure, making it understandable from a certain point of view and in a particular context. The basic question concerning plot structure is: why does this happen?

A narrative is composed of a sequence of particular events that are given meaning by a plot. This is the basic means by which a course of events is interwoven into a coherent and meaningful whole. The narrator imposes the plot on the events when he or she selects, prioritizes and orders the events from a certain point of view and in a particular context, determining the delineation and demarcation of the course of events. The plot involves a temporal ordering of these events, suggesting a connection between them and providing an explanation from a particular point of view. This connection may be a causal relationship, although narrative accounts cannot provide causal explanations, only interpretations of why a character acted as he or she did.

## 3. Narratives focus on human action - the action of the narrator and others

What happens in narratives is typically explained by the consciously intended doings of actors. We might say that their actions are emplotted, thereby becoming events in the narrative.

In the last part of this essay, where I analyze a selection of organizational narratives, the narrators themselves (the interviewees) are actors—They are simultaneously embedded in their account, displaying an awareness of their own roles in it while telling it to the interviewer. In addition to the general term “actor”, some narratologists also use the more specific term “character”. However, these two terms are not quite interchangeable (Bal 1985). Whereas the term “actor” normally emphasizes a structural position in the plot (what is done?; which actions are carried out?), the term “character” denotes a more complex semantic unit. The narrator creates a character (e.g. a hero; a villain), who is described by deriving a collection of more or less coherent personality traits from the narrative (what is he or she like?; how can we characterize him or her?).

## 4. Narrating is part of identity construction processes

We use narratives to create or support identities in various manners. A narrator’s adopted identity has a central influence on the narrative being told. In turn, the narrative may help the narrator construct, reinforce or change his or her identity as well as that of others. Identities are not constructed in isolation; we share our stories with others and also adjust them to their reactions. Individuals speak of their experiences by converting them into coherent accounts - stories about themselves and “the others” acting more or less purposefully in a social world.

The social and personal identities that individuals create in organizational change processes are manifold and often intertwined. In some narratives a professional identity, such as an engineer, is salient; in other narratives the same narrator displays an organizational identity (e.g. we from Fonodan vs. those from Electra), a regional identity (e.g. we from Northern Jutland vs. the new manager from Copenhagen), a national identity (e.g. we Danes vs. the

Germans) or a gender identity (e.g. we as men in the R&D department vs. the female production workers).

#### 5. Narratives are co-authored by the audience

Individuals are not the only authors of the narratives they tell. The telling of narratives is a social act, involving some degree of negotiation with the interlocutors about positions and meanings, which influence the direction of the narrative and its form (Bakhtin 1981).

The co-authorship is also true for the stories I have been told in Fonodan where I, as an interviewer, have taken the initiative to set up the interviews, have asked certain questions, made small comments and otherwise contributed to the narrators' storytelling. Narrative interviews should therefore not be seen as representing the organizational actors' reality as such, but rather as the narrators' construction of more or less coherent narratives in their interaction with a specific audience.

While keeping in mind that narrative interviews represent nothing else but themselves, the stories expressed by practitioners in such encounters are well rehearsed and crafted in a legitimate logic. It is therefore highly unlikely that organizational actors would construct whole new plots just for the sake of some researcher who happened to visit a company and conduct some interviews. Furthermore, we may assume that the interpretations and perceptions presented by practitioners in narrative interviews also inform their actions in the world (Czarniawska 2001). This is one of the primary reasons why we bother to collect and analyze organizational stories in the first place.

Narrative interviews as accounts of organizational change processes may moreover be understood in terms of the narrators' desire to construct themselves as heroes, survivors or undeserved victims (Gabriel 2000), to create certain impressions of rationality, brightness or moral integrity, and to present themselves so that their emotions and actions seem reasonable and worthy of the interlocutor's empathy (Alvesson and Deetz 2000; Ochs 1997).

#### **WHAT IS NARRATOLOGY?**

Narratology, which began as a science of narrative form and structure in literature studies, is the theory and systematic study of narrative (Currie 1998).

In the 1920s, the Russian scholar Mikhail Bakhtin studied different textual voices in Dostojevskij's novels. According to Bakhtin, there are two basic voice effects that can characterize a narrative text: "monologism", when all voices in the text sound more or less the same, and "dialogism", when a text contains a diversity of author, narrator and character voices, creating significant contrasts and tensions within the text. The result of dialogism is a "polyphonic" text (Bakhtin 1981).

During the twentieth century, the discipline diversified into several other fields. In the 1980s, narratology underwent a transition from the almost exclusively literary formalist and structuralist approaches into a theory complex applicable to narratives wherever they are found, not only in literature. The scope of narratology massively expanded into the newborn discipline of cultural studies, and narratologists began analyzing, for instance, films, advertisements and jokes (Currie 1998).

There has also been an increasing recognition that narratives are central to our shifting representations and ongoing constructions of identity. Narratives in personal memory and

self-representation have been studied by, for instance, Jerome Bruner in his *Acts of Meaning* (1990), a seminal work within cognitive psychology. The work of Bruner has given rise to an increasing interest in studies of autobiographies (Horsdal 1999; Lieblich, Tuval-Mashiach and Zilber 1998) as well as studies of how families create a corpus of connected and shared tales (Ochs and Taylor 1992).

Likewise, the importance of narratives in studies of collective identity has been stressed in works on how the identity of race, gender, nations and regions are being constructed and constantly negotiated and changed. Hobsbawm and Ranger (1983) as well as Anderson (1983) are examples of studies on how nation states invent traditions based on narratives of certain happenings, endowing them with privileged status.

Another example of the widespread interest in narratives in history is Hayden White's *Metahistory: The Historical Imagination in Nineteenth Century Europe* (1973). This work emphasizes the discursivity of history, i.e. how oral and written historical accounts are made up of different discourses, representing certain interests and narrating from a particular point of view (see also White 1987). In addition, the concept of "social memory" (Jameson 1981), developed within narrative theories and used in social history, has offered contributions to organizational discourse studies (Deetz 1992: 307).

Narratological perspectives are found in business-related disciplines as well. In the field of marketing, researchers speak of narratives connected not only to products but also, for instance, to company images (Olins 1995; Schultz, Hatch and Larsen 2000). In organization studies, the interest in narratives has grown over the last ten to fifteen years (Grant, Keenoy and Oswick 1998; Czarniawska 1998). Organizations may turn past events and future plans into stories, thus endowing actions that take place in the organization with meaning(s). In this way, they engage in a quest for sensemaking similar to individuals' quests for meaning in their lives. Like humans, organizations may feel a need for a narrative that is to some extent coherent at least. This need for organizational narrating is probably felt more strongly in times of challenge and turbulence, for instance in connection with a merger or an acquisition. Sometimes corporate narratives are constructed with the strategic purpose of fulfilling both internal and external needs of organizational positioning and sensegiving in relation to different stakeholders (Schultz, Hatch and Larsen 2000).

In *Narrating the Organization: Dramas of Institutional Identity* (1997), a study of tales from different organizations in the public sector in Sweden, Barbara Czarniawska distinguishes between three types of narratological approaches to organization studies:

1. *Narrating organizations*, referring to organization research written in a story-like manner. This typically takes the form of case studies or "tales from the field", where chronology is often the main ordering device (Gertsen and Söderberg 1998a; 1999a; 1999b).
2. *Collecting organizational stories* in the field, such as corporate sagas. In the 1980s, organization studies that treated stories as artifacts predominated (see Martin 1982). More recently, an interest in the process of organizational storytelling as never-ending constructions of meaning has emerged (Boje 1991; Gabriel 1995; 2000).
3. *Organizing as narration and sensemaking* (Weick 1995) and *organizational theory as story reading and thus a literary genre* (Czarniawska 1999). This approach refers to the interpretive research that conceptualizes organizational life as story making, applying interpretive devices borrowed from literary and rhetorical studies in the reading and

deconstruction of stories from the field. This research approach involves narrative interviews, where the researcher interprets the interviewees' storytelling. These interpretations may result in an array of alternative or competitive stories that can be used to broaden our understanding of organizational processes and possibly to engage in a continued dialogue with the field (Czarniawska 1997).

In this essay I take the last approach and attempt to view organizing in the acquired Danish company Fonodan as narration, sensegiving and sensemaking. For practical reasons, I am not able to print the narrative interviews in their full length. But hopefully the exemplary narrative told by the British CEO at the beginning of this essay gives some idea of their content.

### **GREIMAS' ACTANTIAL MODEL**

As point of departure for the analyses of organizational narratives, I have chosen a model from structuralist literary criticism.

A.J. Greimas developed his actantial model in *Sémantique Structurale* (1966), on the basis of the Russian scholar Vladimir Propp's analyses of the morphology of folktales (Propp 1928). Greimas defines an actant as a structural unit or a function. It is not necessarily a person (a character) that represents an actant; it may also be an abstraction (e.g. success) or an institution (e.g. the banking system; the telecommunications industry).

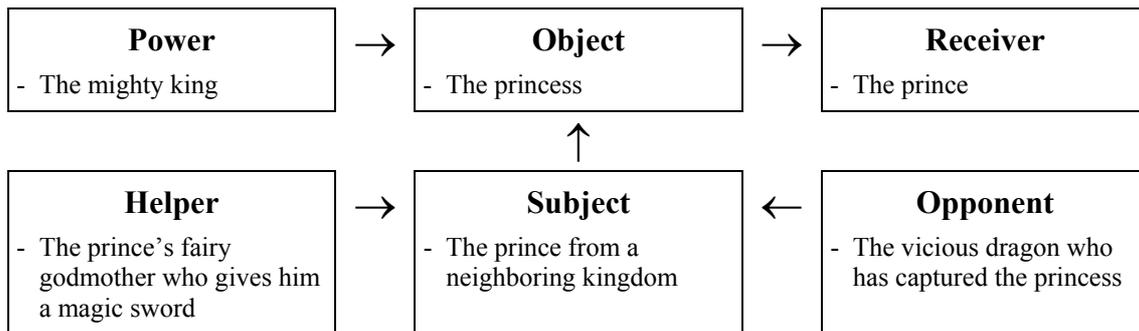
Greimas' narrative schema defines an inventory of actants, forming a basic set of relations. He posits six actants in three pairs of binary opposition, which describe fundamental patterns in narratives:

- subject/object: desire, search or aim
- power/receiver: transport, communication
- helper/opponent: auxiliary support or hindrance

The subject-actant is following an aim, aspiring towards a goal (e.g. a prince fighting a dragon to win the princess; a manager working hard for his company's survival). The object-actant is not necessarily a human being (though it may be - e.g. a princess in a fairy tale). It can also consist in reaching a certain state (e.g. wisdom; profitability; an increase in salary). The power-actant may be a person (e.g. the king; the chairman of the board) but is often an abstraction (e.g. fate; cleverness; society). Therefore, I prefer with Bal (1985) to label it a power-actant instead of a sender-actant. The receiver-actant is often the same person as the subject-actant, and in the case of empirical narratives, frequently identical with the narrator. The helper-actant and the opponent-actant may similarly be either persons or abstractions - benevolent or malevolent in their quest for the desired object. In other words, the helper may be hard work, an innovative engineer or a fairy godmother, whereas the opponent may be laziness, a strong competitor or a vicious dragon.

Greimas' actantial model is structural; it describes the relations between different kinds of phenomena, not primarily the phenomena themselves. Its assumption is that these relations between classes of phenomena form the basis of the narrative.

Below I apply the actantial model to a typical fairy tale of a prince who combats an evil to free a princess, after which he receives her hand in marriage from her father, the king:



Greimas developed the actantial model to understand the plot structures underlying literary fiction. Though the organizational narratives studied in this essay do not demonstrate the premeditated complexity or depth found in much fiction, there is no structural difference between literary fiction and organizational narratives. The actantial model can elucidate how employees and managers understand organizational change processes after an acquisition, throwing light on changing interpretations of the role of various actors as well as of challenges facing the organization.

## **EMPIRICAL MATERIAL AND METHODOLOGY**

In 1994 my colleague and I contacted some Danish mobile telephone companies that had been acquired by foreign MNCs. We gained access to them by explaining that we, as management scholars, were interested in intercultural communication and management; that integration processes in acquired companies had not yet been studied very much, and that the voices of employees were seldom heard and reported on in studies of international mergers and acquisitions. This was the way we framed our research agenda to gain access to the organizations interested and to make central organizational actors in the companies interested in contributing to our research project by their storytelling about integration processes. One way to study storytelling in organizations is to collect stories as and when they occur as part of organizational talk. It demands very time-consuming anthropological fieldwork in the organization; and in “natural” organizational settings these stories are often both fragmented and terse (Boje 1991).

When we started our empirical investigations in Fonodan in 1994, we decided to conduct a series of interviews and thereby elicit stories about the acquisitions and the integration processes. We did not only interview top managers, but also a large number of employees at lower hierarchical levels, e.g. unskilled workers, shop foremen, secretaries, R&D engineers, accountants, human resource managers and sales people. We also interviewed representatives of trade unions and local trade councils as well as the director of the regional science park, to gain an impression of the company's interaction with the local community before and after the international acquisitions. Our perspective was mainly that of the acquired company. However, we also had the opportunity to interview expatriate managers sent to Denmark by the head office (for more results on our research on international acquisitions in the Danish electronics industry, see Gertsen and Søderberg 1998a; 1998b; 1999a; 1999b; 2000; Gertsen, Søderberg and Torp 1998; Søderberg, Gertsen and Vaara 2000).

We carried out fieldwork every year in the period 1994-1999. In this way we had the chance to follow developments and shifting interpretations in the acquired Danish company over a long period of time, even though, of course, we only obtained “snapshots” of a long course of events when we visited the company for short periods.

The primary method for collection of our empirical material was semi-structured interviews. Most of the interviews, however, were narrative in nature; i.e. the interviewees were deliberately encouraged to describe their work situation and their perception of critical events in relation to the foreign acquisitions and the following integration processes, and to do it in their own words with as few interruptions as possible from the interviewer. We tried to elicit stories by asking a few, very open questions and explaining the point of our research. The interviewees might have retold stories which already circulated in the organization and gave sense to events and actions attracting attention and calling for interpretation. But the interviews themselves were at the same time a site for narrative production (Czarniawska 2001). Therefore, the co-authorship of the collected narratives should be taken into consideration. As Gabriel puts it:

(...) they are part of the dyadic research relationship rather than of organizational discourse proper. Nevertheless, in as much as certain stories become embedded in an organization's culture or subcultures, they may be re-created for the benefit of the researcher in a very telling manner, as though they were significant artifacts or heritage figures, unchanged by the circumstances of their presentation (Gabriel 2000: 137).

The researcher may ask clarifying questions to further elucidate particular aspects of the story told. However, it is crucial that the storyteller feels that these questions are asked in the interest of a deeper understanding of his or her world and are driven by the interviewer's empathy. Gabriel (2000) recommends the researcher to take on the role of a "fellow-traveler" during the narrative, showing interest and pleasure in the storytelling process.

I think we succeeded in that to a great extent and therefore had the opportunity to do a longitudinal study. Many of our interviewees spontaneously commented on the interviews as a welcome opportunity to reflect on the integration process and their experiences of it and to do it from a wide perspective that cut across the way they traditionally reported on success and failure in their positions as managers and employees. Some managers even contacted us to ask when we planned to make our next annual visit to the company to conduct a new series of interviews.

While acknowledging that interviewing can never be a method for tapping abundant, objective "facts" and "information" about the organizational "reality" (Czarniawska 2001), as sometimes seems to be implicitly assumed in management and organization studies, the use of narrative interviews enables the researcher to grasp representations of reality in their becoming, by focusing on the inherent structural foundation of the plots practitioners express orally. One of the primary reasons for doing narrative interviews in this longitudinal study was to experience the ongoing and shifting construction and reproduction of organizational actors' identifications and plot structures. The narrative perspective thus underpins the importance of dynamic and shifting understandings and representations, based on a common set of structural features in the narrative production.

At the same time, the narrative approach encourages the embracing of a polyphonic understanding of the world. By listening to different kinds and layers of actors within the organizational hierarchy, our overall research approach and agenda was rather different from what is the mainstream approach in studies of international mergers and acquisitions. We encouraged different understandings and interpretations of the world rather than looking for "one truth out there".

The company Fonodan went through numerous financial crises and considerable organizational change during the six-year period when the narrative interviews were conducted. Change is an integral part of daily life in organizations, but tends to be especially comprehensive, sudden, and dramatic in international acquisitions. In the collected interviews, storytelling about “us” and “them” is very prominent in situations where organizational changes may threaten the organizational actors’ way of making sense of the world. Moreover, top managers feel a special need to account for past, present and future actions. They want to justify actions to themselves and others. They feel a desire to control the actual situation (at least in their minds). And they try to plan ahead and thus make sense of what they do and what is happening to them and the organization. These accounts are often communicated in a narrative mode and can thus be seen as the top managers’ storytelling about various actions and events that are given certain meanings as part of the plots they are continually constructing and revising.

Although our interview guides were gradually modified to take advantage of emerging themes, and although we tried hard not to impose our definitions of what was important or especially interesting, a common set of themes and issues for each set of interviews allowed us to analyze differences in organizational members’ interpretations of certain events and actions and to see changes in their framing of them.

All interviews were performed *in situ*, and lasted approximately one to one and a half hours. We recorded the interviews, took field notes and wrote diaries about our participant observations. Afterwards, all interviews were transcribed *verbatim*.

## **RESEARCH CONTEXT: THE “OFFICIAL” STORY OF FONODAN**

In *Writing Management: Organization Theory as a Literary Genre* (1999), Czarniawska argues that we do not recognize social scientific texts such as organization studies from other literary genres such as fairy tales, detective stories or science fiction by the inherent scientific qualities of such texts *per se*, but rather through the narrative conventions they follow. In other words, the fundamental difference between scientific and fictitious realism lies in the textual strategy of the author.

One of the most characteristic features of the social scientific genre known as organization studies is the use of an objectivist discourse, i.e. the strategic use of devices such as references and “theory”. Another characteristic of this literary genre is the telling of a story about the organization based on “facts”.

When visiting an organization for the first time, you will typically be told this particular story. It is the rational account of how the organization came to look as it does at the moment of your visit - as well as what expectations the organization holds for the future. The story manifests itself in a variety of other ways, e.g. on the Internet, in the press, in annual reports and in job advertisements. We might label such a story of the organization the “official” story, implicitly indicating that many other stories, understandings, and explanations of organizational reality are on offer.

Through interviews, reading of newsletters and field studies, I gained a much more complex understanding of Fonodan than what is entailed in the “official” story of the organization. Throughout the remaining part of this essay I bring these different interpretations of organizational reality in focus. For the outside observer, however, a basic introduction to the research context is an important foundation for the reading of such competing texts. I

therefore invite you to a short visit at Fonodan. So let us step inside the corporate headquarters in the small community in the northwestern part of Denmark and listen to the “official” story of Fonodan as it was told to visitors in 1999.

## **THE STORY OF A COMPANY IN THE GLOBAL TELECOMMUNICATIONS MARKET**

Fonodan was founded in 1980 by a small group of Danish engineers, developing and manufacturing mobile phones. Fonodan, which became known for an R&D-focused entrepreneurial spirit and a consensus-oriented decision-making style, proved highly successful, expanding from 44 employees in 1981 to 870 employees in 1990.

From the very beginning, the majority of Fonodan’s products were sold on export markets. When upper-level management learned that a new pan-European telecommunication standard, the GSM system, was to be established in 1992, they decided to develop a GSM phone together with Northcom, another local producer of mobile phones. This joint development project was technologically successful but proved extremely costly.

In 1993, after several years with severe financial difficulties, the company had to suspend its payments. As soon as this was announced, Fonodan’s 30 R&D engineers met and discussed the fact that there were only three to four GSM R&D groups like them in Europe. This obviously made them attractive as a team. They decided to stay together for a month to investigate the possibilities to attract an acquiring company, even though most of them had already been offered jobs in other companies. During this month they contacted several potential purchasers. One of them was the British trading company Electra, whose owner wanted to diversify. He had already for some time been planning to enter the expanding telecommunications market.

Electra almost immediately decided to buy Fonodan, sending a British managing director and a couple of other managers from their headquarters to Denmark. Marketing and sales were relatively weak points in the Danish company, and the new management team made great efforts to improve the company’s commercial strategy as well as enter into long-term contracts with telecommunication network operators on the European market. Electra was able to purchase components for Fonodan at lower costs, and also invested in new machines for semi-automatic production. Extensive plans were made for mass production and the building of a new factory, but it turned out to be harder than expected to make profits, why the plans were postponed.

In 1997, after almost four years under British ownership, the German multinational industrial group, Gerhard Strohm GmbH, bought Fonodan from Electra. A new production plant aimed at mass production was built. In addition, the Strohm Telecom division invested considerable amounts of money in R&D. Since 1997, the number of employees has increased from 750 to about 1,500. In a country where most companies are small by international standards, the Danish business unit of Strohm Telecom has become the biggest in the region of Northern Jutland.

Having heard the “official” story of Fonodan as it was told in 1999, let us take a closer look at how organizational actors construct different plots and events in narrative form, starting with the narrative that set off this essay - the narrative of the British CEO. How did Danny Allen make sense of the course of organizational actions and events back in March 1995?

## **NARRATIVES OF A TELECOMMUNICATIONS COMPANY IN DENMARK**

### **THE BRITISH ACQUISITION - THE ELECTRA ERA (1993-1997)**

#### **The British CEO's narrative - March 1995**

The British managing director Danny Allen, who was sent to Denmark from late 1993 to 1996, is a self-made man in his mid-fifties with a long career in sales and management in Electra, including some international experience. When he realizes that he no longer has any real career opportunities in the company, he moves to Hong Kong and starts a new career path independent of Electra. A year later, Electra's owner asks him to be CEO in the Danish company, promising him relative autonomy in relation to the British headquarters.

As CEO, Danny Allen devotes himself to a well-defined goal: to make Fonodan number four in the global market. He is confident this will happen: *"I know from experience that we have the right product for the market for the next four to five years"*. He reorganizes the management team, introduces strict financial control and personally takes action to secure orders from large network operators. Danny Allen believes in his own abilities as a businessman, manager and salesman. He is pleased with the commitment he sees among his Danish managers and employees - a commitment expressed in the production workers' and union representatives' wage restraint and the generally high level of cost consciousness after the shock produced by the company's suspension of payments.

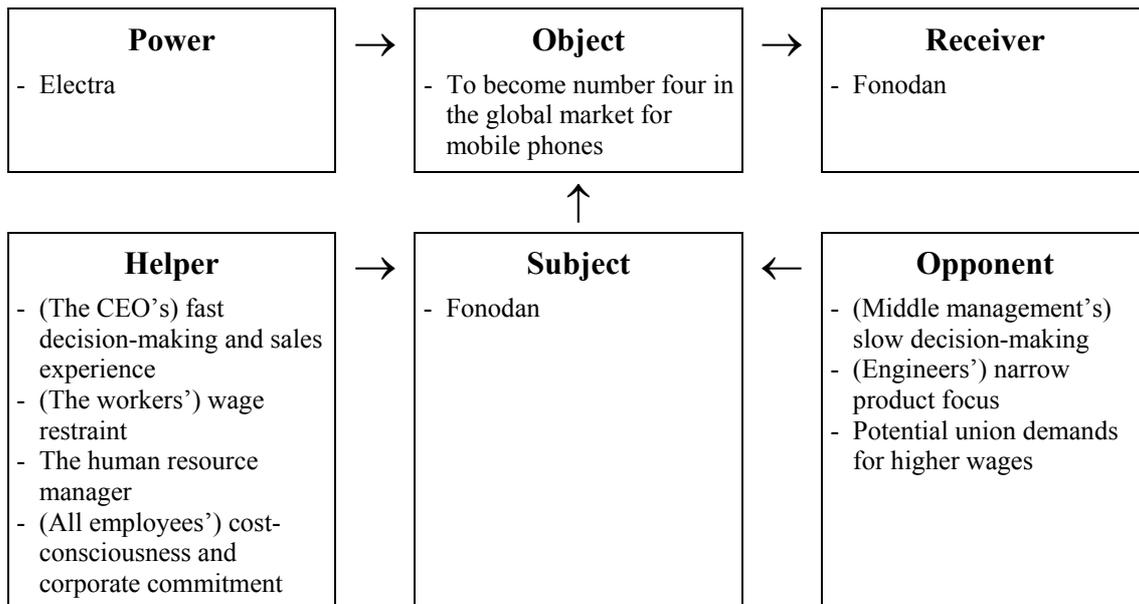
The British CEO looks upon the young human resource manager as his helper and ally, and openly admits that he uses her in a somewhat problematic role, as a "spy" among the other Danish managers:

But I still needed to know what was happening at these management meetings, so therefore I made sure that the human resource manager attended every meeting, so that she could advise me of the progress of the managers: are they good enough?

He mobilizes his helpers (the human resource manager) and his allies (the production workers). With these to help him, he is convinced he can reach his goal. However, Danny Allen also sees himself as a decisive agent when things go well. He describes himself as strong, experienced, dynamic, an international businessman, and he adds: *"I have a strong personality and I tend to get my way due to force and arrogance"*.

This is unlike the Danish managers. They are described as likeable, but according to the British CEO, they need to be taught quick decision-making and need to develop a stronger market-orientation. Danny Allen sees the Danish middle managers' decision-making processes and the engineers' focus on technology instead of market needs as obstacles that must be overcome. He interprets these attitudes as reminiscences of the former management's inefficiency. He is also somewhat critical of the considerable power the Danish unions have but admits that the union representatives have been quite cooperative so far.

Applying Greimas' actantial model, the narrative structure of the British CEO's story can be systematized as follows:



### The shop steward's narrative - March 1995

The shop steward Jonna Jensen, a woman in her forties, organizes her narrative in a series of events and selects certain happenings as crises or transitions, important from her point of view. These events are described in greater detail; for example, the day when all employees were informed about the company's suspension of payments and dismissal of all employees:

In August 1993 we got a big shock. Everybody was summoned to a meeting in our canteen. There, a lawyer briefly told us that the company had no money left and had to send us home. Afterwards, we were sort of stunned - we didn't know what to do. Some went home right away, but a lot of us stayed on and talked for hours. Some even cried. What happened after the suspension of payments was just terrible. Fonodan was a big company in a small community. Everybody was out of work, shops in the village closed, and so on.

At such a stage in the narrative, "discourse time" expands, and the narrative becomes more scenic. Also in other situations of threat, trial and transition, the shop steward tells more about her own and her co-workers' feelings, thus appealing to the listener's sympathy.

The shop steward makes sense of some initiatives taken by the British CEO to alter the existing value and meaning systems of Fonodan. In the interview she tells that there is no longer free coffee for the employees, and the cleaning standard is also lower than it was before. But these actions are justified as more or less symbolic actions to introduce a higher cost-consciousness and emphasize the need for strict financial control in every aspect of work life.

The shop steward speaks on behalf of all the female production workers—, who are the subjects of her narrative. She does not draw special attention to her own actions, but tends to use the personal pronoun "we" rather than "I" ("*We knew that Fonodan wasn't going well*"; "*we got a big shock*", etc). She clearly identifies with the group of female workers she represents, though this does not mean that she is in opposition to the British managers. On the contrary, in her narrative, the workers all desire the same thing: jobs and as much job security as possible.

To some extent, she even includes the entire local community as the subject. Fonodan's suspension of payments was truly a traumatic event which had a massive impact on the small community since hundreds of employees lost their jobs overnight. Therefore the object to secure jobs - is not just desired by the workers, but by all who depend directly or indirectly on their income.

The receiver is identical with the subject, and the power providing the desired object is clearly the British acquiring company, Electra. The British CEO represents this power - he is the hero and the savior in Jonna Jensen's story. The shop steward does not seem to distinguish clearly between Danny Allen and Electra: "*The way I see it, Danny saved us, didn't he? If Electra hadn't bought Fonodan, we'd still be out of work*".

The former management of the Danish company is identified as the culprit: it was at least partly because of their inefficient leadership and lack of strict financial control that the workers lost their jobs. The helpers are indicated rather vaguely, but it is worth noticing that the shop steward mentions the workers' own voluntary wage restraint as something that might make their jobs more secure. Still, it is not emphasized as a crucial fact and could not by itself have brought about the desired object-. The central agent in the narrative is obviously Electra.

In the shop steward's story, the workers are rather powerless themselves. She sees herself and the other workers as agents only to a very limited extent. They do not make things happen - things happen to them. Her world-view is moreover fatalistic; the workers are not responsible:

I've been in production since 1990, and we've had our ups and downs. That's the way it is - in electronics, anyhow. It goes very fast, sometimes up, sometimes down. We're also paid less than before - actually, now, we get less than workers do in other companies in this area. But the pay system is better now, because everyone is paid in the same way - by the hour. Now, some girls are laid off if there isn't anything to do in the production. But we're content with that - it's unsatisfactory to sit around, knit or do crosswords. And it was also too expensive for the company. We realize that the electronics industry is extremely competitive, and if the company does well financially, we can feel more secure in our jobs.

Generally, the shop steward tends to accept the situation as it is: "*Everything new is somewhat difficult*" is her soothing remark about the smoking policy introduced by the British management, which has provoked some resistance from other workers. Obvious difficulties such as board meetings in English and partly unsuccessful negotiations are met with comments such as: "*It's no problem, really*", "*Otherwise, things go well*" and "*We can talk about most things*".

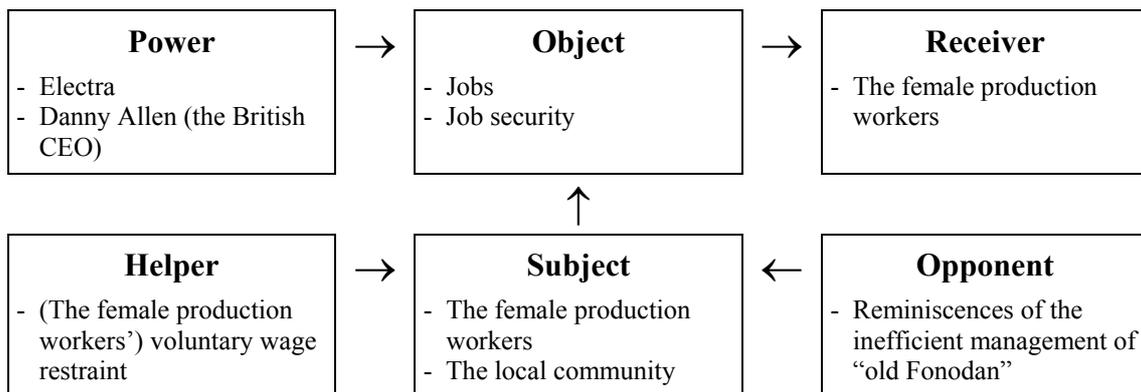
Even though she is not only a shop steward, but also a member of the regional executive committee of the Female Workers' Union, you can hardly hear the voice of a trade union representative. Cuts in wages and benefits are met with the attitude: "*Before, we may have been a bit spoilt*" and "*We weren't clever enough to get all of the benefits back*". Here, she takes a very (self-)critical perspective on the workers and their actions. In this narrative, Bakhtin's concepts of "polyphony" and "dialogism" can be used to illustrate how different voices are intermingled. We hear the management's voice in her narrative ("*It was also too expensive for the company*"). She accepts and justifies the wage reductions and changes in working conditions by using an egalitarian perspective ("*the pay system is better now, because everyone is paid in the same way*"). Finally, we hear her individual voice ("*The way*

*I see it, Danny saved us*”) when she refers to her own and other workers’ experiences with unemployment in the vulnerable local community.

The shop steward actually describes it as the workers’ own fault that they did not achieve a better result during the negotiations between union representatives and employers. She might instead have blamed the British employers for being unfair and unwilling to see that the workers’ demands are reasonable and in line with working conditions in other Danish companies in the region. By adding that the workers used to be “*spoilt*” (i.e. the former management spent too much money on them), she even - on behalf of the group - accepts part of the blame for the suspension of payments.

It is also worth noticing that the shop steward tells her tale with some pathos and in an emotional voice. She describes how she and the other workers felt at various points in time: they “*got a big shock*”, “*cried*”, “*felt excited*”, “*satisfied*”, etc. She focuses more on feelings than on attempting to explain what has happened in terms of causal relationships. But this is hardly just a question of narrative style; it also indicates that certain causal relationships concerning the company’s successes and failures may not be visible at all from her point of view.

Applying Greimas’ actantial model, the narrative structure of the shop steward’s story can be systematized as follows:



### **The human resource manager’s narrative - March 1995**

Tina Berggren is a young woman in her early thirties. She tells her narrative in a very energetic and optimistic voice. She has been with the company for several years, but has only recently been promoted by the British CEO from a relatively modest administrative position to her present job as human resource manager. She is enthusiastic about Fonodan, which has “*always been known as a great place to work; there is a special spirit here - zest and openness*”.

She does not hesitate to place the responsibility for Fonodan’s suspension of payments with the former management’s lack of financial control: “*They were very spendthrift. Their cash box was always open, so to speak*”. But she is confident that the new management is in the process of bringing finances under control, and she sees herself as an important change implementer. In her negotiations with the shop steward and in her recruiting efforts she wants to give sense to the company’s restrictive wages policy. She argues for a high level of cost-consciousness among the employees and appeals to individual responsibility to improve the

company's financial situation in a competitive environment. These are her examples of conscious attempts to alter the current way of thinking and acting in the company.

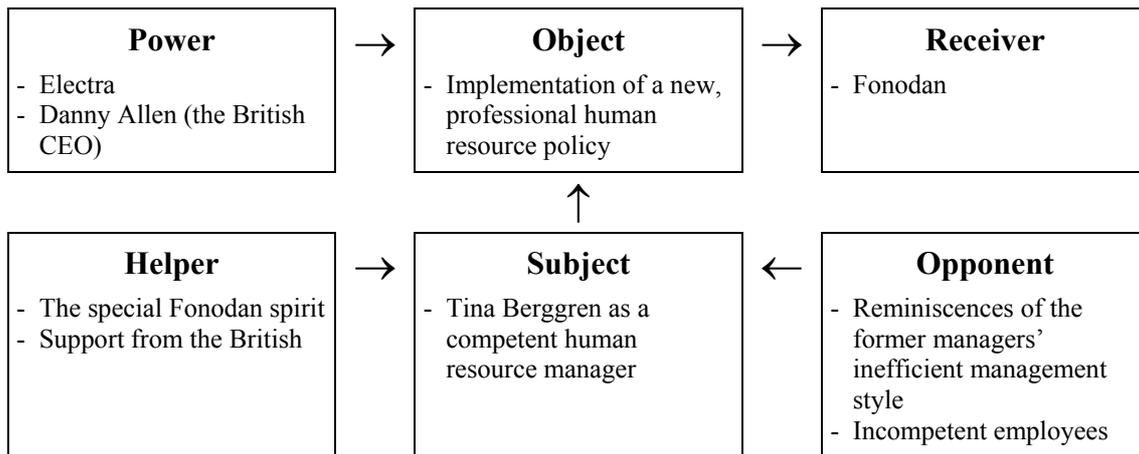
She also tells that: "*Electra realizes that Fonodan's relationship with its employees is crucial. Therefore, Danny [the British CEO] asked me to work out a new personnel policy for our company by myself, and I'm now busy implementing it*". In fact, the successful implementation of this policy is her object.

She feels that the lack of professional human resource management has been a problem and that more emphasis must be placed on the employees' personal and professional development. In her narrative she tells about her sensegiving initiatives in relation to the employees. She tries "*to make it clear to them that it's their own responsibility to stay qualified, for instance by attending various types of courses during periods of unemployment*". Most employees are interested in doing so, but a few seem unwilling to learn, wanting things to stay the same. Still, although there is a lot of work ahead, Tina Berggren believes that with the good company spirit and with the experienced and charismatic CEO Danny Allen as helpers, she will be able to move the company in the right direction.

It is evident in this narrative that the human resource manager identifies strongly with Fonodan, with the new British owner and the British expatriate CEO. She expresses admiration for the CEO and appreciates the career opportunity he has given her. But she also feels that she, with a university background and longer experience in Fonodan—, can be of considerable assistance to him. She emphasizes that she is theoretically up-to-date and familiar with the newest ideas in human resource management.

She distances herself from the former Danish management and from employees who are not sufficiently qualified or willing to learn and develop - personally as well as professionally. As she sees it, this is absolutely necessary in order to work in a professional high-tech company in a highly competitive industry. Those colleagues who do not realize this are opponents to her project.

Applying Greimas' actantial model, the narrative structure of the human resource manager's story can be systematized as follows:



### The project manager's narrative - April 1996

Let us now turn to one of the stories told at the middle management level, one year later. The narrator, Peter Sonne, is an engineer in his early thirties, who is employed as a project manager in the R&D department.

Basically, the project manager's story is about his endeavors to establish a well-functioning research team, which carries out technologically-interesting projects in a successful manner. This is his object. He is confident that he will succeed in this - helped by, among others, the British production manager, who has a good technological understanding and is an intelligent engineer. Still, the narrator does meet some obstacles along the way - often because of the British CEO who, as the narrator sees it, sometimes makes the wrong decisions because his understanding of the complicated GSM technology is insufficient. In addition, he is unwilling to listen to the engineers' expert advice. Furthermore, the British CEO does not understand that it is necessary to invest considerable capital in R&D to reach the company's goal: to be a global player in telecommunication.

Intertwined with the main narrative are a couple of other success stories, both about the engineers' triumphs as a group and about Peter Sonne's individual achievements in a more personal career perspective. One narrative is about the pioneering development of the first GSM phone; another is about the engineers' initiative to contact potential acquiring companies after Fonodan had suspended its payments and dismissed its employees.

In a very rationalistic voice, Peter Sonne tells about the engineers' initiative to find a new owner:

In the R&D department, we were all well aware of the company's problems, so it wasn't unexpected when it was announced in August 1993 that Fonodan had to suspend all payments. The majority of us were immediately offered jobs in other electronics companies in the region. But we decided to wait one month and give our R&D team a chance to stay together. We contacted quite a few European companies who might find our group of experts in GSM technology attractive. Electra wanted to get access to the expanding telecommunications industry, and Electra's owner very quickly decided to employ us.

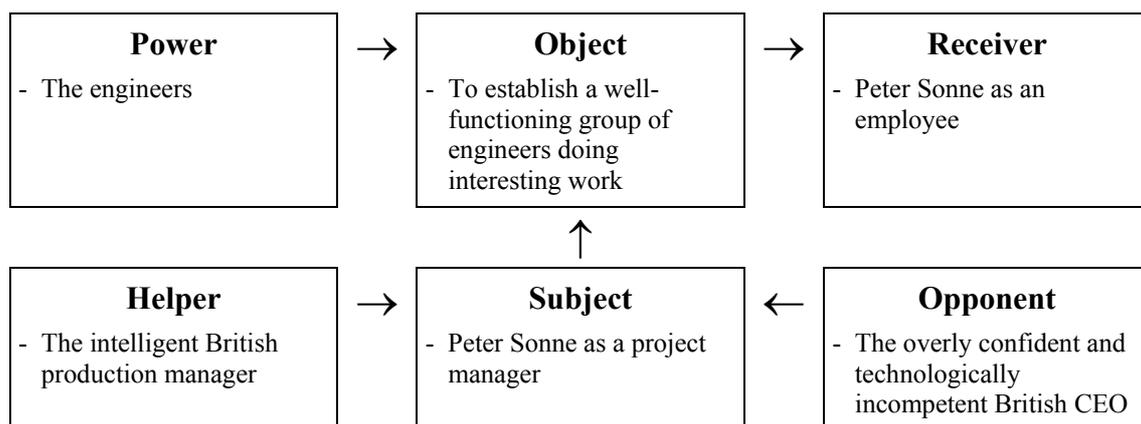
He emphasizes causal relationships and, in contrast to the shop steward Jonna Jensen, he does not describe his own feelings or those of others. Technology plays a decisive role in his narrative, not the concern for other groups of employees in the company:

It won't be worthwhile to move the factory to a developing country because of cheaper labor. In a couple of years, most production processes will be automated, and we'll need very few people - and probably no unskilled workers at all.

As demonstrated above, the project manager identifies strongly with the group of R&D engineers as a team of experts and often uses the pronoun "we" (e.g. "*we were all well aware of the company's problems*"), whereas top management is perceived as "the others". Except for top management, he does not refer to people or departments outside R&D. His world is primarily that of the engineers.

At the same time, Peter Sonne is also an individual who sees his job as a choice: "*It must be fun and technologically challenging*". He displays no emotional attachment to the company, knowing that as a competent engineer he has a number of alternatives in the job market. He appreciates his colleagues in the R&D department ("*We work well together as a team*"), but what really matters is the R&D content of the projects he is assigned to.

Applying Greimas' actantial model, the narrative structure of the project manager's story can be systematized as follows:



### The human resource manager's narrative - April 1996

The human resource manager, Tina Berggren, starts her second narrative in this way: "*People ask: 'But isn't your job just exciting?' and yes it is, but most of all it's hard work and very stressful*". It has been much more difficult than she expected to reach the object of implementing a new human resource policy. She feels that she has been let down by Electra and by the British CEO. She has not received the necessary support, and they do not understand or appreciate her ideas. The British are now her opponents, but still the decisive power in her narrative, which makes her position difficult.

She is proud of the Danish company and assertive when she talks about the well-educated Danish workforce. At the same time she distances herself from the less-educated British decision-makers who are unwilling to spend money on human resource management:

For a self-made man like the owner of British Electra who doesn't have much education, having a foreign high-tech company as a subsidiary was much more demanding than he'd expected. We've had to spend a lot of time trying to convince him of all the investments that are needed. Many of our employees are very well-

educated and expect their opinions to be taken into account, whereas he's more used to just issuing orders.

The human resource manager is now very critical of Electra in general and includes other voices of the Danish management in her statement:

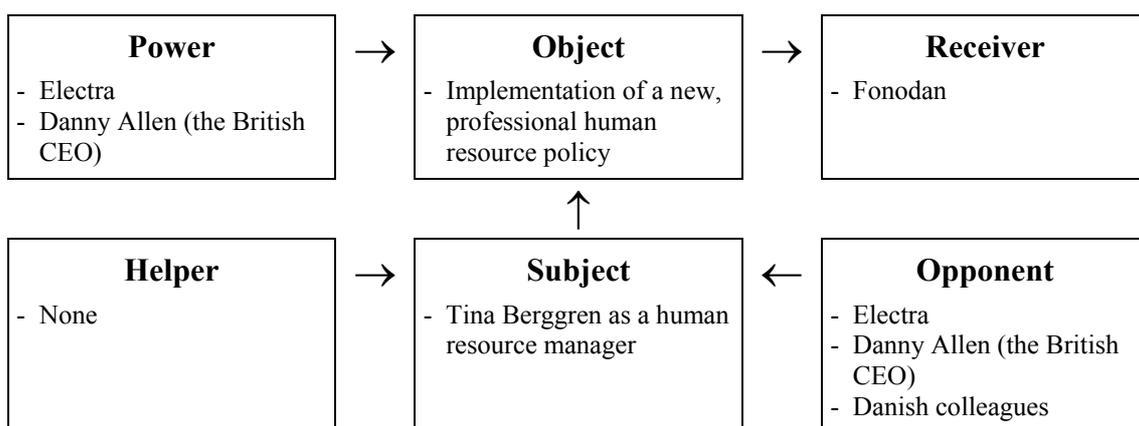
We had expected more professional competence from Electra. Now, I've developed personnel selection and training systems. But Electra and our British expatriate managers don't understand that considerable investment in training and development is necessary. They think that you're born with certain personal qualifications - managerial, for instance - and that you don't need any more training when you leave university as an engineer. They find it hard to understand that people can learn and develop continually - personally as well as professionally.

She admits that it has been a tough year for her at the psychological level, too. She feels that no one in the company helps her and that she *"cannot have a natural and relaxed relationship with colleagues anymore"* - perhaps due to the role she has accepted to play as the British CEO's "spy" and ally. But though she sees herself as being in a difficult position, isolated in the company, outside the community of Fonodan employees, she is still fighting for what she believes is right in terms of professional human resource management.

Still, though she does not say so directly, I have the impression that sometimes she feels the price she pays is too high. At the end of the interview she expresses some identification with people who have resigned from Fonodan:

A few people have left the company. But I think it's a positive thing if they've thought about the sort of life they want to have and have decided they want to do something else. Some of them have worked very hard ever since they graduated from university, and there's been a lot of pressure here.

Applying Greimas' actantial model, the narrative structure of the human resource manager's story can be systematized as follows:



### The British CEO's narrative - April 1996

The British CEO was also interviewed again and now Danny Allen tells a story of trials rather than of the expected triumphs.

He has not succeeded in making Fonodan number four in the global market, but he explains it by factors outside of his control. Most importantly, the market is difficult and the company is up against strong competitors with well-established brands:

It's not the seller's market - things have changed. The market is becoming more and more competitive - this means that phones are sold too cheaply. Several new manufacturers have started production. Also, some brands are just too famous for us to compete with - Nokia and Ericsson especially. Fonodan cannot afford to promote a brand - it takes years. So the best thing for us to do is to sell to a network operator who puts his own name on the phone.

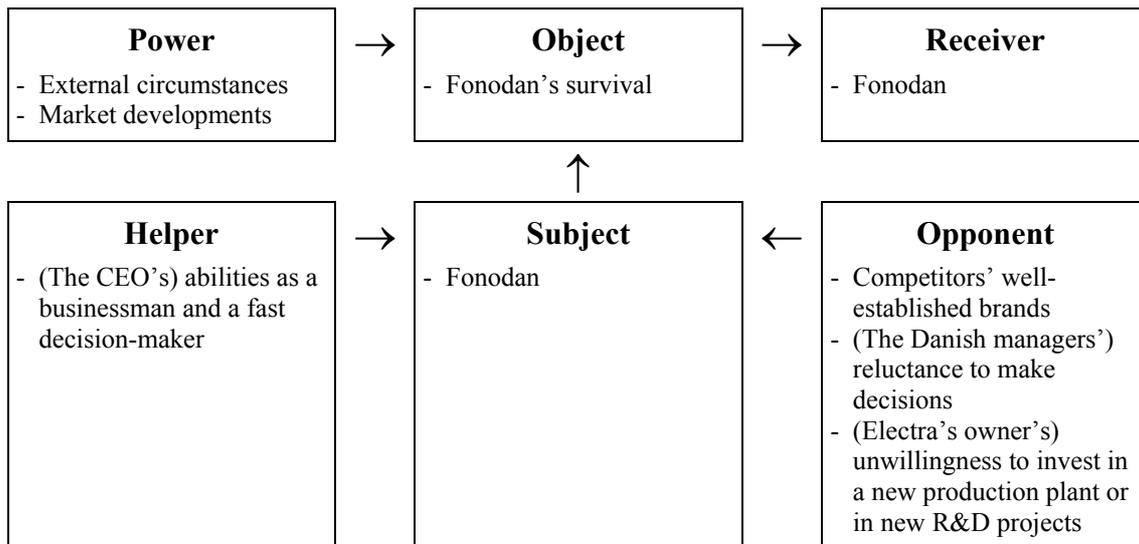
Now, Danny Allen's object is more modest: Fonodan's survival. He hopes he can make the company survive because of his abilities as an experienced businessman, but he does not seem very confident. Furthermore, he still experiences the Danish managers as too indecisive to be efficient. Furthermore, due to the poor results, the owner of Electra has refused to invest in a new high-volume production plant, which had been planned at Fonodan for some time.

The British CEO's shifting identifications from the first to the second interview are remarkable. In the first interview, he identifies with the task of making Fonodan successful and making the Danish managers efficient and professional. At the same time, he dissociates himself from the former Danish management. A shared tale among the British and the Danish managers is that the former management of Fonodan was indecisive, not cost-conscious enough and too consensus-oriented. As Danny Allen sees it, this is why middle managers are still too slow in their decision-making.

In the second interview, Danny Allen still identifies with the task of making Fonodan profitable to the investors/Electra. At the same time he dissociates himself from the present Danish top managers, whom he experiences as increasingly indecisive. He seems to be somewhat split between a certain identification with the Fonodan engineers' enthusiastic development of innovative products for the future and his old identification with Electra's short-term perspective of profit making. In his first narrative he emphasizes that the British owner had promised he would not interfere in the management of the Danish company. In the second narrative he perceives Electra's short-term perspective of profit making as an obstacle to his plans.

Now he actually tends to support the engineers in their attempts to obtain more money for R&D from the British owner. He still sees himself as a competent international businessman. But through no fault of his own, he is now up against very tough competition in the market, with no help from anyone else in Fonodan.

Applying Greimas' actantial model, the narrative structure of the British CEO's story can be systematized as follows:



Ten days after this interview, Danny Allen was asked to resign from his position and to return to Electra's headquarters in London. Instead, Electra turned the management of Fonodan over to the Danish operations director, Erik Nielsen. At the same time, 115 workers in the manufacturing unit were laid off. Once again Fonodan faced serious financial problems. Even though the turnover was 910 million DKK in 1996, the net result of Electra's investment was negative: minus 84 million DKK.

However, the R&D department was still successful in technological terms, and due to new product developments, Fonodan was very attractive to investors. Three multinational electronics companies, one Japanese and two German industrial groups, went into negotiations and started a due diligence process. In April 1997 the large German industrial group Gerhard Strohm GmbH acquired Fonodan - officially becoming known as Strohm Telecom DK - and another integration process began.

## **THE GERMAN ACQUISITION - THE STROHM ERA (1997-2000)**

### **The Danish CEO's narrative - June 1997**

As soon as it was publicly announced that the German multinational company Gerhard Strohm GmbH had acquired Fonodan in May 1997, the Danish CEO Erik Nielsen, a man in his early fifties, was interviewed. In a triumphant voice he tells that business consultants with 25 years' experience in the field of mergers and acquisitions had informed him that only around ten percent of all CEOs survive a foreign take-over:

So I was prepared for the worst when the company was acquired. You can either take a chance or just start looking for another job. But I was 100 percent involved in the daily problems - with employees we had to dismiss, product quality, etc. I was working hard to make this company survive in a period full of trials. We were really about to turn the key and close down - and at the same time I was preparing, in deep secrecy, the sale of the company together with these business consultants. So mentally I simply couldn't manage to look around for another job at the same time. Therefore I decided that I would try to get the company sold in a proper manner so that all the good people here could continue their work with a new owner. And I thought that it might also look nice on my CV. It's not too bad to leave the position as CEO when it happens in connection with a take-over.

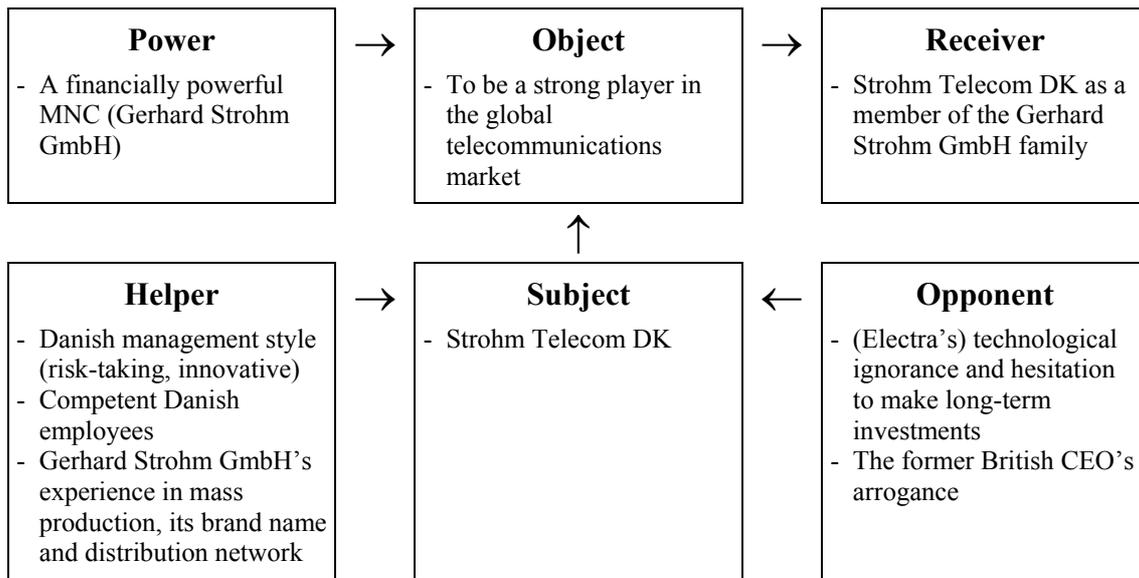
An analysis of the Danish CEO's statements in this interview shows that his ambition on behalf of the Danish company is to make Strohm Telecom DK a stronger player in the

turbulent global telecommunications market. As a very important helper in relation to this project, he points to the acquiring company. However, according to the Danish CEO, the Danish managers and employees also have something to offer. They are well educated and highly motivated, and the R&D department has a good reputation due to the engineers' outstanding know-how in GSM technology. Finally, the Danish management style that the CEO himself represents is described as innovative and risk-taking. Erik Nielsen is very enthusiastic: his former opponents, represented by the owner of Electra and the British expatriate CEO, are now out of sight. He can finally permit himself to attack them for their technological ignorance and their arrogance towards the well-educated and competent Danish managers and employees. Hereby he also positions himself as a person who listens to and takes care of the employees:

Danny [*the former British CEO*] was the right man to build up the company. He was the source of inspiration and succeeded in reorganizing it. But when the company was reconstructed, he wasn't a success any longer. He wasn't able to handle the managerial operations at a high level; he wasn't capable of managing crises. Moreover, Danny was arrogant and had a very big ego; he displayed the attitude that he knew better than everybody else. Fonodan was still a relatively small company at that moment, and Danny was involved in everything. But when things became more complex, his management model was useless. That was why he failed. In the end he simply lost control of everything in Fonodan. People with such a big ego are extremely dangerous as managers. They don't listen to other people, they cannot accept good advice, they only focus on their own ideas and are convinced of their own superior competencies. Eventually Richard [*Electra's owner*] asked him to leave Fonodan immediately, and I had to take over the position as CEO of a company on the brink of disaster.

The Danish CEO is relieved that a serious and competent German industrial group has now replaced the British owner. Whereas Electra hesitated to make long-term investments and implement the plans for a new high-volume plant, the financially strong Gerhard Strohm GmbH is perceived as fully committed to the project of making the Danish company a center of excellence within GSM technology. Thus, the company now has a new opportunity to become a strong player in the global telecommunications market.

Applying Greimas' actantial model, the narrative structure of the Danish CEO's story can be systematized as follows:



### The research and development manager's narrative - May 1998

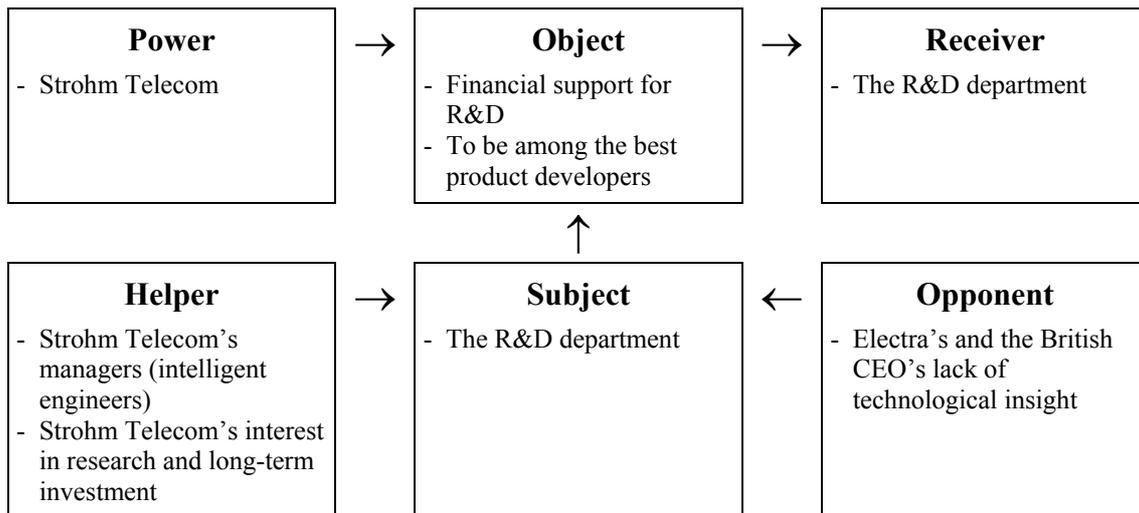
A year later, in May 1998, I interviewed the research and development manager Peter Sonne, one of the former project managers in the Electra era.

Like the Danish CEO, Peter Sonne also makes explicit comparisons between the former British owner and the new German acquirer. The research and development manager points to Electra as an opponent to his project: to secure financial support for new ambitious R&D projects. The research and development manager points to difficulties in negotiations and decision-making: neither Electra's owner nor the British expatriate CEO had any technological insight:

Electra didn't have any experience with R&D, and the company didn't know anything about production of mobile phones. The owner and the expatriate managing director often made hasty decisions about product development where we indeed knew better.

He explicitly distances himself from Electra and identifies strongly with the new acquiring company. He perceives the German managers as more "*intelligent*" than the British. With an educational background as engineers he perceives them as belonging to the same professional culture as himself and his Danish colleagues in the R&D department. In his view, this explains why the Strohm Telecom division rightly puts emphasis on intensive and stable relations to researchers and students at the universities. Research projects and Ph.D. scholarships are now sponsored, and graduate students are allowed to work on projects in the company, whereas these important company-university relations were neglected to a large extent in Fonodan's Electra era.

Applying Greimas' actantial model, the narrative structure of the research and development manager's story can be systematized as follows:



### The general manager's narrative - May 1998

A narrative interview was also conducted with the general manager responsible for finances, logistics and IT. Hans Winther is juxtaposed with the Danish CEO Erik Nielsen at the top of the Danish management of the company and refers directly to the top management of the Strohm Telecom division in the German headquarters. He was headhunted in March 1997 and spent the first month selling the Danish company to Gerhard Strohm GmbH. He speaks in very rational terms about his considerations when he was offered the job:

I made some preliminary strategic analyses and immediately realized that Fonodan would have to be sold. I also saw some very exciting strategic challenges and possibilities in the future. This is really high technology production, and IT is crucial. But logistics, production and supply management are also very important functions.

Hans Winther shares the other Danish managers' positive identification with the German acquirer, but only to a certain extent. He foregrounds the German way of planning and structuring working processes as something the Danish managers and employees can learn from. But he is also well aware that Strohm Telecom's managerial style and communication style might have a negative impact on the integration process. Still, he believes that Strohm Telecom wishes to show the Danish company respect:

Strohm has experienced some disastrous take-overs. Total disasters where they just rolled in, took over, and let the blood flow. Afterwards, to their surprise, all the rest of the managers left, too, and they wondered why. Strohm is now very conscious of the signals they send out to us as the acquired company, and they try to show that they respect our competencies and culture. They have no know-how in telecommunications and they realize that they must make people stay here.

He describes his own project as the successful integration of the Danish and German company:

I feel it as my responsibility to make the communication run smoothly. Product synergies, etc are not enough. And when it doesn't work, who do they send out to solve the problems? A trouble-shooter, who makes John Wayne look like a Sunday schoolboy! They really need integrators, and that's how I see myself.

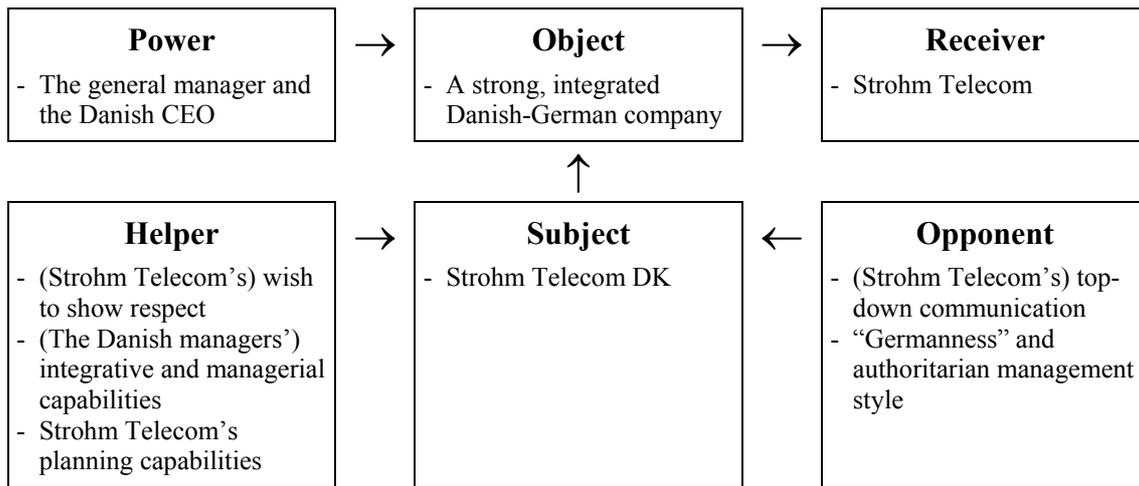
Helpers in relation to this integration project are his educational background (MBA) and his managerial experience, also from jobs in Germany. In contrast to most of the other Danish managers who speak English with their German counterparts, Hans Winther speaks German fluently, and he is familiar with what he perceives as a German communication style and German manners. He thus stresses his own managerial competencies as an international businessman compared to the other Danish top and middle managers. They may have done a good job when the company was smaller, but they are still very operations-focused. They need more knowledge of management and strategy to be able to cope with the future challenges.

However, he perceives Strohm Telecom's communication and management style as counterproductive to his integration project:

The managers in Strohm say that they're international, but they're still very German. It's incredible how much of the information we get that's in German. And they have this fundamental culture that can be hard for us Scandinavians to accept: when a manager issues an order, he expects to be obeyed, and that people click their heels and say "yes, sir". But that's not Danish culture. Danes ask: "Why? Couldn't we do it this way instead?"

Without being asked, he characterizes the German managerial style as more authoritarian, as top-down communication with commands and intensive control of subordinates. In contrast, he characterizes the Danish managerial style as compromise-seeking negotiations and thus as a helper to his integration project. He also looks upon the Danish way to carry out management, strategy and teambuilding as far more advanced than the German way. Moreover, he thinks that the German managers could learn from the Danish managers, that they should be more aware that an integration process following an acquisition is also "people business". Similar to the human resource manager the Danish general manager is also proud both of his own competencies and of the company's human resources. He emphasizes that it is crucial for the acquirer to be aware of the uniqueness of a company such as Fonodan. The company is a knowledge-based organization where managers and employees are committed to innovative problem solving.

Applying Greimas' actantial model, the narrative structure of the general manager's story can be systematized as follows:



### The shop steward's narrative - May 1998

At a lower level in the company hierarchy we once again hear the voice of shop steward Jonna Jensen, speaking on behalf of the female production workers, the subject of her narrative.

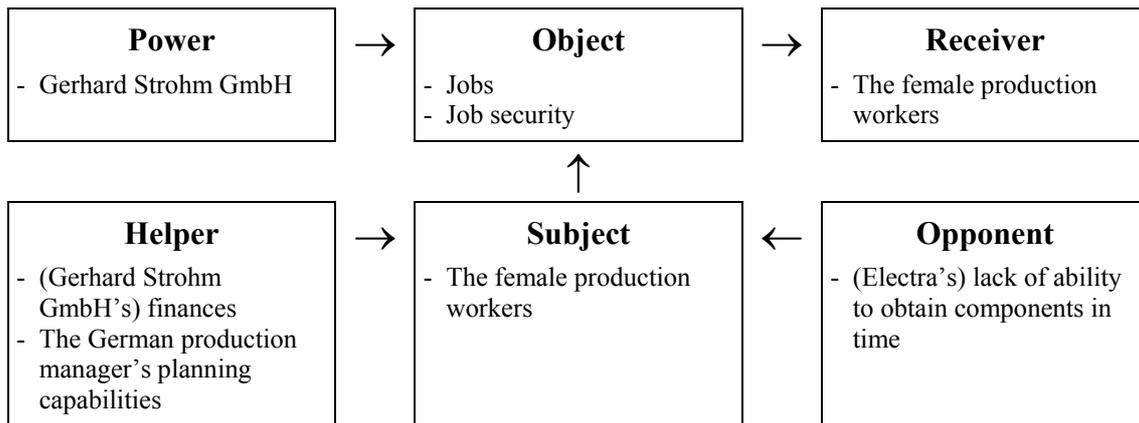
As in her first narrative back in the Electra era, she is primarily focused on finding jobs for the members of her union, and on obtaining as much job security as possible. Between 1995 and 1998, Electra has moved from a position as the power that provided the desired object to a position as an opponent who hindered the subject(s) in obtaining what they wanted. In both Jonna Jensen's narratives, the former acquiring company and the former management are seen as opponents. In 1998, Electra's management is identified as the culprit, because the company was not able to obtain the needed components for production in time. Moreover, the shop steward now openly admits that it was difficult when all meetings with the British CEO in the company's work council were held in English: *"We also get more information than before. Now the meetings are in Danish again, and that's a relief. Though they were briefer before"*.

The helpers are indicated rather vaguely in the shop steward's narrative: *"Gerhard Strohm is an old company, and they know about production. They know that you need good tools and machinery"*. Also, Gerhard Strohm GmbH's stronger financial situation is a positive factor in the creation of jobs and more job security in the production department. It is also mentioned as very positive that the German production manager has learnt Danish, in contrast to the former British CEO who did not make any such efforts during his 2½-year stay in Denmark.

The shop steward expects it will be a big change to the workers when they move to the new factory, which at the time of the interview was still under construction:

A couple of us were sent to Germany to look at a factory down there. There were a lot of good things, but there were no colors or plants. We would like to have it cozy here. But I believe that the good spirit we have in this house will continue - no one feels controlled and we can talk freely. That's important. That's what we're known for. That's what attracts new girls to jobs in the production department.

Applying Greimas' actantial model, the narrative structure of the shop steward's story can be systematized as follows:



### The Danish CEO's narrative - June 1999

A year later I made a new series of interviews. In the meantime the Danish company had moved to a new building with administration offices, a larger R&D department and a huge plant with mass production facilities. The number of employees had increased from just over 1,000 in May 1998 to almost 1,500 in June 1999. Strohm Telecom DK was now the biggest private company in the region.

In the global market of mobile phones the competition had intensified among a still decreasing number of players. In 1999, Strohm Telecom had 3.2 percent of the world market, whereas the three global giants, Finnish Nokia, Swedish L.M. Ericsson and US-American Motorola, had 27, 22 and 19 percent, respectively. Rumors were circulating in the company and in the media that Strohm Telecom DK was looking for a strategic partner. The alternative could well be to be "swallowed up" by one of the bigger players or even to close down. How did different actors in the Danish company interpret this situation? Let us look first at the Danish CEO, Erik Nielsen.

Erik Nielsen still speaks on behalf of Strohm Telecom DK. He describes his project as making the company a stronger player in the global market of telecommunications. He characterizes himself in this way: *"I'm a world champion at falling on my ass and getting up again"*. He sees it as an important aspect of his managerial competence that he has survived many ups and downs in the Danish company's history. With an undertone of irony he states: *"I'm as cool as a cucumber"*. No difficulties can seriously affect him; he will strive to make the company survive any difficulties it faces.

In June 1999, he sees quite a few opponents to his project, among them his counterparts in the German company. In general, he sees German labor market regulations as an obstacle to dismissing incompetent managers and employees, which is easier according to Danish labor market regulations. Moreover, in Denmark there is a tradition for mobility between companies due to the fact that most companies are small or medium-sized. It makes the Danish workforce more flexible. At a more concrete level, he experiences Gerhard Strohm GmbH's personnel policy as an additional hindrance, because this big MNC, like many other major German companies, has developed a tradition of life-long careers. Thus he experiences some of the managers in the Strohm Telecom division as opponents because they have made their career in other divisions of the MNC, such as the automotive division (brake production; car radios). These people make decisions with important implications for the Danish company, but according to the Danish CEO, they do not have the necessary insight into the unique conditions for research, development and marketing of mobile phones.

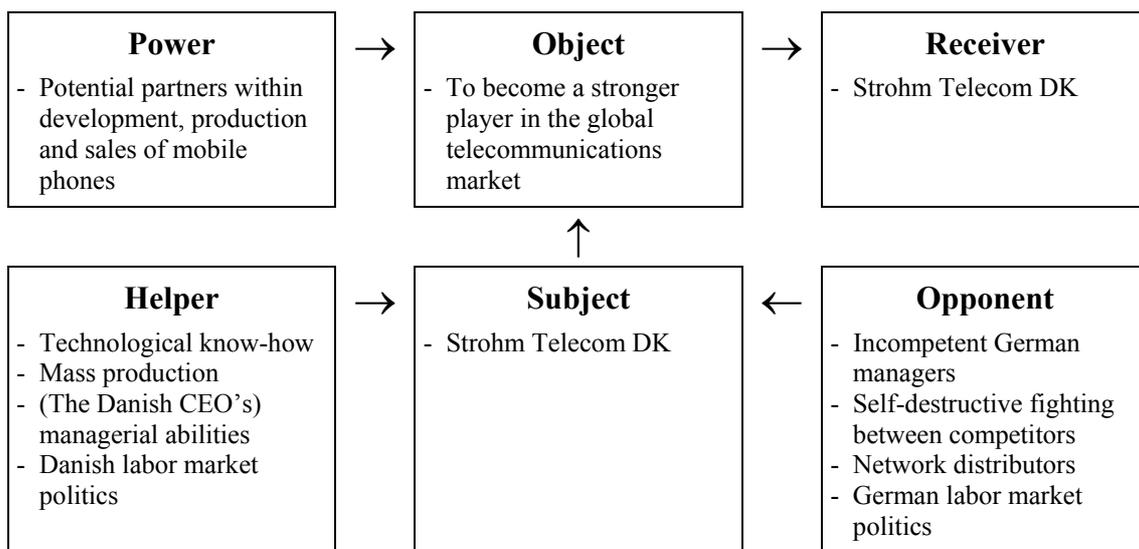
The global competition is very strong, and the Danish CEO views the competitors as engaged in a (self-)destructive fight to secure a larger market share. Another destructive force is the telecommunication network distributors who sell the phones to customers at extremely low prices that do not correspond to the costs of research, development and production:

The market is completely crazy. It grows by 50% a year, but it's a war - we use up all our strength trying to kill each other. The only winner is likely to be you as a customer! If you look at the PC market ten to 15 years ago, the exact same thing happened; huge growth, and they all killed each other. Only three to four companies survived.

According to the Danish CEO, the best way out of this difficult situation is to be involved in strategic alliances with other financially strong companies:

As I see it, Strohm has three possibilities: close us down, invest billions in marketing, factories and development, or find someone to collaborate with. This is a game for the big boys, so buy, join or merge.<sup>iii</sup>

Applying Greimas' actantial model, the narrative structure of the Danish CEO's story can be systematized as follows:



### The research and development manager's narrative - June 1999

The research and development manager Peter Sonne also emphasizes that Danish employees' mobility is a helper in the project he shares with the Danish CEO, i.e. to strengthen the company's position in the global telecommunications market. The solution he recommends is external recruitment of experts who could add value by improving the design of the mobile phones as well as develop the marketing to end users. However, Gerhard Strohm GmbH's human resource policy is characterized by internal recruitment no matter which competencies are needed, and this is seen as an obstacle and an opponent to the Danish research and development manager's project.

Peter Sonne still respects Strohm Telecom's competencies and highly needed experience of large-scale mass production. These are helpers, whereas the acquiring company's

management style is perceived as a serious opponent. The research and development manager compares the unstable situation where the German managers are not yet settled in their views upon the future strategy with the situation the Danish managers experienced with Electra in 1996, when the British corporation hesitated to invest more money. This is an unstable situation that causes frustration. German managers are afraid to decide on investments that might fail and thus cost them their further career in Gerhard Strohm GmbH. But in the meantime several good managers and employees consider leaving Strohm Telecom DK because they are offered attractive positions by other electronics companies in the region.

The research and development manager also comments on the new building, which is positively described by many other narrators in the company, among them the shop steward Jonna Jensen. Many production workers are proud of Strohm Telecom DK's new big building that sticks out a mile in the environment. They also put emphasis on the fact that all managers and employees in the company are working in the same building. It is easy to meet with other groups of employees, and you can even have your meals in the same canteen as upper-level management. The managers in the Strohm Telecom division in Germany are also very satisfied with the new building and have even considered constructing more factory buildings in Germany and abroad using the same design.

However, the research and development manager describes the company's new premises from quite another point of view:

In the old building where the R&D department was located, my colleagues and I made all our decisions without interference from others. Nearly everything was possible. We gave the anarchist tendencies among the R&D people free rein. The new building is much more influenced by Strohm's thorough and painstaking character. You have to behave according to certain rules applied to all groups of employees working in this building, from production workers to the CEO. You're asked to arrange everything in an ordered whole, in a system that you haven't had any influence on. You can no longer move any of the walls. You cannot invite your family and show them your workplace due to security systems. You're not allowed to move chairs to the open-air terrace when the weather is nice. There are no cozy places, no chat-rooms, no intimacy, and no room for spontaneous contacts. I cannot help referring to this big building as the one and only open prison in Northern Jutland.

In the contrasts between the old building and the new one, binary oppositions are constructed that may be interpreted as part of the narrator's values and norms determining his positive identification with the Danes against the German acquiring company. The research and development manager associates what he conceptualizes as "*the Danish way of life*" and "*a Danish organizational culture in an entrepreneurial company*" with the old building, characterized by possibilities, anarchism, and no interference from outsiders. The new building is linked to his perception of a German organizational culture that according to him is dominated by control and restricted by a number of rules. The employees have no influence on the workplace, and the company is closed to the local environment. The atmosphere is cold, the social relations formal. There is no space for chat, only for scheduled meetings.

The research and development manager never identified strongly with the company, whether under Danish, British or German ownership. As could be seen from the two previous narrative interviews conducted with Peter Sonne, he has always had a strong professional identity as an engineer. He pays respect to the managers and employees he sees as "*intelligent*", among them his colleagues in the R&D department. But as he emphasizes in this last narrative:

I didn't plan to work in Strohm Telecom DK. And I know that I can easily find a good job elsewhere. I'm not born into the Strohm family; I don't share career perspectives with our German expatriate managers. I cannot imagine that I'll stay here until I retire. As long as I have some fun with my job and find it challenging, it's OK, but if not, then...

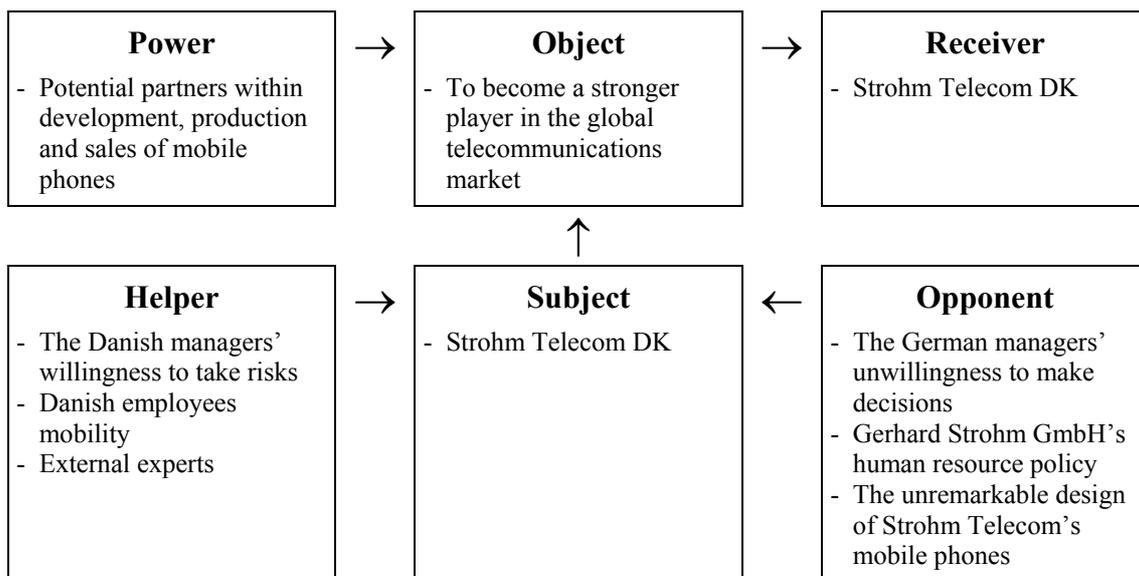
The research and development manager also admits that the drastic enlargement of the Danish company has:

(...) drawn some teeth out of the Danish company. The organization is right now suffering from severe stress symptoms; but nevertheless it's been a tremendous learning process. However, some of the people most intensively involved have to make up their minds if they want to continue in top gear with the risk of burnout or even - premature - death. Or if they would rather leave the company in time.

There seems to be some sort of identification with the people considering other life projects and job opportunities. It makes this narrative similar to the second narrative told by the human resource manager in April 1996 in a situation where she was close to burnout.

Half a year after this interview, the research and development manager decided to leave the company to work as manager and co-owner of a smaller Danish R&D supplier to the giant competitors Nokia and L.M. Ericsson. The German Strohm Telecom managers were shocked: *"How can we make him change his decision? Didn't we pay him enough?"* But they did not succeed in convincing him to stay in Strohm Telecom DK, because he was not only interested in a high salary and a stable work situation. He also wanted to have fun and to be challenged at an intellectual level.

Applying Greimas' actantial model, the narrative structure of the research and development manager's story can be systematized as follows:



## CONCLUDING REMARKS

The narrative approach applied to the collection of interviews analyzed in this essay offers insight into interpretations based on different perspectives on a chain of events and actions, while at the same time displaying that central actors within an acquired company may have very different goals and express different work-views and world-views.

The analyses of narrative interviews also exemplify how different organizational narrators and actors construct different plots and account for causalities from different points of view. The analyses demonstrate that the plots and causalities in the narratives told must be seen as a result of both individual and collective processes of selection, hierarchization and sequencing of organizational actions and events.

The analyses of narrative interviews have also focused on the narrators' different modes of storytelling: rationalistic, seemingly objective, accounts on behalf of the company or a particular department, enthusiastic stories about a certain person's visions and future plans for the company, and tales of personal triumph and managerial success. But also tales of trial and failure, told by both top management and people at the lower echelons in the organization, who blame others' actions or look for cultural differences at a national or an organizational level as explanations for the failure of plans and projects.

The longitudinal perspective on organizational change processes as they are experienced and interpreted by different central actors has enabled me to see some patterns in the way organizational narrators' stories change and develop over time; from the suspension of payments in 1993, over the British and German acquisitions, to the situation in 1999 where the company was searching for another strategic partner to survive tough global competition.

Notably, the acquiring company seems to move from a position as power and/or helper to a position as opponent or a cause of problems as soon as some time has passed and a new company is about to take over, or has already taken over. Both top and middle managers tend to present themselves as decisive agents when the company experiences success and to place themselves as helpers in the plots they construct. But they tend to tone down the impact of their own decisions when problems arise. Other organizational actors, such as shop stewards, production workers and –secretaries, display themselves as agents to a much lesser extent than managers, regardless of whether things go well or not.

Managers are more than ready to take responsibility when things go well, but they are quick to identify obstacles in the environment, including the foreign acquiring company, when they face difficulties in implementing their strategic objectives. In times of trial, managers typically point to contextual factors outside their control as opponents and cause of problems, such as the market, the competitors, the technological development and consumers' changing preferences.

Consequently, managers' accounts may distort researchers' conclusions if such tendencies in their storytelling are not detected in studies of factors that lead to success or failure in mergers and acquisitions. Therefore, it is probably wise to always interpret the causal explanations offered in qualitative research interviews with a grain of salt. A narratological perspective on interviews can help us to remember that the truth of managers and employees' stories may not lie in the "facts" they recount. What is interesting from a research point of view is rather the way they construct their narratives and retrospectively try to give sense to or make sense of a course of actions and critical events.

When reading through the numerous narratives told by managers and other employees in the Danish acquired company, it becomes clear that the changing CEOs have had demanding roles to fill - not just in terms of work load and formal responsibility, but also at the psychological and interpersonal levels. Although the CEO's personality has a bearing on the way he or she leads the company, his or her professional identity and the functions he or she has to undertake are of course not defined by that person alone, but also by the employees. This makes it very difficult or risky for the CEO to deviate too much from the expectations concerning the role he or she is to play.

The narrative interviews conducted in Fonodan support the impression that one of the leader's most important functions is to provide the rest of the organization and its environment with the illusion of controllability: the CEO is in charge, so the employees need not worry too much. The CEO's role is generally expected to be that of a central and preferably heroic character who assumes personal responsibility for the company's fate: "*Inherent in the idea of 'managerial effectiveness' are high self-confidence, energy, initiative, belief in internal locus of control, being pragmatic and results-oriented*" (Alvesson and Deetz 2000: 120). This implies that it will not be acceptable for a manager to voice too much uncertainty and indecision, not even in the face of problems obviously outside his or her control. Moreover, it should be recognized that people in leading positions tend to present themselves and the companies they are in charge of in a good light and thus "dress up for visitors" using a certain self-conscious discursive style and a kind of "logic of representation" (Czarniawska 2001); sometimes mixed up with elements from other discourses.

But although leaders are expected to uphold the illusion of overall controllability, even when an acquired company meets severe internal and external challenges, they might one day also play the role as scapegoats in the stories told (Czarniawska-Joerges 1989). If a CEO is not dismissed in the event of managerial failure, it is implicitly admitted that he or she is not responsible for what happens - and so everyone has to face the uncontrollability of organizational life. But if a CEO is dismissed and a new CEO takes over, the old one can safely be blamed, and everybody, except perhaps the new CEO, can feel secure again and tell each other that someone more competent is now responsible for the development. Hopes and positive expectations are then projected onto the new CEO.

It is evident that former top managers, when I was told about them in retrospect, tend to play the role as scapegoats in the narratives constructed in the Danish acquired company, e.g. the pre-acquisition Fonodan management team and the British CEO Danny Allen. It also seems that top managers themselves are to some degree aware of the risks inherent in their role. Some of them tend to see their job in the context of a "war" or a "game", and they are very concerned with their personal position and their performance. They seem to display their work life as dramatic and exciting, but also dangerous, and they are much more interested in concepts of power and success/failure than other employees.

All this means that it is misleading when managers' success narratives are used as the basis of practical guidelines in research aiming at normative conclusions as well as in business consultants' reports on organizational change processes. From my perspective, it is a pitfall when research on organizational change processes in general, and research on mergers and acquisitions in particular, is based on interviews with managers alone - but this very often the case.

## DISCUSSION OF THE STRUCTURALIST NARRATIVE APPROACH TO ORGANIZATION STUDIES<sup>iv</sup>

Greimas' structural actantial model has been criticized for being static. This critique is correct, in the sense that the specific filling in of the actantial model can be seen as freeze frames; "snapshots" of how a narrator in a given situation relates events he or she has experienced and projects he or she is currently involved in to a researcher. But in the longitudinal study that underlies the analyses of this essay, we find several examples of how the same persons (e.g. the British CEO, the human resource manager, the research and development manager and the shop steward) construct very different stories within a given space of time. The persons, organizations, objects or attributes that appear as helper in one narrative may appear as opponent in a later account. In this sense I have applied the model in an attempt to capture the dynamics of the organization's and the individual employees' sensemaking. Here, the strength of the model clearly shows itself, because it can be used to systematize marked changes in the narrators' perception of themselves and the world.

Greimas' model has also been criticized for not being sensitive to details, because it focuses entirely on observing and filling in the various positions/actants and on the forces in play in the tension of the conflict axis between helpers and opponents. I share the assessment that Greimas' model is not in itself a sufficient tool for analyzing more complex narratives, which is why I have chosen to start the examination of each individual narrative with a more comprehensive analysis of the interview, from where particular concise statements are cited. This analysis also encompasses observations of the chosen narrative style, the relationship between "discourse time" and "story time", and the narrator's identity constructions. Not until this stage are the results of the analyses summarized. These results are relevant for the filling in of the actantial model, where the focus is on the subject's (typically the interviewee's) primary project and on the plot structures the narrator constructs.

Greimas has also been criticized for developing Propp's model of the morphology of Russian folktales into a universal model of how people make sense of the world by narrating it. Greimas assumes that peoples' sensemaking is founded on a need for producing accounts in which they install themselves as subjects striving to realize a project or a program. Greimas claims that, with the actantial model, he has developed a generalized model, founded on the assumption that semantic universes are narratively organized. He also claims that all narratives are controlled by a semio-narrative depth structure that, by condensing the narrative's discursive surface manifestations, can be described through the six actants of the model and the relations established between them. According to Greimas, this depth structure controls any sensemaking and furthermore determines the very organization discourse. In this essay I do not take a stand on Greimas' claim of the universality of the model; I solely build on the belief that within the cultural circle where I have conducted my empirical studies, a repertoire of narrative strategies exists that the interviewees have made use of in their narratives to structure the plots they are constructing in their social interaction with me as an interviewer. I only make use of Greimas' actantial model as an analytical tool, as a method for condensing the different narrative structures that can be found in the interviews and which have been collected within a well-defined organizational context. In this way I only use the model heuristically, not ontologically. At no time do I claim that the world, *in casu* the organization, its surroundings and the people that populate it, *is* as the interviewees claim it is. I only make use of the model to systematize the interviewees' different ways of understanding this world, as expressed in the various narratives they construct. Throughout the analysis these narratives demonstrate very different ways of making sense of a series of critical events

and actions that the interviewees more or less have in common, but to which they ascribe different weight and importance.

I furthermore see possibilities in using the Greimas-inspired narrative analyses in an action research perspective, where one, for instance, enables central actors in an organizational change process to gain insight into some of the other narratives circulating in the organization that they do not necessarily know about. By enabling them to make a change of perspective, for instance by letting the CEO and other top managers borrow other views on the organization and to see it from the perspective of the project manager in the R&D department, or the one selling the companies' products, or the shop steward for the production workers, they can maybe to a greater extent than otherwise learn to make themselves acquainted with and respect the fact that some people/groups within the organization perceive the world and the actual situation the organization finds itself in differently from themselves. At least they choose a different form of self-representation and use other explanations of the same circumstances when asked to talk about their experiences of the workings and development of the organization in an interview. Such changing perspectives could encourage the actors' reflections on whether they could imagine the organization differently, and if so, how and why it can be perceived differently.

I find it essential to give voice to people in the organizational field I have investigated. It is the employees' constructed reality I as a researcher deconstruct and recontextualize in this account of international acquisitions. Hence, I think we as organizational researchers are morally obligated to listen to these individuals and show empathy towards their interpretations of the world, even though managers and employees, just like me in my position as a researcher, do not have privileged access to any form of objective reality. However, as an organization researcher I can take part in creating a dialogue between different stakeholders in the field and focus on the dynamics and complexity in the relation between organizational actors and their surroundings, by reconstructing the stories of managers and employees. At the same time, I am well aware that human actors also engage in a physical world with non-human actors, which influence and delimit human actors' sensemaking through narratives (Mathiesen 2002). Employees in Fonodan relate both to the physical boundaries of the company, such as the new buildings and the possibilities they give for social interaction, and to technology, such as tools and machines. They furthermore relate to the local community and the region characterized by massive unemployment, as well as construct an identity-based community as Danes in contrast to the foreign owners and the top managers and to the company's headquarters abroad, which through its geographical distance also influences managers and employees' possibilities for action and interpretation.

Analyses based on actantial models of an organization's different narratives can elucidate to the top management that some people in the organization strive to fulfill very different projects than the ones the top managers have and try to give sense to. Depending on the identity construction I focus on, different positions, struggles and opponents appear. The production manager, for example, who wants to make production more efficient and profitable in a market characterized by tough global competition, is potentially in opposition to the shop steward, for whom it is all-important to secure stable work and good pay conditions for union members and for whom the interests of the local community seem more important than the competitive environment in which the company acts. The actantial model can be used to show that these two organizational actors, as part of their sensemaking narratives about current and future projects, choose to install very different actants as helpers, respectively opponents, in the completion of the projects they have decided to put into effect;

perhaps so that the ones that are opponents in one narrative appear as helpers in another. This matter was also exemplified in the analyses of the British CEO, who, with his policy on wage restraint and increased cost-consciousness, was presented as a hero and a savior by the production workers, because they believed he in this way could increase their job security. But the same tight financial policy was seen as a threat by the R&D engineers, because it prevented them from gaining access to the ample resources that make R&D work exciting and challenging and which give them optimal possibilities for developing and bringing new products to the market.

The concept of corporate narratives and organizational storytelling (Harben 1998) is often offered to top management as a managerial tool to construct a coherent story about the company (who is this company?; where does it come from?; which values does it stand for?; what does it strive for?) and thus give sense to different actions and events. However, the many different voices in the acquired company and their differing narratives about the international acquisitions and the following integration processes seems to indicate that it may be very difficult to implement such organizational storytelling. In some cases it may even be counterproductive to introduce corporate narratives through conscious efforts. However, corporate storytelling might also be used deliberately as a “fight-back” to fragmenting movements within an organization.

In continuation of the above reasoning, the analyses of the narrative structures in the various stories can also be used to assess the sustainability of top management’s sensegiving efforts through corporate storytelling. Such stories deliberately simplify organizational complexity, but can therefore also be used as “guides for action”. However, it should be investigated if, for instance, there is a risk that central actors will deconstruct a managerial initiative to give sense to the organization and unify it through a corporate narrative of where it is from, what values it stands for, and what visions management has for the development of the organization. However, narrative analyses can also give an indication whether, among the central actors in the organization, there are important strategic alliance partners that predominantly support the sensegiving of top management and on crucial aspects share the understanding of the actual situation of the organization and the strategic goals after which top management chooses to direct the organizational development.

To exemplify the problems with the concept of a corporate narrative as a unifying and integrating device, let me revert to the Fonodan case. During the Electra era many employees shared the negative perception of the former Danish management of Fonodan that the shop steward and the human resource manager expressed in their first narratives. But a core group in the company, the R&D engineers, who benefited from the generous investments in ambitious research projects and succeeded in developing one of the first GSM phones in the world - something that made the company attractive for investors - certainly disagreed in these sensemaking efforts. It was not in their interest to support the British CEO’s narrative when he tried to give sense to wage restraints and a more cost-conscious policy.

In this essay, sensegiving and sensemaking in connection with organizational changes has been in focus for the study of managers’ and employees’ narratives about a series of international acquisitions of their company and how the foreign ownership has influenced their everyday at the work place. This is why the narrative interviews are not just interesting texts that could be separated from their creation context and afterward made the object of a narratological analysis. On the contrary, they have been read, analyzed and thereby recontextualized, where I as a researcher have felt an obligation towards the organizational

practice they refer to and which generate the stories. This practice should principally also be incorporated in the empirical investigation, analysis and interpretation in organization studies.

I have not chosen a research position as the cultural anthropologist who through field research collects interesting stories from the organization as proof of organizational reality “out there”. Instead, my primary interest has been on trying to grasp the changing, interesting and complex stories constructed in an endless process which constantly creates meaning and momentarily gives sense to individuals and groups in the organization, because they explain the actions they themselves conduct and cognitively process the decisions others make and which they are confronted with in practice.

In this essay I have given examples of how such narratives are constructed and reproduced or transformed in an organizational context, where the changes are sometimes experienced as dramatic. In my analyses I have tried to show not only *what* various managers and employees focus on and tell about the organizational change processes but also *how* they tell about them. Furthermore, as a researcher I have interpreted these stories since I have recontextualized them in a theoretical perspective, where the focus was on the role of the stories as part of sensegiving and sensemaking activities. In that sense I have, as a researcher, also engaged in a new construction of the organizational world that I have tried to deconstruct throughout the analyses.

I have cultivated the narrative analysis in this essay. But even in-depth narrative interviews and analyses of them cannot stand alone if one wants to investigate the sequence of organizational changes taking place and the gradual changes in perceptions and interpretations among both change strategists and change implementers. In order to better account for the dynamics of different sensegiving and sensemaking processes and the transformation from one state of mind to another, one will have to include other kinds of empirical data and use other theoretical approaches and analytical devices. In other articles founded on the same longitudinal study of international acquisitions, the narrative interviews simply had status of a form of pre-empirical material among many other types, such as participant observations, diary notes, annual accounts and other company documents, as well as press articles about the company.

The narrative approach, however, has proven to be a fruitful one that can enrich organization studies. It can give voice to groups in the organization that have often been marginalized or excluded in the research that one-sidedly chose a managerial perspective. But narratives are not just interesting as organizational actors' representation of experience, even though the narrative approach gives researchers access to discover the “*conceptual lenses*” (Gioia and Chittipeddi 1991: 435) the actors use to interpret their experiences. Through their stories, we as researchers at the same time gain insight into how, through their stories, they actively engage in the social construction of their organizational universe.

Finally, the narrative approach can challenge the seemingly rational-scientific and authoritative practice of documentation, analysis and reporting that still dominates organizational studies. Partly by giving space for actors' more emotional and experienced-based stories, and partly by itself insisting on and illustrating that the scientific form of presentation rests on choices of a certain author's position and style. In this way, these analyses of narratives can also give a modest contribution to moving the boundaries within the scientific field one writes oneself into as an organizational researcher.

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## ENDNOTES

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<sup>i</sup> As all other names of companies and persons, this name is fictitious in order to protect the anonymity of the interviewees.

<sup>ii</sup> An earlier version of this essay: Tales of Trial and Triumph: A Narratological Perspective on International Acquisition, written by Martine C. Gertsen and I, has been published in Cary Cooper and Alan Gregory (eds.) (2000): *Advances in Mergers and Acquisitions, Volume 1*. London: JAI Press, Elsevier Science.

<sup>iii</sup> In May 2000 Stroh Telecom DK was split up into two companies. Another German MNC acquired the R&D department, whereas a US-American company took over the production facilities.

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