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A void is filled with assumptions: Change recipient sensemaking in the early phase of organizational change

Master's Thesis

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Abstract of master's thesis

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Abstract

Change is an inevitable and inextricable part of organizational life, originating from global megatrends as well as from the everyday actions of organization members as they go about their life. As such, organizational change has been a subject of much academic interest, and there has been a multitude of studies exploring, for example, how organizational change occurs, what shapes and forms it takes, and what different roles different members of the organization have in developing, implementing, and enacting the change. One topic within the organizational change literature is sensemaking.

Sensemaking refers to an interpretive process through which individuals and groups assign meaning to their experiences, and through which an account of what is going on is created (Klein, Moon & Hoffman, 2006; Maitlis & Sonenshein, 2010). Sensemaking is an important part of organizational life and central to organizational change; differences in in understandings and interpretations between change agents and change recipients may lead to challenges and unintended consequences in change implementation (Balogun, 2006; Bartunek et al., 2006; Bartunek et al., 2011). However, there is a gap in existing literature in understanding about the factors that influence change recipient sensemaking about planned organizational change.

This gap is addressed in this thesis. In this thesis, an inductive case study is presented to explore change recipient sensemaking about planned organizational change in its early phase. The phenomenon is investigated in the empirical context of a large technology company beginning to pursue a planned organizational change initiative. A grounded theory model is proposed to explain change recipient sensemaking outcomes about planned organizational change.

The results of this study suggest that there are six factors that affect change recipient sensemaking about planned organizational change in its early phase: Personal values, experiences, and preferences of the change recipients; Sensegiving efforts by change agents, Organizational context, External context, Adoption of precursory practices, and Cognitive effects of other change initiatives. These factors, as well as the second order concepts they consist of are discussed, and the model is to be found to be consistent and compatible with a framework of sensemaking synthesized from existing literature.

In addition to this, the implications the results of this study present to both theory as well as practice are discussed.

Keywords	sensemaking, sensegiving, organizational change, planned organizational change, change management

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Tiivistelmä

Muutos on väistämätön ja erottamaton osa elämää organisaatioissa. Muutokselle on monia lähteitä, aina globaaleista megatrendeistä lähtien ja sisältäen myös organisaation jäsenten jokapäiväiset toimet heidän eläessään arkea organisaatiossa. Organisaatioiden muutos on ollut kohteena suuressa määrässä akateemista mielenkiintoa, ja olemassa on paljon tutkimuksia, jotka selvittävät kuinka esimerkiksi organisaatiomuutos tapahtuu, minkälaisia muotoja se voi ottaa, ja minkälaisia erilaisia rooleja eri organisaation jäsenillä on muutoksen suunnittelussa, jalkauttamisessa sekä toteuttamisessa. Yksi aihepiiri organisaatiomuutokseen liittyvässä kirjallisuudessa on merkityksellistäminen (sensemaking).

Merkityksellistäminen, englanninkieliseltä nimeltään sensemaking, viittaa tulkitsevaan prosessiin, jossa yksilöt ja kollektiivit rakentavat selostuksen siitä mitä tapahtuu (Klein, Moon & Hoffman, 2006; Maitlis & Sonenshein, 2010). Sensemaking on tärkeä osa toimintaa organisaatiossa ja keskeinen tekijä organisaatiomuutoksessa; eroavaisuudet asioihin liittyvissä ymmärryksissä ja tulkinnoissa muutosagenttien (change agent) ja muutoksen vastaanottajien (change recipient) välillä voivat johtaa haasteisiin ja tahattomiin vaikutuksiin muutosta toteuttaessa (Balogu, 2006; Bartunek ym., 2006; Bartunek ym., 2011). Olemassa olevasta tutkimustietoudesta havaitaan aukko ymmärryksessä siitä, mitkä tekijät vaikuttavat muutoksen vastaanottajien merkityksellistämiseen suunnitellusta organisaatiomuutoksesta.

Tätä aukkoa käsitellään tässä diplomityössä. Tässä diplomityössä esitetään induktiivinen case-tutkimus muutoksen vastaanottajien merkityksellistämisestä suunnitellun organisaatiomuutoksen aikaisessa vaiheessa. Tätä ilmiötä tutkitaan suuren teknologiayrityksen empiirisessä kontekstissa yrityksen alkaessa toteuttaa muutoshanketta. Grounded theory -lähestymistapaa käyttäen teoreettinen malli rakennetaan ja esitetään selittämään muutoksen vastaanottajien sensemaking-prosessin lopputuloksia organisaatiomuutokseen liittyen.

Tämän tutkimuksen tulokset viittaavat siihen, että on kuusi tekijää, jotka vaikuttavat muutoksen vastaanottajien sensemaking-prosessiin alkuvaiheessa olevaan organisaatiomuutokseen liittyen: muutoksen vastaanottajien henkilökohtaiset arvot, kokemukset ja preferenssit; muutosagenttien sensegiving-pyrkimykset, organisaatiokonteksti, ulkoinen konteksti, edeltävien käytäntöjen omaksuminen, sekä toisten muutoshankkeiden aiheuttamat kognitiiviset vaikutukset. Näistä tekijöistä sekä niiden alatekijöistä keskustellaan tässä tutkimuksessa, ja esitetty teoreettinen malli todetaan yhteensopivaksi ja ristiriidattomaksi olemassa olevasta akateemisesta tutkimuksesta johdetun sensemaking-prosessin viitekehyksen kanssa. Näiden lisäksi esitetään tämän tutkimuksen implikaatiot teoreettiselle tietämykselle sekä käytännön muutosjohtamiselle.

Avainsanat sensemaking, sensegiving, organisaatiomuutos, suunniteltu organisaatiomuutos, muutosjohtaminen

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Abbreviations and definitions

Manager……	The focal company of this research operates with a matrix structure. For the purposes of this study, it is purposeful to differentiate between managers and business managers. Managers are organization members with managerial or leadership role with direct subordinates in the formal organization hierarchy.
Business manager……	An organization member with a managerial or leadership role, but with no direct subordinates in the formal organization hierarchy. In the context of this study, a business manager typically leads a virtual team or a project in the focal organization.
Expert……	All informants interviewed for this study who do not have a managerial or formal leadership role in the focal organization are referred to as "experts". In the context of this study, experts are mainly knowledge workers, or work as specialists in operative tasks.
Coaching leadership style…	Also referred to as *coaching leadership*. A form of human-centric management and leadership practice. There is no universally agreed definition for coaching leadership style in business leadership context, but it typically includes different dimensions, and involves several different approaches, aiming at improved performance through the coach assisting in, or facilitating personal and professional growth and learning of the coachee (Bond & Seneque, 2013). The prevalent interpretation on coaching leadership style in the focal company of this thesis was that coaching leadership entails leading through asking questions from the coached person instead of providing ready answers, thus facilitating the coached person coming up with solutions to their problems by themselves.

1. Introduction

This thesis studies what factors influence how change recipients make sense and interpret planned organizational change in its early phase. The thesis consists of two parts. First, existing literature on organizational change, on the role of change recipients in it, as well as on sensemaking and sensegiving are briefly reviewed in order to introduce the theoretical background to the empirical study conducted as part of this thesis. In the second part of the thesis, an empirical case study is conducted to explore change recipient sensemaking about planned organizational change. As a result of this study, a grounded theory model on change recipient sensemaking in the early phase of planned organizational change is constructed and proposed, followed by a discussion on the theoretical and practical implications the model suggests.

This chapter introduces the thesis, and outlines its background and motivation. A gap in the current understanding on change recipient sensemaking is identified, and the research problem and research question explored in this study are presented and justified. Finally, this chapter concludes with addressing the scope and structure of the thesis.

1.1 Background and motivation

"Everything changes and nothing stands still", Heraclitus, an ancient Greek philosopher has famously said. Change is a fact of life, and it seems as though organizational life is not an exception to this. Organizations are bombarded with change needs great and small in magnitude, originating from the external environment as well as from within the organization. Global trends and developments such as digitalization and development of artificial intelligence transform the environment organizations exist in, increased need for telecommuting practices are transforming how work is done in organizations, while countless other changes emerge from the everyday actions and adjustments of organization members as they live the everyday routines in the organization – as Orlikowski (1996) argues, "every action taken by organization members either reproduces existing organizational properties or it alters them". Change is inherent in organization; it has been argued that organization is an outcome of change (Tsoukas & Chia, 2002).

Understanding change is essential. Thus, change and organizational change have been a prolific domain of research in academic literature, and through the decades, there have been multiple different views on change and several perspectives through which they have been explored and investigated. Change can be forced in organization, even if it is incompatible with current culture, and produce change in ways of working (Canato, Ravasi & Phillips, 2013). However, organizational change often does not succeed in producing the intended results (Balogun, 2006). Much attention in academic literature has been directed at the gap between the intended change and the change that is realized, as well as the reasons for the gap (Bartunek, Balogun & Do, 2011).

Change recipients have been often assigned in academic literature only the role of deploying and implementing the vision articulated by change agents. A prominent assumption has been of change recipients as resisting change by default – or, at best, being passive reactors to change – and as such, there has been an emphasis on overcoming change resistance in previous literature on organizational change (Balogun, 2006; Bartunek et al., 2011; Oreg, Bartunek, Lee & Do, 2018). However, this view has been

challenged, and for example Balogun (2003) has expanded understanding of the role change recipients play in organizational change. More recently, it has even been argued that to emphasize the role change recipients play in creating and shaping change outcomes, it would be justified to refer to them by the term "change participant", instead (Balogun, 2006).

Sensemaking refers to an interpretive process, through which individuals and groups assign meaning to their experiences, and through which an account of what is going on is created (Klein, Moon & Hoffman, 2006; Maitlis & Sonenshein, 2010). Sensemaking is both a within-person, as well as a collective process among groups of people (Balogun, 2006). It is an important part of organizational life; for example, Weick, Sutcliffe, and Obstfeld (2005) argue that organization emerges through sensemaking, with organization and sensemaking constituting one another.

Gioia and Chittipeddi (1991) expand the concept of sensemaking through introducing a complementary process, sensegiving. Sensegiving refers to the process of where the sensemaking of others is attempted to be influenced, undertaking actions to persuade them into accepting the vision or interpretive schemas offered by the sensegiver. Sensegiving and sensemaking often occur in sequence, and the process of these activities may be multidirectional and cyclical: during the process of sensegiving and sensemaking both the original sensegivers and the original sensemakers may take both sensegiving, as well as sensemaking actions. (Gioia & Chittipeddi, 1991) However, over the years there has been an emphasis in research on change agent sensemaking (Maitlis & Sonenshein, 2010; Sonenshein, 2010).

Sensemaking is relevant to organizational change. Any change to ongoing activities triggers sensemaking about the new situation (Maitlis & Sonenshein, 2010), and Balogun and Johnson (2005) show that change recipient sensemaking contributes to both intended and unintended change outcomes. Bartunek et al. (2011) identify from existing literature three antecedents to change recipient sensemaking, current and past experiences, pre-existing cognitive and emotional states, and change leader sensegiving.

When the organizational experiences between change agents and change recipients are not similar, there may be even radical differences in the contexts for understanding and interpreting planned organizational change between these actors. These differences in understandings have the potential to lead to challenges and unpredictable or unintended consequences in planned change implementation. (Balogun, 2006; Bartunek et al., 2006; Bartunek et al., 2011) Thus, there has been calls by academics to recognize the importance of ongoing conversations between change agents and change recipients (Balogun, 2006, Bartunek et al., 2006).

However, what factors influence change recipients' sensemaking about planned organizational change – and are there other antecedents that remain to be uncovered? The antecedents to change recipient sensemaking identified from existing literature by Bartunek et al. (2011) are very general, and the relevant factors contributing to them remain a black box. This presents a clear gap in theoretical understanding on sensemaking in the context of organizational change.

A better understanding on how change recipients make sense of change initiative, and what factors affect that process, could promote achieving similar understandings about planned organizational change between change agents and change recipients. It could offer practitioners improved ways to facilitate planned change implementation through enabling effective sensegiving actions about the change, targeted at bridging the potential dissimilarities in understandings between change agents and change recipients through addressing the factors relevant on building interpretations of the planned change.

1.2 Research objective and research problem

The goal of this thesis is to advance understanding on organizational change and change recipient sensemaking through exploring what factors influence the sensemaking process of change recipients about organizational change. This exploration takes the form of qualitative single case study with the aim of constructing a grounded theory model to explain the focal phenomenon and propose an answer to the research question. This study seeks to satisfy the duality criterion of case research (Ketokivi & Choi, 2014) by being both situationally grounded and seeking a sense of generality. Situational groundedness is sought through grounding the theory generated by it in the context and evidence it emerges from; a sense of generality on the other hand is sought through generalizing the results in an attempt to transcend the specific empirical context and to arrive at a theoretical contribution that is transferable to other organizations and contexts. In order to further argue for the transferability of the grounded theory constructed in this study, the theory is compared to a framework of change recipient sensemaking about organizational change synthesized from existing literature.

Following the call from Schultz and Hatch (2005), Corley and Gioia (2011), and Ployhart and Bartunek (2019), among others, this thesis seeks to be practice-oriented, exploring phenomena understanding of which would benefit and provide useful knowledge to practitioners. To that end, this study addresses a research problem that arguably has marked relevance to practitioners and to practice. To further increase the relevance of this study to practitioners, the practical implications of the findings and results generated in this thesis are addressed in Chapter 5.2.

As discussed in the previous chapter, a gap in understanding of a theoretically and practically relevant phenomenon, change recipient sensemaking about planned organizational change in its early phase, was recognized in existing research literature. The key research problem of this thesis is to explore why individuals interpret and make sense about organizational change the way they do – what strategies and resources change recipients draw on when making sense of the altered situation they find themselves in? To aid in this exploration, it is also explored what factors influence the sensemaking of change recipients with regards to what change interventions should be undertaken and how great in magnitude those changes should be in the change recipients' opinion. The scope of this thesis is limited to investigating change recipient sensemaking in the early phase of organizational change.

The research question that is explored with this thesis is thus formulated as follows:

Research question:

What factors affect individual change recipients' sensemaking about a planned organizational change in its early phase?

This research question is explored in the specific empirical context of a technology company operating in a business characterized by rapid pace of change, that is in the early phase of implementing a planned organizational change initiative and, besides the focal planned change initiative of this study, is undergoing

another major organizational change as well. The empirical context is elaborated and discussed in more detail in Chapter 3.2.

1.3 The scope of the thesis

The scope of this thesis strictly limited to examining a top-down planned change initiative. Furthermore, , the focus and scope of this the sensemaking of change recipients about organizational change, and to the factors that influence it – although as a byproduct, some insights to change agent sensemaking are gained in the findings of this study, as well. The scope is evident also in the terminology used. Terms "change agent" and "change recipient" which implicitly point to there being change instigators, and those who receive and deploy the strategic vision into practice, are used deliberately to emphasize the limitation in scope. This is in contrast to Balogun (2006), who argues for using the term "change participant" to emphasize the role change recipients play in creating and shaping change outcomes.

Due to this study being a master's thesis, there are time and resource constraints applying, and the scope of the research is thereby limited out of necessity. There was no possibility for multiple cases to be investigated, and so this research is limited to a single case studying individual's sensemaking about planned organizational change, though it offers limited views to sensemaking during other phases of organizational change, as well, as the precursory practice on which the focal planned organizational change of this study builds and its related organizational change process affect the phenomenon of this study. As a proper process study was not possible due to infeasibility of longitudinal data collection, a single phase of organizational change, its early phase, or the beginning of the unfreeze stage of Lewin's (1947) conceptualization of change implementation. Thus, the aim of this study is to present a snapshot view of the factors that affect individuals' sensemaking about planned organizational change in its early phase.

1.4 Structure of the thesis

This thesis is divided into five chapters: Introduction, Theoretical background, Research methodology, Findings, and Discussion. The first chapter serves as the introduction for the thesis. The background and motivation, as well as the scope of the thesis are presented, along with the research objective and research problem.

The second chapter lays out the theoretical background for the research. Existing literature on theoretical domains relevant to this study, organizational change, the role of change recipients in organizational change, sensemaking, and sensegiving, are reviewed. Finally, a framework on change recipient sensemaking about organizational change along with its antecedents and consequences are synthesized from existing research.

In the third chapter, a thorough account on the research methodology is produced. First, the research design and approach are introduced, followed by an account of the empirical context this study takes place.

The data collection and analysis methods are described, and the data structure depicting the second order concepts and aggregate dimensions, and constructed as part of the data analysis, is presented.

The fourth chapter begins by presenting the findings of this study in the form of a thick narrative organized according to the aggregate dimensions and second order concepts of data structure presented in the preceding chapter. In the narrative, the first order and second order concepts, along with the aggregate dimensions are elaborated and discussed fully. Following the narrative in Chapter 4.1, the findings are synthesized and a grounded theory model on change recipient sensemaking about planned organizational change in its early phase is developed and discussed in Chapter 4.2.

The final chapter of this thesis is Chapter 5, Discussion. In it, the findings of the research conducted and the theoretical model produced herein are connected to existing literature. Furthermore, the grounded theory model is compared to the framework on change recipient sensemaking synthesized and presented in Chapter 2. Following this, the theoretical and practical implications of this study are addressed in Chapters 5.2 and 5.3, respectively. Finally, caveats and the limitations of this study are discussed in Chapter 5.4. The thesis concludes with suggestions for topics in future research.

2. Theoretical Background

This chapter will offer a brief overview of theorizing on organizational change in literature pertinent to organization development research during the last four decades, followed by an overview of research on the role of change recipients in organizational change. Following this, research on sensemaking and sensegiving is explored to establish the background and basis to the findings and theorizing presented in this thesis. Finally, an integrated model of change recipient sensemaking on organizational change and its antecedents and consequences is synthesized in Chapter 2.3.

2.1 Organizational change

Change is an inevitable fact of organizational life; organization members will change as old ones leave the organization and new ones come in, the external environment will be in a continuous change through such trends as globalization and digitalization, and the organization's stakeholders change – just to name a few changes that most likely will affect any given organization during its lifetime. It has even been argued that organization emerges from change, that organization is an outcome of change (Tsoukas & Chia, 2002). It is no wonder, then, that change has been a prolific topic in research literature.

Through time, there has been a multitude of different views and conceptions in literature on change in organizations, how they are initiated or instigated, how they progress, and what roles different groups of organization members play in organizational changes. The domain of research on organizational change over the years is vast. As such, this chapter is not meant to be an exhaustive treatment on the topic, but to give theoretical background to the research conducted in this thesis, and to connect it to the larger context of organizational change.

2.1.1 The nature of change in organizations

Bartunek, Balogun and Do (2011) identify from literature relevant to organization development three prominent conceptions of the nature of change in organizations: change as a transformational, rapid, and intermittent occurrence; change as a process; and continuous, emergent models of change. These archetypal conceptions of change are illustrated in Figure 1; for illustrative purposes, they are presented in an exaggerated, caricature form.

In the 1980s, there was a general sense that, due to increasingly global, competitive and turbulent business environments facing companies and organizations, the occurrence and magnitude of organizational

changes in organizations were increasing. Thus, there was marked interest in transformative change in organizations and in change leadership, which was perceived as being a significant factor in the success of implementing a transformational change. (Bartunek et al., 2011) This was also reflected in strategy research, where during the 1980s and 1990s where a common view on change in organizations was a model of organizational evolution as punctuated equilibrium, or a view of organizational change as an intermittent, rapid and revolutionary occurrence, with states of equilibrium and/or incremental change in between these bursts of fundamental transformations. (Bartunek et al., 2011; Siggelkow, 2001; Tushman & O'Reilly, 1996) In this kind of perspective on change as episodic, change is created by prime movers, change agents (Weick & Quinn, 1999).

Another highly prominent group of models that fall under the category of episodic change (Weick & Quinn, 1999) are the planned change models, which presume managers as the primary source of organizational change, and as actors who "deliberately initiate and implement changes in response to perceived opportunities to improve organizational performance or 'fit' with the environment" (Orlikowski, 1996). Closely associated with the planned change models is the generic conception of change intervention consisting of three stages – unfreezing, change and freezing – introduced by Lewin (1947), and which has been proven to be an enduring one in literature on organization development (Weick & Quinn, 1999). This basic conception has since been elaborated by e.g. Schein (1996) who suggests that the concept of unfreezing consists of three processes, disconfirmation of expectations, induction of anxiety through accepting the disconfirming data, and creation of psychological safety to overcome the learning anxiety.

Reflective of this emphasis on transformative and top-down change were concepts appearing in literature on strategic change. Such concepts include, e.g., controlled chaos and ambiguity-by-design, wherein the CEO or change leader intentionally introduces and manages ambiguity, fostering an atmosphere of change in the organization. This allows them to challenge the established interpretive schemes and use the ensuing fluidity in them to instigate and aid the change through reframing existing conceptions and interpretive schemes. (Gioia & Chittipeddi, 1991)

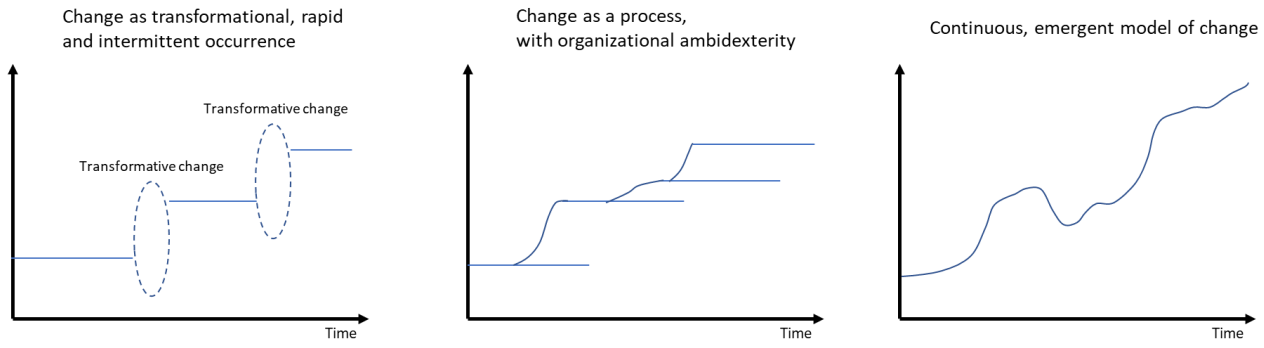

Figure 1. Three archetypal conceptions on change: change as transformational, rapid, and intermittent occurrence (left), change as a process (middle), and change as emergent and continuous (right). The vertical axis in each of the graphs depicts the state of the organization.

Early on, attention in strategy development and change had been directed on the gap between the intended or planned strategy, and the implemented strategy, as well as the reasons for the gap occurring

often. (Balogun & Johnson, 2005; Bartunek et al., 2011) In fact, the failure rate for change programs to deliver their intended aims have been quoted by some researchers as being as high as up to 70 per cent (Balogun, 2006). Research on this gap led to a revelation that strategic change formulation and implementation may not be distinct entities, as the implementation may have a modifying or derailing effect on the initially planned strategic change. (Bartunek et al., 2011) Furthermore, a sense emerged among researchers of strategic change as a process, a stream of interactions and situated initiatives (Tsoukas & Chia, 2002), the outcome of which is more a product of incremental, political, cultural, and social processes, than of rational decision-making (Bartunek et al., 2011). Furthermore, process studies emphasize the centrality and critical importance of time (Langley, Smallman, Tsoukas & Van de Ven, 2013). Langley, Smallman, Tsoukas and Van de Ven (2013 criticize the tendency for an exclusion of time and its effects in much of management research, arguing for the ability of process studies to produce know-how knowledge.

This research on organizational change as a process, in conjunction with studies on cognition and sensemaking brought about a shift in assumptions related to change and change management, as well as introduced into the focus additional instigators and triggers for change from other levels of organizational hierarchy than just the senior management. (Bartunek et al., 2011) The change as a process studies challenged the capability of organizations' senior management to respond to changes in the external environment through articulation of a new strategic intent requiring complex change. The feasibility of affecting such change deliberately, and in a revolutionary and rapid way was also challenged (Bartunek et al., 2011). Instead, it has been argued that organizations should strive for organizational ambidexterity, that is, organizations should cultivate ability for both evolutionary and revolutionary change (Tushman & O'Reilly, 1996) or, in a more modern definition of organizational ambidexterity, for both exploration – innovating and creating new opportunities in future markets – as well as exploiting its existing competencies and market realities (Patel, Messersmith & Lepak, 2013).

Compared to earlier research, more attention in strategy development and change process research has been given on the role of middle managers as influencers and facilitators to strategic change (e.g. Balogun, 2003). Besides being instigated top-down, organizational change can also be initiated through bottom-up and emergent processes, for example, through middle managers' championing of issues or strategic initiatives. Thus, it is not always just senior managers who are the source of organizational change programs – and the senior management can also have other roles in strategic change than just being the instigator or leader of a top-down change program (Bartunek et al., 2011; Plowman, Baker, Beck, Kulkarni, Solansky & Travis, 2007). This includes roles such as shaping the internal structural context and capturing in official strategies the change initiatives born through bottom-up processes, interpreting and giving meaning to changes as they emerge and unfold, taking an active role during the change in engaging others in discussion and dialogue, and seeking feedback on what is hindering or preventing individuals or groups from changing. (Balogun, 2006; Bartunek et al., 2011; Plowman et al., 2007)

A recent view on organizational change in literature focuses on continuous, emergent models of change, where the change may be nonlinear (Balogun, 2006; Bartunek et al., 2011; Orlikowski, 1996). Whereas previously the view of change in organizations as exception to the normal, stable state had been dominant, an argument was presented of change as a normal condition of organizational life (Tsoukas & Chia, 2002); and whereas the punctuated equilibrium perspective often focused on radical change, involving changes to formal structures or systems of shared beliefs, the perspective of continuous change adds work processes and social relationships into focus (Huy, 2001). In models of continuous, emergent change, attention is placed on change as a product of ongoing, everyday actions and interactions inside the organizations – in fact, even routines contain a seed of change (Feldman & Pentland, 2003; Orlikowski, 1996; Tsoukas & Chia, 2002). These moment-to-moment events and occurrences are not necessarily a product of deliberate

intentions, and thus the emerging change cannot be anticipated (Orlikowski, 1996). The events and occurrences may be imperceptible in their effects at the moment they occur, but nonetheless continuously alter the organization and what it does – and over time, or through amplifying actions, the small variations and adaptations in everyday activities can produce significant and radical organizational changes (Orlikowski, 1996; Plowman et al., 2007).

There has been debate on the nature of change besides whether or not change in organizations is continuous, or are organizations in states of equilibrium punctuated by change (Bartunek et al., 2011). There are questions as to the pace of change – on the need for radical change to be rapid and discontinuous (Orlikowski, 1996); the linearity of change – the occurrence of nonlinearities or changes in direction in organizational change; and on the sequencing of change – the degree of need for organizational change to occur simultaneously or in a specific sequence across the organization (Bartunek et al., 2011). One response to these issues is to consider organizations as systems, where the modularity, or the tightness of couplings between the system's components, and the interactions and interdependencies between them, influences how "all at once" a strategic change needs to be across the organization. (Bartunek et al., 2011; Siggelkow, 2001)

2.1.2 The role of change recipients in organizational change

As there has been different conceptions and views on the nature of change in organizations, there also has been different emphasis placed in research on different actors and groups, and their role in organizational change through different periods in time. In this chapter, attention is focused on the conceptions on the disposition towards organizational change and on the role of change recipients in organizational change, and how these conceptions have varied in research literature during the last five decades.

From the 1940s till the 1990s, out of different affective experiences related to change, the emphasis in much of literature on organizational change was placed on change resistance, with the term resistance originally describing active application of resistance but later on conceptualized to encompass also reactive passive attitude towards change (Oreg, Bartunek, Lee & Do, 2018). A prominent assumption in research was that change recipients are inherently resistant to organizational change; the role assigned to change recipients was that of resisting change, or being just passive reactors to change. (Balogun, 2006; Oreg et al., 2018) This assumption, in turn has often been accompanied with the perspective on change of it being top-down, steered by change agents with the knowledge of what is best for the organization (Bartunek et al., 2011; Ford, Ford & D'Amelio, 2008; Sonenshein & Dholakia, 2012). Thus, the topic of how to monitor and minimize unfavorable employee reactions, and overcome change recipients' resistance to change became prominent, especially in conjunction with the development of transformative change interventions (Armenakis & Bedeian, 1999; Bartunek et al., 2011; Self & Schraeder, 2008). Several methods have been explored to reduce change resistance, such as creating dissatisfaction or discomfort with the status quo, dissemination of information about change by change leaders, and coaching and counseling those employees who are affected by change (Kets de Vrie & Balazs, 1998; Miller, Johnson & Grau, 1994; Self & Schraeder, 2008).

More recently, there have been suggestions that what is perceived as resistance to change may in fact be a dynamic among three elements. These elements are recipient action, the behaviors and communications

by change recipients in response to change initiatives and their implementation; agent sensemaking, the interpretations and meanings given by change agents to change recipients' actual and anticipated actions as well as the actions the agents take based on the agents' own interpretations and meanings; and agent-recipient relationship, which provides the context in which the other elements occur, and which shapes and is shaped by the interactions between the change agents and the change recipients. This implies that "resistance" is, in essence, a label assigned to recipient actions and reactions by change agents as part of their own sensemaking – and actions labeled as resistance by change agents may actually be seen as supportive to the organization's goals by those taking the actions. (Ford et al., 2008)

Furthermore, the view of change recipients as just receiving change and implementing it according to the instructions articulated to them by change agents, or as a source of resistance through protecting their own interests, has been challenged. For example, Balogun (2003) suggests that middle managers fulfill four distinct but interrelated roles in a change intermediary position during organizational change implementation: interpreting the change for themselves and undertaking personal change, interpreting the change for others and helping them through it, implementing necessary changes in their departments, and keeping the business going. In fact, at least part of the gap between the intended and the realized change may be explained by how middle managers interpret and make sense of what is required by the intended change and what they can do, and the actions and initiatives they take as a result. Middle managers and other change recipients can be said to build, and determine the direction of, the realized strategy, and through their sensemaking and actions, "the detail of change is created bottom-up". (Balogun, 2003; Balogun, 2006)

Since the 1990s, the perspective and the cognitive and emotional processes of change recipients have received more attention in academic research, challenging the notion of change recipients as only a source of resistance to change (Oreg et al., 2018). Two prominent streams of studies in this domain are sensemaking, which is discussed in more detail in Chapter 2.2, and affect related to organizational change (Bartunek et al., 2011).

Studies on organization members' emotions as resulting from external cues and as resulting to their attitudes and behaviors have led to challenging both the view of resistance being the default response to change by change recipients, as well as the view of resistance being inevitably a negative response to change (Bartunek et al., 2011) – in fact, change resistance may lead to improvements to the organizational change vision (Oreg et al., 2018). Change recipients may experience a variety of feelings and attitudes towards change (Ford et al., 2008). Oreg et al. (2018) classify change recipients' behavioral responses to change events into four quadrants of circumplex according to the valence (pleasantness, or positivity) and activation (energy associated with affect) dimensions of the underlying core affect. The responses are change resistance, negative valence with high activation; change proactivity, positive valence with high activation; change disengagement, negative valence with low activation; and change acceptance, positive valence with low activation. (Oreg et al., 2018)

Moreover, when the organizational change is perceived to be aligned with the change recipient's personal goals, the emotions regarding the change can be highly positive. (Oreg et al., 2018) Change recipients do not necessarily represent a hindrance to the success of change implementation, but may also work to promote change (Sonenshein & Dholakia, 2012). Cooperative attitudes towards change in change recipients can be a consequence of their perceptions of support, trust, and fairness, and the resulting positive emotions and experiences of pleasant and happy feelings (Bartunek et al., 2011).

Organizational change itself may not be the primary source of aversion towards the change among change recipients. Instead, the change recipients may be more sensitive to the uncertainty related to the change process due to the negative emotions elicited by uncertainty about the situation, such as anxiety, threat,

and fear, which make people feel vulnerable and insecure. (Bartunek et al., 2011; Kets de Vrie & Balazs, 1998) This sensitivity can be especially true in the early stages of organizational change, when there often is a lack of information about the situation, and it is hard to estimate and predict the outcomes of change-related decisions and likelihoods of a given event happening. Another source of negative emotions related to organizational change can be inappropriate change management if there are perceived psychological contract breaches, such as perceptions of being treated unfairly, broken agreements, or violations of trust by the change agents. (Restubog, Hornsey, Bordia & Esposo, 2008)

Affective states have an effect on attitudes, values, decision-making, and organizational behavior through influencing what and how people think (Forgas & George, 2001). Affect – that is, moods and emotions – has an effect especially on judgements that require elaborate, substantive information processing, or that is based on constructive information processing (Forgas, 1995; Forgas & George, 2001) This kind of information processing is needed in such contexts as making sense on organizational change where the information base is complex and elaborate, and supportive of multiple alternative interpretations (Forgas, 1995). While negative emotions may often lead to aversion, conversely, experiencing positive emotions have been suggested to lead to increased engagement, innovativeness, and creativity in change recipients. When compared to attitudes while experiencing negative emotions, while change recipients are experiencing positive emotions there is also an increased likelihood of interpreting issues such as organizational change as favorable and challenging, or being an opportunity rather than threatening. (Bartunek et al., 2011; Forgas & George, 2001; Sonenshein & Dholakia, 2012) Reappraising negative events as positive has been suggested by scholars as being facilitated by constructing meaning with positive emotions (Sonenshein & Dholakia, 2012).

Emotions are transient, they are not fixed states but change over time; there are differences with regards to emotions both between persons, as well as differences within the same person over time (Ashkanasy, 2003). Furthermore, it has been argued by researchers that emotional states in organizational life are "determined by the occurrence of discrete work events" (Ashkanasy, 2003); as organizational changes are processes involving multiple events over periods of time, it follows that change recipients' emotions will most probably not stay fixed throughout the change process, but evolve so that they may experience range of emotions during, and related to, organizational change.

Moods and emotions can also be collective, and Forgas and George (2001) suggest that organizational units such as teams "may develop an identifiable group affective tone—a shared pattern of consistent or homogeneous affective reactions within a group". Collective emotions have been identified as affecting group-level thinking, behavior, and performance, as well as potentially having influence on collective decision-making, interpreting and making sense on the ongoing organizational experience (Bartunek et al., 2011; Forgas & George, 2001). Emotions are contagious among group members, and continuously influence their moods, judgments, and behaviors (Barsade, 2002). This contagion occurs unintentionally and automatically, and often without the one affected realizing it (Barsade, 2002; van Kleef, de Greu & Manstead, 2010). The effect of emotions on sensemaking is discussed more in Chapter 2.2.1.

In summary, the role assigned to change recipients in research literature has traditionally been that of active or passive reactors, resisting change by instinct, or being just the implementors enacting the will and designs of change agents and leaders. However, more recent research directs attention to the influence of affective experiences of change recipients on their attitudes towards change, and to the wide variety of roles change recipients play in organizational change. They can potentially act as facilitators or cooperators in top-down change, or instigators of bottom-up change. By their sensemaking and consequent actions they edit the strategic change the organization aims for, and as will be discussed in Chapter 2.2.2, through sensegiving activities to the change agents or the management, take part in negotiations that result in redrafting and refining of the original change vision.

2.2 Sensemaking and sensegiving in the context of organizational change

Sensemaking about organizational change is a dominant area in sensemaking research (Maitlis & Sonenshein, 2010). Chapters 2.2.1 and 2.2.2 present a brief overview of research on sensemaking and sensegiving, respectively, relevant for organizational change from the past two decades.

2.2.1 Sensemaking

The notion of sensemaking has been a topic in research literature at least since the early 1980s, but since the 1990s, there has been an increase in interest on the cognitive processes of individuals in organizations (Bartunek et al., 2011). There is a wide range of studies on sensemaking, an interpretive process through which meaning is assigned to one's experiences and an account is created of what is going (Klein, Moon & Hoffman, 2006; Maitlis & Sonenshein, 2010). However, as there is much research on sensemaking, it is perhaps not surprising that there are some variety in how different authors define sensemaking, and in how emphasis is placed on different mechanisms through which sense is made. For example, Weick, Sutcliffe, and Obstfeld (2005) emphasize the saliency of language, talk, and communication in sensemaking, arguing that "situations, organizations, and environments are talked into existence", and further defining sensemaking as involving "turning circumstances into a situation that is comprehended explicitly in words and that serves as a springboard into action". This emphasis on communication on influencing meanings differentiates sensemaking approach from social psychology research on meaning-making, which emphasizes individual differences and dispositional variables (Sonenshein & Dholakia, 2012).

Klein et al. (2006) identify different perspectives on sensemaking, it having been a subject of research in organizations and education, as well as being a term in the building of intelligent systems, noting that "by sensemaking, modern researchers seem to mean something different from creativity, comprehension, curiosity, mental modeling, explanation, or situational awareness, although all these factors or phenomena can be involved in or related to sensemaking." They further define sensemaking as "a motivated, continuous effort to understand connections (which can be among people, places, and events) in order to anticipate their trajectories and act effectively" (Klein et al., 2006). This definition of the process of sensemaking is adopted in the chapters on Findings and Discussion in this thesis.

The topic of sensemaking is relevant to organizing, organization, and organizational change. Interruptions to ongoing activities, such as any change, trigger sensemaking about the new situation (Maitlis & Sonenshein, 2010), and Weick et al. (2005) argue that in order to comprehend organization, one must understand sensemaking, and vice versa; "sensemaking and organization constitute one another [---] The operative image of organization is one in which organization emerges through sensemaking" (Weick et al., 2005). On the other hand, Bartunek et al. (2011) note that "many studies view organizational change as continuous sensemaking process in which participants perceive and interpret organizational events by combining with their preexisting cognitive and emotional states".

All stakeholders engage in sensemaking activities during organizational change, however, over the years the sensemaking of change leaders has been more prominent in literature while the sensemaking of change recipients, whose role is critical in carrying out and implementing organizational change, has been less studied (Maitlis & Sonenshein, 2010; Sonenshein, 2010). More recently, as discussed in Chapter 2.1.2, there

has been more interest in the role of middle managers in organizational change, and how they mediate the sensemaking of top management and employees in the lower levels of organizational hierarchy, affecting both cognitions and actions (Balogun, 2003; Maitlis & Sonenshein, 2010).

Schemas are cognitive constructs that permit treating multiple sub elements of information as a single element (Kalyuga, Chandler & Sweller, 1998). Schemas serve a dual function: they store learned information in long-term memory, and help the limited working memory to process more information through allowing the treatment of multiple elements as a single element (Kalyuga et al., 1998). Organizational change, particularly radical change, may require a shift in schemas, making existing schemas obsolete and necessitate the construction of new schemas, also referred to as cognitive reorientation in strategy research (Balogun, 2006; Bartunek et al., 2011). During organizational change, there is likely to be dissonance experienced by change recipients between the new and old schemas, leading change recipients to an unstable state where schemas are in transition (Bartunek et al., 2011). Sensemaking can be conscious or routine (Weick et al., 2005), but during organizational change, as change recipients try to actively understand what is happening, sensemaking tends to be more conscious and less automatic, and typically engage in a variety of social processes of interaction with others (Balogun, 2006).

Figure 2 presents the sensemaking process, its antecedents, and consequences from the individual's point of view. Sensemaking does not begin from square one or occur in a vacuum, but is guided by existing, acquired mental models to organize a stream of potential antecedents and consequences (Weick et al., 2005). Similarly, sensemaking on organizational change does not involve change recipients just abandoning the existing schemas and adopting new schemas. Instead, the new ideas are interpreted according to the existing schemas, which are gradually developed into new understandings. (Bartunek et al., 2011) Sensemaking is retrospective and grounded in identity (Weick, 1995; Weick et al, 2005), and it involves connecting new schemas to one's current and past experiences (Bartunek et al., 2011). In the organizational change context, there is likely to be sensegiving actions performed by the change leaders, which also contributes to change recipients' sensemaking efforts (Gioia & Chittipeddi, 1991). Sensegiving is further discussed in Chapter 2.2.2. As a consequence of change recipients' sensemaking and the meanings attached to the events relating to an organizational change process, experiences of cognitive dissonance are decreased and the change recipients' commitment and engagement to the organization are shaped (Bartunek et al., 2011).

Sensemaking is not only a within-person process, but a collective process among change recipients, as well, and its locus can be systemwide (Balogun, 2006; Weick et al., 2005). There is a conversational and narrative nature to sensemaking, and for example Weick et al. (2005) emphasize the central role of communication in sensemaking, acknowledging also the social and systemic dimensions it possesses. As part of sensemaking process, individuals search for and share information, and share their opinions and experiences through behaviors, actions, and interactions with others (Balogun, 2006). These interactions can be with change agents or other change recipients, formal and informal, and facilitate individuals' sensemaking, as well as contribute to a development of collective, intersubjectively shared meanings, perceptions, and interpretations among those interacting with each other (Balogun, 2003; Balogun, 2006; Bartunek et al., 2011). However, Balogun (2006) suggests that the lateral, peer-to-peer interactions are "just as important, if not more important, than vertical communications [between change agents or senior managers, and change recipients] in shaping the interpretations of change". The role the construction of shared meanings plays in organizational change is significant, but there is debate as to the degree to which meanings can or need to be shared in order to enable collective action (Maitlis & Sonenshein, 2010).

The understanding and meanings assigned on organizational change resulting from sensemaking by change recipients may or may not be convergent or consistent with the change agent's intentions with the change, especially when the organizational experiences are not similar between change recipients and change

agents (Bartunek et al., 2006). One consequence for this, sometimes radical, difference in the contexts for understanding is a potential for challenges in the implementation of intended organizational change; unpredictable or unintended results of strategic change programs is an often-reported topic both among researchers as well as practitioners. (Balogun, 2006; Bartunek et al., 2011) Due to this, there have been calls for the recognition of the importance of ongoing conversation between change agents and change recipients in order to achieve similar understandings of the planned change. (Balogun, 2006; Bartunek et al., 2006)

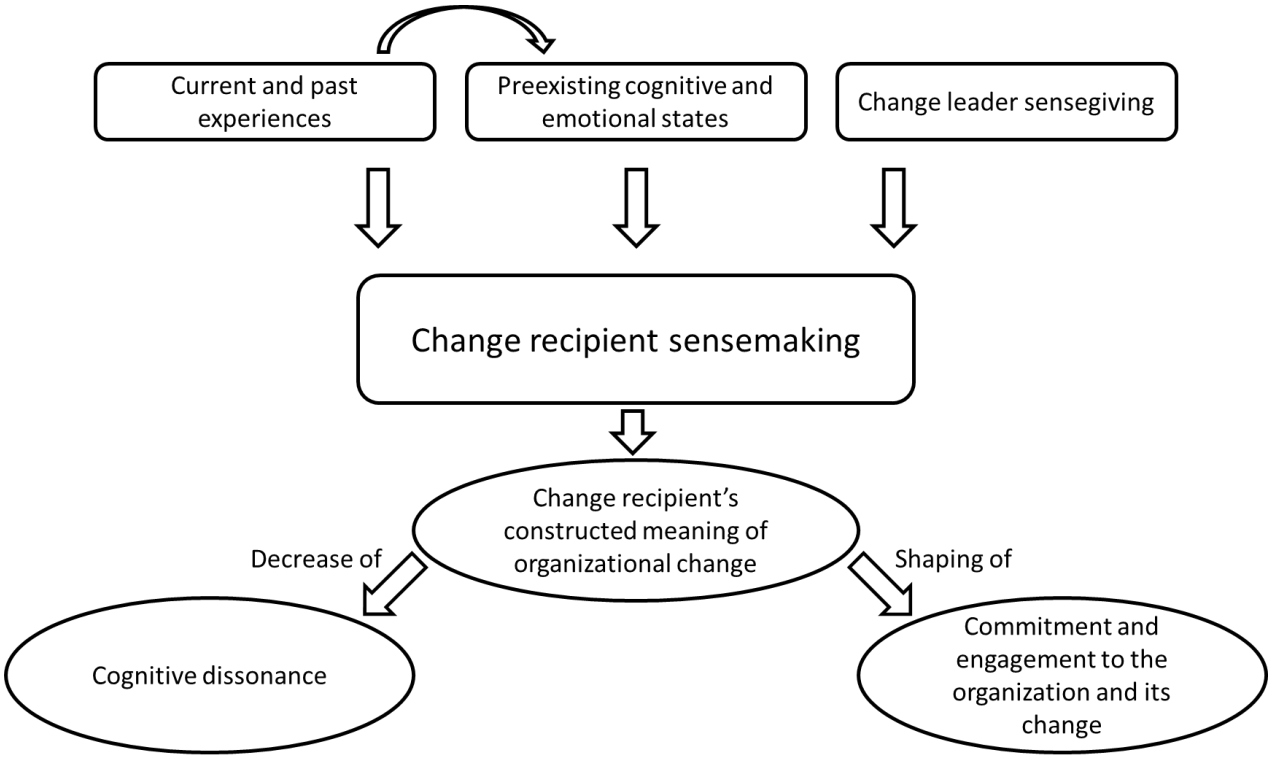

Figure 2. Change recipient sensemaking, its antecedents, and its consequences. Based on Bartunek et al. (2011).

Emotions in relation to organizational change have been discussed in Chapter 2.1.2. Emotions play a role in sensemaking, as well. Intense emotions have been found to be able to impede sensemaking. Negative emotions can further limit response repertoires of people experiencing them. (Maitlis & Sonenshein, 2010) However, emotions can also aid in sensemaking through providing information, for example, negative emotions towards organizational change in change recipients may be interpreted as a sign that it is not congruent to their interests. Furthermore, change agents can intentionally generate negative feelings in change recipients in order to create a sense in them that change is necessary. (Maitlis & Sonenshein, 2010) Based on earlier research, Maitlis and Sonenshein (2010) suggest that "a negative emotional frame makes negative cues salient, and engenders careful, critical, and systematic forms of sensemaking" which can also be desirable in situations where, for example, error detection and wariness are required.

Positive emotions have been shown to facilitate sensemaking, leading to the construction of positive meanings (Bartunek et al., 2011). Furthermore, positive emotions broaden thought-action repertoires and

the scope of attention (Fredrickson & Branigan, 2005) and increases an individual's resilience and ability to cope with stressors (Maitlis & Sonenshein, 2010). They may help in maintaining an open approach to problem-solving, as well as in sensemaking on the change through allowing a wider array of possible alternatives to be considered in explaining particular situations (Bartunek et al., 2011), but on the other hand may also lead to judging situations overly optimistically and misinterpreting signs of danger or change needs (Maitlis & Sonenshein, 2010). Construction of meanings on change as positive and significant has been shown to lead to change championing, voluntary efforts by change recipients to help an organizational change succeed through sensing and rectifying problems in the change process (Sonenshein, 2010). Based on earlier research, Maitlis and Sonenshein (2010) recommend that change leaders attend to the change recipients' emotions, as it has been suggested to increase the likelihood of the desired change to be realized.

2.2.2 Sensegiving

The concept of sensegiving in the context of organizational change was presented in their article on sensemaking and sensegiving in strategic change initiation by Gioia and Chittipeddi (1991). In that article, sensegiving was defined as being concerned with "the process of attempting to influence the sensemaking and meaning construction of others toward a preferred redefinition of organizational reality" (Gioia & Chittipeddi, 1991). Sensegiving involves actions aimed at affecting the recipients of the sensegiving action and their sensemaking, and influence them into accepting the vision or interpretive schemes offered by the sensegiver (Gioia & Chittipeddi, 1991). The basic idea of sensegiving bears resemblance to Lewin's (1947) classic principle of change implementation as unfreezing, changing, and freezing: first the sensegiver attempts to "unfreeze" the status quo and convince change recipients to question the existing interpretations. Then, the sensegiver attempts to change the meanings assigned to the situation by supplanting the existing interpretations with their preferred new interpretation, after which the new interpretations are institutionalized or "frozen". The acts of sensegiving can be achieved, e.g., through usage of symbols or symbolic actions, or cycles of negotiated social construction activities (Gioia & Chittipeddi, 1991).

In practice sensemaking and sensegiving are complementary processes, and often take place in sequence (Gioia & Chittipeddi, 1991). For example, in the context of organizational change, a change agent or change leader first engages in sensemaking activities to make sense of a new strategic direction for a company. The change agent then engages in sensegiving activities, advocating the adoption of new interpretive schemes to understand the organization's situation, and articulating the vision to change recipients. This prompts the change recipients to engage in sensemaking in an effort to understand the vision. They may in turn attempt to influence and negotiate revisions to the proposed vision, thus engaging in sensegiving activities towards the change agent, who in turn has to make sense of the proposals (Gioia & Chittipeddi, 1991). As a result of these cycles of sensemaking and sensegiving, the original, abstract vision may become modified and more well-defined (Gioia & Chittipeddi, 1991); this fact also highlights that sensemaking is not about truth, but about a continuous redrafting of an emerging story to refine and make it "better", more plausible, more comprehensive, to incorporate more observed data, and be "more resilient in the face of criticism" (Weick et al., 2005).

2.3 Synthesis of the literature review

The model of sensemaking identified from existing literature in Chapter 2.2.1 is integrated with a model of sensemaking and sensegiving as a cyclical process discussed in this chapter and presented in Figure 3. Research on sensemaking about organizational change have so far concentrated on theorizing on the process of sensemaking and the high-level antecedents to it. However, the factors influencing individual change recipient's sensemaking in the context of planned organizational change – what constitute the relevant factors in current and past experiences, what are the relevant pre-existing cognitive and emotional states, and what other factors there are that contribute to the outcomes of change recipient sensemaking – remain somewhat of a black box. The aim of this thesis is to explore these factors in the empirical context of a company in the early phase of planned organizational change through the research question "What factors affect individual change recipients' sensemaking about a planned organizational change in its early phase?".

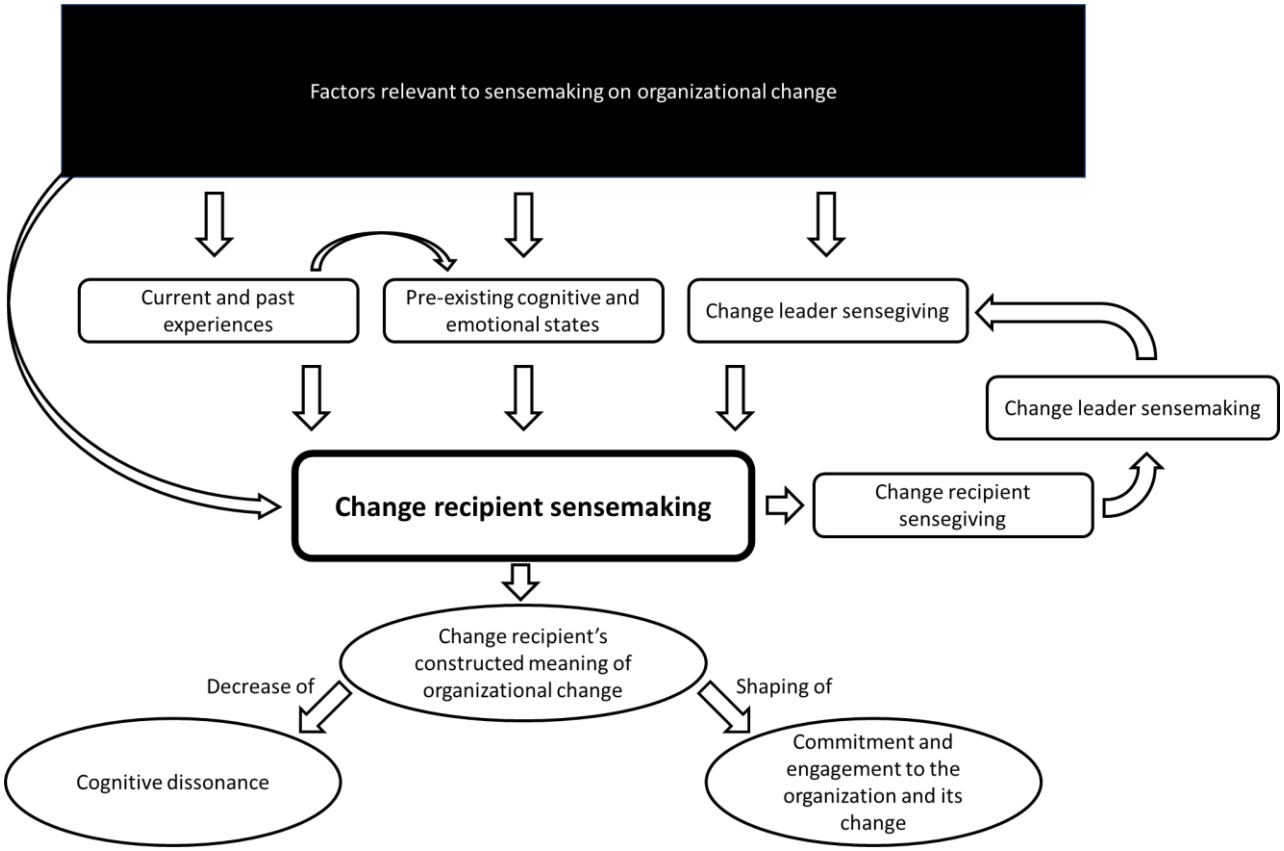

Figure 3. An integrated framework of sensemaking and sensegiving based on existing literature.

3. Research Methodology

The purpose of this chapter is to explicate the research process and the methodology used to address the research questions, elaborate on the study design, as well as to offer justification for the chosen approach and methods. The research design and approach are presented first, followed by the empirical context of this study in Chapter 3.2. The data collection methods are described in Chapter 3.3, and the data analysis method and process in Chapter 3.4. Finally, the data structure depicting the second order concepts and aggregate dimensions constructed as part of data analysis is presented in Chapter 3.5; the first order concepts are left out of the data structure shown in that chapter, but are presented, elaborated and discussed in full in a from of rich narrative in Chapter 4.1

3.1 Research design and approach

This thesis builds around an empirical single case study. The case study approach was selected, as the focus of this study is understanding the dynamics of change recipients having different perceptions, opinions, and preconceptions within a single setting, a company planning on initiating a planned organizational change program (Eisenhardt, 1989). Eisenhardt (in Gehman et al., 2018) argues that "case study is appropriate for building theory in situations where there's either no theory or a problematic one", and that case study as a method, "is also appropriate for building theory related to complex processes [---] Third, theory building from cases also works well in situations with 'hard to measure' constructs". All of these criteria are met by the research problem of this study; coaching and coaching leadership style are established topics in existing literature on management and organizational development (e.g. Bond & Seneque, 2013; Ibarra & Scoular, 2019), but a preliminary review of existing literature yielded no prior research on "coaching organization". Similarly, sensemaking and sensegiving (e.g. Gioia & Chittipeddi, 1991) are established concepts in literature, but little was found on factors that affect individuals' sensemaking in the early phases of a planned organizational change. Furthermore, individuals' sensemaking on planned organizational change are arguably complex, hard to measure processes, and thus a case study is a justified approach for the research problem.

The research problem of exploring what factors contribute to and affect individuals' sensemaking in the early phase of planned organizational change involves identifying interpretations, opinions and experiences of the informants within a specific context. This fits the definition of qualitative research as "research approach that examines concepts in terms of their meaning and interpretation in specific contexts of inquiry" recommended by Ketokivi and Choi (2014). More specifically, this study seeks to be an inductive case study, also known as a theory-generating case research, with the premise that in the context of the specific research question and empirical setting – identifying factors that affect individuals' sensemaking in the early phase of planned organizational change at ATCC, a technology company in a specific business – "*explanation* (theory) derives from *exploration* (analysis)" (Ketokivi & Choi, 2014).

This study is exploratory research with the aim of creating knowledge and extending the theory on change recipient sensemaking. Grounded theory process was adapted in this study, as "grounded theory seeks not only to uncover relevant conditions but also to determine how the actors under investigation actively respond to those conditions, and to the consequences of their actions" (Corbing & Strauss, 1990).

Furthermore, as Langley (1999) points out, the grounded theory strategy of making sense of research data is a powerful strategy when exploring on the microlevel the interpretations and emotions of individuals, which is precisely the level of analysis of this study. The Gioia Methodology (Gioia et al., 2012) was utilized in the building of the grounded theory model. From the Gioia methodology comes also two basic assumptions this thesis adopts: first, that the organizational world is socially constructed, and "that the people constructing their organizational realities are 'knowledgeable agents', namely, that people in organizations know what they are trying to do and can explain their thoughts, intentions, and actions" (Gioia et al., 2012).

As will be discussed in Chapter 3.3, this research utilizes two strategies for sensemaking of the research data in combination, the narrative strategy and the grounded theory strategy (Langley, 1999). The theoretical basis for this study is in the sensemaking and sensegiving framework by Gioia (1991), as well as in literature on organizational change. However, following the Gioia methodology (Gioia et al., 2012), an approach of willful suspension of belief concerning previous theorizing was adopted. As Gioia et al. (2012) explain, "there is value in semi-ignorance or enforced ignorance of the literature, if you will [---] knowing the literature intimately too early puts blinders on and leads to prior hypothesis bias (confirmation bias)". This is echoed in the premise of theory-generating case research, as discussed previously, that in a research context that is novel and unfamiliar examining a research problem through an existing theory may lead to shoehorning empirical observations into that theory, limiting opportunities for new discoveries and development of novel theoretical concepts (Ketokivi & Choi, 2014). Thus, the existing literature was familiarized with before the outset of the empirical study to identify an opportunity for creating new knowledge, but otherwise a deeper study of previous theorizing was left until later on in the process of writing this thesis.

3.2 Empirical context

The empirical context of this study is ATCC (pseudonym), a large North European technology company operating in a volatile business characterized by rapid technological development, and where mergers and acquisitions, and organizational changes are common. At the time of this study, ATCC is in the early phase of a planned organizational change wherein the exact goals and methods of the change are not yet determined. This offered an opportunity to observe how individuals make sense of the upcoming change when there was limited information available on the change. During the latter part of the year before this study took place, a new HR strategy was developed for the company. One major part of this new HR strategy was to start pursuing an organizational change of becoming what was called a coaching organization. This is the focal planned organizational change of this thesis, in the setting of which the factors affecting change recipients' sensemaking on organizational change in its early phase are explored.

There were three antecedents to this planned organizational change with the aim of becoming a coaching organization. First, the organization had built a working and management culture that included practices and policies that fostered, and required, self-direction and self-leadership in employees. Second, the company had, four years prior to this study, introduced coaching leadership as the style of leadership expected from the managers in the organization. Coaching leadership style is a form of human-centric management and leadership practice, the prevalent interpretation of which at ATCC was as entailing leading through asking questions from the coached person instead of providing ready answers, thus

facilitating them coming up with solutions to their problems by themselves, promoting personal development. For more about coaching in the context of management and organization development, see e.g. Bond & Seneque (2013), and Ibarra & Scoular (2019). Finally, the organization had been undergoing an agile transformation for some years, and agile development practices had been adopted to varying degrees in the company's business units.

Building on the antecedents, there were a sense among change agents – the group of organization members responsible for developing the new HR strategy and developing the vision of ATCC becoming a coaching organization – that the three antecedents, in combination, presented a need for developing self-leadership and self-direction even further as a capability both in individual employees, as well as in the organization as a whole, leading to the inception of the plan to become what was labeled as coaching organization. The change is led, initiated and instigated by HR managers; it is an attempted top-down planned organizational change initiative.

The stated goal of the change agents with the plan of becoming a coaching organization, communicated publicly a few months before the outset of data collection for this study, can be summarized as supporting also business managers and experts in self-direction and self-leadership, extending training and support currently reserved primarily to managers with direct subordinates also to these groups. During the data collection and the interviews related to it, it was revealed that there was an additional, implicit intention of the change agents with coaching organization that could be summarized as elevating the existing practice of coaching, or coaching leadership style, from being the "official" leadership style in the organization into an organization-wide value and practice, in essence institutionalizing coaching style as a behavioral norm in interactions not only between managers and subordinates, but also between peers, and even between the organization and the organization members.

At the outset of this study, the focal planned organizational change was still in the planning phase; the intention to implement the change program had been communicated to the organization, but further than that, the change had not been initiated yet to the organization. The following is an account of the inception of the change program till the beginning of this study.

In 2015, around four years prior to this study, ATCC had adopted coaching leadership style as the "official" leadership methodology in the company; in practice, all managers with direct reports were expected by the company to act in a coaching manner when leading their subordinates. The aspired goal with this leadership practice was reinforcing the ability to change, and thus raising the performance level of the organization. The adoption of coaching leadership style was preceded by earlier efforts at promoting human-centric leadership style and humane values and practices in the organization.

However, in late 2018, during a process of development of a new HR strategy for the company, it was deemed by a group of key individuals working on the strategy design process – from here on referred to as the change agents – that coaching leadership was too narrow a viewpoint to coaching and knowledge and competence development in the company; coaching leadership had been selected as the management style endorsed by the organization, but so far the capability of employees, who are being led in a coaching style, to receive coaching had not been focused on. As one of the change agents remarked, "*when our managers lead in a more coaching way, then shouldn't our organization also have the ability and the readiness to take in leading in a coaching style, and act in a coaching world? [---] The readiness of the organization for a coaching style must be strengthened*."

It was also acknowledged that there exists coaching behavior in the organization other than just what occurs between supervisors and subordinates. In addition, ATCC had built considerable freedom into the way its employees could do their work: for example, experts and other knowledge workers had considerable freedom and decision-making power in determining when and where to work. As the change

agents pointed out in the interviews, in order to work, this freedom necessitates strong skills in self-direction, personal self-organizing, and self-leadership – not only from the leaders, but from the specialists and experts as well. This was one of the reasons for the desire to start looking more into supporting also the experts – in addition to just managers – in managing their own work. As such, a more holistic perspective to coaching was wanted by the change agents; it was not enough to look at things from the managers' point of view, all ATCC's employees need to be coached and supported by the organization. At the time, it was felt by the change agents that the term "coaching organization" would best describe this sentiment. The formation of the idea of becoming a coaching organization was described by key change agents as a collective process. There was common sense made among the change agents that ATCC should strive to become a coaching organization, however, common sense was not made about what a coaching organization actually, exactly means. The timeline of events relevant to this study is presented in Figure 4.

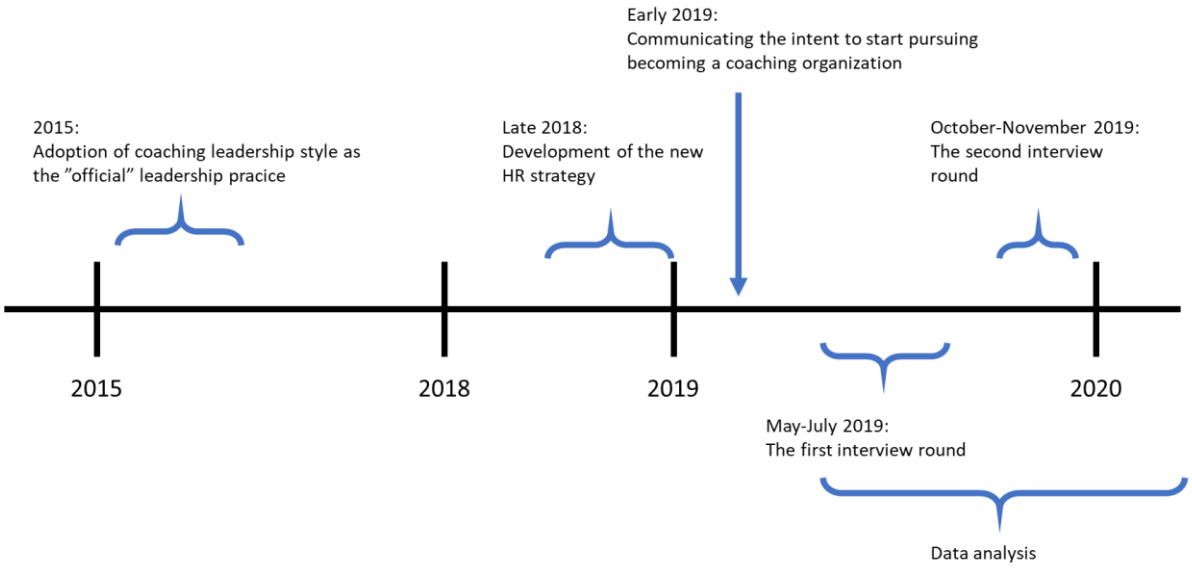

Figure 4. Timeline of events relevant to this study.

3.3 Data collection method

The bulk of the data collection was accomplished through semi-structured interviews, as suggested by Gioia et al. (2012) to "obtain both retrospective and real-time accounts by those people experiencing the phenomenon of theoretical interest". There were 42 interviews in total, each lasting 40 to 90 minutes with the median length being approximately 55 minutes. Every informant was interviewed separately and promised anonymity with regards to their opinions presented in connection to the research process, in an effort to ensure that the informants could speak their mind and not censure their opinions due to fear of them affecting their position or standing in the organization. All interviews were recorded and subsequently transcribed for analysis; all interviews were conducted in Finnish and translated into English during the analysis.

The interviews were arranged in two interview rounds, the first of which took place in the summer of 2019. The second round was during the following autumn, approximately three and a half months after the conclusion of the first round. Even though this study is not a process study (e.g. Langley, 1999), it was decided to have two rounds of interviews for three reasons. First, not all informants that were identified as potential informants were available for interview during the first round; second, this allowed follow-up interviews to discuss themes and matters that had been brought up by the informants during the first round but had not been discussed with some key informants; and third, to gain insight into certain processes – particularly the adoption of agile development practices in the organization, as well as the management structure and top management in one of the business units – going on in the organization that were identified as having an effect on the informants' sensemaking on the focal planned change initiative.

The first interview round consisted of 28 interviews, one of which was conducted to gain background information on the organization's adoption of agile practices; the second round included 14 interviews, 10 of which were interviews of key informants from the first interview round and 4 were interviews of informants that had not been interviewed before. Across the two interview rounds, a total of 31 employees of the organization were interviewed. For the purpose of the data analysis, the informants were categorized into five groups: change agents, members of top management, managers, business managers, and experts. There was one informant belonging to both the top management team as well as to the change agents; they were categorized as a change agent in data analysis. The criteria for informant categorization are presented in Table 1.

Category label	Description
Change agents	The group of organization members responsible for developing the new HR strategy for ATCC, one part of which was the strategic decision to start pursuing the focal organizational change initiative of this study
Top management	The informants belonging to the top management of ATCC
Managers	Supervisors or managers with direct subordinates in the line organization hierarchy
Business managers	Virtual team leaders, business managers, product managers, and other managers in the matrix organization with no direct subordinates in the line organization hierarchy
Experts	Experts and specialists such as customer service representatives or technicians without a managerial role

Table 1. Criteria for categorizing informants for the purposes of the data analysis.

Purposive sampling was used in selecting informants to be interviewed to ensure a diverse sample with informants from all levels of the organization, as well as from all organizational units. This was necessary to get a comprehensive understanding of perceptions, interpretations, and organizational realities of change

Group label	Number of informants		
	Total	1st round	2nd round (of which new)
Change agent	5	4	4 (1)
Top management	2	1	2 (1)
Manager	15	15	2
Business manager	5	5	3
Expert	4	2	3 (2)

Table 2. The number and distribution of informants by category across the interview rounds. The number of informants interviewed in the second round who were not interviewed during the first round presented in parenthesis.

agents and change recipients from different parts of the organization. The informants were selected by the contact person in the company, and approved by the thesis author so that there would be informants from comprehensive set of business units and levels of hierarchy. One notable caveat in informant selection is that, for practical reasons, only informants working primarily at ATCC's headquarters were able to be interviewed. However, this subset of employees from which informants could be selected for interview represented all business units and the percentage of ATCC's total employees working at the headquarters was measured in tens of per cents of total employees, so an adequate sample of informants for the purposes of this study was obtained.

The number of informants belonging to each category, as well as their distribution across the interview rounds, are presented in Table 2. The quotes used in this thesis are identified in the text only through the category the respective informant belongs to. This is done in order to preserve anonymity.

The first round of interviews consisted entirely of open-ended questions. There were three interview skeletons used, one for change agents, presented in Appendix I; one for top management and managers, presented in Appendix II; and one for business managers and experts, presented in Appendix III. Different interview skeletons were used in order to take into account the differences in information needs from the different categories of informants: besides their opinion on e.g. what coaching organization would or should mean and include at ATCC, and what factors promote and what factors hinder change at ATCC, the change agents were asked about the motivations, intentions and goals with regards to the planned change, as well as about the development process that had led to the decision to start pursuing the change. The interview skeletons for top management and managers, and business manager and experts were practically identical otherwise, but the managers were asked how coaching leadership style and its adoption had affected their work as managers, whereas business managers and experts were inquired about their experiences how coaching leadership style had been visible to them. Throughout the interviews great care was taken to avoid leading-the-witness questions. The interview skeleton remained consistent throughout the interviews, but additional questions were incorporated into the interviews to further explore topics that arose during the interviews, and the informants were allowed to go on a tangent in their reflections – observing one of the basic foundations of grounded theory method (Corbin & Strauss, 1990), as well as a principle in the Gioia methodology of the researcher "wherever the informants lead us in the investigation of our guiding research question" (Gioia et al., 2012).

The second round of interviews consisted of two types of interviews, supplementing interviews and follow-up interviews. The supplementing interviews consisted of a change agent that was unavailable for interview during the first interview round, an additional member of the top management of the company, as well as two experts to both complement the comparatively smaller size of those informant groups on the first interview round and provide comparison due to temporal difference from the first round. 10 key

informants who were interviewed already during the first round were interviewed for a second time in the follow-up interviews. As discussed earlier in this chapter, this provided an opportunity to validate findings from the first interviews, go more in-depth in themes from the previous interviews, to gauge how the situation had developed on the themes discussed during the first round, as well as to discuss themes that had been brought up by informants during the first round but that had not been discussed in the previous interview with the respective informants.

For the supplementing interviews, the same interview skeleton was used as was used in the first round of interviews, with the exact skeleton being on dependent on the group the informant belonged to. For the follow-up interviews, no uniform interview skeleton was used. Instead, the interviews consisted of open-ended questions tailored for each interview. For example, informants from a business unit, that in the first interview round was identified as having less adoption of the precursory practice than the other business units due to its management structure, were enquired about progress in it; while change agents and informants closely involved with the furthering of agile development practices at ATCC were enquired about developments on that front, as agile development practices and their adoption was seen by several informants during the first interview round as closely related to the focal change initiative of this study.

In addition to the interviews, organizational charts and other similar material from ATCC were used to gain an understanding of the organizational structure, for identifying possible informants, and for how the plan of becoming a coaching organization was introduced as part of the new HR strategy to the change recipients.

3.4 Data analysis method

For analysis, transcripts of the recorded interviews were produced in order to better be able to process the data and to code the relevant information. Burnard's (1991) stage-by stage process method of analyzing interview transcripts in qualitative research was followed in the first stages of data analysis, although in parts in a slightly adapted way. A combination of the narrative strategy and grounded theory strategy (Langley, 1999) was used in making sense of the data and in the analysis. Gioia methodology (Gioia et al., 2012) was followed in constructing grounded theory from the data.

The first stage of Burnard's (1991) method, taking notes of the interviews, was chosen to be ignored. This choice was made for two reasons: first, it was known at the time of the first interview round that there would be a second round of interviews some months after the first round, with follow-up interviews of key informants possible, and thus topics and themes rising during the first interview round could be identified from the interview recordings and transcripts, and discussed during the follow-up interviews. The second reason for choosing to not take notes of the interviews was there being only one researcher and the interview skeleton being quite flexible and each interview was booked with enough time; topics not included in the interview skeleton could be discussed in most cases with no pressure imposed by limited time. As alluded to in Chapter 3.2, it is one of the basic foundations of grounded theory method to start the data analysis already at the outset of data collection and allow it to guide the subsequent interviews (Corbin & Strauss, 1990). However, as there was only a single researcher conducting all the interviews, it was possible achieve this and discuss topics that emerged in previous interviews without notes to another interviewer instructing to include those topics into the interview.

The second stage of the process is immersing oneself in the data. This was achieved through listening to the interviews first, and then manually transcribing the interviews into text, and making notes on the themes arising in the transcripts. In the third stage, corresponding to the first-order analysis in the Gioia methodology (Gioia et al., 2012), a low-level open content coding was performed on the transcripts. At this point the data was also translated from the original language of the interviews into English, and from this point onward all processing of the data was performed exclusively in English. All translations were made by the thesis author.

Observing the stages four and five of Burnard's (1991) method, after the open coding was concluded, the codes were revisited and codes that were near-identical or essentially identical were combined, and the remaining codes, or categories, were grouped under higher-order headings. The second round of interviews coincided temporally with this phase of data analysis. However, due to this study being a master's thesis, it was not feasible to follow stages six and seven, inviting colleagues to produce their own categorization systems and comparing them to the one generated by the author; similarly, it was not possible to follow the suggestion by Gioia et al. (2012) to have one member of the collaborative research team to adopt an outsider's perspective. Not being able to follow these stages will, inevitably, have an effect on the validity of the categorization generated in the data analysis, as the aim with these steps is to guard against researcher bias (Burnard, 1991), and to prevent the researcher "losing the higher-level perspective necessary for informed theorizing" (Gioia et al., 2012).

After these stages, the analysis process became an interplay of the narrative strategy for sensemaking and the grounded theory strategy (Langley, 1999), corresponding to the second-order analysis in the Gioia methodology (Gioia et al., 2012). Based on the initial open coding and categorization, a data structure was constructed. At this point, it was revealed that the initial coding did not adequately reflect the "needs" of the research problems and research question, and the open coding process was redone, incorporating also the data from the supplementing interviews and follow-up interviews. After this new coding process was done, a new data structure was generated. The data structure informed the subsequent building of a rich narrative from the interview data, and the narrative and its building, in turn, informed the refinement of the data structure, revealing new first-order concepts and second-order themes that had not been previously identified from the data. The revised data structure, presented in Chapter 3.5, then informed the narrative and its construction; the second-order themes and aggregate dimensions were reflected in the structure of the narrative presented in Chapter 4.1. That chapter is arranged into sub-chapters on the basis of the aggregate dimensions of the data structure and the sub-chapters, in turn, are divided by headlines corresponding to the second-order themes. Finally, a grounded theory model is built and presented in Chapter 4.2, and compared in Chapter 5.1 with a framework on change recipient sensemaking synthesized from existing research.

In order to increase the validity and reliability of this study, five measures were taken: To ensure transferability, a rich narrative of the findings is presented in Chapter 4.1. Furthermore, the grounded theory model generated in this study is compared in Chapter 5.1 with a framework of sensemaking synthesized from existing research. An attempt has been made to present a "clear chain of evidence" (Gibbert, Ruigrok & Wicki, 2008) of how the conclusions were arrived at; to aid in this attempt, the data collection and analysis are explained in-depth in this chapter. Finally, the in-depth account of the research methodology used in this study, along with collecting and organizing all research data to a database work to enhance the reliability of this study. The measures, along with the criteria Gibbert et al. (2008) present as relevant to assessing the rigor of case research, are discussed together with the limitations of this study in Chapter 5.3.

3.5 Data structure

The data structure with the aggregate dimensions and their second order concepts is presented in Figure 5. Overall, the second-order concepts that are identified as contributing to change recipients' sensemaking on a planned change initiative in its early phases are: Sensegiving efforts by the change agents, Adoption of precursory practices, Organizational context, External context, and Other change initiatives. The first order concepts for the second-order concepts are presented and elaborated and discussed in full in Chapter 4.1. under the respective aggregate dimensions.

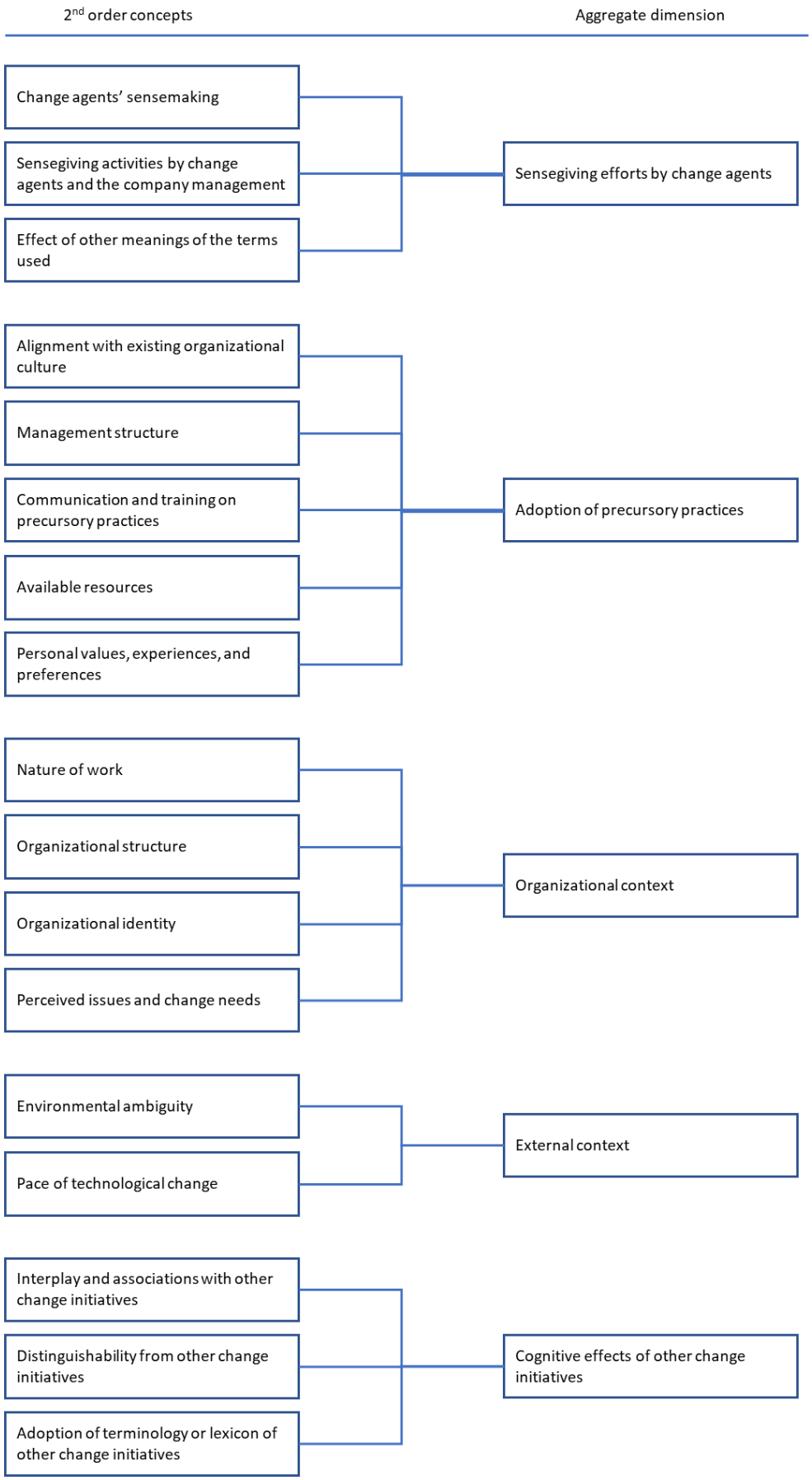

Figure 5. The second order concepts and aggregate dimensions of the data structure.

4. Findings

This chapter presents the findings of this thesis study, and constructs and proposes a grounded theory model on the factors that influence change recipient sensemaking about planned organizational change in its early phase. The chapter is divided into two sub-chapters; first, the findings of this study are presented in the form of a rich narrative in Chapter 4.1. This is followed by drawing the findings together to propose a grounded theory model constructed based on the research data and data analysis to answer the research problem of this study. The model is presented, elaborated and justified in Chapter 4.2.

4.1 Narrative

In this chapter, sense is made of the research data by using the narrative sensemaking strategy (Langley, 1999). A rich narrative is produced from the interviews, organized under the major themes that emerged from the data during analysis. The narrative is arranged into six sub-chapters with the first sub-chapter providing a description for the outcome variable, change recipient sensemaking, and each of the five sub-chapters thereafter representing one aggregate dimension in the data structure presented in Figure 5 in Chapter 3.5. Under the sub-chapters, the findings are divided by headlines corresponding to the second order concepts of the data structure. The first order concepts, excluded from the data structure shown in Chapter 3.5, are presented and elaborated under their respective second order concepts in the corresponding sub-chapters.

4.1.1 Change recipient sensemaking

Building on existing academic research discussed in Chapter 2.2.1, the construct *change recipient sensemaking* refers in this study to the interpretive process of sensemaking by change recipients, through which they assign meaning to the focal planned change of this study in order to understand the various connections between different entities that they interpret as relating to the organizational change vision articulated by change agents of ATCC becoming a coaching organization.

This study explores the factors that influence the change recipients' sensemaking process, attempting to identify factors that are relevant to explaining the outcomes of change recipient sensemaking – the interpretations of, and meanings attached to, the focal planned organizational change – and variation in the outcomes between individuals; the factors identified as relevant to change recipient sensemaking about a planned organizational change in its early phase were identified in great part through the variations in the observed outcomes of the change recipients' sensemaking about the change.

There was variation in how change recipients made sense about the change agents' plan for ATCC to become a coaching organization, as well as in the outcomes of their sensemaking about the change and

various aspects related to it. Examples of variations in the outcome of change recipients' sensemaking about the focal organizational change of this study are presented in Table 3.

Aspect of organizational change	Change recipient sensemaking outcomes
Reasons for the change agents to develop the vision of becoming a coaching organization	- The organization having had good experiences with the precursory practice - Improving competence and capability development - Cost savings
What coaching organization means	- An organization in which peer coaching practices exist - An organization characterized by trust and culture of experimenting
What coaching means	- Drawing from training in coaching in sensemaking - Drawing from the world of sports
What change initiatives are related to coaching organization, and how they are related	- Coaching organization is related to agile development practices - Unable to name related change initiatives
What changes should be implemented in order to become a coaching organization, and how great in magnitude these changes need to be	- No change necessary, as the organization already is a coaching organization - Both structural and cultural changes are necessary

Table 3. Examples of aspects of organizational change, and examples of change recipient sensemaking outcomes.

The following sub-chapters provide explanation to how the second order concepts and aggregate dimensions identified from interview data contributed to change recipient sensemaking, its outcomes, and to the differences in the outcomes.

All the observed sensemaking in this study was individual sensemaking – signs of collective sensemaking were not identified among change recipients; this is not consistent with existing research on sensemaking as discussed in Chapter 2.2.1. Furthermore, there one relatively universal aspect of the change recipients' sensemaking outcomes in this study was how coaching, and the plan for ATCC to become a coaching organization were attached positive meanings by the change recipients. Possible reasons for the absence of identifiable collective sensemaking in the research data, as well as for the universality of positive meanings attached to the focal organizational change are hypothesized and discussed in Chapter 5.1.

4.1.2 Sensegiving efforts by change agents

Sensegiving efforts by the change agents refers to the process through which the change agents attempt to influence the sensemaking of change recipients about the upcoming planned change. During an organizational change, change agents engage in actions aimed at assigning new meanings to the current situation and persuading the change recipients to adopt the change agents' vision – why there is a need to alter the status quo, what needs to be done, what is being and will be done, and what actions or behaviors are expected or wanted from the change recipients.

The data structure for the aggregate dimension Sensegiving efforts by change agents is presented in Figure 6. From the interview data, three second-order concepts were identified for the aggregate dimension: Change agents' sensemaking, Sensegiving activities by the change agents and the company management, and Effect of other meanings of the terms used. The first order concepts are discussed below.

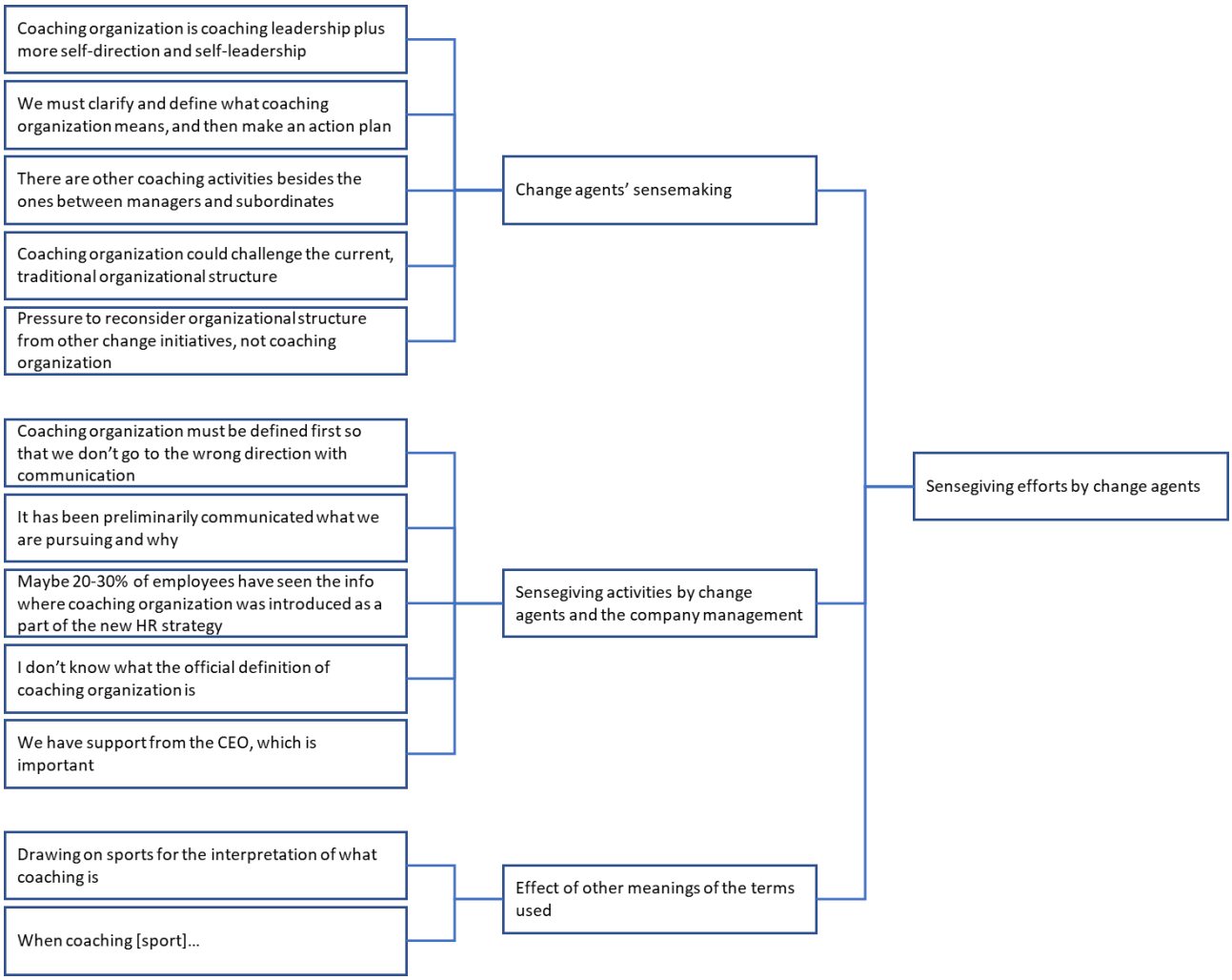

Figure 6. Data structure for the aggregate dimension Sensegiving activities.

Change agents' sensemaking

The vision of becoming a coaching organization was first articulated during the development of the company's new HR strategy. The underlying reasons or themes and overall goals behind coaching leadership and, by extension, coaching organization, were identified as by two change agents as

> *"I would see that it is a combination – behind coaching leadership there are two big themes, ensuring capability to change and improving performance, and developing self-direction and self-leadership and supporting the experts. [---] Personally, I would see it as a combination of what is sought with coaching leadership, and people being able to lead their own work and also having the ability to do so."* – Change agent

And as

> *"The idea behind coaching leadership is that people themselves seek solutions to their problems, and they are challenged more through questions. The idea behind [coaching organization] is that people understand and comprehend more things themselves."* – Change agent

However, while the overarching goal was known, and the desired end state had been given a label of "coaching organization", what it concretely meant and how the desired end state would be achieved or striven towards was still unclear:

> *"… we know that self-direction and self-leadership is what we will set out to do, now we must clarify that as we have the end goal of coaching organization what it means to us, and that is just a definition"* – Change agent

Put in other words, even though there was common sense made among the change agents – the organization members involved in the development of the new HR strategy – about the need to become something labeled as a coaching organization, there was no common, shared sense made about what a coaching organization actually, concretely, means and includes – beside the shared sense that the current practice of coaching leadership with the focus on training and supporting only managers is too narrow a concept for leadership, coaching, and competence development at ATCC; and that a more holistic perspective was needed. There was an implicit sense among the change agents that the change could also entail transitioning from the existing practice of coaching as the "official" leadership style in the organization into institutionalizing coaching style as a behavioral norm in interactions not only between managers and subordinates, but also between peers, and even between the organization and the organization members.

> *"… the other part is coaching leadership; the other part is how self-directing we are and how we ourselves act in a coaching environment [---] it is somehow old-fashioned to think that only the manager coaches. There are multiple encounters with colleagues, partners, and even spouses in the daily life where there are coaching elements. And somehow that is where the idea got started."* – Change agent

> *"… when our managers act in a more coaching way, then shouldn't our organization need to have the readiness to take in that coaching style and act in the coaching world. And that gave the idea, when we revised our HR strategy in 2018, that we have looked at this from too narrow a perspective, that we need to look at this as a bigger picture… the organization's readiness for a coaching style needs to be strengthened"* – Change agent

The change agents' goal was, during the following 6-7 months after the first interview round, to finish planning the change initiative in the sense that the concept and the goal with it would be crystallized and clarified, and a concrete action plan would be made for the change initiative and its implementation.

There was consensus among the change agents as to what was behind the desire for pursuing the planned change, and that coaching organization should be a useful instrument in improving communication and co-operation across organizational boundaries and reducing siloing. However, while there was agreement, there were also differences between individual change agent's sensemaking on the scope and magnitude of the needed change. These differences were mainly centered around the effect of the change initiative on the organization's structure and the effect of coaching organization on the roles and number of managers in the organization.

> *"To the organizational structure [coaching organization] would, at the very least, create a basis for challenging the traditional organizational structures."* – Change agent

Some change agents didn't consider coaching organization itself cause, or necessitate, changes to the organizational structure or the number of managers. Any pressures for changes to these would come mainly the ongoing drive to further adopt agile practices:

> *"As a point of departure, I don't think there is a need [to change the organizational structure due to coaching organization]… the challenge comes mainly from the agile development practices, that there is pressure coming from there as to if this organizational structure is truly working. Virtual teams, end-to-end development, so is the current structure – seeing how our organizational structure is a pretty traditional one in that sense, so maybe the pressure comes more from there."* – Change agent

> *"If we look at coaching organization, then that doesn't create needs for changes in organizational structure, maybe… The question is maybe that do we have supervisory roles and then more of a coaching role, wellbeing coach, so this kind of thing may occur as a question. But I don't think there is any coercive need to do anything."* – Change agent

> *"In discussions among the HR team, there has been opinions that the number of managers should be run down [---] After that I read an article that debunked that. On the contrary, this new world conversely requires… it just requires different kind of competences and capabilities from managerial work, so [becoming a coaching organization] doesn't necessarily affect the number of managers in any way"* – Change agent

Other change agents would see the change as a chance to implement even radical redesigns to the structure, organization of talent and the number of managers.

> *"… I would see that the end result of us being more coaching as an organization is that firstly the number of managers has dropped significantly, because what is the role of a manager in a coaching organization, that is an interesting question, what are managers needed for… [---] We have a very traditional structure in our organization. There is the function, unit, department, group, team, subteam, it is like… what? And then when… it depends on the where you are in the organization… things can also be very bureaucratic, the sub team talks with the team, which talks with the department – the structure causes this kind of siloing. So, I would hope that when we are going towards coaching organization, that we would get more competence in acting in a more self-organizing and coaching way, every one of us at ATCC. Then co-operation would increase*

significantly across organizational boundaries, communication will improve significantly." – Change agent

"And somehow, I would like to see ATCC go in the direction of… if we think it through the lens of what a person does, that when you have a certain competence, for example we have now 300 systems specialists, and now we utilize them in exactly [one function] through their expertise. But what if we could widen development of competences through learning on the job and other learning, then we could have systems specialists who can be thrown about in and between e.g. [agile] trains with abandon because they have their competences strengthened and developed" – Change agent

Sensegiving activities by the change agents and the company management

"I myself have always held it as a point of departure that we must first recognize what is our aspiration before we can go forward with something, so that we don't go in to the wrong direction with our communication and actions" – Change agent

The "incomplete" state of sensemaking on the change initiative among the change agents consequently resulted in that the only "official", formal sensegiving action made to the organization and its members about the vision to become a coaching organization was mentioning the vision as a part of an open video call used to introduce the company's new HR strategy.

As part of the introduction of the new HR strategy, the plan to become a coaching organization was introduced as one of four big themes in that strategy; it was mentioned that under the label "coaching organization" there is a plan to develop coaching leadership in managerial work, and supporting self-direction and self-leadership would be extended to the expert level as part of this plan. It was also announced that this plan is still incomplete, and would be crystallized and clarified during the current year.

"But now it has been preliminarily communicated that this is what we are pursuing and why, but otherwise it is visible in some sentences and videos where we talk about the term. The challenge is that we have not encapsulated, not quite clarified what [the change] is or means. [---] Now we have told about it so that – to the personnel in the Skype videos – that we develop coaching leadership and connected self-direction and supporting self-leadership and development to the expert's level… [---] When we worked on the HR strategy, there is even a slide that the goal, coaching organization is a big theme, one of our four big themes. Then there is what we pursue with that… a concrete action has been written down, we showed that we are going to first define [coaching organization] during this year, it has been openly told that now we are still clarifying it, but as actions we will be going to develop self-direction and self-leadership on the specialist level." – Change agent

"I guess [the chief human resources officer] has said [in an internal information broadcast], said something. Maybe a little related to that strategic competences initiative, in the same speech, but pretty… if you haven't been listening to it with 100% concentration, then in a way little… but [coaching organization] are not entirely alien words – let's say it like this, that this is not the first time I hear those words, but I have no deep knowledge [about coaching organization]." – Business manager

The viewership on this video call was based on interest; it was estimated by one change agent that around 20-30 percent of the company's employees had either attended the video call or watched a recording of it. Out of the 22 informants interviewed during the first interview round who were not part of the change agents, 3 claimed that he or she had not heard about coaching organization before receiving the invitation to be interviewed; 7 informants claimed that they had heard about it but remembered nothing about it or thought it as a part of coaching leadership, a predecessor practice; and 4 had heard of it due to being part of the company's or a unit's top management or having personal connections to the HR.

> "*I have heard [about coaching organization], but I don't know whether or not it's more due to my personal connections to the Chief HR Officer. [---] The last official discussions I remember have been about coaching leadership. Maybe there has been talk about coaching organization, but the context has been manager training days or some similar, so that I have associated as one thing we can talk about, a term… different term but the same thing, there has been this sort of communication. [---] If it has been talked about, it has been lacking in concreteness and specifics, how will things change, so that [the planned change into a coaching organization] is not just hand waving but that we will actually start doing so."* – Manager

The lack of further sensegiving activities was reflected in the individual sensemaking of the informants. In fact, when asked to, one informant even went so far that he flat out refused to give his opinion on what a "coaching organization" means, or what it could or should entail, because he had no knowledge as to the ATCC's official definition of coaching organization. Another informant, a manager, remarked on the lack of sensegiving by the organization on the matter, and how it affected her sensemaking of the upcoming organizational change:

> *"A void fills with assumptions, and that is the case here, as well – what is coaching organization? – I don't know the official definition here at [ATCC], so now I'm filling the void with my own assumptions."* – Manager

The absence of official, or formal, sensegiving activities prevailed even at the time of the second interview round, some three months after the first round. For example, one informant claimed that the invitation for the second interview was the first time he heard about coaching organization since the previous interview. More sensegiving from the change agents and company management was wanted by the informants; there was a consensus among the non-change agent informants that more communication about the change was desired and needed.

The effect of sensegiving by company management had an effect on the change agents' sensemaking about their plan: from signals coming from the top management of the company, the change agents had interpreted that the change initiative they were planning were considered valuable and worthwhile, and had support from the top management, giving them confidence in going forward with their planning and eventual implementation of the change program.

> *"The support from the management is huge, the CEO believes strongly in it when we talk about coaching leadership…"* – Change agent

Effect of other meanings of the terms used

Given the limited amount of sensegiving about the planned change by the change agents, the change recipients also used resources and strategies other than the change agents' sensegiving in interpreting the meaning of the label "coaching organization" given to the planned change by the change agents. One such strategy directly related to the change agents' sensegiving efforts was that change recipients in their sensemaking about coaching organization often drew on, and used as a resource, other meanings of the words used by the change agents in their communication and their associations with those words. In essence, other meanings for the terms used by the change agents when communicating the planned change – giving sense to the change recipients – mediated the effect of the change agents' sensegiving efforts on the change recipients' sensemaking.

The focal terms in the planned change initiative studied in this thesis, coach and coaching, are arguably most often connected to sports. Therefore, it is no surprise that a simile or metaphor relating to coaching organization was drawn from sports by several change recipients when making sense about coaching organization.

> *"I think the world of sports is a good allegory to this world of business, how you, as a coach, coach and lead forward that person – somebody might say that that is training, but in my opinion the word 'coach' is good, because it is easier to take the comparison to the world of sports, that there are team coaches, but then again there are also, like in ice hockey there are goal keeper coaches who concentrate on being a goal keeper"* – Manager

Some managers, who had at some point acted as sports coaches, often saw coaching from the personal development point of view – as opposed to the "don't provide ready answers, but ask questions to get the person being coached themselves find out the solution to their problem" point of view on coaching leadership which was the most prevalent among all informants and that had been emphasized by the HR and coaching leadership trainers used by the organization.

Another example of the change recipients resorting to making sense of the planned change in the face of a limited amount of sensegiving activities by the change agents was one recently recruited manager. The manager had not received training in coaching leadership – and, in fact, had not been explicitly told what kind of leadership style was expected from managers at ATCC. The manager, despite not having done sports themselves, based their perception – or at least drew a strong influence on their perception – on coaching and coaching organization on documentaries about American football.

> *"The coach… the coach probably can't do – if we consider a sports analogue, then the coach of course can't do the things as well as the players, but can coach the team to work well together – now I'm getting a little philosophical, but I'm trying to make sense to myself… But just that analogy, if it is from the world of sports, then coaching is about how you can get your people work together so well that it will produce winning results, in which case you coach for example by encouraging people with different strengths to concentrate even more on those, and learn in them, and develop. [---] But isn't that good leadership behavior any way, that you optimize your team to act in a way that you achieve as good results as possible, so that they support the company's strategy?"* – Manager

4.1.3 Adoption of precursory practices

The change agents posited the planned change initiative of ATCC becoming a coaching organization as a continuation or extension of an existing practice, coaching leadership style, which had been driven in as the "official" leadership practice in the organization; managers were expected by the organization to lead in a coaching style. Thus, coaching leadership was a precursory practice to coaching organization. Both change agents and change recipients involved the adoption of the precursory practice as a stepping stone in their sensemaking on becoming and being a coaching organization.

As identified by informants – both change agents and change recipients – there were differences in adoption of this precursory practice between individuals, between teams, and between departments and business units. The adoption, and differences in the adoption of coaching leadership style contributed to differences in sensemaking among change recipients, affecting especially the change recipients' interpretations of how great in magnitude the informants perceived the needed change to be, and what things should be changed in order for ATCC to become a coaching organization. Another example of differences in adoption of the precursory practice on change recipient sensemaking was that when asked to speculate as to the triggers for the introduction of the plan to become a coaching organization, one of the most frequently given reasons by change recipients was homogenizing the leadership practice across the company. The differences in leadership practices between different parts of organization were acknowledged by change agents, as well:

> *"If we talk about coaching leadership, if we look at the last two years and look at where we are, we have had to note that a realization of what coaching leadership is, has not been achieved throughout the organization."* – Change agent

The aggregate dimension Adoption of precursory practices consists of five second order concepts: Alignment with existing organizational culture; Management structure; Communication and training on precursory practices; Available resources; and Personal values, experiences, and preferences. The data structure for Diffusion of precursory practices is presented in Figure 7.

This aggregate dimension differs from the other aggregate dimensions in the data structure in that the first and second order concepts under it are factors contributing to the change recipients' sensemaking mainly through their explanatory effect on the adoption of the practice that is a precursor to the planned change initiative studied in this thesis, and the differences in its adoption across different organizational units. However, the second order concepts Alignment with existing organizational culture; Available resources; and Personal values, experiences, and preferences were identified as being factors influencing change recipient also by themselves, and not only through their effect on the adoption of coaching leadership.

Alignment with existing organizational culture

The change agents posited the planned change of becoming a coaching organization as a continuation, or extension to the existing practice of coaching leadership; the concept of becoming a coaching organization was born during development of a new HR strategy out of desire to build on the current leadership practice of coaching leadership, and offer more support to experts in managing themselves, thus promoting self-direction and self-leadership. The coaching style of leading had been pushed to the organization for a couple of years, and was seen by the change agents as "right" and "the way forward" for the company, but

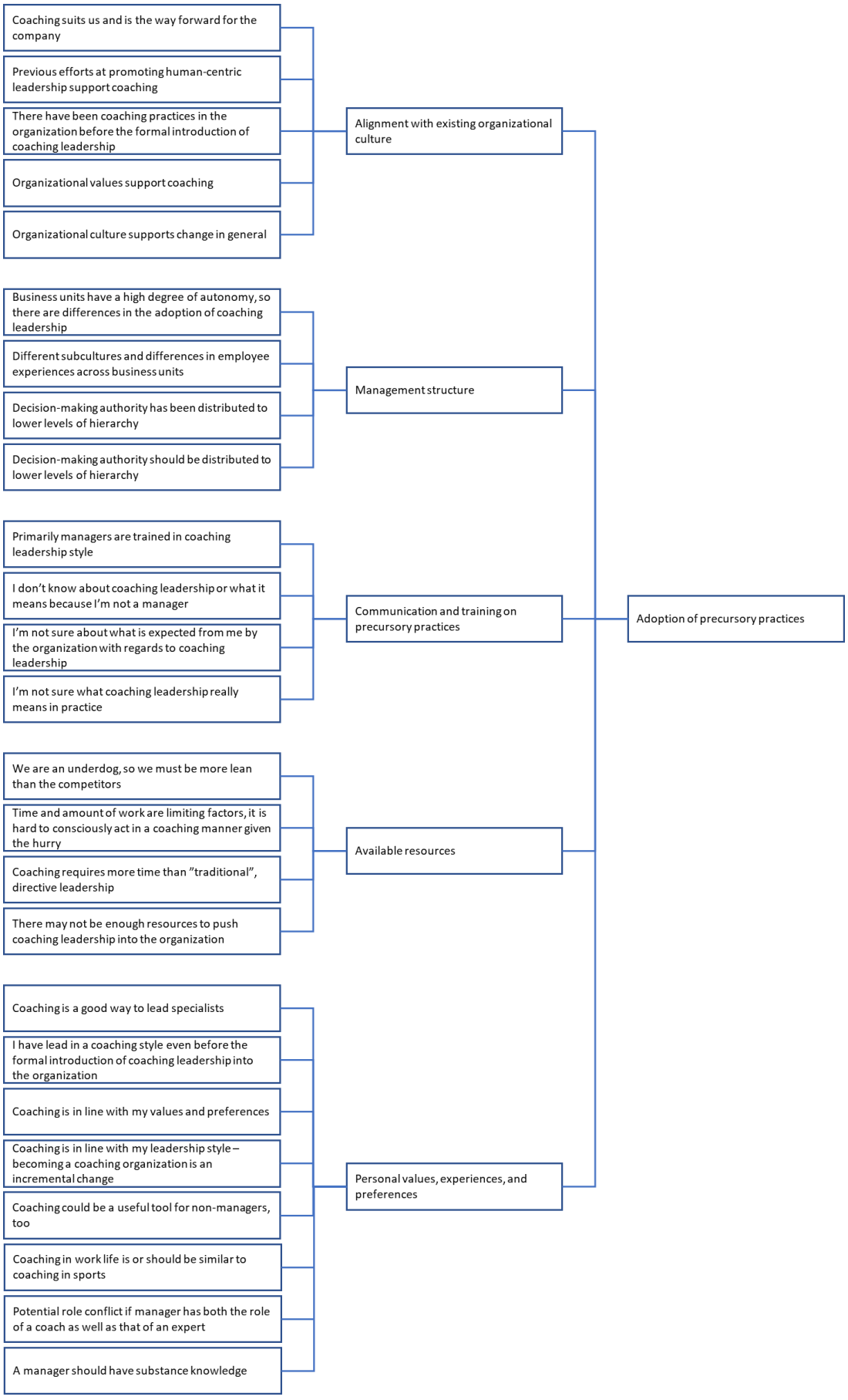

Figure 7. Data structure for the aggregate dimension Adoption of precursory practices.

it was also acknowledged that there was a need to adapt a wider perspective to coaching than only managers performing it, or training only the managers in coaching.

> *"I myself would begin with [that coaching organization is] a combination of what is sought after with coaching leadership, and that people themselves can lead their own work, and that they also have the competence for it"* – Change agent

However, there had been work on the organizational culture undertaken by the HR even before the adoption of coaching leadership style:

> *"For 4 years now, we have furthered 'soft' values in leadership [---]. I believe that that 4 years of work has caused that the basis is good, and that we have in the organization leadership that takes into account people, that cares and understands, that we lead individuals and understand their life situations and are flexible accordingly"* – Change agent

It was felt by the change agents that this organizational culture building towards a specific direction in leadership values had facilitated the adoption of the precursory practice, and would also facilitate the change into a coaching organization. The change recipients tended to agree. Many managers further pointed out that the coaching style of leadership aligned well with their pre-existing values and ways of leading, as will be discussed later under "Personal values and experiences".

There was also interplay with the nature of work, as will be discussed in the Chapter 2.1.3: in teams and units with jobs requiring high technical skills, informants identified there having existed coaching practices, due to the high technicality of tasks and subsequent expertise requirements, long before the formal introduction of coaching leadership style in the organization. In these teams and units, the culture was already well or even fully aligned with coaching practices to begin with, making the change more like a formal acknowledgement of the "correctness" of the way things were done there instead of being a revolution as in some other teams. As will be discussed in a later part of this chapter, the management structure influenced the organizational culture and diffusion of the precursory practice, as well.

> *"I don't see it as a revolution, at all, instead… because, in my opinion, we are very coaching already now."* – Manager

Beside the pre-existing practices that aligned with the planned change, there were other cultural factors that had, and would have an effect on both the adoption of the precursory practice as well as the upcoming change initiative. The organization's values were identified as one such factor:

> *"I feel that [the organization's values] have been very well internalized by people, and I think they support changes. In so few companies – ask anyone, if at ATCC you go ask what are ATCC's values, everyone can say what they are – in my previous work places, even though I have been in managerial positions, I haven't always remembered exactly what they currently are, they have changed again, what were they. Here they are so in people's backbone, and that supports change."* – Manager

The effect organization's values were also reflected in practice:

> *"At the moment, employees are given a lot of freedom and responsibility. Entrepreneurial thinking is encouraged, which is good, and I think it is a fertile ground for this [change into a coaching organization]. And that is one reason why I don't see that [coaching organization] is a revolution."* – Business manager

Combined with the external business environment in which ATCC operated – characterized by rapid technological change and frequent organizational restructurings as well as mergers and acquisitions – there was a sense among the informants that the organizational culture was such that the culture itself supports change:

> *"… I would say that our organizational culture, even though I said it is what requires the biggest change [in becoming a coaching organization], we are at a pretty good level with that regard, meaning that ATCC is used to changes. As long as it is communicated right and in a positive manner, it won't be a problem. So giving and authorizing people to take authority and power in their own work, and encourage, the way I see it is that our culture supports that."* – Manager

In addition to this, at least in some units, there was a history of experimenting and piloting, and then adopting the successfully proven new things and practices across the organization.

> *"We have received, though, partially positive experiences from coaching leadership, and I think, besides money, that's part of the reason [behind the decision to move towards a coaching organization]. And we have a habit that usually we boldly try things somewhere, and if it feels good and is a positive thing for the employees, if it appears as a positive thing to the employees, then we start developing and implementing that to other parts of the organization, as well."* – Expert

Management structure

Management structure was identified as having a significant effect on the diffusion of coaching leadership style in the organization. The high-level management structure at ATCC was such that the business units had a high degree of autonomy with regards to many things. As one informant described, so long as the business units achieved the (mainly financial) goals set by the top management, the unit was quite free to manage itself as it saw best.

> *"The way I see is, that [---] on the organizational level the obstacle [to adoption of coaching practices] is in that our management structure is built so that they are independent, you could say that pretty much autonomous business units, that are responsible for their results only to the top-most management. And as long as their [financial] results are OK, it seems that the top management does not whip, or direct all that forcefully, don't require certain things."* – Business manager

This had consequences to the individuals' sensemaking, too: the employee experience differed in some respects across the units, and the differences in management structure across the business units had a significant effect on the adoption of coaching leadership practice – and for the planned change of becoming a coaching organization.

> *"The whole ATCC is such a different animal to the business units by themselves. So, I would see that, on the organizational level there are no significant obstacles or barriers [to the change into a coaching organization], it is more so that the business units may have their own obstacles."* – Business manager

The management structure with relative autonomy of business units was seen as contributing to the existence of subcultures in the organization, as well as the subsequent differences in adoption of coaching leadership and employee experience. Consequently, when the informants were asked to speculate on the

reasons for the new change initiative of coaching organization, one of the most common answers was homogenizing the leadership culture in the organization.

> *"I would say that there quite a lot of different subcultures, and as it is in all companies, the employee experience is pretty much dependent on the supervisor, and supervisors probably create pretty different supervisor experiences in this organization, as well. I would say that brainwashing the managers [would be needed], so that there is just one model here, from which you most definitely wouldn't be allowed to deviate from. [---] And what should be made happen, I would say that the managers should have a totally uniform leadership culture, but not just the managers, the management, the top management, too…"* – Manager

The most evident effect of different subcultures and employee experiences created by the management structure on the adoption of coaching leadership practices was found in one of the main business units. The unit's previous director had instituted a management structure in the unit where the director made the major decisions. The flow of information in the unit under their tenure was described as vertical; information flowed upwards in the hierarchy, the decision was made by the management, and information about the decision, as well as the commands, flowed down to the employees who were tasked with carrying them out. This kind of management structure was not conducive to a culture favorable to coaching practices or adoption of coaching leadership, and some informants from this business unit commented on the difference between their unit and other business units on the diffusion of coaching leadership.

> *"I would see that it is the culture, and the structures in line with that, and how they are constructed, they have obstructed [the adoption of coaching leadership in the unit]. [---] [The previous unit director] was used to making the decisions in nearly everything, that everything leads to the mountaintop, and I think that had blocked it… or when the decision-making had been concentrated there on the top, then coaching to giving e.g. more responsibility and seeing the whole picture, cooperating more – without being commanded – with other functions, there was none. When this wall has been starting to unravel, [---] it will start changing."* – Business manager

> "*Information flows so that information pretty much flows from the bottom to the top, but the decisions are made at the top, and the commands flow to the bottom. So it hasn't been very interactive, at all, how the information has circulated – certain kinds of things have gone up, and certain kinds of things have gone down, very formal… And then when cooperation hasn't been encouraged in any way, there has been very little horizontal discussion – only about what we have had to, and usually those things have been problems. If we can talk about modules, there have been modules, and the problems have been in the boundary layers between modules. [---] Usually, the problems have been there in the boundary layer, and only those problems have been talked about, not about how the whole, the big picture, could be developed."* – Business manager

Another business manager from the same business unit corroborated, noting the great cultural differences between the business units, and how the management structure in the unit they worked in had affected the unit's organizational culture, as well as hindered the diffusion of coaching leadership.

> *"[Coaching leadership] has been visible in some way, maybe indirectly. I would say that we have very big cultural differences here at ATCC. [---] In the unit I work in, [coaching leadership] has not been necessarily that visible, since the organizational structures are still pretty tight, and that has promoted kind of inward-looking – we sort of look from the center of our own silo. But what I have seen on the general level in the whole organization, [coaching leadership] has been talked about much more. And the indirect effects [of adopting a coaching leadership style] have been through that more responsibility, more decision-making authority has been given from the upper*

management of [informant's business unit] to lower levels of hierarchy, and an effort has been made to – maybe this has been "coaching" to them – act more like telling what is the goal, but leaving the way of doing and organizing, and doing to ourselves… but when it comes to techniques, such as mentoring or coaching, then those things have not been part of the daily work in any way, or there is very little of those." – Business manager

This greatly affected the perceived magnitude of change needed: whereas the most prevalent assessment among all the informants with regards to the needed change was that cultural change would suffice, informants from this (formerly) autocratically managed business unit regarded structural changes necessary:

"… it probably comes from my background, but on the strategy side it always comes to changing structures. And I would blow [the unit's structure] to bits. Firstly, the structures that there are the certain functions, silos in the horizontal plane so that there would be horizontal pipelines – that is, end-to-end things – because it would force people into cooperation, and more all-round know-how, whereupon you would be exposed to more subjects or fields you should know about, and this would increase cooperation through this change at the very least, which would increase the imperative for you to learn more. Search for new knowledge, new know-how, yourself. The next would probably be governance models. It should be so that the leadership and the governance models would specifically prompt organization to learn, and that it would be measured somehow." – Business manager

The director had been removed a short time before the timeframe of this study, and a new one was selected around the time of the second round of interviews. There had been some change initiated towards changing the management structure and culture towards encouraging more coaching practices, but as one informant put it, most of those initiatives were still at the stage of being "promiseware".

"There was, though, for a long time… it was a cryptic thing…in certain domains there is still in prevalence here a disturbing culture of leading through fear, and it is kind of a taboo, people don't want to talk about it." – Manager

"It is not common anymore, but it has been – not searching for causes, but searching for the guilty – at one point in time it was endeavored to emphasize finding the cause – but in the end it went so that after a cause was found, a culprit was pointed out." – Manager

This was in contrast to another one of the main business units, where management and leadership structure had been less top down, and authority and decision-making power had already been distributed more to the lower levels in hierarchy even before the introduction of coaching leadership. In this unit, coaching was more prevalent and coaching leadership more diffused into the organization. In addition, that unit had seen more adoption of agile practices – and many terms rooted in agile philosophy had entered the everyday language of experts, managers and business managers. All in all, it was widely agreed among the informants that, with regards to management structure, sharing decision-making authority to lower levels of the organization's hierarchy supports and facilitates also the transition towards wider adoption of coaching practices and becoming a coaching organization.

"In some teams, decision-making authority is already distributed to team members, which supports the change [into a coaching organization]…" – Expert

Although there was some distribution of decision-making authority to lower levels of hierarchy already in practice, multiple informants would have liked more authority distributed. However, it was also felt that

the steering group practices that were prevalent in the whole company were seen as heavy, and not always conducive to distributing power.

> *"Another thing that stems from agile development, the decentralization of decision-making, empowering it… decision-making on the level where the expertise on the matter is the highest… then of course there is that do the experts see the forest for the trees… so the scaling of the decision-making must be done right… at the moment, our formal management models are not all that compatible with that… there are heavy steering group practices, in certain parts of the management it is hard to let go of that kind of formal power."* – Business manager

Communication and training on precursory practices

There were two kinds of mechanisms identifiable from the interview data through which communication and training on precursory practices affect the informants' sensemaking of the upcoming change: the amount of communication and training, and who are targeted with them. More specifically, in this study, it was mainly deficiencies in communication and training, and only the managers having been targeted for training in coaching leadership, that were identified as having affected the diffusion of coaching leadership in the organization.

Change agents acknowledged that there were differences in the adoption of coaching leadership style between managers. Some measures had already been decided on to address some causes for these differences, and yet others could be seen as part of becoming a coaching organization. For example, instead of offering the same trainings for every manager, KPIs such as 360-degree feedback would be used to identify personal development needs, and based on these results individual managers would be recommended and offered appropriate trainings and coaching.

> *"… all [managers] have underwent a one-year long training program, where we go through what coaching leadership is about and why it is worth supporting, we have tried to get across the realization… because a human won't start doing anything, unless they get the realization of what benefit there is for themselves and what benefit there is for the team. We have done that for a year, and now we are going deeper, so that when people search for their own areas of development in coaching leadership, now we answer to the demand, we have tailored different development paths for managers so that best case scenario is that we can note in a couple of years that 80% of managers, we can see that they have a very strong coaching style [of leadership]."* – Change agent

> *"Now we have ruled that, from the point of view of managerial work, we don't do everything for everyone, but try to tailor to the right people, the right target groups, the right things and identify the gaps there are. One tool is the 360-degree feedback, which in its new form was able to give pretty good answers because it is tied straight to coaching leadership style in managerial work and [its] different parts, so now we are able to produce training with which we can develop [managers] in the right way and give the right training to the right groups."* – Change agent

Even though the change agents had pushed coaching leadership style into the organization for a few years already at the time of this study, there were differences in absorption of the knowledge of the practice: not every non-manager interviewed knew about coaching leadership, or what it means or entails. Among them,

there was a sense that only the managers had been trained in coaching leadership, and communication about the practice was targeted or limited by the HR either mainly or even only to the managers. As one business manager said when asked about how coaching leadership had influenced or had been visible in their work:

> *"I'm not actually sure what things are related to coaching leadership, as I am not a manager"* – Business manager

Deficiencies in communicating coaching leadership to non-managers was noted by experts, as well. In addition, as one expert recounted, the HR or the managers themselves did not always communicate to their subordinates what kind of leadership behavior they should expect from their leaders:

> *"… In general, within teams… kind of openness in both directions between the supervisor and the subordinates… It would be nice to know what the supervisor does, many people wonder what [the manager] spends their days doing? [---] My supervisor has one very small team [---] But I feel [the manager] doesn't even do the supervisory work, they don't approach me, doesn't do the one-on-one discussions, we have a joint meeting once a month – the question is, what is it they do? It should be open"* – Expert

However, there was also uncertainty among managers about the terms used, or what is expected from the managers by the organization, in practice, with regards to leading with a coaching style. One manager voiced their opinion on the ambivalence of the terms used by the HR, which had left them wanting for more sensegiving by the HR pushing for the adoption of coaching leadership:

> *"But I think it is a super difficult word, coaching, really, what it means in practice… This is perhaps a common challenge related to HR, the words they use when they talk about things sound difficult"* – Manager

Another manager reflected on the challenges they were having with understanding what they, as a manager, were expected to do, and how to act, by the company:

> *"It is a challenge to me, that… I don't always grasp whether or not what I'm doing is [coaching leadership]… I only try and think that I want to be a good leader to my team, so that they have things well and can give their 100% to what they are doing."* – Manager

Yet another manager expressed their belief that the ambiguity of the terms used in relation to coaching leadership and how the managers were trained in leading in a coaching manner:

> "*I feel that it is a challenge, the ambiguity about what is really meant with [coaching leadership]… I think that quite many [of us] understands it differently, and in the end does their work according to their gut feeling."* – Manager

Another, extreme example was from one relatively recently recruited manager who, when asked about how coaching leadership had affected their work, they replied that they had had no training in coaching style of leadership when they arrived in the organization and there had not been explicitly told what kind of leadership behavior was expected from managers in the company:

> *"I can deduce what it is, reason what is a coaching style in general, but coaching leadership – I can deduce what it comprises of – but nobody has explicitly explained it to me or elaborated [what coaching leadership incorporates]."* – Manager

Both the deficiencies in communication and training, and only the managers having been targeted for training in coaching leadership lead to differences in sensemaking on the upcoming planned change.

Informants who had received insufficient sensegiving, communication or training, on coaching leadership for making sense about the concept had more difficulty in conceptualizing what the change means. This was evident in how those informants, when making sense of the change into a coaching organization and its effects and required changes, drew more heavily on personal experiences, or other coaching in other contexts – like the one manager who based their sensemaking on coaching, coaching leadership, and coaching organization on a documentary series on American football teams.

Available resources

Availability of resources appeared as a significant factor in the diffusion of coaching leadership in the organization, especially the perceived lack of time and hurry. This ties also into the way ATCC had internally and mentally positioned itself in the business environment, which will be further explored in under "Organizational identity". Specifically, out of different resources, a perceived lack of time was mentioned as one of the major factors that have hindered the adoption of coaching leadership and practicing coaching leadership style – and was seen by several informants, regardless of their position or unit, as one of the most likely hindrances to the upcoming planned change. For example, one informant said:

> *"It is challenging, that… in the hurry of the workday when we act, it feels like is this coaching leadership, or what is it, when you just try to be a good manager [---] I try to give everybody time and listen to them, give feedback and answer all the messages."* – Manager

This was recognized by the change agents, as well:

> *"We are, at times, pretty stuffed with the amount of work. And when you have little time, and the business, the business takes precedence, so are [coaching and learning] what are left with less regard. So, is that so that time is like 'how can I, and do I have time to develop myself?'"* – Change agent

The form of coaching leadership officially embraced in the organization was one that emphasized the role of the coach asking questions and that way trying to get the one being coached themselves come up with solutions to their problem. This form of coaching leadership was recognized as one that, at least initially, requires more time and effort from the manager.

> *"Coaching leadership is pretty time intensive, in the sense that when somebody comes to ask you a question, they want some opinion or answer. When you give it, it takes at best 30 seconds, maybe a few minutes, max, when you have uttered what should be done in your opinion. But then, if we start going through the situation in a coaching style, you have to right away reserve several minutes more arrive at the same – or, of course, better – end result. But it requires time, and that should be allowed to the managers. Now, what I think is most hindering coaching leadership behavior from propagating in the organization, is that we are in a terrible hurry all the time. We perform, we survive, and in surviving, one tool is to shoo away the askers as quickly as possible: 'I give an answer, do you manage? Well, good, go now, and let's hope we don't see in a while', when coaching style, in turn, takes more time, and time is something we tend to not have."* – Manager

Another manager took up the lack of time and hurry, combining it with the perception that even though coaching discussions would be beneficial in the longer term, it may be hard to find immediate monetary value in them, hindering the adoption of coaching practices:

> *"I think that we, pleading that we are in a hurry, when we go forward with terrible speed, and… [coaching] is maybe regarded as a sort of 'soft' thing, and it may be that some do not see that it may bring with it also financial success, so in a way that, that it is easy to slip from it and we just execute this. Then again, when I really discuss with some colleague from [another unit], and we both learn a lot from it, it benefits this company so much more than if we had just run towards the goal side by side."* – Manager

Another manager echoed this sentiment, linking the hurry and lack of time to the organizational structure and how work was organized in their unit:

> *"So we have this [agile] model in use, but people are not dedicated to the agile trains, so in practice you are in one or multiple agile trains, and in addition you may have project form work – I mean, like waterfall-type of project – and then you have the line jobs or normal jobs, so coordinating all this so that people have time to think and output, and learn from others…. more time, that could help in that…"* – Manager

However, the perceived lack of time may not always be due to an actual lack of resources, but instead be due to prevailing culture and practices. As one manager reflected on the widespread sense of hurry in the organization:

> *"People always have their calendars completely stuffed, and there is so little time left for actual sparring, when you are always in meetings… so, there is little time left for ad hoc discussions, the time always has to be arranged. I think that is distracting us from coaching organization, in the sense… not bureaucracy, but our meeting culture [---] I think that coaching way of working is, like, that you can, just when you have something, to ask for an opinion and then you get inspiration and can always discuss, and that would be an agile way of acting, but then when 90% of people from your unit is in meetings the whole day, so you can be left all alone with your stuff – and then there won't be much of discussions or sparring at that point."* – Manager

Lack of resources could be seen as affecting the adoption of coaching leadership in another way, as well: it was questioned whether the top management and HR may not have enough time and other resources to push coaching leadership more forcefully to the organization. In other words, the perceived lack of resources affected the sensemaking by the change recipients on the magnitude of the change by bringing into question what kind of change could be feasible or tenable.

> *"So, the top management, or the HR don't have nearly enough time, things tend to stay pretty much in the idea box. Because there is the yearly budgeting, or whatever is the justification, they have always the buffer stuffed full of stuff that then…"* – Business manager

With regards to practicing coaching leadership in their work, there were wishes from the managers that the top management would indicate through communication, or by showing example that it truly was recommendable for a manager to spend time to coaching, and that coaching could be done even at the expense of other work:

> *"I, myself, would probably be want for it to come from the top management that 'Hey, you are a coach, you are allowed to spend time on this', so that in the worst case I wouldn't have a guilty conscience that I would be doing false work when I'm mentoring or doing other stuff that don't directly benefit my job… I don't even know how my supervisor would react… we haven't talked very much about these – but I doubt that it is on their agenda that I would coach other managers from other units, even though that would be a good thing in the scope of the organization as a whole"* – Manager

Personal values, experiences, and preferences

Recent employee surveys at ATCC showed that employee job satisfaction was high: employee turnover rate was very low, and leadership at the company received, on average, good marks. In the interviews for this study, coaching leadership as a leadership practice was well regarded by the informants despite – as discussed earlier – there being differences on the level of knowledge about coaching leadership between experts and managers, business managers and managers, and even among managers. It was generally seen as a modern way of leading experts, especially in the more technical domains which require deep subject knowledge, and perceived as fitting the existing organizational culture at ATCC.

> *"I think that in the current… I should say, work community, or society, it [coaching leadership] is a really good thing."* – Manager

In addition, several manager informants, especially from the more technical units, noted how coaching leadership principles were in line with their pre-existing personal values as leaders, as well as with how they had preferred to lead even before the formal introduction of coaching leadership into the organization. These managers tended to view the planned change of ATCC becoming a coaching organization as more of an incremental evolution rather than revolution, and judged the change to be limited more often to being a cultural one with less structural changes needed.

> *"Maybe on my own part, the mental model [with leading] hasn't changed all that much, my way of leading has been pretty much consistent with what is the big idea with coaching leadership"* – Manager

One manager described why coaching leadership is better in leading experts than an authoritative or commanding style of leadership:

> *"If the manager limits the organization's competence to their own competence, by commanding and dictating, then an incredible amount of potential will go unutilized, the potential is in the people, there are truly competent and capable people, new ideas… the innovativeness is in the 'doer' level, and they have to be made use of. And how to make use of them: give them authority and responsibility, and go help them if needed."* – Manager

Coaching leadership as a leadership practice was seen as useful also by some business managers who were not in a formal position of authority – that is, being a supervisor and having the formal authority to direct the work of others – but who still had to influence or push their agenda on others, such as project leaders or experts in support functions:

> *"Then when [coaching leadership in the organization] works, it immediately helps our work, because in any case any work we do in a project, it is in some way a little different work than what you [normally] do… We are always moving towards change when we do a project, so when a person is used to being able to spar with their supervisor, has been given responsibility over doing their work, they are much, much better team members than people who have been kept within tight templates and frames, like "you do this like that, and every decision you bring to me and I make the decision"… we luckily have only few managers like that here anymore – there still are – but they are a minority and hopefully know they are a minority, that they would be open to that change, that you just give responsibility to lower [levels in the hierarchy], because you can't micromanage"* – Business manager

As discussed, several interviewed managers reflected on how the principles of coaching leadership have been aligned well with their existing values and previous managerial and leadership preferences, although some raised the issue of how to coach those employees who do not want to be coached. As one informant put it:

> *"The problem is in what if the one being coached doesn't want to be coached? They just go to work and have decided that this is how I work [---] and have no desire or motivation to make changes in it, the priorities for them may lie e.g. at home…"* – Business manager

However, there were also differing opinions on coaching, how it was communicated and introduced into the organization, and how its training was organized:

> *"If we talk about coaching or mentoring, half of it is pure nonsense. There is a beautiful intent behind it, but personally I feel repulsion towards the terminology used in those… the terminology is probably used in some HR literature and guide books [---] We should think about how to adapt and sell and market it, it sure is nice to get some sort of framework from literature, but adapting to [ATCC's] way of working and culture – if we want to be [compliant with ATCC's values], then is how HR does it with coaches, trainings that take days and days, then is that the right way to start going forward with [coaching and coaching organization]?"* – Manager

Another manager considered coaching leadership differently to the most common view on coaching leadership in the company. Whereas the most common view was coaching leadership being associated with leading through questions and so helping the person being coached him- or herself come up with solutions to their problems, the manager instead based their conception of coaching on sports, highlighting how personal values, experiences and preferences influence diffusion of a practice in an organization:

> *"Very often coaching leadership is thought of as petting the head and supporting, asking questions and questions, and not bringing forth solutions. It doesn't mean that! If we again draw a parallel to sports, it is being managed with hard values – you must get 10% more strength, you must get this much more explosiveness, and these exercises are for that. The same applies here, we have goals which are managed with hard values. It doesn't remove the coaching view on things, and maybe this hasn't been understood here yet, we maybe think that [coaching] is kind of pussyfooting"* – Manager

Yet another example of how personal experiences and preferences influence the diffusion of a practice in an organization is related to how the managers, who are expected to adopt the practice, are selected for their position, and the effect of their background and previous jobs. According to the change agents, with coaching leadership – and, consequently, coaching organization – being a manager should more and more be the full-time job of the manager, that being a good manager and coach should be their passion and the reason for wanting to be a manager. However, in many parts of the organization, managers are often experts with acknowledged merits in the team's area of expertise, which in past had led to some difficulties with regards of adopting the coaching style of leadership: many managers often continue having an expert role on the side of being a manager, working in both in the role of an experts as well as in the role of a manager. This can – and especially previously, often have – lead to a negative impact on adopting coaching (as defined by the organization) style of leadership, as the manager may carry the role of an expert also to their work as a manager. As one manager explained:

> *"[Coaching leadership] is a little difficult a breed, when there is this kind of a historical tradition related, that in Finland as well as quite a many other western companies, corporation is pretty much a line organization that is based on a certain hierarchy. And then, when you get, or are forced, or chosen, into the position of a manager, however it happens to happen, then typically the best*

expert in the department is promoted. They are used to people coming to them to ask questions, and then providing answers to those questions – and then, when they are in a managerial position, this continues. A subordinate or a colleague comes to ask a question, to which you are used to react by giving an answer. But, in coaching leadership, the style should be different: we should, through better, smarter, more sophisticated question setting, continue the dialogue, and in that way, in a way, enrich the arriving at a solution, which in turn comes along through the discussion." – Manager

These challenges were identified especially with new managers having difficulty on letting go of the role of an expert when leading and managing others.

> *"Traditionally, when you are promoted from an expert to become a manager, you have gotten used to question everything and analyzing them thoroughly. So, it may be difficult for a young manager to let go of that world, and at the risk of that subordinate doing not as good of a work in the beginning than I, who have practiced that for 5 years already and know it in and out, like forgive it and think that this is a learning period after which the subordinate will maybe come up with their own ways that are better than my ways. It requires maybe also that the manager is supervised and coached, so that if they start micromanaging, they are reminded that in the long run we will reach better results if they let the subordinates themselves solve their problems more."* – Business manager

Another manager reflected on the role conflict between the roles of an expert and a manager:

> *"In my team there are experts with deep knowledge of their domain, for whom I couldn't even make their decisions even if I had the desire Not before and not now when the world is becoming more and more complex, I understand less and less what my people are doing. And that's okay, I am pretty happy as it is, we all have our roles, and I suspect it is maybe easier for some than to others to give… I have given up my role as an expert. But, well… I recognize, and we have such situations, if an expert is put to a managerial role without them wanting to give up their role as an expert, there are pain points."* – Manager

If the manager still is the most invested in, and gets the most pleasure out of the role of an expert, this may lead to the role of a manager getting left in the background – and with that, coaching won't take place.

> *"We have lots of kind of expert-managers, who are very good in their own work as experts, but then the manager part is just like that they have drifted into it [---] They may have had some kind of own desire to become a manager, but then when working as an expert is what gives them kicks, then the managerial work can become just like 'let's do the mandatory one-to-one discussions, let's look through the goals for next year…"* – Expert

However, there were still among the other informants, especially in the more technical units and teams, a sense that managers, in fact, should have extensive substance knowledge in the team, department, or unit's field, and preferably a background in an expert role in order to be a good and credible manager.

4.1.4 Organizational context

From the interview data, four factors that could be categorized as relating to the organizational context were identified that affected how informants perceived the planned organizational change: the nature of the work, the organizational structure, organizational identity, and the issues and change needs in the organization perceived by the change recipients. The data structure for Organizational context is presented in Figure 8.

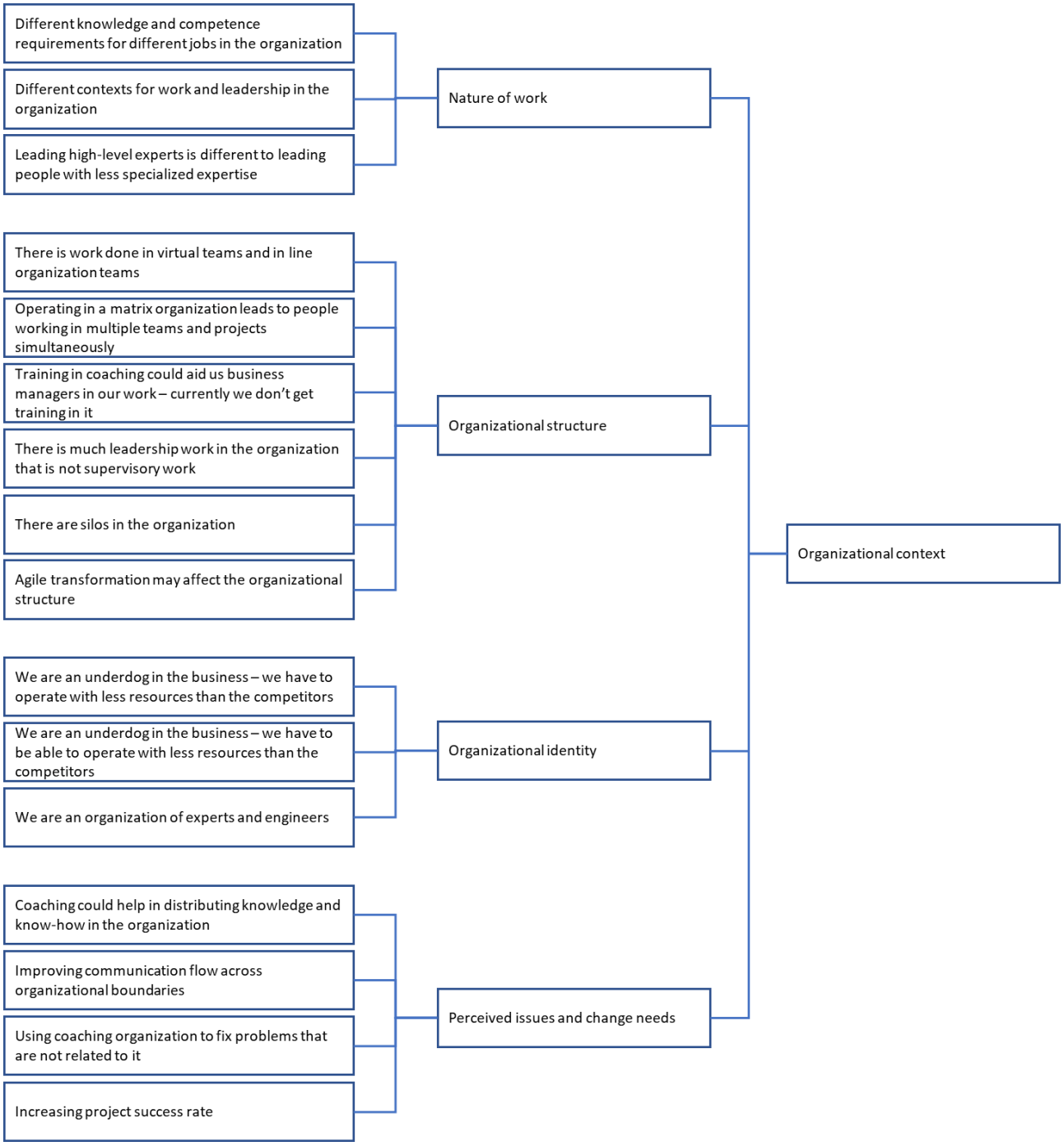

Figure 8. Data structure for the aggregate dimension Organizational context.

Nature of work

The nature of work has an effect on how employees see and perceive both previous as well as upcoming organizational changes. Being a large company, ATCC had numerous different jobs and roles in the organization, ranging from highly technical expert roles requiring extensive education and specialized training to customer service jobs that require little prior education and for which the company trains the recruits, and as such in many cases is the recruit's first job. As such, there were several different contexts for work and leadership in the organization.

> "*But then we must of course recognize that the whole organization is not in the same situation [with regards to e.g., adoption of agile development and practices], there are 150-200 different job descriptions, this world is very different – so it is not the same from everyone's point of view*" – Change agent

As described in previous chapters, coaching was widely seen as a good thing, but what it is or means, and how it was seen as – and, consequently, how the planned organizational change and its desired scope, contents, and effect were identified – varied across different units and job roles. The differences were most pronounced between teams and tasks requiring highly technical knowledge and competences, and teams and tasks that didn't.

Among experts from highly technical roles that required extensive subject knowledge, and business managers and managers leading such experts, there was an emphasis on self-direction and self-organizing when it came to leading, coaching and desired direction for the change into coaching organization. In teams where there are experts with highly specific or technical expertise, the managers and supervisors do not necessarily know what it is exactly that their subordinates do, or how, or do not know how to do their subordinates' work. Informants from such teams saw coaching mainly as the leaders leading through asking questions, and so helping the coaches themselves come up with solutions to their problems, and through facilitating the subordinates' work – the manager not giving ready answers to the experts' questions was seen as a good way for leading when the manager does not necessarily have or know any answers, or when the subordinates have more knowledge or competence in the matter.

> *"Often, the things the supervisor has to solve, or help in solving, are such that the supervisor can't solve. As a leadership model, or in the tool pack, coaching makes it possible for the manager to help the expert in solving such a problem for which the manager does not possess the competence to solve him- or herself. Despite this, with coaching tools, the manager can help the expert to find the right solution."* – Manager

> *"Actually, in our business unit [where most jobs require high technical competence and knowledge] it is just so that there… very few managers deeply know what their [subordinates] do, and [subordinates] spar with each other, we go through the cases. [---] It has been so always [at the unit], I think as long as I have done technical things, that we spar with each other, ask for advice, guide, help, and share knowledge. [---] Of course, I can't say for sure that it is so in all the functions at [the business unit], yet, or at all, but I believe [coaching] works the best in these more technical jobs."* – Expert

The situation was different in e.g. customer service, a kind of entry level job at ATCC, a job that does not require extensive prior education, expertise, or technical skills. For many employees there, the customer service representative job was their first "proper" job. In those business units, coaching was seen by the managers more like coaching junior athletes: teaching skills, directing, training and supporting, and the managers and coaches in those teams making sure that learning and development takes place. Informants

working in these settings affiliated coaching organization and coaching more with learning and skill acquisition, and were more cautious towards self-direction and self-organizing – especially the managers – than their colleagues in more technical business units.

This contrast was also evident in how managers from units requiring employees with less specialized expertise tended to emphasize more the differences between the business units, believing that, due to the idiosyncrasies of their own business unit, their unit required a more "directive" or "managerial" way of leadership where the coaching is more instructive – unlike in the other units where the tasks require a higher level of technical expertise and specialization, where more self-direction was desired.

> *"If it is wanted that a person does something, then that person should be given, at the minimum, the possibility for that by the employer. And in many, many jobs it has been arranged, but not in all of them. If we want our whole organization to be coaching, then it would be wise to look if the job description allows the possibility [for coaching] or not – and if not, then the discussion must be held about whether or not it should. And that can be the model – I don't believe in one single model, we have different jobs in the future, as well – so I don't believe that there exists one single template according which to act, but instead we think about what suits which role and task the best."* – Manager

> *"… when you work in a certain organization on a certain job, you are with those kinds of people and draw influence there from the immediate vicinity. And when you are a supervisor e.g. in customer service unit and go to [manager training event], where coaching leadership is discussed, you wake up to the realization that help, these people do it in a different way – or their leading is totally different to mine – because the things are so different, that the people… as I said, there are people coming to us who start their working life at us, so that is a totally different genre then, they are not necessarily even ready for certain things before some time has passed, and I think that is one noteworthy factor in how to develop [the organization] into a coaching direction [---] it goes in stages, I'd argue, and then there is more things to take into account, from my perspective. As I have been in the organization I have [---] led a customer service department for almost a year, and that world is totally different to the experiences in e.g. [another, more technical department] I led – because there were more expert-type people, it was more agile there, a faster, smaller gang there, developing the work there was somehow different there among them than how it is with customer service representatives, the difference is like night and day."* – Manager

Organizational structure

Organizational structure influenced the informants' sensemaking in two major ways. ATCC operates in many of its business units like a hybrid of line and matrix organization: there are managers with their teams, but also projects and agile trains in which the employees work in addition to their line organization tasks. This led to many people in the main business units being part of several teams and virtual teams, which may have contributed to the pervasive sense of hurry discussed in other parts of this chapter.

> *"So, now it is like this, that everybody kind of belongs to so many groups depending on in which meetings they go to. It may be so that a single person has 10 different weekly meetings where they go to, it is like that person is in a million different tribes. At least my team members have said that at times it feels like it is very difficult to prioritize, that is this all important, and that these guys*

think this is important but I don't think it is, and now I am here at this meeting every week…" – Manager

A bigger consequence of this kind of management structure with regards to the planned change of ATCC becoming a coaching organization, and the change recipients' sensemaking was observed with business managers. Business managers in general welcomed the change, seeing it as potentially supporting greatly their work; business managers who need to gather people to their projects, agile trains or development programs feel that they would benefit from wider introduction of coaching attitude to the organization, as well as from tools and skills gained from receiving training in coaching. Their sensemaking about the change into a coaching organization – instead of, or in addition to, increasing self-direction, distributing decision-making authority more to the lower levels of hierarchy, or homogenizing leadership practices across the organization – business managers saw perhaps the greatest opportunity in coaching organization as extending training on coaching leadership also to business managers which they saw as potentially aid them greatly in their work, by giving more tools to more effectively further their agenda and influence people – given that their position in the organization is one without formal authority to get their will done by commanding.

"When it comes to me, this change really supports my work, seeing how I do a lot of such work – I don't have any direct reports at the time – where I facilitate things, so if everyone we have here are more active in wanting to learn, they want to develop, that creates a situation for me that I will have much easier time in getting people aboard there, and get the best they can do out of them. So, if we at the moment are nervous and don't bring forth what we can do, and I often have to ask people whose background I don't know, and I have often workshops with people [from different business units], so if we can get them together, and this kind of culture working here, so it means for the kind of things I do here, development, a really big boost so that we get more and more diverse things done." – Business manager

Another business manager agreed, reflecting on the challenges of being a business manager or a virtual team leader in a matrix form organization:

"I have said in numerous contexts that leading in matrix can be even more difficult than if you were someone's direct supervisor – but resources are not dedicated to you, and at the same time they have to even like you a little on the bad days, too, so that they would do my things. [---] Especially because of this, for those below the middle management – e.g. product managers, business managers – it would be extremely important to get coaching, even though they are not supervisors… training in coaching leadership, principles, practicing what [coaching and coaching leadership] is about. It is a organizational risk if only the managers are trained, you leave the corners unpainted. I have several virtual teams that do different things and need to be instructed, it requires quite a lot of substance knowledge to be able to spar everyone… In order for an organization to be a coaching organization, the virtual team leaders in the matrix should be trained in coaching leadership, and through that, commit them to this model – what it means, etc." – Business manager

The business managers finished the interview by adding, that

"If I could get something into the final report, then since there are other leadership work here at ATCC than just supervisory work, these leadership models should be extended to other leading than just supervisory work – that would support my agenda, too. It is far too old-fashioned a thought to this kind of organization that only the managers are trained to this… we have too much leadership here that is not supervisory work, and those kind of tribe leaders that have to make things get done. It is downright their responsibility that the ways of doing are implemented. If it stops at that point,

then we have lost the game, because if the top of the pyramid is in some mode, and then the actual doing is in another mode, then we can hold keynote speeches, but not much else." – Business manager

The second major way organizational structure affected the informants' – both the change agents as well as the change recipients' – sensemaking on the planned change was by influencing the perception of what the desired effects of the change are, and, conversely, what factors may hinder the change. The management structure at ATCC was identified by several informants as contributing to a siloed organizational structure. Consequently, perhaps not surprisingly, organizational silos, or breaking them, along with the associated information and knowledge flow issues was also often mentioned as one of the change needs:

"… and hey, there are a terrible number of silo organizations. Knowledge moves in the silos, but in the lateral direction there is a nuclear silo, there is no knowledge let from there to any direction." – Manager

Change agents also recognized breaking or lowering silos and, through that, increasing cooperation and communication across organizational boundaries, as a desired effect of becoming a coaching organization:

"We have a very traditional structure in our organization [---] Depending on where is your location in the organization… it is also very bureaucratic, the sub team talks with the team, which talks with the department – the structure causes a little siloing. So, I would hope that as we are going towards being a coaching organization, we would get increased competence in working in a more self-directive and coaching way, everyone here at ATCC. Then, cooperation across organizational boundaries would increase significantly, communication would improve noticeably. [---] In short, coaching organization, at best, will reduce silos, increases cooperation and improves communication." – Change agent

Organizational silos were also often brought up by the change recipients, when asked about possible obstacles to becoming a coaching organization, or reasons for difficulties in adopting coaching leadership:

"Hinders… the current siloed way of operating – the organization is organized by functions, and is a pretty siloed organization, which is evident in how, if we do an end-to-end project, the odds for success are not always very high." – Manager

"Well, maybe we still some degree of that kind of siloing that certain parts of the organization operate in their own silos, and these silos have their own ways of working [---] Of course, some part of it can be like, what are you going to do, work can be that much different that they can't be made to fit the same mold [---] But I guess these certain silos can obstruct this change." – Manager

There was also some interaction with other themes. As discussed in previous chapters, and as will be discussed more under "Interplay and associations with other change initiatives" in chapter 4.1.5, ATCC had been undergoing agile transformation in some parts of the organization for several years. Among those informants who worked in units or teams that had adopted agile practices or ways of organizing work, coaching organization was often seen as enabling or justifying changing the organization – at least in their units – into a more agile form.

"In a way that, that [becoming a coaching organization] could give birth, especially in development, to such teams that would be more project-based… more project-based end-to-end teams that wouldn't be consistent with traditional organization, but more like a SAFe team or something else that could do end-to-end, and then always live from increment to increment as needed, but that they would be able to together do things from end to end, but then the production machine that sits

in front of the conveyor belt that would be some IT system or something else from where they provision services [---], that would be more unchanging and traditional in this kind of coaching organization." – Manager

Organizational identity

At ATCC, organizational identity was portrayed as such that affected the perception of available resources – or, more accurately, the perceived quantity of resources available that could be afforded to be acquired and utilized – affected the perceived potential hindrances to the planned change, as well as the perception of the desirability and desirable magnitude of change.

In the business ATCC operated in, ATCC in its current form was the latest major entrant, the last "big player" to enter the market. ATCC's organizational identity was constructed as one of being an underdog in the market. While that, going by financial metrics such as market share or turnover, was not really the case anymore, the organization members widely perceived their organization to be smaller and having scarcer resources than their competitors, and thus needing to be leaner and more efficient. This "leanness" of the organization reflected also into a perceived lack of time, and a sense of hurry, which in turn was reflected especially in what was seen as a threat or hindrance to the change into a coaching organization; the magnitude of the change and perceived change needs were also affected by this.

> *"So, our organizational structure is built to be a really cost effective and slim organization, where people have really big responsibilities, which in itself is really interesting that you get to do diverse things – but you get a feeling that what am I going to go learning more things or develop when I don't have time to do even my own tasks…"* – Manager

The perceived availability of slack, or the lack thereof, and its effects on sensemaking and diffusion of the precursory practice is discussed more in depth under "Availability of resources" in chapter 4.1.2. While that discussion is more in relation to the diffusion of coaching leadership at ATCC, similar themes were brought up by the informants also in the context of ATCC's plan to become a coaching organization.

Besides perceived as being an underdog, the organizational identity at ATCC was very much that of a technology organization, an organization of experts and, to a lesser degree, of engineers. This had an effect on organizational culture: using technical terms and jargon was common, and there was reluctance among some employees admit if they are not quite sure what terms that are used mean. This, in turn, can affect sensemaking about a change through change recipients not understanding the intended change or its goals, thus hindering its adoption or introducing resistance or reluctance towards it.

> *"But in a way, at certain point, people in the organization, there appears a threshold – people have a natural threshold of shame, and that kind of 'can I admit that I don't know how to do something, or don't understand', as we have a bad tendency here to talk about things in terribly technical terms, we use concepts that are not understood, but who dares to ask, when you already have to assume… as an example, we talk that we do so lean, we use SAFe framework, and then you are like what? What is the SAFe framework – nobody can ask anymore, people don't dare, because certain people repeat it as some sort of a mantra."* – Manager

Perceived issues and change needs

There were various perceived issues and change needs change recipients brought up in the interviews that affected their sensemaking of the planned change of ATCC becoming a coaching organization. By linking the issues with coaching organization, the informants attached different reasons for the change agents for creating the change initiative, as well as different meanings, desired contents, and end results to the planned change. Although not explicitly linked by the informants, it can be hypothesized that the small amount of sensegiving actions taken by the change agents contributed to change recipients resorting to making sense of the planned change initiative through interpreting it through the issues and change needs they perceived in the organization.

Several of issues brought up by the change recipients could be categorized under clear themes, and are discussed in this thesis under those themes. These issues included, for example, organizational silos with coaching organization increasing peer-to-peer coaching across team and unit boundaries seen as one possible way to increase and improve information flow and break silos; and perceived lack of resources, which stemmed in part from the organizational identity and organizational structure, and affected both the diffusion of the precursory practice as well as the assumed reason for developing the change initiative and the best-case scenarios associated with the change – if more people could be able to do certain tasks, enabled by peer-to-peer coaching, coaching organization could lead to better workload balance.

While the change agents' intention with coaching organization, as communicated to the organization, was supporting also non-managers in self-direction and self-leadership, some change recipients brought up issues that were not related to those themes, but connected to coaching and organizational practices. For example, the certain competences and know-how being centralized only to certain key individuals, was seen as an issue that coaching organization should resolve: increased overlap between less strict job descriptions, peer-to-peer coaching and increased communication between individuals and across organizational boundaries brought on by coaching organization were some of the ways it could potentially increase overlap in know-how and knowledge between individuals.

> *"It is true that knowledge is very much centered on certain pros here, top- or higher-level experts. Knowing that, we should have more coaching leadership here, that yeah, supervisors, or whoever there is, may that be administrative or operative, would understand better that job, and through that could spread that, or that they would have a backup to these experts, so it could work as this kind – essentially, through coaching leadership train others, which could maybe even their job. And then when we consider the "bulk" work, if you want to say it meanly, where, for example, you handle orders with a certain format, as far as I know even there are considerable differences in know-how, so even through that it would help, coaching leadership would be used to spread knowledge – or know-how in general."* – Business manager

Another manager echoed this, know-how being tied to certain individuals, reflecting on how they would have wanted to do other jobs in the organization, but they were the only one who knew and could do that job, so they had been forced to stay in that job:

> *"In fact, here is a kind of a business risk called [informant's name] – [know-how] is too tied to individuals, and I probably would have fared well in many other jobs, as well throughout the years, but I have not been able to be moved, because this is so specific [to me] this here job."* – Manager

However, some of the change needs were arguably not clearly related to coaching organization, given the themes the change agents had communicated as belonging to their preliminary vision of themes related coaching organization, or the connection was not apparent – but the informants used the opportunity to

include them into coaching organization, using another change initiative to fix different problems they perceived in the organization. As an example of this, one manager saw coaching organization as a way to break routines and the tendency in the organization to optimize for performance the next quarter:

> *"But could this kind of coaching model, I'm using the English term unleash the potential, that is, free up that kind of latent potential people have, that they have not recognized in themselves because they have become rutted, become used to act in a certain way in certain circumstances. So, to some extent here we are pretty… pretty… we optimize quite a lot the everyday work, the work next quarter, and it narrows our thinking in a way from the big potential, et cetera. So, how can we possibly find… also from our own people that kind of resource to allocate them to certain kind of work just through getting their potential to flourish."* – Manager

While another manager saw increasing project success rate through preventing misunderstandings and compromises, as well as increasing employee job satisfaction and work wellbeing as reasons behind the plan to become a coaching organization:

> *"I would imagine that it is strong there in the background [as a reason for the desire to become a coaching organization], the how much time is taken by fixing misunderstandings, different projects that start one way, and in the end can live on for a year without going anywhere, just because it has to be marketed to different parts of the organization, and it changes all the time and nothing gets really done. Just like increasing performance, I would see that as a big thing. And then I would imagine, that work wellbeing, and employees'… caring for the employees on the long term, that the better the work aligns with your inner motivations, the more committed you are to the company on the other hand, and through that, on the other hand, we know that attracting new employees is hard, and it will become more and more the employees' market where experts can choose where they want to go work, so that, that we want to hold onto our staff who are motivated."* – Manager

4.1.5 External context

Two factors relating to the organization's external context, its business environment, were identified that affected the informants' sensemaking on the plan to change the organization into a coaching organization: ubiquity of organizational changes, and the pace of technological change (Figure 9).

Environmental ambiguity

As a technology company, ATCC operates in a business environment characterized by rapid and frequent changes. Mergers and acquisitions have been, and still are common, and several of the informants had come to work at ATCC as a consequence of ATCC acquiring or merging with the company the informant had worked. As one change agent explained, this also aids in initiating change in the organization: people recognize change as an inevitable characteristic of the business environment and are accustomed to changes. Thus, there is less resistance to change in general, and change in general was viewed more

positively – evident also in how, when asked to, informants brought up overwhelmingly more opportunities and positive outcomes for the change, accompanied by factors that help in change in the organization, as opposed to threats or factors that hinder change in the company. One of the change agents reflected on the effect of frequent changes:

> *"There has been lots of mergers and acquisitions, so many people have had to be part in that change and turmoil. It helps that people know this business, that there are mergers and acquisitions, and that through that the ways of working as well as the corporate cultures change."* – Change agent

This view was shared with many others. As one manager told,

> *"We are used to this kind of development, we have… if you can't tolerate uncertainty or change, you can't really work [in the business ATCC operates in], not at ATCC nor elsewhere. We have inbuilt the mentality that yeah, things come and go here, [---] one day, you are the acquirer, another day you are the target company. And, well, that was just another day at the office. And I think this kind of inbuilt tolerance that the personnel here must have, that promotes just this kind of change readiness."* – Manager

The track record of successful organizational changes was also seen as a facilitating factor in future changes: having succeeded in past changes brought about a sense of change being a more positive thing, and reduced reservations towards it.

On the other hand, the frequent changes were seen by some informants also as a threat to the success of introducing more coaching practices into the organization – people may become fatigued to all the changes and the new planned change could be in danger of becoming "just another HR project" and forgotten, unless clear benefits and preferably a win-win situation from coaching could be demonstrated to the one being coached as well to the one coaching.

> *"Well, of course there can be like, that in a way when there have been so many changes, then if there comes the 'yet again just another change'…"* – Manager

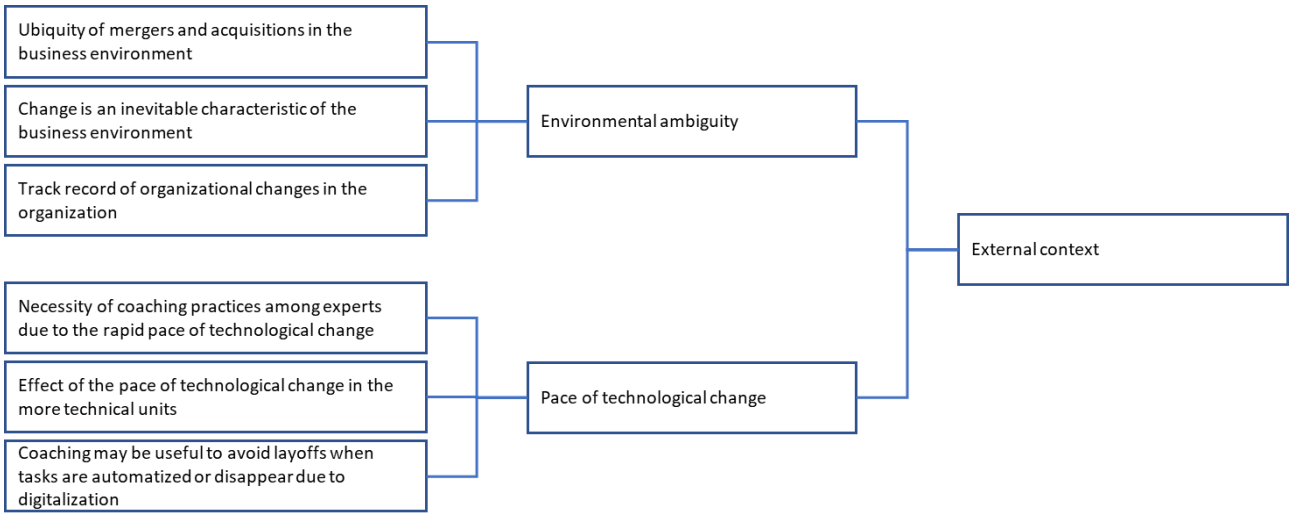

Figure 9. Data structure for the aggregate dimension External context.

In other words, the ubiquity of organizational changes was seen by the informants as both facilitating the change, as well as possibly hindering it. Thanks to the ubiquity of changes, change was not viewed so much as something that is strange or to be afraid of, but instead as something that is part of the everyday work and an inextricable part of the business. In addition to the frequent organizational changes, the rapid pace of technological change contributed to the ubiquity of change and subsequent attitudes towards change, although it contributed to the informants' sensemaking from a different angle.

Pace of technological change

The pace of technological change had a two-way effect on the informants' sensemaking, both ways relating specifically to the adoption of coaching practices in the organization, and both ways through different mechanisms.

First, in business units where work required high technical competence, the pace of technological change had driven experts to utilizing coaching practices and peer coaching among themselves long before the introduction of coaching leadership style into the company. In these units, the tasks required extensive technical knowledge and competence about e.g. hardware or software, and, for example, the rapid development with new versions of software with new functionalities had led the experts to adopting peer coaching or community of learning practices in order to be better able do their jobs.

On the other hand, in these business units, the interviewed managers identified as having utilized coaching style of leadership before the introduction of coaching leadership by the HR – or, had adopted or gravitated towards a leadership style that had elements that they found were consistent with coaching leadership when the practice was formally introduced into the organization. Put another way, the external environment and context had already pushed the work and ways of working towards a direction the informants perceived as consistent with the change agents' intentions with the planned change – or, the informants' sensemaking about the change was affected by the external context.

Informants from these technical business units were more likely than informants from less technical business units to see the change into a coaching organization to be a small in magnitude, an iteration from current practices – or to not be a change at all for them, merely a proliferation of practices they already had to other units, as well. As discussed in chapter 4.1.3 under Nature of the work, among informants from the more technical business units, there was also an emphasis on self-direction and self-organizing when it came to leading, coaching and desired direction for the change into coaching organization.

The second mechanism through which the effect of the pace of technological change was evident in the sensemaking of the informants was the effect of technology and its development has on the jobs and work tasks. In the context of this study, it was most manifested through the effect of digitalization and automatization of job tasks.

> "*It seems to me, at least at the moment, that with digitalization our business will undergo some kind of transformation into something novel. My own opinion is that probably the number of employees will drop by quite a lot in the future, or at least it is possible – we do so much work here manually that is possible to get done very efficiently automatically, even with old methods."* – Business manager

As estimated by some informants, it is probable that many current tasks will disappear, while new ones will emerge. In this situation, coaching could be a way to make sure that those employees whose jobs will be automatized could be more easily found new tasks and trained to do other jobs, thus possibly lessening the need for layoffs.

> "*For example, in our unit, those who are responsible for big systems in the role of development manager, there are things they can coach, too. For example, I take the introduction of AI and automatization as an example, the need and possibilities related to the grow all the time, new possibilities show up constantly, but of course the people who operate the systems won't be jumping and cheering to using automation and AI, as it means they will be out of job. So, if you previously have been pounding on the keyboard for 8 hours a day and feel yourself important, but then when you are suggested that 90% of your job will be automatized, it requires some kind of coaching, putting it like 'Hey, yeah, these jobs will go away, but you will still have these, the hardest tasks – and, in fact, maybe your job description will change into how you develop the automatization of the tasks in your area of specialization, and the utilization of AI in those tasks.'"* – Manager

4.1.6 Cognitive effects of other change initiatives

Other change initiatives, both past and co-occurring, had also an effect on the informants' sensemaking about the focal planned change of becoming a coaching organization. In the interview data, the most prominent organizational changes that affected the informants' sensemaking were the adoption of agile practices, and the precursory practice to coaching organization, the adoption of coaching leadership style as the "official" leadership practice in the organization. Three mechanisms through which the other change initiatives affected informants' sensemaking that could be identified from the interview data were confusion with other change initiatives, adoption of terminology or lexicon of other change initiatives, and interplay and combination with other change initiatives. The data structure for Other change initiatives is presented in Figure 10.

Interplay and associations with other change initiatives

The ongoing adoption of agile practices in the organization had a complex relationship with the plan to become a coaching organization. In the beginning, the two change initiatives were intertwined, with the change agents sparring the manager responsible for furthering agile practices at ATCC during the development of the new HR strategy, during which the idea of ATCC becoming a coaching organization was born; furthermore, there was a sense among the change agents that coaching organization should be introduced hand in hand with agile practices.

> *"When we work in the world of agile development models, they are fully interrelated, [it and] this coaching organization."* – Change agent

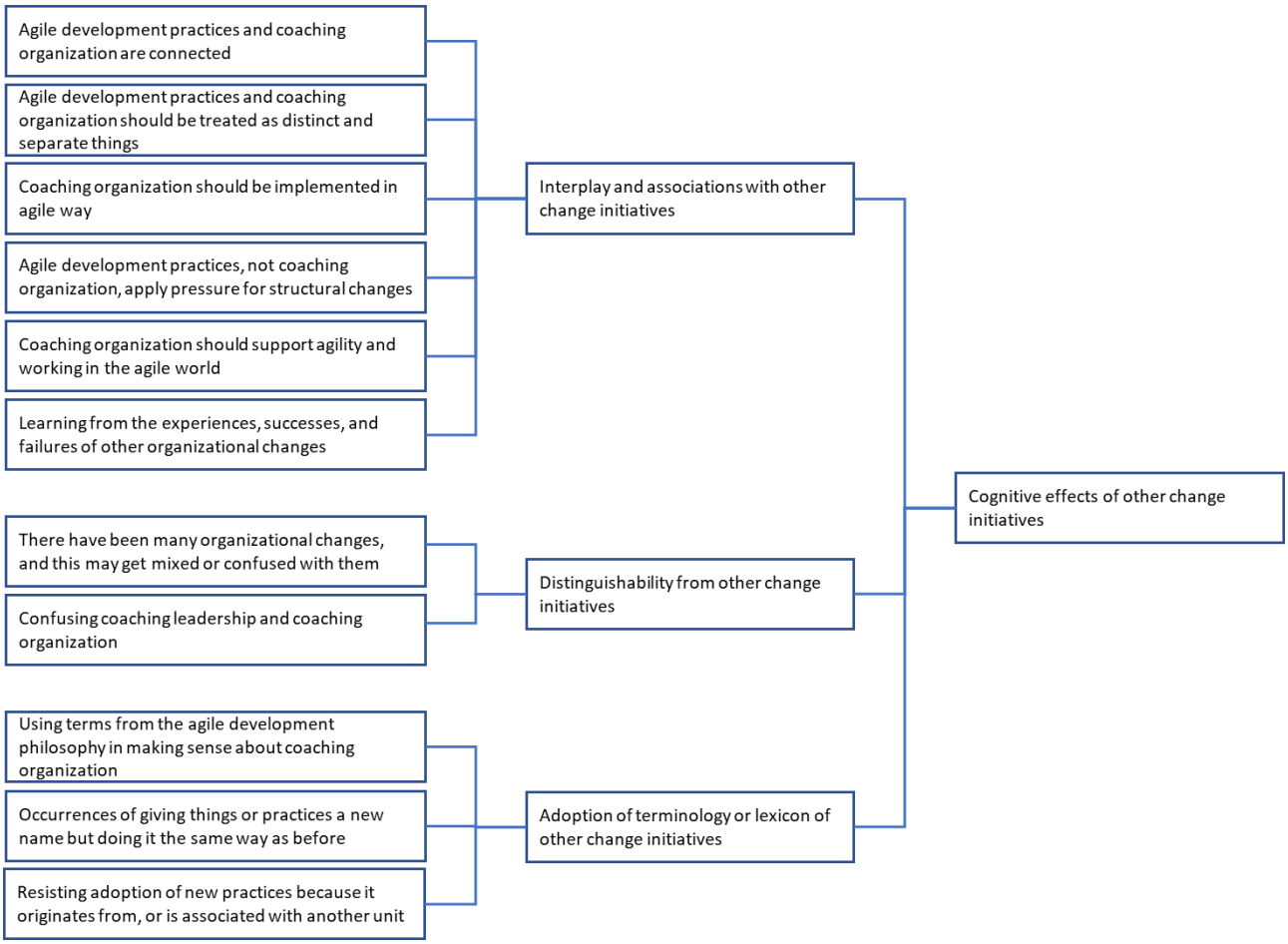

Figure 10. Data structure for the aggregate dimension Cognitive effects of other change initiatives.

Between the first and second interview round, there had been some changes with regards to the view on agile development in the organization, and the plans for furthering agile practices through changes to the organizational structure were being put on hold. This reflected on the plans on coaching organization, as well: at the time of the second interview round, there were among change agents more of a sense that coaching organization should be distanced from agility and agile practices, and the concepts should be treated and communicated as separate and at least somewhat unrelated entities.

Nevertheless, agile practices thoroughly influenced several of the informants' sensemaking on becoming a coaching organization. As an example of this, one manager joined agile development style of doing things to how coaching in a coaching organization should be handled, connecting the planned change of becoming a coaching organization with a prior change by adopting the "how" from that prior change:

> *"And then when we do it in small pieces, we take a scheme of things from the agile development side, we don't hit people with a mega training program and say "now we go through this, or you go through this", instead we slice it to small pieces – like the sprint models in agile development… now we are getting two new team leaders, so we have thought with the department manager about a sprint model like this in the unit – like what we take up with the new guys during the next two weeks, what after that, and then that is the basic formula for acting. After that we look at how to develop their weaknesses, because it may be so that the both of them have their own weaknesses, and strengths, of course. So, in my opinion, agile development from the software world and a*

coaching manager, when we weave them together, I think we get a good tool from them." – Manager

Another manager connected agile transformation and coaching organization, expressing desire for their unit to be both agile and coaching, and concerned about how to support the people in the unit as individuals:

> *"Maybe there is noticeable that I have also this… our unit is strongly embracing agile practices, but we also want to be coaching, so how do we support people – not as a bulk or crowd, but as individuals…"* – Manager

There was pressure for changes in organizational structure presented by the adoption of agile development, and for the most part the change agents were of the opinion that out of the two change initiatives, there would be more pressure for structural changes from agile practices than from coaching organization:

> *"As a point of departure, I don't think there is a need for [changes in the organizational structure due to coaching organization]… the challenge comes mainly from the agile development practices, that there is pressure coming from there as to if this organizational structure is truly working. Virtual teams, end-to-end development, so is the current structure – seeing how our organizational structure is a pretty traditional one in that sense, so maybe the pressure comes more from there."* – *Change agent*

Among change recipients there were differences in assessment as to the effect coaching organization would have on organizational structure, however, most informants connected the issue to agile development practices. Some informants saw coaching organization as having an effect on the organizational structure, but with hopeful expectations that it would be in a way that would support agile practices:

> *"In a way that, that [becoming a coaching organization] could give birth, especially in development, to such teams that would be more project-based… more project-based end-to-end teams that wouldn't be consistent with traditional organization, but more like a SAFe team or something else that could do end-to-end, and then always live from increment to increment as needed, but that they would be able to together do things from end to end, but then the production machine that sits in front of the conveyor belt that would be some IT system or something else from where they provision services [---], that would be more unchanging and traditional in this kind of coaching organization."* – Manager

Majority of the informants, however, did not see coaching organization as necessitating changes to the organizational structure, but instead at most, supporting the structural changes caused by the adoption of agile development.

> *"I don't believe that coaching leadership in itself requires more than fitting it into your calendar, but then when we take into account that we have this agile development -change ongoing, which changes the way we act, that how you combine the coaching thing and the new way of acting so that when you coach that person, you would coach the agility-thing at the same time. You take the one to ones and reflection meetings, that is just a matter of making an agreement. But then when we consider that we are more and more implementing the agile development model, then how can you take full advantage of your coaching leadership so that you know hot to direct that person to agility, as well…"* – Manager

Needs presented by agile practices were prominent in the informants' sensemaking. An example of this was the distribution of decision-making authority to lower levels of the organization, one of the most quoted effects of coaching organization desired by the informant; the same theme is very prominent in agile philosophy.

> *"It is associated with agility that we need to get our machine to work faster, the cadence with which things repeat has to be made faster, that is where the things have started off on the agile side of things. The requirements for decision-making come from there: the decisions are made near the issue, because the decisions in many cases are such that an expert understands it better than steering groups. We easily get to where a steering group is not the best place to make decisions in. It takes time to make proposals to a steering group, the best experts on that issue are not there, they have been like rubber stamps, unnecessary, taking time and energy from everybody."* – Manager

Another example of agile philosophy "leaking" into the sensemaking of another change initiative was how one manager, heavily invested in agile development, described coaching organization as organizational culture very consistent with the distribution of decision-making authority, fast feedback loops, and culture of experimenting associated with agile practices:

> *"What [coaching organization] would mean to me, would be a culture with an atmosphere that is open and cultivates trust, which would enable that we would have a culture that allows mistakes, but so that there would be an inbuilt, fast feedback cycle, which in turn… so that we also learn from those mistakes, and such that we can fearlessly try novel things without constantly having to fear that if this doesn't work out, then what. [---] From the perspective of leadership, this means that the leader understands that the best idea, solution model, and wisdom are not necessarily in their own head, but is found in the experts and employees that work on that case."* – Manager

As discussed under the theme of "Ubiquity of organizational changes" in Chapter 4.1.4, ATCC had undergone numerous organizational changes during its history. The perceived challenges or deficiencies in past or other ongoing change initiatives affect the perception on future change initiatives, as well. For example, one manager called for concreteness and the need for commitment from top management when launching and communicating about coaching organization, recalling an earlier change initiative that failed:

> *"Once in a while in the organization there comes a fad, or we start pursuing something which in the end becomes just rhetoric, and nobody commits to it. A good example of this is when they wanted to launch this 'meeting hour' here in our organization, that in the future all the meetings would last 50 minutes, and we would finish 10 minutes early so you can make it into the next meeting in time… it didn't work for even a week, the top management didn't commit to that themselves, the person who launched that initiative in a video, that now we are going to do like this, didn't adhere to it… This is more likely, we talk a lot about this, and then it isn't concretized and nobody commits, and we adopt goals nobody wants [---] It is more likely that it becomes forgotten instead of not coming true – when we take into account all, how many possible changes we have ongoing at ATCC, especially for managers [---] so this kind of thing, coaching organization can easily drown there if there is no clear concreteness to it."* – Manager

An expert touched on commitment to change, too, noting that in order to promote the change, open communication and involving the employees right from the beginning would increase commitment – something that had been forgotten with many previous change initiatives:

> *"If we want to promote [the change], then open discussion culture towards the staff about that, keep the implementation transparent, and maybe beginning from the planning, that how this is*

planned to be gone forward with, and involving the employees in it, it is surely a factor there that would promote it considerably. When the employees are involved right from the beginning, we probably get commitment through that, and the get to contribute to decision-making and developing the operating models [---] It has been forgotten with many changes we have done, that through involving the employees we get the best results – the employees are committed when they are involved in the decision-making." – Expert

However, among the informants there was a sense that the ubiquity of changes at ATCC had lessened the anxiety related to change, and that due to employees being used to change, attitudes towards change would be more favorable and there would be less change resistance.

> *"Maybe we, as an organization, have become quite used to changes happening. Maybe there is not that kind of resistance to change anymore. The people who have been here have been used to the fact that every once in a while, things get changed into something new…"* – Manager

Distinguishability from other change initiatives

Confusing the upcoming planned change of becoming a coaching organization with other change initiatives manifested in a few ways. Most prominently, other recent and ongoing change initiatives affect the perception on new change initiatives:

> *"Maybe that, that we have had lots of HR initiatives, so this gets confused with many of those. When we do awfully many things, then… First there was [an HR initiative], and then they talked about [another HR initiative], then about [third HR initiative], now we are at coaching leadership, so it is terribly difficult in the everyday hurry to absorb the teachings they give, and on the other hand to delve into… it is horrible to blame the hurry, but this is a little… hectic, so then… changing your own actions and way of working is challenging."* – Manager

Especially with coaching leadership and coaching organization, the likeness of the names, or closeness in the interpretations of what the one contains and the other would or could contain, caused confusion among the change recipients. A few of the informants, when asked to describe what they have heard about the planned change of becoming a coaching organization, or what they think being a coaching organization should entail, started describing what they had heard or learned about coaching leadership, or what they had done in order to implement coaching leadership style in their managerial work. Yet others used the terms coaching leadership and coaching organization interchangeably, to denote the same concept – usually coaching leadership.

Adoption of terminology or lexicon of other change initiatives

As discussed already earlier, at the time of this study ATCC had been undergoing agile transformation for several years. The adoption of agile development framework and practices differed across units, and several informants noted that the organization essentially operated simultaneously both in the agile world as well as the "traditional" line organization world; the informants could, and most often would, belong to

and work in line organization teams as well as one or more agile trains. However, there were differences in adoption of agile practices across the different business units, with some units resisting agile practices on the basis of perceiving them as "IT things", and some units and teams not continuing to operate in pure line organization structure. Nevertheless, the influence of other change initiatives – in this case, the adoption of agile development and agile practices – on change recipients' sensemaking on a new change initiative was evident: the informants working in units and teams where agile practices were adopted used terms and concepts rising from agile philosophy in their opinions, and used concepts that invoked agile practices in describing what should change.

On the other hand, some informants gave examples how there already exists practices that could be considered as peer coaching, or otherwise being related to coaching organization, that had been born out of a perceived need, without having been constructed of formally created by the HR or the management. Some of these were described as having arisen from the agile philosophy. On the other hand, in some cases there were instances of institutional decoupling: adoption of new terms for existing practices, drawn from the lexicon related to a change initiative, that remain unchanged. One manager gave an example of institutional decoupling at ATCC, claiming to do a new thing – while in reality doing the same thing as before and just giving it a new name:

> *"And then, as an example, agile development model is one example of that, we have taken the word 'agile' – we do things in agile way, and still we do them according to the waterfall model, or do them in the old way, but have put a new name on it, and now we do it. Or retros, which are kind of post-project reflection discussions, retros have a proprietary set of questions and methodology with which we get all the people open up and talk about the successes and challenges – but if we slap the label 'retro' on something and still be in it like 'in your opinion, what did you do wrong?', then in a way… the way of doing underlying it is still the old one, pointing…"* – Manager

4.2 Theoretical model for change recipient sensemaking about organizational change

Based on the findings of this study, and building on the data structure presented in Figure 4 in Chapter 3.5, and on the constructed narrative presented in Chapter 4.1, this thesis proposes a grounded theory model to explain change recipient sensemaking about organizational change during its early phase and differences between individuals therein. The model is presented in Figure 11, and the directions of influences between the second order concepts and aggregate dimensions of the data structure are elaborated and justified next in this chapter.

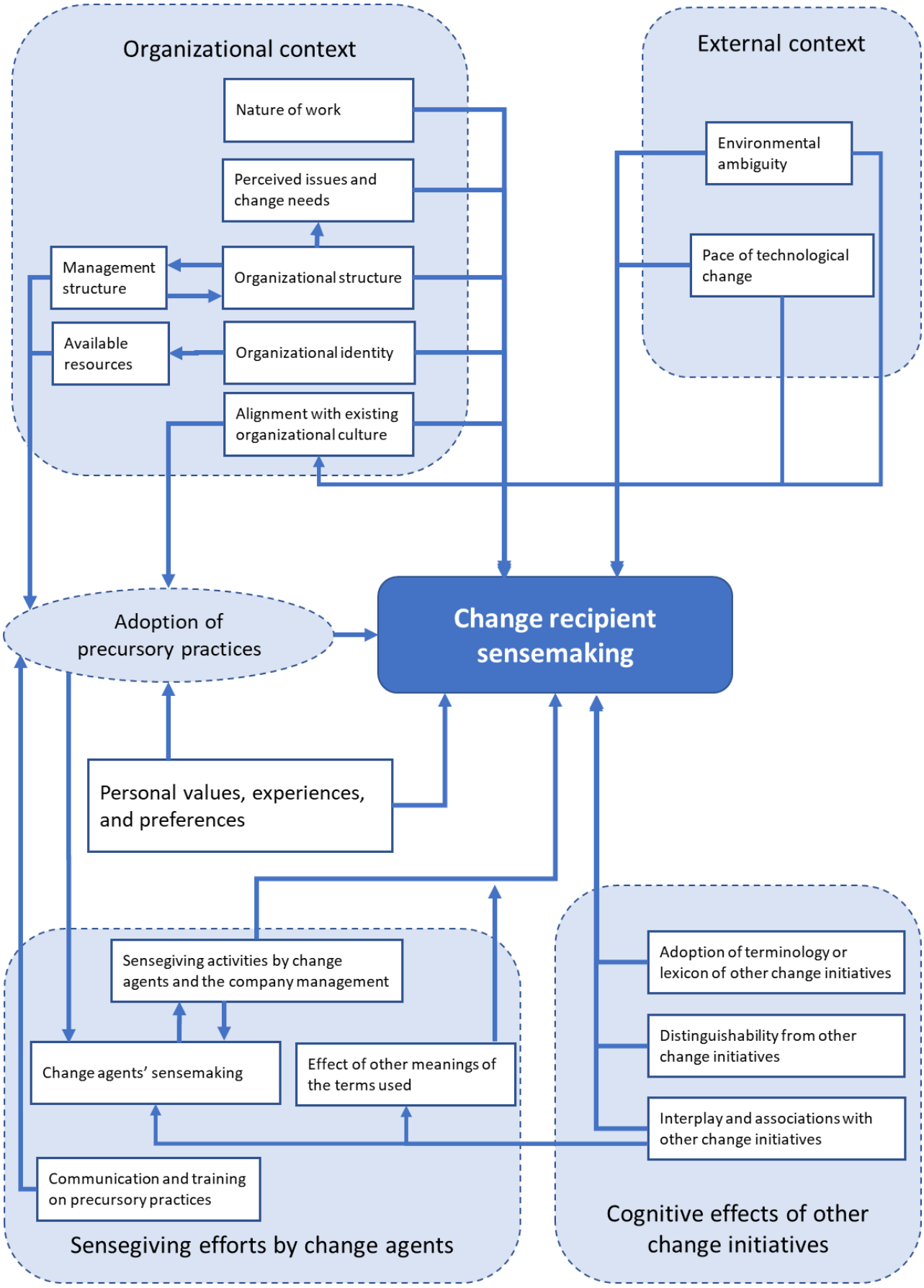

Figure 11. Theoretical model for change recipient sensemaking in the early phase of organizational change.

Sensegiving efforts by change agents

Change agents' sensemaking was identified from the data as a significant antecedent to the sensegiving actions they take. At the time of this study, there was still no common, shared sense made of the concrete details of the change initiative; it was not clear to them, besides being a step forward from the current practice of coaching leadership, what exactly would becoming and being a coaching organization mean and entail. As there was still no common sense made of the change among the change agents, there were limited sensegiving activities undertaken by them or the company management; the change agents did not want to publicize or communicate more information about the change before they had clarified and defined for themselves the change and its details.

The lack of sensegiving had noticeable consequences to the informants' sensemaking on the upcoming planned change, one notable effect being the change recipients drawing in their efforts at sensemaking from their past experiences. More communication about the change was universally desired by the informants. The change agents perceived as the top management of the company having signaled support for the planned change initiative, giving them confidence in going forward with the change – an instance of sensegiving activity from top management influencing the change agents' sensemaking.

Other meanings of the words and terms used by the change agents was mediated by the change recipients' interpretation of sense given to them about the change – that is, the vision and information communicated by the change agents. In particular, and due to the lack of sensegiving activities, the word "coaching", used in the label "coaching organization" given by the change agents to the change vision, elicited interpretations of the vision drawing on sports or own experiences from outside the organization's context by some of the change recipients. The choice of the label "coaching organization" itself was a product of the change agents' sensemaking as they during the development of the new HR strategy interpreted the situation the organization was in, and what actions would be needed to be taken in order to ensure its success in the future.

Communication and training on precursory practices, which are also change agent and company management sensegiving actions, have an influence on the adoption of precursory practices, which in turn contributes to change recipient sensemaking. This second order concept is discussed more under the headline Adoption of precursory practices.

Adoption of precursory practices

Adoption of precursory practices is an antecedent to change recipient sensemaking with five second order concepts identified in this study as contributing to it: communication and training on precursory practices, available resources, management structure, alignment with existing organizational culture; and personal values, experiences, and preferences. These five second order concepts affect change recipient sensemaking through their contribution to the adoption of the precursory practice to the focal change of this study, and to the observed and identified differences in its adoption across organizational units.

Adoption of precursory practices influences change agents' sensemaking on future changes; in the case organization of this study, change agents considered the coaching style of leadership, and coaching in general, as a good practice and as the way forward for ATCC. This led to the decision to pursue the focal change of this study, becoming a coaching organization. In other words, good experiences from the

precursory practice led change agents to start pursuing a new change that builds on the precursory practice.

Communication and training on precursory practices enable the adoption of precursory practice in a form consistent with the vision of the change agents. Without knowledge of what is meant with or pursued through the change, or what is expected of them, change agents are left to enact it based on their assumptions – as was the case with the recently recruited manager who had not received training and who had not been explicitly told what is expected of them under the practice of coaching leadership, and who subsequently drew heavily on sports in making sense about coaching. There are two significant mechanisms through which communication and training have an effect: the amount of communication and training; and who are targeted with them.

Available resources affected the adoption of coaching leadership style, as well. Enacting change in one's behavior requires resources; correspondingly, one of the most often quoted hindrance to the adoption of coaching leadership was hurry and lack of time. The perceived scarcity of resources may also lead to concentrating on optimizing their behavior for the short term, and not adopt practices that may initially require more resources but be more beneficial in the long term. With little resources available, several managers perceived it hard to consciously change their behavior and enact coaching leadership principles in their managerial interactions with their subordinates. Organizational identity may have an effect on the both the perceived, as well as actual availability of resources, as will be discussed under the headline Organizational context.

Part of the organizational context, differences in management structure across organizational units as well as the overall management structure of the organization influence the adoption of organizational changes. In the focal organization of this study, the management structure was such that it afforded the business units considerable autonomy in many things. This was identified by informants to have contributed to the existence of subcultures and differences in employee experiences across the units. Furthermore, the management structure in one of the business units was such that the centralization of decision-making and the directions of information flows caused by this led to less adoption of coaching leadership than in other business units. Management structure also affects organizational structure, and vice versa.

Two of the five second-order concepts that contribute to the adoption of precursory practices – Alignment with existing organizational culture and Personal values, experiences, and preferences – affect change recipient sensemaking directly, as well.

Alignment with existing organizational culture and values – as well with personal values, experiences, and preferences – facilitates the adoption of new practices and change. However, personal preferences may cause role conflict, which may hinder adoption of new practices: in the case of coaching leadership style, if a manager has both the role of a coach as well as the role of an expert there may be role conflict, and informants identified instances where the role of an expert took over the role of coach in managerial interactions. On the other hand, personal experiences and preferences made some business managers regard coaching organization as being congruent with their interests, provided that it would entail extending training in coaching to them instead of being reserved for just managers, as they perceived coaching skills useful in their attempts at driving their agenda without the formal authority given by being a manager with subordinates in the organizational hierarchy.

Organizational culture, like management structure, is part of the organizational context, and the second order concept Alignment with existing organizational culture will be further discussed under that headline.

External context

External context, the environment the organization exists in, influences change recipient sensemaking both directly, as well as through having an effect on the organizational context. In this study, two dimensions of the external context were identified as relevant for change recipient sensemaking, environmental ambiguity and the pace of technological change.

ATCC operates in a business characterized by environmental ambiguity. Mergers and acquisitions, and organizational changes are ubiquitous; change is a characteristic of the business. The observed effect of this was two-sided in the case organization. On one hand, high environmental ambiguity and the track record of implementing changes led change recipients to treat change as something that one does not have to be afraid of, but on the other hand, some informants brought up desensitization to change and change fatigue as possible hindrances to change – it may be challenging for the change agents to mobilize change recipients into implementing the change if it is not distinct enough from other changes or if there is no crisis to warrant this change.

In some parts, change recipients identified existing practices that were very much aligned with coaching principles. These practices, such as peer coaching or sparring between experts and between business managers led change recipients involved in them to consider the magnitude of change required to become a coaching organization to be small. One major reason for these existing practices was the pace of technological change: due to the rapid development of technology it was hard for a single expert to keep track of all the new developments, and thus there was a need for coaching and sparring. In many of the more technical jobs, the job itself may require – and the expert working in it has – more subject knowledge than the manager leading that team possesses. In such situation, coaching and sparring needs to occur between peers, which was perceived by informants universally to be a feature of coaching organization, and the manager adopts coaching style of leadership as it is not feasible for them to lead through commanding or directives. In essence, the external context had shaped the organizational context, and organizational culture as part of it, to be more receptive and positive towards change in general, as well as to be more aligned with coaching style of leadership and coaching organization.

Organizational context

Seven second order concepts identified as relevant to change recipient sensemaking about planned organizational change were identified as being related to organizational context: Available resources, Management structure, Alignment with existing organizational culture, Nature of work, Perceived issues and change needs, Organizational identity, and Organizational structure. Of these seven second order concepts, Available resources and Management structure affect change recipient sensemaking through their effect on the adoption, and differences in the adoption, of precursory practices. As such, they are discussed under that headline.

Alignment with existing organizational culture influences change recipient sensemaking both directly, as well as through the adoption of precursory practices. Alignment with existing organizational culture had promoted and facilitated adoption of the precursory practice, coaching leadership style. Furthermore, where the existing organizational culture is aligned with the planned change, change recipients are more likely to view the change as incremental or evolutionary; in the case organization, change recipients saw

that in some/most parts of the organization the existing organizational culture was such that it supported coaching, making the focal change as an incremental or evolutionary change, instead of being radical or revolutionary – or in their case, not a change at all since they, in their own opinion, worked in a coaching organization. Based on this study, the external context, the business environment the organization operates in, has an effect and shapes the organizational culture. In the case of ATCC, the ubiquity of changes in the business environment and the pace of technological change had shaped the culture in a way that change was considered an inevitable characteristic of the business.

Nature of work and different tasks and job descriptions contribute to differences in sensemaking about planned organizational change; for example, for a low-level employee in a job that requires little technical expertise, the context for work may be very different to the context for a high-level expert whose know-how on their own job far exceeds the know-how of their manager. Similarly, in this study, managers for highly trained and experienced experts made sense of coaching and coaching organization differently to managers leading teams and units of less trained and experienced employees.

Organizational identity is another factor that, based on this study, affects change recipient sensemaking. ATCC was perceived by its members as being an underdog in the market, and as such, it was perceived that it both *has to* as well as *should* operate with less resources than the competitors. Even though at the time of this study ATCC was comparable in size to its competitors in its primary businesses, the organizational identity of being an underdog prevailed. This had an effect on change recipient sensemaking most prominently through affecting the availability of resources and there being little slack in terms of employees or time – and this was accepted and justified by change recipients on the basis of the organizational identity of being an underdog. This perceived lack of resources was identified by change recipients one of the most likely hindrances and limiting factors to the planned change in this study, and to have had a negative effect on the adoption of the precursory practice, coaching leadership style.

Organizational structure contributes to change recipient sensemaking on planned change both directly, as well as through raising change needs and issues that change recipients hope or expect will be solved through the planned change. In this study, this was made visible through how breaking or lowering silos caused by the organizational structure, and increasing information flow across organizational boundaries was identified as one most often mentioned change needs as well as desired effects of becoming a coaching organization. On the other hand, siloing caused by organizational and management structures were often brought up by change recipients as potentially hindering the planned change.

Perceived change needs and issues in the organization and in their work influence change recipient sensemaking. A significant finding in this study that the perceived change needs and issues need not necessarily be apparently related to the planned change in order to influence change recipient sensemaking about it: change recipients may “use” an upcoming planned change and try to include into it things that they perceive would fix other issues, as well.

Cognitive effects of other change initiatives

In this study, three mechanisms were identified through which the cognitive effects of other change initiatives influenced change recipient sensemaking: interplay and associations with other change initiatives, distinguishability from other change initiatives, and adoption of terminology or lexicon of other change initiatives.

Interplay and association with other change initiatives affects both change recipient and change agent sensemaking. For example, if there is a popular organizational change co-occurring, the new planned change may be posited as being related to that change by the change agents, and interpreted as being related, building on, or aiding in that change by the change recipients. Correspondingly, if a co-occurring organizational change is not popular, connections to it may not be drawn by neither change agents nor change recipients. This happened in the case organization: during the first interview round, coaching organization was posited as being closely related to agile development practices, the adoption of which was another organizational change that had been ongoing in the case organization for some years. Coaching organization was connected to agile practices by several change recipients. However, by the second interview round, the view on further adoption of agile practices among top management had taken more negative, and as a consequence, there was a sense among change agents that coaching organization and agile development practices should be treated and communicated as separate entities.

Other change initiatives, and associations to them can play a role in change recipient sensemaking in another way, as well. If the planned organizational change is associated with another change initiative, or if terms identical or similar to those associated with that change are used in communicating or sensegiving about the change, these meanings and connotations can mediate the effect of change agent sensegiving on change recipient sensemaking, as discussed under the headline Sensegiving efforts by change agents.

Distinguishability from other change initiatives, or how distinct a planned change is from other co-occurring or past change initiatives, affects change recipient sensemaking; if change initiatives are close to each other in name or in their contents, there is a chance that the change initiatives become mixed in change recipient sensemaking. This was apparent in this study, as some informants confused coaching organization with coaching leadership, thinking that they were the same thing. Similarly, co-occurring or past change initiatives may influence change recipient sensemaking through adoption of terminology or lexicon of other change initiatives. Change recipients may make sense of a planned change using terms or concepts stemming from another change initiative, like in this study where multiple change recipients drawing from agile development philosophy in making sense about coaching organization. However, it is possible that new labels are given to existing practices, and the intended change is not enacted in reality.

5. Discussion

This thesis has explored what factors influence change recipients' sensemaking about planned organizational change in the early phase of organizational change. In this study, the early phase of organizational change means roughly the beginning of the "unfreeze" stage of Lewin's (1947) classic conception of change implementation consisting of three stages. The research was conducted as an interpretive case study using qualitative approach, and utilizing the Burnard's method of analysing interview transcripts and the Gioia methodology (Gioia, Corley & Hamilton, 2012) in the data analysis and in constructing grounded theory model from the data.

The empirical context in which the research was conducted was a large technology company that was starting a planned, top-down organizational change with a publicized and communicated goal of building on an existing organizational practice and extend supporting and training in self-direction and self-leadership from the current state to include a larger set of the organization's employees. The change proposed by the change agents to the change recipients was not framed as reorientation, but rather as an evolutionary step forwards from a current practice, coaching leadership.

At the time of this study, there had been a limited amount of sensegiving actions undertaken by the change agents. With the role of change agent sensegiving being limited and not overshadowing other factors to sensemaking, the empirical context of this study is conducive to exploring what factors influence change recipient sensemaking, and what strategies and resources change recipients draw on when making sense of the situation.

The findings of this study, along with the grounded theory model constructed based on the data are presented in Chapter 4. In this chapter, the findings and the theoretical model on change recipient sensemaking about planned change initiative in its early phases are connected to existing literature on the subject. Following this, the theoretical and practical implications of the study are discussed. This chapter concludes with discussing the limitations of this study and caveats relating to the research presented herein, along with suggestions for future research to further advance the understanding on change recipient sensemaking.

5.1 Theoretical implications

Three antecedents for change recipient sensemaking were identified from existing literature: current and past experiences, pre-existing cognitive and emotional states, and change leader sensegiving. However, these antecedents have so far remained somewhat like black boxes: it has remained unexplored, what factors under these general categories are relevant for change recipient sensemaking, and whether or not there are other factors that influence sensemaking as well. This thesis makes a theoretical contribution to research on organizational change and advances understanding about change recipient sensemaking through elaborating and exploring the factors that influence individual change recipient sensemaking in the early phase of planned organizational change.

Based on the research data, six factors were identified as relevant and to have influence on change recipient sensemaking: sensegiving efforts by change agents, organizational context, external context,

adoption of precursory practices, cognitive effects of other change initiatives, and the change recipients' personal values, experiences and preferences. These factors, as well as their constituent second order concepts relevant to sensemaking are elaborated in Chapter 4.1, and a grounded theory illustrating and justifying the directions of the effects and their contribution to explaining change recipient sensemaking outcomes are presented in Chapter 4.2.

The theoretical model proposed in Chapter 4.2 is consistent and compatible with the framework of sensemaking and sensegiving built from existing literature, presented in Figure 3 in Chapter 2.2.2. Personal values, experiences, and preferences from the theoretical model proposed in this thesis corresponds to both the antecedents Current and past experiences, as well as Pre-existing cognitive and emotional states from the framework based on existing literature. Similarly, the aggregate dimension Sensegiving efforts by change agents corresponds to the antecedent Change leader sensegiving.

The outcome variable Adoption of precursory practices, as well as the aggregate dimensions Organizational context, External context, and Cognitive effects of other change initiatives have no self-evidently direct counterparts in the framework identified from existing literature. However, it is proposed that adoption of precursory practices, cognitive effects of other change initiatives, organizational context, and external context contribute to both current and past experiences as well as pre-existing cognitive and emotional states.

There are three theoretical constructs that are discussed in Chapter 2 as part of the theoretical background for this thesis, but that do not feature in the grounded theory model constructed from the research data: sensegiving activities by change recipients, collective sensemaking, and change recipient emotions. These topics and the implications of their absence in the findings of this thesis are discussed next.

Sensegiving activities by change recipients

In their article introducing sensegiving as a theoretical construct, Gioia and Chittipeddi (1991) posit sensemaking and sensegiving as complementary, cyclical processes: change agents take in sensegiving actions, thus prompting change recipients to engage in sensemaking. As a result of their sensemaking, the change recipients may take sensegiving actions towards change agents in an attempt to influence and negotiate revisions to the vision articulated by the change agents, which in turn prompts change agents to make sense of the proposals by the change recipients. Thus, sensegiving activities about a planned organizational change are not exclusively from change agents to change recipients; sensegiving from change recipients to the direction of change agents are also possible (Gioia & Chittipeddi, 1991).

However, sensegiving actions by change recipients to change agents are not apparent in the interview data; all in all, there were few sensegiving activities performed by people who were not part of the change agents. Change recipients were given a possibility by to give feedback on the new HR strategy, a part of which is the focal planned change of this study. Despite this, no informant mentioned giving feedback on the plan to become a coaching organization. The only forms of sensegiving by change recipients identified were how a couple of informants proposed there to be certain matters reported to the change agents as part of this study; a couple of informants wished it reported that in their opinion one of the dimensions to the planned change should be extending training on coaching and coaching leadership style to business managers, and one manager opined that the HR has a lot of things on their table already and that something needs to be dropped if coaching organization is started to be pursued– both of these could be

interpreted as an attempt at sensegiving to the change agents, even though in a roundabout way. There are possible reasons that can be hypothesized for the absence of change recipient sensegiving in the data.

First, coaching organization was communicated only as a part of a bigger entity, the new HR strategy; it is possible that it didn't stand out, or was not considered by the change agents to be a big change for them and thus did not raise concerns for its consequences for change recipients' own work. On the other hand, it is plausible that the apparent similarity to an existing practice, coaching leadership, made it seem that the proposed change was not distinct or different from the existing practices, and thus would not require a major construction of new schemas or cognitive reorientation on the change recipients' part.

Second, many informants claimed they had not heard about "coaching organization" before their respective interviews. Thus, the absence of change recipient sensegiving could be the effect of a limited amount of sensegiving activities from change agents. With little sensemaking activities having been engaged in by the change recipients before their interview, there may have been little to no opportunities for sensegiving activities from change recipients to the change agents. This study captures mainly the very beginning of change recipient sensemaking. Thus, it is hypothesized that sensegiving activities from change recipients to change agents start, or start playing a role in collective sensemaking only after the sensemaking process has been ongoing among change recipients for some time; first, there needs to be sensegiving activities by change agents, then sensemaking by change recipients, before there is an opportunity for a detectable and appreciable amount of sensegiving actions undertaken by change recipients towards change agents.

Finally, the ubiquity of change in the organization and the external business environment may have had a desensitizing effect to change among change recipients, so that this new planned organizational change was not deemed worth taking action towards influencing the change agents' vision. It is proposed that further studies should be conducted on what are the antecedents for sensegiving activities from change recipients to change agents to take place.

Collective sensemaking

As discussed in Chapter 2, sensemaking is also a collective process among change recipients. However, in this study, there were no apparent collective sensemaking on the focal planned change by change recipients identifiable as standing out from the research data. The only indications in the data to there being collective sensemaking among change recipients were some managers mentioning the coaching leadership trainings as having been useful, enabling discussing leadership matters with others from different units, leading to realizations about how leadership was enacted in other parts of the organization.

Similar to the absence of sensegiving efforts by change recipients, the absence of evidence of collective sensemaking among change recipients about the focal planned change can be hypothesized to be caused by the limited amount of sensegiving from change agents. If change recipients are not well aware that there will be an organizational change, it stands to reason that there won't be conversations among them about that change during which collective sense is made. Also, similarly to the absence of sensegiving efforts by change recipients, the ubiquity of change in the organization may have contributed to the absence of collective sensemaking. Nevertheless, the antecedents of collective sensemaking, and at what part of organizational change collective sensemaking commences and starts playing a role, should be addressed in future research.

Change recipient emotions

While the informants in this study didn't bring up emotions or their effect on their sensemaking, it can be hypothesized that emotions and attitudes played a role in their sensemaking, explaining some characteristics in the interview data. A vast majority of the informants had a positive and/or curious attitude towards change, including the planned change of becoming a coaching organization, even though there had been only a limited amount of information and sensegiving from the change agents. They universally assigned mostly positive meanings to the change, and when asked to describe the possible worst-case scenarios for the change, change recipients either brought up only effects small in magnitude, or considered the likelihood of the change having negative effects small. An example of the few negative meanings assigned to the planned change was one expert, who overall had a positive disposition towards coaching and the change, but was doubtful as to the reasons the change agents had behind the vision to become a coaching organization, thinking that money was the main reason for developing the vision – besides assuming that the organization had had positive experiences with the precursory practice.

This positive and curious attitude towards change can be explained by the external context and the environmental ambiguity that characterized the business the case company operates in; the ubiquity and frequency of changes in the external environment may have built up tolerance towards uncertainty associated with organizational change. Furthermore, the organization had a track record of having some successful change initiatives, which could make the attitudes towards change more positive.

However, another possible explanatory variable could be positive emotions towards the organization. As discussed in Chapter 2.2.1, emotions affect sensemaking. Positive emotions have a facilitating effect on sensemaking, and promote the constructions of positive meanings (Bartunek et al., 2011) as well as increase individuals' resilience and ability to cope with stressors (Maitlis & Sonenshein, 2010).

Employee work satisfaction in the case organization was high in employee job satisfaction surveys, the employee turnover rate was low, and the average length of time employees had worked in the organization was long. Presumably, then, employees in general had positive emotions, feelings, and attitudes towards the case organization. This may explain why – despite having little information, and consequently high uncertainty about the change – the change recipients' attitude towards the focal change of this study, and change in general was overwhelmingly positive, with low perception rate of negative effects with the change. In fact, one change recipient remarked that the high measured job satisfaction will probably facilitate the planned change, and being an organization that has been measured and demonstrated to be a good company to work for buys credibility for future organizational changes.

This leaves an interesting question for future research, to which this study is not able to provide an answer. Negative emotions affect sensemaking through making negative cues salient in sensemaking, and promotes careful, critical, and systematic forms of it (Maitlis & Sonenshein, 2010). However, does experiencing negative emotions cause sensemaking to be influenced by different factors than those that have been identified as relevant to sensemaking in this study, or do negative emotions only lead to concentrating on negative cues within the identified factors?

5.2 Implications to practitioners

Schultz and Hatch (2005) call for academia and social sciences, in order for their theories to remain socially relevant and useful to practitioners, to produce "simple but comprehensive frameworks in order to be able to comprehend and set directions in such a complex and ever shifting reality". This study aims at answering that call. Change is ever-present in organizations. Academic research on organizational change is ample, but historically, it has been prominently from the point of view of change agents, and on how to overcome change resistance. This study takes on the perspective of change recipients, and explores what factors influence their sensemaking about a planned change in its early phases. As such, the findings of this study raise several implications also for practice and practitioners effecting planned organizational change, and should be useful in designing the implementation of planned organizational change programs.

There are plenty of useful advice to practitioners in existing academic literature on implementation of a planned organizational change program. Communication and other sensegiving activities are important in change implementation. For example, Balogun (2006) recommends change agents treating feedback on change as not being a symptom of resistance, and to invest and engage in active interactions and conversations with change recipients for feedback on what is preventing them from changing. Furthermore, workshops are recommended throughout the change process as a way for change leaders to interact with the interact with the sensemaking of change recipients (Balogun, 2006). Bartunek et al. (2006), on the other hand, identify participation and involvement in a change initiative as affecting sensemaking. Weber and Manning (2001) argue for the need for change leaders to communicate as quickly much data about a planned change effort as quickly as possible, as well as for the involving change recipients in the change program, noting that organization members who are more actively involved in the change experienced the most change in schemas. Similar advice is suggested by e.g. Bartunek et al. (2006) and Miller et al. (1994), as well.

These themes were apparent in the findings of this study, as well. There was an apparent desire for additional sensegiving about the change; multiple change recipients called for more communication about the planned change and involving the employees in the change. One expert commented on involving employees right from the outset, noting that this probably would lead to increased commitment to the change. However, the findings of this study point out to the need for change agents in their sensegiving efforts to be cognizant about other change initiatives, both co-occurring as well as past, as they potentially have an effect on change recipient sensemaking.

First, other change initiatives may affect change recipient sensemaking through association or confusion; a new planned change initiative may get confused with another change initiative, as was the case in this study where some change recipients confused the new planned change initiative with an existing practice, interpreting and treating them as a single entity. A change initiative may be interpreted as being associated with another change program, and get assigned meanings, desired contents, and goals congruent with that other change program. This was highlighted also in this study, when change recipients associated coaching organization with adoption of agile development practices, and used terms adopted from it and drew on it in their sensemaking about the new change.

Furthermore, the concepts and terms used in sensegiving efforts, and communication as part of these efforts, have an effect on sensemaking through the other meanings of the words used; other meanings and connotations of the words and terms used mediate change recipients' sensemaking the sensegiving efforts. Recognizing the potential effect of other change programs, past or co-occurring, have on sensemaking about a new change initiative allows choosing effective words and ways of giving sense about the vision, increasing the likelihood that change recipient sensemaking is congruent to the intended change.

Moreover, if a new organizational change program builds on existing practices, or is interpreted as such, heed should be paid on the degree to which the precursory practice has been adopted, and to differences in adoption across the organization. This study points to adoption of precursory practices being an antecedent to change recipient sensemaking, and differences in the adoption of precursory practices as being a source of differences in sensemaking about change that builds on it. The effects on sensemaking of both the adoption and differences in adoption of the precursory practice were evident in this study e.g. through how great in magnitude, in change recipients' opinion, the required change would need to be in order to reach the vision of the change agents – would a cultural change be enough, or should the organizational structure be changed as well.

Organizational context includes several dimensions that are relevant for sensemaking on planned organizational change. Nature of work affects sensemaking; if there are multiple different jobs and job descriptions in the organization, there is likely to be multiple different work and leadership contexts, which are reflected in how change recipients make sense of new situations.

Another one of the dimensions of organizational context relevant to change recipient sensemaking is organizational culture – practitioners should take into account how well the existing organizational culture is aligned with the intended change when developing their strategy for communicating and implementing the change. If the existing organizational culture and management structure are not aligned with the intended change, more extensive sensegiving efforts and more time may be required; this was highlighted in this study in how coaching leadership had seen less adoption in one of the business units where these factors were not aligned with it.

Balogun (2003) notes that sensemaking requires time. Bentley and Kehoe (2020), on the other hand, suggest that human resources slack is positively related to strategic change ability and success, with financial slack having a complementary effect to HR slack through investments in human capital. The findings of this thesis complement these suggestions. Available resources – or the perception of resource availability – have an effect on change recipient sensemaking, as well. A perceived lack of resources may lead change recipients to make sense as infeasible or undesirable, or affect their interpretation on the magnitude of the change.

The effect of the availability of resources on sensemaking was evident in the findings of this study. A perceived lack of time and hurry among change recipients influenced their perception of how extensive or complex the planned change should be – some change recipients were of the opinion that coaching organization it should be as "light" as possible, so that it would require as little time and resources as possible. Interestingly, organizational identity had an effect on the perception on availability of resources, justifying the "slimness", or leanness of the organization. Change recipients perceived the company to be an underdog in the market, and even if this organizational identity didn't necessarily reflect the situation the business anymore, there was a sense that the company must get done more with less resources than its competitors.

The external context of the organization has a shaping effect on the organizational context, and has a direct effect on change recipient sensemaking, as well. For example, ambiguity in the external environment of the case company of this study, together with the frequency of associated changes in the business and the organization itself, had led to organization members to consider change an inevitable characteristic of the business, affecting their sensemaking on change. Thus, it is suggested that practitioners should consider the external context, the environment the organization exists in, when designing their sensegiving efforts. Finally, organization members' personal values, experiences, and preferences influence their sensemaking – a one-size-fits-all approach to sensegiving may not be always appropriate.

5.3 Caveats and limitations of this study

Eisenhardt (in Gehman et al., 2018) defines theory as "is a combination of constructs, relationships between constructs, and the underlying logic linking those constructs that is focused on explaining some phenomenon in a general way". Following this, Gioia (in Gehman et al., 2018) defines theoretical contribution as arising from "the generation of new concepts and/or the relationships among the concepts that help us understand phenomena. The concepts and relationships developed from inductive, grounded theorizing should reflect principles that are portable or transferable to other domains and settings."

This thesis makes a theoretical contribution through exploring the factors that influence change recipient sensemaking in the early phase of planned organizational change. The Gioia methodology (Gioia et al., 2013) was used in constructing a grounded theory model. In Chapter 4, it is explicated why the first order concepts are related to the second order concepts, and why the second order concepts are connected to the aggregate dimensions; second order concepts and aggregate dimensions relevant to change recipient sensemaking on planned organizational change are identified and relationships between them are explored. A theoretical model that explains the focal phenomenon in a general way is presented. This constitutes a theoretical contribution, as new relationships among concepts are revealed, allowing better understanding the phenomenon of sensemaking.

An inductive case study approach (Eisenhardt, 1989), also known as theory-generating case research (Ketokivi & Choi, 2014), is adopted for this study. The study meets the duality criterion of being situationally grounded as well as seeking a sense of generality, which Ketokivi and Choi (2014) argue is essential to case research. As Ketokivi and Choi (2014) point out, in theory-generating case research "[a]n essential feature of the theoretical insight is its contextual emergence and the idea that theory remain comparatively close to the data", so situational groundedness is straightforward.

However, there are limitations and caveats to this study. This study is a single case study; it explores the research problem in the empirical context of one organization in one business. As Eisenhardt argues (in Gehman et al., 2018), "single cases tend to lead to theory that is more idiosyncratic to the case, is often overly complex, and may miss key relationships or the appropriate level of construct abstraction". Thus, different factors may emerge as relevant or significant to change recipient sensemaking in different organizations, with different organizational and external contexts. Furthermore, the relative significances or magnitudes of the effects of the factors identified as relevant in this study are not explored.

Gioia et al. (2013) argue that it is possible to generalize from a case study if the case generates theoretical insights that are transferable to other settings. Langley (in Gehman et al., 2018) concurs, noting that "in interpretive research [---] you might want all that messiness to be present and visible, because interpretivists have a different conception of what generality is. Rather than talking about generalizability, they would talk about transferability. To achieve this, you need to include as much richness as possible in your account, so that the readers themselves can see to what degree the story you are telling finds resonance." To ensure transferability of the findings of this thesis, effort was taken to offer a rich narrative of the findings in Chapter 4.1. Moreover, a further sense of generality for the case research presented in this thesis is sought through comparing and connecting the grounded theory constructed in it with an existing theory on sensemaking, identified and synthesized from research literature and presented in Chapter 2. As discussed in Chapter 5.1, the constructed grounded theory is consistent with existing theoretical knowledge.

Other caveats apply, as well. Due to this study being a master's thesis, it is by necessity done by a single author. Thus, it was not possible, for example, follow Burnard's (1991) suggestion to invite other

researchers to generate their own categorization of the open coding into higher order categories independently and without knowledge of the author's categorization. Having more researchers involved, especially in the data analysis and coding process, would help reducing possible cognitive biases, researcher bias, and increase the validity of the findings.

Furthermore, this study in essence presents a snapshot in time, a picture of change recipient sensemaking in two points in time, whereas sensemaking is a process, the focus of which does not remain constant throughout change implementation (Weber & Manning, 2001). However, longitudinal data collection advocated by Langley (in Gehman et al., 2018) for process study was infeasible due to the limited time and resources afforded due to this study being a master's thesis. It does offer some insight into the process of sensemaking, thanks to insights into the sensemaking on the precursory practice of the focal organizational change, and thanks to the follow-up interviews. However, to better explore the processual nature of sensemaking, follow-up interviews would be required throughout the planned change program as the change unfolds.

Finally, to assess the validity and reliability of case research, Gibbert, Ruigrok and Wicki (2008) advocate the use of four criteria: internal validity, construct validity, external validity or generalizability, and reliability. Internal validity refers to "whether the researcher provides a plausible causal argument, logical reasoning that is powerful and compelling enough to defend the research conclusions" (Gibbert et al., 2008). To enhance internal validity, pattern matching – comparing the findings with patterns established in previous studies – was used as described in this chapter.

Construct validity refers to "the quality of the conceptualization or operationalization of the relevant concept [---] construct validity refers to the extent to which a study investigates what it claims to investigate" (Gibbert et al., 2008). To increase construct validity, an attempt has been made to establish a "clear chain of evidence" (Gibbert et al., 2008) of how the conclusions were arrived at, as well as through a thorough explanation of the data collection and data analysis has been produced in Chapter 3.

External validity refers to generalizability of the theories produced by the case research; the generalizability of this study is discussed earlier in this chapter. Whereas the first three criteria are concerned with systematic error, the fourth criterion, reliability, refers to the degree to which there is random error. (Gibbert et al., 2008) When reliability of a case study is high, if it is conducted along the same steps again the subsequent researchers are able to arrive at the same conclusions as the original study. Two measures enhance the reliability of a case research: transparency and replication. (Gibbert et al., 2008) Reliability is attempted to be enhanced through producing an account of the research methodology used to conduct this study, presented in Chapter 3, as well as through collecting and organizing all research data to a database from where it is easily retrievable.

5.4 Suggestions for future research

This study begins opening the black box of what factors are relevant in influencing change recipient sensemaking process. However, as discussed in relation to the limitations of this study, it offers only a snapshot picture from the early phase of organizational change, not being able to explore do, or how the factors that influence change recipient sensemaking change over time. Furthermore, this study is a single case study; it is possible that there are more factors that did not factor into the change recipient

sensemaking in this case, but that would have an impact in other external and organizational contexts. Thus, in the future, there is a need for a process study on individuals' sensemaking on planned change program – a longitudinal study on how individuals' sensemaking on a planned organizational change develops over time and as the change program progresses; do the same factors that were identified as affecting sensemaking in the early phase of the change program play a role in the other phases of a planned change, and what new factors appear to affect individuals' sensemaking.

At the time of this study, there had been little sensegiving activities by the change agents or top management to the change recipients on the planned organizational change. It should be investigated, how the other factors to individuals' sensemaking interact with increased sensegiving activities by the change agents and top management, and what factors moderate the interactions between sensegiving actions and other factors that are relevant to sensemaking. Similarly, this study is content to only identify relevant factors to change recipient sensemaking, but assessing the relative strengths of their influence are left for future studies.

Three further areas of inquiry for future research were proposed in Chapter 5.1: whether or not experiencing negative emotions cause sensemaking to be influenced by different factors than when experiencing positive emotions; antecedents of collective sensemaking, when it commences, and when it starts playing a role in organizational change; and what are the antecedents for sensegiving activities from change recipients to change agents to take place.

Finally, as discussed in the introduction, this thesis examines a top-down planned change initiative, which is also evident in the usage of terms "change agent" and "change recipient" to denote to the group of organization members who are trying to effect a change and the group of organization members expected by the change agents to implement and enact their vision, respectively. It is suggested future studies address the factors that influence *change participant* sensemaking about emergent change processes.

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Appendix I. Interview skeleton for change agents

1. Why is there a need for change?
2. What, in your opinion, is a coaching organization?
3. What does it entail at ATCC, or what should it entail?
    a. what needs to be changed, what should change?
    b. what, in your opinion, would the change require?
4. What effects would becoming a coaching organization have…
    a. on the organizational structure?
    b. on organizational culture?
    c. on work in the organization?
        i. tasks, roles, habits, etc.
    d. on jobs? (E.g. the number of, the role of, or the need for managers…)
5. Why ATCC?
    a. what factors promote/facilitate or work for change at ATCC?
    b. What factors hinder or prevent change at ATCC?
        i. structures, culture, …
6. Who are affected by coaching organization?
7. What projects/initiatives are there already ongoing, that are related to coaching organization?
    a. are they sufficient?
    b. if not, why they are not?
    c. if not, what or what kind of projects are needed in addition to them?
8. Has coaching organization been communicated yet?
    a. to whom has it been communicated?
9. Who will implement the change? Based on current understanding, what are they needed to do?
10. Who have been involved in the development of the vision of becoming a coaching organization?
    a. whose idea was it?
11. Who will be key persons in the change to become a coaching organization?
12. Who should be interviewed for this study?

Appendix II. Interview skeleton for managers and top management

1. How long have you worked in this organization, and what is your current job?
2. During the past couple of years, ATCC has been adopting coaching leadership style
    a. has this affected your work?
3. How do you feel about coaching leadership style? Does it work, how is it in your opinion?
4. One of the main points in ATCC's new HR strategy is to become a coaching organization, with a vision of being on of the best coaching organizations in 2023.
    a. have you heard about this previously? Do you remember that this would have been communicated earlier?
5. What, in your opinion, is a coaching organization?
6. What does it entail at ATCC, or what should it entail?
    a. what needs to be changed, what should change?
    b. what, in your opinion, would the change require?
7. Why would there be a need for change?
8. What would coaching organization need in order to be a positive change?
9. Why ATCC?
    a. what factors promote/facilitate or work for change at ATCC?
    b. What factors hinder or prevent change at ATCC?
        i. structures, culture, …
10. How would becoming a coaching organization likely affect your job?
    a. best case scenario
    b. worst case scenario
11. What effects would becoming a coaching organization have…
    a. on the organizational structure?
    b. on organizational culture?
    c. on work in the organization?
        i. tasks, roles, habits, etc.
    d. on jobs? (E.g. the number of, the role of, or the need for managers…)
    e. the position of manager
12. What projects/initiatives are there already ongoing, that are related to coaching organization?
    a. are they sufficient?
    b. if not, why they are not?
    c. if not, what or what kind of projects are needed in addition to them?

Appendix III. Interview skeleton for business managers and experts

1. How long have you worked in this organization, and what is your current job?
2. During the past couple of years, ATCC has been adopting coaching leadership style
    a. has this been visible in your work, and how has it been visible?
3. How do you feel about coaching leadership style? Does it work, how is it in your opinion?
4. One of the main points in ATCC's new HR strategy is to become a coaching organization, with a vision of being on of the best coaching organizations in 2023.
    a. have you heard about this previously? Do you remember that this would have been communicated earlier?
5. What, in your opinion, is a coaching organization?
6. What does it entail at ATCC, or what should it entail?
    a. what needs to be changed, what should change?
    b. what, in your opinion, would the change require?
7. Why would there be a need for change?
8. What would coaching organization need in order to be a positive change?
9. Why ATCC?
    a. what factors promote/facilitate or work for change at ATCC?
    b. What factors hinder or prevent change at ATCC?
        i. structures, culture, …
10. How would becoming a coaching organization likely affect your job?
    a. best case scenario
    b. worst case scenario
11. What effects would becoming a coaching organization have…
    a. on the organizational structure?
    b. on organizational culture?
    c. on work in the organization?
        i. tasks, roles, habits, etc.
    d. on jobs? (E.g. the number of, the role of, or the need for managers…)
    e. the position of manager
12. What projects/initiatives are there already ongoing, that are related to coaching organization?
    a. are they sufficient?
    b. if not, why they are not?
    c. if not, what or what kind of projects are needed in addition to them?