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Emotions in Motion

The Strategic Leader in a Radical Change Process



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Emotions in Motion - The Strategic Leader in a Radical Change Process
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Preface

Some twenty years ago, I started my own company together with two former colleagues. There was nothing spectacular about this, even if at the time it was considered somewhat different for a young woman to do such a thing and also act as the managing director. However, the spectacular thing was that in forming this company we tried to do so by conforming to rules, regulations and current standards – but there was a lot of hassle on a variety of issues to come to an agreement. In those negotiations we all showed, felt and expressed a good deal of emotions. However, there seemed to be a tacit agreement that those emotions were not to affect our decisions about the structure and running of the business. At least we pretended that this was the case.

As a professional consultant within the field of strategic and organisational change, I often came across a great deal of emotions among strategic leaders, managers and other employees. This was even more explicit in different change processes of the companies. Nevertheless, emotions were something one tried to exclude from strategic leadership. In the early eighties, our company was given a big project where we were to participate in the total re-construction and re-organisation of a huge nation-wide organisation including managers on four levels. This project lasted for ten years – and naturally a great deal of emotions were involved. To many of the participants, the re-organisation meant new ways to work and think, and to some of them their very position was challenged, changed, threatened or taken away. In this turmoil, the managers' emotions were not legitimate to involve as a process *per se*. Instead, they were something, if felt or shown, that had to be 'outside' the change process itself and dealt with in a special way – if they were dealt with at all.

Some years later, at the very edge of the former millennium, in a radical change process, personally relived, emotions still seem to be something that an organisation cannot handle. What differs from the beginning of my career is that now people are asked to come forward with their personal thoughts and feelings. However, once we ask for them we do not seem to know how to behave and take care of them. Emotions are still something we should try to hold back, or if we are to show them, we seem to be asked to do so in a civilised and rational way.

This book is about emotions. It is about emotions in an organisational setting. It is an attempt to understand the role of emotions in the context of a radical change process and with the strategic leader as the key focus. Furthermore, it is an effort to acknowledge emotions as something natural in organisations. Emotions are self evident and omnipresent in the workplace and

they should accordingly be considered as such. By following two strategic leaders from two different companies during a radical change process for about eighteen months, I will illustrate that emotions evolve, transform, change and take new directions during social interaction. The individual, inter-personal and organisational levels interact in this process of shaping, sustaining and changing emotions. Emotions will be studied and analysed from a communicative approach. My ambition is to give a contribution to the field of strategic change including strategic leadership and illustrate that emotions matter in radical change processes which are by no means colourless! As will be shown in this book, emotions matter as driving and/or restraining forces with power implications in such processes, where emotion sediments and emotions as mood setters play a role as well.

Abstract

This thesis offers an emotion perspective to the field of strategic change and leadership. Through a longitudinal study, following two strategic leaders in a real time setting of a radical change process, this study shows that emotions are all-embracing within such a process. The findings stress that strategic leaders are very emotionally committed and tied to the strategy of a company and feel personal responsibility for its progress. Emotions evolve in daily interaction and are produced and reproduced in this context. They arise as a means to understand and relate to the on-going process and as a means to explicitly emphasise and stress the importance of different aspects of the change as well.

The results of this study show that emotions can be related directly to the change process where they serve as driving forces or restraining forces and as indirect driving or restraining forces in relation to the strategic intent. Furthermore, the co-production of emotions between the strategic leader and other organisational members has power implications such as power gain or power drain for the strategic leader, and thereby the strategic leadership. Emotions have also been proven to serve as constructors of emotion sediments, good-mood-setters and bad-mood-setters within the process.

Methodologically, this study opens up for further research on emotions. Through a series of micro-processes, the strategic leaders of this study have contributed by helping out with conversations prior to and after meetings and by offering their personal diary notes. Furthermore, a suggested classification of emotions is made in connection to a radical change process.

Content

1. The Emergence of Emotions in Management Theory	11
Introduction	11
Vignette 1	11
Vignette 2	12
Strategic Leadership and Strategic Change and Emotions	14
Organisation Theory and Emotions	18
Conclusion	19
Do Emotions Matter?	20
Implications for this Study	22
Purpose and Structure of the Thesis	23
2. Radical Change and Strategic Leadership	27
Introduction	27
Radical Change	28
The Magnitude of Change	29
Approaches to Radical Change	31
Implications for this Study	33
Strategic Leadership	35
Implications for this Study	39
3. What are Emotions: Towards Conceptualising Emotions	43
Introduction	43
Part I: A Literature Review	44
Philosophers' Views on Emotions	44
The Cognitive Perspective on Emotions	50
The Social Constructionist Perspective on Emotions	50
Integrated Approaches to Emotions	65
Discussion on the Social Constructionist View on Emotions	67
Part II: A Place for Emotions in this Study	70
Emotions as Socially Constructed	70
Implications of Viewing Emotions as Socially Constructed	77
Emotions My Way	81

4. How to Appreciate Emotions	83
An Interpretive Approach	83
Implications of an Interpretive Approach in Field Research	86
Towards an Interpretation	94
The Empirical Material in Condensed Form: “Narrated Chronologies”	96
Concluding Discussion	100
5. The Two Case Companies: May We Be Introduced?	103
Higgledy	103
The Strategic Leader of Higgledy - Hericles	104
The Development of Higgledy	105
Hericles’ Business Management Style and Higgledy’s Radical Change	107
Piggledy	110
The Strategic Leader of Piggledy - Pericles	111
The Development of Piggledy	112
Pericles’ Business Management Style and Piggledy’s Radical Change	114
Reflections upon the Two Case Companies	116
Guidelines for Further Readings	120
6. The Story of Higgledy	123
Summary	168
The Radical Change Process Divided into Managerial Issues	168
Hericles’ Emotions Over Time	180
7. The Story of Piggledy	181
Summary	230
The Radical Change Process Divided into Managerial Issues	230
Pericles’ Emotions Over Time	242
Closing Remark	242

8. Emotion Patterns: Hericles' and Pericles' Emotions in Motion	243
A Classification of Emotions	243
Hericles' Emotion Pattern with the Classification as Reference	253
Pericles' Emotion Pattern with the Classification as Reference	258
Critical Strategic Issues and Emotions: Hericles	263
Critical Strategic Issues and Emotions: Pericles	267
Concluding Discussion	270
 9. Do Emotions Matter? Emotions in Motion and Strategic Leadership	 273
Thematic Discussion I	273
Translated and Transformed Emotions as Driving Forces and Restraining Forces	273
Thematic Discussion II	286
Emotional Role Models, Power Gain and Power Drain	286
Thematic Discussion III	290
Emotion Sediments and Emotions as Mood Setters	290
 10. Contributions and Implications	 299
Contributions	299
The Visibility of Emotions and Emotions as a Natural Part of Organisational Life	299
Methodological Contribution	301
Emotions and Cognition as Parts of Each Other	302
Emotions and Contextual Factors	304
Resistance to /Radical/ Change	305
Where Does this Leave Strategic Leadership?	308
Practical Implications	311
Suggestions for Future Research	312
 11. A Summary: Emotions in Motion	 315
A Never Ending Story	319
 Epilogue: Some Emotionalities	 321

References	323
Enclosures	341
Enclosure A: Professional Views on Emotions	
Enclosure B: Personal Reflections: Are the Results Trustworthy?	
Enclosure C: Shaver, Schwartz, Kirson and O'Connor: Coordinates of 135 Emotion Words	
Enclosure D: A Linguistic Description of Emotions	
Enclosures E1-9: Lexical Chains of Emotions	

1. The Emergence of Emotions in Management Theory

This is a thesis about emotions. The purpose is to create an understanding of emotions in a radical change process in an organisational setting with a strategic leader as the key focus.

In this introductory chapter, the situations of two strategic leaders will lead to a discussion which will make clear the need of an emotion perspective within the field of strategic change including strategic leadership. This is done through a short exposé within this research field including the field of organisation theory¹ and with an emphasis on emotions. The chapter should thus not be read as a literature review of emotions, rather it serves as a framework for stressing the importance of acknowledging emotions per se within strategic change as well as strategic leadership. The frame is structured as an attempt to find the emergence of the phenomenon of emotions in this literature. The chapter concludes with the purpose of the thesis and how it can contribute to new insights about emotions, including the research themes that are to be addressed, and the structure of the remaining readings.

Introduction

Vignette I, Company A, September 1999

The situation is crazy! Sales have increased by more than one hundred per cent! The production capacity has increased enormously and the company has been able to deliver all orders on time. This is mainly due to a re-organisation of the production department and the addition of a new production and quality manager. The managing director is aware that the former production and quality manager still feels disappointment at heart, even if this person realises that a change was needed. Sales have increased on the American and Chinese markets where mainly more

¹ The field of strategic change is very closely related to the field of organisation theory and they are sometimes hard to separate. For these reasons, the latter field is included here as well as in the literature review in chapter three.

conventional quality assurance equipment is in demand. This is a little bit of disappointment to the managing director. He had expected that the new QASS system would be ready by now and in production. The managing director has rejected the idea of a joint venture with the Chinese as he feels that it will do nothing but create problems. He is no fan of joint ventures, because he thinks that cultural differences make it impossible to co-operate, and he feels awkward about it in general.

It is very difficult to recruit well-educated persons, such as programmers and electronics engineers. It bothers the managing director a lot these days that his young employees seem to have values and attitudes other than those he is familiar with. He has a feeling that he cannot reach them. He is also contemplating different ways to be more visible, one of which is to become more public and medial. This is, however, something he is hesitant about since he doesn't favour this personally and socially. Other thoughts on his mind are how to manage a fast growing company. He does not feel that the right way to do it is by relying on figures. Rather, it is by being around within the company as well as on the different markets. He thinks this is why his company has been so successful, even on markets that are considered "dead" by competitors.

The managing director is very satisfied with the present development of the company, even if he recognises the threats and is in fact 'worried' about the high profit of the first eight months.

Vignette II, Company B, September 1999

The account balance of the last eight months is a minor disaster. The figures have been calculated and recalculated, but facts remain: the company shows a loss of more than 3 million Swedish crowns and the figures indicate a loss at the end of the year of more than 5 million Swedish crowns.

How could this happen? The situation makes the managing director frustrated. The present number of staff is way too high compared to the present turnover. The irony of it all is that the sister company, also the customer of the low budget series of toys, does not seem to be able to sell the products in large quantities. This indicates that the forthcoming volume of orders will be split up between the twenty-five different parts of the low budget toy programme. Needless to say, relations are strained at the present stage between the company and its sister company. In a discussion where the managing director shows and expresses his frustration over the way the sister company hands over incomplete designs, the administrative manager is given the task of providing a breakdown of the costs of the different parts of the new toy programme. The managing director needs facts to prove to the chairman of the board that the situation is precarious and intolerable.

In the afternoon, the managing director is confronted with the result of a group discussion among his production personnel. For more than two years, he has been trying to create an organisation that pleases everybody, but there just seems to be complaints. This is not something the managing director wants to accept at this stage and he angrily declares that everyone in the organisation has to take his or her responsibility as the organisation cannot take more of getting nowhere.

In the afternoon, the managing director is given the chance to make an offer to manufacture cupboards to a manufacturer of kitchen fixtures. Even if the outcome at this stage is most uncertain, he feels hopeful.

At the end of the day, the managing director says that he is very disappointed with the result, has a sense of living in a vacuum and is wrestling on a constant basis to find reasons to go on and to identify the mistakes he has made. He is of the opinion that every possible effort has been made to increase the result, and he has been forced to deal with emergency turn-outs at the expense of more strategic issues and he is very dissatisfied with his own achievements.

As illustrated in the two vignettes, the workplace seems to be loaded with emotions. From the first vignette, emotions such as surprise, joy, disappointment, concern, feelings of inadequacy, satisfaction and worry are discernable. From the second vignette, it would be possible to perceive feelings of frustration, concern, anger, hope, disappointment and dissatisfaction. Emotions thus seem to build a vivid element within the organisational arena. The vignettes also demonstrate that emotions seem to be part of ongoing processes, in these cases, strategic and radical change processes. Furthermore, it is reasonable to think that these emotions matter in the course of events and that it is impossible to neglect and deny their relevance and importance in such a process. As shall be pointed out later on in this chapter, researchers on strategic change also indicate that emotions play a role within their field of research. The Swedish business magnate and ship owner Dan Sten Olsson advocates in an interview that an emotion dimension needs to be included within the business sector as business people are governed by their emotions (Veckans Affärer, No. 32, August 6, 2000). Likewise, Per Gyllenhammar (1991, and in various bibliographies), former CEO of Volvo, admits that emotions were a great part of the actions during the turbulent process of the possible merger between Volvo and Renault which eventually ended in his resignation.

Even so, a deeply rooted opinion among most people seems to be that top managers are supposed to disregard emotions and act and think as rationally as possible, especially in times of turbulence. However, providing we can agree on the fact that strategic and radical change matter, we should thus try to understand how emotions matter in such processes in order to get a more

complete picture of strategically important processes in times of uncertainty. Consequently, the focus of this project will be to create such an understanding.

Strategic Leadership and Strategic Change and Emotions

Even if strategy researchers disagree on the importance and/or the role of the leader in a strategic change process, most of them seem to agree that the process is to be handled by the management and more specifically, by the manager or the leader (Mintzberg, 1988; Mintzberg and Waters, 1985; Hellgren and Melin, 1993; Whittington, 1993a; Kotter, 1996; Prahalad and Hamel, 1990, among others). Most literature on strategic change focuses on the management as one of the key players, perhaps with the exception of the evolutionary approach which seems to regard management as a victim of occurrences in the market. Early views on strategic management held the opinion that these managers should be rational when it came to strategic change. So, for instance, Hall and Saias (1980), stress the importance of managers planning and sticking to plans. Mintzberg (1988) more or less kills the strategic manager as a rational economic man, stating that managerial work depends on several factors as values including knowledge, competencies, mental models and the context of the job. The leader's role, according to Mintzberg, works on three levels – the individual, the group and the unit level. On the individual level the keywords are: encouraging, motivating, inspiring, coaching, nurturing, pushing and mentoring. This would probably not be possible without the involvement of emotions. Pettigrew and Whipp (1991) also stress the importance of the leader in change, giving him or her the responsibility for a variety of critical issues in the process of change, such as leading the change, linking strategic and operational change and the coherence in the management of the change. Westerberg (1998) claims that managing in a radical change process, labelled by him as turbulence, is one of the most challenging tasks for management, stating that the manager is the person who can “make or break the firm” (p. 269), and it is up to him or her if a change is to take place or not. Melin (1998) says that the strategic perspective assumes some main figures, and these main figures are supposed to be capable of strategic thinking and management. The two main conclusions that can be made from the above are that managers do matter in strategic change processes and that they therefore seem to need strategic competence to carry them through. Within such a process it is likely that emotions would be an essential part. Addressing the field of strategic change this is more or less confirmed since it is possible to follow an emerging trend towards acknowledging emotions.

The diversity of theoretical perspectives within the strategic change field prevails and is ever increasing. Traditionally, strategic actions are regarded as rational acts, taken by top management, planning for maximising the profit of the company (see Chandler, 1962; Sloan, 1963; Ansoff, 1965) where typically masculine attributes are emphasised as well (see Grint, 1997). Traditional perspectives still seem to exist in revised versions together with normative advice in order to win the war, figuratively speaking (Porter, 1998; Sölvell, Zander and Porter, 1993; D'Aveni, 1995; Grant, 1991; Hamel, 1996).

The main stream perspective, relying on rationality and analytic techniques, was predominant until the mid-eighties. Mintzberg, at this time, introduced strategies as 'unintended' and 'emergent', and as the *pattern in a stream of decisions and acts* (Mintzberg, 1988), implying that a radical change process is a processual work much like a puzzle making process. The same view was expressed by Pettigrew (1985), stating that strategic change is nothing glamorous or dramatic – it just emerges – advocating that the context, the process and the content of change have to be analysed interchangeably. Pettigrew states that the continuity, the very process and the role of individuals and groups have to be taken into account. The direction was probably prepared at a much earlier stage, though, when Simon (1957) and Cyert and March (1963) write about bounded rationality and the cognitive limits to achieve all inclusive information in strategic decision making. They claim that "to satisfice" has to do in replacement of "to maximise". Simon (1987) even introduces the role of intuition and emotions in management decision making, where the former is based on knowledge and experience and the later on 'intuitive' behaviour, most often caused by stress *in the sense that it represents response without careful analysis and calculation* (1987:62). Simon suggests that intuition and emotion are the reasons that underlie unreason.

Johnson (1986) is one of the representatives of the new wave arguing that strategic management includes more complexity and uncertainty than day-to-day-management does. It is also rather obvious that he has been greatly influenced by Mintzberg's early works and Pettigrew². The question he addresses is how the individual interaction influences and contributes to the process of strategic decision-making. Johnson's view on strategic management is based on the processual view, arguing that strategy is not first decided and then implemented, but rather it is put into operation. Or as expressed in an article by Mintzberg (1998): *Effective strategies can show up in the strangest places and develop through the most unexpected means. There is no one best way to make strategy* (ibid.:117). However, Johnson places Mintzberg and Pettigrew within

² According to Whittington (1993a), all three of them belong to the Processual School.

the incremental school³, whereas he himself advocates the interpretive view within strategic management, viewing strategy as a product of cognition and ideology. He argues that strategic management includes the cognitive and ideological level, elucidating phenomena like sense-making, cultures, myths, ideologies, language, symbols and metaphors and their importance and/or impact on strategic change – and also its resistance to change. Strategy is, according to Johnson, close to the management of culture. Whittington's phrase *the best processual advice is not to strive after the unattainable ideal of rational fluid action, but to accept and work with the world as it is* (Whittington 1993a:23) also indicates that strategy forming is not altogether rational, isolated from environmental events and encounters, and in the end involves emotions. In his classification into four schools of strategic thought, Whittington (ibid.) includes the systemic school⁴ where the strategic change process is suggested to be interwoven in social relations and networks. The firm is supposed to involve family, religion, ethnicity, government and the background of the manager, and from there the step to emotions does not seem too remote.

At a more recent stage, additional approaches⁵ such as management of meaning (Ericson, 1998), cognition (Weick, 1995; Huff, 1990), rhetoric (Müllern et al 1998), and so forth have created an even more diverse picture of the strategic change process where emotions are more or less touched upon. So, for instance, Hellgren and Melin (1993) have shown that managers' thinking seems to form new strategies within a firm. To Hellgren and Melin, the combination of cognitive structures and emotions would be useful in understanding the relationship between managers' thinking and strategic acts where values, assumptions, beliefs, ideas and thoughts about leadership are crucial factors in such a strategic process. Rhetoric is also argued to be a means to evoke emotions in the strategic rhetoric (Müllern et al, 1998). In short, a connection to the emotive side in strategic processes is made.

Calori (1998) questions existing research models within the field of strategic and organisational change and offers a philosophical perspective. According to Calori, feelings and emotions should be more visible elements within this field. Hamel (1998) also indicate their importance when he renames the classical financial term "return on investment" to "return on emotional investment", implying that emotion is more often welcomed than rejected when people

³ Johnson (1986) divides the strategic field into the rationalistic view the incremental view, and the interpretive view.

⁴ Whittington (1993) see four different strategic directions: the classic, the processual, the evolutionary and the systemic.

⁵ In Sweden there is however a rather long tradition going back to the seventies which views strategic change as a more conceptual process (see Melin, 1998: Strategisk förändring. Om dess drivkrafter och inneboende logik. In Czarniawska, B: Organisationsteori på svenska. Liber Ekonomi).

realise its benefits. Henderson (1998) is following in the same footsteps when he uses the military and political term “brinkmanship” in business to argue that competitive manoeuvring is won by emotional and intuitive factors rather than by rational thinking and acting. In the very first sentence of his introduction, Henderson writes:

A businessman often convinces himself that he is completely logical in his behavior when in fact the critical factor is his emotional bias compared to the emotional bias of his opposition (ibid.:199).

Later on one can read:

The competitor known to be coldly logical is at a great disadvantage. Logically, he can afford to compromise until there is no advantage left in co-operation. If, instead, he is emotional, irrational, and arbitrary, he has a great advantage (ibid.:200).

Ericson (1991) explicitly addresses emotions – or as she labels them, social rationality – in strategic acquisitions. In her work, she has shown that social rationality, together with economic rationality, has a significant importance when it comes to strategic choices. Later on, Ericson (1999) establishes a framework for a theory about the strategy of emotion as well as its calculation, a strategy she labels a strategy of interaction.

Sjöstrand (1997) challenges managerial rationality and states that managers are multi-rational. He acknowledges emotions as fundamental and focuses on the non-calculative ways, which he divides into intra-personal, inter-personal and collective ways. Sjöstrand suggests that the inter-personal level is based on relationships, so emotions would have their place here as well. In dealing with uncertainty, Sjöstrand suggests five different intra-individual ways to do so: through cognition, emotions, intuition, habits and the aesthetic dimension. Concerning emotions he argues:

People are emotional, feeling, and affective human beings. Not just cognitive machines. Consequently, emotions are operative not only in relation to music, art, dance, and similar contexts, where they are regarded as a natural ingredient. They are also inherent in management action, including strategic decision making. Thus no managers can disregard their feelings, even though they sometimes (perhaps often?) try to do so. But to reject the importance of emotions in managerial action, is also to deny it the joys and worries associated with life as a whole (ibid.:15).

Another researcher, explicitly addressing emotions in a radical change situation is Huy (1999) who draws the conclusion that cognition-based trust, building on professionalism, must be accompanied with emotion-based trust, building on emotional sensitivity and emotional competence.

Organisation Theory and Emotions

Within the organisation theory field, the classical view on organisations implies that an organisation is an isolated phenomenon aiming at fullest possible efficiency and unaffected by the environment (see Taylor, 1911; Fayol, 1923; Weber, from Albrow, 1970). From this standpoint and onwards, the field of organisation theory has developed into symbolic and post modern views, indulging in perspectives such as power, politics, cognition, sense making, ideology and ethics, i.e. pretty much in the same direction as within the development of strategic change. Theories on leadership touch the emotive side in themes such as motivation, charismatic leadership, power, rhetoric, sense making, etc. Again, the development within the specific field of leadership is following the common trend – from the picture of a capable, gifted, powerful, rational, all-embracing leader to a focus on a need for a more sensitive and empathetic leader (see e.g. Goleman, 1995 on emotional intelligence and Shackleton, 1995).

Within the organisational field, one can find an emerging interest in emotions from the mid eighties and onwards. Berg (1979) is an early entry on emotions, using emotional structures as the main theme in analysing a change process in a Swedish glass works. According to Berg, an organisation can be viewed as a social organism where *the emotional bonds between the members of the organization affect the formative processes within the company* (1979:248). The emotional structures are collectively as well as historically formed and establish relatively stable patterns including collectively shared fantasies, such as myths, rituals or symbols. Apart from Berg's contribution, the theme of emotions within the organisational domain is typically dominated by studies within the service sector, focusing on emotions among flight attendances, restaurant staff, social workers, nurses, bill collectors, fast-food-workers and the like (see e.g. Hochschild, 1983, 1990, 1993; Leidner, 1991; Sutton and Rafaeli, 1988; Fineman, 1993). The connection between emotions and culture is made by Van Maanen and Kunda (1989). Rafaeli and Sutton (1989) and Parkinson (1995) link emotions to communication in organisational life with conceptual contributions.⁶

⁶ See chapter three for a more complete account.

Fineman (1996) argues in his review on emotions in organisational settings that most of us realise that rationality is a myth. Even so, he concludes that emotions are not fully acknowledged in their own rights. Domagalski (1999) in her literature review on emotions in organisations addresses the three themes emotion and rationality; the theoretical grounding of emotions (psychologically or socially constituted phenomenon) and the control of emotions by those in position of power and dominance and she makes a similar conclusion. Or as Fineman expresses it:

We are left with an image of an actor [on the organisational arena] who thinks a lot, plans, plots and struggles to look the right part at the right time. But we do not hear this actor's anger, pain, embarrassment, disaffection or passion and how such feeling relates to actions – except when it forms part of the organisational script (Fineman 1993:14).

Conclusion

The development within the field of strategic change including strategic leadership goes from a rational to a more non-rational point of view; from formulating and planning strategies, to making sense of strategies; from a static and isolated phenomenon to more processual and context bound phenomena; from a one-dimensional perspective to a variety of perspectives. Even if researchers within this field have touched upon emotions and recently acknowledged emotions explicitly, emotions as a theoretical perspective still seems to be in a premature phase of development within these fields.

However, from the short review above, I also draw the conclusion that many spokesmen from the field of strategic change advocate implicitly or in the open the need for an emotion perspective within management theory. If we want to analyse the two vignettes with emotions as the main focus within the field of strategic change including strategic leadership our possibilities to do so would be limited. We would have ample perspectives to analyse from, both within the fields of strategy and organisation theory, but I would argue that the perspective of emotions is not one of them. From the point of view of strategic change, we would be able to analyse the vignettes through more or less structured different perspectives (see e.g. Huff, 1990; Melin, 1987; Melin and Hellgren, 1994; Mintzberg 1990, Mintzberg et al 1998; Pettigrew, 1985; Van de Ven and Pool, 1995; Weick, 1995; Whittington, 1993a). The organisational field would offer us perspectives such as organisational structure and design, organisational culture, leadership, attribution theory, decision making, power, organisational learning, motivation, team and team development,

communication, rhetoric, etc. (see e.g. different textbooks on organisation theory: Hatch, 1997; Rosenfeld & Wilson, 1999; Ivancevich and Matteson, 1999; Bakka et al 1999, Yukl, 2002 among others), including emotions at a later stage (e.g. Fineman, ed. 1993 and 2000a) However, as has been shown here, the emotive side of strategic change as well as strategic leadership is rare and still a rather uncommon theme.

Admittedly, the cognitive perspective has been addressed to a high degree within the management theory, however not emotions. In practice the two might be difficult to separate fully but even so there seems to be an emerging need to address emotions exclusively within the field of strategic change with a focus on strategic leadership.

Do Emotions Matter?

Following Fineman (1996), Weick (1999) and the discussion above, I thus agree that emotions are one of the least developed phenomena within management theory and thereby indicate a lack within the field of strategic change and leadership. Consequently, we do not possess much knowledge about emotions in a radical, strategic change process. This professional lack of interest might be due to a set of reasons.

For one, a clear link does not seem to exist between emotions and profitability. However, there are some indications, such as Hochschild's (1983) study where flight attendants were supposed to apply to certain emotion rules, so called emotional labour, in order to keep good relations with customers and in the end secure customer loyalty among passengers. Emotional labour in this case implies a standardisation of professional emotional expressions in order to keep up a good business for the employer. Similarly, the way employers look for certain emotional abilities during the recruitment process (see Rafaeli and Sutton, 1987), suitable for a certain occupational role would strengthen the belief that emotions do matter in productivity and efficiency. In the case of McDonald's, friendliness, sincerity, sense of humour, confidence, the ability to cope with stress, and the like, are stressed and stereotyped in order to attract customers. In the cases above, emotions are seemingly viewed as instrumental.

Turning to the field of strategic change, the link between emotions and profitability seems to be regarded as non-existing or negative since advice is sometimes given within this field as to how to avoid resistance to change, implying that resistance is the same as too much emotion. So for instance, emotions as a strategic factor within family businesses is highlighted by Brundin (1998) in a literature review on the subject. She concludes that emotions are explored only in a few cases, and only as an exemption are they

stressed as an important and vital factor within the strategic change process. More often they are regarded as something that should be disregarded in such a process and advice is given on how to avoid them.

Second, the reluctance to include emotions explicitly as part of strategic leadership might be a consequence of the difficulty one might find in coming to grips with the phenomenon. For instance, one might find difficulties in labelling a specific emotion, in separating it from cognition, or finding boundaries between the emotions, and so forth. Existing literature on the subject testifies to the difficulties on agreeing to a clear definition of emotions and a dissatisfaction with the insufficiency of methodological ways to understand emotions. In addition, some scholars, as well as practitioners, seem to think it unethical to intrude upon the private sphere of strategic leaders. Gherardi (1995) might have a point when she says that commodification of emotions sometimes tend to touch too much on our privacy and make us feel awkward. Another reason for scholars to exclude the phenomenon of emotions might be their present emphasis on perspectives other than the emotional, due to their personal skills. It could also be that emotions, in general, have not been considered highbrow culture.

Third, as human beings – and as researchers – we often tend to rationalise and look for cause-effect relationships as an excuse for our behaviour and research. This is probably the case to some extent and is also a sign of health. However, drawing on Munro's (1997) remark that it is of equal importance to pay attention to what is absent as to what is present in organisations, I argue in a similar way: It is as important to draw attention to what is neglected and out of the centre of attention, e.g. emotions, as to that which is explicit, and in focus of attention. In doing so, there is no need to assume a functionalist or a clear cause and effect relationship. There could be a point in just contextualising emotions in a radical change process and seeing their implications by applying an emotion perspective.

The lack of visibility and research interest of emotions seems to rest on a variety of grounds whereof a few are highlighted here. However, the reason for emotions not being visible and explicit within strategic change processes might as well indicate that they are not important and do not matter. As it seems, emotions have so far not been on the level among professional scholars within the field I address here. However, following the argumentation above, it would be of interest to (1) make emotions more visible within the field of strategic change including strategic leadership and (2) to explore whether and how emotions matter in the setting of a radical change process. This work will address these two issues and following the trend within the strategic change field as outlined above, the challenge of focusing explicitly on emotions will be met in this project.

Implications for this Study

The title of this book is *Emotions in Motion – The Strategic Leader in a Radical Change Process*. The first part of the title suggests that emotions are not stable and are not only an intrinsic phenomenon but rather something that evolve in social encounters. (See chapter 3 for a more complete literature review on emotions and for a socially constructed approach to emotions in this thesis.) More specifically, a communicative approach to emotions in a strategically important situation will be highlighted.

The second part of the heading indicates that this project focuses on strategic leaders and on the individual level of analysis, and that the situation is that of radical change. The radical change process in this project is something that the management team of the company is aware of and has voluntarily embarked upon. A radical change process is also a subjective phenomenon, and therefore the epithet radical is not only made by the researcher but by the strategic leaders as well. It should be clarified at this point that the main focus will be on emotions and that the radical change is the context of this study. However, as it will be hard to separate the change process from emotions, and it is probably not even desirable to do so, the two will overlap and converge as the process evolves. The term strategic leader implies that the management, including the managing director, plays a vital role in a radical change process. However, the managing director is not always the strategist and there might be other persons in a company that are. So, for instance, this might be the case in a family owned business, where the founder remains as the managing director but the actual strategic thinking and acting is performed by the heirs. It can also be the case that a chairman of a board will act as the person in charge and the strategist without giving this responsibility to a new managing director. The 'normal' case most often points at the managing director, though, when we talk about strategists. In this thesis the empirical focus will be on leaders holding the formal position of the managing director, but the terms 'strategic leader' and 'strategic leadership' will be used throughout the text, indicating that it is not only managing directors who act as strategists. (See the next chapter for a more detailed account of the two key concepts radical change and strategic leadership.)

The aim of this chapter has been to show the emergence of an emotion perspective within the fields of strategic change including strategic leadership and organisation theory, which are the theoretical fields of this study. The intention has not been to give a full literature review of these fields, but rather to identify and discuss a developmental trend that shows that the time has come to go the distance in recognising emotions in radical and strategic change processes. We need to acknowledge them as part of organisational life and treat

them accordingly in their own rights and as a legitimate domain of study. Let me summarise my assumptions of this project as follows:

- ✓ Emotions matter in organisational life and probably more so in a radical change process.
- ✓ I see radical change as processual. This implies that even if strategic change occurs step by step and with irregularity, it does so dependant on the social and organisational setting. It is in this process that emotions emerge.
- ✓ Strategic leaders most often play one of the key roles in a radical change process and are like ordinary human beings, i.e. they have feelings and those cannot be separated from the change process.
- ✓ The field of strategic change needs to be supplemented by an understanding of emotions as a theoretical perspective.

To conclude, I would say that the facts remain. Even if the development of strategic change as well as strategic leadership travel in the direction of acknowledging emotions, they do not exist, with a few exceptions, as a theoretical perspective combined with emotions. Leaning on the discussion above, I argue that strategic leaders are not any different than the rest of us. They feel worry, anger, distrust, frustration, happiness, etc. and let these emotions influence their day to day work – especially when it comes to important, intimidating and exciting issues such as a radical change process! I cannot imagine that there is one strategic leader today that would deny that emotions exist or that they matter in a radical change process. For to be human is to be emotional. However, we lack understanding of such a process with an emotion perspective. It is therefore time to put this more or less neglected research field within management theory in the limelight.

Purpose and Structure of the Thesis

By following two strategic leaders in two different organisational contexts for eighteen months in a real time radical change setting, the overall purpose of this thesis is *to create an understanding of emotions in a radical change process focusing on the strategic leader*. In a thesis, where the levels of analysis are primarily the individual and the inter-individual levels, and where there is a focus on micro processes and the unit of analysis is emotions in a radical change process with the strategic leader as a key person, the following themes will be addressed:

- ✓ *The strategic leader's communication of emotions during the process of radical change.*
- ✓ *Methods that can be applied in order to interpret emotions during a radical change process.*
- ✓ *When and where different emotions emerge during a radical change process.*
- ✓ *The influence of emotions in a radical change process.*

The exhibit below shows how the purpose and the research themes will be met with reference to the structure of the thesis.

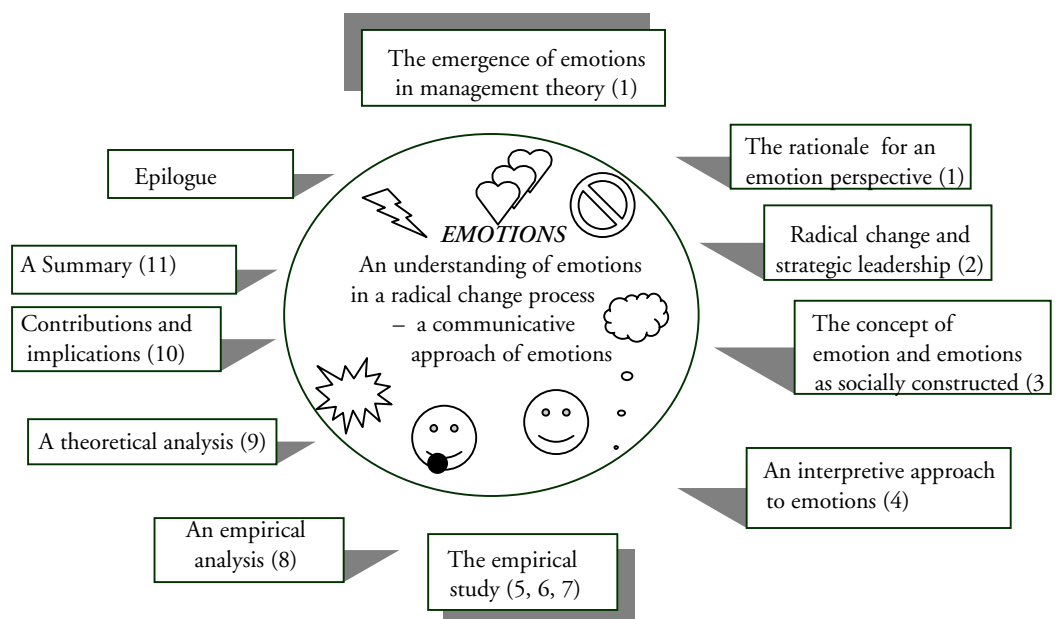


Exhibit 1.1 The Structure of the Thesis

The exhibit illustrates the main focus of this study – emotions – and how to approach them. By a communicative approach, a focus on the communication and interaction in different micro processes is meant, e.g. in meetings, in private conversations, in the strategic leaders' own reflections, etc. The ambition is to trace verbally communicated emotions as well as non-verbally, i.e. expressed as well as experienced emotions. A communicative approach also indicates that I will be looking for emotions that are constructed in the interaction between the strategic leader and others, but also emotions that can be interpreted through body language. Thus, the communicative approach here

has a much wider meaning than the traditional sender-receiver model. The following is the structure of the book:

This chapter, *Chapter 1* is an introduction to argue for the importance of a contribution of the emotion perspective into the field of strategic change including strategic leadership. It concludes with the purpose of this thesis.

Chapter 2 will introduce the reader to two key concepts of this thesis: radical change and strategic leadership.

Chapter 3 gives the reader an overview of the concept of emotions and how it is approached and/or defined within different disciplines. The chapter will also serve as a literature review. Moreover, this chapter finds a place for emotions in this thesis, where I argue for a socially constructed perspective.

Chapter 4 discusses how to best appreciate emotions, where I argue for an interpretative approach to emotions. A methodological discussion in relation to the empirical study is provided.

Chapter 5 will introduce the reader to the two case companies and the two strategic leaders.

Chapter 6 and 7 reproduce the empirical findings in a chronological order by telling the stories of the two case companies from August/September 1998 to May 2000.

Chapter 8 is devoted to an empirically based analysis.

Chapter 9 gives the reader a theoretical analysis and conclusions of the analysis. Three themes will be discussed: (1) emotions as driving and restraining forces, (2) emotions serving as power gain and power drain, and (3) emotions serving as emotion sediments and mood setters.

Chapter 10 serves the reader with contributions and the theoretical as well as practical implications of this study, including suggestions for future research.

Chapter 11 includes a summary of the thesis.

An epilogue, finally, reveals some 'emotionalities' of my own.

It is my sincere hope that the study you are about to read will contribute to an understanding of emotions in organisational life and be a theoretical contribution to the field of strategic change including strategic leadership. It will show that emotions characterise as well as inform radical change processes. Moreover, they add a dimension to radical change processes that has more or less been underdeveloped so far within the field of strategic change.

2. Radical Change and Strategic Leadership

In this chapter, I will address and discuss in more detail the two key concepts of radical change and strategic leadership. Here, radical change will be placed within the concept of strategic change and strategy. Originally, the term strategy was often connected with “military operation” in a figurative sense as outlined in the previous chapter. Likewise, leadership was connected with a “one-man-show”, as is similarly indicated in the introductory chapter. Today both concepts are used in a much broader sense. Strategic change as well as leadership are used to denote a large variety of phenomena, implicitly or explicitly for a special purpose. My ambition here is neither to serve the reader with a specific definition nor to provide completeness of the two concepts. Rather, the crucial issue here is to point out their complexity and indicate their various areas of applicability. I have no intention to advocate at this point a particular strategic or managerial perspective as being superior, even if there will be a focus on micro processes for the purpose of this thesis. With regard to the following discussion, suffice it here to contextualise the prime subject of interest, i.e. emotions in a radical change process with the strategic leader as the key focus. The chapter includes the approaches taken here to radical change as well as strategic leadership.

Introduction

All companies are in fact constantly involved in strategic change processes in a more all-embracing sense. Sometimes those processes involve a thorough and radical revolution that affects the company and its organisational members in a more substantial way. This is where the term radical change takes over. Strategic change is thus referred to here as the continuous, ongoing strategic reformation that all companies are involved in, in one way or the other. Radical change is basically a strategic process that for a period of time increases in intensity and is noticeable in a more tangible way, as it affects the organisation more dramatically. The connection between strategic change and radical change is illustrated in exhibit 2.1 where the curve indicates this relationship.

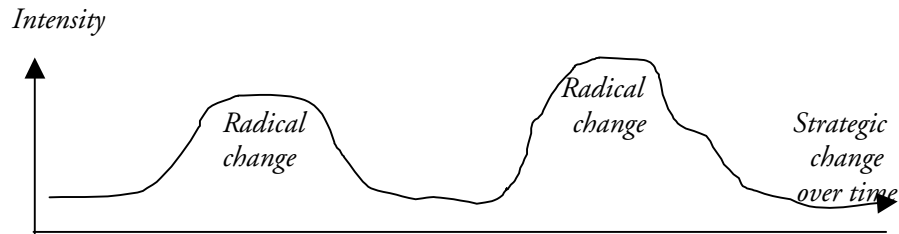


Exhibit 2.1 The Relationship between Strategic Change and Radical Change.

Radical change in this thesis is thus a type of strategic change. The concepts of strategy and strategic change are, as outlined in the reasons above, a natural part of the discussion that follows. Because strategic change and radical change are sometimes used synonymously in the literature without the difference in intensity, I will address radical change together with strategic change. Consequently, the more common term 'strategic leadership' will be used rather than the more artificial term 'radical change leadership'.

Radical Change

Change is as omnipresent as emotions. It is a way of living that has become the natural state of condition for many companies. The perception of change differs among scholars and a range of definitions exist. However, most definitions describe change as a process to move the organisation from stage A to stage B or just from an old way of doing things to a new one with a positive outcome (see Gustavsen et al, 1996; Carr and Trahan, 1996). Further, these definitions imply a desire for a change from one condition to another that is better, more effective or more suitable for the organisation. Mintzberg (McCarthy, 2000) views strategic change as the direction of an organisation but even so, it is incremental to its character – it is a 'process of synthesis', where the synthesis is the result of ideas and creativity from all over the organisation. He also suggests that we skip the word strategy and just talk about new markets, new products and how to match the two.

To Van de Ven and Poole (1995) change can be classified along two dimensions: mode of change, ranging from prescribed to constructive, and unit of change, ranging from the involvement of a single entity to multiple entities. By combining these four different types emerge: (1) the life-cycle approach which views change as almost programmed through different stages from 'birth' to 'death' (or decline/reconstruction); (2) the teleological approach which views change as a means to obtain goals, where the goals as well as the way to reach them can vary over time and between organisations; (3) the dialectical approach

building on the assumption that organisations strive for a state of stabilisation. When this state is challenged and needs to be brought back to an equilibrium it represents the change process; (4) and the evolutionary approach, viewing change as proceeding “through a continuous cycle of variation, selection, and retention” (p. 514). The intensity of the change differs between them, where the teleological approach represents, with some exceptions, a high intensity of change, as well as the dialectical and they would then represent the terminology of radical in this thesis. According to Garud and Van de Ven (2002), the teleological perspective includes social construction, giving references to Berger and Luckmann, Latour and Weick, thereby implying that social interaction and sensemaking are part of this perspective. However, even if the four approaches are clearly separated theoretically, this is probably not the case empirically. Admittingly, Garud and Van de Ven (ibid) suggest a dynamic interaction between the four change process theories.

The Magnitude of Change

The magnitude of the change can be incremental or radical, i.e. the change takes place either in small steps or is fundamental and embedded in great uncertainty (Newman and Nollen, 1998). The word fundamental in Newman and Nollen’s case refers to a total change of strategies, structures and systems, as well as values, attitudes and ways of thinking and behaving. The Schumpeterian view on radical change is that radical change creates totally new situations and conditions (Schumpeter 1934) which is in agreement with Gersick (1991) who equals radical change to the “punctuated equilibrium” model of change. Gersick writes the following on incremental change:

During (periods of incremental change), systems maintain and carry out the choices of their deep structure. Systems make adjustments that preserve the deep structure against internal and external perturbations, and move incrementally along paths built into the deep structure (ibid:17).

On the subject of radical change Gersick writes further:

[Periods of radial change] are relatively brief ... when a system’s deep structure comes apart, leaving it in disarray until the period ends, with the “choices” around which a new deep structure forms (ibid:20).

The two quotations show that incremental and radical change can be compared to the tide and ebb phenomenon but says nothing about the result as such. Newman and Nollen suggest that radical change involves totally new

ways of doing things, regardless of what has triggered the radical change. Further, they argue that radical change can be both intentional by choice and rational in process. This is in contradiction to Gersick who is more in line with Mintzberg's classical phrase, viewing strategic change as being a pattern, specifically 'a pattern in a stream of decisions and acts' (Mintzberg, 1988). Melin and Hellgren label change radical when it is revolutionary in its character, regardless of whether it is initiated in pro-action or in re-action (Melin and Hellgren, 1994). To Hamel (1996), change is more often a code word for something unpleasant, i.e. it is all about making up for old mistakes. He equals change with revolution. Companies can be defined as rule makers, rule takers or rule breakers where the latter companies are the industry radicals or the revolutionaries that will be the ones to count on (ibid.). Van de Ven (1993) is of the opinion that *a change is strategic when it deals with topics and problems that are important to the survival of the institution, and that cross functions and levels of organising* (ibid.:314). The trigger of the radical change is often hard to trace, even if the strategic change in itself might be initiated voluntarily. Hård af Segerstad and Melin (1995) found in their study that radical change was initiated by critical events, but even so, those critical events have their origin in something which may not be obvious.

As indicated above, different approaches to strategic change exist, and many researchers have made attempts to give structure to the field (see Van de Ven and Poole, 1995; Elfring and Volberda, 1997; Melin, 1987; Melin and Hellgren, 1994; Mintzberg, 1990, 1998; Newman and Nollen, 1998; Pettigrew, 1985; Sjöstrand, 1997; Whittington, 1993a). The various definitions of strategic change are due to differences in perspective and experience and therefore *diverse actor descriptions, [that are] captured in the theoretical constructions, become a first-level source of conceptual ambiguity* (Sjöstrand 1997:103). Another explanation could be that strategic change is studied on various levels of aggregation, and that there is a tendency not to clearly separate and/or declare what level of analysis that is in focus (ibid.).

There is also normative advice to strategic change, given by scholars as well as practitioners. For example, from Pettigrew's and Whipp's book (1991) on strategic change, we learn that managing change is decisive for competitive success. Peters and Waterman's "In Search of Excellence" is a more popular example where the authors teach the reader eight strategems for excellent performance (Peters and Waterman, 1982).

The best advice is probably to allow time and context to decide what theoretical perspective will dominate.

Approaches to Radical Change

Among the variety of theoretical approaches, I will highlight the following.

A historical trend of different perspectives on strategic change is observed by Van de Ven (1993) – from a cause-and-effect view via the study of behaviour among individuals and organisations to how change unfolds over time. Johnson (1986) divides the field of strategic change into the three approaches rationalistic, incremental and interpretive. The rationalistic view takes care of uncertainty and the strategic change follows pre-planned steps. The incremental view would be ‘the muddling through with a purpose’, suggesting that strategy is a continuous and evolving process, whereas the interpretive view is a way to approach strategic change from cognitive and/or ideological points of view. In their research, Whipp and Pettigrew (1987) divide strategic change into context, content (of the chosen strategy) and process, words that can be interchanged with ‘what’, ‘why’, and ‘how’. The inner context refers to structure, culture, including language, and the political context, e.g. power relations within the firm, whereas outer context is understood as the economic, business, political and societal formations (ibid.). Actions, reactions and interaction between different individuals, groups and interested parties constitute the process of change. Melin (1987) has a similar approach to strategic change, introducing the field-of-force-metaphor. As he sees it, change is caused by different forces which he labels as external, strategic and internal forces. The first example refers to forces that arise outside of the organisation but nevertheless have an impact, such as the demand situation, new actors, governmental actions or new technology. Strategic forces refer to actions taken by the individual organisation but have an effect on the organisations within the field as a whole. The last force mentioned is related to the internal structure of the organisation that has an impact on the strategy, mainly its culture.

Newman and Nollen (1998) suggest a slightly different categorisation where strategy is separated into the macro level and the organisational level – where I will add the micro level to make the picture more complete⁷. On a *macro level*, two main perspectives of organisational change are predominant – the evolutionary and the institutional. The former suggests that whole industries change in a selection process and the latter that change takes place in response to strong pressure from the institutional environment – even if it can simultaneously create similarity and inertia to change. (See Aldrich, 1979 and Powell and DiMaggio, 1991 for further readings). On a *meso level*, i.e. on the organisational level, Newman and Nollen pinpoint five different approaches to

⁷ Following up on Melin’s (1987) field-of-force-metaphor, Hellgren, Melin, and Petttersson (1993) introduce a multi-level and multi-dimensional approach called the industrial-field-approach, covering three levels: industries, companies and the individual.

change: 1) *The transaction cost theory* implies that organisational change takes place in order to reduce and minimise transaction costs (c.f. Williamson, 1985). 2) *The contingency perspective* advocates change in order to actively find a perfect fit between customers' demands and the organisational technology (c.f. Lawrence and Lorsch, 1986). 3) *The resource dependency theory* calls for changes which makes the organisational less dependant on external factors in order to lessen uncertainty (c.f. Pfeffer & Salancik, 1978). 4) *The life cycle approach* suggests that the development of an organisation is determined to certain stages and that change needs to take place in order to follow the cyclical transformations (c.f. Greiner, 1972). 5) *The strategic choice perspective* sees strategic changes as voluntary acts that arise from decisions about what businesses and markets to compete in (c.f. Child, 1972).

On the *micro level*, e.g. on the individual or inter-individual levels, one might take support from the more processual and symbolic approaches to strategic change such as the cognitive perspective (Huff, 1990), the sense-making approach (Weick, 1995), the cultural perspective (Schoenberger, 1997), the power perspective (Sveningsson, 1999; Pettigrew, 1992), the strategic role of learning (Jönsson, 1993) and the rhetorical view (Müllern et al 1998). Mintzberg has provided a lot of evidence that strategic change is not a fixed and planned activity but takes place in a step by step process with a lot of interruptions and discontinuities (Mintzberg, 1988). Pettigrew et al (1992) argue that we have created the myth of rationality in strategic change processes, and they claim further that change processes are processual as well, including continuous struggles for power and status among individuals and groups of individuals, which might imply that strategic change is a win-or-lose game. It follows that the change process in itself would start off other sub-processes and it is hard to separate the initial change process and its depth from the sub-processes and their depths which it initiates in itself. Moss Kanter et al (1992) discuss change as involving two very different phenomena. First, it is in the eyes of the beholder. Second, it changes in character, i.e. it is a patterned behaviour of an organisation's members over time. This implies that real change also shifts the behaviour of the whole organisation. If not, it is just a question of cosmetics. In this process, individuals are both agents of a strategic change as well as 'victims' of different constraints. It is in this interaction and exchange that strategy is formed and a process that can be labelled the 'strategic exchange perspective' (Watson, 1994) develops. As a consequence, this might lead to a chaos situation where the process seems to touch on one of the most enduring concerns of the individual:

It is discomfort with the existing situation, pain when all our usual strategies fail, that opens us to the possibility of change... That means we must feel the old wires being wrenched loose. We must feel in the pits of our stomachs all our old

mental associations and their accompanying emotions being brought first to the surface of awareness and then restructured. Such processes raise our anxiety levels... (Zohar, 1997:3).

In order to live through this turbulent situation, the 'strategic exchange perspective' applies to all individuals involved in such a process. Following Watson's reasoning, radical change can be considered nothing else but continuous, ongoing human interactions where the intensity of the radical change, its strategies, its apprehension, its possibilities, etc. are shaped in this interaction.

Implications for this Study

This leads to the conclusion that the radical change process can be treated as a relational process altogether and can be regarded as socially constructed (see chapter four on social constructionism). Viewing it as such, the radical change is a subjective matter as well as a social process where the embeddedness of the change matters. For this reason, it is impossible to 'pinpoint' such a change process in advance, even if the process is initiated voluntarily. It would also be impossible to 'pinpoint' the exact causes or forces that trigger off the process. The activities are shaped along the course of events and the process takes different directions in accordance with the social interaction on the individual and inter-individual levels between local and global actors as well. Smircich and Stubbart seemed to be one step ahead in 1985, claiming that we live in an enacted world, i.e. the radical change would be created or enacted along the way. The organisational members have different understandings and interpretations of the process as such depending on their different backgrounds, motivations, interests, etc. All this adds to the complexity of the radical change process. The process is thus neither a-historical nor non human. Furthermore, it gives radical change a distinctive feature of uncertainty. The outcome of the process cannot be predicted in advance since it would not even be possible to perceive it is enacted.

Following the discussion above, a path is found as to how to view a radical change process in this thesis that is in line with the purpose to create an understanding of emotions in such a process. I draw the conclusion that social interaction and process form the radical change, even in those cases where strategies have been analytically and logically outlined in advance. Furthermore, the strategic change process is contextualised in the sense that it involves aspects such as organisational settings, human actors and meanings, where cognition, emotion and actions are inseparable. Emotions are self-evident in this process because the situation continuously involves value judgements about the

strategic steps to be taken or about customers, suppliers, competitors, financiers, employees, etc. and these are based on feelings together with mere calculation. Thus, strategic change is multi-rational (see Sjöstrand, 1997⁸). I would claim that emotions are probably more evident in radical change processes where so much is at stake than in 'ordinary' strategic change processes.

To approach two companies for the case study, some assumptions were made in order to facilitate finding companies where both the researcher and the strategic leader would have the opinion that the organisation was to face a radical change process. An attempt was made to clarify upper and lower limits for what could be regarded as a radical change process, and a combination of technical as well as intrinsic aspects were considered. One parameter that was considered here was the survival of the company in the short as well as in the long run. A second parameter was to what extent different functions⁹ within the firm would be affected. The third parameter was the strategic leader's opinion that the change would affect attitudes, values or ways of doing things for him/her as well as for the other members of the organisation. By combining the three different parameters, the radical change process could thus range from being labelled a really turbulent situation to a more "pre-planned" change situation. In the former, the survival of the company might be at stake in the immediate future. The complexity of the change process was also considered – complexity referring to the technology involved, the market situation, the novelty of the product/s involved, the financial situation, etc. A turbulent radical change process combined with high complexity would probably be different from a pre-planned change process with low complexity.

My own subjective perception is that the two companies which were chosen for a case study approach ended up well within the concept of radical change as discussed above. Both case studies entailed a process involving a necessity to break frames, to change attitudes, to create new thinking, to change old and ingrained habits – in other words – a process to give birth to something new and different.

To summarise, radical change in this thesis is considered a process that evolves as a socially constructed process, which implies that the radical change is created along the way in its organisational and social setting in the interaction between different members of those contexts. The change process of this study is of a higher intensity than continuous strategic change.

⁸ Sjöstrand talks about four inter-individual rationales: the calculative, the coercive, the ideal based and the genuine (inter)action rationales; and five *intra*-individual aspects of rationality: cognition, emotions, intuition, habit and aesthetics.

⁹ Examples of functions are marketing, production, administration, product development, research and development.

Strategic leaders are one of the actors in radical change processes. They are one of many participants in the construction of the radical change process. He/she is probably one of the main constructors and one of the key actors in the radical change process, and due to his/her position, legitimacy, personal involvement and interest in maintaining his/her identity, this seems to be a reasonable assumption. Radical change thus involves strategic leadership and yet another concept full of nuances, to which I will now turn.

Strategic Leadership

Strategic leaders face many challenges. To lead an organisation and its members through a radical change process is one of them. Considering the conclusions above concerning such a process it would seem to be a 'mission impossible'. Not knowing, or being aware of all the forces affecting the radical change process makes this task difficult for anyone in the company, let alone the strategic leader. Yet, it is perhaps the very nature of this uncertainty that gives strategic leadership its justification. It is a justification that feels motivating to some leaders and threatening to others and can be both at the same time. Uncertainty is one rationale to having a strategic leader according to Sjöstrand (1997) and Sjöstrand et al (2000). Most people also seem to agree that the strategic change is to be handled by the management and, to be more specific, by the manager or leader (Melin, 1998; Mintzberg, 1988; Hellgren and Melin, 1993; Kotter, 1996, Sjöstrand, 1997 – also see chapter one of this thesis). Westerberg claims that managing a radical change process is one of the most challenging tasks for management and is decisive for the outcome of the strategic change (Westerberg, 1998). Doz and Prahalad (1987) conclude in their study that lack of distinct strategic leadership was the reason for failure in two out of six 'failure' cases. With this brought to light, strategic leadership would indeed matter depending on who the leader is and what background he or she has. In a recent interview, Mintzberg (McCarthy, 2000) acknowledges strategic leadership as a crucial factor in stimulating and trying to bring out ideas from organisational members. He is however critical to the emerging trend of 'dramatic leadership', which he calls the glorifying of great mergers and/or downsizing indicating that there is only one leader behind it all: *We're sort of back in the middle ages with the great white knight having to come in and save everything* (ibid.:35). To me, strategic leaders matter for a variety of reasons, including some of the reasons mentioned in the discussion above. History is full of examples where leaders emerge regardless of whether it is a formal position or not. So, for instance, Smircich and Morgan (1982) point at

the power of the concept of leadership, arguing that an organisation without leadership is not even considered an organisation.

The term management¹⁰ indicates that the process should be handled in some way or the other and indicates an *act or manner of managing, handling directions or control* (Webster, 1994). A manager would then stand for a person who manages. With the managing of a firm, comes managing of administrative systems, product development, strategic and business development, market development, personnel, etc. in a strategic and/or operational way, and admittedly, the increasing complexity to manage a strategic change over time needs to be recognised. Watson (1994) points to the confusion in the use of the term management because it seems to be used in order to refer to different things at different times. Sometimes it is referred to as a function, sometimes to activities and sometimes as a team of people. The terms have different implications for how management is perceived and exercised (ibid.). According to Watson, management also involves linguistic skills and he states that *Through talk, people persuade others to do things. But they also use language to make sense of the world and to cope with its pressures and its threats to their sanity.* (ibid:181). Following Kotter (1990), who makes a distinction between management and leadership, where the former stands for planning, budgeting and organising, and the latter for establishing direction, motivating, inspiring and producing change – often to a dramatic degree, it would perhaps be more advisable to use the word ‘strategic leader’ and ‘strategic leadership’ due to the ability to create change. For this reason and others, these two terms will be used throughout the text.

Strategic leadership, like many concepts, is used by academia in a variety of ways and with different perspectives and follows a historical trend.

Barnard (1938, 1948) was a forerunner for many of the concepts and issues we would consider very up to date even now. He introduces the social aspects of co-operation and group work, and in doing so he stresses the function of the executive to develop and maintain a system of communication. Barnard realises the importance of leadership and argues that it is as necessary as structure. However, leadership is not the creative process, but rather it is the function of three complex variables: the individual, the group of followers and the conditions, in which the leader functions. Leadership has two aspects – a technical and a moral factor. In keeping with the former aspect, a leader should be superior in physique, skill, technology, perception, knowledge memory and imagination (ibid.). The technical aspect can vary through time and place and can also be gained through training or education. The latter aspect of moral is encompassed in the concept of responsibility as connected to the leader’s character. Every human being is governed by many private moral codes, and if

¹⁰ Management is understood here as part of strategic leadership

he or she is responsible in one major respect, he or she is also responsible in other respects. However, those moral codes can come into conflict, and the result of such a conflict can be of three kinds. In all of them, Barnard brings forward emotions:

1) either there is paralysis of action, accompanied by emotional tension, and ending in a sense of frustration, blockade, uncertainty, or in loss of decisiveness and lack of confidence; or 2) there is conformance to one code and violation of the other, resulting in a sense of guilt, discomfort, dissatisfaction, or a loss of self respect, or 3) there is found some substitute action which satisfies immediate desire or impulse or interest, or the dictates of one code, and yet conforms to all other codes (ibid.:264).

Barnard wants to stress that merely technical aspects are not enough for a leader; morale cannot be judged as a technicality. He says that it is a matter of right or wrong and the moral sense is described as a deep feeling, emotional in character and not intellectual. Even if Barnard gives way to dichotomising emotionality and rationality, he acknowledges emotion as present in, and vital to, leadership – and thereby its importance as well in strategic leadership.

The heritage of our own history – and especially that of Barnard – still prevails to a great extent. From World War II and onwards, three main perspectives to leadership are discernible: the trait approach, the instrumental approach and the processual/symbolic approach. The trait approach to leadership has dominated the field (see Grint, 1997; Northouse, 1997; Shackleton, 1995) where the traditionally male attributes are predominate, such as strength, logical thinking, the drive and instinct to win and conquer and the like (c.f. Barnard's technical aspect of leadership). More recent trait approaches to leadership stress the emotive side, such as being able to communicate, listen, possessing emphatic ability, integrity, etc. Drive, decisiveness, willingness to take risks, charisma and intelligence are included as well. This approach assumes that some persons are born leaders and/or can make use of an intrinsic personality. The instrumental approach is more generous in this aspect because it assumes that leadership is about matching the right person for the right group of individuals (Fiedler, 1967); applying the right leadership style to a certain situation (Blake and Mouton, 1964); or the right leadership style to a certain situation including the maturity of the organisation and its members (Hersey and Blanchard, 1988). The instrumental approach thus focuses more on what leaders actually do and how they behave, often in combination with a certain situation and the different roles they take.

Carlson (1991¹¹), Mintzberg (1973), and Stewart (1982) all show that leaders are not merely rational, logical, well-planned and organised 'he-men'. The processual and/or symbolic approaches to leadership are more focused on sense-making, psycho dynamics of leadership, rhetoric, gender, discourse analysis, deconstruction of leadership, power, politics, etc. Johnsen (1985) views leadership as activities in a group that is not necessarily tied to a specific person or leader of the group. This interaction takes place as soon as people gather to discuss goals or to solve problems and make use of their language. Leadership is practised in this very process and any new situation of this kind. Müllern and Stein state that leadership today is very much based on values, which implies that the leader works through shaping and reshaping images of present and future states of the organisation (Müllern and Stein, 2000). This is also mirrored in what leaders prioritise today, e.g. leadership through communication, motivation, team building, empowerment or shared leadership.

Turning to a radical change situation, Newman and Nollen (1998) regard strategic thinking, decisiveness, and attention to efficient operations as major qualities in strategic leadership. By strategic thinking the authors include an ability to understand the company's own capacity and its market including a future vision. Efficiency should be viewed with regards to the strategic change they are talking about – i.e. in the former Eastern countries where individuals are used to central planning. Furthermore, radical change involves urgency, optimistic vision, timing and consistency – tasks that rest with top management to communicate and act upon (ibid.). Personal traits among strategic leaders are also highlighted by Balogun and Hailey (1999). Strategic leaders should be sensitive and have good self-awareness. The former includes influencing skills in order to communicate the change, and the latter includes the ability of leaders to understand their own prejudices, preferences and experiences, allowing the formation of personal paradigms.

In a strategic change situation, Sjöstrand (1997) argues that uncertainty connected with institutions, technology and competition are more emphasized and he suggests ways to deal with uncertainty in such cases. Those ways are in turn divided into intra-individual ways as well as inter-individual ways. From the former category, Sjöstrand makes a distinction between the cognitive, emotional, intuitive, habitual and aesthetic forms. The cognitive ability is the way in which the manager perceives and understands what is happening in the strategic process. Emotions refer to the conscious or unconscious feelings that guide managers through strategic change. Intuition is more like 'tacit' emotions or cognition, where Sjöstrand makes a difference between feelings and sense making that can be articulated and/or argumented for. Habits are the routine

¹¹ Carlson made his study in 1951 and influenced Mintzberg to do his study in 1968.

acts, i.e. the non-conscious activities which managers carry out in order to reduce uncertainty. Finally, the aesthetic dimension is understood as the guidance managers take from mental impressions of beauty, well-being and loveliness. All these ways might be very difficult to separate and they most certainly interact in many situations.

Inter-personal ways to deal with uncertainty are the rational and logical reasoning about matters with others as well as the more 'irrational', such as shared ideals and genuine interaction with people the manager trusts and has taken into his or her confidence (Sjöstrand, 1997). This trust can be of the 'organisational kind', i.e. the manager finds his or her confidant as a consequence of his/her position and legitimacy, combined with the position and legitimacy of the confidant – or among more personal friends outside the organisation. The third inter-personal way is the coercive relationship, where some kind of implicit or explicit abuse, such as threats, sexual harassment, blackmail and the like, is used to reduce uncertainty (ibid.). From this we learn that dealing with uncertainty in a radical change process can be manifested in many ways and does not necessarily have to involve that many persons. Moreover, the more taboo issues are mentioned here, ways that most certainly exist but traditionally have been reduced to silence. Sjöstrand's perception of emotions as rational is perhaps not new but nevertheless it remains interesting. His approach to emotions as culturally rooted and thereby responses to socially and culturally expectations would make them rational in all senses. So, for example, to get mad is a response to a socially learned response of being offended which makes the anger *comme il faut* as well as rational.

Implications for this Study

As a consequence of the reasoning and the standpoint above that a radical change is an enacted and a socially constructed process, it naturally follows that strategic leadership is such a process as well. Strategic leadership is thus formed in daily communication, bargaining and interaction with others, which are all formed by the cultural setting and historical influences. This, in turn, would imply that strategic decisions are not only formed in the typical setting of the office grounds but perhaps are even more prevalent in informal discussions, meetings, conversations, and even in the managers' own mental and emotional processes. In short, strategic decisions are formed in any place at any time around the clock. These more or less visible and audible processes have a great impact on the radical change process and on individuals where emotions play a major role. Sjöstrand et al (eds. 2000) approach leadership as a "relational, ongoing process of social construction" which makes it inter-personal. Through several contributions in their book, they show that leadership is enacted,

reproduced, and practised through institutional dynamics that are locally and globally bound, and is created through small talk. Such talk takes place in areas that so far have gone unrecognised, such as private dinners, hotel lounges, saunas, aeroplanes etc. Or as Mintzberg (McCarthy, 2000) expresses it: *Actually, I do agree that good ideas can come out of a planning process – they can come out of a round of golf, too* (ibid.:42). This is in line with, among others, Hosking, Dachler and Gergen (eds. 1995) as well as Sandberg and Targama (1998) who view leadership as a relational phenomenon which arises in the communicative process between the individuals. Interpreted this way, strategic leadership would be created in micro processes, and these would be of great interest in a radical change process. One could focus on a variety of interesting issues like decision making, conflicts, ethics, managerial decisions, power plays, emotions, etc.

The reasoning above does not mean that radical change processes develop *ad hoc* and out of chaos. Rather, what I am trying to emphasise is that the process is much more complex than a result of rational planning in the traditional sense of the word. Of course strategic leaders try to create some order, but to believe that it is done straightforward and without being influenced along the way is delusion. Nor is it possible to follow a specific, normative ‘school of strategy’ to the fullest since the whole process is context bound – both to individuals as well as to the whole set of how these are organised and under what circumstances or conditions. Perhaps it is time to replace the word ‘strategic’ with a more appropriate term. Viewed as a plan, a set of goals and the actions necessary to achieve those goals the radical change process as advocated here has little to do with the original sense of the word ‘strategy’ and ‘strategic’. That term was coined during a time when environments were perceived to be stable and organisations existed more or less as the black box, where social systems and networks had not yet entered the scene. The present and ongoing academic debate towards the use of ‘strategizing’ and its implications might be applicable instead, where strategizing *implies a clear-cut focus on processual aspects of organizational life* (Melin et al 1999:2).

The discretion of the strategic leader in a radical change process is not that self-evident. What possibilities or restrictions does he or she have in carrying out the process? Managerial discretion depends on a variety of circumstances. The legitimacy of being formally appointed might help to some extent. Certain expectations and norms need to be met as well as does a certain behaviour and style, where artefacts play their specific role. Being in charge follows a freedom to act that is in line with the prevailing discourse of being a strategic leader. This discourse is supported by the press and the media and also by a board of directors who might make a shift in the managerial position in order to try to save the firm and/or in the case of a merger. The question is whether single individuals perceive this a freedom or a limitation. Many strategic leaders

probably still suffer from the notion of the leader as the hero and rescuer in bad or turbulent times. Even if strategic leadership is understood as a relational process, the single leader and his or her way of handling this relationship has consequences for the legitimacy of his/her person. Given all the 'right' prerequisites of the position, institutional and organisational settings interfere. So, for example, managerial discretion is probably different in an entrepreneurial setting with the strategic leader being the owner from the old, tradition-bound, perhaps family owned firm, where the strategic leader belongs neither to the owner family nor to the 'previous history'. The institutional pressure on certain industries might also contribute to restricted freedom of action. It characterises the daily life of being a strategic leader. The conclusion is that managerial discretion varies not only within the position itself but also along the radical change process, where the mix of voluntarism and determinism is a vital part of the strategic leadership.

To summarise, strategic leadership in this thesis is understood as a relational process where leadership is enacted within the radical change process through social interaction (c.f. Smircich and Morgan, 1982). From this discussion, where I regarded radical change as well as strategic leadership as evolving during the process, I will now move on to the main focus of this thesis – that of emotions.

3. What are Emotions: Towards Conceptualising Emotions

This chapter is divided into two parts. The purpose of the first part is to provide a literature review of emotions. In the second part I will create a framework for the approach used towards emotions in this thesis, i.e. a socially constructive approach. Furthermore, I will present emotions my way.

Introduction

What are emotions? A simple answer is not easily delivered, as the concept of emotion is more complex than one might at first think. Emotions are most often regarded as private, intangible and elusive. We hear about them among philosophers, biologists, psychiatrists, psychologists, sociologists, organisational theorists as well as among song writers, novelists, poets, screen play and soap opera writers, on talk shows, etc. In trying to visualise emotions, we often draw a heart, picture tears, show knitted brows, etc., indicating that emotions come from within. People may have an intuitive concept of the phenomenon, but giving it an explicit definition seems to be harder. Sarbin (1986) gives voice to some frustration, when he says that emotion is just a metaphor, and as such not useful for a theory within science and “that emotion be dropped from the psychologists’ lexicon” (ibid. p. 96). Parkinson (1995) questions whether it is appropriate to use the concept of emotions in a scientific way, and offers a “common-sense” definition in stating that emotions are conceptualised as evaluative, affective, intentional and short-term states. Likewise, Lupton (1998) is offered a common-sense definition by her interviewees in a study on the emotional self, which includes feelings, self-expression, and personal resource – indicating that these aspects mostly derive from the inside. However, probably most of us rely on some kind of shared understanding of the concept emotions.

There are as many different ways to find an answer to the question ‘what are emotions?’, as the field is enormous. Alternatives include a development over time, some main perspectives of emotions or a classification of how different professional categories view and approach emotions. Cornelius (1996) has in his survey four main psychological perspectives: The Darwinian, the Jamesian, the cognitive and the social constructionist perspectives. Mascolo and Griffin

(1998, eds.) choose to divide the field into the biological, the functionalist, the systems, the cognitive and the social and culture dimensions. Harré and Parrott (1996, eds.) present three different approaches: the social, the historical and cultural, and the biological, whereas Denzin (1984) categorises the emotion field into psychological and sociological developments taking classical scholars as point of departures. All of these different ways to deal with emotions verify the impression that the field of emotions is full of controversy. In my attempt to structure the field of emotions, I will do the following.

In part one I will first introduce the reader to the views of some philosophers who have influenced the field of emotions to a great extent. Then follow the accounts of some researchers who give an echo of the philosophers in contemporary research on emotions. Because I will argue for a social constructionist view on emotion, an emphasis will be placed on this perspective. Furthermore, as this perspective is complex, I have divided the perspective into social constructionism within psychology, sociology and organisation theory¹². Some fairly new and integrated approaches to emotions will be included as well.

However, the reader should bear in mind that it is sometimes hard to separate the different views from each other since they do overlap and it is perhaps one does so in vain. All of these approaches have been taken into account to get a fuller understanding for the complexity of and the history behind the phenomenon we in daily conversation call emotions. My purpose is not to provide a full account of all aspects of emotion and emotion research, even if this chapter is a rather traditional literature review. The first part will also form the point of departure for part two which is aimed at finding a perspective of emotions that is valid in this thesis.

In part two I will thus make account for my own view on emotions in this thesis and its implications.

Part I: A Literature Review

Philosophers' Views on Emotions

In a dictionary of philosophy one can find the following definition of emotions¹³:

¹² In an appendix, Appendix A, I have made a slightly different classification according to professional disciplines.

¹³ Author's translation from Swedish.

1. *A state of consciousness (or act of consciousness) in contrast to thinking (conception, observing) and volition. An emotion shows one aspect of the state of the ego without necessarily revealing the source.*
2. *The ego's immediate appraisal of experiences as pleasant or unpleasant.*
3. *The tendency to have distinct/definite reactions towards a person or something else.*
4. *Indistinct knowledge (e.g. Spinoza).*
5. *Immediate knowledge (c.f. intuition). (Lübcke, 1988:314)*

As this excerpt suggests, the definition of emotions tends to focus on emotions as intra-psychic, passive and non-controllable.

Aristotle (1984, 1991) viewed emotions as a means of rhetorical persuasion. To him, “emotions are all those feelings that so change men as to affect their judgements, and that are also attended by pain or pleasure” (ibid.:2195). According to Aristotle, the most common emotions are also opposites and include the negative ones (anger, fear, shame, indignation, envy and jealousy) and the positive ones (calmness, friendship, favour and pity). Aristotle seemed to have a remarkably ‘modern’ opinion for his time about emotion as it is indeed an interdisciplinary approach, invoking a person’s beliefs and attitudes and involving the cognitive aspect, a physical reaction, a social context, a communicative approach and also giving emotions a purpose.

The medieval philosophers often connect emotions to ethics (Solomon, 1993). They could either be linked to desires and sins or be of the highest virtues. The scholastics devoted much time and effort to separate the two entities of body and soul. Descartes, a representative of the seventeenth century, separated body and soul where emotions or rather passions are the interaction between the two (Descartes, 1998). Descartes regarded emotions as involuntary, non-cognitive and non-intentional. Furthermore, he sees emotions as one type of especially disturbing passion. He gave the following definition of passion: “the perceptions, feelings or emotions of the soul which we relate specifically to the soul and are caused by, supported, and strengthened by the living spirits” (Descartes, 1998:162)¹⁴. Apart from the soul, a person also has intellectual emotions and those would be even stronger than one’s passions (Averill, 1996a). However, Descartes’ believed that the six ‘primitive’ passions wonder, love, hatred, desire, joy and sadness all contributed in his view to a good life.

Darwin’s interest in emotions was connected to the evolution by natural selection. He saw many similarities in animals and human beings and those would also be evident when it came to emotions. Darwin made use of the

¹⁴ Translated from Swedish by the author.

nervous system to explain emotional expressions. He set up three principles of expression in his book “The Expression of the Emotions in Man and Animals” (Darwin, 1965).¹⁵ These principles explain most of the expressions and gestures used by man as well as lower animals and they are all involuntary. Darwin has had an enormous influence on the study of emotions, primarily on physiologists and neurologists, and many researchers still regard emotions as a means for adapting and surviving. Love would accordingly be the emotion for mating so that humans can survive as a species. Thus, emotions have a function.

William James, a philosopher and a psychologist from the 19th century, wrote about a review he had made on the psychology of emotions:

[I would] rather read verbal descriptions of the shapes of the rocks on a New Hampshire farm as toil through them again. (1998:1064)

This shows the diversity of emotions as early as 1890, when the remark is made. To James (1884), bodily changes consisted of expressive behaviour, instrumental acts and physiological changes. Examples of the first would be crying, of the second an increased heartbeat and of the third feeling afraid. Furthermore, James made a difference between standard emotions and intellectual emotions (ibid.). The latter are connected to mere sensations of pleasure and displeasure, e.g. musical perceptions and logical ideas. James regarded those as cognitive acts and not real emotions. Standard emotions are mental states, such as surprise, curiosity, rapture, fear, anger, lust, greed, and the like, with a distinct bodily expression:

What kind of emotion of fear would be left, if the feelings neither of quickened heart-beats nor of shallow breathing, neither of trembling lips nor of weakened limbs, neither of goose-flesh nor of visceral stirrings, were present, it is quite impossible to think. (James, 1884:193-194).

James gave a controversial definition of emotions as his theory was that bodily changes, however minimal, follow upon the perception of an exciting fact, and that the feeling of those changes, as they occur, is the emotion. This suggests that we feel sorry because we cry, that we are happy because we laugh etc., which is a contradictory theory at the time. Consequently, we would not feel if there are no bodily expressions. In his epic of 1890 he claims:

¹⁵ Darwin's three principles of expressions are: (1) The principle of serviceable associated habits: habits help to deal with the emotion under certain states of the mind; (2) the principle of antithesis: the habit is working in the opposite way, i.e. it is not helpful; and (3) the principle of actions due to the constitution of the nervous system, independently from the first of the will, and independently to a certain extent of habit (the direct action of the nervous system).

Common sense says, we lose our fortune, are sorry and weep; we meet a bear, are frightened and run; we are insulted by a rival, are angry and strike. The hypothesis here to be defended says that this order of sequence is incorrect... and the more rational statement is that we feel sorry because we cry, angry because we strike, afraid because we tremble. (1998:449).

James's hypothesis has been widely disputed and critics have labelled his emotions as instincts or affect (see Denzin, 1984)¹⁶.

Sartre, an influential existentialist of the former decade, contradicted James in turning to the conscious and wilfulness aspects of emotions and viewing emotions as a process, rather than the mere intra-psychic and mere physical course of events. Probably, Sartre has been influenced to some degree by Descartes, who claimed that the only issue he was sure of, was that he existed because he was able to think – *cogito ergo sum*¹⁷. To Sartre, emotions have a meaning and signify something. He claims that a reflective consciousness is always able to concentrate on the emotion, as in "I find him hateful, because I am angry" (Sartre, 1990:59), but this would be a special case. More often than not it is the other way around: "I am angry because he is hateful." (ibid: 59). In his conclusions, he makes this even more obvious:

But in spite of these reservations of detail we hope we have succeeded in showing that a psychological fact like emotion commonly supposed to be a lawless disorder, possesses a signification of its own and cannot be understood in itself without the comprehension of this signification. (1962:92).

Emotions are however not to be mistaken for bodily sensations or states. Sartre thus makes a difference between emotions and feelings¹⁸. The American philosopher Solomon (1993) argues that feelings have an "as if" connection, i.e. it feels as if he had hit me, first emerging in the thoughts, and thereafter in

¹⁶ It would also be appropriate here to mention the Danish researcher Lange, who presented an almost identical theory at about the same time as James, and it is disputable who inspired whom. Lange was a Danish physician who claimed that emotion is the bodily event itself: "If I start to tremble when I am threatened with a loaded pistol does a purely mental process arise, fear, which is what causes my trembling, palpitation of the heart, and confusion; or are these bodily phenomena aroused immediately by the frightening cause, *so that the emotion consists exclusively of these functional disturbances of the body?*" (Quote from Lange's publication in 1885, from Averill, 1996b:216). This view would make him even more progressive than James.

¹⁷ Latin for "I think – therefore I am".

¹⁸ The German philosopher Heidegger was one of his sources for inspiration and one of the reasons for the *Sketch for a Theory of Emotions* was to test phenomenological psychology. He concludes that psychological regression and phenomenological progression will probably not converge completely.

verbal expression of the emotion. Feelings might be called a purely subjective matter, whereas emotions also involve some intentionality, as for instance being in love with, afraid of, etc. However, the transition from being an emotion to a symptom of emotion is subtle and open for debate.

According to Solomon (1993), the focus today is among philosophers, on the conceptual structure of emotions, rather than the sensory, social or psychological aspects of emotions. There has been a reaction, though, among philosophers towards the “hypercognizing”¹⁹ of emotions and attempts are made to reach a more interdisciplinary and holistic theory of emotions.

The philosophers are not as symbolic and metaphorical as could be expected. They are more interested in giving detailed descriptions. Among many philosophers, emotion is often contrasted to volition, reason and the higher ranks of the human being – an inheritance we still live with today. How often do we not hear the dichotomies of reason and emotion; logic and emotion; rationality and irrationality; cognition and emotionality; etc. In all these comparisons, emotions stand for that which is of inferior quality, involuntarily invoked, visceral, primitive and is almost animal-like. Most philosophers seem to agree that there are basic emotions as they most often talk about joy, fear, anger, surprise, etc., and they note a difference between emotions and feelings. The common sense definition offered by Parkinson (1995) states that emotions are evaluative, affective, intentional and short-term states, and he seems to have much in common with that of philosophers, implying the great impact that emotions still have on everyday man. The philosophers’ different views on emotions also seem to mirror what is happening in other fields. Their thoughts are reflected and echoed in the work of today, and their views will help us understand much of contemporary approaches.

The Darwinian and Jamesian Traditions in Contemporary Research

The Darwinian and Jamesian impact on the fields of neurology and biology is still huge and almost every article refers to at least one or the other of them. Researchers within these disciplines regard emotions as genetically ingrained and formed by neural functions and hormones, expressed in different bodily changes, such as an increasing heart beat, brain temperature, facial and vocal expressions, chemical processes, etc. They are suggested to be mostly involuntary, physiological processes. I can agree that biology and neurology do play a role for emotions, as we can perceive different emotions and also feel changes in ourselves, moving from one emotion to another. It is also an indisputable fact, that we can observe biological change when someone ‘goes white with fear’ or ‘goes red from being embarrassed’. The biological and

¹⁹ The term comes from Levy, 1984, p. 227.

neuro-physiological fields would be of interest if we were interested in emotions as mere intra-psychic processes, however, this is not the case here.

Representatives of the Darwinian perspective within psychology argue that emotions are a behavioural phenomenon, following the works of Darwin. The Darwinian emotional tradition builds on Darwin's use of evolutionary theory as a point of departure and his three general principles of expression²⁰. Major representatives of this approach are Ekman and Izard. They both think of emotions as universal in the true Darwinian spirit, i.e. emotions exist within the body, are relatively stable and are distinct from cognition. However, they both restrict themselves to facial expressions of emotions (see e.g. Ekman and Friesen, 1971; Ekman et. al., 1987; Izard, 1971, 1977). Ekman (1992) addresses the question "are there basic emotions" – a classical question disputed among many scholars within the field since Darwin. Ekman (ibid.) maintains the opinion that there are six basic emotions: happiness, surprise, fear, sadness, anger and disgust (combined with contempt). He calls them basic as they would be common in most cultures. The key to our emotions, according to Ekman, would be the central nervous system (c.f. Ekman and Friesen 1969, 1971, 1974).

Other researchers, following in Darwin's footsteps would be Plutchik, giving name to eight basic emotions serving as adapting and survival²¹ (see Plutchik, 1984), and Shaver et al categorising six fundamental emotions²² – with subcategories in hierarchical order (see Shaver et al, 1987). Fridja²³ (1986) and Fridja and Mesquita (1998) talk about emotions as "action readiness", which would imply that emotions serve as adaptive responses to for instance flight. Such action readiness could be an increased heartbeat, i.e. not only facial expressions. Panksepp et al (1998) give emotions a function of adaptation to environmental factors through specific behaviour (e.g. flight, attack, mating) in order to prolong life and a procreative function, giving emotions an evolutionary function.

The Jamesian perspective within psychology regards emotions as a result of emotional experience of the body. As stated earlier, James sees a bodily change

²⁰ These three principles were: 1) The principle of serviceable associated habits: habits help to deal with the emotion under certain states of the mind; (2) the principle of antithesis: the habit is working in the opposite way, i.e. it is not helpful; and (3) the principle of actions due to the constitution of the nervous system, independently from the first of the will, and independently to a certain extent of habit (the direct action of the nervous system).

²¹ Plutchik's eight basic emotions are fear/terror, anger/rage, joy/ecstasy, sadness/grief, acceptance/trust, disgust/loathing, expectancy/anticipation, and surprise/astonishment.

²² These six fundamental emotions are love, joy, surprise, anger, sadness and fear. Subcategories to love are e.g. adoration, affection, fondness, liking etc.

²³ Fridja's ten emotions are desire, fear, enjoyment, interest, disgust, indifference, anger, shock/surprise, arrogance and humility/resignation.

as necessary in order to have an emotion, i.e. the bodily response occurs before the emotion itself. Following the Jamesian tradition, researchers argue that the body possesses a “complex and articulate language with which it speaks to that part of us that is conscious and experiences the world” (Cornelius, 1996:60). James has influenced a great deal of the emotion research up to this very day, separating body and mind, viewing cognition and emotions as two different phenomena, and adding the physiological-cognitive theory to the field of emotions. This dichotomy prevails in our times, where reason stands for the master and emotion for the slave (Solomon, 1993). Levenson (see Levenson, 1992) is suggested by Cornelius (1996) to be a follower of the Jamesian tradition, as well as Ekman and Friesen, who would then be researchers with a combined view of the two classical scholars Darwin and James within the field.

The Cognitive Perspective on Emotions

Representatives of the cognitive perspective of emotions view cognition as the most important factor regarding emotions. Emotion is a cognitive construction or a social cognitive construction where thoughts, including a series of personal appraisals and judgements which form the cognitive development and new knowledge. External incentives as well as internal states and social norms and standards build up the emotion. As pointed out earlier in this chapter, this perspective goes as far back as Aristotle. Among the first with a more ‘modern’ approach to emotions was Arnold (Cornelius, 1996), who strongly criticised Darwin and James as neglecting to explain how emotions are really elicited. Arnold’s contribution “was her proposal that what initiated the physiological changes, feelings, and expressions characteristic of each emotion was the process of appraisal” (ibid:119). According to the cognitive approach it would also be possible to calm down, to get less frightened, etc. by controlling one’s stress and fear by a certain cognitive thinking, a so called “cognitive coping strategy”. Lazarus elaborated on and presented a cognitive-motivational-relational theory (see Lazarus, 1991). Some of the researchers presented below within the social constructionist tradition can also be classified as having a cognitive perspective (e.g. Averill and Armon-Jones).

The Social Constructionist Perspective on Emotions

As the social constructionist perspective is the perspective upon which I will rely in my own approach to emotions, my description of it here will be rather extensive. I have divided this section into social constructionism among psychologists, sociologists and organisation theorists.

Social Constructionism within Psychology

Within the field of psychology, Cornelius (1996) offers an all-inclusive definition, or rather dimensions, to the emotion phenomenon. Emotions can be divided into the following separate entities:

Feelings: e.g. a subjective experience, or bodily sensations

Expressive reactions: e.g. a smile, a frown, an eyeblink

Physiological reactions: e.g. increased heart beat, production of tears

Instrumental and coping behaviour: e.g. running away, seeking comfort

Cognition: e.g. the thought of being unjustifiably wronged by someone, the thought of being insulted.

Cornelius also suggests that emotion is about all of these and that most of his professional colleagues would agree. The dispute is rather to what extent should they stress one or the other and they therefore treat this as the most important dimension of emotions.

The social constructivist²⁴ perspective stresses the importance of the social context regarding any emotion. Social constructivists do not necessarily deny physiological or neurological reactions when it comes to emotions, but they argue that emotions do not make sense if they are not related to the social context and/or the cultural setting. So, for instance, Cornelius (1996) claims that the scientific results of Ekman among others (mentioned earlier as an interest in facial expressions) is of lesser value because the expressions that were investigated might have meant different things put in their cultural setting. In other words, Ekman is accused of taking the expressions at face value, with the American culture as his point of departure.

Among social constructivists, Averill (1980, 1984) deserves further attention. He was one of the forerunners of the social constructivist perspective which most emotion researchers within the field today rely on together with Harré (see below). Averill defines emotions as

... a transitory social role (a socially constituted syndrome) that includes an individual's appraisal of the situation and that is interpreted as a passion rather than as an action. (1980:312)

To Averill the expression constructivist is important for two reasons. First, it implies that emotions are a social construct, not a biological inheritance or

²⁴ Cornelius uses the expression social constructivist throughout his text, whereas I will later on use the term social constructionist and social constructionism. Even if there is no significant difference between the two, I will follow Burr (1995) who prefers the latter to avoid confusion with Piagetian theory and a certain kind of perceptual theory. There might also be an epistemologically semantic difference between the two expressions. The perspective social constructionism will be elaborated on further in part II of this chapter.

given. Second, it implies that emotions originate from a person's own interpretation of the situation, and are therefore improvisations. The term syndrome indicates that several factors co-operate to identify the phenomenon as an emotion. Cornelius (1996) explains it in this way: *A syndrome is a set of events that occur together in a systematic manner*. He draws a parallel to influenza with its symptoms of fever, coughs, a sore throat, aching joints, etc. that together form a complete syndrome. The components of an emotion would be subjective experience, expressive reactions, patterns of physiological response and coping reactions. However, Averill stresses the importance of realising that not all components must be there at the same time to make up an emotion. Sometimes it is enough to have just one or two of them and maybe even none. Emotions as social roles indicate that emotions are learnt and are the result of some emotion rules that are to be applied in a certain situation. When a person responds with a certain emotion, he or she does so because it is "culturally" correct. The emotional appraisal is also culturally determined, and a consequence of the person's cultural beliefs, values, and moral concepts according to most social constructivists. So, what we do is a sort of role playing where we both make and take on roles in a plot within our own cultural system and where the experience of an emotion is primarily an interpretation of one's own behaviour. Sometimes one realises that one is playing a role, sometimes one cannot control one's role and sometimes one goes far beyond an expected role performance. Most often though, the 'performance' is compatible with what is expected of the role. The point is that the individual has to come to understand the meaning of the role and has learnt the adequate behaviour required by the role, or as Averill puts it: *The capacity to perform any given emotional role is undoubtedly the joint product of prior experience and genetic endowment* (1980:322). The role of cognition is obvious. The social as well as the physical setting are other major factors according to Averill. He does not reject biological aspects and claims that they can be incorporated as a function of learning and enculturation. Personality is explained as a question of capacities or abilities and motivation, e.g. the capacity to enact an emotional role. There are limitations, though, according to Averill, that transitory social roles is a metaphorical way of speaking. Even if role analysis is not enough, Averill thinks that almost everything is a metaphorical way of speaking and that his perspective is one out of many.

Even if the term passion indicates that emotions would be passive (c.f. Descartes, 1998 and James 1884;1998), Averill (1980) argues that they are actions. The term passive as he sees it reflects the way we would like to think about emotions in our culture, mainly in order to lessen responsibility for our own actions when we are emotional. Emotions are actions in order to accomplish a certain goal, may it be a personal goal or a socially accepted goal (c.f. Oatley, 1996). Averill (ibid.) exemplifies his reasoning with the two

emotions anger and love. Anger arises because one feels that someone has been wronged or some socially accepted norm has been violated. Likewise, love involves more than one person. When angry and when in love, we do things that are normally out of socially accepted behaviour, but the very situations, which are culturally and socially “institutionalised” allow us get away with it. Viewing it in this way, anger is a socially constituted syndrome that serves to regulate human interpersonal behaviour, Averill argues. According to social constructivists, it is also important to stress that a certain behaviour is interpreted according to that very person’s background, motives, and his or her interpersonal and cultural setting and not only do emotions serve as important means to reach a goal, they also provide social work for us and our culture. In his article, *The acquisition of emotions during adulthood*, Averill (1984) argues that emotional schemas are the internal representation of social norms and rules (with a departure in a cognitive view on emotions). Those rules would be; 1) *rules of appraisal* – the way the situation ‘should’ be perceived and evaluated; 2) *rules of behaviour* – the way an emotion is organised and expressed including physiological responses and subjective experience; 3) *rules of prognosis* – the time course and progression of an emotional episode; and 4) *rules of attribution* – the way an emotion is explained or legitimised. The last rule ties together rules one, two and three and relates this entirety to the self.

The emotion fear has also been in focus in the social constructivist perspective. Armon-Jones (1986) argues that fear is something that children learn to experience, depending on the social situation and in order to cope with the fear in a socially accepted way (even if she agrees that human beings at an early stage also acquire fear of other ‘naturally’ dangers such as fire).

Rom Harré, a well reputed professor of psychology, has contributed to the emotion field with psychological, philosophical as well as sociological thoughts on the subject. In his classical work *The Social Construction of Emotions*, Harré (1986) outlines a social constructionist viewpoint of emotions. He claims that we live with an ontological illusion when we study emotions as an intangible and abstract “it”. He, on the contrary, delivers the following statement about emotions:

But what there is are angry people, upsetting scenes, sentimental episodes, grieving families and funerals, anxious parents pacing at midnight, and so on. There is a concrete world of contexts and activities (ibid.:4)²⁵.

²⁵ The last sentence of this quote is probably disputable considering that Harré is confessing to social constructionism.

Harré advocates, what many of his followers will later adapt fully, a more context-bound approach to emotions where the social encounters, the discourse, as well as cultural aspects of emotions are in focus. The emotion is done rather than felt. Other early entries into the field of emotions within psychology and with a view that emotions are socially constructed were Averill (1980), Sabini and Silver (1982), Silver and Sabini (1985)²⁶ as well as Gergen (1985). All of them were equally influential on sociologists.

The emotional discourse is another important factor to social constructivists. How people talk about emotions is also what they make of emotions and how we interpret emotions, and emotion talk differs in different cultures, settings, social contexts, etc. Even the difference between what is considered good or bad, pleasant or unpleasant, the intensity of emotions and whether or not it is *comme il faut* to talk about emotions differs between cultures (Cornelius, 1996). As a whole, social constructivists agree that there is an indefinite number of emotions. This contradicts those researchers taking an evolutionary approach such as the Darwinian and Jamesian views, and that of their followers as presented above. Representatives of the culture or society can mould any emotion, not only those which are necessary for survival. Cornelius puts forward that it is more interesting to social constructivists to reveal the social functions of emotions. An indefinite number of emotions is however not the same as saying that new emotions can come into being, provided they have a certain social setting and conditions. However, emotions can be stressed and experienced differently during a person's lifetime, depending on his or her own personal lifestyle, changes in his or her social setting, the different people he or she meets and of course due to a gradual shift in societal values and attitudes. Averill (1984) stresses that emotional syndromes can be acquired at any age but that emotional development is slow, piece meal and cumulative. According to the *systems perspective*, emotions have a socialising function and undergo a series of changes during childhood and adulthood. Lewis and Douglas (1998), two representatives of this approach, argue that emotions have a socialising function and communicate different states. Lewis (1993, 1998) has described the development of emotions from the new-born child's more instinctive emotions to more complex, cognitive, affective as well as physiological and context bound emotions throughout the child's maturation.

²⁶ Silver and Sabini argued here that emotion terms refer to episodes as well as dispositions to have episodes and to act in a certain way.

Social Constructionism of Emotions within Sociology

Following Durkheim's²⁷ device that social facts must be explained by social facts only, social constructionists of emotions within sociology give emotions no biological and physiological value (Kemper, 1990). Kemper speculates whether the entrance of emotions into the field of sociology was a consequence of the *Zeitgeist* of the sixties where individualism, expressiveness and irrationality were recognised. He contrasts different themes²⁸ and presents eleven leading sociologists of emotions each representing different perspectives within the sociology of emotions. These are emotions and macro/micro processes, political and gender economy of emotions as well as social construction and management of emotions. The similarities with the categorisations from the psychological domain are many. However, the categorisations here do not primarily focus on the individual and his/her emotions but on emotions in the socialisation process, involving at least two persons.

Gordon (1990), a representative of the social constructionist view, claims that social construction and emotional culture are essential to produce emotions. Gordon argues heavily for cultural effects on the individual's emotions. Societal patterns and inheritance of emotional norms form much of our own emotional patterns. To Gordon, the social dimensions of emotions include origin, time, structure and change. All emotions originate in cultural and social definition and do not have biological origins. Even these emotions we call primary emotions are socially constructed. In contrast to those who claim that emotions are short-term reactions, Gordon argues that emotions are the result of former as well as future expectations and conditions in social relationships. As examples he cites love, friendship, hatred and vengeance. Emotions are invoked by a specific social situation and what happens in this setting, i.e. what is said, what gestures are made, what expressions are shown, what reactions follow, etc. The emotions that seem to be present in this situation are not necessarily those actually felt or experienced by the individuals. On a micro level a change in emotion can be socially caused and modified by self-regulations. On a macro level a change might be the result of historical and cultural trends. Essential functions of emotions are, viewed this way, to motivate behaviour, to communicate reactions and intentions, revealing identities and values, and generalisation of emotional temperament and style. In

²⁷ A French sociologist at the turn of the 20th century interested in, among other things the causes of suicide as a social phenomenon.

²⁸ Macro versus micro; managing versus accounting for emotions; biosocial versus social construction; positivist versus anti-positivism; description versus prediction; quantitative versus qualitative, and the two themes political economy of emotions and gender analysis.

addition, the distribution of gender, age and ethnic groups have an impact on the emotion discourse. Gordon also claims that emotions go through three inter-actional processes: differentiation, socialisation, and management. *Differentiation* is how different societies – and subgroups within those – label and talk about emotions and distinguish between them and thereby form their own emotional patterns. Within differentiation we find discursive creations and emotion vocabulary of bodily sensations, expressions, social situations and relationships and emotional culture. Gordon also reflects upon the so called basic emotions (see e.g. Ekman, 1992) arguing they are out of date and should be replaced by basic sociological emotions, more appropriate to our time, such as sympathy, group loyalty, inter-group hostility, resentment and the like. *The socialisation process* includes the ability to behave within one's own culture, adapting to its norms in order to function in that society. Through this process a growing child learns what is appropriate and what is not, how different emotions are constructed as well as a development of self-reflexive emotions, e.g. embarrassment, shame, etc. Further, Gordon argues that emotions give individuals the motivation to strive for certain, socially accepted goals, promote social control as well as serve adaptive functions – vital to survival – for society on a whole (cf. evolutionary theories about emotions). *The management of emotions* includes management of expressions, so called display rules, legitimisation and institutionalisation of emotions. Gordon claims that the research on management of emotions is oversimplified and does not take into account the negotiation of emotion norms, internalisation of norms, and that emotion norms and management are not just connected to a society as a whole, but also to groups and individuals within that society.

Thoits (1990) elaborates on emotional deviance with a social constructionist view and argues that mental illnesses and drug problems, homosexuality, spouse abuse, etc. might be applicable to emotional deviance.

Emotions as Macro and Micro Processes

Stratification of *emotions and macro processes* is the theme of Collins (1990) and Hammond (1990). Collins separates stratification into the two dimensions of power and status, both of which occur in the “interaction rituals” on the micro level. In this process a common mood is emerging, resting on emotions in order to ease the process of maintaining social order. Power rituals are divided into the two roles order-givers and order-takers, and status rituals stand for including or excluding members of the group. According to Collins, both of them involve emotional energy, following from losing or gaining either power or status. Hammond contributes with an “affective maximisation” theory, claiming that all human beings have an innate need for long-term, dependable affective relationships. Taking an evolutionary stand, Hammond argues that this stratification system is even more effective when different characteristics are

ranked in an hierarchical order, such as preferring tall before short, old before young, females before males, etc.

Emotions and social micro processes are the focus of Scheff (1990) and Kemper (1990). As Scheff sees it, a way to maintain social order is through approval and disapproval – pride and shame – of the self as presented by others. This process is a forever ongoing emotional process and is often disguised to all parties involved but very crucial for survival. Kemper (1990) advocates the stand that emotions derive from social structures. A set of those emotions is an inheritance, such as the primary emotions of fear, anger, joy and depression. They serve as a means to adapt to certain environmental contingencies, i.e. social contingencies, which would be an evolutionary approach to emotions (c.f. Darwin). A few years later, Kemper (1993) claims that *a very large class of human emotions results from real, anticipated, imagined or recollected outcomes of social relations* (ibid:42). Furthermore, he presents five sociological models that he thinks are vital to the field: 1) social relations and emotions, 2) interaction ritual chains, 3) emotion work and emotion management, 4) emotions and the self, and 5) the affect control theory. In the first model, which is his own social deterministic model, Kemper views social relations occurring along two relational dimensions – power and status. In the social interaction, emotions arise when the levels of status and power change and/or are confirmed. Taking support from Hochschild (1983/1990), Kemper explains emotions in the emotion work and emotion management as having a signalling function. Emotions are used as a means to signal to others where we stand in regards to our relation to them, our goals, motives, and interests. Emotional experience is a mix of how we feel, how we would like to feel, try to feel, our own opinion of emotions and how they are expressed. The feeling we have is dependent, in turn, on how we interpret the situation, which in turn is dependent on our social class, occupation, gender, race, etc. The cultural differences can be seen in the so called “feeling rules” and “expression rules” telling us how we should behave in a proper way.

Political and Gender Aspects of Emotions

The roots of emotions are to be found in *political economy*, according to Denzin (1984, 1990), embedded in history and culture. This history goes back to Marx’s analysis of social relations with a capitalism setting and the capitalist America of the late post-war period. These involve bureaucratisation; commodification of for example desire, sexuality, or eroticism; a mass-mediated reality; deconstruction of for example the value of science; the efficacy of democracy; etc. Denzin also takes up on Heidegger’s²⁹ and Sartre’s claim that

²⁹ German philosopher from the 20th century.

emotion is a phenomenon and thus offers a social phenomenological and interpretative perspective on emotions. With this view he does not offer a theory on emotions, but rather makes an attempt to understand emotionality by studying collective representations. Using films and movies from the post modern, post war period as “culture-making institutions of society”, Denzin tries to show how they help in shaping and reproducing our emotional everyday life and practices. The ideologies thus shaped and maintained include our attitudes about gender, love, intimacy, sexuality, the value of work, family, religion, education, money, freedom, etc and he argues that emotions lie outside the person and are to be located in historically and culturally grounded contexts.

Hochschild starts off by defining her domain as follows:

As I see it, the sociology of emotions is a name for a body of work that articulates the links between cultural ideas, structural arrangement, and several things about feelings: the way we wish we felt, the way we try to feel, the way we feel, the way we show what we feel, and the way we pay attention to, label, and make sense of what we feel. The sociology of emotions supplements and deepens theories about how people think or act. (Hochschild 1990:117.)

Hochschild claims that studying emotions in social contexts also includes questioning what we think of as social settings. To Hochschild, emotions are a commodity in a capitalist environment, especially embedded in a gender stratification, as essential as economic stratification. Emotion approached from a gender perspective is thus one of her main points in her work (1983; 1990), and included in her work is also so called gender strategies – i.e. ways to manage emotions between the sexes. To be called an *emotion*, Hochschild claims that four elements have to be involved, mostly simultaneously: appraisals of the situation, changes in bodily sensations, free or inhibited display of expressive gestures and a cultural label of the first three elements. A feeling, on the other hand, is a milder version of emotion, including less bodily sensation. Hochschild elaborates on the concepts of emotional work and emotional labour and to do so she studies flight attendants (1983) who have to manage emotions at different moments and job couples (1990) who manage emotions through time. *Emotional work* is the management or display of emotions we do in our life in order to adapt to social and cultural norms and *emotional labour* are the emotions we show or manage in order to comply to professional standards – on the job training so to speak – and also with a focus on the emotions of others. One of the most cited examples of emotional labour is that of flight attendants. They are paid to smile, be polite and caring, whatever their own feelings about the situation and their selves are. Fineman (1996) implies that emotional

labour, as Hochschild describes it is equivalent to a late twentieth century version of 'taylorism'.

Hochschild's view on emotions stems from three different perspectives, where the difference lies in the degree of the social involvement: a) the organismic model suggests the least amount of involvement on the part of social influences, delimited to elicit feeling and to regulate its expression and physiological factors are present; b) the interactionist model where other social factors beyond the very incident and the emotions it gives rise to, influence the emotion. Biological factors are present here as well; c) the social constructionist model where emotions stem from entirely social factors and there are no biological influences. Hochschild herself confesses to the interactionist model, even if she recognises an embedded paradox in that a feeling is what happens to us at the same time as it is something one creates. Similarly, Armon-Jones (1986) discusses naturalism versus constructionism in regards to emotions and ends up in favour of the latter. However, she is not altogether convinced that any emotion is a sociocultural product and none would be a natural state. So, she divides constructionism into two main streams: the strong and the weak thesis where the strong would deny any natural emotions. The weak thesis, to which she confesses, would on the other involve discussions as to which extent the sociocultural constituted emotions should be given significance versus the natural emotions.

In her work, Hochschild (1983) also distinguishes between *surface acting* and *deep acting* in managing emotions. The former refers to putting on an expression in order to change our feeling, for instance when someone pretends to be happy in order to at least cheer up. The latter is something more than just changing the surface appearance, it is more like changing the reasons for the feeling and/or to induce oneself to feel the emotion (c.f. emotional labour). It can be an attempt for the individual to distance oneself from what is happening and the affect it has; one can put one's focus on a particular image, or point of reference (the incident will not get to me), or alter the emotion by looking at the situation in another and new way (my screaming child is yelling because she is tired – thus I do not get so mad). Persons also tend to follow *feeling rules*. Feeling rules are those expressions we put on, such as looking amused, pleased, sad, etc because we are expected to do so, and they are appropriate for that special social interaction. Those feelings can alter in depth and duration and are part of our emotional culture (ibid.). Hochschild found that feeling rules to flight attendants were part of an occupational ideology, whereas feeling rules to couples in their long term relationships were part of a gender ideology³⁰.

³⁰ The gender ideology could be 1) the traditional (a woman's place is in the home); (2) the egalitarian (husbands and wives should share paid and unpaid work equally; (3) and the transitional (a mix between the other two).

Hochschild also coined the expression *emotional stamina*, which refers to expressing certain feelings over a longer period of time.

The theme of gender and emotions is also elaborated by Numby and Putnam (1992) who introduced bounded emotionality as a result of a poststructuralist reading of Simon's bounded rationality (see Simon, 1957). In the authors' view, bounded emotionality builds on totally different grounds than bounded rationality in the sense that the former relates to an extension of the concept emotion work, building *on intersubjective limitations, tolerance of ambiguity through satisfying, heterarchy of goals and values, integrated self-identity, community, and relational feeling rules* (ibid.:474). On the other hand, bounded rationality, according to the same authors, stems from "organisational limitations, reduction of ambiguity, hierarchy means-end chain, mind-body dualism, fragmented labour, and gendered and occupational feeling rules" (ibid.:474). In a controversy, that continues (see Putnam and Numby, 1993; Gherardi, 1995), gender is discussed as a possible explanation for bounded emotionality, with positive as well as negative consequences.

Social Constructionism of Emotions within Organisation Theory

The Organisation as an Emotional Arena

An organisation perspective is taken by Fineman (1993), who claims that work places should be regarded as emotional arenas. He argues that emotions are within the very texture of organising, and that *they are intrinsic to social order and disorder, working structures, conflict, influence, conformity, posturing, gender, sexuality and politics* (ibid:1). Fineman (1993, 1996) is using two different perspectives to emphasise his view of organisations as emotional settings – the social construction of organisations and psychodynamics. He thus sees reality and its expressions as a product of interacting human beings and groups of interacting individuals, trying to make sense of their work surrounded by interpreting cultural and subcultural cues. In this framework, emotions are dynamic. Psycho dynamics tries to explain organisational form and practice as a *direct reflection of the imported emotional needs of its actors* (1993:10). Fineman argues that social constructionism is relevant for areas of organisational culture, politics and dramaturgy. They all link with conceptions of emotion. Making meaning, constructing a reality, negotiating order, etc. are built on purposeful, deliberate actions, taken by the organisational actors. There is a sense that people are aware, more or less, of what they are doing. However, Fineman claims that social constructionism alone has failed, and he accuses social constructionists of not asking the question 'why' or exploring what is behind the actions. Specifically, the question, "what feels right and comfortable" is omitted.

In an overview of organisational development from the seventies to our days, Fineman (1996) claims that emotions are strategic, have a purpose in interpersonal relationships and are thus situational. He discusses the emotional challenge to rationality and argues that emotions can be seen to interfere with rationality (we can't think straight); serve rationality (e.g. have a gut feeling, hunches); or be fully entwined, i.e. to be rational is to be emotional or vice versa. Fineman finds himself in sympathy with the total integration between the two concepts, claiming that the rational-man is a myth. He stresses again that psycho dynamics as a theory needs to enter the scene of emotions in this respect (c.f. Kets de Vries, 1996, 1997, 1999), which would then lead away from pure social constructionism of emotions.

In his second edition of "Emotion in Organizations", Fineman (2000b) states that a lot of things have happened within the field and that the theme of emotions is widely recognised in papers, conferences and specialist web-based discussion groups. Some of the contributors highlight that emotions are very much at the heart of organisational life through innovative research methodologies, such as confessions stories, and ethnographic topics like power, aesthetics, culture, injustice, ethics, etc. However, Fineman concludes that textbooks on organisational behaviour still lack the theme of emotions and that *contextually rich, real time emotion studies of organisational life is still relatively rare* (ibid.:14). However, he gives a few words of warning: The complexity of emotions needs to be wrapped up in organisational processes and not become yet another topic within organisational theory.

Together with a colleague, Fineman (Fineman and Sturdy, 1999), takes a political stance, where emotions are viewed as the underlying condition for control, associated with occupational role, gender and capitalism. Again, arguing that a critical examination of rationality and bureaucracy, together with psychological costs of the control of emotions within an organisation, makes emotionalising control a dynamic and psychosocial process. However, the authors argue that they do not suppose to understand the whole picture because historicity and economic structuration must be included.

In a Swedish context, Berg (1979) has made some significant observations reporting from the glass manufacturing industry. By following a case company retrospectively through a change period of over sixty years, Berg argues that organisations during change form emotional structures through which its members act as a social organism. Those structures serve a defensive function and an organising function. As the labels indicate, the former is a kind of defensive mechanism and the latter a form of 'getting together' over the years. There is a slight resemblance between Berg's defensive emotions which develop structures, norms, rules, etc. and Hochschild's reasoning on emotional work and emotional labour.

Likewise, Huy (1999) introduces the concepts of cognition-based and emotion-based trust in a French setting. The former is most often well provided for in radical change processes, whereas the latter is often neglected. Huy shows in his study that the lack of emotion-based trust can hinder and stop such processes.

Emotions and Organisational Culture

In a series of articles from 1987, 1988 and 1989, Rafaeli and Sutton are preoccupied with the emotional expressions in organisational life and their affects on the behaviour of other people. In their first contribution, Rafaeli and Sutton (1987) address the display of emotions on a conceptual basis. They suggest the following three dimensions of the organisational context that create and maintain emotional behaviour: recruitment and selection, socialisation and rewards and punishment. Firstly, organisations employ people believed to perform accurately in expressing emotions which are suitable for that particular occupational role. Secondly, once recruited, the employees are taught what emotions should be expressed or not expressed. Thirdly, the reward system within the organisation sees to it that the rules are obeyed. Based on Hochschild's terminology of emotions at work, Rafaeli and Sutton (1987) suggest that the matching between the performed role and the expectations can lead to emotional harmony, emotional dissonance or emotional deviance. In the first case the match is complete. In the second, feeling rules are followed, but are in dissonance with inner feelings, while in the third case expressed feelings are in dissonance with the feeling rules.

In another research project, Sutton and Rafaeli (1988) set out to find a positive relationship in a quantitative study between expressed emotions of clerks in retail stores and sales. Although they failed to find a positive correlation in this aspect, they did discover by anonymous observation that store sales reflect store pace. They find that clerks act upon norms during busy times to deal with customers as rapidly as possible. This is a reciprocal relationship as the customers act as they should be treated rapidly. In slow times it is the other way around where sales clerks show positive expressions and this is what is expected by the customers. The authors conclude that "store pace is a cause, rather than an effect, of expressed emotions" (1988:482).

In *The Expression of Emotion in Organisational Life*, Rafaeli and Sutton (1989) contribute with a model where they try to show how emotional processes are triggered and evolve during social interaction within an organisation. In their model they suggest that societal, occupational and organisational norms and characteristics of so called role occupants influence the so called target person. The behaviour of the role occupant can vary in content, intensity and diversity. Furthermore, a process evolves depending on

the feedback from the target person and on the setting³¹. Societal norms are the kind of norms that tell us, directly or indirectly, what feelings we ought to express, or ought to hide. Display rules play a vital role here. They are emotions, that we are expected to express, whereas feeling rules refer to what we ought to experience. Occupational and organisational norms are norms that go together with one's profession. A nurse, for instance, is supposed to display caring emotions and a manager is supposed to be correct. Sometimes, these two go together within an organisation. Enduring attributes include hundreds of different attributes that predict the content, intensity and diversity of expressed emotions. Among these, Rafaeli and Sutton pinpoint three in particular: gender, self-monitoring of expressive behaviour and emotional stamina. Content stands for displayed emotions, that are manifested in facial expressions, body gestures, tone of voice and language. Intensity shows the intensity of the expressed emotions, regardless of its content or whether it is strong or weak, spontaneous or contrived, etc. Diversity is connected to the variation in the content and intensity of expressed emotions; the range of displayed feelings may be large or small and differs between the members of the organisation. Emotional stamina stands for the ability to express certain feelings over an extended period of time and most often in accordance with company display rules. Great emotional stamina suggests that a person has the ability to express these feelings for a long period of time, whereas low emotional stamina is the opposite. Strategic leaders are probably expected to have great emotional stamina. Inner feelings on the job also influence expressed feelings. It has also been suggested, by Van Maanen (1985), that so called time-outs, such as a staff party, have their special display rules. Those would also be more 'true' feelings. Such an occasion can also prove as a role release from the display rules. The behaviour of the role occupants will of course be met and evaluated by a target person or persons. Their feedback will influence what will happen with the initially expressed behaviour. So, "as the transaction unfolds, the role occupant and target person may subtly negotiate through a series of double interacts about which emotions the role occupant should continue to express, which to modify, and which to abandon" (Rafaeli and Sutton, 1989:17). This model can easily be incorporated in emotions "the societal way". The model is reminiscent of a traditional communication model with the roles of a sender and a receiver (see Shannon and Weaver, 1949 and Buck, 1984).

A more anthropological approach is to be found in Van Maanen and Kunda's work who spell out the following definition of emotions, following the interactionist approach (c.f. Hochschild, 1983):

³¹ Temporal context; atmospheric conditions, and the interpersonal context – the number and attributes of people who are in the setting but external to the transaction.

we will define emotions as self-referential feelings an actor experiences or, at least, claims to experience in regard to the performances he or she brings off in the social world. ... Emotions are ineffable feelings of the self-referential sort. They index or signal our current involvements and evaluations. Like sight and hearing, emotion provides a communication channel between the world and its moments and our assessments of just how we are gearing in and out of this perceptual world. Emotions build up and melt down. They may be intense or subtle, fluctuate wildly or show stability within a narrow band. What is certain, however, is the fact that we have no scientific or otherwise privileged access to feelings as either states or processes beyond that provided us by self-reports. The validity of an emotion for those who feel it is a given, is subject to no known truth test, and is neither right nor wrong.

Emotions are, however, subject to interpretation of all sorts. Their study lies somewhere between biology and ethnology. (Van Maanen and Kunda, 1989:53.)

Van Maanen and Kunda are in their definition implying that emotions have a connection with organisational culture and ways of communicating. Drawing on examples from the amusement centre of Disneyland and the high technology company Tech, Van Maanen and Kunda take an interest in emotional expressions at work and how they are related to the employees' understanding of the company culture. The authors argue that each culture has its own principles of manners, rituals, ethics, folklore, etc., and the interpretation of these form expectations on emotional expressions, which in the end leads to control of the heart; cultural control or emotional control. The consequences might not always be positive. The authors report burn-outs at Tech from too much dedication, identification and enthusiasm as well as emotional numbness from Disneyland employees from too much overacting. Hearn (1993) has made attempts to uncover and portray emotions with a gender perspective, making his point that men are as emotional as women. This is shown with an example of the emotional culture in sports activities.

Emotions and Communication

Parkinson (1995) builds his theory of emotions around communication but finds several limitations to the traditional slide-view paradigms and advocates a revision. Parkinson takes a strictly social constructionist view, rejecting the idea that emotions would have any intrinsic origin. He assumes that emotions arise on three interacted levels: the individual (experience of emotion), the interpersonal (communication of emotion), and the representative (ideas of emotion). To him, emotions evolve, transform, change and take new directions during a social discourse formed by institutional, cultural and organisational constructs, where the three levels interact in the process of shaping, sustaining and changing emotions in "on-line interpersonal encounters" (p. 170). Norms,

rules, cultural, and organisational settings form, cause and effect emotions. On a conceptual level, he suggests that emotions be analysed from a communicative approach as emotions arise in this interaction in real as well as fictive dialogues – with real or fictitious audiences – where the parties make different identification claims. Ideas and realities of emotion are intertwined, full of nuances, or as Parkinson argues: *Emotional talk in real-world contexts is never only a characterisation of state of mind, but is often also an explicit move in an ongoing dialogue, in defence of a certain identity claim...* (1995:263). Likewise, Ashforth and Humphrey (1993) suggest some years earlier that emotions be studied as different identity claims with regards to the micro, meso and macro levels. Ashforth and Humphrey argue for a set of hypotheses where they combine the concept of identity with the emotional labour concept (cf. Hochschild, 1983) applied to a service role. Whereas Ashforth and Humphrey mainly rely on Hochschild's categorisations of emotional labour, deep and surface acting, etc., Parkinson finds it useless to talk about those concepts, as well as true or false emotions, including the concept of personality.

Emotions and Psychoanalysis

One of the most reputed researchers combining psychoanalysis and organisation theory is Kets de Vries (1996, 1997, 1999) who has taken an interest in dysfunctional emotions among executives. He claims that managers of primarily small businesses can suffer from a “grandiose self”, making them feel obsessed with a need to be in control – even concerning day-to-day activities (ibid. 1996). He also reports on executives who suffer from ‘mid-life crisis’ and get depressed and react with defensive reactions and dysfunctional behaviour (ibid. 1999). Fineman (1993) suggests that one of the reasons for not letting emotions be a natural part of organisational life can be a fear of nothingness and working with our past. He draws on Freud's concept of unconsciousness and that people are unaware of our their most basic motivations and feelings, resulting in defence mechanisms. He therefore argues for combining psycho dynamics with psychological and sociological aspects of organisational emotions (Fineman, 1993, 1996). However, a pure psycho analytical perspective is beyond the scope of a social constructionism.

Integrated Approaches to Emotions

Averill (1996a) gives emotions a social dimension arguing that emotions are intellectual and links the cognitive and cultural aspects of emotions with the somatic. He shows in an empirical study that hope is to be interpreted within a cultural context. The relationship between emotions and the body is elaborated on by Averill, Fridlund and Duchaine (1996) , Laird and Apostoleris (1996) as

well as Oatley (1996) and they all suggest that emotions are dependent on the interpretation within its specific culture, even when it comes to facial expressions. Averill (1996b) suggests that the reason for many scholars, as well as laymen, to think of emotions as irrational, involuntary and having an inherent animality is that psycho physiologists have given them an extrinsic symbolism beyond the intrinsic symbolism. The difference between intrinsic and extrinsic is explained in this way by Averill:

A circle is a closed curve, every point of which is equidistant from the centre. This is its logical meaning or, from a mathematical point of view, its intrinsic symbolism (for the points and lines of the geometer are nothing more than symbols for abstract relations). In many cultures, the figure of a circle also has acquired meanings related to cosmological, religious, and even sexual events. Such symbolism is extrinsic to the logical or scientific meaning of 'circle'. (ibid:206).

By referring to classical scholars such as Plato, Aristotle, Plotinus, Thomas Aquinas, Descartes, Thomas Willis, Claude Bernard, William James, Carl Lange, Wenger as well as Walter Cannon, Averill tries to illustrate his point that psycho physiological symbolism is the cause of our forever ongoing opinion that biological reactions are equal to emotions. He claims that this symbolism to a high degree is extrinsic from a scientific point of view. His point is that emotions are not more biological than intelligence and tries to illustrate that emotions are not primitive in a biological sense but rather complex, cognitive processes based on the individual's ability to create symbolic systems of thought and behaviour such as culture. Here, we also find the explanation to the perception that emotions are regarded as passive, i.e. they are acts but the individual is unwilling to take responsibility (Averill, 1996a; 1996b). As can be read into much of Averill's reasoning, sensemaking and cognition are of importance and he by no means denies biological aspects but rather he tries to give them an intrinsic value.

Mancuso and Sarbin (1998) represent the *socio-cultural direction*, arguing that emotions are non extant states or processes. Emotions serve as a sense making tool to bodily experiences for different social arenas in a given social context. The authors present a model where they argue that narratives, originating from social interaction, language and cultural meaning systems, provide the basis for people to make sense of their emotional life. From childhood and onwards, these narratives get more and more complex.

The functionalist approach gives emotions a function as "*modes of action readiness*" (Fridja from Moscolo and Griffin, eds. 1998:9) or as "*processes that serve particular functions in connection with an organism's relationship to its environment*" (Barrett and Campos from Moscolo and Griffin, eds.1998:9). This function is a combination of experience, cognitive development and

socialisation as related to a person's goals. So for example, Brown and Kozak (1998) suggest that emotions play a vital role in the decision making process.

Ginsburg and Harrington (1996) also argue for a renewed view on the relationship between *emotion and physical or bodily states*. They take facial displays as a point of departure to prove their case that the linkage between emotional states and facial expressions is weak. The authors conclude that biological processes are not always necessary for an emotion to occur. They advocate a multiple level of analysis and the study of emotions in their natural contexts of occurrence, preferring to call those emotions bio-social phenomena.

Discussion on the Socially Constructed View on Emotions

Psychologists, belonging to the social constructionist approach turn away from the mere biological and neuro-physiological direction of emotions even if they seem to assume a close connection. Psychological approaches of this kind have contributed in as much as that they have brought out emotions from a mere physical condition or process to that of a more conscious phenomenon in a social and cultural environment. Sociologists, on the other hand, would on a general basis be more interested in how emotions are socialised and how emotions work, whereas psychologists have in general a more focused interest in understanding human behaviour through a person's intentions, thoughts, his/her own opinion of him/herself and the development of the personality as an individual. According to Van Maanen and Kunda (1989), sociologists focus on emotional labels and that the feeling that is coined might not be the one felt. It is perhaps even more difficult to separate sociological researchers from anthropologists and ethnographic researchers.

The consensus among organisation theorists is strong: emotions are created, experienced and interpreted in a social setting, and as such they change and can be used as "tools" within an organisation and have a function in our daily life. The theme of emotions within the organisational domain has been dominated by the service sector, focusing on emotions among flight attendances, restaurant staff, social workers, nurses, sales persons and the like (see e.g. Ashforth and Humphrey, 1993; Fineman, 1993; Hochschild, 1983; 1990; Rafaeli and Sutton, 1987, 1988, 1989 among others).

Definitions and approaches to emotions vary depending on one's ontological and epistemological standpoint, and it is worth noting that even the social constructionist perspective exists on a wide continuum, reaching from strong to weak constructionism (Armon-Jones, 1986), from organismic to extreme social constructionism (Hochschild, 1983) and everything in between. Even so, much of the work within the two fields builds on and is an interaction between the contributions and labelling of the two. For the moment, suffice to

note that a specific definition of emotions within this field is still lacking and will probably not be reachable any time soon, and perhaps such a definition is not even desirable.

The Multiplicity of Emotion Perspectives

In this study, the rather broad overview of different emotion perspectives has served, among other things, as an orientation for readers who do not possess knowledge in the field of study that we commonly call emotions. If the reader by now has a deeper insight into the complexity of the emotion concept, then the primary goal of this chapter has been achieved. It is rather evident that emotion researchers of today seem to carry on much of the inheritance of philosophers' as well as historians' views and approaches to emotions. It is also evident that there is a disjointedness to the subject due to the presence of so many different professionals with many different foci, where disagreement seems to be the agreement. Despite the fact that the emotion field is filled with a variety of foci, attempts are however made to integrate several of the different perspectives and approaches. Averill (1980) expresses his hopes by arguing that there might come a time where there are no schools but rather an integration between them. The same appeal is made by Cornelius (1996). Solomon (1993) has already found evidence that this is an ongoing trend today and the integrated approaches presented in this chapter are a start.

What has been shown here, is that our perception of this aspect in life labelled emotions, differs a great deal, which makes it more problematic but also more interesting to try to capture. It has also been found here that many dichotomies exist regarding emotions, such as mind-body; cognition-affect; thinking-feeling; reason-emotion; rational-irrational; conscious-unconscious; intentional-unintentional and controlled-uncontrolled. Furthermore, a range of 'dichotomous' questions arise instead of being answered. Are emotions:

- ✓ basic or not basic?
- ✓ positive or negative?
- ✓ intrinsic or extrinsic?
- ✓ normal or pathological?
- ✓ developmental or static?
- ✓ disruptions or a natural, ongoing process?
- ✓ subjective experience or behaviour?
- ✓ voluntary or involuntary?
- ✓ manageable or non manageable?

However, suffice here to certify that each perspective on emotion seems to have its relevance depending on whether the researcher wants to emphasise neurological, biological, psychological, sociological or philosophical issues and processes. Different pictures can thus work depending on the purpose and the context within which it is supposed to fulfil a purpose.

The conclusion I draw from the literature review is that emotions can be studied from a socially constructed point of view, where the emotions of the two strategic leaders who are the focus of this study, are shaped, re-shaped and interacted within an ongoing social process, formed by processes on the micro as well as the macro levels. My approach is influenced by a conviction that emotions are more than “just” a social process. However, I will leave these other approaches to the professionals within each respective doctrine. Even so, this journey through the different views has served a range of purposes.

First, it was needed in order to make clear what the different approaches to emotions are.

Second, it served the important role of making the reader aware of the background of emotions as a pre-understanding for the coming discussion.

Third, from the literature review, the conclusion can once again be drawn that an understanding of emotions in a radical change process in an organisational setting and with the strategic leader as a key person seems to be under-theorised.

The question: “*What is an emotion?*” put by James in 1884 – and by many others long before and after him – seems to remain unanswered. As it seems, the very question is probably not even adequate from a social constructionist perspective. It should rather be something like ‘when, where, and under what circumstances are emotions communicated?’ The research themes from this study remain un-addressed:

- ✓ *The strategic leader’s communication of emotions during the process of a radical change.*
- ✓ *Methods that can be applied in order to interpret emotions during a radical change process.*
- ✓ *When and where different emotions emerge during a radical change process.*
- ✓ *The influence of emotions in a radical change process.*

Fourth, with this literature review as a background, I will now argue for my own approach to emotions more specifically in this thesis. Referring back to the vignettes in chapter one and the theoretical review in this chapter, I will argue that emotions can be viewed as socially constructed and that adopting this approach makes it possible to study emotions in a radical change process in an organisational setting. In keeping with this standpoint, a discussion on social constructionism will follow and the implications for adopting such a view will be addressed.

Part II: A Place for Emotions in this Study

Emotions as Socially Constructed

In the previous section it has been shown that the field of emotions can be divided into different schools, where the social constructionist view is represented by among others Averill (1980, 1984, 1996a; 1996b), Cornelius (1996), Denzin (1984, 1990), Fineman (1996, 2000), Harré (1986) and Parkinson (1995).

What does it mean to say that emotions are socially constructed? As Burr (1995) states, there is not one social constructionist definition, rather a family resemblance. Social constructionism as an approach is not altogether homogenous and there are several approaches including critical theory, gender, discourse analysis, symbolism, ethno-methodology, post structuralism and sense making as pointed out by Sandberg (1999) as well as Burr (1995) and Gergen (1999)³². In spite of the prevailing diversity and controversy among social constructionists, Sandberg (ibid.) points at some uniting as well as disjointing standpoints. The former are a repudiation from:

- ✓ A dual view on reality. Social constructionists believe that the individual and reality co-exist and that it is impossible to separate one from the other.
- ✓ An objectifying view on knowledge. To social constructionists, reality does not exist without the human consciousness.
- ✓ The view on the individual as the basis for knowledge. The individual is not, in this view, the original creator and bearer of reality, but rather knowledge is produced in a constant and social interaction.
- ✓ The language as a representation of reality. This view is rejected since social constructionists do not believe that the language can portray reality in an objective way. Language is socially co-produced among individuals and from there they make sense of the reality.

(Sandberg, 1999, pp. 40-43.)

When 'reality' is referred to above, it is a reality which is socially produced and reproduced. It is objectified in so far as that it is mutually agreed upon. Among the differences among social constructionists, Sandberg (ibid.) points

³² Gergen (1999) distinguishes between five different epithets on the phenomenon: radical constructivism, constructivism, social constructivism, social constructionism and sociological constructionism. The two former emphasise that the mind constructs reality whereas social constructivism ascribes influence from social relationships. Social constructionism – the term preferred here – gives credit to the discourse as the tool through which self and world are constructed and how it works in social relationships. The final one emphasises self and world as influenced by the power of institutions in society.

out the following three, which all deal with the approaches to how reality is identified and socially constructed:

- (a) A micro or macro perspective on social construction.
- (b) The significance of the language.
- (c) The relationship between subjective and objective construction of reality and how this is treated.

(Sandberg, 1999:43-44.)

The question to a social constructionist is not whether reality exists, but rather what reality since different realities are created depending on the viewers' perspective, background, cultural and historical context as well as the present social context and the social interaction that takes place here and now. This is an ongoing social process that all humans are involved in to a certain degree. Most of us probably live with the perception, and perhaps the illusion, that we are surrounded by a reality representing truth and objectivity – two words that a social constructionist would not refer to. However, even social constructionists agree that we can accept to talk about realities that are institutionalised to such a high degree that they might be called realities.

Let's take the two different strategic leaders of the two initial vignettes as examples. The social construction of the two strategic leaders' realities can be considered to take part in three fundamental processes: externalisation, objectivation and internalisation (Berger and Luckmann, 1966). They are not sequential, but rather are very much intertwined in each other, and it is in these processes that institutionalisation progresses. Externalisation stands for recognising the phenomenon as an existing one, objectivation is the forming of its character and internalisation is the sense making process that is made in order to come to grips with this constructed reality.

Let me take a recent phenomenon as an example. For quite a while, we heard about the "new economy". Suddenly the concept is mentioned in every business magazine, newspapers, on television and in official as well as private conversations. It is thus externalised. The objectivation process happens simultaneously in the way "the new economy" is used and referred to, using a specific language, forming patterns and so forth, and thereby shaping the new discourse of "the new economy". The rhetoric and rhetorical devices play a major role here. The individual tries to make sense of what he or she reads or hears about the "new economy", thus internalising the phenomenon. Even so, no one can really point out and say that "this is the new economy". The concept gets the status of an objective fact in the process where individuals together in their dialogue and social interaction agree upon its meaning. A further use of the concept might lead into an institutionalised phenomenon without anyone exactly knowing how and why it happened (also c.f. Meyer and

Rowan, 1977; Meyer and Scott, 1991; Powell & DiMaggio, 1991; Scott, 1995; Tolbert and Zucker, 1996). Concepts like “the academic world”, “business community”, “the market”, “leadership”, “strategic change”, “teenagers”, “friendship” and “marriage” are all socially constructed, in accordance with this reasoning. However, we should be aware that according to a social constructionist understanding these terms are not objective facts and they can be de-institutionalised. Unexpected and surprising events as well as groundbreakers now and then put strong, existing social constructions at stake and give way to altered social constructions. Children and youngsters, constantly questioning present state of affairs, are often good eye-openers and gradually give way to new ways of looking at things. Looking back at old times, we realise that this has happened and we can observe it not only in our life, but also in our “values” and “attitudes”. Today we may laugh at things that were socially accepted or taken for granted in these days. On a day-to-day-basis this process might of course seem very subtle, but the on-going change process of our socially constructed world is very vibrant and alive.

The socialisation process over a life span can be labelled first and secondary socialisation (Berger and Luckmann, 1966). During the first socialisation, the growing child has to accept his/her significant others³³. In the second socialisation, however, where the introductory socialisation process has already been made, the individual might be more reflective and/or critical. Of course, one could argue whether the individuals are agents of this processual change, or if we as individuals are victims of an all-embracing exercise of power (cf. Burr’s, 1995, discussion on agency and change³⁴). Most of us are, however, probably more or less unaware of these socialisation and discourse processes.

The Significance of Language

Language is an important factor in the socialisation process where the focus lies on interaction and social practices in daily communication. It is in dialogues that a discourse is formed – for example discourses on emotions, where discourse refers to *a set of meanings, metaphors, representations, images, stories, statements and so on, that in some way together produce a particular version of*

³³ Significant others refer to grown-ups who set the standards and norms.

³⁴ Burr claims that we live with a dichotomy of ‘individual’ on the one hand and ‘society’ on the other, where the former claims that there are only individuals where the society is a side-effect and that individuals create or have a great influence on society. The latter suggests that social arrangements such as groups, societies and communities influence individuals. Taking support from the contemporary French philosopher Derrida’s reasoning around dichotomies, Burr suggests that the question is irrelevant as we should regard the individual and society as inseparable since they do not make sense on their own account. Berger & Luckmann (1966), on the other hand, seem more convinced that human beings are producers of a social world and actors within it.

events (Burr, 1995:48). Burr claims that human beings are surrounded by discourses, are subject to a variety of them and are constantly creating new ones. This is part of the social constructionism thought, and in our ordinary life we 'live with' these discourses as well when it comes to emotions. Let me give you an example of how such a discourse might develop: philosophers of ancient times pondered whether it is possible to separate mind and body when it comes to emotions (e.g. Plato). Followers have started out with the assumption that there is such a separation, and that emotions lie within either of them (e.g. Descartes, Darwin, James). So, eventually we take for granted that the separation of body and mind is a fact, and that emotions lie within either of them, which in turn provides us with a discourse of emotions as intrinsic. Emotion talk thus creates ideas about how emotions are viewed and how we interpret them, even if this discourse has at times been challenged.

Following Gergen's (1999) account on discourses, which presents them as structured, as rhetoric and as process, I would argue that this account is applicable when it comes to emotions. The discourse of emotions *as structured* would refer to the discourses that still prevail on emotions as intrinsic, basic, biological, inevitable, non-manageable and something sensed, as has been shown repeatedly earlier in this work. The discourse *as rhetoric* would then be the way we communicate with these structures, i.e. less fixed than the structured discourse. These discourses help our own identification process. The discourse of emotions *as process* focuses on the micro process of the social interaction formed in daily conversations, dialogues, argumentation, discussions, disruptions and the like, including gestures, body language, facial expressions, dress codes and other artefacts. Here the fluidity helps in forming and re-forming emotions, depending on what is happening at that very moment. I would argue that this latter discourse in turn is dependent on the two former ones, and they are all embedded in a larger context of for example the organisational setting on a meso level and the institutionalised setting on a macro level.

The Significance of the Context

Let's turn back to the two vignettes presented in chapter one. In the first vignette it is obvious that the tremendously rapid rise in sales gives rise to different worries as well as satisfaction. Both this satisfaction and these worries have a connection to what is happening in the environment, i.e. they are context bound. The same goes for the second vignette: the loss of the first eight months is a minor disaster to a strategic leader who has been convinced that he can turn a former loss into a break-even situation, but in his mind he has been hindered by a variety of reasons from running the company his way. The context also plays a vital role here. Certain kinds of situations seem to generate

certain emotions. For example, Stearns and Knapp (1996) provide the example of funerals where the very situation engenders grief. In the vignettes, one can argue that there is a difference emotion wise between an entrepreneurial context, where the strategic leader owns the company and a family business context, where the strategic leader is not one of the owners and does not belong to the family. Following the argumentation of social constructionists on emotions, within psychology as well as sociology (Averill, 1980, 1984; Fineman, 1993, 1996; Gordon, 1990; Harré, 1986; Kemper, 1990; Van Maanen and Kunda, 1989 among others), I would argue that the emotions indicated in the vignettes are not merely an intrinsic phenomenon since they arise along the development of the situation. Furthermore, emotions are neither a static nor a basic condition. With the vignettes in mind, it is also more suitable to say that emotions are socially constructed rather than saying that they are something the strategic leaders have, or as Harré (1986) expresses it: emotions are done, rather than felt. This is quite like the similar way we 'do culture' rather than 'have a culture'. All these scholars also point out that the cultural dimension is of importance for 'doing emotions'. The organisational setting is a rather clear example of this present in the two vignettes. In the first vignette, the sole owner has much greater freedom of action, whereas the employed strategic leader from the second vignette – a tradition loaded company – has to conform to both spoken and unspoken rules.

In addition to this discussion, it should be pointed out that people do seem to have subjective experiences which we also call emotions. Referring back to Cornelius (1996) and Solomon (1993) for example, these could be labelled feelings. However, in this thesis, emotions and feelings will be used interchangeably, both indicating emotions by definition, where a subjective experience can be considered a tacit communication with the self or someone else.

The Significance of Identity and Identification

Arguing in more detail, emotions are suggested to be constructed in the dialogue with others, in an inter-personal interaction, where the role-taking and role-making is of the utmost importance (Ashforth and Humphrey, 1993; Averill, 1980, 1984; Fineman, 1996; Parkinson, 1995). Following this argument, emotions would be 'done' as different identification claims. People take on different roles in their social life, at work as well as outside work. These roles represent our institutional order (Berger and Luckmann, 1966) in some way or other. As an extension of this reasoning, Berger and Luckmann view roles and role specific knowledge as a way to maintain institutionalised phenomena and as a means of legitimacy. In one's role as a strategic leader, for instance, one represents the socially constructed and institutionalised role of the profession, which in turn implies that one should talk and behave in a certain

way in order to legitimise one's position. From this, a variety of sub roles could emerge, where different identification claims are made, depending on the situation. Examples would be the strategic leader as the owner of the company, as a spokesman for the company, as the financial expert, as a technician, as a carer for the personnel, as a sales person, as a marketer of the company and its products/services and so forth, i.e. an identification with the position and its legitimacy. The strategic leader could also identify with another person, someone with whom there are special bonds – professionally or otherwise. An identification can also be tied to the strategic goal, a specific decision, an oral or written contract, a given promise, etc. In taking on a specific role, the strategic leader would have a specific audience in mind, either present or absent, either real or fictive (c.f. Parkinson, 1995). As a consequence, emotions emerge, when the leader's identity is at stake.

Burr (1995) outlines a set of differences between traditional psychology/sociology and social constructionism in that the latter stands for anti-essentialism and anti-realism. This would in turn suggest that emotions are not intrinsic or inherited. The idea is that neither the biological nor the environment make up the social human being as a pre-given because we do not have specific personalities in the traditional sense of the word. Personality is a buzz word to a social constructionist in so much that it does not really have any meaning. Human beings do not develop any intrinsic personality traits which make us behave or think in certain ways. Saying that someone has such and such personality and attitudes has no value because such a discovery is not a permanent given. Social constructionists are reluctant to refer to personality, attitudes and values. Berger and Luckmann refer to the concept in the following way, as a result of the first as well as the second socialisation:

“The child takes on the significant others' roles and attitudes, that is, internalises them and makes them his own. And by this identification with significant others the child becomes capable of identifying himself, of acquiring a subjectively coherent and plausible identity. In other words, the self is a reflected entity, reflecting the attitudes first taken by significant others towards it” (1966: 152).

Social constructionists thus would rather refer to identity and the different roles that individuals take on as identification claims, suggesting a much more active part in the socialisation process. Within all social interaction processes people construct each other's identities:

“... In the dialectic between nature and the socially constructed world the human organism itself is transformed. In this same dialectic man produces reality and thereby produces himself” (Berger and Luckmann, 1966:204).

Individuals get their identity as a function of themselves and social processes and relationships. This implies that identity is maintained, modified and/or reshaped along the way. It almost goes without saying that those processes can get very emotional as the intensity varies on account of the sedimentation and violation of the identity. Language plays a vital role in this process, as does the self, as it is the self that is doing this identification with significant others, and thereby taking a specific place in society – in a never ending socialisation process. To an extreme social constructionist it is also preposterous to talk about individuals as being unique as this would imply that there is some essential nature, which they would accordingly deny.

Admittedly, Burr (1995) agrees that there is a problem within social constructionism insofar that its representatives have not been able to come up with a fruitful solution to the dilemma that there seems to be a thing such as the subjective experience of motivation and emotions, and that people claim to be bearers of certain personality traits. Some people would also argue that emotions are created early in life. However, building on the findings of Harris (1993) and Lewis (1993, 1998), emotional states, emotional experience, emotional expressions and awareness of the self and others are contextual and socialised processes. In additions, these processes continue through adulthood and in an individual's working life as a secondary socialisation, i.e. in the interaction as adults with the organisationally, socially and institutionally constructed reality. The point made here is that emotions as such are not fixed, but are evolving all the time and do not shape any personality once and for all. (See Burr, 1995 for a more detailed discussion on personality).

A parallel reasoning would hold for emotions among strategic leaders. Unless we study their social setting, more or less institutionalised, the company culture, the variety and importance of different social encounters and the company discourse of emotions, we would not be able to identify emotions and their social function, their impact on others and/or on the course of events in the company. The identifications, attitudes and values of an individual are his or her way of making a continuous pattern of experiences, memories, real or imaginary events, etc. These are the result of history, culture and the specific contemporary context. Pragmatically speaking, these epithets are a way of understanding how individuals construct their reality.

In this text, the concepts of personality, attitudes and values will inevitably be used, but only in the sense that those attitudes and values have been, and are, something that are socially constructed between people.

Implications of Viewing Emotions as Socially Constructed

As a consequence of the ideas of social constructionism as a perspective in this thesis, I will try to understand a phenomenon in a specific context, as a result of history, culture and the ongoing social interaction and communication with an emphasis on processes. With this in mind, I will provide a local theory (c.f. Gummesson, 1991) that will help our further understanding of emotions in an organisational setting. Furthermore, it is my intention to use this local theory in order to speculate for a more general theory. Gergen (1999) draws the conclusion, with which I agree, that there is no one truth since it would be embedded in history, culture, traditions and professionalism. He illustrates this with an example from the natural sciences – often claiming to give us the truth:

“Yet consider this configuration that I call ‘my desk’. In my world the desk is solid, mahogany coloured, weighs some 80lb, and is odourless”. (Ibid. 1999:14)

This is at least his perception. He continues:

“Yet, the atomic physicist approaches this configuration and tells me that it is not solid after all (it is primarily constituted by empty space); the psychologist informs me that it has no colour (as the experience of colour is produced by light waves reflected on the retina); the rocket scientist announces that it only appears to weigh 80 lb (as weight depends on the surrounding gravitational field). And the biologist proposes that my sense of smell is inferior to that of my dog for whom the desk is rich in olfactory information. As carefully as I might observe, I would never reach any of these conclusions.” (Ibid.:14)

By adopting a social constructionist view, I do not deny biological, physiological and/or neurological processes that can be linked to emotions. Armon Jones (1986) and Hochschild (1983, 1990), together with other social constructionists, confess to a constructionism that they call the weak or the interactionist model. The way in which they acknowledge biological factors suggests that they admit that there are biological and/or inherited processes that are separate from the social environment and that have an influence when it comes to emotions. By accepting their view, my point is not that we live with two separate entities regarding this matter, but rather we can integrate the two and the reasoning of Averill (1996b) about intrinsic emotions and extrinsic symbolism could apply here³⁵. The intrinsic meaning of emotions would be an increased heartbeat, a higher temperature, a movement in the face, etc. The extrinsic symbolism that has been placed upon these changes is in combination

³⁵ See chapter 3, Integrated approaches.

with the social interaction and what we then call anger, happiness and the like. This is a step towards an integrated approach to emotions, as advocated by Averill (1996b) as well as Cornelius (1996). I would phrase these bodily changes as emotion language or a bio-social phenomenon (c.f. Ginsburg and Harrington, 1996). The body is the ground we stand on, so why deny its different functions? The concept of cognition would not exist if we were to deny brain activities. Without our five senses of sight, smell, taste, sound and touch we would be incapable of functioning socially, but the opposite also holds true; without social interaction our physical senses would not make much sense. When we are praised, the body normally reacts with delight, such as a smile, a content face and the body stretches. Likewise, when we are in conflict with someone, we usually feel a tension in the body, dryness in our mouth and the body crouches. To clarify this, I want to emphasise again, that of course we can have bodily changes of a similar kind but if they are isolated from events in a social setting, these changes would be for reasons other than experiencing an emotion. An increase in blood pressure might signal coming heart disease and a new born baby screaming for food is more likely an instinct. In the former case, a lot of emotional experiences might be an additional cause for the heart disease, and in the latter case a deprivation of food might lead to emotional disturbances. This, however, leads to another discussion which is not the focus of this thesis. Without making a connection to the context and making use of the body language and emotion language, how would we know whether an increased pulse rate indicates frustration, love or illness? And how would we know that a certain behaviour or looks indicate tiredness, sadness or boredom without finding out in the social context and interaction?

The Significance of Cognition

The two vignettes evoke the question whether or not emotions can be separated from cognition. I find the separation of emotion and cognition impossible to either make or to separate into two different parts. Contradicting the reasoning of exclusively cognitive philosophers and professional researchers from specific schools, I will use an all inclusive concept of the two and just call them emotions. The cognitive aspect is so intertwined with the emotion that I find it irrelevant to make a distinction. What should be clear, though, is that the display of an emotion might be different from the emotion felt, and that there might be hidden agendas in the expression of emotions. It is often difficult for a person to identify his or her own emotions, much less for an outsider to interpret the “true” emotion and its underpinnings. So there is always the risk of misinterpretation of emotions when we think we know what others feel. Additionally, to make the situation even more complex, a person can also ‘do emotions’ without showing any interpretable expression. Such is the case where

emotions are just felt without any visible expression, and correspondingly, are sometimes expressed without being felt.

The Significance of Managing Emotions

A social constructionism approach implies that emotions are enacted, i.e. that individuals through their acts actively take part in the construction of emotions (c.f. Weick, 1979³⁶ and Smircich and Stubbart, 1985). However, whether emotions are manageable or should be managed has been debated extensively, and there is a lot of discussion about how this could be the case (see Gordon, 1990; Fineman, 1993; Hochschild, 1983; Rafaeli and Sutton, 1987, 1989; Sutton and Rafaeli, 1988). However, normative advice will not be of primary interest here. For me the display of emotions can be controlled or managed to a certain extent but this is not the same as saying that the emotion in and of itself can be controlled. An emotion can be 'involuntary' as well but this is not the same as claiming that emotions are passive since this would imply that they have no connection with either social interaction or cognitive processes. Probably we all recognise the situation where displayed emotions are in contradiction with what is *comme il faut* or in contradiction to what we want to display or disguise. Even when we control or manage our emotions, we cannot escape the fact that we consciously or unconsciously are influenced by societal norms, traditions, morality etc. In this thesis I will focus on how emotions emerge along the process of a strategically important situation and how they might matter. An explicit cause and effect relationship regarding emotions is thus of less interest. The management world, e.g. the world of being a strategic leader in a privately owned business, is created through specific patterns, language, labels, actions, routines and the like. All these lead to a shared reality. The process of human action and interaction shapes and sustains meaning in this reality, but it is constantly open to change. The management world is a field of ever changing forms and activities, some more stable than others. Relationships are relative rather than fixed and real. Thus, the management world is an evolving process, constantly changing in detail. The situation is fluid and creates opportunities for those with the ability to form and exploit relationships (Morgan and Smircich, 1980). I want to understand emotions created in a social context, in a process of change. Human nature is for me assumed to be both free will and determined³⁷. Managers are constructors and actors and sometimes adopters and it makes no sense to separate agency and determination. The processes within companies are socially constructed in so

³⁶ Weick writes about enactment: "... people, often alone, actively put things out there that they then perceive and negotiate about perceiving" (1979:165).

³⁷ Social constructionism might give this as a result.

much as that they are influenced by the 'outside', and the behaviour of leaders, among others, who act in accordance with the perception of their own 'reality'. This behaviour differs since the leaders have different backgrounds and are products of their specific lifetime.

The Significance of Emotion Labelling

A lot of labelling has proven to be part of the field of emotions. A certain agreement seems to prevail, though, among them. Some researchers want to separate feelings and emotions (Cornelius, 1996; Denzin, 1984, 1990; Solomon, 1993). This might be useful in some circumstances and with specific perspectives on emotions, however this is not so in this case. It is also noteworthy that most European languages do not have two different words to separate the two terms. Hochschild (1983) has contributed with many new labels such as emotional work and emotional labour, feeling rules and display rules, deep and surface acting, and emotional stamina. Having no intention of my own to create new labels, I will use these expressions in the text, following Hochschild since these labels indicate that emotions are a social phenomenon, are functional, and have a purpose. The categorisation and separation made by psychologists (see Lewis 1993, 1998 among others), will also fill its purpose here, such as emotional states, emotional experiences and emotional expressions. Lewis (1998) sees emotional states as a combination of maturation, socialisation and cognition, taking support from physiological and neural changes. He also argues that an emotional state can occur without the person being aware of this state and that it can involve both neuro-physiological and hormonal responses as well as facial, bodily and vocal changes. The definition of emotional expression is *[expressions that] are potentially observable surface changes in face, voice, body, and activity level that accompany emotional states* (1998: 37), labelled facial, postural, vocal and locomotor (e.g. running away from or running towards an object). Whether they reflect internal emotional states is a question for debate, as Lewis (1993) states that the problem with emotional expressions is that they can be masked, dissembled and controlled by the individual. The cultural as well as the socialisation processes obviously play a vital role since even young children can 'learn' what is appreciated and what is not. Lewis (1998) also argues that a person's emotional expression as well as another person's response to a specific expression varies as a function of several components, such as values, culture, age, societal norms, etc. and that the communicative role of emotional expression is of importance. Emotional experience is defined as *the interpretation and evaluation by individuals of their perceived emotional state and expression* (1993:226). This indicates that the individual has to be aware of his/her emotional state and expressions. Emotional experience requires cognitive abilities such as the ability to perceive, discriminate, recall, associate and compare plus the capacity of a so-called self-

referential behaviour and self-awareness, labelled by Lewis as consciousness (c.f. Sartre, 1962; 1990). As he sees it, emotional experience can only occur with some kind of attention and at different levels of consciousness. The person is however not always automatically aware of his/her emotional experience. A child, in pain or fear, without experiencing the pain or fear, is one example. This goes for grown-ups as well, who can be in danger but do not experience it since they are fully occupied with handling the situation. The emotional experience usually comes after the incident. When the labels mentioned above are used in this study, they will follow the reasoning above.

The Significance of ‘Normal’ Emotions

The issue of normality and pathology regarding emotions are of course interesting *per se*, but will not be a specific issue as I go along and try to interpret communicated emotions. A psycho-analytic approach would imply that there is such a thing as normal behaviour and normal emotions, making some emotions dysfunctional. Here I will leave out the idea of abnormal emotions. Moreover, I will not argue about negative or positive emotions since all emotions, according to the purpose they fulfil and the effect they have, could be perceived as either or.

Emotions My Way

To summarise this discussion, I claim that emotions are a societal phenomenon and cognitive as well as behavioural processes are part of it. Here emotions are referred to as happiness, anger, fear, frustration, hope, joy, surprise, disgust, hate, excitement, anxiety, sadness, depression, indignation, contempt, guilt, anguish, envy, jealousy, compassion, pity, embarrassment, shame, indignation, pride, intuition, and the like (c.f. Averill, 1975; Hochschild, 1983³⁸), but also concepts like loyalty, friendship, team spirit, sympathy, and the like. Whether emotions are shaped by institutional and organisational settings is admittedly true but only to a certain extent because one could argue that it can also be the other way around. Much of what we call an organisation's culture may very well be influenced by emotions, as might leadership, group development and strategy, to mention a few. Here those aspects will be regarded as interwoven into each other, as will cognition in the concept of emotions. To look for

³⁸ Averill labels over 500 emotion words in his semantic atlas on emotions. In an appendix, Hochschild gives names to nineteen emotions: Sadness/grief, nostalgia, depression, frustration, anger, fear, indignation, disgust, contempt, guilt, anguish, envy, jealousy, love/liking, compassion, pity, embarrassment, shame and anxiety. Some researchers restrict themselves to six basic emotions: happiness, sadness, fear, anger, surprise and disgust (see Ekman and Friesen, 1971).

emotions in linguistic practices, included in communication and interaction, is a natural consequence of regarding them as socially constructed, as well as the idea of identity and role performances. Dialogues are the starting point in forming emotions. Either they are explicitly outspoken or fictive in tacit dialogues, which could very well arise in solitude.

The social constructionist approach is to me an adequate way to address the research themes that were addressed at the beginning of this thesis. To interpret what emotions the strategic leader communicates, what methods that can be applied in order to interpret patterns of emotions, when and where different emotions emerge and how the emotions matter, does indicate that there is no one “truth” to be found here, but rather there exists an interpreted reality where knowledge and understanding about emotions are created throughout the process. Building on the social constructionist perspective, the place of emotions in this thesis will be:

*Emotions are socially constructed and situational because they are dependent on relationships and social interaction. Emotions evolve, transform and take new directions formed by institutional and organisational contexts. As such, they are expressed with different degrees of intensity and can be expressed or not expressed. Emotions and their representation are salient in inter-personal communication and interaction and the shaping, sustaining and changing of emotions can thus be studied and analysed from a communicative approach.*³⁹

The approach above reflects the complexity of the field of emotions, and therefore is rather broad. On a more practical and pragmatic level, the individual level takes into account the emotions that the strategic leader expresses and the emotions that he himself says that he experiences. The inter-personal level involves emotions in the strategic leader’s interaction and communication (expressed, experienced or fictive) with members of his team, board members, the owner and other members of the organisation, customers, suppliers, etc. The representational level is reflected in for example company slogans, company brochures, company gatherings, the aesthetic side of emotions, i.e. artistic ornaments, musical entertainment, etc. in the organisational setting and includes the rhetoric of emotions in the company language. The individual and inter-individual levels are the prime foci here.

Next, an account for my approach and method will follow.

³⁹ My extended approach, developed from Parkinson’s (1995) conceptual view on emotions.

4. How to Appreciate Emotions

In this chapter, I will describe my method for appreciating emotions within a radical change process, where an interpretive approach will be the main focus when I make account for my methodology.

An Interpretive Approach

By applying a social constructionist view on emotions, I as a researcher have revealed part of my own epistemological view, in which I believe that knowledge about emotions can be obtained in a processual and interactional way. The purpose of the present work is to create an understanding of emotions in a radical change process and in keeping with my epistemological standpoint, an interpretive approach is a way to come to such an understanding. An interpretive approach is part of the hermeneutic tradition and prominent philosophers behind hermeneutics include Heidegger, Gadamer (who have both contributed with deep, existential discussions, which I will not try to penetrate here), and Ricoeur (who took a more specific interest in texts and for instance dream interpretation).

The whole purpose of hermeneutics is that it is more essential to understand rather than to explain⁴⁰, where the hermeneutic circle⁴¹ is a way to reach this understanding, and where the human being and the relationship to other human beings is the centre of interest. The hermeneutic circle takes its point of departure in the 'here and now': *Interpretation is necessarily a temporal process. What has been interpreted provides the horizon for what is interpreted now. What is interpreted now is shaped by what will be interpreted* (Denzin, 1984:10).

Hermeneutics stands for two major different directions – the objectifying and the alethic (Alvesson and Sköldberg, 1994)⁴² where the former focuses on understanding the part before understanding the whole. The latter focuses on

⁴⁰ However, Palmer (in Ödman, 1979:57) states that the word interpretation might have three different functions: 1) to express something aloud, 2) to explain and 3) to translate.

⁴¹ Gadamer called it the hermeneutic spiral in stead of the hermeneutic circle.

⁴² The authors use the concept "aletisk" in Swedish, a concept they claim to be an innovative expression on their part, which would mean that the English translation here is yet another innovative expression (the origin is from the Greek word "aletheia" i.e. something hidden (see Alvesson and Sköldberg, 1994:131)).

pre-understanding and understanding. To find the solution to a mystery or to “see something as something” as Asplund (1970) likes to paraphrase it, would apply to the alethic version. Gadamer (1994), for instance, advocates pre-understanding as a means of perceiving ‘reality’ since it is a prerequisite of understanding. In their reasoning, however, Alvesson and Sköldberg come to the conclusion that the circular reasoning of the two main streams converge. Gadamer (ibid.) also strongly recommends that the researcher attempt to step outside his or her own ways of looking at things and try to avoid a prejudiced result. However, I interpret his piece of advice as more idealistic than realistic, not as far as the pre-understanding is concerned, but rather I question whether it is possible to get rid of one’s own social context and knowledge in order to try to receive a pre-understanding of emotions ‘naked’.

A “true”⁴³ social constructionist would claim that emotions do not exist as such, but rather they are representations of an experienced ‘reality’. What can be is interpretations of these representations of ‘reality’. Analogous to this, it is the researcher’s task to interpret those representations and make sense of them⁴⁴. According to Helenius (1990), hermeneutists work from the point of departure that the human being is unique which could be interpreted as clashing with a social constructionism perspective if we draw this as a parallel to personality. However, if we extend this uniqueness into a context-bound one, in the relationship with others, we would be able to accept this argument.

The purpose of research can be manifold and vary. There is no purpose that is more essential than another. Here, it is a good sign if the reader gets his or her “ah” – “aha” – “haha” experience (c.f. Asplund, 1970) – all in order to achieve new knowledge about emotions. An interpretive approach is one way to increase a mutual understanding through interpretation. Interpretation thus follows as an essential part of hermeneutics, in which understanding is a fundamental part, even if the two inevitably seem to merge as a consequence of the impossibility to separate them. An interpretive paradigm allows for a more subjective approach. Burrell and Morgan write:

“It [the interpretive paradigm⁴⁵] sees the world as an emergent social process which is created by the individuals concerned. Social reality, insofar as it is

⁴³ Figuratively speaking, as there would be no true or false social constructionist following their own convictions.

⁴⁴ Rorty (1984) states that “to think of knowledge which presents a ‘problem’ and about which we ought to have a ‘theory’ is a product of viewing knowledge as an assemblage of representations”. To him this way of looking at knowledge is obsolete. Time and space do not allow me to go into a polemic about his statement.

⁴⁵ Burrell and Morgan (1979) present four paradigms: The functionalist, the interpretive, the radical humanist, and the radical structuralist paradigms, a subjective-objective dimension connected with a regulation-radical change dimension. The interpretive paradigm combines

recognised to have any existence outside the consciousness of any single individual, is regarded as being little more than a network of assumptions and inter subjectively shared meanings” (1979:28).

This work will follow the interpretive approach à la Burrell and Morgan. From this follows that pre-understanding as well as an attentive awareness to the process are major characteristics of the research work. Furthermore, understanding is both the purpose and the means of reaching an understanding. Is it, however, possible to create an understanding for others, and is it possible to create a mutual understanding⁴⁶? As I see it, I can only create an understanding in the hope of doing so on the part of others. Even if there is something such as ‘mutual understanding’, we might interpret and understand the result differently. Since I believe that we live in a socially and mutually constructed world in which we to a high degree can agree on a variety of ‘realities’ the purpose of creating an understanding is a purpose in its own right. Accordingly, the purpose of an interpretive approach is to create a dialogue in which we can reach a mutual understanding in order to offer new perspectives and/or expand existing ones. Understanding and/or interpretation in research are both creative processes, and it is in these very processes that this research project has its own reason for being. The purpose here is to frame emotions in a local theory in order to possibly draw further conclusions. This makes the purpose of this research descriptive with exploratory elements and probably with new research questions as a result.

Researchers are often given the advice, that it is important to choose methodology according to the purpose of one’s research questions and what knowledge one wants to achieve. However, I think many of us choose our research questions and the methodology we want to apply in accordance with our epistemological conviction. This does not necessarily mean that researchers who admit to this way of conducting research would be defected monstrosities, rather it implies that we have an inner feeling of our ontological and epistemological convictions which turns out ‘backwards’.

In the next section I will describe how emotions were interpreted in this thesis, i.e. make account for my methodology.

sociology of regulation with a high degree of subjectivism. Inter-paradigms are also possible according to the authors.

⁴⁶ A mutual understanding implies on the one hand an understanding between myself as a researcher and those involved in the research, and on the other hand an understanding between researchers, or between the researcher and those who read and interpret the research results.

Implications of an Interpretive Approach in Field Research

With hermeneutics as the roots, the prime approach of this study has thus been an interpretive approach. The ambition of this thesis is to enhance our mutual understanding and knowledge about emotions in a radical change process in order to make theoretical abstractions. A multiple strategy approach (see Layder, 1993) within a case study (see below) has been used in order to gather richer and deeper material. In this study this has meant approaching the case in different ways, such as the study of different kinds of company material, conversations with the strategic leaders and others, participant and successive observations, field notes and diary notes made by the two strategic leaders of this study. My own understanding of what has been going on has changed along the way. This is only natural as the multiple strategy approach has sped up the process and made me see things that I otherwise might have missed. Alvesson and Sköldberg's (1994) quadro-hermeneutics and reflexive interpretation have also influenced me methodologically, which in short means that I have made interpretations of interpretations and on different levels of abstraction. However, the best and easiest idea is probably to describe how I went about my research and then leave it up to the reader to label it.

A Case Study Approach

To be able to capture emotions in a radical change process with the strategic leader in focus and where I have been trying to create a coherent whole through interpretation, I have relied on the case study design. A case study involves presence, participation and maybe intervention (Gummesson, 1991). It is also capable of supplying holism within one or several cases and it provides a local theory (ibid.). Following Stake (1995), who claims that the case study is suitable when one looks for thick descriptions, experiential understanding, and glimpses of multiple 'realities', eased the choice. According to Stake, the key words are the 'case' and 'issues'. The uniqueness and the particularisation of the case are the main points in conducting a case study. Intrinsically, I seek ways to develop an understanding of the case chosen. Through particularisation I try to develop deeper understanding of something else within the case such as emotions. I see my case study as a combination of the two where the uniqueness of the specific process and its leader is of interest as well as the focus on the phenomenon of emotions. Stake (1994) would perhaps rather call it collective casework which is an instrumental version, involving more than one case. A case study of course has its limits, but I prefer to regard these as possibilities, and I have allowed the strategic leaders of the two cases themselves to set the boundaries as the process moved on.

For my case study, I originally had three companies that were seen to be experiencing a radical change as outlined in chapter two. To be within the

scope of a radical change process, the company had to be in accordance with a perceived radical change by the strategic leader within the firm in question and within my own view of such a process. The access to the third company became limited when the strategic leader I followed was replaced, and I eventually had to drop this company. The two cases have been chosen with Stake's (1994) recommendation in mind, that the opportunity to learn is more important than finding representativeness or some other criteria. So for example access has been highly valued. Two cases are a poor ground to find representativeness anyway, even if a belief in interesting and valuable findings was a guiding star. I did not have the implicit ambition to compare the two case companies although I tried to get two cases that initially seemed to be as different as possible in size, organisational setting and conditions (see chapter five, where the two case companies are introduced). The access to the companies was not that problematic once I had 'defined' them as being of interest for this research process. It was more of an issue whether I was going to reveal the main purpose, i.e. that of studying emotions. The two strategic leaders were not told explicitly that the main focus was on emotions. Instead they were told that I wanted to follow them closely in the radical change process to become aware of their specific situation. The reason for not disclosing that emotions were the main target was to avoid an artificial situation where we all concentrated on labouring with the concept of emotions. I also wanted to avoid making the managers reluctant to open up and my intuition told me that this might be the case. I wanted to try to understand and interpret the concept of emotions as naturally as possible and to try to understand the implications of the material through its own terms and nature. During the course of events, the strategic leaders probably suspected my intentions, mainly through the intimate conversations and the request to give voice to their self reported emotions in their diaries. From this point and onwards, that might have had an impact on the process, however to what extent or to what degree, it is impossible to judge.

The Design of the Study

This project has been studied '*in situ*', i.e. I have followed a real time process over a period of one and a half years whereof more intensively for two four-month-periods in parallel in both cases. Because emotions with a communicative approach during a radical change process were the main focus, it was a matter of course to try to capture the phenomenon in its natural surrounding and in daily conversations as they occurred. The interpretation of the process involved concern for both day to day and unusual events, local particularities, a focus on individual perspectives and interpretation of the subjects' realities. By applying an interpretive approach, the purpose was to interpret and understand. Therefore, I needed to come as close as possible to

the strategic leaders in order to do this. However, as much as I would have liked to, it was impossible for me to ever accept their perspectives fully, nor was it possible to interpret their emotions to such a complete degree. What I tried to obtain was a close relationship where I made the strategic leaders reveal as much as possible, and in doing so, create a situation where they could be honest with me. In a close relationship, trust and honesty play a major role and the two parties can be fairly open and frank with each other. As a researcher, I felt that I had a great advantage from my former profession as a strategic and organisational consultant, where I had worked for many years with strategic leadership and change. My pre-understanding of the “realities” of being a strategic leader seemed to be very helpful in creating relationships of trust, and the two strategic leaders felt at ease when discussing their situations with me. The matter of ethics has of course been very delicate. The two strategic leaders have been exposed to a high degree, and they have willingly “opened up”. The two cases are presented anonymously in order to “protect” the leaders and their organisational members as much as possible.

In order to capture the phenomenon of emotions, I have tried to intertwine the individual, group, organisational and industry levels, yet there has primarily been a focus on micro processes on the individual and inter-individual levels. However, to just concentrate on the individual or inter-individual/group level did not suffice as the entire, complex situation had to be taken into consideration. This was of course tricky, since a holistic view might lead to an all-embracing picture and neglect details. On the other hand, even so called micro research has to be put in its place by a contextual approach.

I have tried to closely examine the issues, arguments, setbacks, doubts, hopes, disappointments, frustration, etc., and the consequences of the ongoing process of the companies and the strategic leaders put in the closest context. An emphatic ability and capability eases such a process, and I have attempted to understand how other individuals have constructed their realities and tried to share their social meaning (c.f. Smircich, 1983 and Layder, 1993). Initially, I worked with semi-structured conversations and observations. I spent time with the strategic leaders as well as members of their “inner” circles to build up a relationship with the two strategic leaders in order to gain their confidence and in order to become aware of what their situations were like. From there I moved on to intimate dialogues and participant and successive observations, sometimes also labelled shadowing. The observations include sitting in on management team meetings, board meetings, planning discussions, follow-up discussions, etc. Furthermore, I had conversations with the strategic leaders during lunches and coffee breaks, as well as outside work, i.e. at their homes and/or on trips. During the process, in order to catch up from the previous time we had met, I usually had a conversation first thing with the strategic leader. If the strategic leader was going to a meeting, I asked for his

expectations, hopes and fears. After the meeting, I asked him to reflect on what had happened and what his feelings about it were.

Over a period of time, I also had conversations immediately before a meeting started with members of the management committee or the members of the board in order to find out what were their expectations and roles and what were the expected roles of other members of the meeting. I carefully followed the discussions during the meeting and rounded off immediately after with private conversations with each member of the meeting about how these roles and expectations were met and what implications were implied. When appropriate, I also asked for their emotions during the meeting, and what emotions they believed the strategic leader showed, expressed or suppressed. All meetings and most of the conversations were taped, and I also took notes regarding the body language and the 'unheard' interaction during the meetings with a special focus on the strategic leader. As an observer, I have had the opportunity and advantage to see and "hear" things that have been impossible to reconstruct completely in the account of the empirical findings in chapter six and seven. A similar process has been followed in both companies:

- (a) *Early and late summer 1998*, initial conversations took place with the strategic leader about the company, its history, its culture and future intentions – in short, I tried to achieve an understanding of the background and the contextualisation of the company. I prefer to use the term conversation here – not interviews – as the term conversation implies that there are two persons in charge of what is taking place. Gadamer argues that *...we fall into conversation, or even that we become involved in it... no one knows what will 'come out' in a conversation*. Further on, he writes that *all this shows that a conversation has a spirit of its own, and that the language used in it bears its own truth within it, i.e. that it reveals something which henceforth exists* (Gadamer 1994:345). This fits very well with the interpretive tradition to which I agree in this thesis and above all to the understanding which I seek. Interviews, on the other hand, give a connotation of asking questions that are to be answered, implying that the researcher is in charge and that it is a one-way relation. This is not how I would like to describe the processes of understanding and interpretation in the two cases here.
- (b) *At the initial phase* of the research project, conversations took place with employees of the company in order to find out how they perceive the company as well as the strategic leader. These conversations were held between the researcher and with members of the board, with the management team, with people who had been

with the company for a long time, and with some other randomly chosen employees. Close relatives also added to the picture.

- (c) *During the autumn of 1998*, I stayed with the company for a few days in a row each month in order to learn more about the strategic leader and his situation and to get as close as possible so that he would reveal his inner thoughts and feelings. My initial phase with the company might to some extent be compared to grounded theory. Grounded theory in this case was not the same as a positivistic approach in which I would have tried to discover what ‘was out there’ in order to generate a theory. The application of grounded theory was more based on the thoughts of the so called Chicago school (Layder, 1993), which builds on a close inter-relatedness between the researcher and those being studied, emphasising the emphatic ability of the researcher in order to understand. This approach advocates participant observation, semi-structured and in depth conversations and documentaries as possible strategies to achieve this understanding. This is advice to which I have responded to in this case. Viewed this way, there are some similarities with ethnography, which of course contrasts to opinion of Glaser and Strauss⁴⁷ (1967). The grounded approach gave me a necessary pre-understanding for the context of my two cases, and a way to approach emotions in a fairly unbiased way within the specific theoretical territory of emotions. Or as Ödman (1979:81) states: *It is impossible to understand without having already understood*⁴⁸. The risk for empirical naivety is justified (see Alvesson and Skoldberg, 1994⁴⁹) in the case where the researcher presents results which have been theorised already since the consequences of this approach alone could be devastating. Grounded theory in this case meant an inductive period of six months at the two different companies, applying the methods mentioned above, followed by periods of deduction and abduction. If we can agree that the approach has a family resemblance to phenomenology, I will lean on Denzin’s wording that interpretation proceeds neither from strict induction nor from deduction but moves forward through rigorous intuition, abductive interrogation and understanding (1984:11-12).

⁴⁷ To Glaser and Strauss, the purpose of grounded theory is to obtain relevant data for generating theory, not to get fullest possible understanding.

⁴⁸ Translated by the author.

⁴⁹ Alvesson and Skoldberg call it “naive empiricism” when the approach leads to a result which has already been theorised.

- (d) *During the spring and summer of 1999*, I withdrew from the field and approached my material through deduction, and with only sporadic contacts with the companies so as to follow the course of events. I tried to make sense of the material I had, and in order to prepare for the next intensive period with the strategic leaders. During this half year, we had telephone and e-mail contact and I also visited one of the companies and followed the strategic leader for three days. The other strategic leader paid me a visit at my “writing location”, which at that time was abroad.
- (e) *The autumn of 1999* was a period where the companies were approached through abduction. It was a period full of observations in different meetings and daily work, including intimate conversations with the strategic leader and members of the management teams. These visits were made for one or two days in a row.
- (f) *During the spring of 2000*, follow-up contacts were made with the two strategic leaders.
- (g) *Both strategic leaders kept a diary*. One made notes on an intermittent basis over the entire period of study. Even so, he provided at least one diary note per month via e-mail. The other strategic leader chose to make his diary notes on a tape and on a more concentrated and regular basis. His notes stretch over a period of five months, where the notes for the two first months were kept on an almost daily basis and thereafter at least on a weekly basis.
- (h) *Documents*, in the form of mission statements, company descriptions, annual reports, PMs, marketing documents, minutes, etc. have also formed an important source of information and served as a basis for discussions.
- (i) *At every meeting I took notes* regarding elements such as the atmosphere, body gestures, emotional expressions and suppressed emotions as far as I could judge. Most of these were discussed, confirmed, refuted or re-evaluated in the conversations after the meeting. As mentioned earlier in this text, I have adopted a communicative approach to emotions. This, of course, has implications for the methodology as well as for the understanding and interpretation of the empirical material. By a communicative approach, I imply that emotions emerge in the interaction between individuals or even within the individual. For this reason, the focus has been on conversations between the strategic leader and organisational members of his company, either in private conversations or in larger gatherings such as management team

meetings, board meetings and the like. Examples of conversations that take place within the individual himself, where emotions arise in a dialogue with the self, are the strategic leader's diary notes and the intimate conversations where the researcher has tried to interpret these emotions.

Exhibit 4.1 will serve as a summary of the method:

Time period	Company A	Time period	Company B
June 1998	Initial conversation with the strategic leader.		
August 1998	Conversation with the strategic leader.		
September 29, 1998	Participant observations. Observation: Management Team Meeting.	September 24, 1998	Initial conversation with the strategic leader.
October 19 – 20, 1998	Conversations with members of the management team and a family member. Participant observations.	October 9, 1998 October 26, 1998	Conversation with the strategic leader. Participant observation: Production meeting. Conversations with the strategic leader. Participant observation: Board meeting.
November 3, 1998	Participant observation. Participant observation: Mgmt team meeting. Conversations with the strategic leader and members of the management team and others.	November 5, 1998	Conversation with the strategic leader and members of the management team.
December 8 – 9, 1998	Participant observations. Participant observation: Mgmt team meeting. Conversations with the strategic leader and members of the management team.	December 28, 1998	Conversation with the strategic leader.

How to Appreciate Emotions

April 3, 1999	Conversation with the strategic leader.	April 27 – 29, 1999	Conversations with the strategic leader and members of his team. Participant observations. Participant observation: Production meeting, meeting with the managing director of Pokery.
August 13 – 14, 1999	Participant observations. Participant observation: Mgmt team meeting. Conversations with the strategic leader and his team.		
September 24, 1999	Conversation with the strategic leader. Participant observation: Mgmt team meeting	September 22, 1999	Conversations with the strategic leader. Participant observations.
October 4 – 5, 1999 October 26, 1999	Participant observation. Participant observation: Mgmt team meeting. Conversations with the strategic leader and members of his team. Participant observation: Extended mgmt team meeting.	October 1, 1999 October 11, 1999 October 16, 1999	Conversations with the strategic leader and members of his team. Participant observations. Participant observation: Production meeting, follow-up meeting
November 23, 1999	Participant observation: Mgmt team meeting. Conversations with the strategic leader and members of his team.	November 2, 1999 November 16, 1999	Conversations with the strategic leader. Participant observations. Conversations with the members of the board and the management director. Participant observation: Board meeting.

December 6 – 7, 1999	Participant observations. Participant observation: Mgmt team meeting. Conversations with the strategic leader and members of his team.		
		April 30, 2000	Conversation with the strategic leader.
May, 2000	Conversation with the strategic leader.		
		October 4, 2000	Conversation with the former group executive head.
Various times during the period.	Diaries. E-mail and telephone contacts. Sporadic meetings at the strategic leader's home. Minutes from every weekly management team meeting. Financial reports. Company brochures and company advertisements.	Over the entire period of study. November 1999 through March 2000	Telephone contacts. Meeting at a fair. Discussions during trips back and forth to board meetings. Financial reports. Company brochures. Diaries.

Exhibit 4.1 The Time Table of the Research Process and its Content.

Towards an Interpretation

Interpretation of Emotions

With the complexity of emotions in mind and my approach to emotions from chapter three of this thesis, I would need to decide how I interpret an emotion. A key issue in interpreting emotions is how to label them. Hochschild (1983) has in an appendix expressed it like this: *To name a feeling is to name our way of seeing something, to label our perception* (1983:223). She agrees it is just a principle since this does not cover the whole process of naming, and she argues that it is rather one of more principles⁵⁰. She continues:

In short, feeling signals perception and expectation to us, and turning this around, different patterns of perception and expectation correspond to different feeling names. Since culture directs our seeing and expecting, it directs our feeling

⁵⁰ Hochschild, in turn, builds her idea on a theory by Katz (1980).

and our naming of feeling. Thus what feelings “signal” to us as sociologists is how culture influences what we feel and how we name it (ibid.:223-224).

What I have been looking for, more precisely, are emotions that are in a sense defined as common sense emotions and are articulated by the strategic leader. So, for instance, when he expresses that he is frustrated, irritated, happy, surprised or concerned, I have taken his emotions at face value. The interpretation I make in this respect is to decide whether an expression is to be considered as an emotion or not. I would estimate that approximately 50 – 60% of the emotions of this study are explicitly expressed by the strategic leader. I have myself observed about 20 – 25% of the emotions to some extent, but I have made sure in a conversation with the strategic leader that those emotions are what he also experienced or expressed. For these emotions we have come to a mutual agreement, even if there might be a risk that the strategic leader has agreed to certain emotions that were neither expressed nor experienced. However the strategic leader has corrected me from time to time about changing one emotion to another or denied an emotion. In the latter case, I might have ignored such a denial, especially if other people in the meeting have related to that specific emotion during a subsequent conversation. The remaining 20 – 25% of the emotions are emotions that I have interpreted without having them confirmed or refuted by the strategic leaders or anyone else.

An Overall Interpretation

An interpretation is supposed to bring the empirical material towards some kind of abstraction, and finally to a theoretical level of understanding. This is of course not problem-free. Much of the analysis is based on the interpretations of the researcher. It is almost an impossible mission to try to explain exactly and in detail how the interpretation phase has worked. In my case, I consciously withdrew from the field after six months in order to work with the material more theoretically. When I returned to the field it was with more ‘theoretical eyes’. It is in this interaction that the interpretation has developed, and thereby the empirical and theoretical analysis. This interaction is built on the pre-understanding, provided by the initial phase of the empirical study and in the previous chapters, with an emphasis on concepts and approaches that have been developed within emotion theory. Let me account for parts of the analysis on a more pragmatic level:

- (a) Immediately after each visit to the company, I wrote down my own impressions, off the top of my head, thereby forming an interim text. I did not at this point make use of the tapes. At this stage, I tried to

write down my impressions of the course of events, the atmosphere, the emotions of the strategic leader – and others – and so on.

- (b) During the spring of 1999 and the spring of 2000, I transcribed the tapes and “re-lived” the process. The tapes were transcribed including smiles, laughter, irritation, frowns, hesitation, etc., i.e. the part of body language which does not obviously come through on a tape. The written notes from the observations were of great help here.
- (c) With transcribed tapes, my own notes and a lot of vivid impressions which remained, I started to explore the phenomenon of emotions from a variety of different ways:
 - The material was written down in chronological order with a touch of narration. An attempt was made to focus on critical incidents and on emotions.
 - From there, the material was divided into eleven issues, such as: the radical change; the management team; the board; the market; sales; the company spirit; the employees; the organisation; and the strategic leader’s private life. The emotions of the strategic leader were interpreted in relation to those issues and categorised into nine different classes of emotions, mainly following Shaver et al’s classification of emotions (Shaver et al, 1987). (See chapter eight for a detailed account.)
 - With those issues and classifications – which were related to each other – patterns of emotions of the strategic leader emerged from the radical change process.
- (d) The patterns of emotions formed a basis for an empirical discussion in chapter eight and also for the theoretical analysis in chapter nine.

Even if the account above appears in sequential order, it is impossible to claim that such was the case for the actual order in which events took place. Rather, the analysis has really been very much an iterative – and sometimes confusing – process between the different methods described above.

The Empirical Material in Condensed Form: “Narrated Chronologies”

Leaning on Sutton and Straw and DiMaggio, Pentland (1999) argues for narratives – good stories – as a means to build better theory. However, in his arguments Pentland is sceptical about the superficiality that is often provided by narratives and states that process theories need to be based on a deeper structure. Interpreting Pentland, I would argue that moving from, or rather between, understanding and interpretation needs sequential pictures, the

antecedents of these pictures and those who follow, which involves less surface observations and more underlying structures. Van de Ven (1987) writes that, *Whereas change is an empirical or manifest observation, the process of change is an inference of a latent pattern of differences noted in time.* Thus, change processes are not directly observed, *instead they are conceptual inferences about the temporal ordering of relationships among observed changes* (ibid.:331). This holds true for the narrated chronologies that are to follow here as long as we do not equal temporal ordering of relationships with causal changes, but rather regard them as picture makers over a period of time, in compliance with Pentland's equivalence to underlying structures.

However, before I move on to the description of the two radical change processes, I want to say a few more words about the reproduction of the empirical material. As anyone who has conducted qualitative research knows, the amount material one acquires is enormous. In this case, I ended up with over ninety hours of tape recording (that in typed form were close to a thousand pages⁵¹), several files of notes, a lot of e-mail-correspondence in addition to printed brochures, minutes of meetings, CD material, videos, advertisements, etc. Here I have chosen to give account of the radical change process in the same form as I studied it, i.e. in a continuous report in the form of a chronology, starting with the first visit in August 1998 and ending with the last intimate conversation in May 2000. I had to decide on a certain starting point and an end to my participation in the process, even if it was tempting to follow the further adventures of the companies. It is with great agony that I have shortened down the empirical material to the present format, and with even greater agony that I have selected from within the material. Even if I did not follow the entire change process every single day of the period, but rather through sporadic and intermittent landings, I would argue that this has been an advantage. As I initially did not choose specific events, nor did the company, the process has revealed itself more naturally. However, I have taken part in a range of management committee meetings and board meetings, so they have been an exception and selected exclusively. The reason for this has been that those meetings have been important arenas for the strategic leaders. In order to create a fuller description of the course of events, I have relied on a narrative approach in connection with the chronological, and I would label the accounts ahead, in chapter seven and eight, as *narrated chronologies* with elements of critical incidents. The choice to do it in this way has pretty much been in line with the purpose of this thesis. In order to create understanding for a phenomenon, I think it is important for the reader to re-live the process in a

⁵¹ As one of the main interests here is evolving dialogues, it was a matter of course to transcribe the tapes.

way similar to mine. Being fully aware that it is impossible for me to understand and interpret on behalf of the reader, I find narrated chronologies an acceptable way to offer the reader the opportunity to make his or her own understanding and interpretation. Being equally aware, that I recapitulate my version, where not only selectivity takes place but also a lot is said about what is not said (c.f. Clandinin and Connelly, 2000), it is up to the reader to judge about the 'accuracy' of the text. In order to reproduce a chronology that is pretty much in line with a mutual understanding of what happened, the two strategic leaders have read the material and made comments about the content. Part of each chronology also include conversations on an interpersonal level. They stem from a board meeting and a management team meeting respectively. My purpose is to make explicit that emotions occur as natural parts of daily conversations, and that they capture the dynamics of daily talk.

The chronologies that follow in chapters six and seven offer in a broad sense the following. The stories that are told are those of emotions in a radical change process, presented in sequential order in an attempt to bring forward important events for this purpose, and 'local' interpretations are offered in order to create understanding. Characters, events, discussions, thoughts, atmosphere, etc. represent a social reality with a purpose of contextualising and focusing on emotions. In the stories, you are about to read about Higgledy and Piggledy's radical change processes, *the events are chronologically recorded as they appear on the horizon of the story* (White, 1987:3).

White (ibid.) differentiates between annals, chronicles and history proper. Annals do not tell a full story, which would be the case for chronicles as well as historical narratives. The chronicle, says White, starts to tell a story, but leaves the reader without a proper end but is nevertheless a completely worthy example of historical discourse. The historical narrative would then, as White argues, have a closure and a moral meaning as well. Out of these three different ways of giving account, the chronicle seems to be an adequate label for what is going to be revealed here about events at Higgley and Piggledy. However, the chronologies here offer more than events presented in the order of occurrence. I would argue that they include some meaning, even if the "story" breaks off and leaves us with an improper end and without suggestions for solutions. So, for example, the two stories offer temporality, people, action, uncertainty (in interpretation) and context, as suggested by Clandinin and Connelly (2000) as major tensions of narratives. Gergen writes that a narrative has a valued endpoint, to which relevant events are connected, often ordered in linear time and with causal linkages (Gergen, 1999). Other typical features of a narrative are sequence in time with a clear beginning and end, focal actors, an identifiable voice, an outspoken morale and a contextual frame (Pentland, 1999). From this we learn that the empirical material here is not a narrative by definition, as the radical change processes do not offer any definite endpoint,

nor do they have an identifiable voice setting standards with which the actors are measured. They do not even have a proper plot. Furthermore, common opinion has it that a narrative is different from a story, as the former includes reflection, comments of the story and an evaluation, which means that the story is embedded in the narrative (Stacey, 2000). Nevertheless, the two stories that are to be told have some narrative characteristics. Stacey argues that ordinary everyday conversation is co-created narratives. This is in line with my understanding that strategy is a series of interactive argumentation and dialogues, created in every-day encounters (cf. chapter two of this thesis).

Taking support from Sarbin (1989), I argue that all human conduct is guided by narratives and emotions are included in narratives as well. Emotional states are stored in narratives as well and those narratives are a way to understand and illuminate human interaction. To add to my argument, Weick (1995) claims that a narrative offers a way to understand feeling and thought, and thus it is possible to include the past as well as the future and as such narratives are a sense-making tool. Taking all this into account has resulted in the label *narrated chronologies* for the purpose aimed at here. White's (1987) concluding remark whether our social reality reveals itself as a ready-made story to be told, as in the form of a narrative, or as mere sequences without a beginning or an end, as in the form of the chronicle, is yet another reason to argue for combining the two. White is rather dogmatic however, and claims that the narrative produces a meaning, *drawn from the performative domain of poesis rather than that of noesis*⁵² (ibid:42), implying that narration has another discursive form and is not easily substituted by chronologies. White exemplifies his point through the following quote; *It's [the narrative's] function is not to 'represent', it is to constitute a spectacle.*

Following White's conviction, it would thus be improper, and perhaps even unwise, to combine the two. However, the labelling is less important. The content of the empirical material is reproduced as chronologies without a doubt. I would argue, though, that the chronologies constitute a thicker and denser description than is normally attributed to chronologies, and thereby have borrowed characteristics from the narrative form. The main purpose of the narrated chronologies is to create and optimise understanding and to give

⁵² Poesis is Latin for poetry, which during the classical antiquity – and onwards – was equal to fiction in general. Horatius coined the expression "Ars poetica", where the main idea was for poetry to imitate painting, as the latter was capable of giving a more vivid description of the visible reality. Noesis is the Greek word for perception, human thought or reason. The concept was introduced by Husserl and is a phenomenological term representing the concrete psychic act (the non-real component). (From the Swedish Nationalencyklopedin, Bokförlaget Bra Böcker AB, 2000.) It is unclear, however, what meaning – and thereby differences – White gives the two concepts.

the reader the means to learn from its story-telling. To grasp the meaning of the sequences of a process and from there create this understanding is a complex and delicate task. Through the narrated chronologies, it is for me to provide the grounds for a mutual understanding. However, neither the form nor the content are in themselves any guarantee for creating this understanding. The process of understanding belongs to the reader where the narrated chronologies would form some kind of pre-understanding or a way to understand part of the phenomenon of emotions before understanding the whole, i.e. to grasp an understanding of emotions in a radical change process. As a natural consequence, the reader's own process of interpretation is very much involved and intertwined as well here. Likewise, there is no guarantee that the story-teller is able to reveal everything that has relevance to the case.

As pointed out earlier in this chapter, an inductive version of rapprochement to interpret and understand emotions has been applied. For this reason, the analysis has in a way been inductive, as well. This means that I have tried to find answers to my research questions along the way, and that abstractions and models have advanced along the way as well. Therefore, I prefer to refer to chapter eight for the empirical analysis and chapter nine for the theoretical analysis.

Concluding Discussion

Writing is always a matter of subjectivity. With this follows power over the written word as well as over the influence of the reader's coming interpretations of how emotions matter in a radical change process. The fact that I hold the pen, "define" and select the radical change processes, choose the two strategic leaders, edit the tapes, do the listening, make the ultimate representation, do the analysis, make the arguments, etc. is a powerful means of persuasion in forming the *raison d'être* of this project, as is the professional discourse of being a researcher. Furthermore, I am a product of my lifetime with its own history, culture, including my nationality, ethnicity, gender, age and even assigned name. The task of the researcher would thus inevitably be that of trustworthiness (cf. Melander, 1997⁵³). Following this line of thought, I am constructing the research here and now. And as all constructions, it has its limitations and its possibilities. I do not claim to provide a consummate construction in the forthcoming analysis, rather I claim that mine is a genuine version of my interpretation of the two radical change processes. Imagine that you and two other persons have been a witness to a car accident. I am sure that

⁵³ Melander defines trustworthiness as relevance and conviction where the most important ways to be trustworthy are to be honest and explicit about the methodology and its underpinnings.

the three of you will give either slightly or quite different statements, but the police will put it all together and make their own interpretation and understanding of the incident. The police are the *bricoleur* (c.f. Becker, 1989). My purpose is to tell the story of emotions, formed in interaction with a particular audience for a relatively short period of time, as they evolved, progressed and took new directions for eighteen months. To theorise is not the main point here even if my purpose is to find a local theory as well which can include a basis for further discussion and research questions. The question of validity and reliability, used in its original sense, would almost be rhetorical. The process of radical change must be allowed to 'talk' by itself and hopefully give enough dense empirical coverage to help create this understanding of emotions. However, this does not by any means imply that I get *carte blanche* as a researcher. On the contrary, the argumentation above indicates that the judgements and the consciousness of the researcher in a project like this, is of the utmost importance. Helenius (1990) argues that we should give another meaning to validity and reliability within the social practise of hermeneutics, suggesting that the former stands for "a question which opens new doors and windows" and the latter for logic reasoning and an understandable report. Kvale (1996) seems to be of the same opinion since he argues that even in a socially constructed world, there is the possibility of local, personal and community forms of truth, and that in our daily life we make reliable observations, generalisations, and try to use valid arguments. What I can do, then, in my research, is to be consistent and truthful (not the same as reporting the truth), and thereby be trustworthy, reliable and give credibility to my work. If this, then, could contribute to generative theory, i.e. *accounts of our world that challenge the taken-for-granted-conventions of understanding, and simultaneously invite us into new worlds of meaning and action* (Gergen, 1999:116), this would be an aim to work for.

The pitfalls as well as the practical trade-offs along the way are many, and I have made some personal reflections on my approach and methodology in enclosure B. In the next chapter, I will introduce you to the two case companies.

5. The Two Case Companies: May We Be Introduced?

As a means of enabling the reader to approach the empirical material and to follow the discussion in the following chapters, this chapter introduces the two companies that are in focus in this thesis and subject to the coming analysis. What follows is a description of the organisational setting, history and present situation. The two strategic leaders that run the two companies and radical change processes are also presented. In order to keep the organisations and their members anonymous, the companies have been christened Higgledy and Piggledy¹. The chapter ends with some reflections about what similarities and differences exist between the two companies and with some guidelines for further reading.

Higgledy

Higgledy dates back to 1986. Actually, the company of today is the result of an even older constellation, originally owned by two young technicians who worked with media transmission. However, the story of the present Higgledy began in 1986 when a manufacturer of mobile phones in the same town was dissatisfied with the quality assurance equipment of their phones and turned to Higgledy to buy such a equipment from them. Higgledy had no such product at the time and started to develop one. This was done by two very young and enthusiastic technicians: one was the founder of the embryo of Higgledy, and the other one was still in school. Their first delivery was promising and led to a second, more complex delivery and the development of quality assurance equipment. One thing led to another and the company developed the first generation of quality assurance equipment for mobile phones. These were produced until 1994. In 1991, Higgledy almost went bankrupt, but was saved by an investor. A new managing director was now 300 miles away. At the time, Higgledy had seven employees in total. Of these original employees, four have

¹ Higgledy and Piggledy is the same as *double dactyls* and stands for a light-verse form consisting of eight lines of two dactyls each, arranged in two stanzas. The first line of the poem must be a jingle, often 'Higgledy-piggledy' or 'Jiggery-pokery'; the second line must be a name; the last lines of each stanza are truncated and they should rhyme; and one line in the second stanza must consist of a single word. (Encyclopaedia Britannica).

remained with the company. Today, they testify to a past with long working hours, intensive developmental work, much laughter, immense commitment and important 'around the kitchen-table-discussions' where everyone participated and had his/her say. A few years later, the company was hit hard by the recession. The parent company went bankrupt in 1992 and the future of Higgledy was uncertain. None of the employees had the funding to carry on with the company. At this point, the present managing director entered the scene. Let's call him Hericles.

The Strategic Leader of Higgledy – Hericles

Hericles is a man of the forties. He grew up in a family involved in a family manufacturing business. Because of conflicts between the two families, his father sold his shares to Hericles' uncle. Hericles' father bought a steel foundry which Hericles and his brother took over and they appointed a managing director. Hericles got a degree as a mechanical engineer in order to take over the business. However, he and his brother were later forced to sell the foundry for only one Swedish crown. This event made Hericles determined never to experience such a thing again. Hericles felt there were two ways to stop this from happening. Either he could 'secure' himself or start working for the government authorities. Hericles rejected the latter alternative. He had started to work for a local foundry and he detested it. In his own mind he was too creative for school and his new job was too boring. His interests lay mainly within doing business so he decided to study business administration. Through family connections and by chance he got a job installing a computer system for a chemical manufacturing company which was owned by a huge, listed group. He did not particularly like the job, but at a very young age Hericles was given the task of re-constructing a wholly owned division of companies. He recalls this as a really exciting time, even if he was very callow, travelling around the entire country, making people redundant and making the companies profitable. He is especially fond of the story about when he understood that the group had charged "his" companies very high prices for a chemical product, and he then changed his supplier to one of the group's competitors, situated in the same town. After he sold those companies with a good profit – much to the relief of the group - he was offered the post as responsible for the international financing of the group. He could not resist this offer. During this time he had the opportunity to network with a lot of prominent top managers. It was through these contacts that he was later offered a position as the financial director of one of the largest family businesses in Sweden with his assignment abroad. This provided yet another challenge he could not resist. He ended up as one of the board members and adviser to the owner of the group. Investing money was one of Hericles' main interests, for his employers and as a strategy

The Two Case Companies: May We Be Introduced?

toward his own financial independence. When he realised that his job situation did not work with his private life, he resigned without having a new job and without knowing what to do next, except moving back to Sweden. Together with some former friends – and investors – he owned and ran a conglomerate for some time. He sold his shares in connection with a reconstruction of the company. And suddenly, there he was, not knowing what to do next. It was then that he heard of Higgledy through his former business colleagues. His idea back then was to buy it, to work a few afternoons a week, make it profitable, and then move on. He saw the potential of the high tech products that had been developed. He regarded Higgledy primarily as a fun project that could at the same time be a good investment.

Looking back, Hericles realises that he likes to be on his own, not having to work for anyone else. He wants to be in charge and he says it is fun to run a company because he feels like he has accomplished something. He does not regret that he left the “world of finance” and the more superficial role of being an investor. He is rather impressed with himself for making Higgledy what it is today – a well known, well-reputed and very profitable company world-wide within its own niche.

The Development of Higgledy

When Hericles entered the scene in 1992, the turnover was four million Swedish crowns with seven employees, including the original owner. The first year was a minor disaster, but Hericles was strong financially and he strongly believed in the concept of Higgledy. Higgledy’s first quality control equipment in 1986 was developed into the first “generation” of quality control equipment for mobile phones. In 1993, the second generation of quality control equipment was “born”. It was equipment with the capacity to check more than one phone at the same time. An increasingly competitive situation led Higgledy to start a deeper and more intimate relationship with their largest customer. The positive outcome was equipment that made it possible to detect exactly where deficiencies could be found. A new marketing slogan was also born: *We predict the standard* – still a guiding phrase and – *Trust is something you earn*. Higgledy is a high tech company which is extremely niched, and it is the market leader on the global arena. In recent years, 1996 and onwards, all efforts have been focused on the third generation of quality control equipment, including a completely new technical device for the first 3G mobile phones. This device will be the basis for future technical development where only “minor” adjustments will make it possible to react to and meet market requirements without too much additional developmental work.

The key ratios in exhibits 5.1. and 5.2 show that the company has turned into a successful company. It has grown from seven employees and a turnover

of four millions Swedish crowns to 60 employees and a turnover of 200 million Swedish crowns in 1999. The estimated turnover for year 2000 is over 262 million Swedish crowns and the number of employees is expected to reach 100. The important markets for Higgledy are Europe including the Nordic countries, the Far East, including Australia, and the United States. The major competitors are from Europe and Asia. The global market for this type of product is estimated to be around 400 million Swedish crowns in total annually. The strategic leader has been the sole owner since the take over, and he and his wife were on the board until the autumn of 1999 when three “professional” members joined the board. An introduction to the Swedish Stock Exchange is discussed.

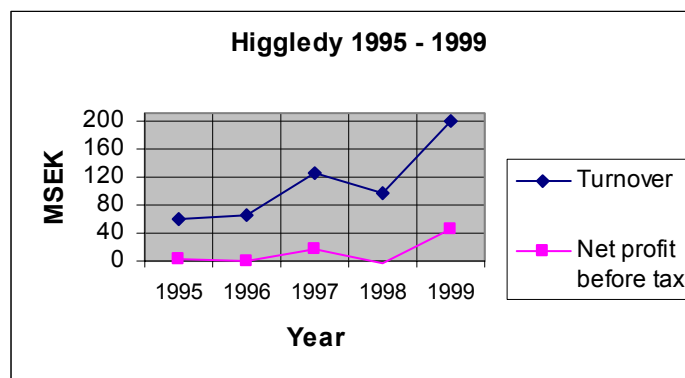


Exhibit 5.1 The Development of Higgledy 1995 – 1999.

Exhibit 5.1 shows that the company has had an increasingly strong turnover with the exception of 1996 and 1998, when the company made some heavy investments. The net profit/loss before tax has been rather stable – and low, around zero – over the years, except for 1999 when it increased tremendously to over 45 million Swedish crowns. Other key ratios for Higgledy would be solidity, rate of return on employed capital, the gross margin and the capital turnover rate over the past five years. Those are showed in exhibit 5.2.

The Two Case Companies: May We Be Introduced?

	1995	1996	1997	1998	1999	Average
Solidity ²	24.3%	15.0%	25.0%	27.3%	58.6%	30.00
Return on Employed Capital ³	26.9%	0.02%	41.0%	negative	57.5%	..
Gross Margin ⁴	12.2%	negative	17.0%	negative	28.6%	..
Capital Revenue Rate ⁵	4.2	2.22	2.9	1.8	2.4	2.7

Exhibit 5.2 Key ratios of Higgledy 1995 – 1999

The key ratios show that the company has had a rapid, steady, though sometimes interrupted, upward trend. The solidity has been high over the past five years, and was very high in 1999. This has been the case even though Higgledy has increased the number of employees and has made strategic investments in new, advanced machinery, production lines and new markets. The low and sometimes negative figures of return on employed capital and the gross margin are obviously explained by these investments. The capital turnover rate is at the same time very good under these circumstances. When I began following the process in August 1998, Higgledy had grown to a fairly large company with about 45 employees.

Hericles' Business Management Style and Higgledy's Radical Change

Hericles is no fan of strict, bureaucratic organisations but rather wants them to be as flat as possible. However, he realised that it is impossible for everyone to report to him, so he has organised the company into two levels – the strategic leader and his four different departments: Marketing and Logistics (including Sales), Research and Development, Production and Quality Assurance, and Administration (including Personnel). Agents throughout the world sell the products and there are two sales subsidiaries – one in Tokyo, Japan, and one in Philadelphia (PA) on the East Coast of the United States. Hericles has his desk in an open area on the ground level together with the administrative personnel, a group of three persons in total. There is just a thin screen wall separating

² Percentage of capital inclusive of minority share of total capital employed.

³ Percentage of gross profit after net interest income/expense plus financial costs of average operational capital employed.

⁴ Percentage of gross profit after depreciations of total revenue.

⁵ Total revenue by totally capital employed.

them. The Production and Quality department is on the same floor. R&D and Marketing and Logistics are located on the first floor. The premises are fairly newly renovated, and the colour range is bright blue, grey and white. The premises are located a couple of miles outside the city centre of the capital of Sweden. The front door is always locked.

Every Monday there is a meeting at nine a.m. where the different department heads, an expert on mobile phones and a representative for Service and Complaints report to Hericles and to each other about what is going on and what is in the pipeline. Hericles thinks this is a very easy way to get more structured and important information of this kind. Another way to keep in touch with what is happening is his daily round among the personnel. Sometimes the round happens twice a day. Once his employees understand how the situation works, Hericles' daily rounds are really appreciated. However, sometimes new employees get very confused by his way of discussing matters with them and take his input as direct orders, which sometimes results in minor chaos. Hericles' strong belief is that his main task is to constantly keep in touch with what is or is about to happen. So these two ways of getting information make up the most important basis for his strategic thinking formation. Hericles also dislikes administration and relies on his management team to handle this and all other personnel matters. However, he does not talk much strategy during the management committee meetings because he thinks that this concept is more a less a fad with no real substance. On the whole, he is not even fond of what the word means, since he thinks that it is much more realistic to take small steps ahead and let things develop along the way. When it comes to strategic thinking, he believes that it is up to him to find the long term strategic solutions and then discuss them with different people. If his personnel have better solutions, they might persuade him to change his mind. His personnel think that he is a very good strategist, financially clever, and always has a vision for the company.

Almost every employee has his or her own portable cell phone with its own connection. A time clock does not exist since Hericles expects and takes it for granted that everyone works as much as is needed. There is no pay for overtime but rather the base salary compensates for that. His employees are welcome to set their own schedule, as long as it is approved by the department head. Hericles is however very reluctant to take a couple of hours off from work for his own personal needs. According to his employees and close relatives, he can suffer from anxiety for days in advance if he has promised his family to take even half a day off.

Hericles is definitely considered an entrepreneur. His employees have the utmost confidence in his way of running the business, but wish he would sometimes be more decisive instead of trying to get everyone's opinion before a major decision. He is famous for his stubbornness but he is also known to give

The Two Case Companies: May We Be Introduced?

in – if he feels adequately convinced – still this does not happen that often. Hericles is also known to have a remarkably feel for the market. He easily predicts what will be the next step in the development of new quality equipment – and he has often been proved right. His employees regard him as somewhat scatterbrained yet charming and kind. There are many stories about his mistakes. Sometimes they are funny and sometimes they are embarrassing. He is very caring if he knows that someone has a personal problem. He might very well go out and buy pizza for everyone when they are working late to solve a special problem. However, his style is not liked by everyone. Those who suffer too often from his wish to rush ahead sometimes sigh and think that he should learn how to avoid this. There are also people as strong and as stubborn as Hericles and as a result there have been many difficult and lengthy conflicts. However, Hericles is very anxious to treat these people with respect because he realises that he needs them in the organisation. He is no expert himself on the product they manufacture, and excellent engineers are rare these days. Moreover, Hericles likes people and he likes arguing with them – especially if they are intelligent.

The radical change process I followed is the development of, and implementation of, the third generation of the equipment for quality assurance for the third generation of mobile phones. It is colloquially known as QASS [kass] within the company and is to be read “the third generation of Quality ASSurance.” The 3G mobile phone system stands for a high speed version of the computerised system of mobile phones. A totally new product concept and new products are to be developed. The new QASS is supposed to be the basis and a new way of working with R&D issues. Hericles is very much aware that this needs to be done. His competitors do not seem to be as far ahead, and at this point the QASS products are not very much in demand. However, the company usually predicts the standard and this is as good a reason as any other to be among the first manufacturers, and Hericles knows from experience that it takes much longer than one expects to develop new techniques. He follows the market for mobile phones, and now the 3G mobile phone system, with a variety of subsequent versions, is accelerating on the market. The cycles of different media are increasing rapidly, and it is important to be at the forefront. With the new QASS system, new clients and markets can be approached more easily, such as manufacturers of computers with the so called Blue Tooth system, i.e. based on radio controlled technology. Hericles says that it is a bit of a gamble, because no one really knows what market will increase and dominate, or in what direction the development will go and how important a market will be. Setting the standard under such circumstances is of course hard technically and market and product wise as well. Accordingly, the expenditure for personnel and research and development is extremely high. Financially, the company is sound, and the cash flow is satisfying. One thing Hericles avoids is

price negotiations. As he explains it, he is the last person in a chain of decision-making – as with everything else – so he has no one to act as a buffer for him. He says that every time he has experienced being in price negotiations, it has been to his – and the company's disadvantage. Hericles rejoices over every new order, being the market leader and over increased profit. He also enjoys watching young and often shy new employees develop into independent members of his organisation.

Piggledy

The Piggledy company dates back to 1936 and belongs to the traditional wooden industry. It started as a family business and remained so until it was sold to a company on the Swedish Stock Exchange Market in 1980. Later the company turned back into a family owned business in 1992. A family owned group bought the company. This group owns about 25 companies, and is led by the owner, his family and an employed group executive head. At that time, a grandchild of Piggledy's original founder stayed on as the managing director and two other relatives also worked at the company. Half a year after the most recent takeover, the managing director left and went on to own a chain of furnishings. He was succeeded by the former marketing director – a non family member. The reputation of Piggledy has been extremely good and the company has been the market leader within its niche of display cases and exhibition stands⁶ for decades. The stands and cases were the sole niche products for a range of years. At the time of the takeover, the export was about 70%. In 1994 the company got its first competitor in the area of display cases when a former employee – belonging to the former owner family – started exactly the same kind of production at a location nearby. This year also marked the peak of display case sales. Over the years there have been different attempts to increase the product range with varying degrees of success. In the mid eighties, the company realised that these added products were too heavy on administration and on the sales organisation in comparison with their sales. However, even if the market for furniture components was initially very sluggish, it was added to the product range and other items were abandoned in the mid eighties.

Piggledy belongs to a business unit called Manufacturing⁷. This is the only unit that has a business unit head who is not a managing director within one of the companies within its business unit. The business unit head of Manufacturing is the owner's son-in-law. He is also the chairman of the board of Piggledy together with the owner, the group executive head, the managing

⁶ The manufacturing of display cases and exhibition stands started in 1949

⁷ The other units are: Subcontracting and Trade

The Two Case Companies: May We Be Introduced?

director, and the administrative manager of Piggledy. In 1992, the new owner of Piggledy knew that the company was operating in a mature market and already had a third branch in mind. With the new managing director in 1992, the idea was to develop and manufacture a new range of wooden toys. However, this was very hard and the venture was less of a success. As the group executive head explains, Piggledy was only known on the market for its display and exhibition cases. In addition, they were unable to mass produce wooden toys which were exclusive in design and needed to be hand-made. The fact that the wooden toys could not be manufactured in a cost effective and rational way, lead to the closing down of the production of toys. In 1997 the managing director resigned in order to meet a new challenge. It was now that the company decided to make a new, aggressive effort toward exclusive wooden toys. The board of directors of Piggledy decided to buy one of the most outstanding wholesalers of toys in Sweden and thereby literally bought the market. This new sister company of Piggledy has two subsidiaries: one selling company with one employee and a factory that manufactures toys, mainly in redwood. The takeover took place in 1997. Because of this new constellation, the new managing director needed a background in production. The former production manager Pericles was hand-picked and entered the picture in April 1997.

The Strategic Leader of Piggledy – Pericles

Pericles is in his forties and has a basic education as a mechanical engineer. He has previously worked as a production manager within the same type of business within the same family owned group of companies. However, he left the company after ten years for a job in a machine workshop. After awhile he accepted a new position in a shipyard because he wanted to change industry altogether. The idea was that Pericles would become a shareholder and take a key position in the company since the present managing director was about to retire. After only two weeks on the new job, Pericles realised that this step had been the greatest blunder of his life and he felt ill at ease. Fortunately, he had kept in contact with his former workplace and with the group executive head. This was only a loose and sporadic contact, but as he now sees it, it was a good move on his part. In retrospect, he still thinks it was heaven sent when the group executive head called one day in March and offered him the job as the managing director of Piggledy. Within a week he decided to leave the shipyard, which was something he felt a bit awkward about. The message from the management team of the group was that he would come to a table that was already served; Piggledy had started manufacturing wooden toys and the market was there. Pericles' task was to speed things up and to launch the product line. The group executive's exact words were: "It's just press the

button”. Pericles could imagine many possibilities for the company and for himself. Besides, he was convinced that the owner was a very serious business man who did not invest any money if he did not really believe in the investment. To Pericles, this venture was a safe bet. When he started with the company, he felt that the whole organisation was ready for him. Everyone believed in the project and they were all just waiting to start manufacturing the toys while the belief in the display cases had almost sunk into oblivion.

The Development of Piggledy

The company is a fully integrated company and is organised into four different departments: Market (including Sales), Planning and Logistics, Manufacturing, and Administration. The important markets for Piggledy with regards to the display and exhibitions cases are, excluding Sweden and Finland, Western Europe and the Far East. There is only one competitor with display cases in Sweden, and this is the neighbour and former employee. The product is mainly sold to retailers and wholesalers. Professional exhibitors have become a new and potential market. The market for furniture components is Sweden and Finland and the competition is tough. The competition is even tougher for the toy market since there are many low budget manufacturers in the Far East and in Eastern Europe. The trade with furniture components is a business to business thing and the toys are mainly sold to the sister company which is a wholesaler to retailers and shopping centres.

The development of the company over the last five years can be traced through some key ratios. Exhibit 5.3 shows that the turnover of the last five years has decreased and has not yet reached the turnover of 1995 which was 48 million Swedish crowns. The net profit/loss before tax is steadily around or below zero. Piggledy has decreased its number of employees from 67 to 50 and its turnover from 44 million Swedish crowns to 41 million Swedish crowns from 1991 to 1999 to. The estimated turnover for year 2000 is 46 million Swedish crowns and the number of employees is calculated to be reduced to 46.

The Two Case Companies: May We Be Introduced?

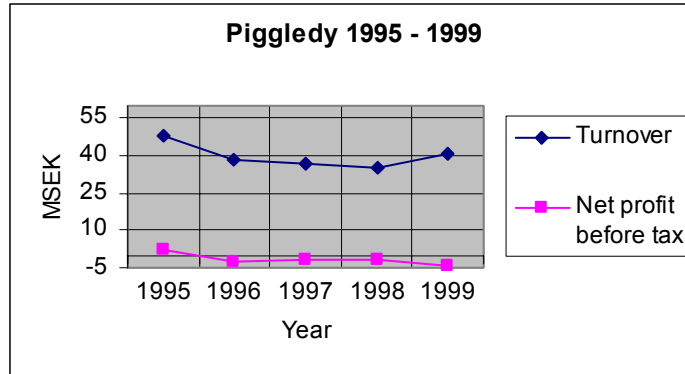


Exhibit 5.3 The Development of Piggledy 1995 – 1999.

Other key ratios of interest are solidity, rate of return on employed capital, the gross margin and the capital turnover rate over the past five years. These are showed in exhibit 5.4.

	1995	1996	1997	1998	1999	Average
Solidity ⁸	55.2%	54.0%	43.6%	42.0%	38.0%	46.6%
Return on Employed Capital ⁹	11.2%	negative	negative	negative	negative	..
Gross Margin ¹⁰	6.4%	negative	negative	negative	negative	..
Capital Revenue Rate ¹¹	1.4	1.1	1.6	1.2	1.4	1.3

Exhibit 5.4 Key Ratios of Piggledy 1995 – 1999

The key ratios show that the company has a negative trend on the whole. The capital revenue rate is very low, and usually such figures are found in capital-intensive industries such as the forest and steel industry, where the manufacturing processes are long and where there is a need for heavy, expensive equipment, and many and large stocks in hand of different kinds. Even so, when the capital revenue rate is that low, it should be compensated with a much higher gross margin of at least eight to ten per cent. Piggledy's solidity

⁸ Percentage of capital inclusive of minority share of total capital employed.

⁹ Percentage of gross profit after net interest income/expense plus financial costs of average operational capital employed.

¹⁰ Percentage of gross profit after depreciations of total revenue.

¹¹ Total revenue by totally capital employed.

figures have been kept high, even if they are declining. These high figures are probably due to a yearly intra-group transfer.

Pericles' Business Management Style and Piggledy's Radical Change

Pericles "took over" an organisation that was based on a sales and marketing director, a production manager, an administrative manager and a managing director. They all belong to the management team that meets every Wednesday morning. About six people work as administrative personnel. Every third Monday, Pericles calls the personnel to two separate information meetings with the production personnel in one, and the administrative personnel in another. The groups are placed in two separate buildings about 100 yards apart. Pericles is himself located in the administrative building, where he has his office connected to a show room on the first floor. The coffee room for all administrative personnel is just outside his door. The administrative building is a sort of barracks and the premises are situated in a small country village in the middle of the country. The colour range is mainly in light or dark brown with yellowish walls. The head office of the group is located about twenty miles away and the owner lives a hundred miles away.

Pericles has made some minor changes since he started. He has appointed himself production manager for the time being since the last 'family member' (of the very first owner) left his job in sales administration. This job has now been offered to the present production manager. The marketing director has also handed in his notice, which will give Pericles problems and will probably force him to change the overall organisation.

Pericles thinks it is tremendously important to go and talk to the people in the 'factory' and does so on a daily basis. However, he does not walk around the whole place, but rather goes to a specific person he wants to talk to and/or may want to talk to Pericles. On his way, anyone is welcome to stop him and have a chat, though.

Pericles' personnel see him as a contrast to the former managing director. His predecessor was a man of few words and rather many quick decisions. Pericles is known to take a long time pondering and discussing matters before making his final decision. Some people say he does not always reach a decision before he moves on to another track. He is full of ideas and is very enthusiastic about them and expects others to be as well. His energy is also well-known and appreciated. The fact that he works long hours and travels an hour and a half in each direction to get to work, is almost unbelievable to them. Among the production personnel the opposite feeling may exist, that Pericles is moving

The Two Case Companies: May We Be Introduced?

ahead a little bit too fast, does not take his time to listen to them in detail and has too little confidence in them.

As mentioned earlier, the radical change is the resumption of developing new products to approach new markets with the introduction of a new line of exclusive wooden toys, and the purchase of a wholesale company of toys to serve as the selling company of the new products. Two selling companies of the display and exhibition cases have been closed down in Sweden and in Finland. A totally new production system of technology has to be introduced. When I start to follow the process in September 1998, Pericles has realised that it was not just a case of 'pressing the button'. The company was neither ready nor equipped to manufacture toys. He has had to start from square one. The personnel are on the surface very positive to the new product range of toys, but it is hard for them to change their attitudes and old habits. Pericles is sometimes frustrated by the culture of the company, which he thinks makes people narrow-minded and very stubborn. They have been used to working towards a non competitive market and refuse to face the new reality they live in. Most of his employees are from the region and many of them have not worked for anyone else but Piggledy. Pericles reports on an almost daily basis to the chairman of the board, who is the owner's son-in-law and/or to the group executive head. To Pericles it is important to inform them of the course of events because there is a business risk involved in the radical change process. Besides, he feels more like keeping a line of retreat open, in case they should become even more delayed with the production. Furthermore, it is much easier to argue for important matters if the board has an understanding of what is happening. For example, he has made the board of directors aware of the fact that new equipment is needed, and without too many complications there is a board decision on installing a new CNC-machine. Pericles thinks he has a very good relationship with the board of directors and feels that they all trust him. This is also confirmed by representatives of the board who add that Pericles is also very loyal. Within the company, he talks a lot to the administrative manager, who has been with the company for more than 25 years, even if Pericles does not particularly see him as his confidant.

When I first meet Pericles in September 1998, he is convinced that a new strategy is absolutely necessary if the company is to survive. In spite of initial problems and sometimes shocking facts, Pericles is sure that the new venture will succeed and he is filled with enthusiasm for the manufacturing of toys. As he sees it, he has just suffered a delay for a couple of months.

Reflections upon the Two Case Companies

Higgledy and Piggledy in many ways form a contrast to each other. *The organisational setting* differs a great deal between Higgledy and Piggledy, even if there are similarities as well. The former company has an atmosphere and culture of which in general we would call entrepreneurial. Wiklund's (1998) definitions of entrepreneurship and entrepreneurial orientation would confirm that this is the case. According to Wiklund, entrepreneurship is a process where opportunities as well as actions are taken in order to be in the forefront on the market – a process involving one or more persons and/or companies. Higgledy's competitive advantage is "to predict the standard" for the market of equipment for quality assurance, and they do so by developing totally new niche products. Entrepreneurial orientation would be connected to Hericles' self perception of Higgledy's strategic orientation. Even if entrepreneur researchers do not totally agree, the key words for self-perception are risk-taking, pro-activeness, and innovation (Wiklund, 1998). Therefore, Hericles will be categorised here as an entrepreneur. The picture given by Hericles himself and his management team emphasize that Hericles, and the organisation of Higgledy as a whole, are focused on entrepreneurial behaviour and entrepreneurial activities.

On the chart, the organisational set up between the two companies is very similar. However, the big difference is that the managing director of Piggledy is not the owner, and thereby he does not have the same authority as the managing director of Higgledy. The latter company is led by the owner and thereby the decision-making process is short and fast. In Piggledy, on the other hand, the decision-making process, in many cases, has to go through the group executive head and the chairman of the board. Applying Wiklund's definition of entrepreneurship to Piggledy gives a negative result. Piggledy does not predict the standard on the market. It is also disputable whether Piggledy shows entrepreneurial orientation, as the degree of the innovativeness and pro-activeness is neither unique nor influential on the market. However, the level of risk-taking is very high in a market that is considered very slow, has reached its saturation, and where there is cut-throat competition. I would rather call the embeddedness of Piggledy a family business setting. As with entrepreneurship, there is no single definition of family businesses. However, if we choose from some of them, they would apply to Piggledy. So, for instance, Barry (in Handler, 1989) defines a family business as *an enterprise, which, in practice, is controlled by the members of a single family*; Ward (in Handler, 1989) defines it as *[a business] that will be passed on for the family's next generation to manage and control*; and finally, Donnelley (in Handler, 1989) says about a family business, that *a company is considered a family business when it has been closely identified with at least two generations of a family and when this link has had a mutual*

The Two Case Companies: May We Be Introduced?

influence on company policy and on the interests and objectives of the family. Piggledy meets all these requirements and can be labelled a family business. What makes Piggledy somewhat different, though, would be the fact, that Piggledy has an employed managing director, not belonging to, but directly responsible to the owner family. The company is also owned at present by a second family and has been owned by a listed company at some point. The present owner situation of Piggledy involves two generations, and the idea is for the second generation to take over the business. Some of the characteristics above would apply to Higgledy as well, especially if one takes the aspects of owner-management and the face-to-face authority (Goffee, 1996) as characteristics of a family firm. However, Hericles himself, does not see his company as a family business at all, even if he admits that it is in many ways run as one.

A family business is also supposed to involve a certain culture. Values, beliefs, and attitudes are connected to the culture of a company. With these two companies it would be natural for the culture to be different in this sense. The members of Higgledy are mostly young, well-educated people who live in the town or its suburbs. The employees of Piggledy have a high average age, mainly have a practical education, live in the countryside, and have been with Piggledy all of their working life. In the case of Higgledy, the founder is a main role model for forming the culture. In the case of Piggledy the role model is not necessarily Pericles, but rather the culture that has been formed over a range of years by two different families before Pericles took up his duties. The time period of the listed company as the owner of Piggledy seems to have had minor effects. Talking to people in Piggledy who have been around for a long time, they make fun of the representatives of this company and almost see them as people from another planet.

The profitability is another crucial factor that separates Higgledy and Piggledy. When comparing the two companies, it is rather obvious that Higgledy is experiencing an upward trend while Piggledy is suffering a downward trend. This is in part explained by the differences in the market situation since Piggledy is trying to enter a new market, which is overexposed. Both companies have made expensive investments but on different conditions because of different future needs. Therefore, it is not surprising that the key ratios for return on employed capital are negative some years. However, for Higgledy this is just intermittently so. It is rather usual and natural for a fast growing company to show “an-every-second-year” profile, where the curve goes upwards every second or third year and then takes a deep plunge the next. Besides, Higgledy has been able to keep the capital turnover rate at a high level in spite of this fact. For Piggledy, however, these figures indicate a steadily downward trend. Higgledy has been able to keep the solidity relatively high as

well, even on its own account, in comparison to Piggledy who has received contributions from the holding company.

The product mix of Piggledy is a traditional mix of products that are known to the market. The market is however not that familiar with the fact that Piggledy also produces toys. Higgledy has an advantage on its market, as it is known as predicting the standard, and therefore customers constantly await its new products. The life cycle of these products can be short, which could be a disadvantage, but the market has its place for creative players.

The radical change of the entrepreneurial versus the more traditional company also differs. The radical change of Higgledy has taken its form from a natural, continuous, and ongoing process, and is the self-evident result of being a niche company within a high technology industry. The strategic leader of Piggledy has another situation. He has been assigned the particular task of carrying Piggledy through the change of a new product range and to deliver to a market that is ready-made through the takeover of a new sister company. I would argue, that the underlying reasons for the radical change are different. The strategic leader of Higgledy is convinced that he must be the first on the market and the first with a new product concept. This must be executed quickly and at any cost. It is important for him to keep and increase his lead. The strategic leader of Piggledy, on the other hand, has the mission to re-construct the company with comparatively small means and come out with new products with a new finish on a new market. A radical change is needed in order for Piggledy to survive. The change is also initiated with the idea that the company should not need to make any personnel redundant, but rather keep its original size. Higgledy is a company with a lot of resources, personnel and money wise, in particular in the areas of research and development and marketing and sales. As a comparison, Piggledy has most of its assets tied up in production and production planning yet not so much in product development. The professional backgrounds of Hericles and Pericles might have some influence on the change processes. Hericles has his professional experience from finance, with its quick movements and re-constructions of companies, whereas Pericles' background is in production with its longer time processes which can be calculated to a high degree.

The *size* is a similarity between the two enterprises. They both employ around 45 people. Following the European Union classification, they are categorised as small businesses, on the boarder to medium sized companies¹².

¹² The European Union has the following classification: 1 – 9 employees: micro firms; 10 – 49 employees: small businesses; 50 – 499 employees: medium sized businesses; 500 and upwards: Large businesses. Cambridge Small Business Research Centre identifies 1 – 9 employees as micro firms; 10 – 99 employees as small enterprises and 100 – 199 employees as medium sized firms, and 200 – 499 employees as large companies. (From SBRC 1992: The State of British

The Two Case Companies: May We Be Introduced?

Small businesses play an important financial role in the world economy. For decades, the main part of the population has been employed by micro, small, and medium sized companies. As a whole, small and medium sized enterprises (SMEs) constitute nearly 100 per cent of all incorporated companies and employ the majority of the population. Over the last decades, SMEs have changed their character a great deal. They seem to be the key actors and they increase the number of employees in times of prosperity, and in the recession of the nineties they were better at keeping the number of jobs than large companies (see Davidsson et al, 1996). Besides, small and medium sized companies are no longer a mere local phenomenon, vital to the local community, but play offensively on the international arena. Yet SMEs have been almost neglected as a focus in research projects, with the exception of micro businesses. Entrepreneur researchers have made numerous efforts to survey them, and today we possess much more knowledge but from mainly about the start up and initial growth phases. I would, however, argue that it is time to attend to the under-theorising regarding strategic processes in small and medium sized companies. Large firms have been theorised to a great extent from many different perspectives, and in particular when it comes to strategic action and strategic processes. These processes are interesting as such to SMEs as they might explain the agony of growing companies, which probably do not have the same resources as large companies, and where radical change projects probably affect the whole organisation and all its members. However, not only growing and/or fast growing firms are interesting. The more “steady-going” companies, which need to take action in order to survive in the long run are also interesting because they probably constitute a large portion of our “tacit” economy. Even so, large businesses have by tradition been more favoured regarding finance, supplier and customer networks, governmental attention and support, etc¹³. As I have argued elsewhere, radical change processes are relational and are formed along the way. For this reason, it is probably not too presumptuous to assume that the role of emotions among strategic leaders and other individuals in strategic change processes would be equally important and interesting to study in SMEs.

The purpose of this short exposition and comparison has mainly been to highlight the differences between the two case companies. The idea when choosing them was to find two cases that contrasted. The argument for doing so is that a case study methodology is not designed *per se* to find typicality or representativeness. The reason for choosing a case study design is rather to learn

Enterprise, University of Cambridge. UK.) Davidsson, Lindmark, and Olofsson (1996) define all companies with less than 200 employees as small companies.

¹³ During the last years, micro firms have had almost enormous attention from governmental bodies as well.

from specific and unique cases. Here the cases are supposed to ease the understanding for the phenomenon of emotions which Stake (1995) calls an instrumental case study method. The need to learn is thus the primary goal, and following this guideline, the maximum learning experience would be to follow two cases, that seem to contrast each other. Therefore, the reason for following two SMEs should be made evident from the reasoning above.

The relevance of the two case companies in relation to the focus on emotions is perhaps not that obvious. This was not a major issue when selecting them. The main concern was to have cases that related to radical change, as accounted for earlier in this thesis, to have two manufacturing companies, i.e. as opposition to the pre-dominant service sector when it comes to emotions, and two companies that at least prior to the project showed major differences as discussed above.

Guidelines for Further Readings

The following two chapters are the stories of Higgledy and Piggledy. It should by now be clear that the empirical material is reproduced as narrated chronologies. Each chronology note is divided into monthly accounts, starting in August/September 1998 and ending in April/May 2000. The division into monthly chronologies is artificial and is made for reasons of convenience only. After each month, the reader is provided with a short version of the course of events for that month and a summary of the emotions that have been experienced, shown, expressed, observed or suppressed. The focus is on the emotions of Hericles and Pericles respectively, as they are the key persons of these two accounts. It is, however, not always the case that the reader can “read” the emotions directly from the text. Some of them are the result from my own observations and some are the result of subsequent conversations with the strategic leader and in some cases with the members of his team.

The emotion words¹⁴ used in the narrated chronologies are ‘grounded’, i.e. I have used the emotion words that Hericles and Pericles have used themselves, or the organisational members of the organisation have used, or the ones that are common knowledge to me. In addition, if the same emotion is expressed more than once in relation to the same issue it is recorded more than once. For example, if the strategic leader feels joy about sales in October as well as in November, joy is mentioned twice. This might be a way to show the duration of an emotion. However, if joy about sales is mentioned twice in a meeting or

¹⁴ In order to find a label for the phenomenon of an emotion, the label ‘emotion word’ is mainly used throughout the text (see Shaver et al, 1987). Hochschild (1983) uses the term ‘feeling words’ and Averill (1975) uses the term ‘emotion concepts’.

The Two Case Companies: May We Be Introduced?

in a conversation the same day, it is not repeated. Since this is not recorded, one might argue that some of the intensity of the emotion has been lost. This can be compensated to some degree by repeating the same emotion over time related to the same issue. If joy is expressed over two different issues or more, the emotion is mentioned in relation to each issue. The emotion table at the end of each month and the emotion patterns in the graphic illustrations that follow in chapter eight are meant to provide the reader with an overall impression of Hericles' and Pericles' emotions. I do not claim to have recorded each and every emotion, nor do I claim to have been completely accurate in presenting an emotion in relation to a specific issue.

Regarding Higgledy, Hericles' diary is enclosed at the end of each monthly chronology. Pericles' diary notes are recorded as monthly accounts in November and December of 1999 and in January of 2000, i.e. as a natural part of the chronology.

One of the narrated stories in each company respectively is reproduced directly, i.e. the reader is faced with the actual conversation from a management team meeting at Higgledy and a board meeting at Piggledy. The reason for including these two accounts is to show that emotions arise and take new directions in the daily encounters, in day-to-day issues, often without our noticing them and their implications.

From here, I will recount the processes and the events of the two case companies. Chapter six that follows is the narrated chronology of Higgledy, and chapter seven is the chronology of Piggledy. Chapter eight is an empirical analysis of the material provided in chapter six and seven, and the following chapter nine is a theoretical analysis of emotions, as is interpreted from the two narrated chronologies.

6. The Story of Higgledy

This chapter tells you the story of Higgledy from August 1998 to May 2000. In order for the reader to follow Higgledy's process as a process the story is told as a narrated chronology. Certain adaptations have been made and specific points highlighted. After each chronology note, the reader is provided with a short version of the course of events in Higgledy. With a contextual and communicative approach, the chronology is held on a relatively detailed level. Each monthly note ends with an interpretation of emotions, and since this thesis has the strategic leader as the key person, the summary of emotions will be these of Hericles¹⁵. The chapter ends with a summary of all the emotions during the process divided into different managerial issues. The analysis starts in chapter eight directly after the Story of Piggledy in chapter seven.

Prelude: August, 1998

It is an ordinary day at work. People have just come back from their holiday and everything is back to normal, or as normal as it can be at Higgledy. Before the summer break, all the members of the company were in Italy. Even if the trip was sort of a bonus for their hard work the year before, it involved work and had a clear message. The theme of the week was *the Higgledy Spirit* and its importance to the future success of the company. Hericles and the Marketing and Logistics manager were the two persons mainly responsible for the event. A special booklet was printed with the key words of the Higgledy Spirit: Creativity, Consideration, Responsibility, Commitment, and Business Orientation – interpreted in short as: Here everyone helps each other – at any time, with anything.

Hericles is concerned at the moment because sales for the first eight months are no better than 50 to 60% of the calculated sales. A Japanese upstart, appearing from nowhere without any previous warning, lowered the price to half of the ordinary price, and Higgledy lost some important orders. However, the marketing of the new QASS will most probably change this situation. According to Hericles, the new generation of quality assurance equipment is now finalised, and the implementation of succeeding innovations will take place gradually. Higgledy does not market the QASS as such, since this would mean that clients would wait for the next innovation, but rather the company markets their capacity to test different products. The Chinese market, which is huge in the area of mobile phones, looks very promising. They are developing

¹⁵ In this chapter, I will mainly refer to Hericles as the managing director, but I will also refer to him as the strategic leader of Higgledy.

their own system for mobile phones, but will of course need quality assurance equipment for this. Higgledy will market its products by giving seminars at a trade fair in Peking, and at the same time release its marketing magazine CONNECTION in the Mandarin language. Another big fair – one out of three that Higgledy takes part in – will soon take place in Singapore. At these fairs Hericles – and most often the manager of Marketing and Logistics and some technical expert – follow up on different customers, discuss future projects and try to get a feel for what the “Market” is in for next. Hericles is considered very good at doing this and at drawing professional conclusions from it. In spite of the threatening clouds, Hericles seems confident at the time, feeling that at the moment there are a lot of interesting things going on. To him, not knowing what the Market will demand next is a way of living, and it is his challenge to meet this uncertainty.

In short:

- ✓ All personnel have been away a week in Italy to work with the Higgledy spirit.
- ✓ A Japanese competitor has taken customers from Higgledy.
- ✓ The new generation of quality assurance equipment is being finalised.
- ✓ The Chinese market looks promising.
- ✓ Sales are about 50-60% of the calculated sales.

The following emotions are interpreted:

EMOTION	ISSUE
Confidence, Expectation	The new generation of quality assurance equipment
Concern	Sales are only about half of the calculated sales
Expectation	The Chinese market is opening up
Concern	The Japanese new-comer on the market, who is dumping the prices and thereby taking customers
Challenge	To meet the new demands on the market

Exhibit 6.1 Emotions in August 1998

September 1998

Hericles is a bit uneasy about the researcher being around all day. The personnel make jokes and warn the researcher about how Hericles is and that it will be hard to follow all of his moves.

Hericles takes his usual morning round, talking to people in Production, Quality Assurance, Marketing, Logistics, and R&D. This is his way of checking out what is going on. Walking through the different departments it is clear that this is a company with many youngsters. Most people wear jeans and T-shirts, which goes for Hericles as well this morning. They have a cell phone hanging on their belts or lying close by on the table. The kitchenette is overloaded with carbohydrate drinks and pasta food because many of the employees are body builders. The latest music is on and is fairly loud. Everyone seems to be concentrated on his or her task and no one seems to be walking around without a purpose. In the test room, where all quality assurance equipment comes for the final quality check, Hericles has his own checking point. The more sets that are waiting to be quality tested, the better the result will be. During the round, Hericles is made aware of some new technical problems and discovers the solution for others. The new system that the Chinese have developed has turned out to be pretty basic.

In the morning, all the personnel celebrate the birthday of the manager of Marketing and Logistics, and Hericles hands over a gift. At the management meeting the manager is celebrated again with an extra gift from the management team. During the meeting a variety of items are discussed, such as the approval of subsidised indoor bandy (as long as sick leaves does not increase), problems with taking stock, the wish to have an all embracing computer system and finally a suggestion for a system for financial prognoses and reports. The team also discusses the image of the company, which they all want to be different, non-conforming and with a touch of humour.

However, things have not developed as expected. So far, sales are estimated at 56 million Swedish crowns by the end of September, and even with a positive prognosis – and a lot of hard work – the forecast will not be met. Even so, Hericles is optimistic about the next three months of the year. He is more upset with the slow development of new products of the QASS, and he is shocked to realise that important products will be delayed for a further three months, and in total over a year compared with the original plan. He is clear in his message that things have to speed up, even if he does not blame anyone for the delay. He is aware of the fact that everyone is working as much as can be expected, and yet, he stresses that something has to be done to speed everything up. He is prepared to face the fact that the value of the storage is a few Swedish million crowns minus. The most important thing is to make the delivery in order to increase sales. The worry is that Higgledy might be short of incoming material. According to Hericles, the delay will result in decreased sales of 10 to

15 million Swedish crowns. Indirectly, Hericles sees a problem with the manager of Production and Quality Assurance not being able to employ people fast enough, and he stresses the seriousness of it all. At the end of the meeting, Hericles gives a report about a trip to Europe. He has noticed that the “market” is asking for an even higher speed in the testing procedure and an even higher accuracy in measuring.

In spite of the present situation, the meeting is held in a relaxed atmosphere and is definitely not short of humorous comments, sometimes with an ironic touch. The good news this day is that an incoming order is much larger than expected and equals over ten million crowns in turnover. Moreover, the Japanese upstart seems to have somehow disappeared.

After the meeting, Hericles is convinced that it is of no help to analyse the delay in detail, but rather the focus should be on finding actions that will speed up the process. To increase the cost is not a problem since Hericles thinks it is more important to increase personnel. His company is in a delicate situation where it has to maintain and develop two different systems while at the crossroads of entering into the third generation of quality assurance equipment. He is not worried about the financial situation for the present year, but he is worried about not being ready with the new system in order to make money the coming year. A delay of three months means an undefendable loss of money. At the moment he does not know how to tackle this problem. He is not sure, however, that the other members of the management team understand that he considers the situation serious; he might not have been clear enough. In a discussion with the R&D manager, Hericles shows concern and disappointment. The situation may not have occurred if there had been a parallel development with more personnel. He is very clear in his message that it is unacceptable to be delayed like this and in the future it is a must to avoid situations like this. The R&D manager repeatedly stresses the uncertainty he feels, and that he has difficulties in making up his mind. Hericles, on the other hand, stresses the importance of employing more people, and that something must be done in order to decrease the time needed for developmental work.

The day ends by Hericles touching base with the American subsidiary and its managing director. This is something Hericles does on a regular basis once or twice a week. The American managing director is quite young and new to his position and he wants to change company premises, but they are tied to a contract. Hericles has realised that the American manager does not want to move to California. A service company will therefore be set up in California and the headquarters will remain on the East Coast. This new service company is necessary in order to be close to the customer, and Hericles thinks that the American market will increase rapidly.

In our conversation at the end of the day, Hericles summarises the day with the bad news – the delay – and the good news – the large order, and the fact

The Story of Higgledy

that Higgledy has been proven right in developing the accuracy and precision of the measuring instruments in their quality assurance equipment. The time to test for the quality has been reduced considerably due this development. This is the result of Hericles' ability to foresee the customers' demands in their efforts to cut costs in a mature industry where the margin is decreasing. In short, Hericles praises Higgledy for increasing the quality and profit of the customer.

Commenting on the phone call with the American managing director, Hericles is disturbed by the fact that it is almost impossible to understand another culture. He says that it is easy to believe that one understands the American culture because Americans look like Swedes and they talk a language a Swede can understand. However, to understand the culture demands much more than this, and Hericles believes we will never really fully understand each other, so it is better to accept our differences. According to Hericles, the culture of Higgledy is one of the elements of its success. In addition, its organisation with its more expensive system with agents plus the aggressive marketing of Higgledy and its products are key factors. This has made it possible to cover the whole niche market with a whole range of products.

When we say goodbye for the day, Hericles admits that he is relieved that I am leaving, and that he is looking forward to being able to sleep the whole night through.

In his diary for September, Hericles writes that he is worried about the introductory speed of new products for the coming year. He writes that he can foresee a recession next year and that a consequence of that recession will be a decline within the mobile phone industry to make new investments. A way to meet this is to supply the market with products that increase the efficiency of the customers' production. Higgledy can not afford a delay when it comes to meeting this demand on the market. In order to speed up the development, Higgledy admits that he has created an atmosphere of a minor crisis. Hericles admits that he is worried that the new developmental work might be too extensive and take too much time, and that as a consequence the company might lose market shares. He uses the expression; "while the grass grows, the horse starves." His way of dealing with the situation is to make the most of the coming fair and urge his people that they have to have products ready by the start of the fair. Hericles thinks this is a way to pull everyone together in order to solve the developmental problems.

In short:

- ✓ Hericles takes his usual morning round to check what is going on.
- ✓ The manager of Production and Quality Assurance is congratulated on his birthday.
- ✓ At the weekly management team meeting the future image of Higgledy is discussed.
- ✓ The sales forecast will not be met, but Hericles is optimistic about the three remaining months of the year.
- ✓ The new QASS and new products will be delayed further – for more than twelve months total as compared to the original plan.
- ✓ Hericles stresses the importance of speeding up the development.
- ✓ Hericles' interpretation of a business trip is that the "Market" is asking for a higher speed and a higher accuracy of measuring regarding the quality testing procedure.
- ✓ A service company will be set up in California, and the head quarters of the American subsidiary will remain on the East Coast.
- ✓ Hericles foresees a recession next year within "his" industry.

For September, the following emotions can be interpreted:

EMOTION	ISSUE
Uneasiness	The researcher being around
Optimism	Sales for the remaining three months
Concern	The production speed and the shortage of incoming material
Relief	The Japanese upstart seems to be not dangerous
Shock, Indignation, Disappointment	New products will be further delayed; the QASS is not ready
Impatience	The development needs to be speeded up
Worry	Higgledy not being ready to meet the market demand next year; the "slow" pace of the development

The Story of Higgledy

Disappointment	The management team does not seem to understand the seriousness of the importance to speed up the development
Joy, pride	Higgledy's ability to meet the customers' demands
Satisfaction	The Higgledy Spirit is part of the success
Resignation	The culture of the Americans and the American managing director's way of thinking and acting in particular
Worry	The introductory speed of new products the coming year
Worry	Is the developmental work too extensive
Joy	Jokes, made at the management team meeting
Relief	The researcher is finished with her first participant observation

Exhibit 6.2 Emotion in September 1998

November 1998

After the September management team meeting, Hericles conveyed to his employees that a crisis was going on. The delay of the development of products would jeopardise the company. Hericles' closest and oldest members of the management team recognised a typical pattern where Hericles' identifies two extremes or a sort of heaven and hell situation. Others, including the R&D manager, took the situation as being deadly serious and confusion was created among the employees. The "old" team tried to explain how Hericles works, and three days later not even Hericles remembered the chaos he had created.

A rather confusing management team meeting is held. The Marketing and Logistics manager starts out the meeting to make clear to Hericles the situation that arose last month, and that this should be avoided in the future. The R&D manager has an advertisement in the pipeline, where he is going to recruit four new technicians. The manager of Production and Quality Assurance brings up the issue of quality. The risk is that the customers will start to compare and

find differences quality-wise. A long discussion about accuracy of measuring and quality issues follows. The Marketing and Logistics manager wants to see a more even and uniform standard of the quality for different products and also a smarter way to work. Hericles is a bit irritated because he thinks this should be solved within and between the departments. He points out the importance of being committed to the issue and a strong will to solve the problem, which affects all departments. He is not at all fond of the idea of bringing in more people to handle this issue since he is very keen to keep administration as low as possible. He does not mind employing everyone they can find for the R&D department, but in all other cases his managers are urged to think before taking on new personnel. All members of the management team are irritated and frustrated over the situation, and it is decided that the question of accuracy of measuring and quality will be added to a meeting arranged next Thursday by the R&D department.

The forecast for 1999 is discussed. The Marketing and Logistics manager is not very keen to try to estimate the sales volume for the next year because he feels it is impossible to “guess the market today”. Hericles wants to work through different goals. It makes him upset when people want to analyse too much in advance and rely too much on planning since things will look different in reality – and all this work will be in vain. There are a lot of jokes about the forecast and the metaphor of a simplified tax declaration sheet is used. It is, however, agreed that a cost estimation should be made and that the Marketing and Logistics manager should try to estimate sales. The forecast for 1999 is to be presented in mid November. The Marketing and Logistics manager also brings the good news, that sales for October are eight million Swedish crowns, and that as far as one can tell from the prognosis December will be the same. The present forecast for 1998 seems to be fulfilled at 75-80% which makes Hericles very happy – he even exclaims “damn good!” People around the table seem very relieved, and a lot of jokes are made.

The Marketing and Logistics manager reports that Higgledy was too late in California and missed an order because the computer system was not compatible. Again, there is a discussion about the computers, and it is decided to deliver all systems to the States including a computer.

Hericles gives a report about his trip to Singapore, and his main impression is that everyone is trying to sell 3G mobile phones. Hericles has paid a lot of visits to clients and it seems like the competitor Epsilon is a supplier for many of them. Their quality is not as good as Higgledy's, but it seems to be good enough for the customers. Another competitor is also mentioned as being of importance. An alternative to a specific supplier is discussed since this supplier seems to be both a supplier and a competitor. Hericles thinks it is a terrible situation and he is upset because Higgledy is being left behind. The situation seems hopeless since there is no alternative supplier of the components they

need. There is also an opportunity to get a huge order of quality assurance equipment for over 32 new lines if Higgledy can deliver. This is something they cannot do at the moment, but the whole management team agrees that they have to be creative and sell something in order to catch the train, so to speak. Delta is about to build eight new factories to manufacture mobile phones, and this means that Higgledy has a chance to receive their orders for quality assurance equipment. Apart from Taiwan, Hericles finds the market in the South East rather slow on the whole.

All the members of the management committee make fun of the R&D manager, who tries to avoid giving his status report as long as possible. He eventually reports that a full version of a 3G MOBILE PHONES QASS is estimated to be ready during the beginning of April of the coming year. Hericles likes the new planning system the R&D manager presents because it makes the company appear more serious. In a more detailed discussion, Hericles gets irritated with the expert on mobile phones, and he does not join in on the jokes with the others about some specific projects. A technical detail might jeopardise the presented plan and the basic version of the 3G mobile phones QASS is also an unsolved issue. When Hericles wants specific dates for the production start, the R&D manager is hesitant and Hericles gets irritated again. The R&D manager seems to be dependant on a product strategy. Hericles' ambition is to be all inclusive on all quality assurance equipment for media, but to him the time tables cannot be too stretched in order to meet this. To him it is a question of prioritising, being flexible with a plan and being ready to sell what customers order at certain times. The R&D manager makes the remark that his planning is not new. He is still dealing with the same products as when he started his position at Higgledy a year ago. Nevertheless, Hericles appreciates the plan, even if the lead times are too long. He says it has been "damned good" to go through all products. The Marketing and Logistics manager suggests that they all concentrate more as a whole and that it is about time to stop meandering about. As he sees it, this is a good way to speed things up. Focus and concentration are recommended in order to be competitive. He describes a scenario with an efficient Higgledy and everyone takes this as partly serious and partly as a joke. As the mobile phone expert expresses it, the new device seems to be able "to produce anything and do it real fast."

An interesting piece of news is that the R&D manager has decided to conduct performance appraisals with his staff. Hericles approves of the idea, and thinks it is about time to start something similar in all departments. The R&D manager promises to share some ideas with his colleagues. The meeting ends with a really "hot" discussion about a Primus Phone which is to serve as a quality reference, the so called Primus Reference Quality. Higgledy is supposed to make a suggestion as to who will host this phone. Hericles and the expert have different opinions and the expert thinks it is alright if the

supplier/competitor they talked about earlier hosts it. However, Hericles is very much against it, strategically as well as politically. He does not want this company to be in control, and he has another suggestion but the mobile phone expert thinks this is a fantasy. Both of them get irritated and the expert confronts Hericles on this matter. Eventually, Hericles seems to accept that Higgledy has to give a suggestion the next day, and that the suggested company can host the equipment as long as they do not gain full control. However, Hericles does not seem completely convinced. The meeting goes way over and Hericles makes a joke about the fact that it is past lunch time. Not everyone thinks it is funny.

In his diary for November, Hericles reflects on his visit to some American clients and the American subsidiary, together with the mobile phone expert. He writes that his biggest worry before he went was what the reaction of the subsidiary would be to the replacement of the former managing director with a much younger, former sales manager. Hericles was relieved to find a much better atmosphere. He was also satisfied that the expert was able to solve some problems for a customer, and that they were able to convince another customer to buy from them. Hericles also paid a visit to a competitor, and they discussed a mutual developmental project. However, to Hericles, the most interesting part of this visit was the competitor's knowledge about production processes among customers. To Hericles it is important to learn how to develop products that increase the production efficiency among customers in order to compete in a "mature" market.

In short:

- ✓ Hericles' behaviour has created confusion and chaos in the company, especially among new members of the organisation.
- ✓ A separate meeting will be held by the R&D department in order to deal with the issue of accuracy in measuring and quality.
- ✓ Hericles reports from his business to the Far East, and draws the conclusion that the market is rather slow at the moment, but there might be great possibilities coming up.
- ✓ The R&D manager presents a long range plan for new products.
- ✓ The R&D manager introduces performance appraisal dialogues for his department, and Hericles encourages the other managers to do the same.
- ✓ A company, that is part supplier and part competitor, will be suggested to host a strategically important quality assurance equipment. This is against Hericles' will.
- ✓ Hericles has been to the States to check on the replacement of the managing director at the subsidiary.

The Story of Higgledy

Emotions, that are traceable during this period, are:

EMOTION	ISSUE
Irritation	Issues that should be settled between the departments, are brought up at the meeting
Impatience	Hericles emphasises that everyone needs to be committed
Irritation	To put down too much work on planning the forecast
Excitement, Joy	The sales forecast will be met to 75-80%
Indignation	A supplier also acts as a competitor
Satisfaction, Expectation	New orders might be in the pipeline from the Far East
Satisfaction	The long range planning made by the R&D department
Joy	Jokes about the process of setting up a forecast
Irritation, Impatience	The development takes too long
Uneasiness	Too much administrative work
Indignation	To host Primus Quality assurance equipment with a competitor
Reluctance, Resignation	Hericles “has to” agree to host the Primus Quality assurance equipment with the competitor
Irritation	Quality problems within the production department could be solved within and between the departments
Relief	A good atmosphere at the American subsidiary
Satisfaction	Higgledy’s ability to help out a customer with a technical problem

Exhibit 6.3 Emotions in November 1998

December 1998

A management team meeting is held in the morning. The discussion involves carrier paths for employees, especially for those within the R&D department. Three people have left Higgledy and this is quite a new situation for the company. People have so far very seldom left the company, but it is understood that this is something that is bound to happen more often in the future.

Besides, perhaps the event is not symptomatic. The R&D manager has conducted his performance appraisals and can confirm that the employees want more challenges. The manager of Production and Quality Assurance provides his department as an example of where people often start off and then find other carrier paths within the company. However, Hericles is reluctant because although he thinks it is very important for employees to develop within the company, everything is going too fast. He thinks that there is a risk that things will not turn out right. It also irritates Hericles that one of the employees that has left seemed to “use” Higgledy as a transit hall while finding a better job in the capital of Sweden. For Hericles, it is very important that the department heads are more careful in the future when they recruit. This is somewhat of a contradiction since the kind people Higgledy wants are very hard to find. However, once they are in the company, they have to be handled very well so that they will stay. As the technical expert says, “They just have to step outside the door to get a much better offer.” It is also stated that the young people of today have other attitudes to their work than what was the case a few years or a generation ago. Hericles says it is about time that the company starts thinking of new, creative ways of attracting the young, well-educated and “hungry” people that they want to recruit. After providing some concrete examples of what can be done, the R&D manager continues to report on the status of different projects. A meeting is going to be held where the different projects will be prioritised. The idea is to then stick to the important projects. He has divided them into A and B priority. Hericles is satisfied and at times even amused with the R&D Manager’s report. The difficulties of incoming material and suppliers are discussed once again, and Hericles stresses the importance of accuracy in measuring and makes it very clear that this is a way of being competitive. A detailed technical discussion follows about two important technical ingredients of the QASS, which have not yet been solved. The mobile phone expert explains to Hericles how they work and draws sketches on the whiteboard. Hericles gets excited and thinks it is extremely exciting that there may be a release in February next year of the QASS. The atmosphere becomes exhilarated and people joke about the products and each other.

Suddenly the tone becomes serious when Hericles starts to talk about the speed of the quality assurance equipment. He has been given hints from customers that the speed is very important, and at the same time Hericles is convinced that the accuracy of the measuring must be prioritised. So even if the QASS will soon be ready, no one knows how much longer it will take to meet these two criteria. Hericles is more dubious about the accuracy of measuring than the speed, but he is precociously optimistic.

The R&D manager gives a report on a seminar series that will start the next day for people in his department. This is something he had forgotten about until the technical expert made his explanations on the white board. Hericles is

The Story of Higgledy

very amused and the discussion that follows ends up with ironic comments made on the dress code and how well dressed every one is.

Network configurations are the next topic of the meeting and the mobile phone expert, as well as the R&D manager and the manager of Production and Quality Assurance argue that a new position is needed to take care of these things for the sake of the customer. The strongest argument is that Higgledy should sell whole systems. Hericles does not agree. His reason is that no one seems to know which department this position should belong to. Furthermore, he does not think that it is a good idea to have the tasks divided up among different persons and departments. He wants to look for solutions among Higgledy's present suppliers. Everyone else is very negative towards this suggestion. In the discussion that follows, Hericles is very keen to "defend" specific individuals that are suggested as candidates for taking care of the issue, and the discussion goes nowhere. A set of more mechanical jokes are made, but no one really laughs.

Talking about the next year, Hericles expresses his disappointment, that not all energy can be directed towards the new QASS and its product development. At the same time it is of utmost importance to keep the production of both the old and the new generation of quality assurance equipment. Here the manager of Production and Quality Assurance starts arguing about the need for more personnel at his department and the need to straighten things up. There seems to be a problem in handling taking stock, and the manager of Production and Quality Assurance plans a future meeting on how to conduct this. Hericles listens a lot before he states that he does not really see the problem. To him it is very important to be able to produce and deliver at the very end of the year and taking stock should not hinder that. The company should definitely not be closed down between Christmas and New Year. Hericles makes his point very clear and at the same time he cannot hide his irritation.

The meeting ends with a reminder that the forecast will be presented during the coming week, and there is a discussion about whether or not a Lucia celebration should take place. The staff Christmas party is on Friday, just one day before Lucia. The Lucia celebration could also take place on the following Monday. Hericles says he will agree to whatever they decide and at the same time he admits that he finds all these occasions tiresome.

In short:

- ✓ Higgledy is confronted with the fact that within a very short time three persons have left the company. This is an unusual situation at Higgledy.
- ✓ Hericles wants his managers to find new, creative ways to find and attract the "right" persons.
- ✓ The difficulties of incoming material is discussed.

- ✓ Hericles stresses, once again, the importance of working with accuracy in measuring and the speed of the quality assurance equipment, as this is a way to be competitive.
- ✓ Hericles stresses the importance of producing the old, as well as the new, QASS at the same time.
- ✓ It is made clear by Hericles, that Higgledy should not stop deliveries due to taking stock.

The following emotions are interpreted:

EMOTION	ISSUE
Reluctance	The contradiction of a wish to develop people, but it must not happen too quick
Irritation	One employee has “used” Higgledy as a way to find a better job
Satisfaction, Amusement	The plan that is presented by the R&D manager
Excitement	The mobile phone expert presents a technical problem, and how it works
Excitement	The release of a version of the new QASS
Optimism	The speed of the quality assurance equipment might soon be increased
Joy	Jokes about the dress code in the company and among themselves
Disappointment	Higgledy cannot give full concentration to the new QASS
Impatience	Accuracy of the measuring and the speed of quality assurance equipment must be improved
Tiredness	All these celebrations that the personnel expect to take place within the company
Irritation	It might be hard to deliver between Christmas and the New Year due to the taking of stock

Exhibit 6.4 Emotions in December 1998

Looking Back at 1998 and Looking Forward to 1999

In a private conversation with Hericles, I ask him to look back over the past year and make some forecasts for the coming year. We are interrupted by the R&D manager who wants to discuss some strategic issue with Hericles. Hericles reacts with some reflections on the use of the concept “strategy”. He does not like the word. Nor does he like the idea of outlining a strategy, because once this is done, it is hard to change. He is concerned that the company will not reach its forecast. However, at the same time he is aware that Higgledy has made huge investments and that every second or third year will show a decline in this respect. Higgledy has not been able to finalise the QASS system and this annoys him. This development started three years ago, and the original goal according to the mobile phone expert was to have it ready within six months. Although the expert is always too optimistic, Hericles believes it is thanks to this optimism that the company is where it is today, even if everything has taken much longer to finalise. Hericles thinks that the R&D manager is almost the opposite of the technical expert, in as much as he is much more realistic and pessimistic. Hericles is trying to push him forward but at the same time realises that it is not much use. The reassuring thing for Hericles is knowing that because developmental work does take such a long time, their competitors are lagging behind as well. Higgledy’s products will be all the more prominent. Hericles’ prediction for the next year is that it will still be a year for products of the second generation of quality assurance equipment. Of course, an evident risk is that competitors will turn up who will have had the time and the opportunity to produce the same type of product. Hericles is convinced, however, that his own enormous investments will have a most positive outcome. At the moment, no one really knows what all this will cost, and because all the departments are involved to such a high degree, there is no point in even trying to estimate or separate costs. The developmental work has to be done, no matter what cost.

Hericles is proud of the development of his company. Now that it is getting bigger he can withdraw from the operational tasks and still make his daily rounds. This suits him. In his mind, Higgledy will be introduced on to the Swedish Stock Exchange Market in two to three years time. This is a way to share a part of the company with his employees, while getting rid of sole responsibility. Moreover, it is a way to get more money for the company. Hericles does not believe in keeping Higgledy as a family business and handing it over to the next generation. For Hericles, a high tech company is something totally different from a traditional manufacturer or a farm. He also admits that the possible introduction to the Swedish Stock Exchange Market is a consequence of his reaching middle age; he is not as aggressive as he would have been some ten years ago.

Another issue concerning next year on Hericles' mind is the risk that the company may lose its safety net, i.e. maintaining their strengths of accuracy in measuring, stability, and a good service level while they develop new products. He is also sure that Higgledy will have to change its strategy regarding product range. Up until now, Higgledy has been known to produce quality products at a fairly high price. Next year they will also compete with a version that is a bit cheaper but of a somewhat poorer quality. This product will not have the same margin of course, but the size of the market shares will make that up. So the product range will be changed into two products: an Excel version and a Standard version.

Hericles also wants to rearrange his management team committee. He does not think that everyone is qualified to stay on now that the company has changed character. He wants to decrease the number to four and make it more formal. With respect to other organisational matters, he stresses that he is terrified of making the same mistake as most companies; increasing the number of positions as soon as new tasks need to be done. The entire way of thinking must be changed to where people can share responsibility – across department borders – and in addition to external competence. Apart from additional recruits for the R&D department, he sees no real need to increase in personnel during the coming year, i.e. he is planning to take on a financial manager, mainly in order to prepare for a possible introduction on to the Swedish Stock Exchange Market.

In short:

- ✓ The forecast for 1998 will not be met.
- ✓ The new QASS is not ready as was planned. The delay amounts to almost three years.
- ✓ Hericles' prediction is that the next year will be a year for the second generation of quality assurance equipment
- ✓ Within two to three years, Hericles is planning to introduce Higgledy on to the Swedish Stock Exchange Market.
- ✓ Higgledy will add a basic version to its product range (Standard) in addition to the present professional version (Excel).
- ✓ Hericles is considering a re-organisation within the management team.
- ✓ Hericles is planning to take on a professional controller/financial manager.

Hericles shows and expresses the following emotions:

The Story of Higgledy

EMOTION	ISSUE
Concern	The forecast will not be met
Concern, Worry	The new QASS is not finalised
Reassurance	The competitors are lagging behind
Confidence, Self-assurance	The huge investments of 1998 will pay off
Pride, Self-fulfilment	The development of his company, and the possibility of introducing Higgledy to the Swedish Stock Exchange Market
Concern	Can Higgledy maintain quality while developing new products?
Concern	Is it possible to fulfil the ambitions of increased speed and accuracy in measurement of the quality assurance equipment?
Concern	How to organise the management team, and the growth of the company
Calmness	Financing is no problem for Higgledy

Exhibit 6.5 Emotions in December 1998

April 1999

Hericles and I meet abroad. He tells me that a variety of positive and less than positive things have happened during the last three months. The result of 1998 was “a disastrous result” – only 110 million Swedish crowns in turnover. He has taken action and changed the organisational set up, including the management team committee, and he has started to prepare for an introduction to the Swedish Stock Exchange Market. A forecast was set up after a lot of work and planning from the marketing department. The forecast indicated that five or six persons would have to go and caused distress. Hericles did not believe in the figures and as it has turned out, he was right. The good news is that sales have increased tremendously and continue to increase. New markets have been joined as well. Sales still consist of the second generation of quality assurance equipment – to about 85% – even if products of the new QASS sell as well. Hericles is very happy, on the verge of cocky, when he praises Higgledy’s ability to be pro-active and progressive on the market. Higgledy has introduced a new quality control device for 3G mobile phones, which is a novelty on the market, and gives the company the advantage of setting the standard for 3G mobile phones quality assurance equipment as well. Hericles is convinced that

Higgledy has come this far today due to the full scale developmental work that he insisted on the year before. The company has never been involved in developing so many products at one time while being able to stay ahead of the market demands. It is almost like Higgledy telling the market what it needs. The new, estimated figure for the turnover for 1999 is 150 million Swedish crowns.

In order to keep up the pace with the deliveries, Hericles felt an urge to re-organise. He was not pleased with the production department, where it seemed harder and harder for the employees to deliver or see what had to be done in order to keep up. Therefore, the manager of Production and Quality Assurance was replaced and offered an administrative post. This was something he declined and went back to his earlier work in the marketing department instead. Hericles is aware that the former manager of Production and Quality Assurance is disappointed. The same goes for the person who was responsible for the administration of personnel and keeping the books. He also belonged to the management team, but was too limited to be the new financial manager. As Hericles sees it, this was a problem that the employee was aware of himself, but that did not make things easier. The third person leaving the management committee is the representative for Service and Complaints. Hericles believes that this employee is rather pleased with withdrawing from the management team to be able to devote all his time towards technical issues. Besides, it has been decided to transfer mere technical issues to a special forum called "Quarterly Priority Meetings" which are to be held four times a year. The manager of Production and Quality Assurance was replaced immediately by a person within the same department and a new financial manager will also join the team soon. Of the original team, the Marketing and Logistics manager, the mobile phone expert and the R&D manager are still on – apart from Hericles. Hericles feels that the new team works fine together, and he is very pleased with the speed of the production department. However, he admits that because he did not want to hurt anyone and was not ready for the possible consequences, he did not re-organise the team completely according to his original plan. He also admits that telling people that he thinks they should do something else is not his strong point.

Hericles is starting to take the necessary steps to introduce his company to the Swedish Stock Exchange Market in the near future. A new financial manager is being looked for through "head hunting," and he has started to think of a new managing director for Higgledy. The planned introduction will be in April 2002. Hericles does not want to remain as the managing director at this stage and so he has to find and introduce a successor. In his opinion there is only one possible candidate within the firm, but Hericles is still reluctant since so many issues are involved and need to be worked out. His own unwillingness to remain in charge is due to his strong aversion to running a

The Story of Higgledy

company in a structured and more formal way. The very thought of it makes him frustrated. His strong point is within “making business”. What he might do instead is buy a couple of new businesses and take an active role in those.

When we meet, Hericles is on his way to China. The Chinese want to build their own quality assurance equipment and this suits Hericles well. He is really not interested in starting up a subsidiary in China, as it involves too much hassle. The sales and service office in Japan and in the United States is enough to handle for the time being. The American subsidiary in California has recently employed a service person and a sales person. When we part, Hericles seems very content and satisfied with the course of events for Higgledy over the last three months and in the near future.

In his diary for the spring, Hericles comments on the organisational change that was made directly after Christmas. His decision to re-organise was based on the fact that he did not think that all management team members met his expectations. He wanted a strong team that was directly connected to the different departments. The mobile phone expert was an exception since he was needed due to his technical expertise, and because he would probably not accept exclusion. This was a risk that Hericles did not want to take. The former administration manager and the manager of Production and Quality assurance showed disappointment, even if they realised that it might be for the good of the company. The sales of 3G mobile phones quality assurance equipment has stagnated because of over capacity, and Higgledy has missed big orders on behalf of their most “aggressive” competitor within the 3G mobile phone-segment. Sales of the second generation of quality assurance equipment has increased, and Hericles thinks it is important to speed up the developmental work in order to keep up the pace with the competitors.

The conclusion from the Chinese visit – where he met some real potentates – is that he feels reluctant to start a joint venture with the Chinese, as it might imply too many complications for Higgledy.

In short:

- ✓ The turnover for 1998 was 90 million Swedish crowns, and the expected turnover for 1999 was indicating a decline.
- ✓ The forecast for 1999 has already been “overdrawn” at great length.
- ✓ The new estimation for the 1999 sales is over 100 million Swedish crowns.
- ✓ Sales are to 85% of the second generation of quality assurance equipment.
- ✓ Products of the new QASS start to sell, even if the market for 3G mobile phone-quality assurance equipment seems to be stagnate for the time being.

- ✓ A competitor on the 3G mobile phones market has taken customers from Higgledy.
- ✓ Novelties have been introduced to the market.
- ✓ A re-organisation has been made, including consequences for the management team.
- ✓ Hericles is preparing for the introduction to the Swedish Stock Exchange: a controller/financial manager is being head-hunted and Hericles is considering a new managing director for the company.

Emotions during the spring are:

EMOTION	ISSUE
Happiness	Sales are increasing more than expected
Happiness	Products of the new QASS are selling
Pride, Cockiness	Higgledy has been pro-active and progressive on the market
Satisfaction	The new manager of Production and Quality Assurance works fine
Confidence, Self-assurance	The increase of sales as a result of Hericles' persistence regarding R&D
Cowardliness	The failure to re-organise the management team to his full satisfaction
Empathy/Sympathy	The emotions Hericles might have caused by the re-organisation
Satisfaction	The present course of events in Higgledy
Reluctance	To enter a joint venture with the Chinese
Impatience	A need to speed up in order to keep trace with competitors
Reluctance, Concern	To remain as the managing director after the introduction to the Swedish Stock Exchange, and to find a replacement

Exhibit 6.6 Emotions in April 1999

September 1999

The situation is crazy! Sales have increased by more than one hundred per cent. The turnover by the end of August is 115 million Swedish crowns, indicating a

turnover of over 190 million Swedish crowns at the end of the year. The profit for the first eight months is over 25 Swedish million crowns. The number of employees has increased to over 60, including temporary posts during the summer period. The production capacity has increased enormously and the company has been able to deliver all orders on time, mainly due to the re-organisation of the Production department with a new manager of Production and Quality Assurance. Hericles is aware that the former manager of Production and Quality Assurance still feels disappointed at heart, even if the manager realises that a change needed to be made. Production is fully booked for months in advance. For example, a substantial order from Australia is in the pipeline. The selling product is still mainly the second generation of quality assurance equipment. The American and Chinese markets have increased their sales as well, where the more conventional quality assurance equipment is mainly in demand. This is a bit of disappointment to the managing director. He had expected the new QASS to be ready by now and in production. The development of this quality assurance equipment is, however, more or less completed and will soon be ready for the market. This is at least what Hericles thinks, until he meets his management team in the morning. It becomes clear that the QASS has been delayed even further, and will probably not be ready this year. Hericles is slightly shocked and talks about a catastrophe, stressing the importance of speeding things up. He tries to find out whether or not there are ways to make the organisation more flexible in order to speed up the developmental work. But this is a discussion that seems to lead nowhere.

Despite a price that is more than fifty per cent higher than that of its competitors, the customers seem to prefer Higgledy. However, Hericles is expecting a smaller turnover next year. As he sees it, the company will be executing orders of the second generation of quality assurance equipment during the first half of year 2000, whereas during the second half year, Higgledy has to prove itself on the market with the new, third generation of quality assurance equipment for 3G mobile phones. For the next year there is an urgent need to find a low price alternative to the third generation of quality assurance equipment, labelled Standard. There is no time to develop a Standard version from the beginning, and the alternative is to find ready made parts. For the Chinese market, a special machine has been delivered and the Chinese are going to assemble the quality assurance equipment themselves and buy parts from Higgledy. Hericles rejected the idea of a joint venture because he thought it would do nothing but create problems. He is no fan of joint ventures, because he thinks that cultural differences make it impossible to co-operate, and the situation makes him feel awkward in general.

An increase in personnel is estimated at about one hundred persons for next year. It is very difficult to gain the interest of well-educated persons, and in an effort to attract programmers and electronics engineers, an expensive pamphlet

is produced. It bothers Hericles a lot lately that his young employees seem to have other values and attitudes than those with which he is familiar. He has the feeling that he cannot reach them. He has seen them change jobs just for the sake of having their own mobile phone, and to some employees the most important thing in their lives seems to be working for a period of time and then travelling on to something new. In Hericles' opinion, they also talk a different language. For instance, one thing that bothers him is the talk about over time and flexible working hours. For Hericles it is perfectly natural that people should work because it is fun and the job needs to be done. He gives an example about how he was upset when one of his newly recruited managers arrived late shortly after being hired on. Even though Hericles realised that the manager had his reasons and probably stayed later that same afternoon, Hericles could not help his reaction inside.

Hericles is also contemplating different ways of becoming more visible, for example an effort to become more public and medial. This is, however, something he is hesitant about because he doesn't favour this personally or socially. Other thoughts occupying his mind include what is the right way to manage a fast moving company. He does not think that it should be by relying on figures. Rather, one should be around within the company as well as on the different markets. He thinks this is the reason for the success of his company, even on markets that are considered "dead" by his competitors.

The new professional board of directors has been formed and consists of four external members, the managing director and his wife. This is an exciting development for the strategic leader. The formation takes things one step further towards the planned listing on to the Swedish Stock Exchange Market. All employees have been offered to buy options which can be converted into shares later on. Five per cent of the total holding of the shares have been sold out. A new candidate for managing director must be found and trained to take over. The Marketing and Logistics manager has just joined a year long management training programme, and neither Hericles nor the Marketing and Logistics manager know at this stage where this will lead. Hericles repeats that he has no intention of staying in the company much longer than up to the introduction on to the public market. He is absolutely convinced that his company is not of the kind that you pass on to your children. The reason for him to move on to something new, is that the company has grown in a way that it needs to be restructured and to comply with regulations in a way that he could only conform to with great difficulties. He sees himself as an entrepreneur who cannot conform to strict rules and more organised ways of working. He is, however, very satisfied with the present development of the company, even if he recognises the threats and is in fact 'worried' about the high profit of the first eight months.

The Story of Higgledy

In short:

- ✓ Sales have increased tremendously, and the turnover by the end of the year is estimated at 190 million Swedish crowns.
- ✓ The number of employees is increasing steadily.
- ✓ Higgledy awaits a substantial order from Australia.
- ✓ Sales to the American and the Chinese markets have increased.
- ✓ The main selling product is still the second generation of quality assurance equipment.
- ✓ The QASS will probably not be completely finalised until next year.
- ✓ Hericles has rejected a joint venture with the Chinese; Higgledy will sell parts instead and the Chinese will assemble the quality assurance equipment themselves.
- ✓ A controller/financial manager has joined the company.
- ✓ A new professional board of directors has been formed.
- ✓ All employees have been offered the opportunity to buy options in the company.
- ✓ Hericles ponders a lot about how to manage – and the implications of – a fast growing company.

The emotions for this period of time are:

EMOTION	ISSUE
Joy, Satisfaction	The positive development of Higgledy
Concern	The high profit of Higgledy
Disappointment, Shock	The new QASS is still not completely finalised and is not in production
Impatience	The development needs to be speeded up
Satisfaction, Relief	No joint venture with the Chinese
Bewilderment	The attitudes of young people
Concern	It is hard to attract competent personnel
Indignation, Irritation	People coming late for work
Excitement, Expectation	The new professional board
Concern	How to manage a fast growing company, and its implications

Hesitation, Reluctance	To become more visible
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Exhibit 6.7 Emotions in September, 1999

October 1999

In the beginning of October, the management team meets in a little village on the east coast of Sweden. The team now consists of Hericles, the Marketing and Logistics manager, the manager of Production and Quality Assurance, the financial manager and the technical specialist. The meeting results from a coup, staged by the Marketing and Logistics Manager, where he asked the members of the management team to write down the vision of the company and the meaning of the Higgledy Spirit. As no one was able to do so, the team decided to go away and spend a couple of days to prepare themselves for a coming concentration on these issues within the company. On the agenda is "A United Leadership" and the goal is to revitalise the so called Higgledy Spirit, to practise what they preach and to eliminate obscurity through a living vision and/or business concept. The issues that are discussed are the vision, the business idea, the Higgledy Spirit, culture, leadership and strategic goals. The team also discusses the purpose of their own weekly meetings and their different roles. At this meeting the following is stated or decided: an extended group of key persons (apart from the management team) is chosen as a group of driving forces, willing to take on an extra work load such as leading group discussions and workshops to implement and/or discuss different topics in order to fulfil the goal. The most important goal is to convey the message of their specific culture and spirit of Higgledy. This extended group will be briefed at a special meeting later on in October and the whole management team is attending. However, participation at this specific meeting is on a voluntary basis.

The following vision is suggested when the team meets : "Higgledy is going to set the prediction for quality control for mobile phones at every technical shift". The following business idea is decided on: "To give our customers a competitive edge by providing the most accurate, reliable and user-friendly quality assurance system for all phone media formats". The group decides the working order for the management team, which from now on is going to work more in a formalised fashion with a prepared agenda and minutes of the meetings. The management team meetings will be a discussion and information forum, where strategic discussions are mixed with more down-to-earth issues. For the most part decisions will be made by every department head. The management team finds no reason to change the company's five symbols of the Higgledy Spirit. The texts connected to them still seem relevant and strong.

The Story of Higgledy

However, the name Higgledy Spirit will be changed to Company Spirit. It is decided that the Company Spirit should

- tell company members what they can expect from each other
- be totally natural to every employee and be of help in uncertainty
- be a facilitator to the management

All the members of the management team are of the opinion that they agree fully on all points and find the meeting very productive and helpful for future work. During the fall the strategic issues that are to be discussed are the present and future organisation.

In short:

- ✓ The management team decides on a renewed concentration on the company vision, the company business idea, and the Higgledy Spirit.
- ✓ The Higgledy Spirit name changes to the Company spirit.
- ✓ An extended management team group will be the driving force within the company in order to lead discussions among the employees.
- ✓ The ordinary management team meetings will be more formalised.
- ✓ Organisational and strategic issues will be in focus during the autumn.

October 1999

The strategic leader is off during the morning to take care of his sick son. His wife is at a seminar and will trade places with him after lunch. Everything seems to be as usual in the company. People work hard and have their breaks in the coffee and luncheon room. There is a very relaxed atmosphere and discussions about private interests are mixed with very detailed dialogues about technical problems and solutions. Most of the employees are young and well-trained. Women are few and many of them work within the marketing and quality assurance departments.

In the afternoon, two consultants from a consulting firm meet with Hericles and the Marketing and Logistics manager. Hericles reacts to the way the consultant tries to sell his concept and his company. He feels that it is all talk and little action. He is irritated and almost on the edge of leaving the room because he feels his time is more valuable elsewhere. However, he stays. The reason why the consultants are there is that Higgledy is about to carry out an organisation development programme during the autumn, as was decided at the week-end management team meeting.

The next morning starts out with Hericles arriving in jeans and a T-shirt. He is sent back home by one of his employees to change clothes into something more strict. Hericles has forgotten that the managing director of one of their most important customers, Delta and the agent for the Far east, are visiting.

The visitors would expect Hericles to welcome them, but this has to be changed. The news spreads fast, and the incident will serve as one of many stories of Hericles' absent-mindedness that most employees seem to like. Hericles himself explains the incident as a consequence of his typical habit of looking at his calendar upon arrival at the company – rather than the evening before – which makes incidents like this more or less common. Another setback is that there is some trouble with the equipment that is going to be demonstrated to the customer. The weekly ten o'clock scheduled management team meeting is suddenly postponed by an hour. A short discussion between Hericles, the Marketing and Logistics manager and a technician ends up in changing the plan. Some members of the management team are needed immediately in order to detain the visitor, and give the engineers some more time to fix the problem. It all ends up well, and the visitors never suspect anything. Hericles expresses his satisfaction with the change and is proud to show his company to these possible clients. So far, such a visit has always ended in new orders. Hericles and the Marketing and Logistics manager use the hour to discuss the minutes from the management team conference last weekend. Hericles is not satisfied with the suggested vision as it does not point out where money is made. He wants it revised. He also reveals to the Marketing and Logistics manager that the discussion of the culture gave him an "aha" reaction. He now sees culture, and thereby the Company Spirit, as a way to increase productivity.

The following management team meeting is the very first meeting in keeping with the decision made the previous weekend. They discuss the morning, and it seems like the guests have been impressed. A long time is devoted to discussing whether or not Higgledy should start some sort of co-operation with a competitor. It might damage Higgledy's image. Hericles thinks that the problem with this competitor is that they have been guided too much by financial key ratios, and have been "playing with follies" such as strategic business units. Finally, it is decided that a possible co-operation should be discussed within the different departments, especially within the marketing group. Hericles urges the R&D manager and his department to be ready with a new version of a quality assurance equipment for the fair next February.

The group decides, as an amendment, that reports concerning finance, market, service, production and development are to be presented through a rolling schedule. Since the company is going to be introduced on to the Swedish Stock Exchange Market it is time to pay attention to a range of issues concerning the organisational identity. The R&D manager reports on some ideas to make an organisational change where the quality function should be placed on each department rather than taken centrally. The minutes from the management team seminar is reported on and the group is given the task of considering a revision of the vision. The meeting ends with Hericles praising

the members of his management team, because he feels that the group is working very well together and in accordance with his intentions.

In the afternoon, the monthly meeting with all personnel is on the schedule. Everyone “at home” attends the meeting and people find these meetings quite worthwhile, even if they do not understand all the figures. As one employee notes, they understand if they are doing well or not. Hericles presents the closing of the books for the first eight months of the year. He emphasises that the result is very, very good, but that it is also important not to get carried away. He expresses feelings of joy and pride in his staff, including how extremely fun it is for him personally. Hericles declares that the figures show that the company has been doing the right thing *in the past* and that it is important to do the right thing in the future as well, even if that is more difficult, since we do not know so much about what will happen. He ends with a warning not to get presumptuous. The financial manager tries to explain how options work with the message that it will be a good bargain for those who have signed up for options in the company, provided the company enjoys a steady development financially. The stock market is sceptical towards companies that go up and down. Hericles gives information about the order intake over the next few months. Over the next half year everyone will be busy with deliveries mostly of quality assurance equipment from the second generation. He emphasises that it is important to be ready for the shift when the third generation of quality assurance equipment will dominate. The new QASS is the basis for this. Anyway, next year should be a year of selling volumes. He concludes by asking everyone to deal with more urgent things immediately, i.e. to keep the kitchen in good order – it looks like a disaster.

After the meeting, Hericles, the financial manager, the R&D manager and an assistant are talking about the silence and the absence of questions during the meeting. The conclusion is that there are more questions when things look bad, and that many of the employees really do not understand how options work. Hericles is somewhat concerned about the final adjustment of the price for the options.

In our private conversation, Hericles is occupied with thoughts of having turned fifty. He feels a need to plan for his succession and a desire to do something new. He tells me again that he does not want to be around as the managing director when the company is introduced on to the Swedish Stock Exchange Market. He is sure that his way of making rounds on the company floor is successful. However, once the company is more public, he thinks the company will be too formalised for his taste. Another issue on Hericles’ mind is the development of quality assurance equipment that can combine a high speed for burners and quality assurance equipment.

In short:

- ✓ The managing director of Delta and the agent for the Far East pay a visit to Higgledy.
- ✓ Co-operation with a competitor is discussed.
- ✓ The R&D department is urged to finalise the development of the QASS.
- ✓ The monthly personnel meeting is held, where the very positive result is presented and the advantages with buying options are explained.
- ✓ Hericles urges all personnel to be ready for the shift to the third generation of quality assurance equipment, and he anticipates a good selling year the coming year.

The following emotions occur:

EMOTION	ISSUE
Irritation	A consultant's way of selling his concept
Satisfaction	The flexible personnel, including the management team
Pride	In showing Higgledy to visitors and future customers
Hesitation, Reluctance	To co-operate with a competitor – might damage Higgledy's reputation
Joy, Satisfaction	The management team works well together
Joy, Pride	His personnel has contributed to the result
Impatience	A good result in the past is not enough
Joy	The figures make him happy
Dissatisfaction	The suggested vision is not good enough
Impatience	The R&D departement needs to be ready with the new version of quality assurance equipment
Concern	Final adjustment of the price for the options.
Concern	Hericles' own situation as the managing director and future plans

Exhibit 6.8 Emotions in October 1999

October 1999

The morning at Higgledy at the end of the month is like most other mornings this autumn. People arrive at work between eight and nine o'clock. There is as usual a management team meeting and all members are present except for the mobile phone expert. As usual, a lot of the issues from the last meeting are discussed and found not to have been attended to. Nobody seems to care, though, and some of these issues have sorted themselves out along the way. New discussions at this meeting include the overload of work at the marketing department, the recruitment of a purchaser, the handling – or the bad handling, rather – of delicate situations regarding some of the personnel and a fully booked production capacity for the three first months of year 2000. The Marketing and Logistics manager reports that the inflow of orders is still very strong, and that the delivery time is about sixteen weeks. The forecast for the next year is discussed and Hericles admits that he does not like forecasts because they are pure guesses, but one must be made and be presented to the new board of directors. Many of the team members think that the costs are easy to forecast, however, sales are more difficult. Hericles does not agree with this, since sales are easy according to him. Estimated sales will amount to 262 million Swedish crowns. The problem is, however, what products are to be sold for this sum. Hericles is asking for dynamics between the marketing department and the R&D department for the next year's forecast, which should be ready by mid November. The Marketing and Logistics manager thinks that 262 million is an incredibly high, and a somewhat frightening figure, whereas Hericles thinks it is better to stay low and be pleasantly surprised. The financial manager does not think it is exceptional at all, and the manager of Production and Quality Assurance stays calm. The R&D manager is a little bit worried about the so called Standard products, and Hericles agrees. The R&D manager also wants to evaluate the new QASS technically. It is decided to do this before the end of the next month. Recruitment of personnel is discussed once again and it is decided that vacancies are to be published on the Higgledy web-site. After a short and quite conflict free discussion, it is agreed that a 5% average raise in salaries is reasonable and fair for the next year, excluding the management team. The heads of the different departments are requested to negotiate about the new salaries as soon as possible. A bonus equal to a half a monthly salary will be given to all personnel by the end of the year, and a corporate trip will be arranged during the spring of the next year.

In the afternoon of the same day, the “extended” management team gathers at a hotel as a consequence of the management team's weekend gathering at the beginning of the month. Seventeen persons are present and they are key persons in the organisation as recognised by the management team. The culture of Higgledy is discussed, and it is decided that the management team, together with this “extended” team of the management, should discuss the Company

Spirit and how to keep it alive and how to implement it further, especially among newly recruited personnel. Hericles opens the meeting by declaring that the invited persons have been identified as special and as key persons. The rest of the meeting is presided by the Marketing and Logistics manager. Much of the time is devoted to discussing the vision of Higgledy and its business idea. From there, the discussion circles around how to put the five theories of Creativity, Commitment, Responsibility, Consideration and Business Orientation of the Company Spirit into practice during their daily work. It is decided that a common coffee break should be started on a weekly basis, where all personnel are to participate and to meet with each other. This is supposed to be the start of a series of events to unite people more closely, and in the end it is the means for the management team to help people co-operate and work in the same direction. Hericles is rather quiet during the meeting and mainly listens. At the end, though, he stresses that from now on, everybody present should feel committed to working actively on the Company Spirit and make sure that others within Higgledy understand it. He also wants people to ask themselves what they can do better. As for himself, he believes he needs to stop beating about the bush.

The jokes during this meeting are mostly made between the members of “the extended management team” or between the members of the management team. Quite a few ironical comments are made mainly directed to the management team. Hericles makes some jokes about himself, where he shows self-awareness. At the end, when the group is asked to give down-to-earth suggestions for stressing and showing the spirit in practice, the small jokes increase, and people seem very committed. A small dispute takes place, when the management team is asked to change their weekly meeting till 10.15 a.m. and the Marketing and Logistics manager thinks his luncheon will be spoilt every Monday if this is approved. It is also decided that the members of the management team should be very attentive and try to make a wider round and say good morning to as many persons as possible. After five hours’ work everyone is invited to the pub for a beer before dinner.

In his diary for October, Hericles reflects on the new board of directors. They have just had their second meeting, and Hericles is very pleased that the group seems to work together well. The thing that makes Hericles most satisfied is that the board members pinpointed a couple of issues, that have previously had low priority within the company, but that now have to be attended to. He also tells me that the management team has started a book club, where they read a book and then meet at a pub and discuss the book as well as other issues. The book discussion usually takes up one third of the time, and there is a chance for Hericles to make a case for something he feels important. Last time he presented a new goal – to decrease the volatility in sales and result between the

The Story of Higgledy

years. He expects this to be the starting point for working on introducing new products. The team has decided to make a company trip abroad for four days during the coming spring. Hericles was at first reluctant because the number of employees has increased dramatically, but he gave in since he realises that all employees will need some incentives because the autumn is – and will be – very tough. He can feel a greater strain because increasing sales are complicated by shortage in deliveries from suppliers, and sales administration is lagging behind.

In short:

- ✓ The order intake continues to be good.
- ✓ The delivery time is at present sixteen weeks.
- ✓ Hericles anticipates sales for year 2000 to be 262 million Swedish crowns.
- ✓ The management team meet with the extended management team in order to decide how the Company Spirit will be implemented in the daily work.
- ✓ Hericles realises that the Company Spirit could be a consciously used management tool.
- ✓ The management team has started a book club, where Hericles sees the opportunity to bring up important issues.
- ✓ A company trip is planned for all personnel.

Emotions for this month are:

EMOTION	ISSUE
Satisfaction	The result of the meeting with the extended management team
Joy	The relaxed and joking atmosphere of the extended management team meeting
Confidence, Self-assurance	To use the Company Spirit as a management tool
Impatience	To start working actively with the Company Spirit
Satisfaction	The new board of directors seems to work well together
Strain	Increasing delivery problems from suppliers
Reluctance	To make a company trip with all personnel
Satisfaction	The management team's new book club

Exhibit 6.9 Emotions in October 1999

November 1999

Builders are working on the first floor, making more room for the R&D department. A weekly coffee break with a “cheese roll” has been introduced. It seems to have worked out well so far. All employees attend and they mix between departments. Members from the management team are there as well, mingling around. The team has been complaisant and has postponed the time for the management team meeting to 10.15 a.m.

There is, and has been, a delivery stop, due to problems with the software quality. Long delivery times have been extended even further. Hericles is not pleased, but it did not come as a surprise since the product in question is rather old. He is convinced that the problem will be solved during the week, and that the company will start delivering again next week. However, new problems seem to be on their way. During the management team meeting he becomes aware of the fact that the suggested forecast is far from his expectations. The sales figure for the present year is still estimated at 192 million Swedish crowns and for the next year at 262 million Swedish crowns. What makes him mad is that there are no dynamics in the forecast between the Marketing and Logistics department and the R&D department. The meeting is very emotional and everybody seems disappointed in one way or another, either with each other or with individual performance. To most of the members of the management team, the meeting does not meet with their expectations.

What follows next is a more detailed illustration of this meeting. I have divided the management team meeting into three parts – before, during and after the meeting. In the conversation that follows I have made direct translations from Swedish into English. The reader should be aware that such a translation is not completely possible since some of the daily expressions used here might have another meaning in English and also because “company language” may differ a lot between countries as well as between companies within the same country.

Before the management team meeting the following expectations are pronounced by Hericles (H), and the Marketing and Logistics Manager (M) respectively.

Hericles

R(earcher): What is your role today?

H(ericles): To push things forward.

Development is too slow. The process of the forecast is of minor importance. The important thing is to bring out the right products at the right time. Costs are not that important. ... The Marketing Department has a sales target of 262 million Swedish crowns and is supposed to bring forward the conditions to reach that target in a dialogue with the R&D Department. This is the way it is done this year. We do not ask the market – what the hell do you need this year?

R: What result do you expect from the meeting?

H: We will have a quarterly priority meeting next week about the development of new products. I expect this meeting to go a little bit ahead of that one. I think it is irritating to go over things again and again – it's about time something happened. We can make plans and forecasts and projects but we must concentrate in order to get things done.

R: Does the Marketing and Logistics manager agree with this?

H: Yes, I think so. Actually, I have made it very easy for him – he can raise the standards.

The Marketing and Logistics manager

R: What is your role during the meeting today?

M(arketing manager): Nothing other than the usual. There is nothing special today. We will discuss the forecast – is that what you are thinking of (laughter)? Actually, I do not know how far it has progressed and how much it is prepared, so I don't know what direction the discussion will take. It is more like wait and see. ... I will adjust and take my stance as things come.

R: Do you expect any special results today?

M: I hope the forecast has developed so much that we can progress.... I really hope that we will discuss the forecast a lot today.

During the management team meeting, the following part is selected to illustrate the conversation about the forecast between Hericles (H) and the Marketing and Logistics manager (M). Additional comments are made by the technical expert on mobile phones (T) and the R&D manager (R&D).

...

H: I think you are incredibly optimistic at the Marketing department... that the old products will sell. I had been expecting – I think myself that if we are not able to fully develop a standard application of the third generation quality assurance equipment, only half of the figures will be reached. I am much more pessimistic.

M (increasing the tone of his voice): But this depends on what our agents say that they can sell. They do not know all products in the pipe-line.

H: No, I am aware of that.

M (in a high voice): We are supposed to make the intelligent decisions, we can't expect the agents to do that. We can't write down 500 and keep our fingers crossed. I mean, we have been talking about the product for over one and a half years. What would be the basis for such an assumption? ... All those figures are based on what the agents have answered to the question "how much will you be able to sell?" Of course their answer is in accordance with what we have available.

H (somewhat urging): So what you are saying is that you have not revised the figures?

M: We are not supposed to reveal the third generation product yet. We are not able to present future products. So you are implying that we have not revised the figures?

H: Yes.

M: No, we have not. But we can't do that. We can't change what the agents tell us. Or should we have done that?

H: Yes, I think so.

...

M (angrily): I mean, if we are to have some dynamics in this, we could have given a damn about asking the agents, and made everything up ourselves. That is another possibility. (In a more calm voice): What we can do now is to discuss the figures.

H: I agree. We must take another round. This is too insignificant.

...

H: I can't believe this. I think it is – No, (turning to the manager of Marketing and Logistics), I do not think this is good. It's far from good. This is just a summary of what a bunch of agents have told you without your own standpoint.

M (in a low voice): Of course we have our own standpoint.

T(echnical expert): This is not correct. You told me you had revised the figures.

M: Of course we have.

H: There are only two adjustments.

Silence

H: No, I really have to stress that – I would have asked for the opinion of the Marketing and Logistics department – not that of the agents.

M (in a low voice): Is that so.

R&D (manager): What the hell – they sell, don't they?

...

H: Really, if it is the truth that is presented here, then the consequence is not that we should increase our R&D Department, but rather the other way around. We should keep it intact.

M (angrily): We are for God's sake not presenting any truths today – are we?!

H: Really, if we are to draw any conclusions from this

M: We have been working like hell for two days – our whiteboard is scribbled all over – There are important conclusions that if we do not speed up we are through – I can conclude that. We are through – we won't make it...

....

M (still upset): What we are presenting at this meeting today are some figures that we are about to start discussing. This is no truth for God's sake. We can walk over and look at our whiteboard to see our discussion. Today is nothing else but a presentation of some damn figures that have been handed over to the Head of Administration and that have been summarised on some damn overhead.

H: OK.

...

After the management team meeting, Hericles (H), and the Marketing and Logistics manager (M) reflect on what happened during the me

Hericles

R: Can you give me a comment on the meeting?

H (resigned): Yes, that was a waste of time!

R: Why?

H: Because there was nothing of the dynamics as it should have been.

R: Of the meeting or of the forecast?

H: Of the forecast. It was a sheer summary of the figures that the agents had handed in, with the addition of the Swedish market – but that was all.

R: Isn't that realistic?

H: No. It does not give the direction for the future. It does not give the stress on the discussion on what products we should develop and prioritise. Maybe the result is good next year – it is

The Marketing and Logistics manager

M: As usual, I think that things are very blurred from the beginning. And then it ends up like this. It's so typical. That's my spontaneous reaction.

R: Do you think it was a realistic forecast – you had gathered information from the agents?

M: We have spent a lot of time on this. I can understand Hericles' disappointment, because he had expected an especially good result and now he has it in his head, that this forecast should be spectacularly dynamic and put pressure on the R&D department – and that was on his mind and that was the most important thing to him. So of course he got that irritated. What he had decided in his

possible that we can surf on previous products – but that is all. But it is not enough. It is the same damn products as last year. Not a damn thing has happened.

R: Why aren't the new products ready?

H (irritated): A damn good question. I think it's a question of concentration – more than I originally thought. ...

There should have been another approach from the Marketing and Logistics department.

R: The R&D Department did not seem to react either.

H: No, not at all. That's one reason for this whole thing going to hell. They are all technocrats. They make calculations and file up. Therefore it was a sheer, a sheer fiasco. As I see it, anyone can make a forecast like this. The risk is that the dynamics are low. ...

own mind did not happen.

R: Wouldn't that have been as realistic?

M: The work we have done is rather realistic, from the reality that we know. Hericles is really not talking about the same reality but about something else, something apart from this reality we live in right now. We mixed those in the meeting.

R: What is a forecast then – is it two different things to you two?

M: Hm, Hericles has been very clear in telling us that we should not spend too much time on this and he really doesn't like forecasts – he hates them. He told me to tell my people that they should not sit too long with this, all we needed was a rough estimate and that this would be the first sitting. Then we would start with all the dynamics and the strategic thinking. But, well, his mind was set for something different.

...

In his diary for November, Hericles is on his way to the fair in Hong Kong and Taiwan. He is full of expectations, and thinks it is exciting to meet customers and to see what level the competitors are on. Higgledy will take part in the fair without any new products. Sales make Hericles happy – the order intake for October was the largest ever in Higgledy's history. Hericles feels that the cost level is not critical for the company, but rather the development of the right products and the developing time are critical to Higgledy's future. Hericles also tells me that the management team has been instructed to start with the coming forecast. Sales has been estimated at 262 million Swedish crowns for the next year. The task for the team is to calculate what products to sell in order to meet this figure. Hericles sees it as putting pressure on the R&D department.

The diary of the month also includes Hericles' impressions from the fair. He has met many interesting people and made many contacts, not only for work but also on a personal level. The most frightening revelation during the fair is that the competitor Epsilon seems to be taking over customers from Higgledy,

The Story of Higgledy

and that Ciceron for the very first time has presented a complete programme of quality assurance equipment. However, Higgledy's former competitors seem to have lagged behind. To meet the competition, Hericles is convinced that high speed quality assurance equipment needs to be developed. It is also clear that 3G mobile phones quality assurance equipment is not yet in demand in Asia. The positive events are that Higgledy's stand has been visited by many customers from Hong Kong and a surprising number from China as well.

In short:

- ✓ Constructions are going on to make more room for the company.
- ✓ The weekly coffee break for all personnel has started to take place.
- ✓ There is a delivery stop due to quality problems.
- ✓ The delivery times are extended even further.
- ✓ The forecast for year 2000 is presented at the management team meeting.
- ✓ The order intake beats the record.
- ✓ Hericles is going to a strategically important fair in the Far East.
- ✓ Hericles is convinced that high speed quality assurance equipment must be developed.
- ✓ The Far East market is not yet ready for 3G mobile phone quality assurance equipment.

After the management team meeting and in Hericles' diary, the following emotions are interpreted:

EMOTION	ISSUE
Dissatisfaction, Concern	The delivery stop increases the already long delivery time
Dissatisfaction, Disappointment, Anger, Irritation, Frustration, Indignation	The traditional forecast which is without dynamics. It does not put pressure on R&D
Irritation, Frustration, Impatience	Too much planning, too little concentration on getting things done
Excitement, Expectation	To see where the competitors stand on the fair in the Far East
Joy, Pride	The order intake has beaten the record
Impatience	Something needs to happen – it is too slow

Satisfaction	The fair was successful, and Hericles established a lot of new and interesting contacts
Concern	Competitors are catching up, and new competitors enter the scene
Calmness	The cost level of the company is no problem

Exhibit 6.10 Emotions in November 1999

December 1999

The management team meeting starts out with a few jokes, but things have not changed. Hericles is still not satisfied with the forecast. However, he seems to have given up after a meeting the week before, where the Marketing and Logistics manager banged his fist on the table and the financial manager asked Hericles to calm down. No-one agrees to Hericles' suggestion that the forecast is a realistic way of putting pressure on the R&D department. Anyway, the forecast for the next year has been stretched to its limits already – orders are flooding in.

The problem of the day's meeting is the lack of technical parts. A discussion about whether or not to buy out a competitor in Finland is still going on. Higgledy would benefit from a takeover, in as much as that Higgledy would get its own supplier for this kind of technical parts. The members of the team do not agree, however, whether or not it is a good takeover. The Finnish company has debts equalling about ten million Swedish crowns, and Hericles questions whether it will be a good offer enough to take over a debt of ten million crowns – which would be OK – but not at 150 to 200 million Swedish crowns which might very well be the price to pay. A takeover bid would solve Higgledy's problem with incoming material. The Marketing and Logistics manager repeats that he thinks there is a catch in it somewhere, as no venture capitalist has ventured money in the company before this situation arose. The mobile phone expert is in favour of a takeover. After a rather long discussion, where all parties seem to hang on to their original arguments, it is decided that the financial manager and a technical expert will go to Finland in order to make their opinion clearer. Hericles' other worry is the delivery of another technical device. It has not arrived and no one seems to know where it is. It will be badly needed in February when the current supply will be gone. Hericles thinks it is a catastrophe, and if the problem is not solved, then it is over for Higgledy. He is seriously concerned, and the issue brings up the question of the purchasing function within the company. The financial manager wants to straighten up this function and give it a strategic function within Higgledy. However, the other members of the team are a bit reluctant, as it might hurt the feelings of

The Story of Higgledy

the present purchaser, who has, after all, made progress. The purchaser is however not suitable for this key post. The technical expert tries to calm Hericles down, telling him that everything will be solved eventually. This is, however, not the message that Hericles wants to hear – he thinks this is very serious.

The good news for the day is that Higgledy is ready to deliver again after the delivery stop. It has taken longer than expected to solve the quality problem, and customers have started to complain about the long wait. The Marketing and Logistics manager is worried that there will be difficulties with freights this close to Christmas. Higgledy will have to pay for air freight, and even so, he foresees delivery chaos. Once again, Hericles makes it clear that it is unacceptable that things take such a long time to solve. Everyone needs to join forces to speed things up – no matter what it concerns. The financial manager thinks that Hericles is somewhat unfair and should emphasise to the members of the organisation that they have done a good job, solving the delivery problem, in order to give everyone some self-confidence. Hericles agrees that the concentration to solve the problem has been excellent, but the fact remains – it should not have taken three weeks. He cheers up, though, when the manager of Production and Quality Assurance tells him that he is able to deliver as many as over a hundred items of quality assurance equipment before Christmas. This will result in a sales volume of 25 million Swedish crowns in December. The problem for the manager of Production and Quality Assurance is that there is a lack of space for ready made products. Hericles laughs, and says that a space problem is a much nicer problem. The Marketing and Logistics manager makes a request to officially ask one of his team members to arrange for the spring conference to Provence. Hericles gets a bit irritated again, as he did not know that this member was given this task, and he has his mind elsewhere, anyway. He is made aware of the fact, that it is he, himself, that has made this member believe that he was in charge. Hericles says he feels guilty and asks if it is OK for this member to go ahead as he believes this guy has good ideas for such a trip. Everyone agrees, and the R&D manager hangs on with a joke, that his department is not to be blamed this time – or are they? Hericles and the rest of the members laugh and make some additional jokes. The issue with the forecast is brought up by the R&D manager and suddenly Hericles and all the others make funny comments on it.

The financial manager tells everyone that the fourth “Quarterly priority meeting” will be held the next day at a hotel and will include a Christmas luncheon. The meeting ends with a lot of jokes about the coming celebration of Lucia, and the researcher is asked to report in her future thesis that the manager of Production and Quality Assurance was able to provide twinkling Christmas lighting.

In short:

- ✓ Hericles has withdrawn his claims for a dynamic forecast.
- ✓ Orders are flooding in.
- ✓ The problems with incoming material remain.
- ✓ A bid-over for a Finnish company is discussed.
- ✓ The delivery stop is raised.
- ✓ Hericles urges everyone to speed up.

Emotions for the period are:

EMOTION	ISSUE
Resignation	He has to give up the thought of a dynamic forecast
Concern, Worry	The lack of components for the production
Impatience	People need to speed up in what they are doing
Satisfaction	The production department can deliver a substantial part of the quality assurance equipment before Christmas
Joy	Jokes and comments about the R&D department and about the dynamic forecast
Irritation	The progress of the planning of the company trip to Provence
Regret, Remorse	Hericles has promised a person to plan for the trip to Provence
Joy	The celebration of Lucia and Christmas

Exhibit 6.11 Emotions in December 1999

December 1999: Looking Back at 1999 and Looking Forward to 2000

In a private conversation with Hericles, I ask him to contemplate on the past year and to convey his thoughts, expectations, fears, and other feelings for the coming year. Looking back, Hericles realises that he has been able to accomplish most of what he had made up in his mind to do: the organisational change within the production department, to start working with a new, professional board of directors, to re-arrange the management team and to recruit a financial manager. The only setback is the development of the QASS and the Standard version of the 3G mobile phone quality assurance equipment. Hericles is pleased with the progress of the company but very disappointed with the delay of the QASS. He is also pleased with his new management team

and the progress of the weekly management team meetings, but he is still a bit uncertain if it is the optimum mix. The high sales figures make Hericles happy and gives him a feeling of how fun it is to run a company. The order intake is fully booked for months ahead – up till March of next year. The problem with this is the long delivery time, that has doubled from 8 to 12 weeks to 16 to 20 weeks, and there is also a shift from producing customised products to producing volume. It involves new aspects of the production capacity as well as the administrative capacity. A worry is the lack of specific technical parts.

Hericles is aware of two major threats in the coming year: the slow development within the R&D department and the competitor Epsilon, that has caught up on products from the second generation of quality assurance equipment. According to Hericles, this equipment will dominate the market and fulfil the slogan: we predict the standard. If the R&D department cannot achieve this, Hericles thinks that the year after next will be a financial catastrophe. Another setback for Hericles this year has been the concentration on the Company Spirit. Nothing much has developed since the meetings with the management team and the extended management team. The only result so far is the weekly coffee break. This has been a really good idea, but there needs to be more tangible proposals in order for the spirit to come to life. Hericles is convinced that the Company Spirit is an excellent way for his employees to realise what is expected from them and what to do, without the management being forced to tell them. Hericles is disappointed in the results so far, and he is also a little bit shocked that young employees seem to have different values from the ones he expects. The young people of today seem to be very individualistic and do not value group work. They also seem to be very technically oriented. They take an interest in working with a technical device or a technical solution but not with the product as such. This scares him a bit. On the other hand, he has also noticed a change in the group of employees that has been at Higgledy from the beginning. They have changed from enthusiastic twenty-year olds that could stay working all night, to “middle-aged” parents who value other things at work and in their private lives. This is not necessarily a bad development, but it raises other questions for management. This, in addition to the growth of the company, feels a bit tiresome for Hericles. His company is changing from the unconventional to the conventional company. He is sure that he should not continue as the managing director of Higgledy. It does not suit his personality, he says, and he personally does not like the idea of being so public. When he comes to think of all the business executives who are here one day and gone the next, it worries him. He is determined to find a replacement before Higgledy enters the Swedish Stock Exchange Market.

Hericles is also proud of running a successful company. He thinks the success depends to a high degree on him as an individual and his way of running the business. He is reluctant to find so called “book solutions” in his

daily work. He has trusted his own intuition along the way and a sense for what would be the right thing to do. He thinks highly of his capacity to analyse the market and his ability to be a coach to his employees. Hericles prefers to find solutions that are specific for his company, and in many ways they prove to be opposite to what is recommended in management literature. He mentions the Chinese market as an example. He had the opportunity to set up a joint venture with the Chinese producer, but rejected the idea. To him it would be too complicated, so he suggested that the new producer in China could buy parts from Higgledy and that Higgledy would guarantee the quality. That was all he demanded, and he thinks that Higgledy is better off in the long run, doing the business this way.

Thoughts of his children are also on his mind today. He is very proud of them, and tries to advise them to do and study what they themselves find interesting. That is the only way for them to be successful with their lives. Due to the big profit, he sees a need to plan financially for the next generation. Before I leave, he wants to stress again, that it has been extremely fun taking Higgledy to where it is today.

In his diary for December, Hericles has made some notes from one of the last days of the year. He makes a joke about being alone with no phone ringing, and therefore being bored. He contemplates over the successes and the setbacks for the year that passed. He is very happy with the new organisation, the increased production capacity and sales and the success in China. Setbacks include the delay with the service of quality assurance equipment and above all the delays in the R&D Department, which has not been able to produce as many new products as Hericles had expected. Hericles writes that this is due to a lack of leadership within the department. The department needs a leader who can push on in a positive way. He and the R&D manager have therefore decided to call in a consultant, who he expects to pinpoint the problems so they can be dealt with. The diary ends with a positive expectation for the coming year, with a production that is covered at least to April, and the start of more sales of 3G mobile phone quality assurance equipment. Other concerns on his mind are the decreasing sales in Europe and the slow progress of the service of quality assurance equipment.

Hericles' last diary notes, are from January and February 2000, and are written at an airport lounge on his way back from Japan. He is worried about the production capacity, because the order intake covers the production even in May. Hericles thinks it is bad because this locks up production. It has been decided that Higgledy is to increase the production capacity by 50% more than forecasted. The supply of components is still a problem, and Higgledy has accepted a solution where a supplier will produce a component for Higgledy as

The Story of Higgledy

well as to their competitors. Higgledy is therefore looking for an alternative solution. Hericles is convinced, though, that this is not the end of the discussion concerning a possible takeover of the supplier. It is all about tactics, and it is important to keep a cool head. New high speed quality assurance equipment is also ready to be presented at the fair in Germany. He is positively surprised that recruitment to the R&D department has been so smooth, even if the leadership problem still remains. Hericles also reports on his visit to the Japanese subsidiary and the celebration of its 25th anniversary. His last lines involves serious thoughts about bringing forward the introduction of Higgledy on to the Swedish Stock Exchange Market the present year. This year seems to be a good year, and the Stock Exchange seems to be strong. However, the company is not quite ready, and it would mean that Hericles would have to stay on for another two years as the managing director.

In short:

- ✓ Production capacity is fully booked till the end of March next year.
- ✓ The delivery time has been doubled, i.e. increased by eight to ten weeks.
- ✓ The second generation of quality assurance equipment will still dominate for the first half of 2000.
- ✓ The work on the Company Spirit has not resulted in anything.
- ✓ The delay of the new QASS system and a 3G mobile phone standard version might give competitors too much of an edge.
- ✓ The supply of incoming material is still a problem.
- ✓ The production capacity will be increased by fifty per cent.
- ✓ A version of a high speed quality assurance equipment is ready to be presented in March.
- ✓ The introduction on to the Swedish Stock Exchange Market might be brought forward.

During the last month of the year, the following emotions occur:

EMOTION	ISSUE
Satisfaction, Self-fulfilment	Hericles has achieved what he set up his mind to do for 1999
Satisfaction, Joy	The development of Higgledy
Disappointment	The delay with the QASS and the base version of a 3G mobile phones quality assurance equipment
Satisfaction	The way the new management team works

Uncertainty, Doubts	Does Higgledy have the best composition of the management team
Joy, Pride	Sales, and the progress of the company
A Sense of Self-fulfilment	The positive outcome of Hericles' unconventional way of managing the company
Worry	Long delivery times
Worry, Concern	The lack of incoming material
Threat	The slow development within R&D
Threat, Worry	Competitors are catching up
Concern	The attitudes of young people
Tiredness, Concern	The shift from an unconventional to a conventional company
Disappointment	Nothing tangible has happened with the Company spirit
Worry, concern	The lack of leadership within R&D
Relief	The successful recruitment to the R&D department
Pride	Hericles' four children
Full of expectations, confidence	For what the new year might bring
Impatience	The slow development of the service of quality assurance equipment
Concern	Decreasing sales in Europe
Concern	Hericles needs to plan financially in his private life due to the high profit
Concern	If the introduction to the Stock Exchange market is brought forward, Hericles thinks he must stay as the managing director

Exhibit 6.12 Emotions in December 1999

Postlude: May 2000

The company is simmering with activity. Preparations are made for the introduction on to the Swedish Stock Exchange and a lot of new investments

The Story of Higgledy

are made. The company now has over 100 employees. It is hard to recruit skilled personnel, but a woman has been employed to take care of employment issues on a full time basis. The head of the R&D department is leaving the company. Hericles feels it was a hard task to make the decision about having to tell the R&D manager that he had to be replaced. Constant delays and technical problems were the official reasons. Hericles does not like to be the kind of manager who shows off his power in this way, and that is probably why he delayed the decision. Despite being offered a new position within the company, the R&D manager chose to leave Higgledy altogether.

Hericles is satisfied with the sales for the first five months, which resulted in a profit of 28 million Swedish crowns. However, the order intake is not satisfying. The order intake of the second generation of quality assurance equipment is declining and the intake of the third generation of quality assurance equipment is rising, but not enough to be satisfactory. The sales forecast of 262 million Swedish crowns will not be met, according to the managing director. Since the trade fair in March seemed to be a success, he had expected better sales, but it did not come off. He is convinced, though, that the company has the right products, and that it is usual for this kind of company to fluctuate a lot in sales between years. He puts it as this year was a year for investments.

Pondering a lot on the fact that life is limited and that he himself does not have all the time in the world left, Hericles is preparing for his next step. Once the company has been introduced on the Stock Exchange Market, he is going to withdraw as a managing director. It is not his style to manage such a company, even if he will stay on as the main owner and be active within the company. A possible and suitable new managing director must be found. These kind of thoughts and thoughts and ideas about how to rearrange the organisation in light of the introduction to the Swedish Stock Exchange Market, occupy a lot of his time these days.

In short:

- ✓ New investments are made.
- ✓ Preparations are made for the introduction on to the Swedish Stock Exchange Market.
- ✓ The number of employees has increased to over 100 persons.
- ✓ The R&D manager is to be replaced.
- ✓ The profit of the first five months is over 28 million Swedish crowns.
- ✓ There is a shift of the order intake from the second generation of quality assurance equipment to the third generation of quality assurance equipment.
- ✓ The estimated turnover of 262 million Swedish crowns will probably not be met.

At the end of the process¹⁶, the following emotions are interpreted:

EMOTION	ISSUE
Satisfaction, Joy	Sales for the first five months
Dissatisfaction	The order intake for the new generation of quality assurance equipment is not increasing fast enough
Conviction, Confidence	Higgledy has made the right investments and done the right developmental work
Worry, Concern	How to organise the company in connection with the introduction on to the Swedish Stock Exchange Market, and how to solve the position of a new managing director
Empathy/Sympathy	To be forced to tell the R&D manager that he did not meet with the expectations

Exhibit 6.13 Emotions in May 2000

Summary

The Radical Change Process Divided into Managerial Issues

In order to be able to interpret some kind of pattern in relation to the radical change process, there is a need to divide the process into different issues. The following eleven issues have been identified as important in relation to the radical change process in Higgledy: the development of the QASS system, which equals to the development within the R&D department, and also the expressed radical change of Higgledy; the board of directors; the management team; the market; sales; financial issues; the production/service department; the organisation at Higgledy; the employees; the Higgledy Spirit; and Hericles' private life. Choices are made mainly due to two reasons:

1. The approach to emotions is in this thesis contextual: *Emotions are socially constructed and situational since they are dependent on relationships and social interaction. Emotions evolve, transform, and take new directions formed by institutional and organisational contexts.* Thus, emotions are shown, expressed, and felt in daily and interpersonal interaction, and would not make much sense

¹⁶ "The end of the process", is understood as the end of the time period during which the process was followed.

if they were isolated. In accordance with this, the emotions of Hericles have to be related to a managerial context, represented here by real time encounters and settings, i.e. different managerial issues.

2. The issues reflect what Hericles has dealt with on an almost daily basis, or issues that have been representative during the twenty month period that has been followed here. It can be argued, that they are typical situations, and/or typical managerial matters, that most strategic leaders face in their day-to-day work. In accordance with Watson's (1994) reflections on the inconsistency in the use of the term management, it is here referred to as functions, activities, as well as a team of people.

A short explanation of each issue is relevant before we move on:

- (1) *The radical change process: The new QASS/R&D:* This includes the development of the QASS system, the so called third generation of quality assurance equipment for mobile phones. The emotions that emerge here are naturally connected to the R&D Department and as a consequence it might sometimes be hard and/or inevitable to separate emotions directed to the process itself and to persons within the R&D department.
- (2) *The board:* The board was initiated during the spring of 1999 and had its first meeting during the autumn of 1999.
- (3) *The management team of Higgledy:* The emotions that have arisen in relation to specific team members and/or the whole team. As with the development of the QASS system above, it is sometimes hard to separate issues belonging to specific management team members from issues related to members as employees, and/or as representatives of a department.
- (4) *The market:* Emotions, that have a strong correlation to discussions about market demands, customers, competitors, fairs, takeover bids, etc. are shown here.
- (5) *Sales:* Here we can see Hericles' emotions, mainly in regards to the sales figures, the forecast, and incoming orders.
- (6) *Financial issues:* This is the result of emotions shown, expressed or felt in regard to financing the new QASS system.

- (7) *Production/service:* The result shows emotions related to matters within the production and service department.
- (8) *The organisation:* Emotions related to organisational matters, such as organisational design and strategies for recruitment are presented here. It also concerns the organisation of the company with the introduction on to the Swedish Stock Exchange at hand.
- (9) *The employees:* Emotions, that are expressed or shown towards specific individuals or groups of individuals.
- (10) *The Higgledy Spirit:* Those emotions refer to Hericles' emotions regarding the culture within Higgledy. It is important to bear in mind that it is impossible to make a clear cut between organisational matters, the employees, and the spirit in the company.
- (11) *Private life:* The emotions Hericles has expressed about his private life.

Again, I want to stress that it is not possible to always know the full context of another individual, and neither is it possible to fully separate the different issues from each other. The issues can be related to two different types: (1) arenas to which the managing director and others belong and where they act, and (2) questions and "things" they talk about. So for instance, one arena is the management team, and questions that are brought up here can be the talk about the management team as such, but also R&D issues, the market situation, specific persons, etc. The separation made here is therefore more tentative, but even so, it will make the process and the emotions during the process easier to grasp. Below, the course of events and the emotions of Hericles are summarised, related to each managerial issue.

The radical change process: When we meet in August, Hericles is full of expectation, and he is confident that when the new QASS system is finalised, it will soon start to sell. This will also help to increase sales. Therefore it is no wonder that Hericles is shocked in September 1998, when he realises that the new QASS system is delayed by an entire year. His constant message is, that the development of the QASS system needs to speed up and show a more substantial result. He is disappointed with the R&D manager, who seems to be responsible for the delay, and expresses his frustration with the slow development. Furthermore, he at several times brings forward the need to employ more persons to the R&D department. Most of Hericles' feelings during the process concerns worry, anxiety, frustration, impatience, etc to speed

The Story of Higgledy

up the development within the R&D department. Hericles devotes a lot of thinking to the situation within the department, and he realises by the end of 1999 that lack of leadership might be one of the reasons for the slow development. His more positive feelings such as relief, is when during the same period it becomes apparent that the process of recruiting personnel goes rather smoothly. However, the slow development is still a great threat in his mind. Nonetheless, from our last contact in May, 2000, I learn that Hericles is confident and convinced that the company has made the right investments.

Frequent emotions regarding the radical change process are frustration, impatience, concern and worry.

The board: The new, professional board is formed during 1999 and Hericles is excited with the group and is full of expectations for its future work. Those expectations are met in the next meeting in October, and Hericles is satisfied.

Satisfaction and excitement are the two most prominent emotions here.

The management team: Throughout the process, Hericles expresses and shows mixed feelings about his management team members. He is at times disappointed with the team for not understanding the need and his urging for speeding up. The disappointment shows itself in for example irritation, impatience and frustration. At a specific meeting, he even gets angry and indignant because the team has not met his expectations with a dynamic forecast. On the other hand, Hericles is proud of his team, and expresses a lot of satisfaction and joy during the management team meetings. He does not have any difficulties in being honest about his thoughts, and it is not hard for him to show empathy and sympathy either. Most of the time, Hericles seems to enjoy the free atmosphere of the group, with all the jokes and irony. Hericles enjoys it immensely when he hears about new orders, gets involved in discussions about new technical solutions and when he can report from positive signals from the market. The opposite is true when he has it in his mind that his team does not understand why there is a hurry concerning the development of new products.

Frequent emotions are joy, satisfaction, irritation and frustration.

The market: At our first meeting, Hericles is full of expectations regarding the market, and says that it is a challenge for him to meet the market demands. When the delay of the QASS system is extended which Hericles finds out about in September 1998, he is worried about the consequences. Sales, which are almost 50% below the forecast will probably not improve, and competitors might catch up. Besides, Higgledy might not be ready to meet future market demands and this concerns him. However, one relief in September 1998 is that the Japanese upstart somehow seems to have left the scene. Hericles'

relationship to the market is like a roller coaster. On the one hand, he is very concerned that competitors might catch up, or that Higgledy will develop products that are no longer in demand once they are ready, and he worries about the time and space that are given to competitors. On the other hand, he is very excited that Higgledy seems to be more or less steering the market and is able to tell the market what it needs – and not vice versa. When we meet in April 1999, Hericles is proud, on the verge of cocky, that Higgledy has been pro-active on the market. This is a feeling that still holds true from our last contact where Hericles is convinced that the right steps have been taken regarding investments and developmental work. At certain times during the process, he sees big threatening clouds, and thinks that catastrophe is just around the corner. These are times when he is concerned and worried and thinks that Higgledy irreparably is lagging behind. Hericles' feelings regarding the market mostly go hand in hand with his feelings regarding the developmental work at the R&D department.

Frequent emotions are concern, worry, satisfaction and expectation.

Sales: When the radical change process starts, sales at Higgledy are almost only half of the calculated sales figures. However, even if the delay with the new QASS system is shocking news to Hericles, he is optimistic that the company will receive new orders from new markets during early autumn 1998. High sales figures is really one thing that can make Hericles happy and satisfied. He gets excited when they rise above his expectations, as they do for instance in November, 1998, when the forecast caught up to about 80% of the calculated forecast. This is a pattern that is evident throughout the process. When sales records are beaten in November 1999, he is very proud. His joy at one time, in September 1999, turns into concern, because the profit might be too high and have implications that he is not yet aware of or can imagine. In May 2000, sales in Europe have decreased, and the newly developed products do not sell enough. This is a source of dissatisfaction to Hericles.

Frequent emotions are happiness, joy and pride.

Financial issues: The costs that are involved in the development of the new QASS system and products do not worry Hericles a bit. He does not show any signs of concern regarding this issue, neither in meetings nor in private dialogues. To direct questions, his answer is always a calm "no", it is not a question of costs in Higgledy's case, it is much more a question of acquiring resources in order to speed up the development. The only concern he shows is in October 1999, when he realises that the prices he had set up for the options were possibly too low. The profit had at this time increased to figures which were not even thought of a year earlier. However, this is mostly directed as a concern towards his employees, who had bought the options.

The most frequent emotion is calmness.

The production/service: The shortage of incoming material is a concern to Hericles throughout the entire process. It is discussed in September 1998, and emphasised during the autumn of 1999. The reason is that sales have increased enormously and the lack of supply might jeopardise the production, and thereby the sales figures, which Hericles calls catastrophic. He is also concerned about the slow development within the production department, which in the autumn of 1998, delayed all deliveries more than was necessary. Hericles gets irritated about the situation and the Production and Quality Assurance manager gets the blame. It irritates him, that stock-taking seems to be so complicated and take such a long time. A replacement of the Production and Quality Assurance manager is made around New Year of 1998, and Hericles shows satisfaction in this respect and praises the individual who is now in charge. During autumn 1999, a delivery stop makes long delivery times even longer and Hericles is concerned. This does not stop him from praising the Production and Quality Assurance manager, whom he thinks highly of. To him it is important to deliver in order to get money into the company – something that makes him happy. The problem with the lack of some important technical details makes him and the management team consider a bid for a takeover of a Finnish company in order to get exclusive access to them. However, once the delivery stop is cancelled, and the Production and Quality Assurance manager informs Hericles that he is able to deliver hundreds of orders before Christmas of 1999, he is very pleased and satisfied.

Frequent emotions are concern, worry, irritation and satisfaction.

The organisation: Hericles devotes a lot of time pondering organisational matters. His first concerns in November 1998 are probably in connection with the fact that the QASS system is not ready. He thinks too much time and effort is devoted to administrative work, and one of his greatest fears is to create a bureaucratic organisation. Before and around Christmas of 1998, Hericles is disappointed that his organisation does not seem fit enough to speed up the development of the QASS system, and he is concerned about organisational issues regarding the growth of the company. He also starts to wonder if he has the right persons on his management team. He makes some fast decisions regarding the latter. Over Christmas and New Year he decides to reorganise the management team, and it starts to work in its new constellation in January 1999. When we meet in April that same year, Hericles expresses his satisfaction with the new team, but also his regret that he was a little too much of a coward to make all the changes that he really wanted. He is still concerned, however, about his own role in the growing company, and his role after a possible introduction on to the Swedish Stock Exchange Market. These concerns

continue throughout the process, and when we part it is still an unresolved issue, even if Hericles by then has decided to stay a couple of more years. His concern about the change of Higgledy from an unconventional to a more conventional company and organisational matters related to this seems to be an endless and ongoing concern to Hericles.

The most frequent emotion is concern.

The employees: Hericles is proud of and happy about his employees, who are part of Higgledy's ability to meet the customers' demands. He also feels some sympathy/empathy with the American managing director, who does not want to move his family to California, which would be the best for Higgledy, and he gives his consent for the manager to stay on the East Coast. The delay of the new QASS system in September 1998 makes Hericles direct his disappointment to the head of R&D. This disappointment later on takes the form of irritation. This irritation is in April 1999 in turn replaced with satisfaction. By then, Hericles has replaced the former Production and Quality Assurance manager with another person, and the delivery times have been dramatically shortened. During the autumn of 1998, Hericles is also concerned with developmental issues of the personnel. He thinks this is important, but it should follow some plan. It also bothers him that an employee seems to have used Higgledy to make her way back to the capital of Sweden and in order to find a better job. However, most of the time Hericles shows a great amount of joy and happiness together with his personnel, including the management team. Even if Hericles is tired sometimes, because of all the events with the personnel, he seems to enjoy the fact that they are enjoying themselves. He shows empathy/sympathy with those people he has to replace in the management team during Christmas of 1998, as he does with the R&D manager, who was replaced during spring 2000. Hericles, himself, says that he is not a man who has the need to show his power regarding issues like this, and this makes such situations hard for him. His main concern regarding employees is that it is hard to attract well educated people and Higgledy needs to find ways to do so.

Frequent emotions are joy and irritation.

The Higgledy Spirit: Hericles is convinced that the Higgledy Spirit plays a vital role in the success of his company. From the management team meetings, participant and successive observations, and interviews with many representatives of the company, it is obvious that the Higgledy Spirit includes a lot of drive, motivation, joy, humour and irony. Hericles also seems to realise that the culture is a hard phenomenon to get through. So, for instance, he is very sympathetic with the managing director of the American subsidiary, and lets him have his way and keep the headquarters on the East Coast, instead of

The Story of Higgledy

forcing a more strategic move to California. During the autumn of 1999, Hericles starts pondering about the attitudes of his employees, and cannot really understand or grasp how they think or what they value in life. This makes him bewildered. In October 1999, during the management team weekend meeting, he becomes aware of the fact, that he, as the leader of the company, can use the Higgledy Spirit as a management tool in order to achieve his organisational goals. He calls an extended management team meeting in order to reinforce the “power” of the spirit. The meeting makes him confident again, and he gets impatient wanting to see the Company spirit reinforced within the company and to see the result as soon as possible. In December 1999, he realises that nothing much has happened in regards to his high expectations earlier in October, which makes him disappointed and concerned.

Frequent emotions are satisfaction and bewilderment.

Private life: During the initial phase of our acquaintance – and before we get to know each other better – Hericles feels inconvenience by the researcher being around. However, he obviously finds a need to be “at the service of science” and puts up with the uneasiness it causes him. By our second meeting, he does not seem to think any more of it. Most of the time, Hericles separates his private life from his business life. However, he is very keen on not working too long, but wants to be home at about six p.m. every night. He often has lunch with his wife, and his youngest son at the age of five (in 1998) visits now and then. He talks highly of his family and four children and is anxious for the three oldest daughters to choose a career that makes them happy. He is also concerned at times about how his private life will be affected by the company’s success. He understands that there seems to be a need for him to be more visible and public, which he is very reluctant to do since he does not want to show off too much. He compares his situation with other successful business leaders, who are heroes one day and turned into scapegoats the next. Those concerns are often on his mind in September 1999, when the company starts to make a tremendous turn-over. Parallel to with the successful development of Higgledy, at the end of 1999, Hericles shows more and more of joy and pride over the success of the company. He praises his personnel as part of this success, but he feels that he can be proud of himself, and that he himself can take the credit for the good result as well. He stresses that it is “damn fun” to make a company into what he has made Higgledy, and it gives him a feeling of real satisfaction and self-fulfilment. He is confident for the future even if a lot of personal reflections regarding our transient life times are often on his mind. His only worry is to financially plan for the next generation.

Frequent emotions are uneasiness, concern and self-fulfilment.

The emotions of Hericles are summarised in exhibit 6.14 as they were showed, expressed or felt, i.e. interpreted over time in relation to the eleven managerial issues and on a monthly basis.

Hericles	Aug 1998	Sep 1998	Nov 1998	Dec 1998	April 1999	Sep 1999	Oct 1999	Nov 1999	Dec 1999	May 2000
The Radical Change Process/R&D	Confidence Expectation	Shock Impatience Indignation Disappointment Worry Worry	Satisfaction Irritation Impatience Indignation Reluctance Resignation	Satisfaction Excitement Optimism Impatience Concern Excitement Concern Worry	Confidence Self-assurance Impatience	Disappointment Shock Impatience	Hesitation Reluctance Impatience Dis-satisfaction	Impatience	Satisfaction Joy Disappointment Worry Concern Threat Relief Satisfaction Joy	Conviction Confidence
The Board						Excitement Expectation	Satisfaction			
The Management Team		Disappointment Joy Pride Joy	Irritation Joy Impatience Irritation	Amusement			Satisfaction Joy Satisfaction Joy Satisfaction	Dissatisfaction Disappointment Frustration Anger Frustration Indignation Impatience Irritation Irritation	Resignation Joy Satisfaction Irritation Regret Regret	

Hericles	Aug 1998	Sep 1998	Nov 1998	Dec 1998	April 1999	Sep 1999	Oct 1999	Nov 1999	Dec 1999	May 2000
The Market	Expectation Challenge Concern	Worry Relief Worry		Self- assurance Concern Confidence	Pride Cockiness	Joy Satisfaction	<i>Pride</i>	Excitement Expectation Satisfaction Concern	Threat Worry Expectation	
Sales	Concern	Optimism	Excitement Joy Satisfaction	Concern	Happiness Happiness	Concern	Joy	Joy Pride	Joy Pride Concern	Satisfaction Joy Dissatis- faction
Financial Issues			Expectation	Calmness			Concern	Calmness		
Production/ Service		Concern	Irritation Satisfaction	Irritation Concern	Joy Satisfaction		Strain	Dis- satisfaction Concern	Concern Worry Impatience Worry Worry Concern Satisfaction	
The Organisation			Uneasiness	Disappoint- ment Uneasiness Concern	Reluctance Satisfaction Reluctance Concern Cowardli- ness	Concern Satisfaction Relief	Concern		Tiredness Concern Doubt Uncertainty Concern	

Hericles	Aug 1998	Sep 1998	Nov 1998	Dec 1998	April 1999	Sep 1999	Oct 1999	Nov 1999	Dec 1999	May 2000
The Employees		Empathy/ Sympathy Joy Pride Disappoint- ment		Reluctance Irritation Joy Amusement Tiredness	Empathy/ Sympathy Satisfaction	Indignation Concern Irritation	Satisfaction Joy Pride Reluctance	Frustration Irritation	Impatience Joy	Empathy Sympathy
The Higgleddy Spirit		Relief Resignation Satisfaction				Bewilder- ment	Confidence Self- assurance Impatience		Concern Disappoint- ment	
Private life		Uneasiness Relief		Self- fulfilment		Hesitation Reluctance	Concern		Pride Joy Self-fulfilment Self-fulfilment Confidence Concern	

Exhibit 6.14 Hericles' Emotions throughout the Radical Change Process at Higgleddy

Hericles' Emotions Over Time

Taking a horizontal, as well as a vertical, approach to exhibit 6.14, we can identify a slight change at the beginning of the process¹⁷ in August and September of 1998 to the end of the process¹⁸ in December 1999 and May 2000. In August of 1998 Hericles is quite confident and full of expectations. His only concern is rather bad sales, but even so, this is something that he was expecting and he thinks he can handle it. In September 1998, the picture changes as he becomes aware of the slow development of the new platform. Almost all of his concern, frustration and disappointment is related to this, either directly to the R&D department or towards members of the management team, or towards the market. During the latter part of the process, in December 1999, Hericles is still very concerned about the development within the R&D department and about lagging behind competitors on the market. He is, however, more satisfied with his management team. At the beginning of the process, Hericles was satisfied with the so called Higgledy Spirit and praised it for being one of the factors behind the prosperous Higgledy. At the end of 1999, he is more concerned, that the Company Spirit is not strong enough. New issues on his mind, that have become more prominent during the process, are organisational worries, such as the structuring of a growing company, that is going to be introduced to the Swedish Stock Exchange Market, and his own organisational role. Increasing attention is also paid to private matters. Hericles feels pride and fulfilment, but also that his professional time is limited.

Following the whole process in exhibit 6.14, it is rather obvious that Hericles has stayed focused on the radical change process, and has been very emotionally tied to the development within the R&D department. At times, this attention has shifted to the organisational design and the management team, but even so, this concentration has been clearly connected to the radical change process as such.

¹⁷ By "the beginning of the process" I mean the start of the period, during which the radical change process was studied.

¹⁸ By "the end of the process" I mean the end of the studied process.

7. The Story of Piggledy

This chapter tells the story of Piggledy from September 1998 to May 2000. In order for the reader to follow Piggledy's progress as a process the story is told as a narrated chronology. Certain adaptations have been made and specific points highlighted for emotions interpreted as having a connection with the radical change process. After each chronology note, the reader is provided with a short version of the course of events in Piggledy. With a contextual and communicative approach, the chronology is held on a relatively detailed level. At the very end of each month, an identification of emotions follows. Since the purpose of this thesis takes the managing director as the key person, this summary focuses on Pericles' emotions¹. The chapter ends with a summary of all emotions during the process, divided into different managerial issues. The analysis of emotion patterns will start in chapter eight.

Prelude: September 1998

The radical change has started to take its form. Pericles is confident that everything will turn out as planned. The company will change from being a main supplier of display cases and exhibition stands and furniture components to being a main supplier of toys. However, the adjustment takes time, much more so than Pericles had expected. He is impatient to carry through the change and is frustrated at times. He realises that he needs to be patient. Many employees, from the former management, or who have been with the company for a very long time, seem to be having a hard time. Pericles notices their resistance through their language, through their delaying of things and through their narrow-mindedness. To take care of this emergency, Pericles decides to implement a re-organisation. The former production manager will now be a sales person of display cases and exhibition stands and replace the last joint owner of the firm, who has decided to withdraw at the age of 60. In turn, the former production manager will be replaced with three foremen, and Pericles will act as the main production manager. The marketing manager has decided to move on to a new position in another company, and this is a setback. He has been on the verge of leaving twice before, but he has been persuaded to stay with Piggledy. However, Pericles does not want to stop him this time, as he knows that he might stay out of loyalty if asked. For the time being, Pericles will have

¹ In this chapter, I will mainly refer to Pericles as the managing director, but I will also refer to him as the strategic leader of Piggledy.

to take on that position as well. This puts pressure on Pericles because this will give him too much work. During the week, every workday will end late and he will just have time for work and then tumble into bed after driving over 90 km to his home. During the weekend, he feels pressure from his family and the responsibilities of having a house and a garden to attend to. However, Pericles is very engaged in his mission to change Piggledy's direction, even if he thinks it seems to be harder than he expected. For example, he has a huge job ahead, changing the attitudes of some of the employees, both within production and administration, that have been with the company all their working lives. Pericles' conviction that the new strategic direction is the only right way to go, and that it is so "damned" fun to take part of this process, makes him carry on. Furthermore, Pericles feels secure with the owner of the company. Piggledy is run like a family business he says, which in this case means that the owner likes to be involved in practically everything. Pericles tries to be as open as he can, informing the owners – and especially the group executive head – about the present status. So, for instance, the board is informed that the company will not be able to meet the forecast for the third quarter. He also has a close relationship to the owner's son-in-law, who is gradually stepping in as business unit head for the business unit manufacturing. Even if Pericles knows that the board members trust him, he feels a bit strained before the next board meeting. This does not however worry Pericles much at the moment. He is confident that everything will work out fine but will just take more time than he first expected.

In short:

- ✓ The radical change has started to take its form.
- ✓ Employees, with a long history with the company, seem to be hesitant.
- ✓ A re-organisation has taken place.
- ✓ Pericles will take the position of production manager as well as that of marketing manager for the time being.
- ✓ Pericles is impatient – but confident.

The following emotions are perceived in September:

EMOTION	ISSUE
Confidence, Self-assurance, Joy	The radical change process as such
Impatience, Commitment	To get the change process rolling

The Story of Piggledy

Security	The board of directors/employer makes him feel secure
Self-assurance	The board trusts Pericles
Frustration	Attitudes of some of the employees
Empathy	Hard for some employees to accept the change, due to their background
Easy Strain	To discuss the result on the next board meeting
Pressure	Family life/Personal life

Exhibit 7.1 Emotions for September 1998

October 1998

Three different information meetings are held in the morning for production personnel – the Sawmill, the Production department as well as the Finishing departments of Finishing, Assembly and Packaging. All three meetings take place in the attic of the barracks, just on top of Pericles' office. The attendants, with only a few exceptions are almost all men in their middle ages. There are only two women out of 27 present. All three meetings take approximately a little more than one hour, and they all have the same structure. Pericles starts out with information about the result of the third quarter of the year. The sales of display cases and exhibition stands are above target with more than two hundred thousand Swedish crowns, even if it is real tough in Finland, and the exports sales are one million Swedish crowns below the expected sales. The hope is the United States. The sales of furniture components are two million Swedish crowns below the budget. However, Pericles explains, this is a conscious choice, as all efforts have been put on the production of toys. Even so, and to his disappointment, the toy sales have not met with the calculated figures. Pericles feels the reason for this is that Piggledy has not been able to deliver in keeping with the time table. He calls the production of the toys their "black sheep", and that the Finishing part is the problem. The employees react strongly because they think the problem is the shortage of parts. The financial information ends with Pericles reassuring his employees that the liquidity is OK, and that the parent company has been supporting them financially. However, he also stresses that the profitability is affected, and that the financial reality is what counts in the end. One of the attendants argues that the sister company, Pokery, is making all the money but not paying in time and this results in bad profitability for Piggledy. Pericles chooses not to answer. A possible new wage structure is also discussed in the three groups, where flexibility and the competence to perform several tasks are prioritised. Pericles

stresses that a new system should motivate individual development and rotation between operations.

The three meetings look pretty much the same. However, the atmosphere is a little bit different for each group. The first group is very quiet, listens a lot and asks few questions. The second group is more vivid and makes a few jokes. In this meeting, Pericles is made aware of the fact that some technical details have not been solved, and he gets irritated when people make jokes about the situation. Not everyone is that interested though and one person is even asleep. The third meeting starts out with ironic comments about Pericles not offering coffee and biscuits. With the reactions from the second group in mind, Pericles is not as direct as during the second meeting, telling the attendants that the problems of lagging behind the forecast are mainly due to problems with the finishing of the toys. The discussion in this group is very lively and at times Pericles gets a bit annoyed, especially with one of the trade union representatives.

In a private conversation after the three meetings, Pericles admits that he could sense a strange atmosphere during those meetings. It is like a barrier, that is very hard to define and get through. He also senses a difference between the groups, as the Sawmill is more united, and the other two more afraid of changes. According to Pericles, there is a long-standing grudge that is not easy to get past. Sometimes, Pericles says, he can not believe it is the nineties. He thinks it is very tiresome when his employees think that he is questioning their competence when he is just trying to make progress. People seem to take a defensive position towards any attempt to make the slightest change. Moreover, no one dares to stand up and say that he or she thinks it is a good idea. The whole attitude is rather "what's bad about it," rather than "what's good about it". He thinks it is always a matter of trying to persuade people by hook or by crook. He is very tired of people being too negative. If Piggledy could afford it, Pericles would bring in a new production manager from outside the company, with a more open mind and with other experience. Unfortunately, this is not possible due to the financial situation. Pericles is very well aware of the fact that other systems are needed in order to produce toys, however, this is not yet a fact accepted among his personnel. They agree in theory but not in practice. Not even the three new foremen seem to be working in favour of the change. Pericles thinks that he might be forced to practice dictatorial manners in the transition. He sees the risk of becoming an errand boy, something he wants to avoid in order to be able to work with more strategic matters and to secure resources. Before we part, Pericles wants to stress that he is completely sure that the new focus is absolutely right and will eventually be successful.

The Story of Piggledy

In short:

- ✓ Toy sales have not met with expectations.
- ✓ The personnel is informed about the situation.
- ✓ Pericles can sense a barrier and a reluctance to the change among the employees.
- ✓ Pericles is getting tired of the negative attitude.
- ✓ Pericles is convinced that the change will be successful.

The following emotions can be interpreted:

EMOTION	ISSUE
Disappointment	The financial result for toys
Frustration, Tiredness	The invisible resistance among employees, and their negative attitudes to the change
Annoyance, Irritation	People do not take the group discussions seriously
Confidence, Self-assurance	The success of the radical change process

Exhibit 7.2 Emotions during the first part of October 1998.

October 1998

A board meeting is held at the end of the month on the premises of a sister company. Piggledy and the sister company take turns hosting the four board meetings each year. On his way to the meeting, Pericles informs the administration manager how he wants to solve the situation when the marketing manager leaves at the end of the month. Pericles has been giving it much thought, and has decided that he, himself, will take up the position as the marketing manager. A woman, presently replacing an employee who is on her maternity leave, will take care of routine matters as well as customer support and customer service to the agents. Other customer contacts should be handled by the agents, as they are paid for this according to Pericles. He thinks that the agents have been supported too much by the present marketing manager. On the way, Pericles gets a phone call, where he is informed that a customer in Finland has withdrawn its order of about three million Swedish crowns for furniture components. As those three million were of decisive importance in the forecast for the coming year, Pericles is really surprised. He had expected an order, and instead he gets this shocking news. He realises that it will be hard to

tell the board that the forecast he has made will be reduced by another three million Swedish crowns.

The account balance for September is presented at the meeting. The figures confirm that sales for furniture components are lower than the forecast, but according to Pericles this is a conscious move. However, the production of toys is lagging behind by almost 60% compared to the forecast. The board members are shocked by the news that the Finnish customer has withdrawn its order for the coming year. Pericles cannot say at this stage if the reason given for cancelling the orders next year is the true reason. It might just as well be Piggledy's price, although the customer said it was due to a decrease in their sales of more expensive toys. The product margin is 30 per cent, which might allow some space to reduce the price. It is agreed that Pericles has to visit the customer in Finland, together with the Finnish agent, and find out the reason for the withdrawal and try to solve the situation. The board also gives Pericles the task of making a new cost estimate and offer the Finnish customer a new price.

Pericles talks at length during the meeting, trying to explain why the situation is as it is. Explanations include the fact that everything takes much longer than he expected, that the equipment has not been right for producing toys and that Piggledy is selling to Pokery without any regular price discussion. In addition, the production personnel have been forced to put aside a lot of other work, and there have been a lot of disturbances in the production line due to Piggledy's inexperience in making toys. At this point, it is not possible to make a fair estimation of the costs. Pericles ends by telling the board members that Piggledy has been able to solve things at the very last minute, and that he realises that the company is in a very delicate situation right now. Pericles is not convinced that the new, suggested low price series of toys will be possible to produce at as low a price as needed. He does not think that Piggledy should be involved in competition with other low price producers. However, things stay as they are because the decision is already made. Besides, Piggledy has bought up a bankrupt manufacturing subsidiary from Pokery and this will help produce the new line.

The owner understands that Piggledy has problems at this stage and agrees that the board must be patient, but, as he adds, not for much longer. The investment of five million Swedish crowns so far must soon pay off. Pericles is not happy with the fact that Pokery has not paid its invoices amounting to over a million Swedish crowns, and as a consequence, Piggledy's liquidity is stretched. The group executive head seems a bit irritated and answers that Pericles should be satisfied because the group has handed over an advance. Besides, Piggledy is lucky that there is a parent company backing Piggledy up. Pericles agrees, but wants help with the present situation. At the moment there is a disagreement between Piggledy and Pokery. Pericles is of the opinion that

The Story of Piggledy

Piggledy manufactures the orders from Pokery, who should keep the stocks, and that Piggledy has the right to send an invoice. However, the managing director of Pokery has the opinion that Piggledy should keep the stocks, and not send an invoice until the toys have been delivered to a customer. Pericles shows frustration and irritation over the situation. The discussion has reached a dead end between the two, but Pericles does not want the parent company to take over, just help out a bit. The owner, as well as the chairman of the board, think that it is perfectly natural that Pokery keeps its own stock, and that the disagreement between the two is up to Pericles and the managing director of Pokery to solve.

A new, low price exhibit stand for the American market is discussed, as well as the investment and capacity of the newly installed CNC lathe. The range of products is scrutinised, and Piggledy seems to be making a lot of effort on products that are not profitable. The group executive head does not like Pericles' solution of rearranging the marketing department. He thinks it is worthwhile to find a new marketing manager, even if it will cost more. The meeting ends with a lively discussion about Piggledy's way of making calculations for customers. The chairman of the board is absolutely certain that Piggledy has been miscalculating and by doing so, lost many possible customers. Pericles agrees that there is a problem, and that it needs to be attended to. By looking at Pericles, one can see that he is under a lot of strain, even if he tries to make jokes about it.

The atmosphere during the meeting changes between being serious to joking with an emphasis on the former. The result of the board meeting is that Pericles is supposed to make a personal visit to the Finnish customer, to make a suggestion for a new way of making calculations, to take care of the dispute with Pokery regarding the principles of invoicing and he must rethink his suggestion about the marketing function.

In a conversation later that evening back at Pericles' office, he admits that he feels pressure to make Piggledy profitable during the first quarter of the next year. He is convinced that his decision not to take on a new marketing manager is right. He feels that the board members have a hard time thinking differently in this respect. Pericles thinks that Piggledy has had a double marketing function with its agents in different countries, who are all supported by a marketing manager at Piggledy. He is also aware of the fact that calculations made with the margin of 30 – 40% are like a relic from old times and this makes it impossible to compete on the present market. On the other hand, he realises that it will be impossible to lower the price for the Finnish customer without giving a reasonable explanation or without Piggledy losing face. He is convinced, though, that the company must install a new system of calculation. If Pericles is not able to "win back" the Finnish customer, the consequences will not just be a loss of the three million Swedish crowns. This is because there is a

special way the raw material is used in the production of the furniture components for the Finnish customer. Before we part, Pericles speculates what will happen if he cannot meet the expectations of the board members. The situation is very serious, and he thinks he must be realistic and admit that if he fails, he might be replaced. If this should occur, he would advise the board to change the direction back to the manufacture of display cases and exhibition stands plus furniture components. It would mean a decrease in personnel, but he thinks this would be the best strategy in that case. However, he feels loyalty towards the owner of Piggledy so he will do his utmost to make the strategy work and the company profitable. When I leave him that evening, he says it is impossible for him to go home. He has to stay and make preparations for getting the Finnish customer back as well as how to meet and tackle all the other issues that were dealt with at the board meeting.

In short:

- ✓ An important, Finnish customer is withdrawing orders.
- ✓ Piggledy has bought a bankrupt manufacturing subsidiary from Pokery.
- ✓ The board has decided that Piggledy is to manufacture a low price range of toys on behalf of Pokery.
- ✓ The relationship between Piggledy and Pokery is getting tense.
- ✓ The owner of Piggledy stresses that the investment must start to pay off shortly.
- ✓ The board asks Pericles to rethink his organisation, to suggest new ways to make calculations and to solve the problem with Pokery.
- ✓ Pericles starts to doubt the present product mix.

The following emotions can be interpreted:

EMOTION	ISSUE
Surprise, Shock, Uncertainty	The cancellation of the order from Finland
Tension	To break the news about the lost customer
Dissatisfaction	Pokerky does not take stock and pay invoices
Frustration, Irritation, Helplessness	The relationship to Pokery
Defensiveness	Hericles defends his actions to the members to the board
Restlessness	The whole situation; to take action after the board meeting

The Story of Piggledy

Concern	How to organise the market and production functions
Doubts	About the radical change and the product mix
Loyalty	Towards the board – to carry through the change

Exhibit 7.3 Emotions for the Latter Part of October 1998

December 1998

Pericles and I meet on one of the last days of the year. Pericles shows me the forecast for the coming year. Toys and display cases and exhibition stands stand for two fifths each and furniture components stand for about one fifth of the total forecast. Pericles regards the sales figures for the display cases and exhibition stands and furniture components as pretty safe. A decrease in furniture components is a conscious choice, in order to open up production capacity to make toys. However, the main question concerns the sales of toys. The figures are not decided by Piggledy, but rather are given by Pokery. This is in turn their estimation of what they can sell on the market. The manufacturing subsidiary in the south of Sweden will be closed down and moved to the premises of Piggledy. The costs are reduced to a minimum. In the sales department, reductions have been made possible, mainly due to the fact that no new marketing manager has been recruited. If everything works out, there will be a profit of two and half million Swedish crowns. Pericles is aware of the small profit, but he stresses that this is realistic. Even so, every estimation has to come true. There is also an opening on the Polish and Estonian markets for display cases and exhibition stands. Piggledy has already received an order from each country, and Pericles thinks these are two very exciting new markets with a lot of possibilities. Pericles is hopeful and is confident that Piggledy will turn a loss of three years in a row into a profit next year, even if the result depends on many interacting factors. A sense of worry haunts him, though, that Piggledy's producing capacity for toys will not be efficient enough to meet the demands from Pokery, and that a major portion of the toys is made of red deal, where the Baltic countries have reduced the prices dramatically on the Scandinavian market. It also worries him, that because the orders from Pokery cannot be delayed further, Piggledy has to start producing as soon as possible in order to keep up during the year.

Pericles has been successful in getting back the Finnish customer, who cancelled previous orders during 1999. The Finnish customer's withdrawal was due to Piggledy's high prices. Pericles discovered that the margin presented to this company was way too high, and he was able to reduce the price. However,

Pericles could not reduce the price too much, as this would make Piggledy lose in credibility. He realises that the customer was aware of what had been going on. The incident has strengthened his opinion that Piggledy must work out a totally new system of calculation, which was also the task he was given by the board earlier in October. The old system has caused them to lose many orders, despite the fact that Piggledy is supposed to be one of the best producers of furniture components in the country. The board members have discussed offering the competitor, and former employee, located nearby a partnership. This opens for a lot of possibilities, and according to Pericles, it would definitely make the competition on the Swedish market for display cases and exhibition stands more relaxed. An inquiry has been made, but at this point it is not even possible to guess what the reaction will be.

Together with the director of the board and the group executive head, Pericles has drawn up an agreement with the managing director of Pokery regarding the invoicing procedures. Pericles has agreed that Piggledy will store toys until they are sold by Pokery, at which time Piggledy will transport them directly to the customer. Piggledy will send an invoice to the sister company, corresponding to 70% of the value, as soon as the toys are ready, and debit the rest upon delivery to the customer. The production cost is about 70% of the price, wages excluded. The terms for the rest of the money will be 30 days, which means that Piggledy will have to wait for their money a long time. To Pokery it is a question of keeping their expenses at a low level, and to Piggledy it is a matter of keeping their liquidity as well as profitability at a reasonable level. However, Pericles seems to try to smooth things over by explaining that the group sees it another way. To the group it is a matter of both Piggledy and Pokery counting as one unit within the group. Pericles agrees to the compromise and seems to defend the group logic in return for having the group support him for yet another year. Pericles has been made aware of the fact that not every company in the industry is as lucky as Piggledy which despite its consecutive three year loss, still has a group which believes in the company and is willing to continue to invest so much money.

Pericles' worry about the next year is the attitudes of the employees. Many of them have been with Piggledy all their working lives, and Pericles sees this as having a dampening effect on the change process. They seem to think that since Piggledy has been manufacturing display cases and exhibition stands and furniture components successfully for years, there is no need to change the mix. His feeling is that not everyone believes in the new direction and that not everyone even wants to believe in it. He realises that a company spirit is important to a company but can be detrimental when it seems to get too firmly rooted. Eventually, he thinks this reluctance will pass, but it will take a long time because he cannot replace personnel just like that. Being situated in a small village, with its own, long history of traditions, does not help in this case.

The Story of Piggledy

It worries him, as his opinion is that people need to have a positive attitude about what they are doing. They have been living in a market situation, that has been very stable and where Piggledy has had a monopoly. Pericles is himself convinced that display cases and exhibition stands will not be enough. It could be discussed, however, whether the mix should be as it is planned to be during the next year or whether toys is the best complimentary to display cases and exhibition stands and furniture components.

I withdraw from Piggledy, leaving a managing director with many mixed feelings for the coming year, swinging from hope and confidence to worry and doubts.

In short:

- ✓ The forecast for 1999 is very tight and shows an increase in display cases and exhibition stands, and a decrease in furniture components – to the benefit of toys. This is a conscious choice.
- ✓ The sales figures of toys in the forecast is given by Pokery and accepted by Piggledy.
- ✓ A profit for 1999 is estimated at two and a half million Swedish crowns.
- ✓ The manufacturing company, also a former subsidiary of Pokery, will be moved to Piggledy.
- ✓ There is an opening on the Polish and Estonian markets for display cases and exhibition stands.
- ✓ The production capacity worries Pericles.
- ✓ The attempt to get the Finnish customer back was successful.
- ✓ Pericles has decided to act as the marketing manager as well.
- ✓ Pokery has a debt of over one million Swedish crowns to Piggledy.
- ✓ The culture of Piggledy starts to bother Pericles.
- ✓ Pericles still doubts whether Piggledy has the right product mix, i.e. whether toys is the best alternative.
- ✓ Pericles is still confident that he will succeed with his mission with the new strategy.

The last month of 1998 shows the following emotions:

EMOTION	ISSUE
Hope, Confidence	A profit the coming year
Uncertainty	The sales figures provided by Pokery
Relief	The Finnish customer is back
Doubts	The product mix

Worry	Delivery capacity
Defensiveness	The group logic between Piggledy and Pokery
Worry, Irritation	The culture of Piggledy is getting to Pericles
Hope, Expectation	The market for display cases and exhibition stands is opening up in the former Eastern countries
Confidence	To succeed with the strategy

Exhibit 7.4 Emotions for the Latter Part of December 1998

April 1999

The situation has changed for the worse. The sales of display cases and exhibition stands and furniture components follow the forecast. However, there is a tremendous decrease in toy sales. The forecast lags behind by about four to five million Swedish crowns for the first quarter of the year – and out of these millions, the ready-made toys are the major part. Pericles tries to explain the situation. He can see two reasons for the course of events: First of all, the takeover of Pokery was made with too much trust in the manufacturing capacity at Piggledy. The company was not equipped to make ready-made toys. The second reason is that the market has no demand for the kind of toys that are sold by the sister company. The first series of toys are unsold and are stored at Piggledy with a total stock value of one million Swedish crowns. At Pokery, the situation is explained by the fact, that it always takes time to start selling a new line of toys, and that Piggledy was too late in their delivery. Even if Pericles can agree that the introduction period was problematic, he is sure that the other explanations from Pokery are just empty talk. To be able to hang on, Pokery decided to take on the competition with low price ranges of budget bargain toys. As a consequence, Piggledy had to start manufacturing those products. As Pericles sees it, this is deemed to failure because Piggledy has much higher costs than manufacturers in the Baltic countries, in Romania or in China. Pericles thinks Piggledy would be better off manufacturing more expensive toys and selling them direct to the toys stores. To him, Pokery is a limitation, which raises the prices and this fact the retailers seem to have realised, and therefore they prefer to make their purchases directly from the manufacturer. Pericles would never have manufactured these kind of toys, had the sister company just been an ordinary customer making an ordinary inquiry. He realises, though, that he cannot act independently, but has to act according to what the group thinks is for the best. For Pericles the equation seems impossible with Piggledy's heavy expenses and the competition from abroad plus the extra charge that Pokery makes. Pericles does not have any solution for

The Story of Piggledy

the present situation, but has to rely on the group's and the board of directors' intentions and solutions.

The closing down of the manufacturing subsidiary and the transfer of equipment to Piggledy has begun. There are new problems concerning the storage of remaining raw material for earlier toy series. Pokery says that they can use the material for spare parts. The problem is that they do not want to pay for them, and Pericles is of the opinion that Piggledy as the owner should be paid. There will be a loss, whatever the solution, and it has been decided that the group executive head should decide how to solve the problem. Even so, Pericles thinks it is important to the way he runs the company, and for his future relationship to Pokery, to be able to charge them. He does not want to give anything away in the present precarious, financial situation. He realises that this is the start of a long and painful way out of an almost hopeless situation. Pericles believes that in addition to the market situation, the circumstances surrounding the take over of Pokery are partly responsible for the present situation. However, he wants to stress the fact that it is always much easier to make rationalisations in hindsight. At the time of Pericles' takeover as managing director, everyone – including himself – had total faith in the new range of toys and believed that it would be a success. The important thing to do now is to look forward in order to move on to finding a solution to the problem. At Pokery, a radical change process has begun. The chairman of the board has initiated new product development to find a range of toys that appeals to a public that want and can afford new and daring designs. In connection with this change, the former managing director of Pokery has been replaced. How this will affect Piggledy is still uncertain for Pericles. At the moment, he admits that he cannot say what his strategy will be for solving the present situation. The only thing he is certain of is that he and Piggledy have a gigantic problem in front of them. He uses a metaphor, illustrating that the situation is no ripple on the waters, but rather a violent storm. The solutions that are discussed include a merger with Pokery where the company would become a sales department or changing Pokery into a chain of exclusive retailers. Either way, Pericles feels limited, shut in and is very frustrated that he is dependant on the sister company's development. At the end of the day, the future of Piggledy and that of Pericles lie in the hands of the board. He keeps the board informed on a regular basis of the course of events in the company. He almost regards it as a safety-valve in order for the board to have confidence in him.

In our next private conversation, Pericles – again – ponders over why Piggledy is where it is today. He thinks that the analyses for a new strategy were too weak from the beginning. The board of Piggledy did not realise on time that the market for toys was declining. Neither did they realise that Piggledy was not equipped for the change to manufacture toys. Much of the work done

during the last year should have been done before the strategic decision was made to manufacture a new product. It took a while for the board to become aware of this fact. Pericles calls it naivety. However, the present situation dates back further than that. For example, no one seemed to react when a former employee left Piggledy to start his own business within the same industry. And no one seemed to react when the Finnish market decreased every year by more than two million Swedish crowns. The good thing, at least as Pericles sees it, is that the board seems to be determined to carry through the process, no matter what it costs. And as long as they have confidence in Pericles, he thinks he might be allowed to stay. He is realistic though, and realises that he might also be replaced. His worry for the moment is that he does not believe in the low price range of toys that the company is producing at present. The costs are too high, and sales are too low. If Pokery fails to find a new niche, he thinks that Piggledy might as well go back to its two basic products and slim down the organisation. However, whatever Piggledy decides to do, it will involve a lot of pain for all employees including Pericles. Personally, he would be disappointed if he had to give up on the strategic process, but he would not regard it as his own individual failure. As he sees it, he was put into the boat to row it, but over time he has become one of the passengers, trying to bail water from the boat. He gives an example that he thinks is symbolic of the relationship between Piggledy and Pokery. Pokery sends over an inquiry for Piggledy to manufacture a set of toys. Piggledy makes a calculation and offers a price. When time comes to lay an order, the volume is always decreased. The problem for Piggledy is that they cannot change the volume of incoming material, such as packaging, and this makes the production cost more expensive. However, Pokery refuses to pay a higher price. It is a mess, says Pericles, and he has not been able to come to an agreement with the managing director of Pokery so far. Even if the board thinks that Piggledy should regard the two companies as a unit, Pericles sees no reason for accepting an increase in production costs. However, it might be easier to come to an agreement with the new managing director, whom he will visit in a couple of days.

Pericles is aware that all the projects that are going on within the company are far too much for the employees to handle since they are not used to changes in the first place. Nonetheless, for him there has been no other alternative than to take everything at the same time –different and new systems, the installation of new equipment and work with a new product. It would be too much for anyone, and he admires his personnel for being so ambitious. He realises that things are hectic, and that this sometimes gives rise to conflicts.

The development of a new low price exhibit stand looks promising and will be tested on the American market later on during the year. That day I leave a managing director who seems frustrated, determined, disappointed and resigned – yet hopeful for what the future might bring.

The Story of Piggledy

After lunch the next day, Pericles is making some phone calls and seems relaxed and at ease, when one of his business friends calls to give him a piece of shocking news. The business friend had been talking to a former customer in Germany that once placed an order with Piggledy for display cases and exhibition stands. The friend was informed that the customer is considering buying display cases and exhibition stands from a new German manufacturer with a factory in Poland. It almost goes without saying that the prices are much lower than those of Piggledy. It makes Pericles a bit stressed and depressed since he had great hopes for the Polish market. After some thought, he still has some hope since he does not want to give up the fight yet. However, after taken this new information into account, a fatal sense seems to settle upon Piggledy. Pericles is aware of the fact that he might starve the company to death with all the cutbacks. The irony of it all is that Piggledy at this stage is forced to manufacture toys as well due to all the heavy investments, that simply cannot be paid by display cases and exhibition stands and furniture components alone. Even if there is no law saying that Piggledy has to manufacture toys for Pokery, Piggledy does not have any alternative at the present time. Pericles has noticed, however, that there is a market for display cases and exhibition stands, and he is convinced that the furniture components section could expand rather easily. Pericles' words when we part are that in other circumstances, he cannot say what Piggledy would look like, or what Piggledy would be manufacturing, other than that they would not be doing what they are doing at present.

The next morning, Pericles and the administration manager try to figure out whether or not it is possible to lower the price for some display cases and exhibition stands, in order to meet the Finnish agent's wish to be competitive on the Finnish market. The calculations allow for a discount which Pericles thinks is very good, but the agent does not think it is enough. It bothers Pericles that Piggledy seems to continuously live on making bargains with the customers. Pericles is by no means satisfied with this way of working, which he thinks is rigid. Piggledy is used to its monopoly of manufacturing display cases and exhibition stands, and people in the organisation still work according to this. The margin is still very high, around 40%, which is some kind of a sacred cow, and people do not understand that there is a price war going on and that competition continuous to increase competition. The message to the customer is more or less "take it or leave it." Even so, no one seems to be certain on what price the margin is calculated. This means, that when Piggledy has agreed to lower their price, many people in the organisation believe that the company is losing money. They do not realise that the alternative is to receive no order at all. Pericles looks forward to the new calculation system, which is progressing, and should be ready by July so that he can show and explain the situation in a more tangible way. Moreover, the new system will mean that he will also be sure about what prices are acceptable. The present system forces the

management to guess. According to Pericles, “braces, safety pins and belts”² are used in the calculations, and Piggledy must blame themselves for some part of the present, financial situation. In addition to introducing the new calculation system, an educational activity is planned in order to increase the understanding of pricing. Pericles compares the new calculation system to the collapse of Russia: there is the risk of believing that everything will be perfectly fine, but instead it ends up in chaos.

The day ends with a positive piece of news. An architect calls to ask for the possibility of Piggledy manufacturing toys for day-care centres. Pericles is looking forward to getting more information in order to make a solid offer.

Pericles spends the next morning with the production manager of the company that is to be closed down and its production moved to Piggledy. There is a note of melancholy to the establishment since all personnel have been made redundant and no one really has the motivation to work the remaining few months.

In the afternoon, it is time to discuss future orders with the new managing director of Pokery. It is all bad news. The sales of the low budget lines as well as the luxury line are declining – or even diminishing – and the orders that were placed with Piggledy are now cancelled. Piggledy has already ordered raw material for this production that has to be paid for and this makes Pericles very disappointed. However, the managing director of Pokery seems ready to accept the invoice of almost one million Swedish crowns that will be sent to the sister company for stored – and unsold – toys. At this point, the managing director of Pokery wants to make a deal about a shelf that is produced in two different finishes, and that Pokery has to pay two different prices for, even if they, in turn, sell it at the same price. Pericles gets irritated and claims that this has been dwelled on many times before, and that it costs Piggledy more to manufacture one of the two. He also claims, that the price that is set today is far too low anyway and thinks that it is absurd. He tries to explain at length that the manufacturing procedure is more complex for the more expensive alternative and involves more work. In the end, Pericles is persuaded to keep the same price for the two products – and to keep the lower one – with the promise of being able to raise the price when the new calculation system can show the real figures. In return, Pericles wants Pokery to increase their orders for toys that sell well, but he fails. The discussion tires him because he thinks it once again proves that he and his company are the losers in this situation. His conclusion is that it is almost futile to bring everything in good order and to create a normal buyer-customer relationship between the two of them. Before the two managing directors part, they agree that the progress is going in the wrong

² A Swedish expression which implies that all extra safety routines are taken in order to be one hundred per cent sure or right.

The Story of Piggledy

direction away from good quality and design. It grieves Pericles deeply that the situation with Pokery turned out as he feared, and now he has to look for solutions elsewhere.

In the car, on the way back to Piggledy, Pericles says that he cannot allow his work to get to him, even if he devotes most of his waking hours thinking about the situation and sometimes has difficulty sleeping. He thinks that the present situation is a failure if one compares with what was expected of him, but it is not a failure per se. He does not suffer from all the work he has to put into Piggledy, as he considers himself a person that has to work a lot. He, as well as his wife, would suffer more if he were to come home at four p.m. without anything to do. Of course he still has a lot to do on the house and with his cars, but there has been neither the time nor the motivation for such activities this winter.

In short:

- ✓ The Sales figures of ready-made toys are falling drastically. The first quarter shows a decrease of about four million Swedish crowns.
- ✓ Pokery is withdrawing orders.
- ✓ The first series of toys are unsold and Piggledy is blamed for being too late in its delivery.
- ✓ Pericles does not believe in the idea of taking on the competition with a low price range of budget bargain toys, but has to conform.
- ✓ The Polish market might not be an opportunity after all.
- ✓ Pericles is considering new ways of increasing the sales of furniture components.
- ✓ The new system of calculation is progressing.
- ✓ Pericles realises that too much is going on at the same time at Piggledy.
- ✓ An inquiry of toys for day-care centres is made by a new client.
- ✓ The board seems determined to carry on the radical change they once initiated at Piggledy.
- ✓ Developmental work is initiated at Pokery in order to find new and attractive toy designs that will sell.
- ✓ A re-organisation between Piggledy and Pokery is discussed to either make Pokery into a sales and marketing company of Piggledy or to make Pokery into a chain of retailers.
- ✓ Pokery cancels orders and the tension between Piggledy and Pokery increases.
- ✓ Pericles realises that he might have failed to meet the strategy for which he was employed, but he does not want to give up.
- ✓ The situation takes Pericles' all time and effort – there is no time left for his private life.

The following emotions can be perceived for spring 1999:

EMOTION	ISSUE
Concern	The decrease of sales of ready-made toys
Uncertainty	How to improve the situation
Dependence	Future actions lie in the hands of the board
Distrust, Doubts	About manufacturing a low price range of toys. This is not the right market for Piggledy
Frustration, Feeling shut-in	Has been “forced” to follow the decision of the board regarding the low budget toys
Grief, Frustration, Irritation, Tiredness, Resignation	The situation with Pokery, no solution
Trust	That the board is determined to carry the change process through
Empathy	It is painful for the personnel – too much is going on at the same time with too many changes
Satisfaction	His personnel is ambitious, considering the situation
Hope	That the segments of display cases and exhibition stands and furniture components have possibilities to expand
Dissatisfaction	The bargaining with customers and agents for better prices
Expectation	That the new system of calculation will solve a lot of price discussions
Disappointment	Cancellation of orders from Pokery
Concern	The status of the whole situation of Piggledy
Hope	A new customer inquiry for toys
Fatigue, Lack of motivation	The situation keeps him awake and takes away time and space for private matters
Persistence	Wants to succeed

Exhibit 7.5 Emotion for April 1999

September 1999

The account balance for an eight month period is a minor disaster. The figures have been worked on as much as possible, but the facts remain. They show a loss of more than 3 million Swedish crowns and indicate a loss at the end of the year of more than 5 million Swedish crowns.

How could this happen? Analyses of the figures are made throughout the day and the answers seem to point in the very same direction – the company cannot afford to make and deliver low price toys to Pokery. The new line of toys – the low budget line – which was more or less forced upon the company – has direct costs of about 80% at a first glance. In addition, the development work of the low budget line is equivalent to an annual salary of three persons – costs that are not included in the selling price and not covered by Pokery. Both direct salaries and the new product mix are considered to be the culprit. The initial product mix of toys, the luxury line, was OK, but not the kind that is manufactured today. For Perikles, the situation is frustrating, considering the fact that the fixed costs of the company have decreased substantially over the last couple of years – costs that now show up as variable costs of the toys programme. What cannot be analysed in detail, however, is what the result would have been, had the low budget programme not been included in the production line. It is clear, though, that the present number of staff is way too high in comparison with the present turnover. The irony of it all is that Pokery does not seem to be able to sell the products in large quantities. This indicates that the forthcoming volume of orders will be very split up between the twenty-five different parts of the low budget toys programme. The same might be true for the luxury line. Needless to say, relations are strained at the present stage between Piggledy and Pokery. After an at times very emotional discussion, with expressed frustration over the way Pokery hands over incomplete designs, the administrative manager is given the task of breaking down the costs of the different parts of the new toys programme. Pericles needs facts to prove to the chairman of the board that the situation is precarious and intolerable.

To make the picture even more depressing, a substantial and important customer has problem paying its invoices and needs to extend its limits. However, a partial payment is made by the customer the very same day in order for Piggledy to manufacture and deliver as soon as possible. This of course creates irregularity in the production.

During the afternoon, Pericles is confronted with the result of a group discussion among his production personnel. For more than two years he has been trying to create an organisation that pleases everybody, but there still seems to be mostly complaints. This is nothing Pericles wants to accept at this stage and declares that everyone in the organisation has to take his or her responsibility as the organisation cannot take more of getting nowhere. The board of directors will not accept this behaviour, and they will not realise how

much work has been done to make everything work. Pericles is sure that the situation would have been different if Piggledy had had another organisational setting.

There is also a gleam of hope this day. Pericles has been trying to find some new niche products, and in doing so, has been asked to make an offer to manufacture cupboards for a manufacturer of kitchen fixtures. However, at this stage, the outcome is most uncertain.

At the end of the day, Pericles makes the decision to meet with the chairman of the board as soon as possible to present the situation, ask for, and suggest a new strategic direction, or otherwise demand a vote of confidence. Pericles is very disappointed with the result, has a sense of living in a vacuum and is wrestling on a constant basis to find reasons to go on and to identify the wrong decisions that he has made. He is of the opinion that every possible effort has been made to increase the result, and he feels he has been forced to deal with emergency turn-outs at the expense of more strategic issues and is very dissatisfied with his own achievements. He admits that he is stressed, but that he can conceal it. The employees also seem to suffer from the present situation. Pericles expresses the situation as “five past twelve.”³ It’s like a Greek drama, where the atmosphere grows more dense and where the outcome is more or less given.

In short:

- ✓ The result for August is shocking news. The figures indicate a loss of over five million Swedish crowns. The low budget line is the reason. The production costs are way too high and the selling price way too low.
- ✓ A crisis meeting is held within the company and an attempt is made to analyse the figures.
- ✓ The tension between Piggledy and Pokery is increasing.
- ✓ An important customer is late in paying its invoices.
- ✓ Pericles is getting more and more annoyed with the resistance from parts of the personnel.
- ✓ Piggledy gets a inquiry about manufacturing cupboards for a kitchen manufacturer.
- ✓ Pericles wants to suggest a change of strategic direction to the chairman of the board.

The chronology for September 1999 indicates the following emotions:

³ This is a Swedish expression, implying that the situation has gone too far and that it is too late to do something.

The Story of Piggledy

EMOTION	ISSUE
Shock, Disappointment, Frustration	The result
Frustration, Anger	The incomplete basis from Pokery; the bad co-operation with Pokery
Worry	Liquidity regarding a customer
Annoyance, Irritation	The organisational set-up does not seem to work
Hope	An inquiry from a new, possible customer
Strain, Stress, A Sense of Inadequacy	To meet with the board's expectations
Concern	How the present situation could emerge
Dissatisfaction	Hericles is dissatisfied with his own achievement

Exhibit 7.6 Emotions for September 1999

October 1999

In an attempt to find a new niche, a production meeting is held in the morning, where the product developer is given the task of investigating what machines and what wooden materials are needed to manufacture kitchen cupboards.

The meeting with the chairman of the board is scheduled for 11 a.m. Pericles is well prepared and expects a constructive meeting, where he wants to declare that he and his staff have made every effort to make the manufacturing of toys to work, but now, once they have overcome all major problems, there are still no orders. His hope for the meeting is to find a way out of the strained situation with Pokery and to discuss what steps to take next.

Due to a tragic incident within his family, the chairman of the board is not that updated. Pericles has together with the administration manager of the company put together figures that show approximately how much money the concentration of the toys programme (both luxury and the low budget series) has cost as limited to 1999. The figures end up at almost two million Swedish crowns. These costs include personnel costs to develop the different toys, costs for a running-in period, a decrease in productivity, and working expenses and liquidation costs for the bankruptcy estate in the south of Sweden. Pericles expresses his feelings of frustration and that the situation puts a damper on everyone in the organisation. The employees realise that there are no new

substantial orders coming in and that their jobs are at stake. Pokery is partly given the blame. During the year there has been a total mix of 55 different products, with 110 different versions from Pokery. The new calculation system was initiated because of the toys series and is now being finalised. Pericles is very proud to present an example of an order to the chairman of the board. The next order of toys can show the exact cost – if there will be any next order. The chairman of the board admits that the progress with the calculation system is a relief, and also admits that Pokery has been ordering different designs as some kind of panic reaction. He informs Pericles about a huge investment at Pokery, where a concentration is being made on finding new and bold designs. The calculation system will also be of tremendous help when Piggledy makes efforts to find new markets for furniture components, an example of which is the possibility to deliver to kitchen manufacturers. The chairman of the board stresses the importance of being more customer oriented. It is made clear to the chairman of the board that not much has been done in order to keep a tight relationship with the present customers. He can see a huge potential in working up this market, and also other new, possible clients. The two discuss the attitudes of the employees in the company. Most of them seem to regard Pokery as a burden, and an attitude of being a bit arrogant towards customers seems to be present. Moreover, the sales persons do not seem to dare to follow up on customers. The present situation seems so unreal to the chairman of the board, as well as to Pericles and the administration manager, that the three of them start to make ironic comments about the situation. It seems to Pericles that he has done everything possible in order to make use of the competence within the organisation, but he feels that it is extremely hard to motivate people for new tasks. There seems to be some kind of Piggledy Spirit that he cannot make his way through. According to Pericles, this also lies behind the present situation towards the sister company. He is convinced that the only way to solve the situation is to make one of the companies a pure production company and the other one a pure marketing company. New collaboration forms with Pokery are discussed. One is to have one person from Piggledy in the product development group at Pokery. Another is the idea of bringing the sales organisation to Piggledy, in order to get around the fact that the market does not like a separate wholesaler with an increase in costs. Pericles wants the board of directors to mentally support the joint product development idea and he accepts the second idea on the spot.

What Pericles is asking for is moral support from the owners since the members of the organisation have a feeling that they have the full burden. He wants help with straightening things out between Piggledy and Pokery. The chairman of the board wants Pericles to see it the other way around – the owners have made an investment of more than three million Swedish crowns in order to manufacture toys. And what happened, did the owners not invest in

The Story of Piggledy

toys? This is a positive message and should be passed on throughout the organisation, even if the owners are surprised themselves that it has cost more than they calculated and the present situation cannot continue. According to Pericles, the Piggledy culture is not used to ordinary competitive market thinking, rather its people get scared and think that there is a risk that the company will go bankrupt. The company is only fully employed until the first week of November. In line with a more customer oriented organisation, the question of a marketing manager is discussed. Pericles realises that many of the customers of today have not been properly treated with visits, etc. Analysing the figures, it can be found that only twenty articles (for four hundred customers) out of six hundred articles have a turnover of more than two hundred thousand Swedish crowns. However, the organisation needs to be restructured, not expanded with new persons. Piggledy is not short of people. Whether or not they are the right persons for their present tasks is a totally different question.

The big question is – what happens next? No one gives an articulated answer to the question and the meeting ends with a strong feeling of uncertainty.

After the meeting, the managing director expresses a feeling of emptiness. He is disappointed with the chairman of the board. He has calmly received information about the situation and seems to have passed the ball back to Pericles and his organisation members. Pericles would have preferred someone who had shouted or screamed and told him to change the situation. He experiences the whole situation as a slap in the face. Piggledy has put everything at stake and been working furiously in order to execute the orders from Pokery. There has been all this extra work in order to make it possible to manufacture the toys, and the pressure on the employees has been very hard this past year. Piggledy has sacrificed everything in order to meet the expectations of Pokery at the expense of other products. And now it seems like Piggledy has thrown away almost two million crowns for nothing since there seems to be no repeat orders. Pericles is angry, disappointed and feels that he has been properly taken in. He can see that his personnel are disappointed as well and have lost their motivation and energy. Pericles' disappointment makes him ironical about the whole project for a short moment, and as far as he can tell from what the chairman of the board has said Pokery is even worse off. This makes Pericles believe that the whole project has been some kind of "artificial respiration" – or perhaps something worse – since artificial respiration is executed with the hope of helping the subject to breathe on his or her own after a while. At the moment, he does not even have that hope.

Pericles is going away for a private matter for two days and is concerned. He would rather stay at work.

In short:

- ✓ The concentration of toys has cost around two million Swedish crowns extra so far.
- ✓ The product mix for Pokery has been 55 different products in 110 versions.
- ✓ The new calculation system is almost finalised.
- ✓ A meeting with the chairman of the board is held, where Pericles expresses the present situation and asks for help in straightening out the situation between Piggledy and Pokery.
- ✓ It is made clear to Pericles, that Pokery is much worse off than Piggledy.
- ✓ A joint product development idea between Piggledy and Pokery or the idea of making Pokery into a pure marketing and sales department of Piggledy is discussed.
- ✓ The board has decided to make huge investments in Pokery in order to find new designs.
- ✓ The chairman of the board and Pericles agree that the employees of Piggledy are not market oriented enough.
- ✓ Piggledy is only fully employed for one more month.
- ✓ Pericles compares the toy project to artificial respiration.

For the beginning of October 1999, the following emotions are interpreted:

EMOTION	ISSUE
Hope, Expectation	That the meeting with the chairman of the board will offer some help
Dependence, Helplessness	The need for help from the board
A Sense of Emptiness, Disappointment	The behaviour of the chairman of the board
A Sense of Hopelessness and Helplessness	The present situation with Pokery
Pride	The new system of calculation is taking form
A Sense of Inadequacy	To break through the Piggledy Spirit
Frustration	The attitudes of the personnel; it is hard to motivate people
Empathy	The situation is hard on the employees
Defensiveness	Piggledy has done everything possible in order to succeed

The Story of Piggledy

Worry	The production capacity is only fully booked for one more month
Concern	The development of the radical change process

Exhibit 7.7 Emotions for the First Part of October 1999

October 1999

The morning starts with a planning meeting, including Pericles and the foremen. The purchasing manager is away moose hunting and the administration manager is on holiday in Italy. Pericles raises the issue of making the most of the manufacturing capacity, which seems to be a bit hard to understand for one of the foremen. One foreman suggests job rotation, and he also raises a question about the production plan, where he has observed orders of the same article, but divided into three different orders. Pericles more or less devotes his day to understand why this is done. As he sees it, the three orders will go through the production line at three different times within a short period of time. The company will end up losing in set-up times, and there will be a lot of grumbling among the personnel. He talks to the former production manager, now a sales person, two foremen and the person responsible for the calculation system. The person who has planned the order is away hunting. Pericles is concerned about the fact that they do have problems with the new system and the planning of the production. However, he is convinced that once it is working, it will be of tremendous help, but to many people it is considered an obstacle to their daily work. In his dark mood today, Pericles wonders if his people might be opposing the new system on purpose – deliberately or unconsciously. Keeping the strong Piggledy Spirit in mind, he does not think it is unlikely.

Pericles is also preparing for a trip where he will meet one agent, pay a visit to the company that will close down and go to Pokery. There has been a bit of trouble with some furniture components. Moreover, Pokery has outstanding debts of about 1.2 million Swedish crowns. Piggledy is starting to have liquidity problems. Pericles has asked Pokery whether payments have been stopped, but has not received a straight answer. A short telephone conversation with the group's financial director reassures Pericles that Piggledy will get some money to solve the problem for the time being. Another problem that still exists is that the company is running out of orders and in just a few weeks' time they will be working below full capacity.

Since we last met, Pericles has had meetings with his staff, and he is sure that the four foremen have accepted their roles and that they know what is expected of them. The same applies to the sales persons in the sales department.

The day ends with Pericles stating that it has not been a good day, due to the fact that so many people are away for different reasons. He has been forced to give a lot of attention and energy to solving a problem, which when all is said and done, was not his to solve to begin with.

During lunch, Pericles tells me that he likes the idea of job rotation, but realises that it will be a huge problem in this case. There are so many personal bonds that hinder people from seeing things on the positive side and make them blind towards problem solving of this nature. Pericles is convinced that the present organisation is the right one, but that people do not work well within it, mostly due to their personal feelings and their love-hate relationship with each other and their company. He thinks it is impossible to only replace the managing director in a company like this, with its old mentality, and with people who have been working there a long, long time.

Pericles is irritated that he has to ask the mother company for money to get over the bad liquidity situation. This is something he thinks is not his task, and it should not have been a problem in the first place. He also thinks it is absurd that one order has been divided into three. No one seems to understand. He ponders whether we blame certain people for things, when we should place the blame on someone else. He thinks it is all *very* frustrating. At the end of the day, one of those involved finds out that the production list has been printed with the delivery time as the main figure. If one prints it out with the starting week as the main figure the picture naturally changes.

In short:

- ✓ The Piggledy spirit makes the personnel counteract the new calculation system.
- ✓ Piggledy has liquidity problems, due to outstanding debts of over one million Swedish crowns to Pokery.
- ✓ The foremen in the production seem to finally understand their role.
- ✓ The sales personnel seem to be getting more customer oriented.

The Story of Piggledy

The emotions for the latter part of October 1999 are the following:

EMOTION	ISSUE
Indignation	The production planning seems to fail
Suspicion	Different counteractions by the employees
Irritation, Bewilderment	People do not seem to work well within the organisation, and the Piggledy spirit seems to be behind the counteractions
Indignation	Pokery has not paid outstanding debts
Irritation	The need to ask the group for money
Worry	Liquidity problems
Relief	The new foremen seem to understand their roles
Hope, Relief	The sales persons seem to be more customer oriented

Exhibit 7.8 Emotions for the Second Half of October 1999

November 1999

Over a cup of coffee, Pericles tells me that he is in the process of making a sales forecast for the coming year. He recognises that it will be a tough year with a decrease in sales of 18 million Swedish crowns to a total turnover of 42 million Swedish for 2000. For example, the Finnish market is receding. The administration manager is now calculating including the costs for the next year, and Pericles foresees probable redundancies. The company is still bleeding and this situation will be highlighted on the board meeting later on in November. The chairman of the board seems to have lost track due to the recent tragedy in his family, and the group executive head has replaced his role of being the speaking partner to Pericles. Pericles does not feel at ease with this. He feels abandoned. The group executive head has told Pericles in confidence that Pokery is much worse off, and that actions are going to be taken soon. In this context, he asked Pericles to consider the possibility of transferring part of Pokery to Piggledy. Pericles thinks this is a good idea and he is certainly going to consider the suggestion. If so, Pericles wants to bring over one or two of the best sales persons from Pokery, and from there create sales channels for toys via a few agents. An absolute claim from Pericles would be that Piggledy will have toys to sell which are in demand on the market. The meeting in November will definitely be of strategic importance.

In short:

- ✓ The sales forecast for 2000 is reduced by 18 million Swedish crowns.
- ✓ Redundancies are planned to meet the forecast.
- ✓ The idea of joining together Pokery and Piggledy is suggested once again.
- ✓ Pericles is relying on the upcoming board meeting in November to get the situation under control.

In November 1999 the following emotions occur:

EMOTION	ISSUE
Resignation, Concern	The sales forecast is drastically reduced
A Sense of Being Abandoned	The lack of contact with the chairman of the board
Hardship	Pericles needs to make redundancies
Hope	Part of Pokery might become incorporated with Piggledy, which Pericles thinks will affect the sales
Expectation	The board meeting in November will be of strategic importance

Exhibit 7.9 Emotions for November 1999

Thursday, November 11, 1999⁴

It is Thursday night, I am in the car, on my way to Karlskoga. ... I am a bit unfamiliar with how to handle this kind of machine, but I will try to do my best. It has been a rather hectic period these last four weeks ... As the situation is at the moment, if we have a look at the business as such, the biggest problems are the order intake and the profitability at the moment. And neither of these issues is easily solved ... Then there is another thing, that is important which I am looking into right now. I have a feeling that there is something wrong in the organisation, either that something is missing or there is discontentment in the organisation – I have a feeling that people within the organisation do not work well together. I cannot give you an explanation of what is wrong. But I do have that feeling. The people are not

⁴ Starting November 11, 1999 and ending March 11, 2000, Pericles has provided a diary with his personal comments on the course of events in Piggledy, including his emotions. The wording has not been changed but has been translated into English. In total, Pericles has provided 25 diary notes. Some of these notes will be interwoven into the narrated chronology. Diary entries are marked with a specific date and are in italics in order to separate them from the rest of the text.

The Story of Piggledy

opposing each other, but they do not co-operate either. They are doing their jobs, but there seems to be some walls between the different functions. I have great difficulty in grasping it. I cannot tell you what it is, but I can feel it – the organisation does not work smoothly, people watch each other. They do have opinions, but they do not want to take responsibility. And when they do have an opinion, they do not dare to go straight to the person involved, but talk to everyone else, and thereby give rise to a lot of speculation ... I don't know. Please advise me, if I am wrong. Or I might have the wrong attitude, myself. Sometimes it is all so frustrating ... They do not want to take responsibility, and they are used to being able to blame someone else ... Before, we [Piggledy] were alone in the market, but suddenly it is all up to us. Neither the customer, market, nor the owner, or someone else decides whether we are going to succeed. It is up to us, ourselves, to succeed. Maybe I have let it loose too much ... Probably there are certain people that do not fit in ... This way, we do not get the creative and dynamic organisation we so badly need ... Maybe the answer is that I have not, myself, been able to convey the message. There is of course one important point in this – that we have not been able to convey the message clearly enough how important it is for Piggledy that we succeed with the manufacturing of toys. It is a question of – we are fighting for our existence. Even if the company would not go to rack and ruin, the risks are very obvious that Piggledy will need to cut down in order to survive ... Please do not interpret this as me not believing in Piggledy. I definitely do, and there is a future for Piggledy, and there are many positive things in this business. We have good workers, when it comes to production personnel, they work fine and we have good products and so on. There are many positive things, and the owner believes in us – so far ... But, of course, if we do not show a positive result soon, or at least something in that direction, it is obvious that they need to do something. The board meeting will play an important part here ... I have informed the chairman of the board on a continuous basis, so the board knows the result. I am, however, aware of the fact, that it is not good.

Please consider whether I have got too many irons in the fire with the present organisation. Whether I believe in this organisation too much or whether I have organised in a way for the organisation to be hampered, because I have the main responsibility for too much. Maybe that is it. They might think that – what the heck – he is production manager, marketing manager, and managing director – well, let him decide and have it his way. Could that be the reason? Please consider this, because this is the crux of the matter. Again, please advise me.

...

When I am trying to tell you what I have been doing this week, it is with horror that I realise that I cannot point out that I have been doing this or that, but I have made a hell of a lot of a hell of a lot. It is hard to pinpoint anything in special. And that makes me feel disharmonious, and it makes me afraid that I have not finalised things that should have been finalised. I would like to devote more of my time to customer relationships in the short and long run. And be able to devote my time to

strategic issues. However, I am forced to attend to current, operational matters. Do I take part too much in the operational matters? Am I to blame myself? This is certainly not my intention, but sometimes it feels like it. And if so, something has gone wrong.

It is eight-twenty and I am almost there ... Tomorrow I will close it down [the manufacturing company, which will be moved to Piggledy] permanently. That is something that has been on my mind all the time and I have not been able to part from it. It is something that has been a burden to Piggledy during the last year and a half. First to set it up and then to close it down. It is always hard to make people redundant and to close down a business. It is burdensome, it is part of the job, but it is a heavy part. And when the situation is like this, that the ordinary business is not running smoothly, then it interrupts even more. So, it is my intention to get rid of it as soon as possible.

Well, that's it for today. I will continue tomorrow. I will try to be more positive then, maybe. Bye for now.

The following emotions are interpreted:

EMOTION	ISSUE
Concern	Low order intake and profitability
Bewilderment	The organisational set-up does not seem to work
Frustration	The employees do not co-operate in favour of the company
Doubts	About Pericles own ability to be clear within the organisation
Cautious Optimism	About the competence of the employees and the future of Piggledy
Disharmony	The disruption between different tasks, and too much concentration on operational tasks in stead of more strategic issues
Relief	The closing down of the former subsidiary of Pokery
Inadequacy	Pericles is not sure he has done everything he should have done

Exhibit 7.10 Emotions in November 1999

November 1999

A board meeting takes place, where the chairman of the board, the group executive head and the owner of the group participate together with Pericles

and the administration manager of Piggledy. Before the board meeting, the members of the meeting are asked a few questions.

Conversations immediately before the board meeting with Pericles (P), the chairman of the board (CoB), and the group executive head (GEH):

Conversation with Pericles (P).

R(earcher): What will be your role today during the meeting?

P: To explain the forecast for the next year. It is rather slim compared to the previous year. The intention is to have it approved today. We will most certainly also discuss the financial situation, but I have no idea how they will tackle this.

R: Any strategic issues?

P: It might be a discussion about Pokery, but no, I have no opinion about that. We know the market for display cases and exhibition stands and furniture components. There will be no changes, maybe we can increase the market for furniture components. On the other hand, I hope the main question today will be the relationship between Piggledy and Pokery. I do not expect any decision, but would welcome a discussion.

R: What are the roles of the chairman of the board, the group executive head, and the owner?

P: I do not have any special opinion about that, other than that I see the three of them as the same person – i.e. they represent the same thing. As I have said before, those meetings are not formal, rather we are supposed to discuss different issues in an informal way.

R: What role does the administration manager have?

P: That of being an expert of financial matters. He is also a part of Piggledy, so in that respect his role is important today.

R: What are your expectations for the meeting?

P: To get rid of some of the pressure. However, I am realistic, as I know we have not succeeded this year, either. The failure is a combination of factors, but it is a very frustrating situation. But it is important to get rid of some of the frustration, for the sake of Piggledy – this situation affects everyone and we need a positive atmosphere in order to move forward.

Conversation with the Chairman of the Board (CoB).

R(earcher): What will be your role today during the meeting?

CoB: To be in charge of the meeting. This meeting is more like a work meeting than a formal board meeting.

R: What will be the big questions today?

CoB: That of a strategy for the concentration of the production of toys.

R: Will there be any decisions made today regarding this?

CoB: Yes, maybe.

R: What do you expect from Pericles?

CoB: Nothing special, as we have a lot of communication going on outside these meetings.

R: What about the forecast – will that be a major point today?

CoB: No, not really. It will be part of the discussion, but it will not be a major part of the meeting today. It will probably not be agreed to. We have not prepared this meeting that much, you see. At least, I am definitely not very prepared.

Conversation with the Group Executive Head (GEH).

R(earcher): What will be your role today and what do you expect from this meeting?

GEH: My main purpose is to penetrate the present situation, where it is rather obvious that Piggledy has failed to sell low budget toys through its sister company. My proposal is to transfer part of Pokery and make it a sales and marketing department at Piggledy. I expect a decision to be made today.

R: What is Pericles' role today?

GEH: His role is to be an ambassador to the employees and sell this suggestion and make them accept it in their hearts. I expect Pericles to be truly enthusiastic, not just loyal about this. He has a very strong role, strategically, in this case.

R: And what are the roles of the chairman of the board, the owner and that of the administration manager?

GEH: The chairman of the board and the owner have double roles, as they are also involved in Pokery. However, for both of them, I think it is important that we do not lose speed. If the administration manager has any points of view, we should of course listen. However, I do not think he has any in this case.

R: What else will be discussed today?

GEH: The budget is already made and it is weak. Regarding the display cases and exhibition stands there will be a traditional discussion, but we will discuss more in depth the possibilities to increase the sales of furniture components. We are the best manufacturer in the country of furniture components and we must be more competitive!

During the meeting, the market situation for the three different products is discussed. Pericles explains that the German and American markets for display cases and exhibition stands are increasing, compared to last year, but that the Finnish market is decreasing. Piggledy will probably also be able to increase the market for furniture components. The company has contacted their seven or eight largest customers, and they have indicated that they might increase their orders. According to Pericles, the increase depends however on what is happening with the manufacturing of toys.

G(roup) E(xecutive) H(ead): At the end of the day, the market is there – it is still there. And the furniture components are – they were a bottle-neck – if I remember things right. And this is not the case, once we have made all those investments.

Pericles: No, it is not quite the same now. Our goal is to manufacture furniture components with an increased refinement. Of course that is what we want. If Pokery reduces their orders, as they have indicated, then our strategy is to increase the refinement of furniture components, which we believe we are capable of and that there is a market for.

GEH: The first spontaneous reaction is that we made a mistake not to go in for furniture components, when the market was there. That is the simple conclusion. At the same time we know, talking about toys, what an enormous paralysis you have suffered from in the organisation. It is remarkable. You received an order from the sister company in April and the products are ready now. I know that you have a lot of comments why this is so, and I also know that Pokery has a lot of comments why this is so, and the two opinions diverge. The two versions differ. Even if you have realised that something was wrong, you have suffered from paralysis and not being able to change the situation.

Pericles: We have not been able to change direction along the way – we had to take both Piggledy and the sister company into account.

GEH: Again – regardless of the reason you might have had – you should have been able to communicate regarding toys. This discussion is full of arguments.

Pericles: Of course there have been comments from both sides, because Piggledy has one view on this and Pokery another. The truth is probably in between the two. It has been, and still is, a tremendously burdensome year for Piggledy. Orders on toys from April are still not ready, we are still working on them. Unfortunately this is, this is – I would like to be able to put it into words – that what has happened during the last year – but it is impossible. I cannot convey to you the reasons that have put us in this situation.

GEH: The simplest summary is that it is a failure on behalf of both Piggledy and Pokery.

Pericles: Definitely.

GEH: That word will cover everything. There is no defence from either side.

Pericles: No, we have failed in this concentration.

GEH: There is no need to blame anyone – now we have to look forward.

Own(er): The mistake goes further back in time – i.e. when our toy part suddenly came into being without our knowledge – an absolutely crazy idea – a strategic mistake. And the next one was when we made the worst deal of the century, i.e. bought Pokery. The idea was that they should sell the toys we already had.

C(hairman) o(f the) B(oard): Those are the only ones that are in demand, are they not?

Pericles: Those niche products?

CoB: But they sell in a high volume – do they not?

Pericles: Yes, when you make an order. I sell to anyone ... (a discussion follows about the importance of increased marketing efforts, and Pericles has to make account for how he is going to approach the market, especially the market for furniture components) ...

Pericles: ... we will start working, very actively now with our present customers, and towards new ones. I can tell you that we visited a kitchen manufacturer some weeks ago. And they gave us a couple of cupboards as samples. They wanted us to give an offer for them to be manufactured here. We have not made any definite decision yet. The only problem is the volume, not the cupboard or the construction in itself. Their need is one thousand cupboards per week. And that commands respect. And they indicated that they only want one supplier. And if we accept that, we will use 60% of our capacity in the cutter.

CoB: Then you only have 40% left (ironically)

Pericles: And this is calculated on double shifts.

CoB: Double shifts?

Pericles: Double shifts and it takes 60% of the capacity. And bear in mind, that we are only talking about the volume. The most important thing is to be sure that we have the raw materials.

GEH: What kind of wood is it?

Pericles: It is birch. The issue here is, that if we are making a deal with this manufacturer, then we need to fulfil the delivery agreement to one hundred per cent. However, we have established a contact and there is an interest. Besides this kitchen manufacturer, we have started discussions with another one.

Own: Before we leave this first one – we will meet the business unit head [of this kitchen manufacturer] on Monday.

GEH: Let's pause here. I think you should jump for joy. I am surprised when you say that you have not made the decision yet to make an offer – just because you will use 60% of the capacity of the cutter. Or is there anything else that you did not convey to us?

Pericles: I will come back to that. First, it will be very demanding – and that is of course no hinder. The next step is to make sure that we get supplies of material. 1,000 cupboards – that is a hell of a lot. However, we are looking into it and all consequences it will imply for our production.

GEH: Pokery has told me of one case, where they had to wait for months for an offer for a table, that a customer had asked for. With this in mind, and the discussion above, would you claim that it is hard to get acceptance for other products than display cases and exhibition stands? You have implied this before, when you asked for my help to patch up the relationships between Piggledy and Pokery.

Pericles: Yes, yes.

GEH: Is that what you are trying to say, even if you say it in other words? If so, it is important to bring it up.

Pericles: Yes, that is one part of it, and I think that it is important that everything is fixed up before we agree to this.

GEH: But when the chance is right there you must act.

Pericles: Yes, you are right.

GEH: There is no way we can let this chance just pass by.

Pericles: OK, let me tell you – as part of the explanation – that Piggledy and its organisation has had a tremendously burdensome and laborious year because of the toys. Everyone has been up to their ears in work in order to meet the demands of Pokery ... We have been working with 55 new products – and they have not been ready to produce. The prototype has been half ready, and we have been forced to start all over from the beginning – in order for the construction to work.

Sometimes we have started to manufacture and realised half way through that it does not work.

Own: Hang on, now you contradict yourself. I would say that you, for this reason, should jump for joy, over the ability to produce 1, 000 units of one product instead of working with that other crap.

Pericles: Yes, but I just wanted to explain what makes it so burdensome. I cannot express in words how hard it has been on us.

GEH: I think I can – you seem to be paralysed within this organisation regarding new products.

Pericles: You have a point there.

GEH: ... there is a psychological effect out here... Have you made any calculations yet?

Pericles: No, we have not come that far yet.

GEH: No ideas, what so ever?

Pericles: No

GEH: When did you get the proposal?

Pericles: I do not remember exactly – a few weeks ago, I would say.

...

Own: This is unacceptable.

...

CoB: I propose that we add a new item on the agenda: new investments, strategies and toys – or something like that.

Pericles and GEH: Fine

GEH: Even if we can agree that alder wood and birch wood are more expensive, it is nevertheless an easier market [than that of pine wood] ... What one hears on the market, when it comes to Pokery, is that there is a middleman, and this irritates the market.

Pericles: And they see it as an extra cost.

GEH: They regard it as an extra cost. We know the cost exists, in the shape of another juridical person, where the total cost is the same, maybe, but still there are two margins on the products. And I think, that if Piggledy is to succeed with toys –

let's forget about the paralysis in the organisation and the tensions, because that is a matter of timing – then the sister company and Piggledy have to become closer to each other. This can be achieved in different ways – you can still have the juridical person left, but the people can – it can be arranged in different ways – it will be Piggledy who sells the products. We tested this idea at Pokery, and they have shown an interest in this.

Pericles: They have?

GEH: Yes, they have. From a market point of view, that the customer is always right, they think our toys are beautiful if they are made from birch, pine or alder wood – but they are too expensive.

...

GEH: But we have made heavy investments in Piggledy and we have to defend them. On the one hand, the cupboards are very interesting per se, and they will contribute with another ten million, but they must not block the view. I think there is a consent at Pokery that something needs to be done. We must take the signals from the market seriously, and find some way where these toys are sold directly from Piggledy. Then there are a lot of practical issues here, but this guy, I have forgotten his name, is willing to support this idea.

Pericles: You mean Gene Parsley?

GEH: Yes, he agrees to this. As a matter of fact, he brought up the idea from the beginning.

...

GEH: So, my suggestion is, that we on this board make a decision today that we try to reach this goal with all possible speed, perhaps with some help from the board, as there might be two different wills here.

Pericles: Yes, that is possible.

GEH: Just in order to see this through as smoothly as possible. However, the speed is decisive.

Own: Mr chairman, I suggest that we put in the minutes, that Piggledy is grateful to be entrusted with the task of enrolling Pokery.

CoB: It will be a piece of cake.

Pericles: I like that phrase.

...

GEH: I just want to add one thing – we must not let this block our view for the kitchen cupboards.

Pericles: Of course not.

CoB: We are having another board meeting this afternoon – please fill us in on this [about the cupboards] afterwards.

Pericles: Yes? Do not put that in the minutes, though.

Own: But it will be several hours.

Pericles: It is just that – either you put that in the minutes or not – I just want to add that Piggledy has done everything possible in order to make this possible. All

persons involved have done a hell of a job to manage. It is not a matter of resistance just in order to resist – we are just unable to see the wood for the trees.

The board discusses the extra costs of almost two million Swedish crowns, that have accrued due to the concentration on toys. The new system of calculation is discussed and the chairman of the board is dissatisfied that the system is not yet working in full. Pericles gives an account of the future forecast, which is not agreed to, until the board has met with Pokery the following day:

CoB: Let us look at the forecast.

Own: To make a forecast indicates that you believe in the future.

CoB: Let us start with the sales, we have already discussed that part, and then I got the feeling that you have been sitting here, saying that the sales of display cases and exhibition stands will be the same as last year, and toys will be just shit – and therefore, in order to bring it together – decided that you had to add some more furniture components. That is why it is about eleven million Swedish crowns. Is my guess correct, or do you think there is any substance in it?

Pericles: That was really a harsh thing to say.

Own: No, just a summary.

CoB: Is there any relevance in those figures?

Pericles: Of course there is.

...

Immediately after the meeting, the following reflections are made by the chairman of the board, the group executive head and the owner:

Reflections made by the Chairman of the Board (CoB).

Researcher: What is your reaction to the meeting?

CoB: It went as planned – I think.

R: No surprises?

CoB: No, not really.

R: You knew of the kitchen cupboards, but you seemed a bit irritated regarding the system of calculation?

CoB: Yes, I agree. It SHOULD have progressed further than it has.

R: Are you satisfied or dissatisfied with the meeting?

CoB: I am rather satisfied. We made the decision to see if we can find an accessible way.

R: Do you think Pericles is satisfied with this solution?

CoB: Yes, I think so.

R: Did you expect him to be happier about it?

CoB: Well, it is hard to work uphill. It is tough for him – the situation being like this, and the organisation. It is hard because most people here have been working in a special way for a long time and then they must change. It is hard for Pericles to be met with sympathy.

R: Do you think he will straighten this up?

CoB: Yes, I believe he will.

Reflections made by the Group Executive Head (GEH).

Researcher: What is your spontaneous reaction to this meeting?

GEH: It went as planned. There were no surprises, and the message we wanted to convey, was received. We receive monthly reports, so there were no surprises. Except for the possibility to receive this huge order for kitchen cupboards. We must look after our interests in this case, and help Pericles to get that order. And we will most certainly follow this up. Otherwise everything was as planned.

R: Are you satisfied with the meeting?

GEH: Yes, it was as planned.

Reflections made by the Owner (Own).

Researcher: I would like to have your reactions – did the meeting meet with your expectations?

Own: If I had had any expectations, they were not met. There is so much that is dependant on each other. Much of it is handled by the group at the moment, especially with Pokery. Before that is done, there is no real structure.

R: You were not happy to hear about the kitchen cupboards?

Own: No, it must not take such a long time! Piggledy should have acted immediately.

R: Who's task is that?

Own: That of the managing director.

R: And the system of calculation?

Own: It is a disaster. We have continually asked them to finalise the system. On the other hand, the company has made redundancies, which have resulted in this falling between two stools⁵. But it was a major disappointment that it was not ready.

R: Is that a task for the managing director, as well?

Own: Of course. And to make it even worse, he is a man of production.

⁵ The expression implies that no one has taken the full responsibility – the issue has not been taken care of.

R: Do I sense some criticism towards Pericles?

Own: Yes, in that sense I am disappointed with Pericles. He has been forced to take on many roles, but it does not make sense. I do not understand why it is not ready. He has always been punctual. It should have been ready, even if it had been made manually.

R: You made a decision about Pokery?

Own: We will have a board meeting there tomorrow. And Pokery is the big disaster. The history behind that company is that our former managing director started to manufacture toys without the board knowing anything, it was all on the quiet. And once this was a fact, we did not have any sales channels. There were a lot of nice, fine products, and in order to get the sales channel, we bought Pokery. We drew up an agreement where Pokery would guarantee a certain sales level, and it is far from it.

R: Do you believe in the idea of closely connecting Pokery to Piggledy?

Own: Yes, indeed.

R: Was this a normal meeting?

Own: Not when taken from the view of the questions you asked.

R: Disappointed?

Own: Yes.

Immediately after the meeting the following conversation takes place with Pericles.

Researcher: What do you think of this meeting?

Pericles: They were kind. ... You have to have respect for what they said. The owner summed up the expectations, when he at the end said that the next year must show something else – otherwise there will be no more new years. ... But I am VERY glad about the decision about Pokery. The group executive head is right when he says there has been a lot of resistance in the organisation. I have not been able to change this. I have tried every means, but the conditions have not been right. And I know that had the owner known, Piggledy would not have started to manufacture toys at all, eight, nine years ago... Of course there has been a lot of pain in the organisation those last years. People give me the impression of understanding this, but the step to really act on the idea is far. ... In retrospect, I regret that I mentioned the kitchen manufacturer the way I did. The board gave me direct criticism.

R: Why do you regret it – you sounded very optimistic?

Pericles: That is it. But I can take that. They are right. And the crux of the matter is, that we are not actively marketing Piggledy. We always start by saying how difficult everything is. We must be honest enough to admit that we are DAMNED good at saying how awkward things are.

R: The strategic decision about Pokery being directly connected to Piggledy was a surprise?

Pericles: The group executive head has mentioned it as an idea, but I never thought it would advance this fast. I had the notion that Pokery needed to be persuaded more. But obviously it was easier than the group executive head had expected himself. ... I do think, however, that the change in managing directors has paved the way. If it had been their old organisation, they [the group executive head] would not have been successful. I am certain of that.

R: This is something you are really satisfied with?

Pericles: Sure, definitely.

R: But you regret mentioning the kitchen manufacturer?

Pericles: Yes, to be honest with you, I do. The thing is, that the other side of the coin is, that – I have not put this on the shelf – but unfortunately it is true to some extent when they say that there is an inner resistance – but I am working on it. As I said in there, it is so hard to put this into words, because what this organisation has gone through for the past twelve, fifteen months, is so painful, so it is impossible to put into words, and to describe to the board in order for them to understand what we have been doing. That is the problem. I can not put something on the table and tell the board that this is what we achieved. If we had a high volume of orders, which would correspond to some millions, and we had seen a market for them ... as it is now, we can only see costs, and how on earth will I get them back? They are a total waste, more or less. ...

R: Is this the problem with the kitchen cupboards? I mean, that they[production personnel] feel so chastened, that they would not believe in it? On the other hand – they could be excited and say “at last”?

Pericles: The point is, that they start looking at the problems in getting raw material – not what possibilities we have regarding raw material – but that it is a problem. The next hinder is – how will we be able to handle the product. ...

There are many, there are too many old patterns, so to speak. It is a cultural thing, that what the hell, Piggledy is supposed to manufacture display cases and exhibition stands. Give them the task to manufacture one thousand display cases and exhibition stands – and they will do it in no time. However, as soon as there is something new, then we have to overcome this attitude first ... It has to start in here. There are some key persons that must absolutely not show any indication of doubt. They have to be positive. They must show a positive attitude, even if they feel some revolt inside ... It [1, 000 kitchen cupboards] brings a lot of respect, it is a terrible material – that is something you will have to bear in mind. What we will have to do now is to get started with this, to start calculating to see what we can produce, and what the consequences will be.

...

R: The message was rather clear, was it not – that there is nothing stopping you from doing what you want – you do not have to take Pokery into consideration. do

you?

Pericles: Yes, that is my interpretation as well. We must leave this behind us and if I find something else, that will take our capacity, so be it. And I think I might be the one to blame for being a little bit too much focused around the toys. And yes, thinking back I can realise that this is the case. I also realise that an order that was placed in April and finished in September, October is not acceptable. But I know what we have been doing along the way. That is the difference. I have been living with this from the very first day, when the order arrived, till where we are now. And I am not able to give a good explanation in words, I can never depict this situation at Piggledy during those months – I am not able to do that. But on the other hand I know what has happened. It could have been different today, but not terribly much different – IF we had to do what we did. ... We were more or less forced to handle that order of the low budget line.

R: Do you feel that they have confidence in you?

Pericles: I do not see any sign of anything else. I have to believe that ... And I hope, that if that day comes, when they feel doubt, that they will tell me at once.

R: Do you have confidence in them?

Pericles: Yes, I have. Yes, I have, IF they find a solution with Pokery. Or rather, it has to do with the courage to back off from a bad investment ... I have confidence in them [the members of the board], but I have no confidence in this constellation [between Piggledy and Pokery].

...

R: Will you be able to meet with this forecast without redundancies?

Pericles: Unfortunately not. ... We have drawn up a budget equal to nil. And that is a tremendous increase compared to the result of this year.

...

R: Are you tired?

Pericles: Yes, I am tired. There are a number of issues that might make the board lose their trust in me. I know that is the case. Or rather – it is important for me to be clear sighted enough to realise that what has happened so far is actually enough for the board to come and say – no, now we do not believe in you any more, now we will replace you. They might even replace me with more than one person to take care of the situation. But I could not sense any tendencies in that direction. They still believe that we can make it. And in that case, it is important for us to keep our freedom of action. Because the day you are “controlled”, when someone tells you what to do, then the situation becomes critical. So I have some heavy work to do, and I realise that I will have to express myself more clearly from now on... there must not be any brake-blocks.

R: So you must more clearly force your way through?

Pericles: Yes, if I want to save my own skin, so to say. If so, I will have to do that – I think.

...

R: I think you need to go home and sleep now.

Pericles: No, I do not dare relax yet, you see. It is too early, it is too early.

In short:

- ✓ A board meeting is held with different expectations from the participants: to solve the situation with Pokery; to find a strategy for the production of toys and to increase the sales of furniture components; to incorporate Pokery with Piggledy; to see enthusiasm within Piggledy.
- ✓ The forecast is weak and no final acceptance is made.
- ✓ The board suggests that Pokery should be more closely connected to Piggledy as soon as possible.
- ✓ Pericles is urged to show result regarding new customers and increase the sales of furniture components.
- ✓ Pericles is getting direct and/or indirect criticism from the members of the board.
- ✓ Pericles decides to be more forceful within the organisation to get the process moving.

Pericles indicates the following emotions before, during and after the board meeting:

EMOTION	ISSUE
A deep sense for Pericles of being unable to express his feelings, Helplessness, Inadequacy, Defensiveness	Explaining the situation to the board
Regret	Telling the board about the kitchen cupboards
Relief, Satisfaction, Happiness	The re-organisation with Pokery
Pain	The experience from the radical change process
Empathy	The experience of his personnel the last year
Pressure, Uncertainty	Critique from the board, and expectations from the board members to show action and result
Reassurance	The board still seems to have trust in Piggledy and in Pericles

The Story of Piggledy

Aggressiveness	Towards the personnel regarding organisational matters in order to succeed with the radical change
Strain	The whole radical change situation

Exhibit 7.11 Emotions Related to the Board Meeting in November 1999

Monday, December 13, 1999

Hello. Monday evening, the thirteen of this month. I have been talking to the group executive head today, and the meeting on Wednesday at Pokery will not take place this time, either. And it worries me, because when the group executive leaves on the thirty-first of December, there will be no replacement. It will be the chairman who will take that responsibility. With the present problems, at Piggledy as well as at Pokery, it is somewhat troublesome. Right now I feel a bit – I do not know how to express it – vulnerable, or lonely – or whatever. The position per se is lonely, but now I feel like it is all in the air. I do not know where we stand. So, for instance, I tried to get hold of the chairman of the board today, and he was busy. Of course I respect that, but he promised to call me back within a few minutes, and he has not called yet, and now it is ten past six. It does not make me feel good, you see. The whole situation makes the organisation strained, and it is getting even more strained, and we have received a bunch of toys from Pokery that need to be attended to. And the words have been around for over a year, that they need to be ready in time for the toy exhibition. That would have been OK, had it been a few stray pieces of toys, but again, it is probably over twenty new pieces of toys. They must be designed, constructed, structured, and manufactured – in new as well as old materials. This makes it so tough for the organisation – it is so hard on us. I can understand them, at the same time as I get frustrated myself, as it does not feel that positive. This is something that has to be done – and it something we are supposed to be doing in the future. And we are back to – what the hell, it is as usual, they want it delivered in time, and there are no designs, just sketches and all that crap. This is the missing link between Piggledy and Pokery. It is not working, and hell, I do not know what to do. Well, maybe I do, but this is the feeling I have got. And at the same time I do not feel that I have – well, I have the support of the chairman of the board, but the thing is, that I do not come to grips with our business right now ... And the risk is, that this will put a damper on the co-operation between Piggledy and Pokery in the future, and the future organisation. And, as I mentioned before, there will be no meeting on Wednesday, because they [the members of the board] are on their way to a couple of board meetings in the north. And maybe, as the group executive said, it might be on Monday or Tuesday that is to say the same message I have heard before, and the risk is obvious, that there will be nothing on Monday or Tuesday, either. And after that, the group executive head will leave us after

Christmas ... At the end of the day, there is no space for it [enthusiasm within the organisation], and that worries me – how will I get back our drive in the organisation and in this company, because we are forced to have it back. And it puts a damper on my job, as well. I do not think that people consciously counter act in the organisation, but you do not have to be active in order to do that. ... This [someone has been proven as counteracting the organisation] is a problem which is hard to solve, as there are so many emotions involved – and as I said before – you do not have to be actively against something in order to oppose ... Maybe I am to be blamed, but that is something I can take. However, in this case, with this person, I have tried for over three years to find the right position for him in order to make use of his knowledge and experience. There's got to be a limit somewhere. Now it is his turn to prove that he stands by this company – and not just the other way around.

The diary notes from December show the following emotions:

EMOTION	ISSUE
Worry, Disappointment	The meeting with Pokery is postponed once again
Vulnerability, Abandonment	The lack of close contacts with the board
Pressure, Strain	The situation gets to the daily work
Frustration	The unsolved situation with Pokery
Concern	The lack of enthusiasm among the employees, including Pericles, himself
Strain	Pericles does not know what to do

Exhibit 7.12 Emotions in December 1999

Mid/end January 2000

It has been awhile, and I will try to tell you what has happened. To get the production organisation working with four foremen and one in charge for the production, seems to be harder than anyone could imagine. Not the system as such, but rather the combination of the organisation and the persons at hand. It is a problem, and we have not been able to solve it yet. Therefore, the consultant has been here [from the trade industry]. We do not really know what to do – the difficulty is to make those persons in charge take on their roles. It is frustrating to me. Without a working production management there will be no efficiency and productivity in the factory and it is – well, it is troublesome right now. As I have told you before, the only alternative is to break up this organisation altogether and start a new one with a production manager from outside the company. However,

The Story of Piggledy

that is not an easy solution either, and it does not mean that it will work, because we still have those persons left in the organisation ... The order intake is still a problem – the display cases and exhibition stands seem to be fairly OK, the furniture components are not that good, and the orders on toys are non-existent. This means that the turnover is decreasing and that we are working below our capacity ...

We are working full capacity to make the test toys for the exhibition. The toys look very nice. However, whether or not they will sell, we have no idea. We have the same problems as we had before – the sales price to Pokery does not cover the costs. The risk is that we sell to a certain price just in order to get ready with the toys for the exhibition, and then we are not able to raise them later on. This work takes our full capacity of product development, product design and calculation. I am preparing for a school fair in Germany and an iron ware fair, in Germany as well. It is hectic and trying right now. The pressure comes from the profitability being so low, and it is affecting the whole company, of course. Besides, I have not been able to make the co-operation with Pokery work. It is still not good, when it comes to the developmental part or the closer co-operation between us. We must live the same life. Today we live as two separate companies and with a customer-supplier relationship, and, unfortunately, the relationship is getting worse due to a joint ownership ... within those companies the relationship is very tense. Here, our chairman of the board plays an important role, even if he does not have any ready-made solutions. I wish, though, that he could be more present and push these questions forward, as we need someone from outside to help us ... So right now, without being negative, and without having lost the spirit in any way, I feel that I am not up to it right now. I wish I was more competent and had more solutions to all our problems – it feels heavy right now.

Pericles, explicitly or implicitly, gives voice to the following emotions:

EMOTION	ISSUE
Concern, Bewilderment, Frustration	The organisational set-up does not work
Pessimism	The sales of toys and furniture components
Cautious Optimism	The sales of display cases and exhibition stands
Pressure	The low profitability
Disappointment, Resignation	The bad co-operation with Pokery

Abandonment	The lack of contact with the chairman of the board
Strain	A personal feeling of incompetence

Exhibit 7.13 Emotions for January 2000

Saturday, March 11, 2000

The stand is ready, everything is on display, and it looks good, and now we are here with three other companies – we are all satisfied and look forward to the fair and we are all positive. We are going to have an interesting meeting with the wholesaler from the States. If that meeting is successful, if it goes as planned, then it will be pretty good for us. I will get back to you and tell you about it all, later on this week.

This last, personal diary note from Pericles ends with the following emotions:

EMOTION	ISSUE
Satisfaction	Everything is ready for the fair, and the stand looks fine
Optimism, Expectation	Pericles indulges in expectations of a successful fair
Expectation	A meeting with a customer looks promising

Exhibit 7.14 Emotions in March 2000

April 2000

The situation is trying. Pericles is at this point bewildered himself by what is happening, or rather, what is not happening. The former group executive head has resigned. The message was spread shortly before Christmas and Pericles was taken by surprise. It is true, that the group executive head had been talking about resigning after his fifty-fifth birthday, but when that day passed, he did not resign, and no one heard anything more about it. Not until a few weeks before it was a fact⁶. A planned board meeting has just been cancelled without any special reason. The relationship with Pokery is increasingly strained. The

⁶ In an interview, a few months later, the group executive head tells me that he always had the intention to resign at this date, but for tactical reasons, it was confirmed as late as possible. According to the group executive head, it would create a vacuum had he made this announcement long in advance.

former indication of a volume of orders has been decreased by a couple of millions, and even so, it is an uncertain business. At the end of the previous year, Piggledy had a claim of over two million Swedish crowns on the sister company. Pericles has received a personally addressed letter from the auditors, where they make him aware of the seriousness of the matter and seem to make him personally responsible. He gets furious as the group does not take this seriously. Nothing has happened with the decision that was made before Christmas – that of bringing the sister company closer to Piggledy as a marketing function. With no group executive head everything is uncertain, making the situation even more unstable. This means that there has been no board meeting since before Christmas. Pericles also seems to have lost touch with the chairman of the board. Redundancies have been necessary, which has been an emotional process, for Pericles as well as for all those concerned. All this has led to an awkward atmosphere within Piggledy, and people seem to be listless and without any faith in the future whatsoever. Besides, Pericles has a very strong feeling that Pokery, as well as the board, blame Piggledy and Pericles for the bad result. Pericles can understand that Pokery puts a lot of the burden on Piggledy – he does the same regarding the sister company. However, the board blaming Piggledy is an outrageous thought to Pericles. He and his company are not prepared to take on the whole blame, as his personnel has been working like hell to meet every request Pokery might have had, and they have not even sent an invoice. Besides, he has met with every request the board has put on him so far. Piggledy has produced prototypes and test series for a variety of products for Pokery, but never anything which has been mass produced. A line which was installed exclusively for the production for Pokery is not in use at all today. To Pericles, it feels like his company has been subject to an experiment. Today, Piggledy sets a price for everything they do for Pokery. The situation is very tense between the two companies, and Pericles is aware that his own position is at stake. He says, that he is at the point of deciding, for his own good, whether he wants to go on with this, or not. He is totally convinced that the connection with Pokery is no longer a solution for Piggledy. Pericles says the worst thing is that there really is no good solution for anyone left, and that the group and its board will have to come to their rescue. For the segment of display cases and exhibition stands, there seems to be a clear downward trend in Finland, and an upward trend in the States. As far as the furniture components are concerned, there has been no new development regarding the manufacturing of cupboards or furniture components for day-care centres. Some offers have been made to new clients, but Piggledy has not been able to meet the demands of those.

Pericles agrees, that he might have misinterpreted the situation – and he honestly hopes that he has – but I leave a man, who feels deserted, upset, brushed aside and even betrayed.

In short:

- ✓ The group executive head has resigned and retired.
- ✓ The relationship with Pokery is almost intolerable.
- ✓ Orders for toys are steadily decreasing.
- ✓ Nothing has happened with the decision to bring the two companies together.
- ✓ Nothing has happened regarding the possible new customers of furniture components (regarding the kitchen manufacturer and the daycare centres).
- ✓ Pokery has over two million Swedish crowns in unpaid debts to Piggledy.
- ✓ Piggledy sends an invoice for every action they take in connection with manufacturing toys for Pokery.
- ✓ Pericles has the feeling that the members of the board blame Piggledy and Pericles for the situation.
- ✓ The employees seem listless.
- ✓ Pericles is convinced that the initiated radical change process is an impossible task.
- ✓ Pericles is seriously considering his own future and the role of Piggledy.

In April 2000, the following emotions are interpreted:

EMOTION	ISSUE
Bewilderment, Abandonment	The resignation of the group executive head
Indignation, Betrayal	The insinuation that Piggledy is to blame for the failure of carrying the radical change process through
Rage	The outstanding claim to Pokery has resulted in an awkward situation
A sense of wanting to give up	The failure of not having his own way during the radical change process

Exhibit 7.15 Emotions during April 2000

Postlude: May 2000

The phone rings, and to my surprise it is Pericles. He wants to know whether I will be back any more. He feels the need to talk, and he has no one else to discuss things with. I can hear in his voice that he feels deserted, disappointed, overworked and lonely. What I hear is that the company is back to square one or where it was three and a half years ago. The venture with the purchase of a marketing and sales company and a new line of toys has failed. For two and a half years the company has been moving backwards. Pericles has already cut down on the present forecast – one that was dramatically reduced from the beginning – and made further redundancies. A planned board meeting has been postponed until June and will take place during the first of this year. In his opinion, his company has been used as an experimental workshop. Harsh words, he admits, but the thing is, that in his opinion Piggledy has not gained much in return, and Pokery has been dictating the terms. The employees have to a high degree lost their faith in the company and have become suspicious. What the organisation needs is a reawakening and Pericles does not think he is the right man for that. Mainly because he is the one that has made the organisation into what it is today, and he is probably not capable of steering it into something new. Pericles has devoted all of his heart, time and efforts into Piggledy and the planned radical change. He feels responsible for where they are today, but he feels he did not get anything in return. The most frustrating thing is that he does not have a clue as to what the board is planning to do. It seems like it has abandoned ship. The chairman of the board seems to avoid the company and the situation. Pericles has repeatedly tried to discuss the future of the company with the chairman of the board. However, he does not seem that interested, and he is hard to reach. He does not even return phone calls and is reluctant to make decisions regarding issues concerning strategic as well as operational issues of importance. Pericles feels that he is limited from making decisions without his consent. The group executive head has not yet been replaced. There will only be members of the family on the board for the time being. The very silence seems fatal. Pericles has lost faith in the board. If only the owners of Piggledy had taken a serious interest and offered some help or direction. Instead Pericles has to go on in a vacuum, trying to continue doing his best in a hopeless situation.

In short:

- ✓ The radical change has failed and Piggledy is back to square one.
- ✓ Pericles feels responsible for the failure.
- ✓ Further redundancies have been made.
- ✓ Personnel are suspicious and listless.
- ✓ Pericles works in a vacuum, not knowing what will happen next.
- ✓ The silence from the board seems fatal.

From our last conversation regarding the radical change process of Piggledy, the following emotions are perceived:

EMOTION	ISSUE
Disappointment, Guilt	The failure of the radical change process
Abandonment, Loneliness, Disappointment, Frustration	The resignation of the group executive head and the silence and indifference of the chairman of the board
Unfair Treatment	He has done his utmost, and does not get anything in return
Listlessness	Does not know what to do

Exhibit 7.16 Emotions in May 2000

Summary

The Radical Change Process Divided into Managerial Issues

In order to be able to detect what patterns of emotions exist during the radical change process, the process has been divided into different issues, following the reasoning of the summary of chapter six and the emotions of Hericles. The following eleven issues have been identified as important in relation to the radical change process in Piggledy: the development of toys as a third complement to furniture components and display and exhibit cases, which is here the outspoken radical change of Piggledy; the sister company Pokery; the board of directors; the market; sales, financial issues; the production

department; the organisation of Piggledy; the employees; the Piggledy Spirit; and Pericles' private life.

Choices were based on the same reasons as were mentioned in the summary of chapter six:

1. The approach to emotions is in this thesis contextual. In accordance with this, the emotions of Pericles have to be related to a managerial context, here represented by real time encounters and settings, i.e. the eleven managerial issues.
2. The issues reflect what Pericles has dealt with on an almost daily basis, or issues that have been representative during the eighteen month period that has been followed here. They represent typical situations, and/or typical managerial matters which most strategic leaders face in their day-to-day work.

A short explanation of each issue is relevant before we move on:

- (a) *The radical change process: the manufacturing of toys.* To Piggledy there is a clear and outspoken strategy to manufacture exclusive wooden toys in addition to the present manufacturing of display cases, exhibition stands, and furniture components. This issue includes a natural connection to the customer – and sister company – Pokery.
- (b) *The board:* In Piggledy's case the board consists of the owner, the owner's son-in-law, who is also the chairman of the board, the group executive head, Pericles and the administrative manager.
- (c) *The sister company of Piggledy:* The emotions shown, expressed, observed or felt towards Piggledy's sister company Pokery are shown here.
- (d) *The market:* Emotions, that have a strong correlation to discussions about market demands, customers, competitors, etc are shown here.
- (e) *Sales:* Here we can see Pericles' emotions, mainly in regards to the sales figures, the forecast and incoming orders.
- (f) *Financial issues:* This is the result of emotions shown, expressed, observed or felt in regard to financing the new wooden toys.
- (g) *Production/service:* The result shows emotions related to matters within the production and service department.

- (h) *The organisation:* Emotions related to organisational matters, such as organisational design, strategies for recruitment and redundancies are presented here.
- (i) *The employees:* Emotions, that are expressed or shown towards specific individuals or groups of individuals.
- (j) *The Piggledy Spirit:* Those emotions refer to Pericles' emotions regarding the culture within Piggledy. It is important to bear in mind that it is not possible to make a clear cut between organisational matters, the employees and the spirit of the two companies.
- (k) *Private life:* The emotions Pericles has expressed himself about his private life.

As pointed out in chapter six, the issues can be related to two different kinds of issues: (1) arenas, to which the strategic leader and others belong and where they act, and (2) questions and “things” they talk about. So for example, one arena is the board and questions that are brought up here could be the talk about the forecast, but also about Pokery, the market situation, specific persons, etc. The boundaries between the issues are evasive, and the categorisation is made as an attempt to be able to get a better overview of the process and its involvement of emotions over time.

What follows below is a short recapitulation of the course of events and corresponding emotions, related to managerial issues.

The radical change process: Pericles starts out being very positive towards the radical change, with a lot of confidence, at our first meeting in September 1998. He cannot not get started soon enough. In his mind, it is at this stage more or less a given that the new strategy will succeed, and Pericles is prepared to work hard to ensure this. Even if he is aware of some hinders – such as the attitudes among some employees, and that the production capacity is not fully fit to manufacture toys, he is confident. As time passes he gets more and more uncertain. His concern grows and he starts to doubt the strategy. His first doubts come as early as late October and December that same year. In April 1999, Pericles devotes all of his waking hours to pondering the situation. The anxiety grows into feelings of hopelessness and helplessness during early autumn of 1999 and takes the form of pain in November 1999. Pericles' only gleam of hope is when the board of directors makes the decision to incorporate Pokery with Piggledy. Pericles at the time senses a cautious optimism. However, as it turns out, this is not a solution in the long run and during our

The Story of Piggledy

last conversations, it is obvious that Pericles is disappointed, wants to give up, and feels guilty about the course of events. He finally admits that he has failed.

Frequent emotions in relationship to the radical change process are confidence, concern and doubt.

The board: Here there is a similar pattern. At the beginning of the process⁷, in the autumn of 1998, Pericles has a lot of confidence in the board, and he sees the owner as a guarantor for the implementation of the radical change. He trusts the board and is sure that they will stand behind Piggledy and him as well. Naturally, he feels a little strain before the board meeting in October 1998, as the result is not as was expected. During the board meeting in October 1998, this tension has increased, especially concerning the drastic news about the client who withdraws its orders worth millions of Swedish crowns. As time passes, Pericles starts to get somewhat irritated and frustrated at times, as he has to follow the board's decisions, mainly regarding the low price range of toys. However, even if he cannot have his way, he is prepared to defend the members of the board and its group logic during the autumn of 1998. Pericles also devotes much time and energy to defending Piggledy's result, hardships and his own actions as well. This happens during the board meeting in October 1998, at the meeting with the chairman of the board in October 1999 and at the board meeting in November 1999. In October and November 1999 Pericles still has expectations and hopes that the chairman of the board and the group executive head will help Piggledy out of an ongoing declining trend. The turn comes after the board meeting in November 1999, where Pericles gets a lot of criticism for the slow and bad development of Piggledy. During the board meeting, Pericles' expectation to get rid of some pressure is met to a certain extent – the suggestion to incorporate Pokery is most certainly a relief. However, the board adds more to his burden in emphasising the importance of showing some substantial results in different issues. Pericles is disappointed and starts to feel deserted by the board, which is an impression that is reinforced throughout the rest of the process. Pericles has a strong opinion, that he has done his utmost, and that he has been one hundred per cent loyal to the board and its decision. The insinuations of being the culprit, makes him very upset, because he has identified with the strategy to such a degree that one might call it symbiosis. At the time of my departure from Piggledy, Pericles' emotions in this sense are different feelings of abandonment, unfair treatment and even betrayal by the board – a board that was his lifeline.

Frequent emotions in relation to the board are strain, defensiveness and abandonment.

⁷ By "the beginning of the process" here I mean the start of the period, during which the radical change process was studied.

Pokery: According to Pericles, the relationship between Piggledy and Pokery was not a sound one from the very start. Frustration and indignation have been evident emotions throughout the process. At times, emotions have even swung to grief and resignation, e.g. in April 1999. Pericles repeatedly asks the group executive head and the chairman of the board for help in solving this problem. Pokery hands over incomplete constructions for toys, does not stick to initial orders, does not pay debts etc. according to Pericles. To make things even worse, they do not pay for the extra work that Piggledy needs to do, and Pericles cannot really understand the group logic that Pokery should have its way. It also causes Pericles an additional feeling of helplessness in October 1999, when the board seems to ignore his cries for help and/or tells him to take care of the situation himself. In April and May 2000, he feels that he gets all the blame for the strained relationship, and this makes him feel betrayed – an emotion he directs at the board members rather than at Pokery.

Frequent emotions are frustration and indignation.

The market: The market concerning toys is in Piggledy's case equal to the market for Pokery. At the beginning of the process, during the autumn of 1998, Pericles is confident that there is a safe and huge market for the new product he is about to deliver. He does not even question its existence. However, after the Stockholm Toys Fair, in February 1999, he can note in April 1999 that there are no substantial orders from Pokery, as there should be. This makes him distrustful and doubtful towards a future market of ready-made toys. The investment in a low price range of toys causes Pericles a mixture of upset emotions since he did not believe in it from the beginning, and he does not think this is the segment they should work on. The re-organisation, that is decided on in November 1999, concerning the sales and marketing function of Pokery, gives Pericles some hope that the market will open up for Pokery, and thereby for Piggledy.

The market for display cases and exhibition stands only seems to worry Pericles at a more "normal" level. He realises that there is competition going on, and that the competition is increasing in former Eastern countries. It at times gets to where Pericles places the blame on former decisions made in the firm and the lack of motivation among his personnel to realise that their monopoly is long gone. However, he meets this competition with an ongoing development of display cases and exhibition stands and by investing in new markets. When we part in May 2000, he has good confidence in the American market, which is gradually opening up.

The market for furniture components is Pericles' greatest hope for a stable future of Piggledy. He is confident that Piggledy is one of the best manufacturers of furniture components in the country. The concern is rather that Piggledy seems to have costs which are too high. When the new calculation

The Story of Piggledy

system is finished, Pericles is confident that Piggledy can compete on this market. The concern, when we meet in April 2000, is rather that he has become aware of the fact that it will take time to find the right match between Piggledy and possible customers.

A frequent emotion regarding the market for toys is concern.

Sales: Pericles had great hopes for the toy sales, but this hope was already dashed in October 1998, when toy sales did not meet the forecast. However, even if he is disappointed, he puts it in his head that it is natural at this early stage. The incident with the Finnish customer, which causes shock and uncertainty, has had a happy ending. When the forecast for 1999 is due, Pericles has to reduce it, due to the sales forecast made at Pokery. He feels a bit uncertain of its relevance, though. He is much more confident regarding the relevance of the figures of display cases and exhibition stands and furniture components. In 1999, however, he starts to despair over decreasing toy sales corresponding to Pokery's cancellations. His emotions of disappointment, shock and concern in September 1999 turns into a gleam of hope to some extent in November 1999, when the board decides to closely connect Pokery to Piggledy as a marketing and sales function. However, his hope for an increasing sale takes the form of resignation in November 1999, as he realises that nothing positive will happen during 2000. For the new year of 2000, Pericles is pessimistic regarding the sales of ready-made toys as well as furniture components. Regarding display cases and exhibition stands, sales are rather steady and even increasing to some extent. Continuous development is being made for the American market in particular. All this makes Pericles optimistic that display cases and exhibition stands definitely have a place in the future product mix.

Frequent concerns regarding the toy sales are disappointment and concern.

Financial issues: In October 1998, Pericles is disappointed by low toy sales. This does not however cause too much distress since everything will take its time in the beginning. The finances of Piggledy are really not a worry for Pericles, until it is obvious in October 1999 that Pokery has no intention of paying overdue debts. When he realises that this is sanctioned by the board, his irritation increases. He feels irritation, when he has to ask the group for money in October 1999. When he learns that Pokery is even worse off in November 1999, his sense of inadequacy in being an independent strategic leader takes over. However, he realises that there is nothing he can do at the moment except await the course of events, which places pressure on him. When Pericles receives a personally addressed letter from the auditors about the debt in April 2000, and when he realises that it jeopardises him in his position of being a

strategic leader, he gets more or less furious at the indifference from the group's financial director and the board towards the seriousness of the matter.

Worry is the more frequent emotion in relationship to financial issues.

The production: Pericles is a man of production, and he has had the position of being a production manager before he came to Piggledy. With his background, it might seem strange that production matters do not seem to occupy much of his feelings. A reason might be, that Pericles with his competence, knows better how to tackle the problems that arise in the production. At the beginning, in October 1998, he is very anxious to get started. He soon realises that the production capacity is not fit to manufacture toys, and that his personnel do not have the full competence to do so. This seems to give Piggledy an "excuse" to "escape" into the kind of problems with which he seems more familiar. Pericles is very focused on production matters during the first months of the process. In December he expresses the worry that the production capacity will not hold. He feels real worry and indignation in October 1999 when Piggledy has problems filling their production capacity. The system of calculation is another issue that he deals with a lot, and he feels very proud when it is about to be finalised – as he thinks, in October 1999.

Concern might be the best emotion word to use to describe Pericles' relationship to production issues.

The organisation: At the beginning of the process, in October 1998, Pericles has to implement a re-organisation, mainly due to the fact that two persons have announced that they will leave. These are the marketing manager and former owner and sales person. This gives rise to a lot of concern on the part of Pericles. During the spring of 1999, Pericles devotes a lot of time and energy to the new system of calculation and has great expectations that it will solve a lot of hassle within the organisation, as well as help out in price discussions with Pokery, agents and other customers. In September 1999, Pericles starts to ponder about the organisational set up, which he thinks does not work. The main reason is that the new foremen do not seem to understand their roles. A month later, he feels relief, as they seem to have realised what the position means. However, in November of the same year, he realises that his employees do not work as intended within the organisation, and he is bewildered and frustrated about what the reasons might be. At some point, he is relieved because his foremen seem to be working according to the intentions of the board and the sales persons seem to be more customer oriented. Eventually, he decides that he has to be more aggressive towards his personnel in order to succeed with the strategic change. At the same time, in November 1999, he feels relief, satisfaction and even happiness because of the prospect of getting

The Story of Piggledy

over the problems to Pokery, once their sales and market department is closely connected to Piggledy.

Emotions regarding the organisation are a mixture of expectation, concern and bewilderment.

The employees: As early as October 1998, Pericles feels frustration because his personnel is not keen enough to carry through the radical change process. There is some invisible resistance that is hard to get through. At the same time he can feel empathy with those workers with a lifelong history within the company, and he understands that they have had a hard time adapting. However, Pericles thinks nothing more of this because he is sure that this will soon turn around into optimism. His annoyance and frustration come out, though, during personnel meetings in October 1998 when the employees do not seem to take the situation seriously. In April 1999, Pericles feels empathy for his personnel, as too much is going on at the same time, and he realises that he has started up too much at the same time although he sees this as necessary. At the same time, he is satisfied with his people for being so ambitious. As time goes on, Pericles however gets suspicious during the autumn of 1999, that the employees are counteracting the radical change process, either unconsciously or consciously, and are thereby jeopardising it. He gets frustrated by their attitudes. A relief to Pericles is, that the new foremen seem to work according to their roles. At the same time, Pericles realises that it is tough on the personnel, who are used to work in a non-competitive company. He, at times, has empathy for them, and when he has to make redundancies, he carries these through with a lot of hardship, as is shown in November 1999 and onwards. In December 1999, he even doubts his own enthusiasm along with that of the employees, and this gives rise to more concern.

Frequent emotions are frustration and empathy.

The Piggledy Spirit: Pericles already realises at the start of his career at Piggledy, that the culture of the company is the result of a long process. The middle age of his personnel as well as of their time working at Piggledy is very long – for some of them their careers represent a life long commitment. However, Pericles does not have the perception that this so called Piggledy Spirit would be something that would stand in the way of the radical change process. Eventually and gradually, he realises that the opposite is true. His first notions come as early as in October 1998, where he feels some frustration and tiredness with the spirit issue. In December of the very same year, he has a sense that the Piggledy Spirit is getting to him, which makes him concerned as well as irritated. One year later, he is even suspicious that the employees might deliberately counteract the process, which bewilders him and gives him a sense of inadequacy. Pericles is convinced, that this shows in the fact, that people do

not work through the organisation – an organisation he thinks is optimal regarding the design. The corporate culture thus works against Pericles, who is not aware of its power and is therefore unable to tackle the problem. More frequent emotions regarding the Piggledy spirit are frustration and irritation.

Pericles' private life: When I first meet Pericles, he has made an agreement with his family, that he will be working most of his time for about a year. As it happens, this time period is extended extensively. This is not something that bothers Pericles officially. However, as I get to know him, it is clear that he is more stressed, and that it is effecting his family life since he feels that he has to prioritise work. For Pericles this is not necessarily a negative choice, but in April 1999, he admits that it is getting to him personally, and in October 1999, he admits that it is getting to his private life.

Strain is the most prominent emotion regarding Pericles' private life.

Viewing the emotions of Pericles over time, the following picture of emotions will emerge in exhibit 7.17, tied to specific issues. In the exhibit, the following abbreviations are made:

t = toys; fc = furniture components; dc = display cases. Emotions in italics are taken from the diary notes of Perikles.

Pericles	Sep 1998	Oct 1998	Dec 1988	April 1999	Sep 1999	Oct 1999	Nov 1999	Dec 99/Jan 00	April 2000	May 2000
The Radical Change Process	Confidence Self-assurance Impatience Commitment	Confidence Self-assurance Restlessness Doubt	Doubt Confidence	Uncertainty Distrust Doubt Concern Persistence	Concern Dissatisfaction	Concern Hopelessness Helplessness	Pain Cautious Optimism Disharmonious Inadequacy Strain	Strain	A sense of wanting to give up Resignation	Disappointment Guilt
The Board	Security Easy strain Self-assurance	Tension Defensiveness Loyalty	Defensiveness	Dependence Trust Frustration Feeling Shut-in	Strain Stress Inadequacy	Hope Expectation Dependence Helplessness A sense of emptiness Disappointment Defensiveness Irritation	Expectation Abandonment Helplessness Inadequacy Defensiveness Inability to express his feelings Regret Pressure Uncertainty Reassurance	Worry Disappointment Vulnerability Abandonment	Bewilderment Abandonment Betrayal Indignation Rage	Abandonment Loneliness Disappointment Frustration Unfair Treatment Rage
Pokery (The sister company)		Dissatisfaction Frustration Irritation Helplessness		Grief Frustration Irritation Tiredness Resignation	Frustration Anger	Indignation		Frustration Disappointment Resignation	Indignation	

Pericles	Sep 1998	Oct 1998	Dec 1998	April 1999	Sep 1999	Oct 1999	Nov 1999	Dec 1999	April 2000	May 2000
The Market			Relief (t) Hope (dc) Expectation (dc)	Distrust (t) Hope (fc;dc)	Hope (fc)					
Sales		Disappointment (t) Surprise (fc) Shock (fc) Uncertainty (fc)	Hope Confidence Uncertainty (t)	Disappointment (t) Concern (t) Dissatisfaction Hope (fc)	Shock (t) Disappointment (t) Frustration		Resignation Concern Hope Concern	Pessimism (t, fc) Cautious Optimism (dc)		
Financial Issues		Disappointment			Worry	Worry		Pressure	Rage	
Production	Impatience		Worry			Indignation Pride Worry				
The Employees	Frustration Empathy	Irritation Annoyance		Empathy Satisfaction		Suspicion Hope Relief Frustration Empathy	Empathy Hardship Frustration Doubt Cautious optimism	Concern	Hardship Empathy	

Pericles	Sep 1998	Oct 1998	Dec 1998	April 1999	Sep 1999	Oct 1999	Nov 1999	Dec 1999	April 2000	May 2000
The Organisation		Concern		Expectation	Annoyance Irritation	Relief	Hope Happiness Relief Satisfaction Aggressiveness Bewilderment Relief	Pressure Strain Concern Bewilderment Frustration		
The Piggledy Spirit		Frustration Tiredness	Worry Irritation			Inadequacy Bewilderment Irritation				
Private life	Pressure			Fatigue Lack of motivation				Strain		Listlessness

Exhibit 7.17 Pericles' emotions throughout the radical change process in Piggledy.

Pericles' Emotions Over Time

Trying to find an emotion pattern month by month, regardless of issue, might provide another picture. A study of exhibit 7.1, regardless of managerial issue, indicates that confidence and trust are present at the beginning of the process in September and October 1998, but are replaced with feelings of abandonment, loneliness, disappointment and even betrayal at the end of the process. Throughout the process, so called positive emotions seem to be replaced with more negative and destructive feelings. Pericles seems very emotionally committed to carrying through the change process. Most of his emotions are tied to this, and issues related to the success of the radical change, represented here by the board, organisational matters and Pokery. Market and sales oriented issues are of course on his mind quite often, even if they are not directly apparent. As time goes on, Pericles' emotions towards the board of directors take over. He also directs his emotions towards organisational matters and the employees, and finally towards himself as well.

Closing Remark

These narrated chronologies, as well as the chronologies in the previous chapter, have shown that once we start looking for emotions, they are an obvious and natural element of the day-to-day operations for strategic leaders involved in strategic change processes. In the next chapter, I will start the empirical analysis.

8. Emotion Patterns: Hericles' and Pericles' Emotions in Motion

Building on the narrated chronologies of Higgledy and Piggledy, this chapter goes into an empirical analysis of the emotions that emerged in the radical change processes of Higgledy and Piggledy with Hericles and Pericles as the key focus. The analysis will be made through an attempt to find patterns of emotions within each radical change process. Here we can follow the different emotions Hericles and Pericles show, feel, express or suppress in the context of the radical change process, related to the different managerial issues and as described in the previous chapter.

The chapter has the following structure. First, the different emotion words will be classified into nine different sub-groups in order to make the patterns clearer and more easily grasped. The classification of emotions will be discussed and defined. Second, each issue of the radical change process will be visualised with a graphic pattern of emotions, related to the classification of emotions. Likewise, each category of emotions will be related graphically to each managerial issue. Finally there is a conclusion with the empirical findings of the two radical change processes.

A Classification of Emotions

One of the research themes of this thesis addresses the strategic leader's communication of emotions. In keeping with this, this chapter tries to form patterns of emotions. With an interpretative approach, this step insists upon some clarification. An interpretive approach is a process in and of itself. In this case it implies that the interpretation of the empirical material has been an iterative process and that the material has been approached in a variety of ways. To form patterns of emotions is one possible interpretation or one way among many ways to obtain trustworthiness in one's own interpretive process. To look for emotion patterns is thus an alternative way to interpret the empirical material. One interpretation of the emotions took place before the patterns were formed, and this interpretation is accounted for in chapters six and seven. However, as a means of cross-interpreting the empirical material and in an attempt to secure this interpretation, and thereby the coming theoretical analysis, patterns of emotions will be a way to find out whether the initial

interpretations have some bearing, and if so, the patterns are a way to increase the trustworthiness of the interpretation¹.

There is, however, usually no need to make an account for all interpretive work. The reason to include the patterns of emotions here is that they both serve as a means to increase credibility of the interpretation and as part of the methodologically development for an emotion account. As such the patterns can be useful in more than one way.

The labelling and classification of descriptions of emotions (as listed for example in exhibits 6.14 and 7.17) was made in two steps. First, the emotions words were labelled by the different parties involved (e.g. the strategic leader, the members of the management team and/or board of directors) and by the researcher, who also translated the original Swedish words into English. The total of 201 cases of emotion words of Hericles (see exhibit 6.14) and the 184 for the case of Pericles (see exhibit 7.17) occurred with varying frequency and intensity. This caused for further abstraction to allow for an analysis of the occurrence of certain emotions in certain strategic situations.

Consequently, the next step consisted of a choice of a classification system that would merge similar emotion words to same classes. The choice of a suitable classification schema was not evident. Earlier presented schemas have shortcomings of different kinds when applied to the empirical data in this study. Parkinson (1995) provides a “psychologists’ chart” of emotions (in turn taken from Ortony and Turner, 1990), which does not correspond completely to a grouping of emotions which could be relevant in this case², mainly due to its limited number of emotions. A classification into positive or negative emotions does not fit with my conviction that emotions do not necessarily need to be either-or. Viewing them as such, they can be seen as positive if they correspond to a purpose, even if a ready-made classification would say that the emotion would be negative. Other bipolar classifications, such as satisfaction – dissatisfaction (see Russell, 1980) does not meet my purpose either. A classification, where the intensity of the emotions can be perceived such as in Plutchik’s “emotion solid” (from Cornelius, 1996) is a classification that is interesting *per se* but does not comply fully³ and is therefore not applicable here. A series of researchers, mainly within psychology, and those following the Darwinian tradition, have classified emotions (see Ekman, 1992; Fridja, 1986; Izard, 1977; Plutchik, 1984). However, to them the main point was to label

¹ I do not indicate, however, that there is only one interpretation.

² These are: fear, anger, disgust, sadness, joy, surprise, rage, love, happiness and interest.

³ Examples of emotions in a sliding scale: grief-sadness-pensiveness; rage-anger-annoyance; terror-fear-apprehension; loathing-disgust-boredom; and amazement-surprise-distraction.

emotions into basic, or primary, emotions, i.e. emotions that are universal⁴. Their classifications do not cover the extensive range of emotions that are expressed and experienced by the two strategic leaders and therefore do not meet the demands here. Hochschild (1983) has a set of nineteen emotions in her appendix, and the primary focus of each one of them, but she does not provide a classification. Shaver et al produced an extensive work in 1987, trying to categorise emotions. Their classification is interesting as it contains over 200 emotions. They realise that it is hard to set sharp boundaries when it comes to emotions, a concept that is not sharply defined as such, and where each type of emotion lacks a sharp boundary. Their message is that if we can accept vague boundaries, it is possible to find categories that have a 'family resemblance'. This is, I believe, as far as we can come here in order to find an easily grasped way of finding patterns of emotions during the two radical change processes.

In their study, Shaver et al started out with an extensive list of emotion words, which after some editorial work resulted in 213 types of emotions. These were rated by students in psychology, and then statistically worked through, and the final list contained 135 words that could be considered suitable emotion words. The next step was for students to sort all of the emotion words in a 'similarity-sorting' phase, which resulted in two to sixty-four categories. A cluster analysis, with subordinate clusters of emotions, yielded six clusters, each and all of them including the highest scoring words, an emotion that has been labelled a basic emotion by for example Ekman, Fridja and Izard. Shaver et al decided to accept those labels, i.e. love words, joy words, surprise words, anger words, sadness words and fear words. This was done even if the basic emotion did not always have the highest score, and the group of surprise included as few as three types of emotions (amazement, surprise and astonishment). See enclosure C for the complete categorisation of Shaver et al. However, for the purposes here, suffice to draw the conclusion that this categorisation of prototypes cannot be adopted in a straightforward manner. This is due to several reasons.

First, the approach to emotions in this thesis is contextual, and the categorisation made by psychology students was a one-shot procedure, where the emotions were put in a non-contextual situation and were not categorised in a specific situation or process.

⁴ Ekman's six basic emotions are: happiness, surprise, fear, sadness, anger and disgust (combined with contempt). Fridja's ten emotions are desire, fear, enjoyment, interest, disgust, indifference, anger, shock/surprise, arrogance and humility/resignation. Izard mentions ten fundamental emotions: interest-excitement, joy, surprise, distress-anguish, anger, disgust, contempt, fear, shame and guilt. Plutchik's eight basic emotions are fear/terror, anger/rage, joy/ecstasy, sadness/grief, acceptance/trust, disgust/loathing, expectancy/anticipation and surprise/astonishment.

Second, not all of the emotions shown or expressed by Hericles and Pericles are even listed in the Shaver et al experiment, even though their list is extensive. Out of more than eighty different emotion words from this study, not many more than thirty are the same as those of Shaver et al, which are included in the final list. This of course raises the question whether or not the remaining emotion words in the study can be labelled emotions. Going through Averill's (1975) semantic atlas of emotional concepts, 48 of the 81 emotions are accepted as emotions, and 11 of the rejected emotion words of Shaver et al were confirmed. However, there are still some types of emotions that could be questioned, such as challenge, emptiness and uncertainty, which I argue can be identified as emotions⁵.

Third, for the same reason Shaver et al mention, I agree that surprise is too small a cluster to really accept.

Fourth, and inevitably, there is a translation problem from the Swedish language into English. There might be emotion words in Shaver et al's list that correspond to some of those in the list here that have been overlooked due to a lack of a deeper knowledge in English. For this reason, a linguistic description has been made. See enclosure D.

Finally, there is the perception of the researcher about the intensity of the emotions. So, for instance, frustration has not been perceived as intense as anger. In Shaver et al's list they go under the same heading – "Anger words". In this study, they are under two different labels. The same goes for disappointment and despair, which are grouped under the same heading by Shaver et al, i.e. "Sadness words", but are classified under two different emotion groups here since a substantial difference in intensity was noticeable.

In order to summarise the discussion regarding an emotion classification and in keeping with the points made above, the conclusion is made that none of the classification attempts that I have come across have been fully satisfactory for this study. An attempt has thus been made to make a classification here that is contextual, i.e. made with reference to emotions, expressed and shown by strategic leaders, in a radical change process. The intention has been to frame an emotion classification that can be used as a general reference of emotions of strategic leaders, especially within radical change processes. Shaver et al's categorisation has been used as a point of departure and from their classification of love words, joy words, surprise words, anger words, sadness words and fear words, the following amendments and revisions have been made:

⁵ So, for instance, challenge may be close to joy or fear; uncertainty may be close to anxiety, emptiness may be close to sorrow, etc.

- (1) The classification labels preferred here do not comply to Shaver et al's labelling. The aim has been to use labels that I find more appropriate to the context of strategic leadership. Moreover, new labels have been added, which are to some degree a division of a 'Shaver' categorisation (e.g. anger words and sadness words). For instance, there has not been one occasion, where the strategic leaders have expressed, or shown, sadness, even if they have shown emotions categorised under this label. For this reason, the category is split up into the two new labels: *Concern*, which would represent a 'lighter' sadness (disappointment, regret and sympathy) and *Strain* representing a 'stronger' sadness (despair, dismay, grief and guilt) which affects the strategic leader more deeply. Emotions from the category "fear words" have been included in *Concern* (uneasiness and worry) or *Strain* (shock, tenseness and distress) respectively.
- (2) There does not seem to be any need for the category "love words" since neither one of the strategic leaders has shown or expressed any emotion included in this category. For example, neither one of them talked about feeling love or attraction. For this reason, using such a label would give a deceptive impression.
- (3) The category of "anger words" has been split into two categories and a separation has been made between what has been perceived as strong anger (anger, rage, and indignation) under the heading *Anger*, and anger that is not as strong (frustration, irritation, annoyance and impatience) – labelled here as *Frustration*.
- (4) The category of "surprise words" has been excluded and been incorporated within the new heading *Bewilderment*.
- (5) Finally, the category of "joy words" has been followed to a great extent with the exemption of hope and optimism which are added in a new category *Confidence* and the addition of three new words (challenge, cockiness and self-fulfilment) with the labelling *Satisfaction*.
- (6) There have also been situations where the strategic leaders have expressed or shown emotions that have been prominent yet were not categorised by Shaver et al. Therefore, the new categories of *Abandonment*, *Confidence* and *Resignation* have been added. To the category of Confidence, hope and optimism have been transferred from "joy words". From the category of "sadness words", the emotion loneliness has been transferred to *Abandonment*. This was an emotion, which was originally mentioned in the Shaver et al list but was excluded later on.

This results in my final classification of nine groups: Abandonment, Anger, Bewilderment, Concern, Confidence, Frustration, Resignation, Satisfaction and Strain.

In the exhibit below, emotions with similar significance have been grouped together. Again, it has been of crucial importance here to make a classification that makes the process more easily grasped in relation to emotions. This means that sometimes the classification might not completely match the emotion label at the expense of seeming a bit vague but with the benefit of being easier to comprehend. The classification is shown in alphabetical order in exhibit 8.1. Please refer to enclosures D and E1– E9 as well for a more detailed explanation of the classification and the significance of each word within each class. Both of these enclosures are made with lexical translations and synonyms as points of departure.

Type of Emotion	Signification within the Radical Change Process
Abandonment In Collins Cobuild (1987): “The abandonment of a place, person or thing is the act of leaving them permanently or for a long time; If you abandon someone, especially someone you have responsibility for, you leave them and never go back to them.”	As a consequence of the manager’s less successful than actions, he experiences a variety of more or less agonised feelings, that are either conscious or unconscious. The common theme is for example a feeling of being deserted, lonely, helpless, betrayed, empty, dependant, or treated unfairly in a situation where the strategic leader has no superior or confident to turn to – or they do not respond to the strategic leader’s appeal for help.
Anger In Collins Cobuild: “Anger is the strong emotion that you feel about an action or situation which you consider unacceptable, unfair, cruel, or insulting, and about the person responsible for it.”	A set of emotions that give voice to the strategic leader’s more forceful appearance and where more “normal” and socially “civilised” ways to meet the situation have been exhausted – or where the situation has reached a point where the manager has accumulated a series of emotions that have been previously neglected. The discrepancy between what is and what ought to be feels far

	too big to the strategic leader. Such emotions, in addition to anger, are aggressiveness, rage and indignation.
Bewilderment In Collins Cobuild: If something bewilders you, it is so confusing or difficult that you cannot understand it. If you are bewildered, you are completely confused and are unable to make a decision about something or to understand it. Bewilderment is the feeling of being bewildered.	This emotion includes a set of feelings where the strategic leader meets a situation which is new to him, or the complexity of a series of events do not make sense to him, and where he has no ready-made solution. These emotions are an active way to approach a situation and a wish to find a pattern and thereby a solution. Examples of bewilderment are doubt, uncertainty, hesitation, reluctance, surprise, suspicion, distrust and pondering.
Concern In Collins Cobuild: "Concern is worry that people have about a situation; If something is of concern, it is worrying and unsatisfactory; if something concerns you, it worries you and makes you upset; A concern is something that is important to you and that you think about a lot; If you are concerned with something, or if you concern yourself with it, you are involved with it because it interests you or because you think that it is important; If you concern yourself about someone, you care about what happens to them and want them to be happy, safe, and well; If a situation, event, or activity concerns you, it affects or involves you."	This is an emotion where the strategic leader puts in extra effort and energy in order to solve a situation because he thinks it is vital and has difficulties in letting it go or in letting it remain unsolved. The situation might extend over time. Concern involves worry, empathy/sympathy, uneasiness, disappointment, regret and easy strain.

<p>Confidence In Collins Cobuild: "Confidence in a person or thing is the feeling that you can trust them to do what they are supposed to do and that they will not disappoint you or fail; The belief that you can deal with situations successfully using your own abilities and qualities; A feeling of certainty that what you are saying is correct."</p>	<p>Confidence is when the strategic leader is sure that everything is or will be OK and that the situation is or will be under control. He therefore does not worry about it or give it much thought, but rather he looks forward to the course of events. Confidence involves a range of different feelings, such as calmness, security, trust, reassurance, conviction, self-assurance, hope, optimism, expectation, loyalty and commitment</p>
<p>Frustration In Collins Cobuild: "If something frustrates you, it makes you feel upset and angry because you are unable to deal with the difficulties and problems it gives you; If something frustrates something such as a plan, an event, or the progress of something, it results in it not taking place or not succeeding. "</p>	<p>Frustration is a feeling of something being in the way of the strategic leader and disturbing his plans. He sees a need to get rid of this obstacle as soon as possible in order to achieve his purpose. Feelings of impatience, irritation, restlessness, disharmony, being shut-in, persistence, dissatisfaction and defensiveness belong to this group.</p>
<p>Resignation In Collins Cobuild: "An attitude of resignation is acceptance of an unpleasant situation or the unpleasant circumstances of life without complaining or worrying about them or trying to change them."</p>	<p>Resignation is a feeling of giving in. The strategic leader has tried to solve the situation but has been forced to either change his mind or just let it go. The following emotions belong in this group: sense of defeat, sense of giving up, hopelessness, listlessness, tiredness, lack of motivation and a sense of cowardliness.</p>
<p>Satisfaction In Collins Cobuild: "The pleasure that you feel when you are doing or have done something that you wanted or needed to do; If you do something to someone's satisfaction, they are happy with the way you have done it."</p>	<p>The strategic leader feels satisfaction when he has a sense of having been successful, either with a project, a situation, a goal or within a relationship. It also involves the Self being successful. Satisfaction involves joy, pride, cockiness, amusement, excitement, challenge, relief and self-fulfilment.</p>

<p>Strain In Collins Cobuild: "Strain is a state of worry and tension caused by a situation that severely tests your mental and physical powers; If you refer to a situation as being a strain, you mean that it causes you to feel worried and tense. Strain is a difficulty that is caused for something when its powers or resources are severely tested or used to an extent that goes beyond normal or reasonable limits."</p>	<p>Strain involves a concern to solve a solution, that to the strategic leader seems more or less insoluble or impossible to avoid. Strain is deeper than concern and has an influence on the strategic leader's physical and/or mental health. Strain involves a wide range of feelings, such as despair, dismay, distress, grief, guilt, hardship, fatigue, inadequacy, inability to express feelings, pain, pressure, shock, stress, threat, tension and vulnerability.</p>
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Exhibit 8.1 Classification of Emotions and their Purports.

A summary of the different types of emotions connected to the emotions of Hericles and Pericles is presented here in exhibit 8.2 in alphabetical order.

Abandonment IV* (Total 15)	Anger I* (Total 14)	Bewilderment V* (Total 28)
Betrayal V Dependence V Emptiness V Helplessness V* Loneliness III* Sense of Unfair Treatment V	Aggressiveness V* Indignation IV* Rage I*	Distrust V Doubt IV* Hesitation V Reluctance V Surprise III* Suspicion V* Uncertainty V

Concern V* (Total 85)	Confidence V* (Total 49)	Frustration II* Total (64)
Disappointment II* Easy Strain V Empathy/ Sympathy II* Regret II* Uneasiness II* Worry II*	Calmness IV* Cautious optimism III Commitment V Conviction V Expectation V* Hope III* Loyalty V Optimism III* Reassurance V* Security V* Self-assurance V Trust V*	Annoyance II* Defensiveness V Disharmony V Dissatisfaction V* Impatience IV* Irritation II* Persistence V Restlessness V Feeling shut-in V
Resignation V* (Total 17)	Satisfaction I* (Total 77)	Strain V (Total 30)
Sense of Cowardliness V Lack of motivation V Listlessness V* Pessimism V* Sense of giving up V Tiredness V	Amusement I* Challenge V Cockiness V Excitement I* Happiness I* Joy I* Pride I* Relief I* Self-fulfilment V	Fatigue V* Grief II* Guilt II* Hardship V Hopelessness II* Inability to express feelings V Inadequacy V Pain V* Pressure V Shock II* Stress V Tension II* Threat V* Vulnerability V

ⁱ Categorised by Shaver et al within the same category

ⁱⁱ Categorised by Shaver et al within a split category

ⁱⁱⁱ Categorised by Shaver et al within a new category

^{iv} Listed by Shaver et al but not categorised

^v Not listed by Shaver et al

* Listed by Averill

Exhibit 8.2 Classification of Emotions

The exhibit shows 81 emotions in total of which 31 are listed by Shaver et al and 26 are categorised. This gives a total of 50 emotions that are not listed. Turning to Averill's (1975), semantic atlas of emotional concepts in English, 17 emotions out of the 50 can be detected. Hein provided an extensive list of over 1600 "feeling words" in April 2000, and the list is constantly being revised and added to (Hein, 2000). Compared to exhibit 8.2 only ten emotions are missing⁶. The nine categories are of course disputable for several reasons, and some emotions do not fit naturally within the given category. It is still unresolved whether or not the remaining 10 emotions above are indeed emotions. On the other hand, one could argue that many of the emotions listed on Shaver et al's list are equally debatable. So for instance, is it a given that intelligence, self-control and virtue are emotions – whereas disharmony and self-fulfilment are not?

Hericles' Emotion Pattern with the Classification as Reference

In order to be able to document a possible emotion pattern for Hericles, exhibits 8.3, 8.4, and 8.5 are shown. Exhibit 8.3 is a classification of Hericles' emotions, categorised in accordance with exhibit 8.2. The following picture appears for Hericles:

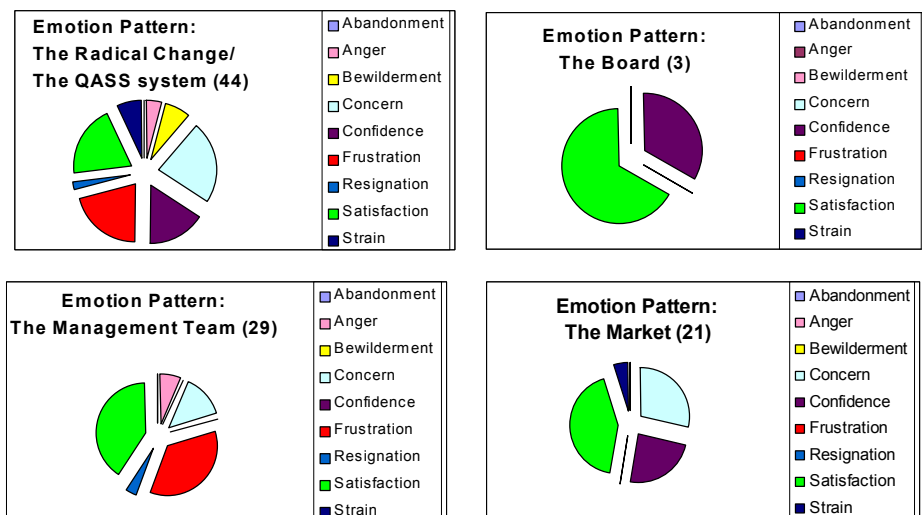
Abandonment (0) (Total 0)	Anger (1) (Total 5)	Bewilderment (1) (Total 12)
	Indignation (4)	Doubt (1) Hesitation (2) Reluctance (7) Uncertainty (1)
Concern (27) (Total 54)	Confidence (6) (Total 21)	Frustration (3) (Total 30)
Disappointment (8) Empathy/ Sympathy (3) Regret ((2) Uneasiness (3) Worry (11)	Calmness (2) Conviction (1) Expectation (6) Optimism (2) Reassurance (1) Self-assurance (3)	Impatience (12) Irritation (11) Dissatisfaction (4)

⁶ These are: cockiness, conviction, hardship, inability to express feelings, persistence, sense of unfair treatment, disharmony, sense of giving up, feeling shut-in and self-fulfilment.

Resignation (3) (Total 6)	Satisfaction (21) (Total 68)	Strain (1) (Total 5)
Sense of cowardliness (1) Tiredness (2)	Amusement (2) Challenge (1) Cockiness (1) Excitement (5) Happiness (2) Joy (20) Pride (8) Relief (5) Self-fulfilment (3)	Shock (2) Threat (2)

Exhibit 8.3 Classification of Hericles' Emotions

In total, 40 different emotions appear, and a first glance would indicate a concentration of emotions on satisfaction, concern and frustration. If the classification is combined with emotions in relation to different managerial issues, the following picture becomes clear⁷:



⁷ In the graphic illustrations of tables 8.4, 8.5, 8.7, and 8.8, the purpose is not to provide a basis for an absolute comparison between the emotions and managerial issues. Instead the purpose is to give a pedagogical overview in order for the reader to more easily comprehend the patterns of emotions of Hericles and Pericles.

Emotion Patterns: Hericles' and Pericles' Emotions in Motion

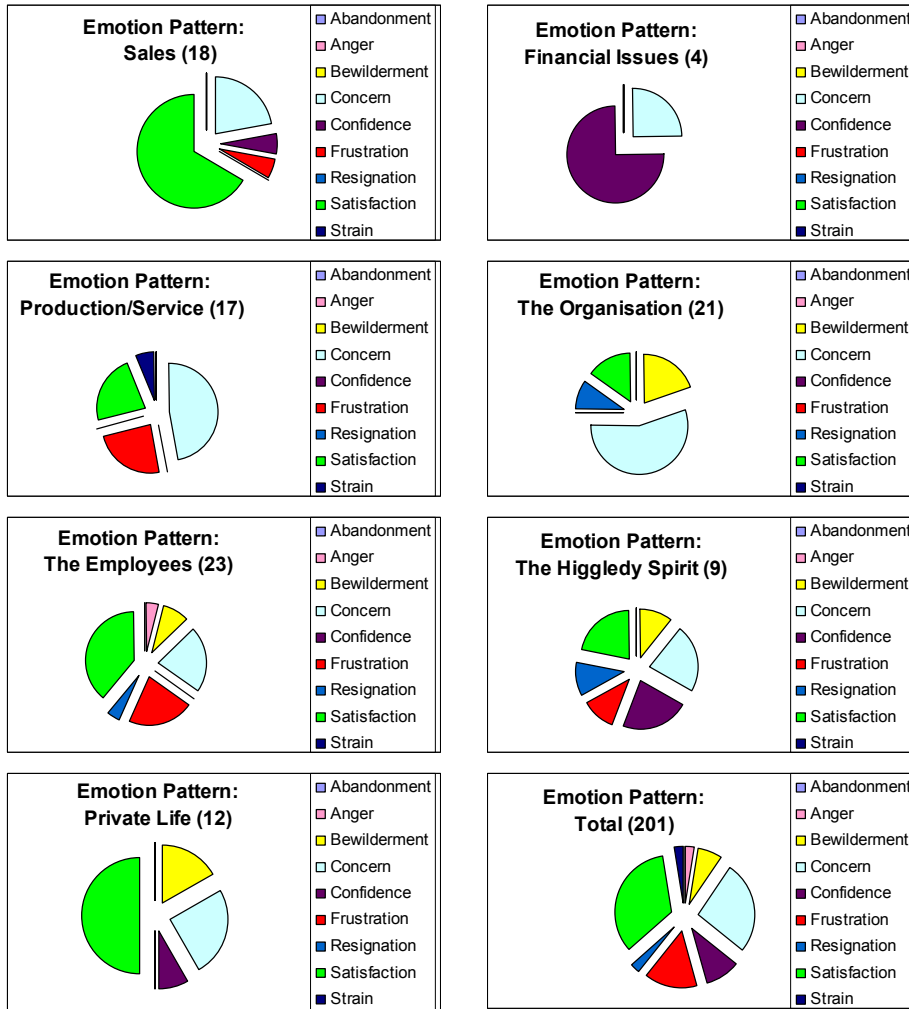


Exhibit 8.4 Hericles' Emotion Pattern within the Radical Change Process. The figures within brackets are the total number of emotions within each managerial issue. For a clarification of the division into the different managerial issues, such as the radical change, the board, the management team, please see chapter six.

The picture of exhibit 8.4 greatly confirms what has been described previously in chapter six. The exhibit shows many “green” fields, which indicates that Hericles feels a lot of satisfaction during the radical change process in issues such as the market, sales, the newly formed board, the management team, employees and his private life. The many “purple” fields imply that Hericles feels a lot of confidence as well. This is especially discernible regarding financial issues and the board. Hericles’ main concern is organisational and production matters. A noticeable amount of concern is also directed towards the QASS system, the market, the Higgledy spirit, sales and Hericles private life, and the latter two concerns are related to being perhaps too successful. Feelings of frustration are mainly directed towards the management team, the QASS system, his employees and production. Hericles does not seem to feel a lot of bewilderment, and when he does, it is regarding the growth of the organisation and concern for his private life. The greatest variety of emotions occurs in relation to the QASS system and the employees. An interesting observation is that the emotion pattern related to the QASS system resembles the total pattern of emotions to a great extent.

In order to illustrate how the different emotions relate specifically to different managerial issues, exhibit 8.5 is shown.

Emotion Patterns: Hericles' and Pericles' Emotions in Motion

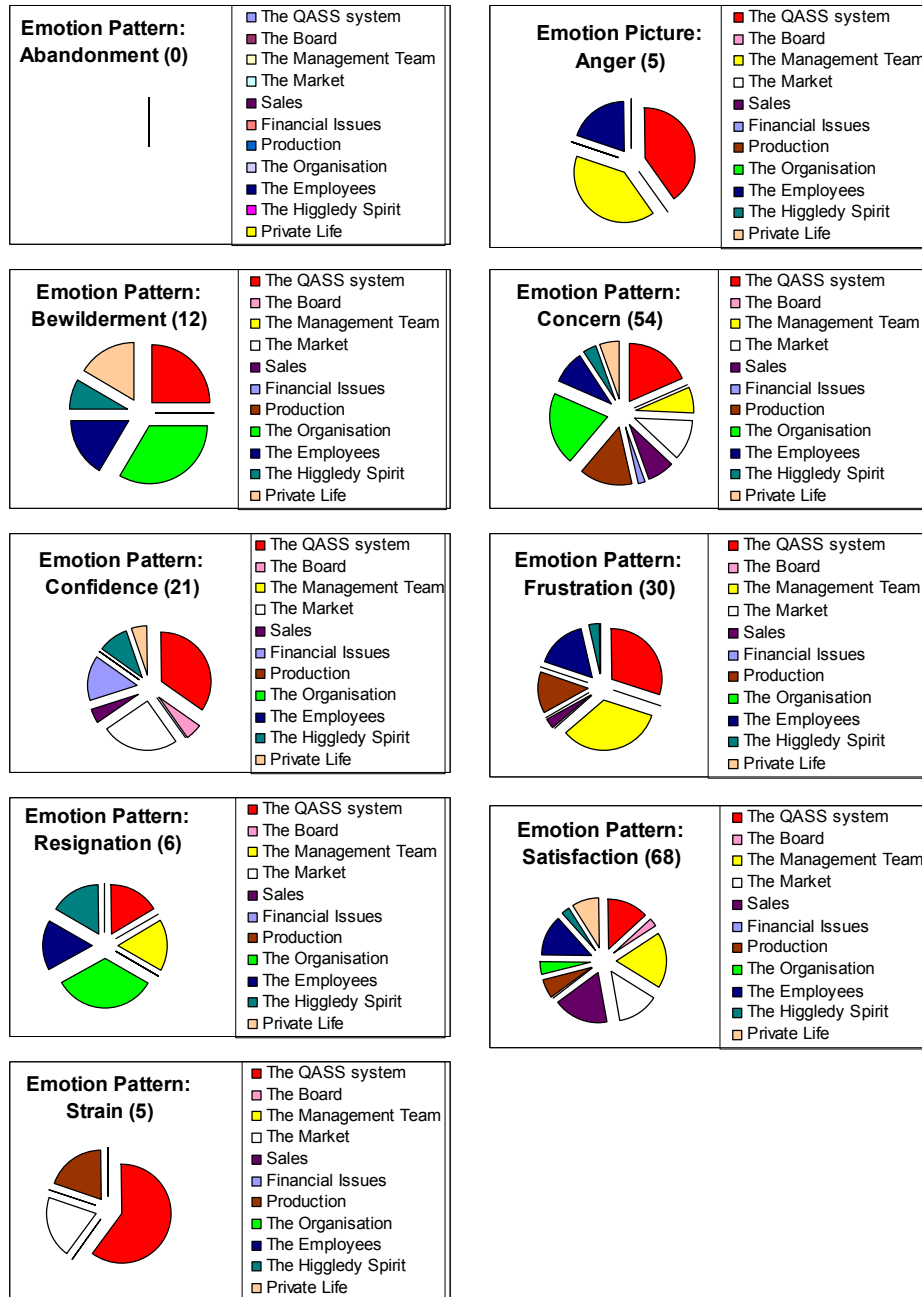


Exhibit 8.5 Emotion Patterns for each Emotion – Hericles. The number within brackets represents the total number of emotions.

The chart shows that Hericles' strain, anger, frustration, bewilderment and concern are strongly connected to the development of the new QASS system (illustrated here in red). At the same time, he feels a lot of confidence in the same direction. Organisational matters cause a lot of bewilderment, resignation and concern (in green). The management team causes feelings of anger, frustration, satisfaction and resignation (in yellow). Hericles shows no feelings of abandonment. In other words, the picture that comes through in exhibit 8.5 again confirms a lot of what has been described before.

Pericles' Emotion Pattern with the Classification as Reference

Turning to Pericles, exhibits 8.6, 8.7, and 8.8 will now be presented. The following exhibit is a classification of his emotions, equally categorised in accordance with exhibit 8.2.

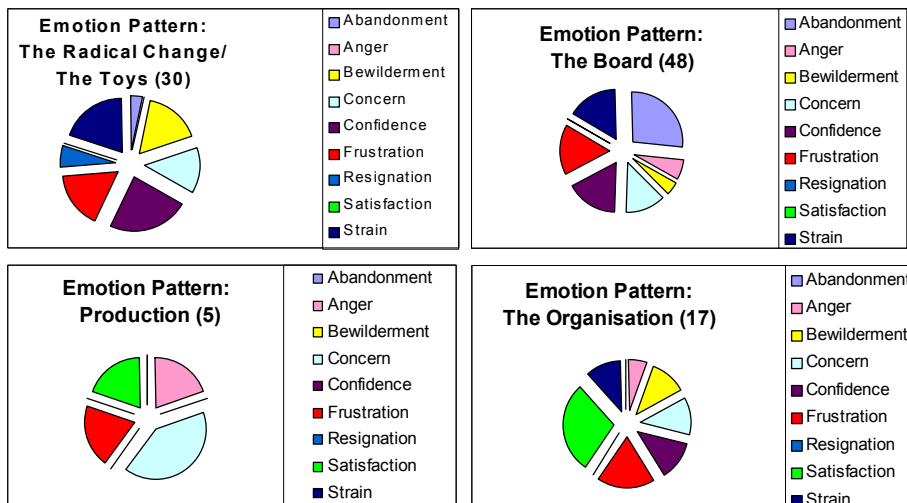
Abandonment (5) (Total 15)	Anger (1) (Total 9)	Bewilderment (4) (Total 16)
Betrayal (1) Dependence (2) Emptiness (1) Helplessness (4) Loneliness (1) Sense of Unfair Treatment (1)	Aggressiveness (1) Indignation (4) Rage (3)	Distrust (2) Doubt (4) Surprise (1) Suspicion (1) Uncertainty (4)
Concern (9) (Total 31)	Confidence (4) (Total 28)	Frustration (12) (Total 34)
Disappointment (9) Easy strain (1) Empathy/Sympathy (5) Regret (1) Worry (6)	Cautious optimism (3) Commitment (1) Expectation (4) Hope (9) Loyalty (1) Reassurance (1) Security (1) Self-assurance (3) Trust (1)	Annoyance (2) Defensiveness (4) Disharmony (1) Dissatisfaction (3) Impatience (2) Irritation (7) Persistence (1) Restlessness (1) Feeling Shut-in (1)

Emotion Patterns: Hericles' and Pericles' Emotions in Motion

Resignation (4) (Total 11)	Satisfaction (2) (Total 9)	Strain (5) (Total 25)
Hopelessness (1) Lack of Motivation (1) Listlessness (1) Pessimism (1) Sense of Giving Up (1) Tiredness (2)	Happiness (1) Pride (1) Relief (5)	Fatigue (1) Grief (1) Guilt (1) Hardship (2) Inability to Express Feelings (1) Inadequacy (4) Pain (1) Pressure (4) Shock (2) Stress (1) Tension (1) Vulnerability (1)

Exhibit 8.6 Classification of Pericles' Emotions

Exhibit 8.6 shows 68 different emotions, and a first observation here indicates a concentration of emotions that are concerned with frustration, concern, confidence and strain. Combined with the classification of emotions in relation to different managerial issues, the following pattern emerges.



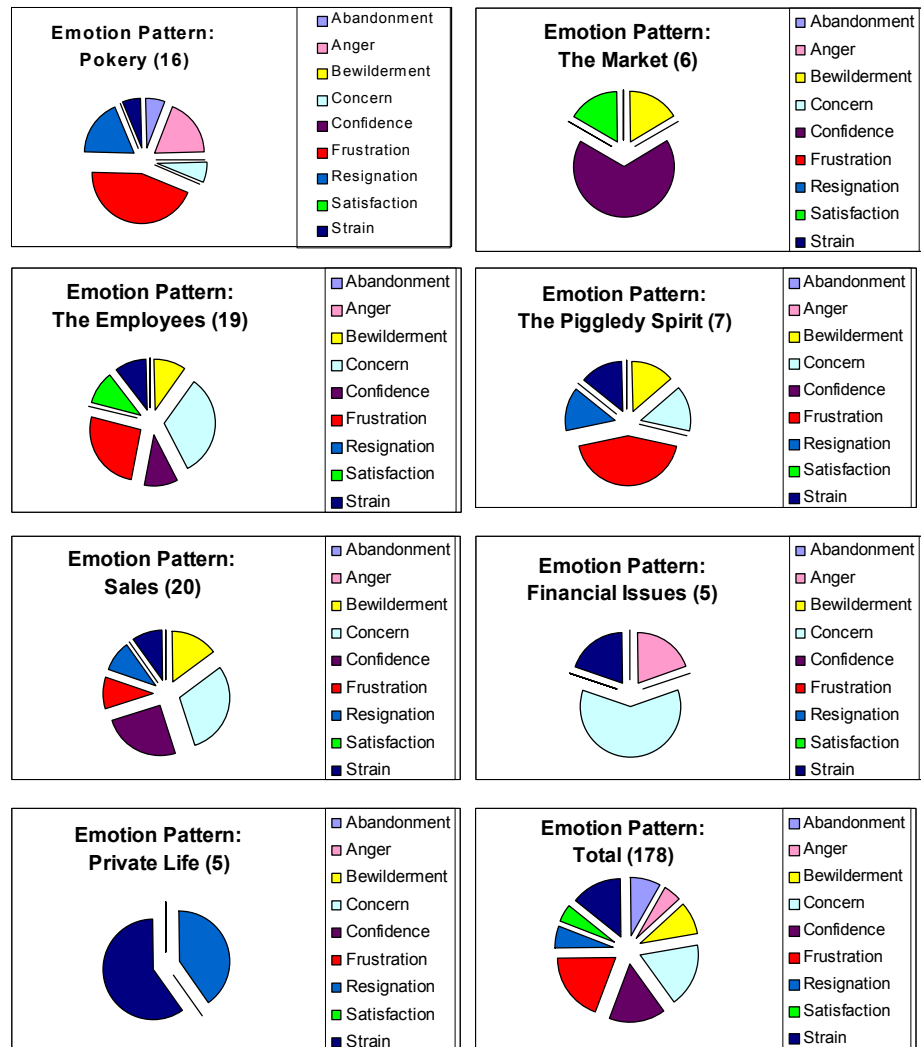


Exhibit 8.7 Pericles' Emotion Pattern within the Radical Change Process. The figures within brackets are the total number of emotions within the managerial issue. For a clarification of the division into the different managerial issues, such as the radical change, the board, Pokery and the market, please see chapter six.

At a first glance exhibit 8.7 resembles a colour chart, which is not surprising considering the great variety of different emotions in Pericles' case. A closer look confirms what has been brought about in the narrated chronologies. However, there is a tendency for Pericles to feel slightly different emotions in relation to different issues. In spite of all these emotions, Pericles remains rather confident along the way regarding the market and sales. However, this mainly goes for the display cases and furniture components. The emotion of strain more adequately reflects Pericles' emotions regarding the market for and the sales of toys. Other than this, Pericles does not feel very confident. Pericles' concern shows in "light blue" and is mainly related to financial issues, production, the employees and sales. Frustration, in "red" seems to be the main emotion towards internal issues, i.e. the culture, the employees and the organisation. The main stress derives from Pokery and Pericles' private life as well as from financial issues and the board – a board that creates strong feelings of abandonment. The small amount of satisfaction seems to derive from issues regarding the organisation, production, and the market. Resignation also characterise Pericles relationship to his own private life. There are many managerial issues which give rise to a variety of different emotions, such as the production of toys, the board, the organisation, Pokery, the employees and organisational matters. An interesting observation is that the emotional pattern of the radical change process as such seems to have a lot in common with the overall emotion pattern, as was the case with Hericles.

Turning to a combination of each emotion in relation to the managerial issues, one can see the following results.

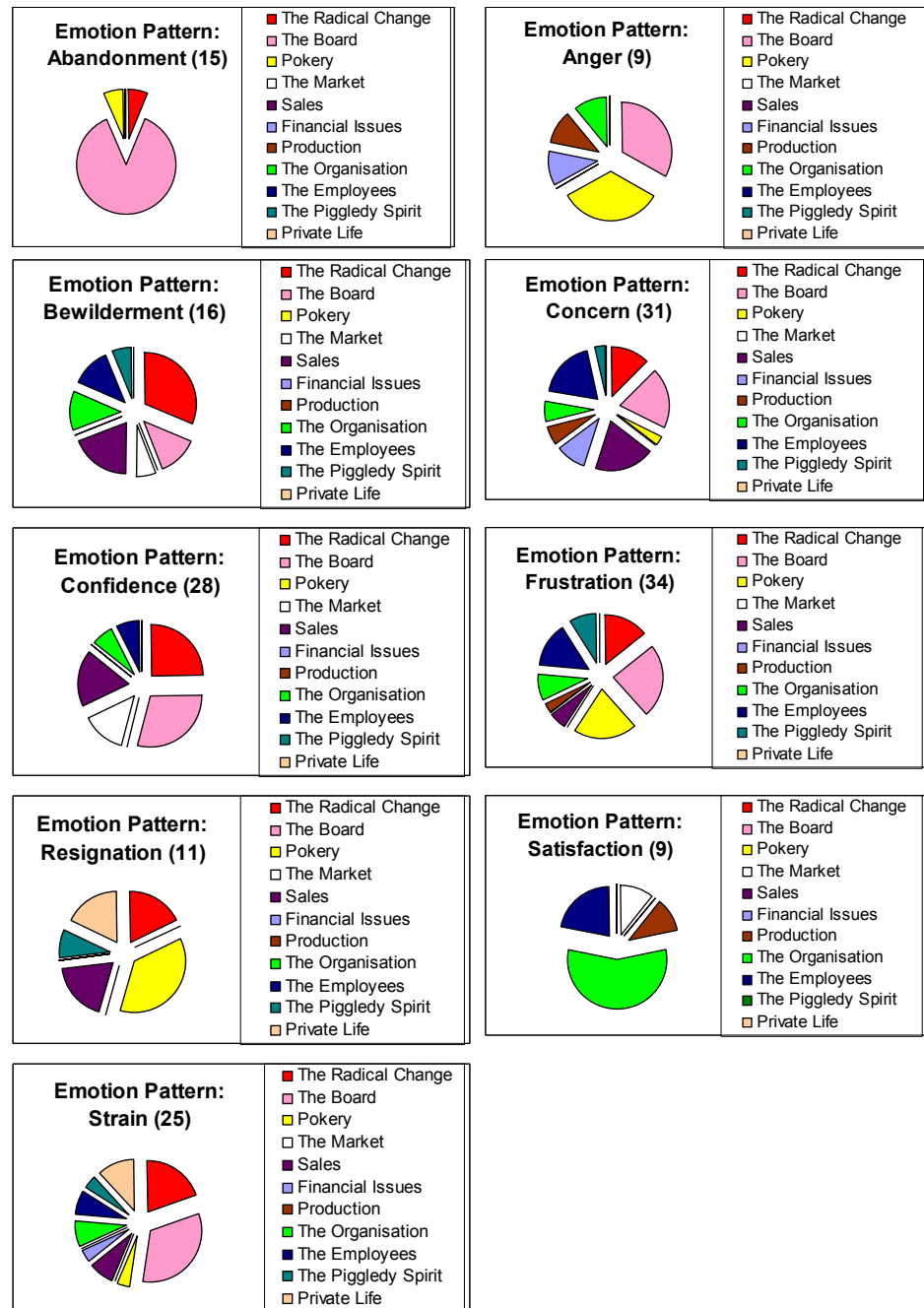


Exhibit 8.8 Emotion Pattern for each Emotion – Pericles. The number within brackets is the total number of the emotion.

A lot of “pink” is visible in this pattern, which is Pericles’ feelings towards the board. A variety of emotions occur in his relationship to the board – abandonment, anger, strain, frustration, concern, bewilderment, but also confidence. The development of toys, i.e. the outspoken strategy, gives rise to many emotions as well. These are bewilderment, resignation, frustration, concern, strain, but confidence as well. Emotions in relation to Pokery – part of the strategy – are anger, resignation and frustration. On the whole, strain, concern and frustration seem to relate to most of the managerial issues here. Again, much of what has been described earlier seems to come through here as well.

The empirical findings are described in more detail below.

Critical Strategic Issues and Emotions: Hericles

In order to discuss the empirical findings in relation to strategic leadership, an identification of the most significant strategic issues in Higgledy and Piggledy needs to be made including what emotions are apparent and are communicated by Hericles and Pericles in relation to these issues.

Hericles acts in an organisational setting where he as the sole owner is empowered to set out a strategy and decide how to run the company in order to meet this strategy. From the categorisation into managerial issues made earlier in this chapter, the following managerial matters have been identified here as having an especially important relationship to the development of the third generation of quality assurance equipment: the market demand, the competitors and the progress of the QASS system itself. In order to find specific emotions in relation to critical strategic issues, the following connections have been found at Higgledy. (See exhibits 8.8, 8.9, and 8.10 below.) Let me start with the market demand:

Issue	Emotions
Market demand ⁸	Concern Satisfaction (3)

Exhibit 8.8 Hericles' Emotions in Relation to the Market Demand.

⁸ The number of emotions in relation to the market demand does not correspond to the total amount of emotions regarding the Market as presented earlier in exhibit 8.1.

The market as such offers feelings of satisfaction for Hericles. Hericles knows his market, finds pleasure in going to different exhibitions to talk and listen to customers' future demands. From there he makes a market plan based on his own opinions and visions about Higgledy's future business segments and what products and systems should be delivered to the market. He also finds out a lot about customers' demands through his daily rounds at work.

Turning to the competitors, the following pattern can be seen:

Issue	Emotions
Competitors	Anger (2) Bewilderment (3) Concern (3) Impatience (1) Resignation (1) Strain (1) Satisfaction (1) Confidence (1)

Exhibit 8.9 Hericles' Emotions in Relation to Competitors.

Now the picture becomes more complicated. Hericles' emotions in relation to competitors are more of bewilderment, concern, anger, frustration, resignation and strain, rather than satisfaction and confidence. It is not uncommon for Hericles during the process to have an image in his mind, where the competitors catch up and gain "his" market shares. Hericles is convinced that the new generation of quality equipment, in this case the QASS system, is the right way to meet future market demands and stay ahead of the competitors. It is therefore of interest to turn to the picture that emerges in relation to the in-house development of the QASS system, carried out by the R&D Department.

Emotion Patterns: Hericles' and Pericles' Emotions in Motion

Issue	Emotions
The QASS system ⁹	Anger (1) Concern (9) Frustration (7) Strain (3) Confidence (3) Satisfaction (1)

Exhibit 8.10 Hericles' Emotions in Relation to the QASS System.

The exhibit above indicates that the picture changes rather dramatically. Hericles' emotions in relation to the QASS system become more frequent, and more intense. The picture stresses feelings of concern, frustration and strain, even if feelings of confidence also exist.

Through different emotional expressions, Hericles changes from being satisfied to being very concerned and frustrated. The three exhibits above suggest that Hericles shows three different patterns regarding three different strategic issues. He communicates different emotions. Thus the message regarding the market is that Higgledy seems to be in control of what is going on and what the market needs. The message about competitors seems to be that Higgledy needs to be very aware, and that if the QASS system is not ready soon, the consequences might be devastating. The two messages regarding the market and the competitive situation combine to make an intensified manifesto that all efforts must be put into developing the QASS system in order to retain the positive relationship regarding the market demand. Taking all of this into account and having followed Hericles' showed, expressed and experienced emotions, mainly in real time, I claim that Hericles makes use of an emotion repertoire and emphasises his efforts towards key personnel in Higgledy in order to make progress with the development of the new QASS system. This might be a process of which he is unaware of, but nevertheless, it is probably the result of Hericles' own experience and management style and the highlighting of strategic issues. Emotions thus play a vital part in his strategic performance.

Hericles is emotionally tied to the strategy of Higgledy and communicates different emotional expressions in order to reach established goals. The strategy of the company is neither unintended nor does it emerge as the pattern in a

⁹ The number of emotions here do not correspond to the number of emotions regarding the radical change process/R&D in exhibit 8.4. This is due to the fact that the emotions in the exhibit above do not include emotions related to the R&D department as such and to the R&D manager, even if they can be related to the development of the QASS system.

stream of decisions and acts. However, the way the strategy is achieved, is a disruptive and step by step process (c.f. Mintzberg, 1988). This might give us the impression that the strategy is formed along the way as a result of different micro processes in the company. However, I would argue that this is not the case here. Hericles has made up his mind that Higgledy needs to develop a new system as the next step in a third generation of quality assurance equipment, and he sticks to his decided strategy no matter what happens. He constantly works on reaching the goal, urging everyone and especially the R&D manager to speed things up. He even wants to use the forecast as a means of bringing pressure on the R&D department. Hericles shows a lot of satisfaction, confidence and concern on his way in leading the company forward. He shows his frustration by his continuous prompting of the R&D manager to speed up the developmental work. He is constantly working on reaching the company's vision: "we predict the standard". He pushes and pushes and shows impatience. He wards off the threat of becoming a bureaucratic organisation consistently, and he devotes a lot of time and effort by getting involved personally in the development of the QASS system exemplified his daily rounds. Hericles is a role model for his employees by not being afraid to express his emotions and show the emotional peaks that come with the every day life of running Higgledy. By being an emotional role model, Hericles distinctly shows what his purpose is, even if he, himself, thinks he is woolly in his decisions. This is perhaps an unconscious way to make up for his 'straightforwardness' emotion-wise.

Hericles gets upset and/or irritated when he in some way or another experiences obstacles reaching his goal. Given time to reflect on this, Hericles sets about different arrangements such as a re-organisation, the replacement of the production manager, a new constellation of the management team, the replacement of the R&D manager, etc. The emotional experience or outbursts do thus, perhaps unconsciously, affect him.

The time aspect is of vital importance in the Higgledy case. Referring back to situations where emotions were very evident, Hericles does not seem to remember them or plays down the role of emotions. It is evident that Hericles wants to rationalise his acts, maybe because he might think that a rationalisation legitimates his position as a strategic leader. A more formal legitimisation need might also be the background to his uneasiness to conform to a more formal and conventional way of running a growing company.

To conclude, I argue that emotions play a role in Higgledy's success to reach the strategic intent.

Critical Strategic Issues and Emotions: Pericles

In Piggledy's and by extension Pericles' case, the situation and background are somewhat different from that of Higgledy and Hericles. Pericles is an employed strategic leader who must carry through a strategy which he has not been able to draw up in collaboration with the board, the employees of Piggledy or Pokery, (the sales and marketing channel of Piggledy). Piggledy could in this case actually be regarded as a contract manufacturer. Pericles has to implement the radical change process with the assistance and support of existing resources, such as the personnel of Piggledy, with its culture through which they all act and work, the production capacity, the production system and the organisational set up. Identifying important, strategic managerial issues in Pericles' case leads us to Pericles' emotions in relationship to the three different business units of Piggledy, namely the display cases, the furniture components and the toys. These three represent the future product mix of Piggledy, and the success of Piggledy is in turn dependent on their success on the market. Focussing on the display cases, the following picture becomes evident:

Issue	Emotions
Display cases	Confidence (5)

Exhibit 8.11 Pericles' Emotions in Relation to Display Cases.

The feelings expressed and shown throughout the process in relation to display cases, are all classified in my terminology as confidence. Display cases represent the traditional segment of Piggledy as well as the segment which the employees are most familiar with. Both Pericles and the employees rely greatly on the display cases. As soon as they see an increasing trend during the process for this segment, they are filled with confidence that this segment will be the company's life line and the foundation upon which Piggledy will thrive. This is the case, despite the initial predictions made by Pericles and forecasts made by the board indicating that display cases exist on an over-mature market.

The second business segment, furniture components, shows the following:

Issue	Emotions
Furniture components	Bewilderment (2) Frustration (1) Resignation (1) Strain (1) Confidence (3) Satisfaction (1)

Exhibit 8.12 Pericles' Emotions Related to Furniture Components.

The picture becomes more multi-emotional. Furniture components mark the second oldest business segment of Piggledy, a segment which is also accepted among the employees as a natural choice. However, it is this segment that has to be pushed into the background by the new production of toys. In the classification terms here, this move causes Pericles emotions of bewilderment, frustration, resignation and strain, even if some confidence and satisfaction show as well. When Pericles starts to doubt the strategy and therefore toys as a competitive product, he turns to furniture components in an attempt to increase the sales of this segment. Every time Piggledy receives inquiries from new customers, Pericles is hopeful. However, Piggledy has difficulties getting offers accepted, mainly due to difficulties with the price level. This is due in turn to the lack of a modern calculation system, as Pericles sees it. This end result is either rejections from possible customers or Piggledy having to decline new opportunities.

Turning to the emotions that emerge from Pericles' relationship to toys, the picture below shows:

Issue	Emotions
Toys	Bewilderment (3) Concern (5) Frustration (1) Resignation (1) Strain (2) Confidence (5)

Exhibit 8.13 Pericles' Emotions in Relation to Furniture.

Pericles' emotions in relation to the toys are more comprehensive. Despite the confidence that is shown at the beginning of the process, Pericles' emotions are mainly bewilderment, concern, frustration, resignation and strain. Even if it

is hard to predict the outcome of the sequence, and what has an impact on what, there seems to be a relationship between the development of emotions and the development of toys. During the process Pericles repeatedly gives voice to doubts about the strategy. In this situation, it is hard to avoid the mirroring of these emotions in the day to day operations of the company. And in this mirroring of Pericles' own concern and strain, it is hard for his surroundings not to be influenced. So, what Pericles calls the thick and impenetrable wall of the Piggledy spirit, is actually added to by bricks of his communication of emotions. Having witnessed this process, I argue that emotions play a vital part in his strategic performance.

It is not an understatement to claim that Pericles has failed in his intentions of successfully carrying through the radical change process. Pericles is also very emotionally attached to the strategy, for which he was hired, and all of his efforts are spent in order to manage this process. Even when he doubts the strategy, he remains loyal to it, as both the owner and the board point out. Probably without Pericles being aware of it, he slowly becomes part of the Piggledy spirit, and he seems to become a victim of his own feelings and emotions. He starts out with the ambition of overcoming the attitudes of his personnel in the end, but he himself makes everything difficult by starting to see problems instead of possibilities and trying to devote his time to things that are more familiar. Examples of this include different means of control and the devotion to operational issues. Pericles gives much time and energy even on a detailed level to the new system of calculation. The possible introduction of a new wage system and the company's quality assurance system seem to fulfil the same goal. The same goes for minor problems within the area of production. Pericles becomes an emotional role model and as such he ends up having a dampening effect. Even if he has a close relationship to the board of directors at the beginning of the process, Pericles is soon comes in a position where he sees a need to defend himself and his actions. This need continues and increases along the way. The relationship to the chairman of the board and the group executive head becomes more irregular in order to seemingly come to an end at the end of the process¹⁰. Pericles does not show many emotional peaks or emotional drive in public in order to encourage the organisational members. He does not turn to his employees distinctly in order to emphasise, communicate or visualise, the goal of the radical change process. His production personnel handle the situation and the problems that arise, but they seem to do it out of loyalty to the company.

The time aspect seems to play an equally important role in the case of Piggledy. This is especially evident in Pericles' relationship to Pokery and its

¹⁰ The end of the process is defined as the time of the researcher's withdrawal.

representatives. Throughout the process, one thing adds to another and a bad atmosphere is created between the two companies. Pericles declares again and again that the two need to start co-operating, and that they have to start afresh. However, unconsciously he does not “let bygones be bygones”.

To conclude, I argue that emotions play a role in Piggledy’s strategic intent ending in failure.

Concluding Discussion

The purpose of this thesis is to create an understanding of emotions in a radical change process with the strategic leader as the key focus. The empirical material shows that it is possible to view a radical change process as an emotional process. This chapter has presented an empirical analysis of the two micro processes in the two radical change processes. It shows that emotions are an everyday phenomenon for strategic leaders and that issues related to radical change in particular evoke a lot of emotions. It should now be evident that emotions are a natural part of everyday organisational life, regardless of the organisational or institutional conditions. Furthermore, it should be clear by now that it is time to acknowledge and pay attention to emotions since they are as evident as all other concepts that we attribute to strategic change. The empirical material and the emotion patterns of Hericles and Pericles have thus increased our understanding of emotions and shown that emotions definitely have a bearing and a place within the organisational arena, which was part of the purpose of this thesis. The classifications of emotions in a radical change context have put into words what most people find hard to talk about and describe. As much as it has been common knowledge that you can ‘work through’ words, here it is shown that it is also possible to ‘work through’ emotions. The descriptions of the two radical change processes are dense and rich in emotions, and add a perspective to strategic leadership that has been rare historically. Furthermore, the descriptions will possibly help other strategic leaders to learn from the process and to gain inspiration from the experiences presented here.

Earlier in this work, I have reasoned that I do not separate cognition from emotion for the simple reason that they are not easily separated nor is it of major interest here. However, for those making a distinction between the two, it might be of interest to note that the emotions classified here seem to take a new direction over time. At the beginning, there are emotions that can be classified as cognitive emotions, such as expectation and challenge, whereas towards the end, there are emotions, that would traditionally be classified as emotions, such as joy and anger. Again, turning to Averill (1975) and Hein (2000), who make no such separation, we can find all these types of emotions

under the same metaphorical roof. However, explanations for this development of the types of emotions in the empirical material can be threefold. First, it might be a natural development over time. At the beginning, the managers did not have the same trust in me, and they were not used to talking with emotion words so it might have appeared easier to stick to a more neutral vocabulary – or as it seems – to cognition words. In short, the relationships between the two strategic leaders and myself have probably improved over time. Secondly, I have probably become better as a researcher at interpreting specific emotion words that are more equivalent to the traditional term “emotion”. Thirdly, as a researcher, I might have become better with the wording during the writing process. The emotion patterns of Hericles and Pericles get more dense and private during the process, which is probably the “sum” of the reasons above.

Likewise, in this work I have repudiated the idea that emotions are positive or negative. Reading the chronologies, it is obvious that some of the emotions that we would traditionally label negative have had a purpose in the radical change process and they seem to have had a positive effect even if they would at first sight be labelled negative. For instance, Hericles expresses and shows a lot of frustration and impatience when it comes to the development of the QASS system. The result of these emotions is that people around him try harder and are spurred on to find new technical solutions and the development proceeds in the desired direction. Viewing it this way, I would claim that emotions in this particular case communicate a message that in its context is positive and is related to a positive outcome.

Further implications which is not often talked about is the emotional space of strategic leaders. They do not seem to have any arena where they can socially share their emotions, which most other people do at for example lunch and coffee breaks or through small talk in the corridor. Strategic leaders do not seem to have any breathing space. The spouse can play an important role as a sounding board, but this is not always the case. Of course, this can cause many emotions to increase such as frustration, hopelessness, etc.

The wording ‘emotion pattern’ in this chapter might lead to the perception that I have tried to create a static framing of the emotions. However, this is not the case at all. It should be emphasised though that the patterns shown here are on-the-spot accounts from the on going radical change processes and should be regarded as such.

As a complementary interpretive approach, the patterns have strengthened the impressions from the successive observations of this study. However, the theme remains to be addressed: the influence of emotions during a radical change process? Let us turn to the next chapter in order to discuss how emotions matter in a radical change process on a more abstract and theoretical level.

9. Do Emotions Matter?

Emotions in Motion and Strategic Leadership

This chapter addresses the influence of emotions in a radical change process. For this purpose, the chapter is structured as a thematic discussion with three different themes. In the first theme, giving emotions a performative definition, I will argue that emotions matter as driving forces, restraining forces, as well as indirect driving and indirect restraining forces, within such a process. In the second theme, I will discuss the implications of emotions as driving and restraining forces and suggest that translated and transformed emotions produce and reproduce power gain and power drain. The third theme will point out that emotions can serve as emotion sediments and as mood setters thereby constructing the organisational atmosphere, and thus they matter in the radical change process.

Thematic Discussion I

Translated and Transformed Emotions as Driving Forces and Restraining Forces

Here I will argue that emotions link organisational members together and that emotions that are produced within this dynamics can be regarded as driving forces, restraining forces, indirect driving forces and indirect restraining forces. Following Latour (1998) and his reasoning about power, emotions will be given a performative interpretation, and the translation model will be introduced. From there, a tentative model will be presented.

A Performative Interpretation of Emotions

To clarify his understanding of a performative perspective, including the term translation and transformation, Latour (1998) uses the concept of power. Analogous to his reasoning, I will argue for viewing emotions as performative, and thereby create an understanding for emotions in a radical change process where the strategic leader has been in focus.

Often, power is regarded as something a person “has” or “exercises”. This needs to be reconsidered according to Latour (1998). He claims that power is the result of other people’s actions and cannot be regarded as a means to make other people do what you want or demand. Latour makes a difference between the diffusion model and the translation model. The former defines the distribution of power – or any symbol – in relation to three elements: (1) the initial – and only – force, that starts off a movement in time and space; (2) the inertia that preserves it, and (3) the media through which the symbol of power circulates. The aspects of the translation model are the following, using the concept of emotion:

The movement in time and space of emotions is dependent on other people’s more or less conscious decisions about what to make of the emotions. They can decide to make something out of them – or to let them be. The main thing is, that there exists no single inertia that holds them back. There is no force that initiates the movement of the emotion, but rather it is the consequence of the energy that is given to an emotion that makes it into what it becomes. All actors have the same relevance and importance in this process, and in the social interaction they are the ones who translate, i.e. interpret the emotions and transform them into new emotions or actions in a continuous process. The terms translate and interpret are used synonymously here since an emotion that is interpreted is at the same time translated.

No acting person in the chain accepts, refuses or makes resistance to an emotion in the traditional way (i.e. according to the diffusion model). He or she adds value to the existence or preservation of the emotion. He or she translates it and transforms it into something in accordance with his or her present situation. It is relevant to talk about a continuous translation or transformation process, instead of, as in the diffusion model, a transfer or transmission of an emotion. A performative interpretation of emotions is a natural consequence of a socially constructed perspective of emotions. It is in the social interaction that emotions are interpreted or translated, applying a performative vocabulary. From this translation, emotions are transformed in one way or the other, more or less consciously and thereby transformed into emotions or actions, subject to new translations in the inter-personal interplay. The choice to talk about a performative interpretation of emotions is mainly made for the reason that a socially constructed view does not give that much room for, or emphasis on, the daily practical application of the translation or transformation processes. Admittedly, these two processes are most often so intertwined that it is a fruitless task to separate them. Likewise, it is in most cases not even necessary to do so.

Interpreting the influence of emotions in a radical change process, a performative approach and the translation model will be applied henceforth. *Therefore, throughout the text, when I refer to emotions as having an effect in one*

way or the other, it is not to be understood as if the emotion per se is the effect, but rather the emotion is being translated and transformed in a certain way and therefore has an effect.

On a micro level, this has implications for interpreting how emotions matter when it comes to strategic leadership. Communicating a radical change has been a task considered to be closely connected to management and the main responsibility of the strategic leader. Depending on the situation of the leader, the company, the culture, the organisational and institutional conditions, this task differs immensely between strategic leaders, even if this responsibility has been taken for granted. Viewing emotions in a performative way, it is up to the organisational members of Higgledy and Piggledy to interpret the communicated emotions of Hericles and Pericles and decide what to do with them, consciously or unconsciously. The same decision is of course in the hands of Hericles and Pericles themselves. This is a continuous process in daily interaction. Let me illustrate my point with parts of the communication from a meeting at Higgledy in November 1999 which is reproduced in full earlier in chapter six. The material is from the weekly management team meeting, attended by Hericles, the R&D manager, the Market and Logistics manager, the Production and Service manager, the technical expert on mobile phones and the Administration manager. On the agenda is a discussion of the forecast for the coming year, year 2000.

Before the meeting, frustration and confidence are emotions that can be interpreted of Hericles.

Emotion	Issue
FRUSTRATION (impatience, irritation) ¹	<i>Development is too slow.”... The important thing is to bring out the right products in the right time ... I expect this meeting to go a little bit ahead of that one [the Devo meeting later on during the week]. I think it is irritating to go over things again and again – it’s about time something happens. We can make plans and forecasts and projects but we must concentrate in order to get things done.</i>
CONFIDENCE (calmness)	<i>Costs are not that important.</i>
CONFIDENCE (expectation)	<i>The process of the forecast is of minor importance. The important thing is to bring out the right products in the right time ... We will have a Devo meeting next week about the development of new products. I expect this meeting to go a little bit ahead of that one.</i>

Exhibit 9.1: Hericles’ Emotions before the Meeting

Before the meeting, the Marketing and Logistics manager shows confidence:

Emotion	Issue
CONFIDENCE (calmness)	<i>No other role than what is usual. There is nothing special today. We will discuss the forecast – is that what you are thinking of (laughter)? Actually, I do not know how far it has progressed and how much it is prepared, so I don’t know what direction the discussion will take. It is more like wait and see.... I will adjust and take my stance as it comes.</i>

Exhibit 9.2 The Marketing and Logistic Manager’s Emotions before the Meeting.

Here it becomes evident that Hericles and the Marketing and Logistics manager communicate different emotions and expectations. Even if both of them feel confidence before the meeting, the confidence is related to two different issues. For Hericles the confidence is related to financial issues and for the Marketing and Logistics manager the confidence is related to an overall feeling that everything is under control. These clashing expectations surface *during* the meeting, where the following emotions are interpreted:

¹ The emotion word in capital letters is the categorised emotion word. See chapter eight for a full account.

Emotion Hericles	Issue	Emotion M&L Mgr	Issue
CONCERN (disappointment)	<i>I think you are incredibly optimistic at the Marketing and Logistics Department... that the old products will sell. I had been expecting ... I am much more pessimistic.</i>	ANGER	<i>... we are supposed to make the intelligent conclusions, we can't expect the agents to do that... We can't write down 500 and keep our fingers crossed.</i>
FRUSTRATION (irritation, frustration) CONCERN (disappointment) ANGER	<i>...I think it is – No, I do not think this is good. It's far from good. This is just a summary of what a bunch of agents have told you without you having your own standpoint ... No, I really have to stress that – I would have asked for the opinion of the Marketing and Logistics Department – not that of the agent ... Really, if it is the truth that is presented here, then the consequence is not to increase our R&D Department, but to go the other way around. We should keep it intact.</i>	ANGER	<i>... For God's sake we are not presenting any truths today – are we?! – We have been working like hell for two days – our whiteboard is scribbled all over. There are important conclusions that if we do not speed up we are through. ... This is no <u>truth</u> for God's sake. We can walk over and have a look at our whiteboard to see our discussion. Today is nothing else but a presentation of some damn figures that have been handed over to the Head of Administration and that have been summarised on some damn overhead.</i>

Exhibit 9.3 The Emotions of Hericles and the Marketing and Logistics Manager during the Meeting.

After the meeting, Hericles is still upset and expresses anger, concern and frustration:

Emotion	Issue
CONCERN (disappointment) ANGER	<i>Yes, it was a waste of time ... Because there were none of the dynamics there should have been.</i>
FRUSTRATION (impatience, frustration)	<i>NO. It does not give the direction for the future ... Maybe the result is good next year – it is possible that we can surf on previous products – but that is all. It is the same damn products as last year. Not a damn thing has happened.</i>
FRUSTRATION (irritation)	<i>... I think it is a question of concentration – more than I originally thought... They are all technocrats. They make calculations and file up. Therefore it was a sheer, a sheer fiasco.</i>

Exhibit 9.4 Hericles' Emotions after the Meeting.

After the meeting, the Marketing and Logistics manager seems to have calmed down and now he shows concern and frustration, but also concern for Hericles:

Emotion	Issue
CONCERN (disappointment)	<i>As usual I think that things are very woolly from the beginning. And then it ends up like this. It's so typical. That's my spontaneous reaction.... Hericles has been very clear in telling us that we should not spend too much time on this and he really doesn't like forecasts – he hates them. He told me to tell my people that they should not sit too long with this ... Then we would start with all the dynamics and the strategic thinking.</i>
FRUSTRATION (irritation) CONCERN (sympathy)	<i>... I can understand Hericles' disappointment, because he had expected an especially good result and now he has it in his head, that this forecast should be spectacularly dynamic and put pressure on the R&D Department – and that was on his mind and that was the most important thing to him. And of course he got that irritated. What he had decided in his mind did not happen ... Hericles is really not talking about the same reality but about something else, something besides this reality we live in right now. We mixed those in the meeting.</i>

Exhibit 9.5 The Emotions after the Meeting.

Do Emotions Matter? Emotions in Motion and Strategic Leadership

From the management team discussion and the exhibits above, it is obvious that emotions are a natural part of every day conversation and interaction. Furthermore, the emotions are created to a high degree throughout the discussion itself. The parties of the interaction make their translations of each others emotions and transform them. It is also evident that the emotions of Hericles are very related to the strategic change process itself or to issues related indirectly to this process. He is, for instance, concerned about the non dynamic forecast and is very frustrated that things are not speeding up fast enough, and he shows concern about the possibility of competitors catching up. The discussion above is but one encounter of many between Hericles and his management team. However, it is a rather typical example, when compared to other meetings, in the way Hericles is interpreted as showing frustration with the development of the QASS system. Hericles is also interpreted as showing a lot of satisfaction in relation to the strategic change process as well as concern. This is more obvious in his diary for the same month:

Emotion	Issue
SATISFACTION (excitement) CONFIDENCE (expectation)	<i>It will be exciting to meet customers at the Far East fair and to see what level the competitors are on.</i>
SATISFACTION (joy, pride)	<i>The order intake for the previous month was the largest ever in Higgledy's history.</i>
SATISFACTION	<i>Hericles has made many new contacts. Competitors seem to have lagged behind.</i>
CONCERN	<i>One competitor seems to have taken customers from Higgledy and one competitor presented a complete programme on quality assurance equipment for the first time at the fair.</i>
BEWILDERMENT (surprise)	<i>Many Chinese people contacted Higgledy's stand at the fair.</i>

Exhibit 9.6 Hericles' Emotions in his Diary for November 1999.

Turning to Piggledy and Pericles, a similar conclusion can be made. From the board meeting in November 1999, which is depicted in chapter seven, Pericles expects the forecast to be approved and expresses confidence in getting rid of some of the pressure on himself and his employees and to get some positive support from the board.

'The intention is to have it [the forecast] approved today ... To get rid of some of the pressure. However, I am realistic, as I know we have not succeeded this year, either. The failure is a combination of factors, but it is a very frustrating situation. But it is important to get rid of some of the frustration, for the sake of Piggledy – this situation affects everyone and we need a positive atmosphere to go forward.'

During the meeting, the board members are hard on Pericles, and he puts himself in a defensive position and he interprets their argumentation as frustration and disappointment. He agrees that he has failed with the toy production, and that it has been a very, very hard time on everyone. Pericles also tells the board about the possibility of getting a new, big client for furniture components. Both the owner and the group executive head get concerned and are frustrated with Pericles when he continues to express his feelings of inadequacy:

Owner: Hang on, now you contradict yourself. I should say that you, for this reason, would jump for joy over the possibility to produce 1, 000 units of one product in stead of working with that other crap.

Pericles: Yes, but I just wanted to explain what makes it so burdensome. I cannot express in words how hard it has been on us.

Group executive head: I think I can – you seem to be paralysed within the organisation regarding new products.

The forecast is not decided on, but instead a decision is made to incorporate part of Pokery with Piggledy. After the meeting, the owner expresses continuous frustration and concern that everything should take such a long time in the company. Pericles expresses satisfaction about the decision to bring Pokery closer to Piggledy, but he is concerned because he told the board about the new possibility about furniture components. As a whole, he has not eliminated the pressure on him since he interprets that the members of the board as giving him additional pressure, due to their reactions and communicated emotions during the meeting.

The sequences from the board meeting described above show that emotions arise which are translated and transformed. The discussion thereby gives rise to new emotions, which people interpret and transform again.

A performative interpretation of emotions is to say that emotions are the consequence of the translation and transformation of the organisational members, or as Latour (1998) labels it people *in actu*. This is a term that is preferred here as well, rather than the term “in action”. The latter expression indicates that only actual actions have taken place, whereas the former expression includes the translation/interpretation as well as the transformation of the emotion. All organisational members take part in this co-producing of

emotions. In this example, as well as from other interaction processes at Higgledy and Piggledy, all organisational members of Higgledy and Piggledy, including the two strategic leaders themselves, can be considered to make or break Hericles' or Pericles' status as persons *in potentia*, another expression used by Latour (ibid.). This implies that depending on how the emotion is translated and transformed, the organisational members may or may not empower the strategic leadership of their strategic leader. This empowerment is a constant dynamic between all organisational members, including the strategic leader, and the trigger to this dynamic can be related to persons and/or different issues. Latour uses the term *powers of association* to describe this phenomenon. This would, in turn, imply that emotions are a source of energy, i.e. the energy is within those who interpret the emotions, and then in turn either transform the emotions or ignore them. Furthermore, emotions that are interpreted as having a high intensity seem to make others decide more readily how to transform them. It can be said that the interpretation forces change. Emotions, viewed this way, are a fluid phenomenon.

The 'boundaries' between the strategic leader, other people *in actu* and the radical change process are of course as fluid as the emotions. Around the strategic leader, organisational members, and others, there are people *in actu*, which means that they, together with the strategic leader express, show etc. emotions and translate and transform them in a constant interaction. The trigger of the emotion might exist between them there and then or in turn be the consequence of translations and transformations of the emotions of other people *in actu* in other constellations. So, for instance, an interpreted emotion of joy might for one person be a consequence of a good result in a previous meeting. The energy that the chain of emotions creates within the radical change process will have different impacts on the process. Following the discussion above, I will now argue that emotions inform the radical change process as driving forces and restraining forces both direct and indirect.

Emotions as Driving Forces

The strategy is decided on beforehand in both cases of Higgledy and Piggledy and it is left to Hericles and Pericles to carry it through. Referring back to the two radical change processes, we can recall that Hericles many times openly shows frustration in connection with the development of the QASS system. This frustration makes it clear to people around him what his number one priorities are, namely the QASS system and issues surrounding this, such as the recruitment of personnel, the access of incoming components, the organisation of the R&D department, etc. The same goes for his anger, especially when the forecast is not dynamic enough in relation to the progress of a new QASS system. Hericles also shows and expresses a lot of concern and satisfaction

related to the same process. All these emotions are of course not a one-way communication, but rather they are interpreted by the organisational members who seek the meaning behind them. Many times they seem to accept the challenge and decide to do something with these emotions. Of course, they have their reasons for doing so, reasons that vary among them, but what they have in common is that they are formed to suit their specific situation. When Hericles communicates an emotion, people translate and transform the emotion which in this case gives rise to different actions – the R&D manager decides that the QASS system is priority number one and that it is urgent to himself as well. He and other colleagues become people *in actu* and they get emotionally involved. Emotions are here part of Hericles' success in carrying through the radical change and the development of the QASS system. Hericles also often shows and expresses a lot of interpreted satisfaction towards his employees, his management team members and at good sales, which is also part of his communicated strategic leadership. Interpreted as such, they give rise to a lot of energy within the organisation, where people think it worthwhile to transform the emotion. They commit themselves to the progress of the radical change process.

Pericles has been recruited especially for the assignment to carry through the new strategy of Piggledy. At the beginning of the process, the members of the board have, according to Pericles' translation, communicated emotions of confidence and positive expectations for Pericles. Pericles acts upon this message and commits himself to carry through the change. He is full of confidence. He also feels frustrated that he cannot advance fast enough as the employees seem a bit reluctant to change. He is however at this stage convinced of a positive outcome of the process. Seemingly, it is also these communicated emotions from the board that Pericles decides to act on for a long time through the process, and they seem to create a lot of energy for Pericles personally.

In his solitude, Hericles expresses a lot of feelings that are not openly communicated to people around him. Hericles at times feels concern and strain over the possibility that competitors will catch up, that Higgledy's products on the market will fail, etc. This, in turn, communicates strain to the R&D people in particular, but to others as well, and they convey a message from Hericles about what is considered most important. Another example would be Hericles' emotions of frustration and concern about the Higgledy Spirit, which he confides in solitude to the researcher. By talking about it and feeling concerned, he devotes time and energy to find a solution to what he sees as a problem, namely a decreasing motivation to act according to the company culture. Eventually, this results in extended management team meetings in order to deal with the issue further.

The conclusion I draw here, with the course of events in Higgledy and Piggledy as a reference is that emotions matter to strategic leadership as *driving*

forces in a radical change process. Driving forces are created among persons *in actu* there and then. Driving forces are thus the effect of emotions that are interpreted/translated and transformed in a way that advances the progress of the radical change process in the direction that is intended by the strategic leader.

Emotions as Restraining Forces

An opposite situation might also happen when a member of the organisation may decide not to transform or act upon the emotion, in which case nothing or nothing much happens. The Marketing and Logistics manager of Higgledy decides to refuse the communicated emotions from Hericles regarding the importance of a dynamic forecast. This also goes for the rest of the management team, because they do not seem to have any reasons to act upon them. Here, the emotions of Hericles do not offer any help to him as a strategic leader. The mutual treatment of these emotions of frustration and anger in Hericles seems to slow down the progress of the process. The translated and transformed chain of emotions create an energy that does not align with the intentions of the radical change process, and does not create energy enough for other people to act on at all. The same goes for Hericles' bewilderment at those occasions when he takes a long time to come to a conclusion or a decision. His employees experience that he communicates "beating about the bush" and uncertainty. His personnel decide to act on these emotions in a way that creates disorder and uneasiness, which in the end seems to restrain the process as well.

A parallel can be drawn to the case of Pericles. Pericles expresses confidence in his organisational members' work in the strategy of producing new toys. In order to meet suspicion to change, Pericles openly expresses feelings of confidence in the owners and in the board of directors. He also conveys to the employees on several occasions, that the owners have confidence in Piggledy and that they still stand behind the new strategy. However, the members of the organisation either do not translate these emotions as confidence, or they let these emotions pass and wait and see. The result seems to be a vacuum within the change process as such, and no energy is created that forces change in the direction that is intended by the strategic leader.

Furthermore, Pericles communicates his bewilderment about the organisational set up, whereupon the organisational members do not react or transform this emotion. They find no reason to do so and rest their case. Likewise, Pericles communicates his bad feelings about the sister company. These thoughts sometimes come through in the open and communicate frustration, strain and even resignation. The board of directors more or less ignores this message and hand the issue back to Pericles and Pokery to solve themselves. The communicated bad relationship between the two companies is

something that in turn seems to be interpreted by the employees as hinders along the way and they decide to deal with the emotions in a way that does not help the process progress towards the strategic intent. Pericles' feelings of frustration and bewilderment towards organisational matters and the personnel seem to meet the same fate. Pericles is a person *in actu*, however not *in potentia*, i.e. his strategic leadership is not empowered and therefore his message does not come through. Pericles is not able to push the development of the radical change process forward by showing his feelings of frustration. On the contrary, these emotions seem to keep back the progress of the process.

Left with his own thoughts, Pericles feels bewilderment about the strategy itself and wrestles with bad sales figures, hard times with Pokery, a recession in the market for their kind of toys, etc. He also gives voice to feelings of abandonment and resignation in his relationship to the owners and the board of directors. Even if he only expresses them in confidence, his hopelessness and helplessness seem to be communicated, and people in his surroundings make their interpretations and transform these emotions in a way that probably has negative implications for the implementation of the strategy.

The examples above do not follow the intentions of the strategic leader nor are the emotions transformed in a way to create energy enough for the organisational members to react at all and feel commitment to the radical change process. The conclusion from the strategic change processes in Higgledy and Piggledy is that emotions matter in strategic leadership as *restraining forces* in a radical change process. Restraining forces are created by persons *in actu* there and then. Restraining forces are thus the effect of emotions that are interpreted/translated and transformed in a way that restrains the progress of the radical change process in the direction that is intended by the strategic leader.

Emotions as Indirect Driving or Restraining Forces

A set of emotions do not create dynamics clearly connected to the radical change process as such. They cannot be given a significant importance as either driving or restraining forces in relation to the radical change, but rather as an indirect significance along the way. The laughs, the jokes made with and about each other in meetings, the helping hands in daily work, the caring about each other's health etc., can, in Hochschild's (1983) terminology, be labelled emotion work, i.e. a means of behaving in accordance with accepted social behaviour. However, they also seem to be part of the so called Higgledy and Piggledy Spirit and as such have a purpose of keeping up a certain level of what is expected and cultivated behaviour according to the company culture. As such, the emotions seem to inform the process as well as being informed by it in a more indirect way, i.e. the emotions might be sprung from underlying forces that cannot be explicitly related to the radical change.

The culture of the two companies is thus a good illustration for my point here. Applying a performative view on emotions, the same goes for the culture of Higgledy and Piggledy, i.e. the culture is created by people *in actu* and a co-produced phenomenon. The culture is not *a fait accompli*, but subject to a constant change. In Higgledy, the company culture has a flair of the go-ahead spirit. Most organisational members seem to welcome challenges, view themselves as trouble-shooters and show a positive attitude towards new ways of thinking. In Piggledy, on the other hand, the company culture has a flair of a built-in reluctance to changes and novelties, which are met with scepticism. Most organisational members have been with the company for a very long period of time and have previous experience of less than successful changes and business ideas, and they probably think they have seen the best.

To an observer it is apparent that all these emotions are to a high degree related to the change process in an indirect way, and that people around Hericles and Pericles decide to act on these emotions in one way or the other.

The conclusion is that emotions matter to strategic leadership as *indirect forces*. Indirect forces can be of the character of driving and/or restraining forces. The former are interpreted and translated by people *in actu* in a way that force change. The latter are interpreted in a way that do not force change. However, these emotions might just as well have no explicit purpose in the process at all.

Summary

The discussion above leads into the following exhibit and tentative model, which will also serve as a summary of the discussion above. The arrows represent the suggested direction of effect:

Forces within the radical change process	Suggested effect within the radical change process
Emotions as driving forces	Progress of the radical change process
Emotions as restraining forces	Restraint of the radical change process
Emotions as indirect driving forces	Progress of the radical change process
Emotions as indirect restraining forces	Restraint of the radical change process

Exhibit 9.7 Driving and Restraining Forces within the Radical Change Process.

Emotions are translated and transformed by the organisational members, including the strategic leader. From there they either end up as driving forces helping the progress of the radical change process or as restraining forces having a restraining effect on the radical change process, in both cases in relation to the strategic intent. Emotions, which are for example related to emotion work or the culture of the company and are transformed by the organisational members, have the effect of indirect forces in the process and might end up as driving forces or restraining forces. From a strategic leadership point of view and in relation to the strategic intent, they either help to progress the radical change process or they serve in the opposite direction.

Viewed this way, emotions matter in radical change processes as they are contagious and help to create energy and thereby have a facilitating or inhibiting effect during the change process.

The key actors of this thesis have been the two strategic leaders of Higgledy and Piggledy. For this reason, the question that follows is: what are the implications to Hericles and Pericles in their capacities as strategic leaders in the dynamics of emotions as driving and restraining forces?

Thematic Discussion II

Emotional Role Models, Power Gain and Power Drain

The relationship between emotions and power has been in focus before (see e.g. Berg, 1979; Boler, 1999; Fineman and Sturdy, 1999; Gallagher, 1993; Newton et al 1995; Sjöstrand, 1997;). Sjöstrand (ibid.) has made a direct connection between emotions and strategic power struggles among top CEOs in mergers and acquisitions², likewise shown by Ericson (1991). Here a connection between the two has been found as well. In this section, I will argue that the implications of viewing emotions as driving and restraining forces are primarily two-fold: the strategic leader is co-produced into an emotional role model and the co-production and co-construction of emotions seem to matter to the power relations within the company. I will claim that emotions help to maintain or undermine the strategic leadership through *power gain* or *power drain* and I will elaborate my argumentation by discussing the emotion processes of the two companies.

² Sjöstrand illustrates his point by taking examples from the business discussions between Stora-Billerud and Iggesund/Modo, Volvo and Renault and ASEA and Brown Boveri among others.

The Emotion Process within Piggledy

Pericles starts out as a strategic leader fully convinced that he will be able to carry through the radical change process despite the Piggledy 'Spirit', signalling inertia to change. Through a set of activities, such as a reorganisation, a new system of calculation, a seminar series in quality management, etc., Pericles tries to penetrate this inertia. However, as time passes, Pericles eventually realises that the culture of the company has a very long history, and that it is much more difficult to make a breakthrough than he could imagine. He also has to struggle "against" the culture of Pokery. His personnel do not translate and transform his emotions in the way he thinks they should. During the process, the emotions of confidence turn into those of bewilderment, frustration, resignation and even strain. In line with a result that is showing a bigger and bigger loss and a tightening relationship to Pokery, Pericles starts to lose credibility. This happens first among his personnel and then later on among the members of the Board. Pericles is neither the owner of the company nor does he belong to its long history. Therefore, he is limited in his actions and his readiness to change the strategy. The employees around Pericles know that he does not make the final decisions about the strategy, and that he is not in charge of how long the "trial and error" period will be allowed to continue. Along the way, they also learn that Pericles does not have the authority it takes to place new demands, and that his rhetorical skills as a strategic leader are limited with the board of directors. At the end of the process, Pericles also becomes more and more isolated, and he does not know himself what is going on at the board level and/or regarding issues related to Pericles and Pokery. He begins to suffer from losing his legitimacy and power within the company – both position power as well as personal power (see Yukl and Falbe, 1991³). Pericles' lack of rhetorical skills and his inability to bring to life the future of a prosperous Piggledy also have negative implications for motivation among the personnel. Leaning on the reasoning about emotions as performative, we would be able to say that this situation is a circle of restraining forces in which the translation and transformation of emotions in a specific way seem to be contagious. The translation and transformation of Pericles' emotions affect the organisational members and the process they are part of in a way that adds up to restraining forces. This circle creates a lot of strain on Pericles and this represents the main emotion of his emotion pattern (see chapter 8). Pericles is interpreted as an example of a '*negative*' *emotional role model* in the radical

³ Yukl and Falbe add two dimensions to power: Position Power (including legitimate, reward, coercive and information power) and Personal Power (including expert, referent, persuasive power and charisma). They are both used in a performative sense here, i.e. people in actu empower or do not empower the strategic leader.

change process. Here a negative role model implies that the organisational members do not transform, act and co-produce upon Pericles' intentions or do not think it worthwhile to do so. The situation works in both ways, i.e. emotions create hinders and problems, and hinders and problems create certain emotions. The term 'negative' does not imply that the strategic leader's emotions that are translated and transformed are bad or necessarily negative in the traditional sense.

Not only do the translation and transformation of emotions work as restraining forces, but as producers and re-producers of bad-will for Pericles' strategic leadership, or as it is labelled here, *power drain*.

The Emotion Process within Higgledy

Hericles entered Higgledy at a very early stage when there were only seven employees. He had the opportunity to participate in forming and nurturing the germinating culture of his company. During the radical change process, Hericles gives fresh life to the culture – on his own initiative. Hericles makes his daily rounds, initiates a joint company trip to France, proposes extended management team meetings and takes an active part in an executive book club, which works as a discussion forum for the management team. Even if Hericles is bewildered and concerned at times over the attitudes of his personnel, especially young personnel, he seems to “work within” the development of the company culture. According to Hochschild's (1983) terminology this could be labelled emotion labour, which is a way to conform to the occupational rules of being a strategic leader. Hericles legitimacy increases concurrently with increasing sales, breakthroughs in the R&D department and the addition of new markets. Thereby his position as well as personal power increases. The dynamics that are created as driving forces, as well as indirect driving forces, seem to be circular and add a lot of satisfaction to Hericles. Energy is created and co-produced in and between the organisational members. In turn, Hericles is empowered as a strategic leader. By showing and expressing his emotions, Hericles is interpreted as vividly pointing out a vision of a successful company and he is interpreted as an example of a *'positive' emotional role model* in this process of dynamics. The term “positive” implies that the organisational members think it worthwhile to meet and act upon Hericles' intentions. The term 'positive' does not imply that the interpreted and translated emotions of Hericles are good or necessarily 'positive' in the traditional sense. Not only do emotions work as driving forces, but they serve as producers and re-producers of goodwill for Hericles' strategic leadership as well, here labelled *power gain*.

Summary

Interpreted this way, emotions help us understand the process of a radical change process. We are able to talk about interpreted and transformed emotions as triggers of power drain and/or power gain and strategic leaders as perceived emotional role models, practising strategic leadership.

In the process of being a leader, the strategic leader carries out the radical change process through a spectrum of emotions. By showing and expressing emotions and interpreting and transforming emotions of his own and those of others, he is able to accomplish less or more. The point I want to make here is that the leadership in radical change processes might be facilitated or restricted by emotions that are interpreted and transformed by people *in actu* within the organisation, including the strategic leader and that the performance of the radical change leadership is related to emotions. As such, emotions inform the radical change process and at the same time they are informed by the very same process.

Obviously to apply a performative approach, to use terms such as ‘driving’ and ‘restraining’ forces or ‘negative’ and ‘positive’ emotion role models, creates a situation of dualities and it is a fruitless task to separate them completely. However, these dualities can help us understand the phenomenon of emotions and how they matter.

In order to facilitate our understanding of how emotions matter in radical change processes, the following exhibit is presented as a summary of the discussions above. As before, the arrows indicate the suggested direction of effect.

Transformed emotions	Purpose within the radical change process	Process within the radical change process	Power implications	Radical change process
Emotions as driving forces	Facilitators	Willingness	Power gain	Progress
Emotions as indirect driving forces	Facilitators	Willingness	Power gain	Progress
Emotions as restraining forces	Inhibitors	Unwillingness	Power drain	Restraint
Emotions as indirect restraining forces	Inhibitors	Unwillingness	Power drain	Restraint

Exhibit 9.8 Emotions in Radical Change Processes and Implications

The exhibit above shows that emotions within the process are interpreted/translated and transformed and at times are also acted upon by the organisational members. Consequently processes are begun that either result in driving or retraining forces or indirect driving and restraining forces. Depending on the overall collective actions taken by the organisational members these forces work as facilitators or inhibitors within the radical change process and thereby co-produce willingness or unwillingness within the change process. A collective unwillingness creates a power drain on the strategic leader, whereas a collective willingness creates a power gain for the strategic leader. The former would be perceived as a progress of the radical change process from a strategic point of view and the latter as a restraint of the process in relation to the strategic intent. It is important to note that these processes vary and change over time during the radical change process.

To illustrate the above exhibit, consider the following example. The strategic leader gets upset because a competitor seems to be ahead with the development of a new product. He shows his 'upset-ness' and urges his people to advance in order to catch up and to get past the competitor. The employees translate and transform this emotion and act accordingly and the emotion works as a driving force. The emotion of being upset and expressing it is thus a facilitator and increase willingness within the radical change process. The willingness to transform and act upon the strategic leader's emotions in this case will add to the power gain of the strategic leader if the members of the organisation find it worthwhile to transform and act back on these emotions. If so, they eventually add up to a progression of the radical change process in relation to the strategic intent.

Thematic Discussion III

Emotion Sediments and Emotions as Mood Setters

Emotions do not merely matter as driving and restraining forces and/or have power implications in a radical change process. They can also be interpreted in other ways during the process. Here I will argue that emotions are represented in different ways in the construction processes of the radical change of the two companies and perhaps in ways that are more subtle and indirect. In this discussion, I intend to point out that emotions seem to serve as producers of *emotion sediments* and as *good-mood* and *bad-mood setters*.

Emotion Sediments

Sjöstrand (1997) has indicated that emotions have an impact on the decision-making process among top managers in times of strategic take-overs. He

suggests that status, prestige and identity play a role and influence the process emotionally. Here, I will argue along the same lines and show how emotions indirectly have an impact on the radical change process as emotion sediments.

As a basis for this discussion and argumentation, I will return to some interactions with Pericles at Piggledy. A full account of the interactions is made in chapter seven, and the following illustrations are extracts from this chapter. At an early point in the process, in October 1998, Pericles confides that he has doubts about the sister company Pokery. The same issue is brought up on several other occasions, in December of 1998, in April, September, October and November of 1999 and April of 2000. They affect Pericles' emotions and relationship not only to Pokery but to the Board of Piggledy as well.

Emotion	October 1998
FRUSTRATION (dissatisfaction, frustration, irritation) ABANDONMENT (helplessness)	<i>At the moment there is a disagreement between Piggledy and Pokery. Pericles is of the opinion that Piggledy manufactures the orders from Pokery, who should keep the stocks and that Piggledy has the right to issue an invoice. However, the managing director of Pokery has the opinion that Piggledy should keep the stocks, and not invoice until the toys have been delivered to a customer. Pericles shows frustration and irritation concerning the situation. The discussion has reached a dead end between the two, but Pericles does not want the holding company to take over, just help out a bit.</i>
Emotion	December 1998
BEWILDERMENT (uncertainty)	<i>The big question is, however, what to do about toy sales. The figures are not decided by Piggledy, but is a figure given by Pokery.</i>
CONCERN (worry)	<i>It also worries him [Pericles] that the orders from Pokery cannot be delayed further since Piggledy has to start producing as soon as possible in order to keep up during the year.</i>

Emotion	April 1999
FRUSTRATION (frustration, irritation)	<i>He [Pericles] gives an example that he thinks is symptomatic for the relationship between Piggledy and Pokery. Pokery sends over an inquiry for Piggledy to manufacture a set of toys. Piggledy makes a calculation and offers a price. When it's time to order, the volume is always decreased. The problem for Piggledy is that they cannot change the volumes of incoming material, such as packaging, which makes the production cost more expensive. However, Pokery refuses to pay a higher price. It is a mess, says Pericles, and he has not been able to come to an agreement so far with the managing director of Pokery.</i>
CONFIDENCE (hope)	<i>However, it might be easier to come to an agreement with the new managing director, whom he will visit in a couple of days.</i>
Emotion	April 1999
CONCERN (disappointment)	<i>In the afternoon, it is time to discuss the future orders with the new managing director of Pokery. It is all bad news.</i>
FRUSTRATION (irritation)	<i>Pericles gets irritated and claims that this [different prices on two items] has been dwelled on many times before, and that it costs Piggledy more to manufacture one of the two.'</i>
RESIGNATION (tiredness)	<i>He [Pericles] gets tired from the discussion, as he thinks it is, again, a proof of being the loser between the two companies.</i>
STRAIN (grief)	<i>It grieves Pericles deeply that the situation with Pokery turned out as he expected, and that now he has to look for solutions elsewhere.</i>

Emotion	September 1999
FRUSTRATION ANGER	<i>The irony of it all is that Pokery does not seem to be able to sell the products in large quantities ... Needless to say, relations are strained at the present stage between Piggledy and Pokery. After an at times very emotional discussion, with expressed frustration over the way Pokery hands over incomplete designs, the financial manager is given the task to break down the costs of the different parts of the new toy programme. Pericles needs facts in order to prove to the chairman of the board that the situation is precarious and intolerable.</i>
Emotion	October 1999
ABANDONMENT (a sense of emptiness) STRAIN (a sense of hopelessness)	<i>He [Pericles] experiences the whole situation as a slap in the face, Piggledy has put everything at stake and been working like hell in order to execute the orders from Pokery ... Piggledy has sacrificed everything in order to meet the expectations of Pokery at the expense of other products.</i>
ANGER (indignation)	<i>Pericles is irritated that he has to ask the holding company for money to recover from the bad liquidity situation. This is something he thinks is not his task, and it should not have come up as a problem in the first place. ... No one seems to understand.</i>
Emotion	April 2000
ANGER (indignation, rage) ABANDONMENT (betrayal)	<i>The relationship with Pokery is increasingly strained. ... At the end of the previous year, Piggledy has a claim of over two million Swedish crowns on the sister company. ... He [Pericles] gets furious as the group does not take this seriously. Nothing has happened with the decision that was made before Christmas – that of bringing the sister company closer to Piggledy as a marketing function ... Besides, Pericles has a very strong feeling that Pokery, as well as the board, place the blame on Piggledy and Pericles for the bad result... However, the board blaming Piggledy is an outrageous thought to Pericles ... He is totally convinced that the connection with Pokery is no longer a solution for Piggledy.</i>

Exhibit 9.9 The Building up of Emotion Sediments

The exhibit above can serve as an illustration of how translated emotions in the long run seem to be able to accumulate in a permanent and reinforced opinion about a specific person or issue. In the case described in the exhibit above, Pericles' communicated emotions towards Pokery and the way this company, as well as the board, treat the business between them, give rise to emotion sediments, which have an effect on the radical change process. Throughout the process, Pericles' emotions get more 'heavy' and result in resignation, anger and strain. After a few months of hope and relief, they again turn into anger and abandonment. The emotions towards Pokery seem to strengthen Pericles' opinion about Pokery, and they are reinforced to such a degree that they affect the process. Following this argumentation, we can talk about emotions as building up *emotion sediments*. The feelings of Pericles come through and are interpreted in internal discussions, and his personnel seem to be infected by Pericles' emotions and relationship towards Pokery. The translation of these emotions results in a lot of gossip and negative stories about Pokery, its personnel and the way Piggledy has been treated. The spread of these emotion sediments gives rise to restraining forces within the process.

Not only do these emotions affect the relationship towards Pokery, but Pericles' opinion about members of the board does as well. Every time Pericles raises the situation to the board, his emotions are met with impassivity or indifference or they are not translated or transformed at all. The board thinks it is up to Pericles and the managing director of Pokery to solve the situation. As the process proceeds over time, Pericles' emotions of confidence in the board members seem to shift into bewilderment, frustration and at the end feelings of abandonment. For Pericles, this has implications in the process, as the sediments result in difficulties to act and find creative solutions which could be beneficial to both companies. At the moment, this is perhaps worst for Piggledy. Emotion sediments, applying a performative interpretation, indicate that earlier translated and transformed emotions are in a way institutionalised. In this case, it would suggest that Pericles' frames of Pokery's repeated behaviour gives rise to a pre-destinated way to interpret new behaviour. It could also imply that the emotions experienced by Pericles earlier give way to new, pre-destinated experienced emotions. Any new proposal from or regarding Pokery, is received with suspicion. The translation and transformation of emotions is biased due to earlier experiences.

In Higgledy, emotion sediments have also been shown to have an influence on the process. One example is that with Hericles and the R&D manager as the main actors. When the R&D manager starts working at Higgledy, Hericles has great expectations for him. These are met when the R&D manager shows Hericles that he has made lists of possible new projects, estimated delivery times, priority lists, schedules, etc. Hericles communicates satisfaction and confidence to the R&D manager, who finds pleasure in continuing with his

lists. Eventually, Hericles gets frustrated and tries to urge the R& D manager to not just make new lists, but to stick to them as well and make things happen. The peak seems to occur with the absence of the dynamic forecast, which was meant to put pressure on the R & D department. Eventually, after a lot of arguing and a few disputes, most of which are rather civilised in tone and gestures, their relationship accumulates to a point where the R&D manager has to fight harder and harder to maintain his position. Eventually, the situation becomes intolerable and Hericles replaces him. In this example with a strategic leadership perspective, these emotion sediments have resulted in driving forces within the process, even if, when they were communicated and created, it took a lot of energy from the two persons involved and the process itself.

Emotion sediments seem to effect how the strategic leader perceives and interprets a specific situation, i.e. if a sediment is building up, the threshold for judging it as being 'good' or 'bad' for the process is lowered. Furthermore, sediments may give rise to a pre-destinated way of interpreting situations or behaviour. The conclusion from the two case companies is that emotions matter in radical change processes as emotions sediments. Emotion sediments are thus understood as emotions that tend to "build" upon each other in one direction or the other, and thereby in the long run re-inforce and solidify one's opinion about a person or an issue.

Referring back to Sjöstrand (1997), the connection to status, prestige and identity is of interest. Power drain and power gain are to some degree interchangeable with status and prestige, including the two latter into the performative definition. Pericles sometimes suffers from power drain as a result of the emotion sediments that are co-produced in Piggledy, whereas Hericles' power gain is not only a consequence of his unconditional position, but is also an effect of persons *in actu* contributing to the situation. So, for example, could the R&D manager have responded to and played Hericles' communicated emotions in another way along the process? Argumentation about identity and identity claims (see e.g. Parkinson, 1995) also holds true to a certain extent in this situation. In the case of Pericles, I would argue that his promise to the board and his commitment to carry through the new strategy is the main identity to fight for. In the case of Higgledy, the strategic renewal is also a highly prioritised identity to fight for. In short, strategic leaders seem to be very emotionally tied to their 'mission'.

Emotions as Mood Setters

Mood is a term that is traditionally separated from the term emotion. The most common difference is that emotions are regarded as short term states, having a high intensity and being directed towards something or someone. Mood, on the other hand, is a condition of longer duration, of lower intensity and is

non-intentional or non-object-focused such as “being in a lousy mood” or “being in a good mood” (for a full account, see Frijda, 1993). Judging from the empirical material here, the co-production of emotions also serves as mood setters. This process, however, seems to be more distinct at the beginning or at the end of meetings or encounters.

Let us return to the dialogue of the management team meeting at Higgledy in November 1999, as reproduced earlier in this chapter. Even if the members of the team decide not to transform the point at issue (the dynamic forecast), Hericles’ interpreted mood in this meeting seems to set the atmosphere for the meeting. Before the meeting, the managers have their expectations of the meeting. As the meeting goes along, one can sense the disappointment of both Hericles and the Marketing and Logistics manager, as is constructed in the dialogue. This energy and the expressions of interpreted disappointment result in a translated distressed mood for the whole meeting, placing the attendants in states of unpleasantness. The same thing seems to happen at Piggledy at the reproduced board meeting. The interaction that takes place between the chairman of the board, the group executive head and the seemingly self defiant Pericles constructs a mood of depression and is transformed into an atmosphere of hopelessness among the present directors. This is also reflected in the emotions that Hericles and Pericles show and express after the meetings, where Hericles shows anger and Pericles expresses feelings of abandonment and pain. In these two examples, Hericles’ and Pericles’ initial emotions, which start to create the mood might, in turn, be an effect of transforming an emotion from people other than those in the meeting, or other issues from another setting. From those two examples, it is appropriate to talk about emotions as *bad-mood-setters*. Bad-mood-setters create energy and other emotions in return of such a nature that they can be regarded as inhibitors and obstacles of the continuous process.

Opposite moods are of course also constructed. In other meetings, Hericles is known to be joyful when he starts off a meeting, and he thereby sets the mood of the others, placing them in states of pleasantness, even if the discussion can be heated and straightforward. One management team meeting started with the celebration of the production manager who turned 35. Hericles makes some jokes about the increased middle age of the company, the other managers act on this remark and together they create a mood of joy, which seems to last, especially as the co-construction of humorous remarks continue through the meeting. At Higgledy, there are a lot of situations, where this is the case. Even if they are fewer, they also exist at Piggledy. Again, the joyous emotions at the beginning of a meeting might be the result of emotions acted upon and traceable to other encounters, issues and settings other than those of this particular meeting. We would in such instances be able to talk about emotions as *good-mood-setters*. Good-mood-setters contribute to the co-

production of a continuous good and relaxed atmosphere and serve as facilitators among people *in actu* in the process.

At the end of meetings, emotions have been noticed to have a function as well. Emotions can help serve as a lubricant factor with an impact on the mood among the participants. Here emotions are often expressed in order to ease up the atmosphere, especially when delicate matters have been discussed or if the discussion has been tough with a lot of strong disagreements. So for instance, the meeting about the dynamic forecast at Higgleddy ends with humorous remarks about the administrative manager going away to the Far East around the hectic period in December and January. The board meeting in Piggledy ends with the owner making a remark about everyone ending up in a home for the elderly. What he means is that it is time for lunch, and the lunch in the village is served at a day-care centre for elderly and disabled people. In these cases, emotions seem to serve as relievers in a depressed atmosphere and help to achieve a good mood. Good humour, joyful and ironic remarks, which create a good mood in these cases seem to have the purpose of giving some relief and letting off the steam.

The comment cited above about the increased middle age is an example of what Hatch (1994) defines as irony⁴. Hatch argues that irony, as a contradictory statement, stretches the involved parties to rethink their reality. In this way, irony would play a role in unstable situations since the ironic remark makes people start to think about a reversed picture of their reality and thereby eventually constitutes change according to Hatch. One such example can be taken from the board meeting at Piggledy when the chairman of the board introduces the next issue on the agenda:

Chairman of the Board: Let us look at the forecast.

Owner: To make a forecast indicates that you believe in the future.

(The remark is made in connection with the presentation of a bad result).

Likewise, I argue here that not only irony but also emotions, as setting good moods and bad moods, can in turn be read as triggers of new emotions, and thereby they constitute change. Translation of emotions of frustration, irritation, impatience, surprise, etc. would in this sense invite the strategic leader and others to problematise what is going on and therefore transform emotions to new emotions and perhaps actions. Good moods and bad moods would co-produce driving and restraining forces and thus inform the radical change process and vice versa. It is a constant, ongoing process, intertwined in its own process and more or less subtle and noticeable.

⁴ Her definition of irony is: "any remark, followed by laughter" (ibid:9).

Viewed this way, moods can also help build up emotion sediments. For example, if someone is in the same mood most of the time, he or she probably actively helps co-produce emotions that build up into sediments that might be hard to avoid and/or get rid of. Analogous to my earlier argumentation, emotion sediments trigger off driving and/or restraining forces with power gain or power drain as a result. So, again what can be concluded is that emotions work in a circular process.

In the next chapter, I will point out some contributions and implications that result from this study.

10. Contributions and Implications

This chapter addresses contributions and implications of this study. I will return to the fields of strategic change and organisation theory in order to discuss some theoretical implications regarding strategic leadership and radical change. The aim is not to provide the reader with a grand theory. The present study, including the discussion below, should instead be regarded as a contribution to other micro “narratives” that can help in building new theory. From the discussion on theoretical implications, practical implications as well as suggestions for future research will be addressed.

Contributions

The Visibility of Emotions and Emotions as a Natural Part of Organisational Life

The contributions of this study have been manifold and they add a new dimension to the fields of strategic change and organisation theory. In the introductory chapter and chapter three, I claimed that with a few exceptions (e.g. Berg, 1979; Ericson, 1991, 1999; Huy, 1999; Sjöstrand, 1997), emotions are not explicitly explored as a combination of strategic change and emotions. Researchers within organisation theory have acknowledged emotions as a perspective to a greater degree (see e.g. Fineman, 1993, 1996, 2000a; Hochschild, 1983, 1993; Van Maanen and Kunda, 1989; Sutton and Rafaeli, 1988; Rafaeli and Sutton 1987, 1989). However, the emergence of emotions has preferably been within the service sector and among service personnel. With this in mind, the present work has made emotions more visible within the industrial sector and with a focus on strategic leaders, who have so far been considered able to disregard emotions when it comes to strategic issues. In this respect, this study has given these individuals more realistic features and serves as a supplementary contribution regarding strategic leadership.

The result of this study enables us to recognise translated and transformed emotions as driving forces or restraining forces as well as indirect driving forces or indirect restraining forces with power implications such as power gain and power drain within a radical change process. Within such a process, the acceptance of emotions serving as emotion sediments and mood setters also

enables a deeper understanding of the process. The link between emotions and strategic intent has also been strengthened in this study. When driving forces are constructed and created, they favour the strategic intent of the company.

However, emotions do not always seem to be regarded as a natural part of organisational life. When Simon (1957) introduces bounded rationality into the organisational arena and into the managerial decision making process, his focus is not on emotions but rather the inability to receive full information. This is, however, the case when Numby and Putnam, a few decades later, launch the concept of bounded emotionality, entering into a controversy with the concept of bounded rationality, taking a feminist position (Numby and Putnam, 1992). Bounded emotionality is suggested to be a conscious choice to deal with nurturance, caring, community, supportiveness and interrelatedness in organisational contexts. The term bounded in this case relates to *an individual being able to recognise another person's subjectivity, a state that is necessary for producing understanding or interrelatedness. Individuals are constrained by their commitment or responsiveness to others* (ibid.:472).

As such, emotions are spontaneous and/or emergent. However, taking the same feminist standpoint, Martin et al (1998; 2000) make a study on bounded emotionality, using the example of The Body Shop, looking for the relevance of bounded emotionality in a large, for-profit and female dominated company in a period of rapid growth and change. They find that the bounded emotionality of their case did not conform to Numby and Putnam's intentions. They conclude that even though much bounded emotionality is enacted, it often results in emotional labour, i.e. without spontaneity and in a controlled and enforced way. The conceptual research of Putnam and Numby and the empirical based research of Martin et al, show that emotions are present in organisational life and part of strategic change processes as well. However, Martin et al's question whether bounded emotionality is *a better way of doing business, from employees' points of view, or [if] is it a more effective, more invasive, and therefore potentially more dangerous control mechanism?* (Martin et al, 2000: 133) implies that even if emotions are acknowledged, they are not acknowledged as human and natural, but rather as a management tool with a negative connotation.

The emotions represented in this study are, however, not the Martin et al (1998; 2000) version of bounded emotionality which they point out as emotional labour, indicating its manipulative characteristics. The 'original' Numby and Putnam (1992) version of bounded emotionality which takes into consideration nurturance, community, supportiveness and interrelatedness, has to a certain degree been possible to relate to the 'company spirits' of the two companies and could also possibly be labelled emotional work in Hochschild's (1983) terminology. The emotions that link to the radical change process seem to be more spontaneous and not always of the considerate and self-regulating

sort. It should be pointed out that I have not taken into account any gender perspective in this study, and the two cases here can be given the epithets of “for-profit” and “male-dominated”. For this reason, they are an interesting contrast to the for-profit and female-dominated Body Shop that was in focus of Martin et al’s study.

Next I will highlight some contributions that I find have relevance here, namely a methodological development, the inseparability of emotions and cognition; an urge for an integrated contextual approach of emotions; an alternative view on radical change and implications of our view on strategic leadership.

Methodological Contribution

This study has contributed with methods for interpreting emotions in organisations and in times of radical change. Through a step by step approach, which was initially inductive, a series of narrated chronologies were formed from real time events. From there it was possible to interpret the expressed or experienced real time emotions for each strategic leader as they unfolded over time. These emotions were first built up in tables (see chapters six and seven). From these tables, a classification of emotion words was created (see chapter eight. These classifications are not to be regarded as nine basic emotions (c.f. earlier reasoning on basic emotions). Instead, they are to be viewed as a classification within radical change processes. As such, the classifications facilitate a better understanding of the wide scope of emotions that are expressed and experienced during such a process. Considering the difficulties that seem to have existed in studying emotions thus far, it has been made clear here that emotions can be studied even if they are regarded an elusive phenomenon by many people. Earlier research that has actually been carried out within an organisational setting is mostly quantitative and retrospective in character.

Methodologically, this study opens up for further research on emotions, primarily by making an attempt to label and ‘identify’ emotions, at long last. Furthermore, this has happened in an ongoing process where the risk for a rationalisation of emotions has been reduced. Fineman (1993, 1996) urges for more unconventional methods when it comes to the subject of emotions. The method used here, in which the two strategic leaders contributed by offering their diary notes and by helping out with conversations prior to and after meetings adds a new dimension to the empirical material. The classification of emotions, which is probably one of the first classifications of its kind in an organisational, radical change context, can serve as a point of departure for future research within the area. In conclusion, new and non-conventional ways

of approaching a new field of research have been developed and micro processes have been in focus.

Inevitably, there are some perceived disadvantages as well. It is a delicate task in an ongoing process to stop and ask people to reflect on their emotions. The labelling and translation of emotion words is also a challenge, as is discussed earlier in chapters four and eight. The same goes for the classification of emotions which served as an interpretation tool. The methodology applied here demands a lot from the researcher, and a continuous balancing act results from trying to be sensitive to what is appropriate for each specific moment or situation.

However, the subject of this study and its methodological approach should matter to the field of strategic change and strategic leadership as well as organisation theory in a more general sense.

Emotions and Cognition as Parts of Each Other

In the initial chapters of this study, I argued that the field of strategic change including strategic leadership has reached the point where more than mere rational sides have come to dominate the field. Some of these more recent perspectives include emotions more or less explicitly (Hellgren and Melin, 1993; Müllern and Stein, 1999; Sjöstrand, 1997; Weick, 1995). Throughout the text, I have pointed out that it is a delicate task to separate cognition from emotion, and a combination of the two has been a point of departure here. This study has shown that adding the emotion perspective to strategic change makes the field more comprehensive and in order to fully understand strategic change processes, there is a need to acknowledge emotions as well as cognition. I will not dwell on or argue about the intriguing and complicated task of separating emotion and cognition, but rather I wish to point out that this study stresses a merger of the two.

Most research within the cognitive field refers to sense-making as a tool for understanding and making sense of a strategic change process. For instance it is often argued that collective understanding is essential for strategic change processes. Hellgren and Melin (1993) divide the field into a thought-driven and an action-driven wing, where researchers belonging to the former perspective have a belief in the more rational way of strategic planning and those belonging to the latter have a belief in a more processual way to strategic processes. Even if the authors imply that the cognition of top managers is influenced by emotions, I claim that it is time to include an emotion-driven wing to the cognitive perspective of strategic change explicitly, and I agree with Hellgren and Melin that a split is not fruitful. Indirect support to this claim is given by Müllern and Stein (1999) who argue that in rhetoric the emotive side

merges with the cognitive. Sjöstrand's arguments for multirationality is as supportive (Sjöstrand, 1997).

Viewing emotions and cognition as parts of each other, emotions would serve rationality (Fineman, 1996). The Cartesian heritage, stressed by Taylorism, needs to be brushed away once and for all. In another text, Fineman states:

As servants of rationality, emotions are less problematic. The view here is that feelings and emotions lubricate, rather than impair, rationality. They make impossible decisions possible; they help 'do' the prioritising, resolve tie breaks, ease the dilemmas. What is important, worth thinking about, is cued by feelings – including those of the 'gut'. So let hunches, excitement, fear, unease, or comfort, be your guide (Fineman, 2000b:11).

Emotions thus serve as a means for the strategic leader to think and act 'right'. In addition, emotion sediments and emotions as mood setters work in this direction as well. Whether emotion is a *pre-* or *post* cognitive phenomenon makes no sense. Or as Fineman continues:

They [emotion and cognition] both interpenetrate; they flow together in the same mould. From this perspective there is no such thing as a pure cognition; thinking and deciding is always brushed with emotion, however slight (ibid:11).

Acknowledging the dual presence of emotion and cognition, however, raises new questions. Even if the result of this study cannot give any sound answers, it can raise topics for discussion. So, for instance, would a merger of emotion and cognition get us back to square one, i.e. that emotion will not be acknowledged in its own right and that we will remain with the perception that strategic leaders are rational? This is definitely not the stance advocated here. The point is that emotions are important as emotions, but are to such a high degree intertwined with cognition that there is a need to include them within each other's domains. To give them a new label, such as "emonition", might be helpful, stressing the urge to understand emotions as well as cognition so as to understand strategic leadership. There is thus a need to rewrite the relationship between emotion and cognition and to re-consider assumptions and notions that have been taken for granted.

Furthermore, Hellgren and Melin suggest that the ways top managers think in strategic change processes tend to stabilise over time, and that these individuals apply pretty much the same strategic thinking regardless of whether they change positions or not. Following their own arguments, the authors consider it probable that strategic leaders *can significantly influence the corporate*

strategy, and thereby also influence the performance of the firm (1993:66). Their view opens up for the following debate: For one, can a performative view of emotion be included in their view on cognition? Secondly, is the strategic thinking influenced by the personality and experience of the top managers, as the authors suggest, or is it also the result of translated and transformed emotions of other people *in actu*? Thirdly, even if we acknowledge emotions as performative and dependent on being translated and transformed by the organisational members, is there such a thing as emotional stability among strategic leaders, for example as is represented by emotion sediments more or less “predicting” restraining or driving forces and power drain or power gain of the strategic leader? According to this study, emotion sediments tend to build up over time and can also be interpreted as performative. Would this imply that a strategic leader who changes positions would carry along those sediments to some degree? If so, this would suggest that the translation and transformation processes of emotions are more complicated and are not simply tied to the present radical change context.

Emotions and Contextual Factors

The study of emotions as driving and restraining forces with power implications, as well as the discussion above, indicate that a series of contextual factors matter during the radical change process. The strategic leaders of this study did not only have different second socialisation backgrounds but they also acted in different contexts. The organisational contexts seemed to meet their personalities⁵ in a way that had an impact on the co-production of emotions, and thereby the implications of driving and restraining forces. This very combination seems to lead to either power gain or power drain, which in turn adds more energy and empowered leadership or the opposite. In the end, it seems to be a matter of the organisational members perceiving the top manager as a strategic leader in the radical change processes and all actors interacting so as to shape this opinion. The translated and transformed emotions of the strategic leader definitely inform this process, and the personality of the strategic leader informs the course of events as well. Depending on their experience, the strategic leaders of this study handled matters quite differently. They both formed their vision of the radical change process and how it was to be carried out. However, these pictures met the pictures of others. If we were to exchange the strategic leaders between the two companies, the course of events would probably have been different. However,

⁵ Personality is understood here as second socialisation and as a result of contextual and societal processes (see Berger and Luckmann, 1966).

it is not a given that Pericles' presence in Higgledy would give rise to the same forces as with Heracles' presence – or vice versa. There is no secured relationship between emotions as driving forces and power gain. What is shown in this study, however, is that this relationship is developed during the process and established there and then. Or perhaps the parallel to Hellgren and Melin (1993) is more valid, i.e. that emotions of strategic leaders are also relatively stable over time. This may be true but nevertheless this study confirms that the process in itself, embedded in the organisation alone, plays a vital role, yet it is not isolated from other contextual factors. So, for instance, the social relationships of the strategic leader and surrounding contexts matter for the translation and transformation processes of emotions. A further understanding is perhaps to be found in the reasoning of Whittington (1993b) who argues that social resources, such as political structures, familial social structures and ethnicity of strategic leaders matter power-wise. Ericson et al (2001) argue in the same point when they claim that the dynamics in strategic processes rest on structures as well as on social actors. From this reasoning, we can draw the conclusion that the organisational contexts and social structures in addition to the translated and transformed emotions of strategic leaders and all of the organisational members, inform the process together. Emotions are informed by these factors and vice versa.

This study has not only shown that emotions need to be recognised in radical change processes, but that there is also a need to find a more integrated approach to emotions where the organisational context and societal structures seem to matter. However, Fineman raises a warning that the sociological interest might overlook the individual's past, which could be very relevant to "the social meaning-making process" (1996: 551). Following his advice, we must also take into account the personality of the strategic leader. Furthermore, the performative view of emotions in this study has pointed out the necessity to include a set of contextual factors.

Resistance to /Radical/ Change

Most of the existing literature and theories dealing with organisational change, aim at explaining the different stages of change, and the forces behind resistance to change. Furthermore, it seems to be an axiom that for various reasons there should be resistance to change. Emotions are most often 'negative' and seem to be a problem instead of being acknowledged as a natural part of the process. Strategic leaders and others are given more or less normative advice on how to avoid this resistance. In this literature, the very change itself seems to be the cause to the resistance (see e.g. Jick, 1993). This is also noted by Kiefer (forthcoming), who agrees that the literature on emotions during change reveals

a pattern where emotions are viewed as dysfunctional and irrational. She also draws the conclusion that it is assumed that emotions hinder the process. The reasons given in the literature for resistance to change can of course help us to understand change and its implications, such as lack of trust, fear of losing control, a personal failure, a threat to one's values, etc. (see e.g. Connor, 1995). However, an ostensive view seems to be prevalent in all such explanations, i.e. there is an indication that there is someone or something hindering the process, representing an inertia to change, or that there is an initial force which starts off resistance to change. For instance, there is a discussion concerning how the strategic leader as the initiator can influence the culture and behave in a certain way in order to ease the process (see Schein, 1992). This study challenges this view, in so much as viewing emotions as performative would enable us to talk about emotions in a new way as underlying forces to willingness and unwillingness within – and not towards – the change process. I want to argue that resistance to change in the traditional sense of the word might be a myth, and that possible resistance to change is not created by the change itself – or towards the change itself – as this study shows. Viewing emotions in a performative way, the focus should be on the translation and transformation processes of emotions within the radical change process itself. In this case, we are led to examine the co-production of emotions throughout the process. Emotions are a natural part of all communication and interaction among all organisational members, including strategic leaders. It is rather the result of this interaction and co-production of emotions that in turn leads to the willingness or unwillingness within the change process. Even if the result would be regarded as unwillingness to change, it is not necessarily a resistance *per se* to the change in the traditional sense. Instead, the unwillingness would according to this reasoning be the result of a translation and transformation process of emotions, in which it is impossible to judge whether such emotions stem from the radical change process itself or something else within or outside the process, taking into account a set of contextual factors (as argued earlier on in this chapter). As it is a circular process without a real start or end, we would not be able to talk about a resistance to change. Risberg (1999) provides a similar line of reasoning. Drawing a parallel to 'ambiguities of communication', she is doubtful that the commonly used phrase resistance to change is the appropriate expression. She argues that it might as well be 'pre-acquisition ambiguities', emphasising the role of communication during an acquisition process.

What happens during the process is that emotions travel, translate and start a chain of new emotions, actions and reactions. The strategic leader as well as all others translate and transform emotions in a way that seem to conform to individual as well as organisational goals. Sometimes these goals clash, and what is perceived as resistance to change, applying a performative interpretation of emotions might not be the 'correct' way to interpret what has actually taken

place. Admittedly, emotions might be the result of perceived underlying difficulties and underlying ambiguity. They might be a way to cope with the present situation and to make it possible to make sense of it. The situation can also be a way of getting some emotional space or taking an emotional time-out (c.f. Van Maanen, 1985). This would include, of course, the strategic leader as well. This is relevant to all parties in the process. Emotions, viewed as a translation and transformation process, are a means to meet what is happening. This is supported by Kiefer who, drawing on Lazarus (1991), claims that *individuals appraise events for example according to their individual goals, to their beliefs and values and the perceived significance of the events for personal well-being. Emotions therefore occur as a reaction to an interpreted event and as a reaction to those interpretations*⁶ (Kiefer, forthcoming). The wording 'appraise' would in this case be similar to translate and transform. Furthermore, due to the energy among the organisational members within the change process, emotions are translated and transformed in various ways and depending on the different chain reactions that are created, the emotions add up in driving forces or restraining forces in relation to the intention of the radical change process. Emotions become a way of dealing with what is happening. There is no end, really, to this chain of emotions, but at some point they add up to what traditionally has been labelled willingness or resistance to change but should rather be interpreted as willingness or unwillingness within the change process, i.e. as part of the process. Such a reasoning is also supported by Czarniawska and Joerges (1996), who argue in a similar way regarding the innovation process. They claim that this process is dependant on the travelling of ideas in a continuous chain reaction where ideas are *created, negotiated or imposed during the collective translation process* (ibid: 25). The result of this study concerning how emotions matter is also in line with the results of Berg in 1979. He concluded that emotions form emotional structures. As such, he argued,

They [emotional structures] can be seen as a collective creation, developed to allow for the further operation and development of the social organism. This implies that organizations, and indeed all social organisms, have the power to change themselves, to evolve from one stage of development to another by changing emotional structures (ibid:260).

Berg's reasoning supports the argumentation here that underlying structures and more deeply rooted notions, such as indirect forces (in my terminology) might be part of the process. Following a performative argumentation, where

⁶ The assumption here is that the implication of the word 'event' includes communicative processes.

emotions are translated and transformed continuously, we should thus be able to talk about willingness and unwillingness within the radical change process rather than resistance to the change itself.

Where Does this Leave Strategic Leadership?

Does this reasoning change our view of strategic leadership and does this render strategic leadership superfluous? The answer is both “yes” and “no”. As a consequence of viewing emotions as a translation process within a radical change process, leadership in and of itself must be related to frames of reference other than the traditional hierarchy, means of power and even that of a process agent. The prevailing top-down-perspective, which implies an ostensive approach regarding emotions as well as strategic leadership in a radical change process, must be reevaluated. Even recent definitions on leadership would need to be scrutinised. A performative interpretation would regard the strategic leader as one of the co-translators in such a process, and his or her influence would not be considered more or less important than that of anyone else. Or as Latour expresses it:

... the spread in time or space of anything claims, orders, artefacts, goods is in the hands of people; each of these people may act in many different ways, letting the token drop, or modifying it, or deflecting it, or betraying it, or adding to it, or appropriating it. The faithful transmission of, for instance an order by a large number of people is a rarity in such a model and if it occurs it requires explanation (Latour 1986:267).

Together with the organisational members – and other main figures outside the organisation – strategic leaders become the translators of the change process where emotions are translated into a local interpretation by the co-operators into the specific context. From there emotions become actions, which become part of yet another translation in an ongoing chain involving emotions, translations, actions, etc. (c.f. Sevón's reasoning on imitation, 1996:51).

Following this line of reasoning, one can question the importance of the strategic leader. On the other hand, the ‘name of the game’ implies that the strategic leader and strategic leadership matter. It is here that strategic leadership can be perceived as paradoxal. Contemporary literature on the subject of strategic leadership provides a relevant example in its emphasis on the strategic leader's rhetoric of the change, trust, motivation, values and attitudes (see e.g. Yukl, 2002). However, such research tends to view strategic leadership in an ostensive way. So, for instance, Yukl (2002) discusses the culture and the vision as managerial tools and discusses guidelines for strategic leaders to implement change and encouraging innovation (leaning on the result from

researchers such as Schein, Trice and Beyer, Kotter, Nanus, Tichy & Devanna, Yeung et al. etc.). Following a performative interpretation, this implies that the people around the strategic leader play an important role, in as much that it matters how they translate and transform the strategic leaders' emotions in relation to different situations and stages of the radical change process. These translation and transformation processes of the strategic leader's emotions are vital to the change process because they can be said to force change. The opposite is also true, i.e. it matters how the strategic leader translates and transforms the emotions of others. This interplay is the crucial process within the radical change process itself. Furthermore, it is actually the role as a leader, shaped and created by two parties (the strategic leader him/herself in interaction with a co-production with others) that matters in the specific case. This role is co-produced over a longer period of time insofar that it is also influenced by the co-production and institutionalisation of the concept of strategic leadership in itself. Here the strategic leader represents the socially constructed and institutionalised role of his/her profession. This implies that the 'starting-point' of being a strategic leader is filled with certain expectations, which might vary, but probably have in common that the strategic leader is a central and important actor during the radical change process. This would then mean that the strategic leader him/herself as well as other actors in the process 'carry' this heritage as an initial capital, and it is probably institutionalised to such a degree that the continuous process of translating and transforming emotions is related to this. It is therefore reasonable to assume that the organisational members will interpret and transform emotions somewhat differently depending on how the strategic leader expresses and shows them, even if he or she does not initiate them. Analogous to the performative reasoning, it would then matter how strategic leadership, including emotions, is practised, translated and transformed during the process and how it is translated among the fellow members of the organisation – and how this is transformed back – and so forth.

Driving Forces as a Collective Phenomenon

How, then, can the strategic leader help translate the circle of emotions into a collective chain of reactions that in its continuum proceeds into driving forces? Or, referring back to chapter two of this thesis, how can strategic leadership be enacted within the radical process to help emotions being enacted into driving forces?

Müllern and Stein (1999) suggest that the emotive side of rhetoric is as important as any other aspect, and needs to be included in this process. Introducing the "new rhetoric", the authors put an emphasis on the communication during a strategic change process, where the process is

constructed through a daily interaction and sense-making. Even if their approach indicates that the strategic leader is the initial force in this process, their findings support the reasoning here, i.e. that the emotions of the strategic leader matter for a range of reasons. Drawing on the findings of Mehrabian (Ashkanasy and Tse, 2000) that tone and voice (five times more than words) are the most important factors during the communication process, this study has made it known that expressed emotions are essential. It has been shown here that the strategic leader who is able to express and show emotions among the organisational members more explicitly makes others transform and react more readily to said emotions. An inertia to show and express emotions, on the other hand, appears to more often end in an opposite result. This implies that an ability to express one's emotions to others, to show one's emotional repertoire more intensively in the open, and thereby an ability to meet those emotions which are transformed back, all seem to be crucial characteristics for strategic leadership. Again, I want to point out that these emotions are not always convenient, are perhaps not always perceived as socially correct, and can be experienced as awkward among the people *in actu*. As the study here has shown, emotions leading to driving forces can often be those that are translated as frustration, irritation, anger and impatience. The very confrontations involving emotions carry a lot of energy, which promote the course of events, whereas without such confrontations there seems to be a lack of creative energy. This argument is sustained by Schein (1992) who mentions "emotional outbursts" as a means to express prime concerns. As a result of this study, there are reasons to believe that these emotions trigger change and move the process forward in a way that we label driving forces and give rise to collective actions. However, this study does not allow a more in-depth analysis in this respect since the focus has not been on group dynamics. A parallel, in disagreement with Smircich and Morgan (1982) will however be made here. Even if the authors take a social constructionist view on strategic leadership, which is in line with the perspective here, their argument regarding the management of meaning rests on the grounds that leadership as a practice is dependant on individuals wanting to be led or give up their own ability to decide upon and make sense of their reality. This kind of dependency between strategic leaders and others, where the strategic leaders stands for the initial force, would not belong to the view on strategic leadership here, even if Smircich and Morgan illustrate empirically that power is a "defining feature" of strategic leadership processes.

Summary

Emotions seem to matter in a more direct way as driving and restraining forces and in a more indirect way through indirect forces. Viewed this way, the strategic leader is one of the key actors and takes an active, and to a certain

degree conscious, part of the process. He/she has been given this role explicitly through appointment, and his/her own expectations and those of others, which progress and are formed over time during the process, as well as being pre-institutionalised, form this role. I also want to stress that driving forces and restraining forces are not the end of the story, as they both might as well turn back into the opposite, do the 'rules of the game' change. The view, advocated here, does not in this sense take away the individual's free will or choice to act in a way that meets his/her personal or organisational goals.

Reviewing the whole concept of strategic leadership in a more performative way indicates that the time has come to give strategic leadership a new meaning and perhaps a new definition. A change might seem semantic, and of minor importance, but the implications would be major. It is an acknowledgement to put equal emphasis on the co-actors in a strategic change process. A performative approach indicates that leadership is a collective phenomenon where the strategic leader is not the initial or the only main figure. The responsibility of the course of events would not be the sole responsibility of the strategic leader but rather that of all organisational members. However, it would not mean that we could make the position of strategic leadership redundant. Strategic leaders would be important in several ways. For instance, interpreting strategic leaders as emotional role models would be one, the ability to help in interpreting, translating and transforming the emotions of co-workers into the direction of driving forces would be another. As a result of this reasoning, strategic leadership including the dimension of emotions as well and the ability to create emotional trust (Huy, 1999) would be decisive. This would imply the ability to create an emotional climate in co-operation with the organisational members and that it is completely natural to let emotions influence the course of events.

Practical Implications

By acknowledging emotions as a natural part in organisations, and the sometimes strong signalling effect of the interpretations of such emotions, an emotion perspective should not have merely theoretical implications. To practitioners, this study should have some value for the following reasons.

The study here has illustrated that emotions matter in a range of ways in a radical change process and that they can help us understand such a process as a social process. Furthermore, in such a process, the strategic leadership could benefit from being aware of the contagious effect of emotions and the implications emotions have for the atmosphere and climate since it is obvious that all members of the organisation make or break the progress of the radical

change itself. To carry this process through is by no means a one-man-show but a collective co-production.

As a consequence of this reasoning, some people might interpret the result here as having implications for managing a radical change process to achieve a successful result. By creating a climate of positive attitudes and satisfaction, it would be possible to these people to “manage” through emotions. To those, I would say – yes, this conclusion is to some extent possible. However, we should also bear in mind, that this “managing” is not only for the strategic leader to obtain since emotions and a company spirit is a co-produced phenomenon, according to the reasoning of this study. Furthermore, it has been shown here that not only positive emotions (in the traditional sense) have served as driving forces. This would imply that strategic leaders should not be hesitant to hold back their emotions for the reason that they believe that emotions are not *comme il faut*.

There is a need for the strategic leader, as well as for all members of the organisation, to be able to express, show, discuss and feel emotions in order to translate and transform them in order to make sense of what is going on. By recognising those ‘facts’ it would be important to strategic leaders to let emotions come through and make way for this process, which in the end probably would be beneficial for an outcome in line with the strategic intentions.

Through this study we also learn that there is a strong connection between emotions and the company spirit. By expressing and showing emotions, the organisational members, including the strategic leader, customers, suppliers, family members, etc. help produce and reproduce the atmosphere of the organisation, and depending on how they all translate and transform emotions, the company can be better or worse for it. Strategic leaders can take an active part in facilitating this process by daring to show and express emotions. This can have a crucial influence on the strategic intent, and this study has shown that it might have a greater influence than anticipated.

Suggestions for Future Research

Higgledy has been identified as a company characterised by entrepreneurial features, and Hericles as an entrepreneur (see chapter five). In his setting, it seems to be more culturally accepted to behave in a more ‘emotional’ way. He is also active in a large and progressive city. Piggledy, on the other hand, was characterised as a more traditional company where Pericles acted within a family business context. He is active in a village located in the countryside and in a religious area. In this setting, Pericles is expected to be more strict and not show more emotions than the organisational and cultural norms allow. In this

traditional setting, long term emotions or caring for the employees' well-being seems to be more appropriate behaviour. With these two different cultures in mind, it would be of interest to find out to what extent the regional and cultural differences referred to here matter when it comes to emotions and vice versa. A closely related issue to this, is to what extent direct ownership, the size, the organisational life cycle and other such factors matter. Globally owned companies or mergers and acquisitions probably also play a role emotion wise. I imagine that culturally related issues and emotions have a solid connection. The industries in this thesis differ greatly. For further studies, it would be interesting to make the same study on more industries and also on more companies within a similar industry.

The focus of this work has been on top managers and strategic leaders. A supplementary focus on other organisational members can also be recommended. From this thesis, we do not know as much about the emotions of other people in the two companies, even if social processes have been in focus. Combining the two foci would lead to a discussion of how emotions matter on a more collective level, and we would be able to focus more on group dynamics, and with a specific interest in an alternative view on 'resistance to change', following the reasoning of this chapter. Furthermore, the context has been that of radical change. Even if there are reasons to believe that the implications of this study would be valid in other organisational situations, we do not know through this study what the main implications would have been, had a radical change process not been the main contextual focus.

Following the reasoning on contextual factors earlier in this chapter, the implications for future research open up for studies with a combined emphasis on societal, familial and organisational influences. Furthermore, the roles of personality and identification claims in combination with emotions would be a topic of interest. Also methodologically, further steps towards ways of including the subjects of research (in this study the strategic leaders and members of the management teams and board of directors) into building up the empirical material, would be desirable. Further exploration into the consequences of viewing strategic leadership and organisational change in a performative way also demands more research.

In this thesis, no attention has been paid to the representative level of emotions. With this I mean how we think and talk about emotions such as in advertisements, company brochures, or different organisational rituals like personnel parties, celebrations, company trips, etc. In a way and in those cases, emotions are supposed to be 'delivered' in one way or the other. It would also be of great interest to exclusively focus on the representative level in the decision-making processes, product development processes or in market analysis processes within a radical change process.

Closely connected to the representative level is the rhetoric of emotions in the company language. Since one conclusion from this study is that the interpretation/translation of emotions plays a decisive role, it naturally follows that the way a message is conveyed including emotions would be as important.

The aesthetic side of emotions is reduced by rationalisation in this thesis. According to Wasserman et al (2000:140) *any sensual experience is an aesthetic experience*. Within an organisational setting this implies that all communication, as well as physical attributes, such as decoration, furnishing, artistic ornaments, musical entertainment etc would matter in this sense. What do the translation and transformation processes look like with an aesthetic perspective on emotions? So, for example what music is played at work, who makes the choice of music and how do the organisational members experience this music emotionally? How do people *in actu* sensually experience the design and/or the ornamentation of entrances and other office premises?

In the next chapter, I will summarise the thesis.

11. A Summary: Emotions in Motion

This final chapter will summarise the thesis and its findings. In *chapter one* I argued for the need to add an emotion perspective to the fields of strategic change and strategic leadership and to develop it further within organisation theory. In *chapter two* I elaborated on two key concepts – radical change and strategic leadership – and concluded that they were to be viewed as social phenomena in this study. With the help of the theoretical review in *chapter three*, the need for an emotion perspective was emphasised, even if an emergence of emotions within organisation theory could be traced. However, a specific focus on emotions in strategically important processes was still lacking. Therefore, the purpose of this thesis has been to create an understanding of emotions in a radical change process with a focus on the strategic leader.

In *chapter four*, I discussed a definition of emotions and its implications for this study. The conclusion was that it is impossible to find one definition, and rather there are a range of definitions depending on one's ontological and epistemological stance and aspect of interest in emotions. For this reason, I instead settled on a rather all-embracing perception of emotions with a grounded approach in which the actors in focus and I formed the labelling of emotions. However, the approach to emotions in this thesis has been that emotions are socially constructed and situational since they are closely linked to relationships and social interaction. Furthermore, emotions evolve, transform and take new directions in a continuous process. As such, they are expressed with different levels of intensity and can be explicit or implicit. The individual experience of emotion and its representation is prominent in the inter-personal communication of emotion and the interaction in this process of shaping, sustaining and changing emotions can be studied from a communicative approach. In chapter four, I also made an account for studying emotions in an interpretive way, and what were the implications methodologically when applying this perspective. The chapter ended with a detailed report regarding the method of this thesis.

The following themes of research have been addressed:

- ✓ *The strategic leader's communication of emotion during the process of a radical change.*
- ✓ *Methods that can be applied in order to interpret emotions during a radical change process.*
- ✓ *When and where different emotions emerge during a radical change process.*
- ✓ *The influence of emotions in a radical change process.*

The empirical basis of the study has been fulfilled through the extensive material in *chapters five, six and seven* where the radical change processes of Higgledy and Piggledy were followed for about eighteen months and recorded as narrated chronologies.

Chapter eight discussed the empirical findings and implications from the narrated chronologies. *Chapter nine* suggested new theories on emotions and *chapter ten* stressed the contributions and practical implications of this study. A brief comment on each theme will serve as a summary of those chapters.

The strategic leader's communication of emotion during the process of a radical change.

Strategic leaders have illustrated that the organisational arena offers a diversity of emotions and they communicate these emotions during the process of a radical change related to their organisational setting and managerial issues. Many of the emotions could be related directly to the process, labelled here as emotions as driving and restraining forces, or indirectly to the process, labelled here as emotions as indirect driving and/or restraining forces. Emotional work, as indicated by Hochschild (1983), including bounded emotionality as suggested by Numby and Putnam (1992) was mostly related to emotions as indirect forces, such as the company spirit, whereas the idea of emotional labour as a manipulative tool (see Martin et al, 1998; 2000) was rejected in relation to the process. Furthermore, emotions that ended up as driving and restraining forces, expressed and experienced by the strategic leaders seem to be highly spontaneous.

- ✓ *Methods that can be applied in order to interpret emotions during a radical change process.*

An altogether inductive approach was applied in order to capture the emotions of the strategic leaders. Conversations with the strategic leaders were made in order to build trust and to learn about their situations. Successive observations where different aspects of the interaction where body language and intonation were included gave the opportunity to interpret emotions. In addition, conversations with the strategic leaders, immediately before and after a meeting sometimes including all participants of a meeting, gave extra insight as to expectations and how these were met, and what emotions were felt during

the meeting. Taped dialogues and discussions made it easier to remember the process in retrospect and make additional interpretations. Diaries, kept over a period of time, allowed the strategic leaders to express their emotions related to the process that was going on. A classification of emotions was tailor-made for emotions of strategic leaders in situations of uncertainty. The emotions were classified into abandonment, anger, bewilderment, concern, confidence, frustration, resignation, satisfaction and strain. The classification shows that the traditional categories of basic emotions do not work (see e.g. Ekman, 1992 and the earlier discussion in chapter three of this thesis), and nor does the traditional division into negative and positive emotions. By relating emotions to strategic issues and strategic issues to emotions, two different emotion patterns emerged in the two different change processes of Higgledy and Piggledy, in ongoing, real time settings. In both cases it was found that strategic leaders express or experience a lot of emotions that are connected to issues directly related to the radical change process.

✓ *When and where different emotions emerge during a radical change process.*

The radical change processes, which were followed here, indicate that emotions are all-embracing within a radical change process. The findings stress that strategic leaders are very emotionally committed and tied to the strategy of a company and feel personal responsibility for its progress. In strategically connected issues, often affairs of the heart for the strategic leader, he seems to be more emotionally exposed. Emotions evolve in daily communication and are produced and reproduced in this context. On a practical level, emotions are translated and transformed in a constant process among organisational members in the social interaction. On an intra-personal level, I have also found that strategic leaders experience a range of emotions that are not always verbally expressed or even mentioned. Sometimes they want those emotions to remain private or they might think the emotion is irrelevant, or sometimes they might not even be aware of the emotion. Sometimes they have a need to share them, even if there is not always an arena for social sharing. The common saying that “it is lonely at the top” might very well be adequate since there does not seem to be much emotional space for top managers. Here I also found that strategic leaders show and express a wide spectrum of emotions. Emotions arise as a means to understand and relate to the on-going process and as a means to explicitly emphasise and stress the importance of different aspects of the change as well. For instance, the strategic leader tries to make sense of what is happening with customer demands, suppliers, competitors and the internal development of the change process. The result of this study thus stresses the importance of viewing cognitive and emotive aspects as part of each other in a

situation where both are emphasised, and perhaps given a new epithet - emotion. Furthermore, the concluding discussion in chapter ten brings up the importance of contextual factors other than the organisational context, such as societal, familial and psychological aspects.

✓ *The influence of emotions in a radical change process.*

The empirical material, which provided a local and situational understanding of emotions, showed that it adds value to view a radical change process as an emotional process.

The communication of emotions matter greatly in strategically important situations where they serve as driving forces or restraining forces and as indirect driving or restraining forces in relation to the process and the strategic intent. Furthermore, the co-producing of emotions between the strategic leader and other organisational members has power implications for the strategic leadership where the co-production of emotions might result in power gain or power drain for the strategic leader, and thereby the strategic leadership. Emotions are the grounds for collective actions and create willingness or unwillingness within the change process, which in the end help the process to progress or work the other way around. Viewed this way, it is more fruitful to study the translation and transformation processes within the radical change process.

A performative view on emotions also renders an alternative view on strategic leadership, involving a set of activities in co-operation with others, enacted in on-going social interaction and communication processes informed by emotion as an active ingredient where it matters how emotions are interpreted and transformed.

Emotions have also been proven to serve as constructors of emotion sediments, good-mood-setters and bad-mood-setters. As such, they matter indirectly in the radical change process as driving or restraining forces, creating energy and with a diffusion mechanism. Emotion sediments build up from a range of situations where the parties are emotionally influenced and where earlier emotions have an impact on the situations and the impression of the parties involved. Typically, good-mood-setters and bad-mood-setters are more evident at the end and the beginning of social encounters. The former is used to ease up the atmosphere and is aimed at giving relief in strained situations or with strained issues. The latter is often noticeable at the beginning of meetings, where a bad mood, perhaps resulting from another situation, issue or encounter, influences the mood at the present meeting.

In conclusion, this thesis has thus contributed to new knowledge of emotions in the context of a radical change process, and it has been shown here that emotions definitely matter within the course of events in the process.

Let me conclude this thesis with the following illustration.

A Never Ending Story

Research is like a never ending story. To illustrate the illusion of having found or interpreted a phenomenon completely, I want to share the following story from real life. Two young friends, age seven, sit behind a barn in the Northern countryside of Sweden in the middle of July, and discuss facts:

Simon: It's always bright in Sweden.

Louise: No, in the winter it's dark.

Simon: It's always nice weather in Sweden and you can go swimming every day.

Louise: No, around Christmas it's cold and you can't go swimming.

Simon: I don't believe you.

Louise: It's true!

Simon: I have been in Sweden seven times, so I know.

*Louise: But I live in Sweden, and **I know**.*

*Simon: You **are wrong**. Christmas is always bright and hot.*

Simon was born and raised in South Africa, and he has spent every June and July in the north of Sweden, where it is light around the clock at this time of year. At the age of seven he has not experienced a Swedish winter with its darkness, cold and snow. Rather, his reference is the South African Christmas with its sunshine and hot weather. This short story can easily serve as a wake-up call for researchers who think they have seen and experienced it all.

Epilogue: Some Emotionalities

When I embarked upon the adventure of writing this thesis, I did so without knowing what it would really involve apart from hard work. During the process, I have naturally been part of co-producing a lot of emotions myself which have ended up in driving and restraining forces along the way in relation to the progress of this project. There are many people to whom I am grateful upon finishing this book. What would be more appropriate than thanking them in an emotional order?

Writing is a lonely process and feelings of bewilderment, frustration, uncertainty, inadequacy, etc. occur. On such countless occasions during the process, I have turned to my husband. He understood when I needed comfort, a helping hand or thought or a break. And for which I am very grateful: he gave me totally honest feedback in order for me to know when I needed to try again (even if I got very angry at times). There were many nights when he brought me a cup of tea or a glass of wine, and took the time to discuss my project. And there were numerous days when he took our daughter Louise out for some fun, leaving me in peace with my writing or reading. Håkan, you really are a devoted husband!

Writing a thesis has made me totally obsessed with emotions professionally, which often led to an urge to leave home early in the morning and at times not even come back during the evening. Had it not been for you, Louise, I would probably have ended up as a researcher, totally unaware of the most joyful moments in life: to be needed as a mother, to feel your arms around my neck, hearing that I am the best mom in the world. However, I was a bit puzzled when you told your friend, who asked you what your mom is doing for a living: “She is out looking for things. Then she writes about them. She is going to be a doctor – not a real doctor, mind you, just a doctor.” Louise, I can now claim that I am a real doctor!

Without my supervisors, there would be no thesis. They have helped me with new insights, continuous comments, and never showed any doubts. On the contrary, they have all encouraged me and made me feel that I was on the right track. Up until the last minute, they have provided me with comments on my text. It has also been a true pleasure to take part in their academic discussions in which their various competence and perspectives have contributed to my improvement. Leif Melin, Guje Sevon and Per Davidsson, I feel privileged to have had you closely connected to my writing process. Thank you!

Without case companies, there would be no thesis either. Hericles and Pericles – I am very grateful for your patience, your openness and willingness to share with me your emotions and other daily issues in an honest and open way!

Colleagues are priceless. They have helped with a lot from little practical things to more academic matters. There were many times that I have also taken ‘time out’ and enjoyed the philosophical discussions around the luncheon table. Thank you to everyone on floor six – you have made work a better place to be at!

It has also been a privilege to be a member of the “Get-Ready-Group”, where the mix of academic discussions and gossip about anything and nothing has given me a true feeling of belonging and help to get over frustrating sequences of the process. Caroline, Emilia and Helene – without you, the writing process would not have been as colourful and emotional!

At some point during the writing process I needed Averill’s “Semantic Atlas on Emotional Concepts”. The book was nowhere to be found. When I turned to the web discussion group of the Emonet List the problem was eventually solved. Thank you, Courtney Hunt of Northern Illinois University for making yourself the trouble to look through all your material in order to find the Atlas and send it to me!

Through the same appeal I was made aware of a list of emotion words. Thank you, Steven Hein of the EQ Insitute for sending me your list for free, and also adding to your list two emotion words from my research (persistent and disharmonious)!

Of course, there are many left on the thank-you list that have not been addressed here. I have not forgotten you and I am not ungrateful. Many of you are perhaps not even aware of how much you helped me in various ways. Just to mention a few, I would like to thank Howard Aldrich, Fatima Allie, Marta Calás, Susanne Hansson, Anne Huff, Björn Kjellander, Anders Melander, Tomas Müllern, Elisabeth Mueller Nylander, Sven-Erik Sjöstrand, Nils Wählin and library personnel at Jönköping University. Thank you for the time you took and the comments that you made and the help that you gave!

At last but not least, many warm thoughts to my deceased parents Ruth and Harry and to my sisters and brothers. In many ways they made me into who I am today. Please have a look at the web site www.campmagik.org and you will realise that what they say about identical twins probably holds a lot of truth!

Jönköping, February 2002

Ethel Brundin

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ENCLOSURE A: Professional Views on Emotions

Philosophers' Views on Emotions:

Philosopher	Period	What are emotions?
Aristotle	384 – 322 BC	Emotions affect judgement.
Descartes	1596 – 1650	Emotions are in the interaction between body and soul.
Hume	1711 – 1776	Emotions are the source of our moral.
Darwin	1809 – 1882	Emotions are involuntary means in order to adapt and survive.
James	1842 – 1910	Bodily changes cause emotions.
Sartre	1905 – 1980	Emotions are a conscious way to deal with a depressing world.
Solomon	contemporary	Emotions are conceptual.

Neuro-physiologists' and Biologists' Views on Emotions:

Researcher	What are emotions?
Cacioppo et al (1993)	Emotions arise as a function of autonomic activity.
Camras, Holland & Patterson (1993)	Emotions as facial expressions – the “facial feedback hypothesis” ¹ .
Fox and Calkins (1993)	Emotions are a combination of biological and cultural aspects.
LeDoux (1993)	Emotions arise in the amygdala.
MacLean (1993)	Emotions arise in the limbic system.
McGuire (1993)	Emotions arise in the neural system. Evolutionary view.

¹ The facial expression from one person affects the “receiver”, who in turn presents facial a facial expression.

Panksepp (1993)	Emotions are a combination of neural and chemical processes in the body.
Pittam and Scherer (1993)	See a relationship between emotions and rhetoric and other voice analyses.
Zajonic, Murphy and McIntosh (1993)	Emotions arise as a consequence of bodily changes.

Psychologists' Views on Emotions:

Approaches to emotions	Representatives of the approach
<i>The Darwinian perspective:</i> Emotions are a behavioural phenomenon together with the biological perspective: emotions exist within the body, are relatively stable, distinct from cognition	Darwin (1965); Izard (1971) Ekman and Friesen (1971) Panksepp, Knutson, and Pruitt (1998); Ekman (1992); Ekman and Friesen (1969, 1971, 1974)
<i>The Jamesian perspective:</i> Emotions are a result of emotional experience of the body.	James (1890; 1884) Levenson (1992); Ekman and Friesen (1969, 1971, 1974).
<i>The functionalist approach:</i> emotions are a combination of experience, cognitive development, and socialisation.	Brown and Kozak (1998).
<i>The system perspective:</i> Emotions have a socialising function. Emotions undergo a series of changes during childhood and adulthood.	Harris (1993); Lewis (1993, 1998); Saarni (1993).
<i>The cognitive perspective:</i> Emotion is a cognitive and/or social cognitive construction and stem from a series of personal appraisals and judgements. the Roseman typology). "The cognitive coping strategy."	Dickson, Fogel, and Messinger (1998). Lazarus (1991); Lazarus et al (1970) Roseman (1984)
<i>The socio-cultural direction:</i> Emotions are a sense making tool.	Mancuso and Sarbin (1998).
<i>The social constructivist perspective:</i> the social and cultural setting are decisive for emotions. The same goes for the interaction between individuals and the discourse on emotions.	Averill (1980, 1984); Armon Jones (1986); Harré (1986); Gergen, (1985, 1999); Lutz (1996); Cornelius (1996) Stearns and Knapp (1996).

<i>The integrated approach:</i> An attempt to link social, bio-cultural, and biological dimensions.	Averill (1996a, 1996b); Cornelius (1996); Ginsburg and Harrington (1996 bio-social emotions).
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Sociologists' Views on Emotions:

Approaches to emotions	Representatives of the approach
Emotions and macro processes, e.g. power, status.	Collins, 1990; Hammond, 1990; Fineman and Sturdy, 1999.
Emotions and micro processes, e.g. the adaptation to the social interaction.	Kemper, 1990, 1993; Scheff, 1990.
Emotions and political economy e.g. emotions as collective representations through films, movies etc.; e.g. emotions as commodity.	Denzin, 1984, 1990; Hochschild 1983, 1990.
Emotions and social constructionism: Emotions are produced through social interaction and culture.	Kemper, 1990, 1993; Gordon, 1990 Hochschild, 1983, 1990 (the interactionist view) Armon-Jones, 1986 (the weak thesis).
- emotion formed as a discourse	Lupton, 1998; Parkinson, 1995.
- emotional deviance	Thoits, 1990; Fineman, 1996
- emotions with a gender perspective	Hearn, 1993; Hochschild, 1983, 1990.

Organisation Theorists' Views on Emotions

Approaches to emotions	Representatives of the approach
- emotions as part of the organisational arena	Fineman, 1993, 1996, 2000a
- emotions as identification claims	Parkinson, 1995; Ashforth and Humphrey, 1993
- emotions and culture	Rafaeli and Sutton, 1987, 1988, 1989; Van Maanen and Kunda, 1989; Hearn, 1993.
- emotions as a psycho-dynamic phenomenon	Kets de Vries, 1996, 1997, 1999; Fineman, 1993, 1996

ENCLOSURE B: Personal Reflections: Are the Results Trustworthy?

Emotions are an elusive phenomenon and not easily caught. To look for this phenomenon in micro-processes has been an attempt to capture its implications. Even if I have had the ambition of interpreting the emotions felt and expressed by the strategic leaders in several ways, this is of course no guarantee for having interpreted 'the right ones'. Sometimes the strategic leader might have had his reasons for concealing an emotion, sometimes he might not know himself exactly what he felt or he might have had difficulties in finding the right label. As a researcher and observer, I might have arrived at a different interpretation of the emotions of the strategic leader than the leader would have made himself. With an interpretive approach and a performative view on emotions, the task to find how emotions matter in a radical change process is an iterative and continuous process. Light has been shed on many aspects and interpretations while others have been neglected and/or missed out. There is no such thing as a complete study. For the discussion that follows, I will point to the following limitations: choice of subject, choice of methodology and interpretation of the empirical material.

Choice of Subject

Even if there seems to be a lack of an emotion perspective in organisation theory and within strategic change, there might be a good reason for not having an exclusive focus on emotions. Perhaps emotions are too intertwined with phenomena such as cognition or the individual's multi-rationality to be studied alone. It might also be difficult to separate one emotion from the other when they occur or are expressed and experienced. Furthermore, emotions might be too personal to be possible to capture at all, and many people seem to think that it is unethical to make such an attempt. These people usually argue that emotions belong to our private sphere and should remain there. This is mainly due to our long history of seeing emotions as being something intangible, intrinsic and something that should be kept outside of our official working life, which demands that we all think and act rationally. Defying those arguments, I have become convinced that emotions could and should be studied in their own right. Admittingly, the phenomenon of emotions is a complex subject, but as I have shown elsewhere in this thesis, emotions are gradually being acknowledged and seem to steadily be gaining ground in research literature.

Choice of Methodology

Even though a multiple research strategy has been applied in this project, this does not guarantee that the most appropriate way to study emotions has been applied in order to fulfil the purpose. Nor does the approach make any

undertaking for having captured the phenomenon of emotions. Even if the choice of cases and the choice of a focus on strategic leaders can easily be questioned, I would on this point argue that this choice is in the end the researcher's privilege.

Critical voices would perhaps argue that it was a mistake to not tell the strategic leaders that I was studying the phenomenon of emotions. Having told them, I might have got a more accurate discussion of how the strategic leader felt and a more honest account. However, as I have argued before, I avoided this so they would not adopt an attitude of reserve and in an attempt to capture the emotions in a more natural and instant way. Because the topic of emotions still seems too unusual to deal with, I was afraid that bringing it out in the open might exclude me from access to the case companies. It has, however, been an ethical dilemma, since the strategic leaders have reacted to the uncommon theme in the account, even if they have known that the purpose has been to gain a close insight into their daily work in a radical change process. Such a reaction might not have happened if I had told them, but on the other hand, I might not have got such 'full' access to emotions if I had. Confidentiality was guaranteed, but there is in the two cases both a local and immediate environment that can identify the specific cases. As I see it, this fact has been more critical to the strategic leaders than going 'public'. Given the material I have, this is understandable, and this has put me in an awkward position: what can I reveal in the name of research, and what should I disguise in the name of maintaining a good relationship with the two strategic leaders? The conclusion is that there is no perfect compromise, and I have admittedly taken a risk here, making the decision to 'reveal all'. Strategic leaders are always the subject of discussion in all organisations, and it has been my hope that I have contributed to such a discussion in a constructive way, trusting that 'local' readers of this thesis will handle the information with care and in their turn deal with it to make further progress. The two strategic leaders have had the opportunity to read and make comments on the empirical material and these comments have been taken into consideration.

In this thesis, I have relied on micro processes, which is in line with my initial approach. This might have made me blind to defects in my own work. I might have missed out on the influence and importance of a "greater" context, such as the institutional setting, and I have given account for its impact on the social processes here. Alvesson and Deetz (2000) argue favourably about what they call partial ethnography with a focus on the situation. Even if I agree with most of their arguments, they discuss the disadvantage of being limited in time, space and representatives. Following these arguments, it is perhaps risky to draw the more general conclusions as I have done here. However, I would counter-argue that the empirical material has been reproduced in a way to make it possible for the reader to make his or her own judgement about the trustworthiness of the theoretical conclusions.

The rather detailed chronologies of chapters six and seven of *Higgledy and Piggledy* start in August/September 1998 and end in May 2000. During this period of time, there is a rather long intermission during the spring of 1999, when the chronologies are lacking in continuity. This might have resulted in my missing out on information which could have had an impact on my final discussion. The break was made in order to get some distance from the situations of the two companies and to be able to interact with new theories about the phenomenon of emotions with the material now at hand and thus part of the iterative process. Another issue related to the two processes is that of providing 'mutual' patterns and conclusions from two processes that differ greatly from each other in organisational settings and where the course of events have differed immensely. Perhaps not everyone will see this as an advantage when it comes to the concluding discussions, even if in my view it is an advantage when it comes to theoretical abstraction. Besides, the two emotion patterns that have been developed along the way in chapter eight, might be regarded as static, even if I would argue that they are related to two specific cases in order to create an emotion language that is more suitable in the context of a radical change and with the strategic leader as the main focus. The patterns are in this sense not static since I have shown that they are to be regarded as pictures, drawn from two processes. Even so, there should be insights to be made about what emotions occur and to what issues they are related in a specific context not recorded for earlier.

Someone might argue that the conclusions are nothing else but theoretical and empirical naivety (c.f. Alvesson and Deetz, 2000; Alvesson and Sköldbberg, 1994). Imagine, that we might be able to exchange the term emotions with for example culture, power, leadership or team-building throughout the text and be able to draw the very same conclusions? Even if the risk is obvious, I would argue that applying an interpretative approach, the discussions about the result seem to be plausible. In order to avoid the risk of misleading the reader, I want to stress, again, that an interpretive approach does not aim at giving generalisations, but rather in suggesting a local and/or tentative theory which seem plausible, given the dialectic process between empirical and theoretical grounds. Another researcher might have seen other structures and pointed in other directions. And this possibility is still left to the reader.

The levels of analysis have mainly been the individual and inter-personal, with the strategic leader as the key person. This is of course a limitation in so much as the narrated chronologies do not really tell us the emotions of other people in the process. However, during the process I have made successive observations and have sat in on different meetings, and thereby I have been able to observe social processes with others involved. It might also be a disadvantage that, again, leaders are in focus, and not non-leaders. How disputable this might be, one has to make a choice, because I think it is difficult to be all-embracing and include everyone in such a study, mainly due to time restrictions and limitations of one's own ability and the risk that trying to grasp it all

entails. Traditionally, and due to their hierarchical position, strategic leaders have had the obligation and responsibility to carry through radical change processes, and this is an explanation for a concentration on strategic leaders here. Furthermore, the emotions in this thesis are reported by the strategic leader himself and/or an interpretation of the researcher or other persons around the strategic leader. When private and 'difficult' matters, such as emotions, are involved there are not many options left.

Another main question is whether or not the study could have been made in another way methodologically. For one, I would not change the case study approach since I am convinced that emotions in a radical change process must be studied *in situ*. However, there could have been more cases, and the cases could have been other cases. Following a process also indicates that the process itself has to be followed. This does not necessarily imply that the researcher has to be more or less present for such a long period as almost two years. Perhaps a week or two in a row would be as adequate and more appropriate than staying one or more days with a lot of interruptions, provided that some groundwork had been done beforehand. However, as I have argued before, my conviction is that one has to keep an eye on a process for period of time longer than a couple of weeks in order to be able to get a more complete picture of emotions. The phenomenon of emotion sediments here is the result of a longitudinal approach (together with an inter-personal approach). It would perhaps also be suitable to reveal the main focus to the parties involved, giving them the time and space to become at ease with the subject.

Interpretation of the Empirical Material

Much of the ambiguity of the interpretation is indirectly embedded in the discussion above about methodological aspects. It almost goes without saying, that an interpretive approach is not claiming or aiming at giving the one and only interpretation, but rather aims to be one of many plausible interpretations. The researcher is limited in his or her choice of interpretations, though. This is due to a range of circumstances. So for instance, with a focus on emotions, the researcher's own experience and preferences are apparent. It is, I think, not possible for one person in one project to cover everything, or even to consider all aspects of the phenomenon in question. The interpretations that have been made in this thesis build on the following. Firstly, the approach to emotions excludes the intra-psycho processes of emotions, even if it includes the inter-personal level of emotions. In doing so, the interpretation, of course, misses out on aspects that some readers would regard important. This is however not within the scope of my expertise, as I do not have any neurological, physiological or psychological training. Secondly, my professional background within strategic change and organisation theory probably makes me biased for a specific view of the interpretation. Thirdly, I have been raised in a fairly conflict-free society, where I am accustomed to taking a lot of issues for granted. This goes for a lot of concepts in this thesis as well. For example, I

have not problemised the very concepts of strategic leadership, organisational hierarchies, the benefits and justifications of radical change processes, etc. This lack of problematising has in turn its own, mostly unconscious implications for the interpretations that have been made here. In addition to this, the performative interpretation of emotions makes it hard to be consistent language wise.

ENCLOSURE C: Shaver, Schwartz, Kirson, and O'Connor:

Coordinates of 135 Emotion Words in Two-and Three-Dimensional Space. From Shaver P., Schwartz J., Kirson D. and O'Connor C.: Emotion Knowledge: Further Exploration of a Prototype Approach, pp. 1070 - 1071.

Emotion word	Two-dimensional coordinates		Three-dimensional coordinates		
	Evaluation	Intensity	Evaluation	Potency	Activity
Love words					
adoration	1.72	-0.60	1.87	-0.05	-0.98
affection	1.74	-0.70	1.89	-0.16	-1.08
love	1.77	-0.67	1.93	-0.08	-1.04
fondness	1.77	-0.64	1.93	0.04	-1.05
liking	1.79	-0.53	2.00	-0.10	-0.77
attraction	1.76	-0.50	1.88	0.32	-1.03
caring	1.70	-0.68	1.85	-0.31	-1.00
tenderness	1.56	-0.73	1.69	-0.43	-1.02
compassion	1.47	-0.90	1.56	-0.54	-1.19
sentimentality	1.23	-0.89	1.30	-0.53	-1.21
arousal	1.61	0.43	1.80	0.71	-0.27
desire	1.55	-0.39	1.61	0.38	-1.03
lust	1.60	-0.62	1.68	0.29	-1.15
passion	1.75	-0.46	1.91	0.19	-0.90
infatuation	1.58	-0.80	1.65	-0.16	-1.29
longing	0.42	-0.69	0.43	-0.76	-0.84
Joy words					
amusement	1.75	0.02	1.99	-0.26	0.24
bliss	1.52	-0.14	1.77	-0.01	-0.21
cheerfulness	1.90	0.05	2.17	-0.07	0.13
gaiety	1.80	0.10	2.06	-0.05	0.19
glee	1.79	0.08	2.04	-0.06	0.19
jolliness	1.88	0.10	2.16	-0.08	0.21
joviality	1.78	0.09	2.04	-0.04	0.18
joy	1.88	-0.06	2.15	-0.06	-0.05
delight	1.88	0.04	2.16	-0.11	0.13
enjoyment	1.84	0.01	2.11	-0.11	0.09
gladness	1.87	-0.06	2.14	-0.14	-0.04
happiness	1.87	-0.16	2.14	-0.14	-0.13
jubilant	1.86	0.24	2.14	0.06	0.31
elation	1.72	0.19	1.97	-0.08	0.33
satisfaction	1.82	-0.24	2.08	-0.12	-0.30
ecstasy	1.73	-0.06	1.98	-0.02	-0.20
euphoria	1.67	-0.06	1.93	0.00	-0.01
enthusiasm	1.85	0.24	2.12	-0.03	0.32
zeal	1.69	0.14	1.92	-0.32	0.34
zest	1.86	0.25	2.13	-0.03	0.38
excitement	1.80	0.39	2.06	0.02	0.52
thrill	1.72	0.49	1.94	-0.16	0.78
exhilaration	1.64	0.32	1.87	-0.03	0.55
contentment	1.54	-0.40	1.77	-0.11	-0.46

Emotion word	Two-dimensional coordinates		Three-dimensional coordinates		
	Evaluation	Intensity	Evaluation	Potency	Activity
pleasure	1.85	-0.24	2.10	-0.09	-0.38
pride	1.60	-0.08	1.85	0.16	-0.20
triumph	1.80	0.15	2.05	-0.20	0.35
eagerness	1.52	0.37	1.71	-0.32	0.71
hope	1.66	-0.16	1.89	-0.29	-0.28
optimism	1.61	0.21	1.84	-0.21	0.42
enthralment	1.47	0.34	1.73	0.04	0.33
rapture	1.21	0.24	1.50	0.19	-0.03
relief	1.47	0.29	1.65	-0.49	0.58
Surprise words					
amazement	1.29	1.10	1.39	-0.05	1.53
surprise	1.18	1.24	1.25	-0.19	1.67
astonishment	0.68	1.44	0.74	0.07	1.83
Anger words					
aggravation	-1.20	0.22	-1.35	0.65	0.10
irritation	-1.20	0.21	-1.30	0.86	0.00
agitation	-1.18	0.35	-1.31	0.78	0.20
annoyance	-1.22	0.20	-1.30	0.92	-0.12
grouchiness	-1.17	-0.12	-1.34	0.50	-0.28
grumpiness	-1.16	-0.15	-1.35	0.35	-0.28
exasperation	-0.60	0.68	-0.73	0.45	0.88
frustration	-1.10	-0.06	-1.33	-0.02	0.00
anger	-1.13	0.68	-1.15	1.30	-0.05
rage	-1.09	0.71	-1.12	1.28	0.13
outrage	-1.11	0.63	-1.14	1.25	-0.03
fury	-0.96	0.81	-0.99	1.28	0.25
wrath	-1.13	0.58	-1.14	1.25	-0.05
hostility	-1.07	0.65	-1.08	1.29	-0.06
ferocity	-0.82	0.88	-0.83	1.42	0.09
bitterness	-1.23	-0.02	-1.29	0.92	-0.31
hate	-1.18	0.56	-1.18	1.28	-0.13
loathing	-1.11	-0.06	-1.10	1.06	-0.37
scorn	-1.18	0.34	-1.20	1.11	-0.16
spite	-1.16	0.58	-1.14	1.32	-0.16
vengefulness	-1.14	0.54	-1.14	1.27	-0.10
dislike	-1.21	0.08	-1.24	1.01	-0.30
resentment	-1.21	0.00	-1.27	0.95	-0.30
disgust	-1.20	0.36	-1.27	1.01	-0.04
revulsion	-1.12	0.15	-1.20	0.90	-0.08
contempt	-0.15	-0.11	-0.21	1.07	-0.47
envy	-0.67	-0.52	-0.63	1.16	-0.68
jealousy	-0.69	-0.55	-0.72	1.00	-0.75
torment	-1.19	-0.02	-1.39	0.39	-0.04
Sadness words					
agony	-1.15	-0.26	-1.37	-0.44	-0.06
suffering	-1.15	-0.40	-1.37	-0.52	-0.34
hurt	-1.16	-0.34	-1.39	-0.30	-0.36
anguish	-1.13	-0.05	-1.35	-0.17	0.08
depression	-1.17	-0.30	-1.37	-0.54	-0.11
despair	-1.17	-0.21	-1.37	-0.51	0.05
hopelessness	-1.15	-0.32	-1.35	-0.59	-0.11
gloom	-1.04	-0.34	-1.20	-0.77	0.04
glumness	-1.14	-0.51	-1.32	-0.84	-0.14
sadness	-1.12	-0.47	-1.32	-0.70	-0.27
unhappiness	-1.16	-0.43	-1.37	-0.61	-0.32

Emotion word	Two-dimensional coordinates		Three-dimensional coordinates		
	Evaluation	Intensity	Evaluation	Potency	Activity
grief	-1.15	-0.40	-1.35	-0.67	-0.21
sorrow	-1.11	-0.53	-1.31	-0.72	-0.39
woe	-0.88	-0.30	-1.05	-0.75	-0.08
misery	-1.17	-0.26	-1.38	-0.50	-0.13
melancholy	0.00	-0.54	-0.18	-1.17	0.01
dismay	-1.03	0.04	-1.23	-0.45	0.19
disappointment	-1.19	-0.36	-1.41	-0.39	-0.33
displeasure	-1.21	-0.11	-1.42	0.28	-0.25
guilt	-1.10	-0.42	-1.30	-0.62	-0.32
shame	-1.16	-0.37	-1.37	-0.54	-0.30
regret	-1.10	-0.35	-1.32	-0.49	-0.27
remorse	-1.12	-0.38	-1.34	-0.50	-0.30
alienation	-1.10	-0.51	-1.28	-0.80	-0.24
isolation	-0.96	-0.88	-1.09	-1.26	-0.15
neglect	-1.15	-0.31	-1.34	-0.66	-0.12
loneliness	-1.04	-0.57	-1.22	-0.82	-0.35
rejection	-1.10	-0.35	-1.32	-0.44	-0.32
homesickness	-1.13	-0.52	-1.31	-0.84	-0.25
defeat	-1.16	-0.31	-1.36	-0.60	-0.12
dejection	-1.14	-0.46	-1.33	-0.73	-0.20
insecurity	-1.08	-0.20	-1.26	-0.64	-0.12
embarrassment	-0.95	-0.34	-1.03	-0.94	0.37
humiliation	-1.12	-0.19	-1.34	-0.50	-0.08
insult	-1.16	-0.14	-1.39	0.08	-0.24
pity	-0.80	-0.64	-0.97	-0.45	-0.84
sympathy	0.47	-1.24	0.40	-1.36	-1.00
Fear words					
alarm	-0.78	0.94	-0.78	0.05	1.43
shock	-0.73	0.94	-0.73	0.08	1.43
fear	-1.02	0.73	-1.10	0.10	1.15
fright	-0.97	0.73	-1.04	0.31	1.11
horror	-1.01	0.77	-1.08	0.57	1.03
terror	-1.01	0.72	-1.10	0.45	1.04
panic	-0.97	0.74	-1.05	0.02	1.18
hysteria	-0.74	0.75	-0.82	0.43	1.06
mortification	-1.04	0.36	-1.23	-0.13	0.59
anxiety	-0.84	0.68	-0.90	-0.48	1.11
nervousness	-0.96	0.70	-1.03	-0.41	1.14
tenseness	-0.86	0.66	-0.95	-0.09	1.07
uneasiness	-1.09	0.31	-1.22	-0.46	0.72
apprehension	-0.77	0.62	-0.80	-0.27	1.16
worry	-1.13	-0.09	-1.29	-0.55	0.41
distress	-1.18	-0.03	-1.35	-0.49	0.37
dread	-1.16	0.04	-1.37	-0.16	0.29

Note. Words are grouped according to the six major categories that emerged from the hierarchical cluster analysis (see Figure 1).

ENCLOSURE D: A Linguistic Description of Emotions

The significance of the emotion is taken directly from Collins Cobuild (1987). Not all explanations and/or the significance of a specific word is included, as I have excluded those not directly applicable here and with another meaning.

Emotion: Abandonment	The abandonment of a place, person, or thing is the act of leaving them permanently or for a long time; If you abandon someone, especially someone you have responsibility for, you leave them and never to back to them.
Emptiness	A feeling of emptiness is an unhappy or frightening feeling that nothing is worthwhile, especially one which arises because you are very tired or have just experienced something upsetting.
Betrayal	A betrayal is an action that betrays someone or something. If you betray someone who thinks they have your support and love, you are disloyal to them, for example by telling their enemies where they are or what they have done; If you betray someone's trust, confidence, etc or you betray your principles, you fail to act in the good and morally correct way that was expected of you.
Dependence	Dependence is a constant and regular need that someone has for something in order to be able to survive or operate properly; Dependence is the need that someone has for another person, especially for emotional security.
Helplessness	You have no protection, and cannot defend yourself or anyone else. If you are helpless, you are unable to behave normally or to react normally to a situation because you have no power or strength.
Loneliness	Is the unhappiness that is felt by someone because they do not have any friends or do not have anyone to talk to.
(Sense of) Unfair (Treatment)	If you think that something is unfair, you think that it is unreasonable and unjustifiable according to your ideas about what is right and just.

Emotion: Anger	Anger is the strong emotion that you feel about an action or situation which you consider unacceptable, unfair, cruel, or insulting, and about the person responsible for it.
Aggressiveness	Someone who is aggressive in their work or other activities is eager to succeed and behaves in an insistent and forceful way without really caring about other people.
Indignation	Indignation is the feeling of shock and anger which you have when you think that other people have done something unjust or unfair, and that you have a right to be angry.
Rage	Rage is a feeling of extremely strong anger that is very difficult to control.
Emotion: Bewilderment	If something bewilders you, it is so confusing or difficult that you cannot understand it. If you are bewildered, you are completely confused and are unable to make a decision about something or to understand it. Bewilderment is the feeling of being bewildered.
Distrust	If you distrust someone, you are very suspicious of them because you cannot trust them; Distrust is the feeling of suspicion that you have for someone who you do not trust.
Doubt	A doubt about something is a feeling of uncertainty about it, for example not knowing whether there it is true or possible.
Hesitation	Hesitation is a pause or slight delay in something that you are doing, usually because you are worried, embarrassed, or uncertain; Hesitation is an unwillingness to do something because you are worried or embarrassed about it or because you are not sure if you really ought to do it.
Reluctance	Reluctance is unwillingness to do something, especially something that you cannot avoid doing, and which you therefore do slowly and without enthusiasm.
Surprise	Surprise is the feeling you have when something unexpected happens; Surprise is the act of attacking or capturing someone when they are not ready.

Suspicion	Suspicion is the feeling that you do not trust someone or that something is wrong in some way, although you have no evidence for this.
Uncertainty	Uncertainty is the state of doubt about the future or about what is the right thing to do.
Emotion: Concern	Concern is worry that people have about a situation; If something is of concern, it is worrying and unsatisfactory; if something concerns you, it worries you and makes you upset; A concern is something that is important to you and that you think about a lot; If you are concerned with something, or if you concern yourself with it, you are involved with it because it interests you or because you think that it is important; If you concern yourself about someone, you care about what happens to them and want them to be happy, safe, and well; If a situation, event or activity concerns you, it affects or involves you.
Disappointment	Disappointment is the state of feeling disappointed; When things or people disappoint you, they do not satisfy you because they are not as good or as reliable as you had hoped, or do not do what you want them to do; If something disappoints someone's hopes or expectations, it prevents something happening which they had planned or wanted to happen.
/Easy/ strain	A strain is a state of worry and tension caused by a situation that severely tests your mental and physical powers; If you refer to a situation as being a strain, you mean that it causes you to feel worried and tense.
Empathy/ Sympathy	Empathy is the ability to share another person's feelings and emotions as if they were your own// If you feel or show sympathy for someone who has had a misfortune, you are sorry for them and show it in the way that you behave towards them, especially by being kind to them.
Regret	If you regret something that has happened or something that you have done, you feel sorry and wish that you had not done it or that it had not happened; Regret is a feeling of sadness, disappointment, or anger with yourself, which is caused by something that has happened or something that you have done.

Uneasiness	If you are uneasy, you feel anxious that something may be wrong or that there may be some danger; If you are uneasy about doing something, you are not sure that it is correct or wise.
Worry	If you worry, you keep thinking about problems that you have or about unpleasant things that might happen; Worry is the state or feeling of anxiety and unhappiness caused by the problems that you have or by thinking about unpleasant things that might happen.
Emotion: Confidence	Confidence in a person or thing is the feeling that you can trust them to do what they are supposed to do and that they will not disappoint you or fail; The belief that you can deal with situations successfully using your own abilities and qualities; A feeling of certainty that what you are saying is correct.
Calmness	Someone who is calm does not show any worry or excitement.
/Cautious/ Optimism	Optimism is the feeling of being hopeful about the future and the belief that a particular situation or course of action will be successful.
Commitment	Commitment is a strong belief in an idea or system, especially when it is shown by your actions and behaviour.
Conviction	A conviction is a strong belief or opinion.
Expectation	An expectation is a strong hope that something will happen or that you will get something that you want; An expectation is a strong belief that something is likely to happen.
Hope	If you hope that something is true or hope for something to happen, you want it to be true or to happen and usually believe that it is possible or likely; If you hope to do something you want to do it and intend to do it if you possibly can; Hope is a feeling of desire and expectation that things will go well in the future; If you have hopes of something successful happening in the future, you feel that there is a good chance that it will happen.

Loyalty	Loyalty is the quality of being firm in your friendship or support for someone or something; A loyalty is a feeling of friendship, support, or duty towards someone or something.
Optimism	Optimism is the feeling of being hopeful about the future and the belief that a particular situation or course of action will be successful.
Reassurance	Reassurance involves helping someone to stop worrying often by saying something kind or friendly to them.
Security	Security is a feeling of being safe and not having fears or worries.
Self-assurance	Someone who has self-assurance shows confidence in the things that they say and do because they are sure of their abilities and they are not afraid.
Trust	If you trust someone, you believe that they are honest and sincere and that they will not deliberately do anything that will hurt you in any way; If you trust in someone or something, you believe deeply in them; If you trust someone to do something, you believe that they are able and willing to do what you want them to do or to act in the way that you want.
Emotion: Frustration	If something frustrates you, it makes you feel upset and angry because you are unable to deal with the difficulties and problems it gives you; If something frustrates something such as a plan, an event, or the progress of something, it results in it not taking place or not succeeding.
Annoyance	Annoyance is the feeling of anger and impatience that you get when someone says or does something that displeases you; An annoyance is something that makes you feel angry and impatient; If you are annoyed, you are fairly angry about something that has happened or that has been done.
Defensiveness	You use defensive to describe things that are intended to protect someone or something; Someone who is defensive acts in a way that is intended to hide their weaknesses.
Disharmony	When there is disharmony, people disagree about important things and this causes an unpleasant atmosphere.

Dissatisfaction	Dissatisfaction is the state of feeling dissatisfied; If you are dissatisfied, you are not contented, or not pleased with something.
Impatience	Someone's impatience is their annoyance at having to wait for something to happen; Someone's impatience is their feeling of irritatin about something, also used of someone's personal quality of becoming easily irritated by things; If you show impatience to do something or impatience for something to happen, you are eager to do it or for it to happen and do not want to wait.
Irritation	Irritation is a feeling of annoyance, often one that you get when something that you do not like continues to happen; An irritation is something that annoys you because you do not like it and because you know that you cannot stop it continuing.
Persistence	If you have persistence, you continue to do something with determination, even though it is difficult or other people are against it; The persistence of something is the fact of its continuing to exist for a long time.
Restlessness	If you are restless you are bored or dissatisfied and want to do something else; If you are restless you are always moving because you find it difficult to stay still.
Feeling shut-in	--
Emotion: Resignation	An attitude of resignation is acceptance of an unpleasant situation or the unpleasant circumstances of life without complaining or worrying about them or trying to change them.
(Sense of) Cowardliness/ Cowardice	Cowardly behaviour is behaviour in which someone avoids doing something dangerous or unpleasant because they are afraid; used showing disapproval.
/Lack of/ motivation	If you are motivated to do something, you are caused to feel determined to achieve something and willing to work hard in order to succeed.
Listlessness	Someone who is listless has no energy or enthusiasm.
Pessimism	Pessimism is the habitual belief that bad things will happen or are happening, or the belief that a particular thing will be unsuccessful or bad.

/Sense of/ giving up	If you give up something, you stop doing it or believing in it; If you give up, you admit that you cannot solve a problem, puzzle, or joke.
Tiredness	If you are tired, you feel that you want to rest or sleep; If you are tired of something, you are bored with it and no longer interested in it.
Emotion: Satisfaction	The pleasure that you feel when you are doing or have done something that you wanted or needed to do; If you do something to someone's satisfaction, they are happy with the way you have done it.
Amusement	Amusement is the feeling that you have when you think that something is funny; Amusement is the process of getting pleasure and enjoyment from being entertained or from spending time doing something interesting.
Challenge	Challenge is something new and exciting or difficult which you have the opportunity of doing and which requires great effort and determination if you are going to succeed.
Cockiness	--
Excitement	If you are excited, you are so happy that you are full of energy and cannot relax, especially because you are looking forward to an enjoyable and special event and cannot stop thinking about it; Excitement is the state of being excited, also used of something that causes you to be excited.
Happiness	Someone who is happy has feelings of pleasure, for example because something nice has happened or because they feel satisfied with their life; If you are happy about a situation or arrangement, you are satisfied with it, for example because you think that something is being done in the right way.
Joy	Joy is a feeling of great happiness and contentment.
Pride	Pride is a good feeling of happiness and eagerness for praise, which you have when you or people that you like have done something good, or when you own something that that you think is good; If you have or take pride in something that you have or do, you feel pleased and happy because of it.

Relief	Relief is a feeling of gladness that something unpleasant has not happened or is no longer happening; Relief is a temporary pause in or the ending of an unpleasant feeling or experience for a particular person.
/Self-/fulfilment	Fulfilment is a feeling of satisfaction that you get from doing or achieving something, especially something useful.
Emotion: Strain	Strain is a state of worry and tension caused by a situation that severely tests your mental and physical powers; If you refer to a situation as being a strain, you mean that it causes you to feel worried and tense. Strain is a difficulty that is caused for something when its powers or resources are severely tested or used to an extent that goes beyond normal or reasonable limits.
Fatigue	Fatigue is a feeling of extreme physical or mental tiredness; If something fatigues you, it makes you feel extremely tired; a formal use.
Grief	Grief is extreme sadness. A Grief is something unpleasant that happens which causes someone great sadness or unhappiness.
Guilt	Guilt is an unhappy feeling that you have because you think that you have done something wrong, or that you have failed to do something which you should have done.
Hardship	Hardship is the situation someone is in when they are suffering from great difficulties and problems in life, often because they do not have enough money.
Hopelessness	If someone feels hopeless, they feel desperate because there seems to be no possibility of comfort or success.
Inability /to express feelings/	If you refer to someone's inability to do something, you are referring to the fact that they are unable to do it.
Inadequacy	If someone has feelings of inadequacy, they feel that they do not have the qualities and abilities necessary to do something, to deal with something, or to cope with life in general.

Pain	Pain or a pain is an unpleasant feeling which you have in a part of your body because you have been hurt or are ill; Pain is also the feeling of deep unhappiness that you have when unpleasant or upsetting things happen.
Pressure	Pressure is the strong need to perform a lot of tasks, make a lot of decisions, etc, especially when you have very little time to do each thing; If you are under pressure from someone to do something, you are being persuaded very strongly that you must do it.
Shock	A shock is a strong feeling of fear or distress that you get when something unpleasant suddenly happens to you; Shock is a person's emotional and physical condition when something very frightening or distressing has happened to them; Shock is also something sudden and unexpected that threatens the beliefs, traditions, or way of life of a group of people.
Stress	If you feel stress or if you are under stress, you feel tension and anxiety because of difficulties in your life.
Tension	Tension is the feeling that is produced in a situation when people are anxious and do not trust each other, and when there is a possibility of sudden violence or conflict; Tension is a feeling of worry and nervousness which makes it difficult for you to relax.
Threat	A threat is a statement that you will harm someone or do something that will upset them, especially if they do not do what you want them to do: A threat is something or someone that may harm a particular person or thing; If there is a threat of something unpleasant, it is possible or likely that it will happen.
Vulnerability	Someone who is vulnerable is weak and without protection, with the result that they are easily hurt physically or emotionally.

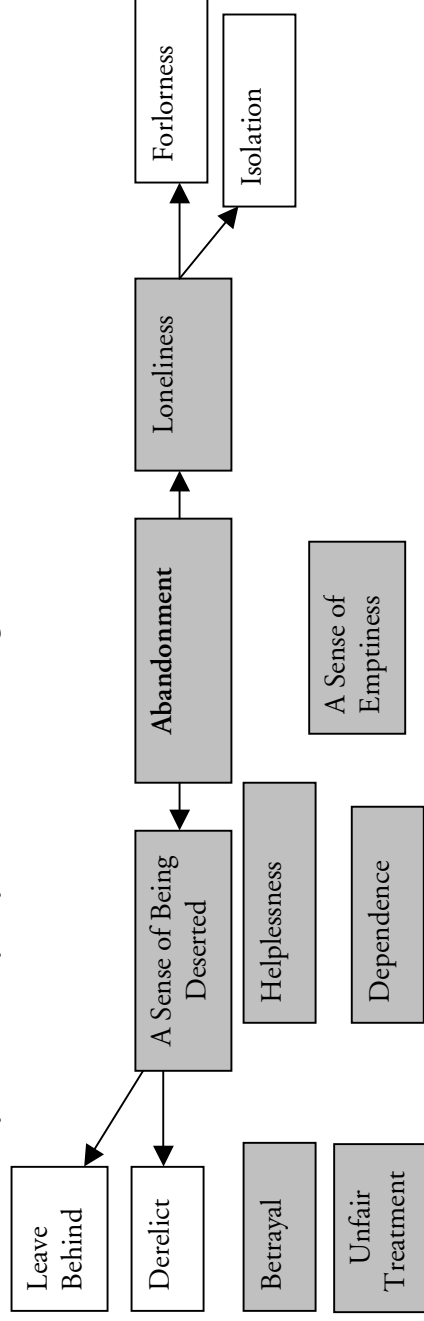
ENCLOSURES E1 – E 9: Lexical Chains of Emotions*

The emotion in bold letters within a shaded box is the classified emotion. From this word, a direct lexical connotation has been found to each word in the shaded boxes, that are connected with the classified emotion by an arrow and that has been classified. From this word, in turn, a lexical connotation has been made to emotions in white boxes, and that are not classified. The emotions in shaded boxes without any connecting arrows have no lexical connection to the classified emotion.

* With the assistance of Björn Kjellander, JIBS

ABANDONMENT

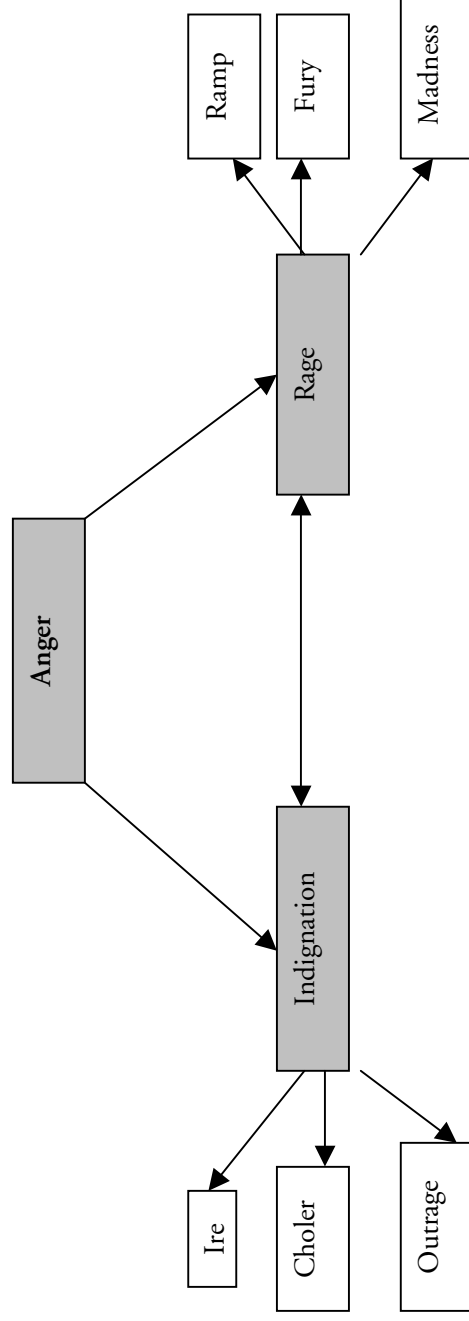
the action of abandoning sb/sth or of being abandoned; freedom from worry or inhibition
her abandonment of the idea • the fear of abandonment in old age



ANGER

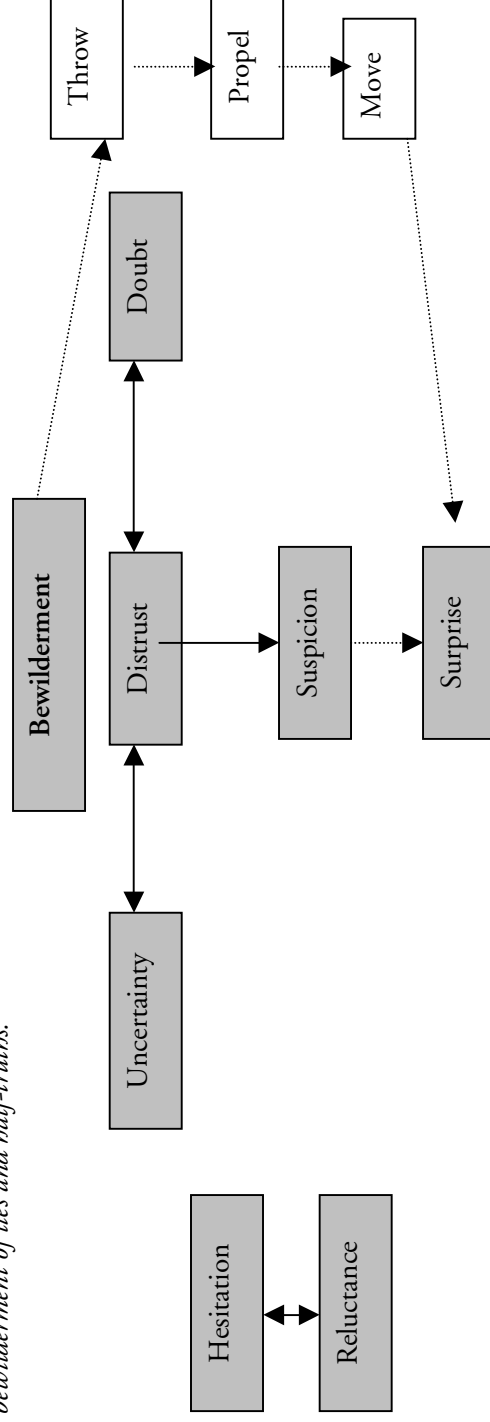
a strong feeling of annoyance and hostility

- *He was filled with anger and resentment at the way he had been tricked.*
- *His voice shook/trembled with anger*



BEWILDERMENT

The condition of being confused or disoriented; a situation of perplexity or confusion; a tangle;
a bewilderment of lies and half-truths.



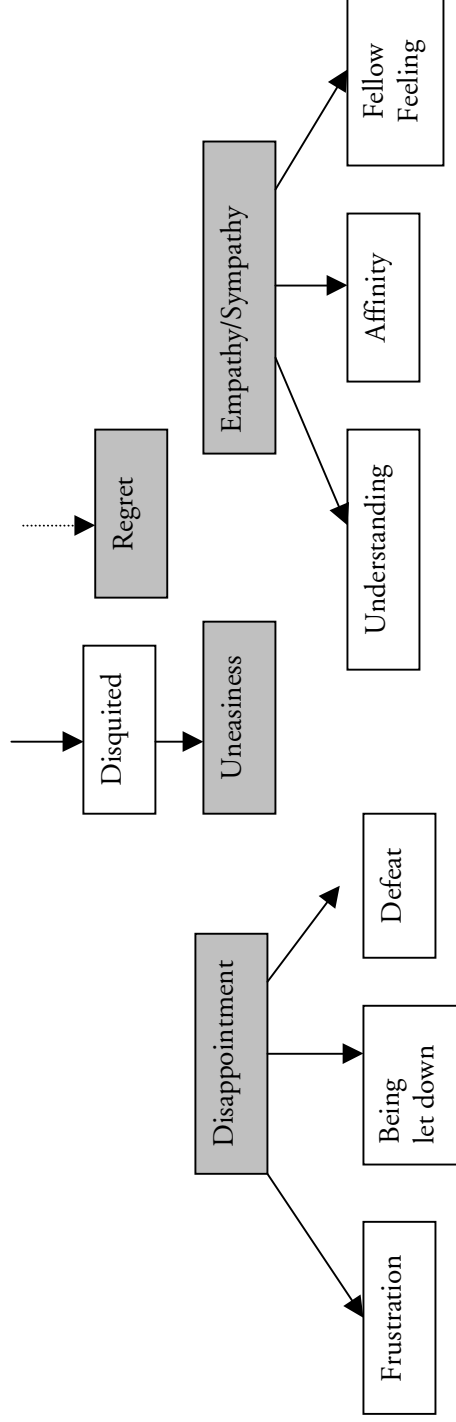
CONCERN

To have to do with or relate to: an article that concerns the plight of homeless people.

To be of interest or importance to: This problem concerns all of us.

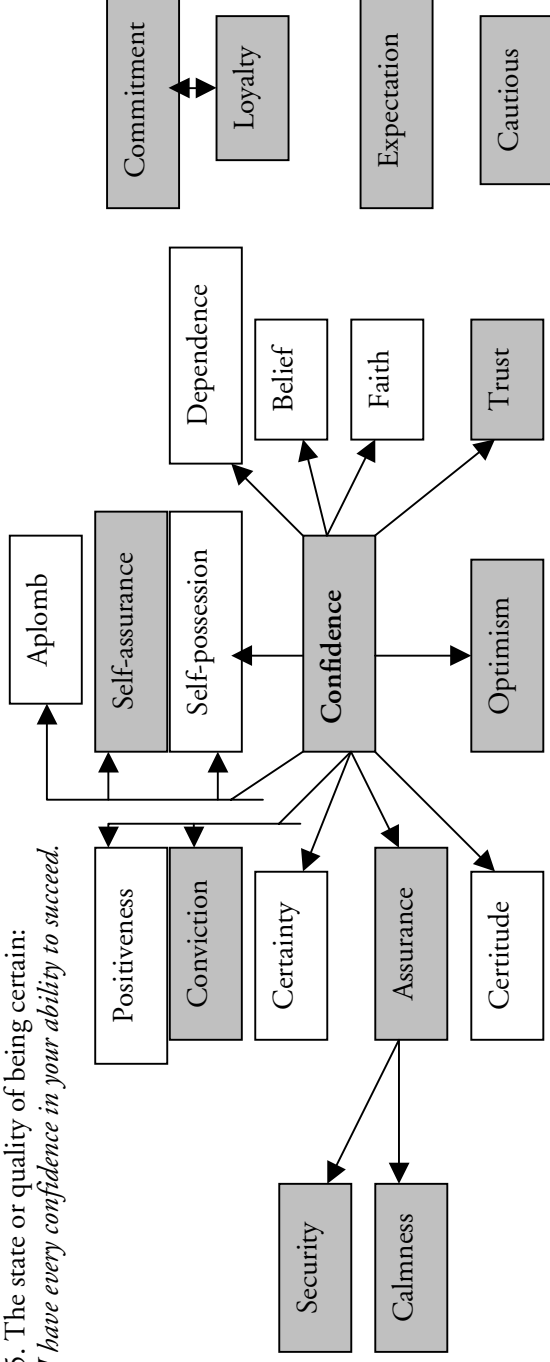
To engage the attention of; involve: We concerned ourselves with accomplishing the task at hand.

To cause anxiety or uneasiness in: *The firm's weak financial posture is starting to concern its stockholders.*



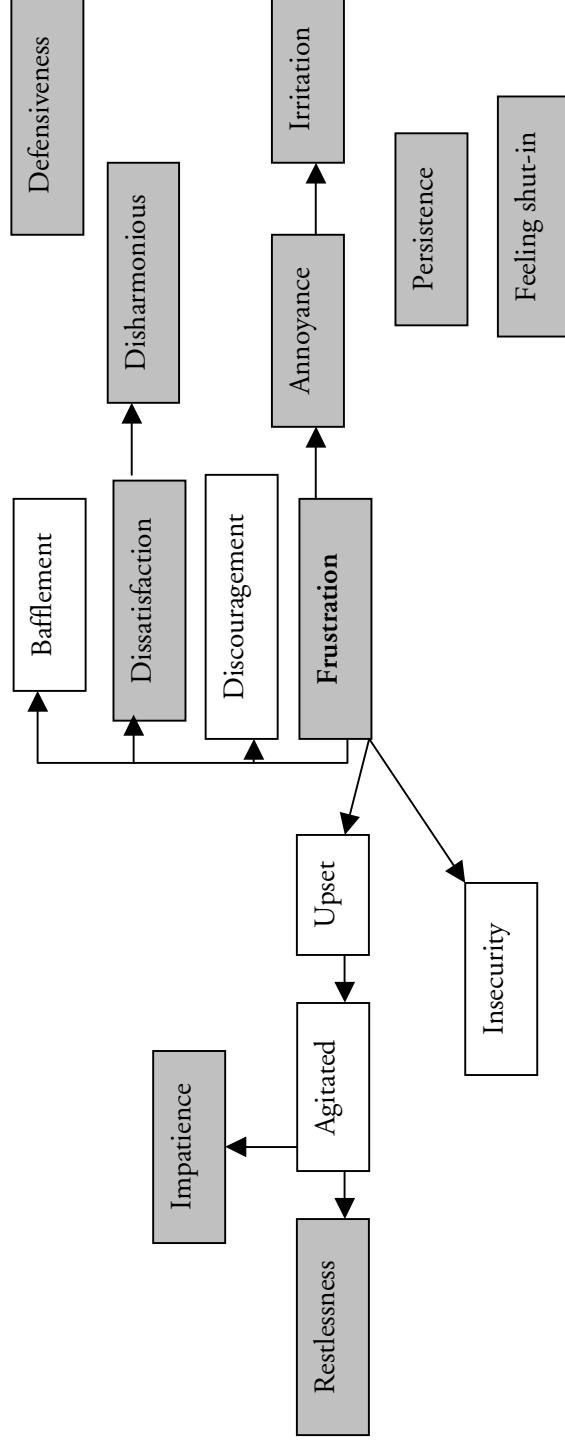
CONFIDENCE

1. Trust or faith in a person or thing. 2. A trusting relationship: *I took them into my confidence.*
- 3a. That which is confided; a secret: *A friend does not betray confidences.*
- 3b. A feeling of assurance that a confidant will keep a secret: *I am telling you this in strict confidence.*
- 4 A feeling of assurance, especially of self-assurance.
5. The state or quality of being certain:
I have every confidence in your ability to succeed.



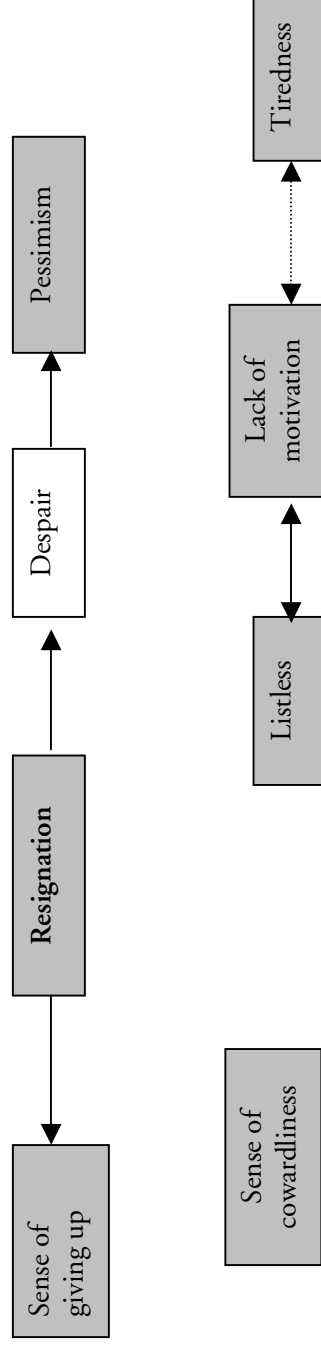
FRUSTRATION

- 1 To cause feelings of discouragement or bafflement in; dissatisfaction; to upset; insecurity
the feeling of being frustrated: mounting anger and frustration • *He thumped the table in frustration.*
- 2 Annoyance. a thing that makes one feel frustrated; a disappointment: *Every job has its frustrations.*



RESIGNATION

Unresisting acceptance of something as inescapable; submission

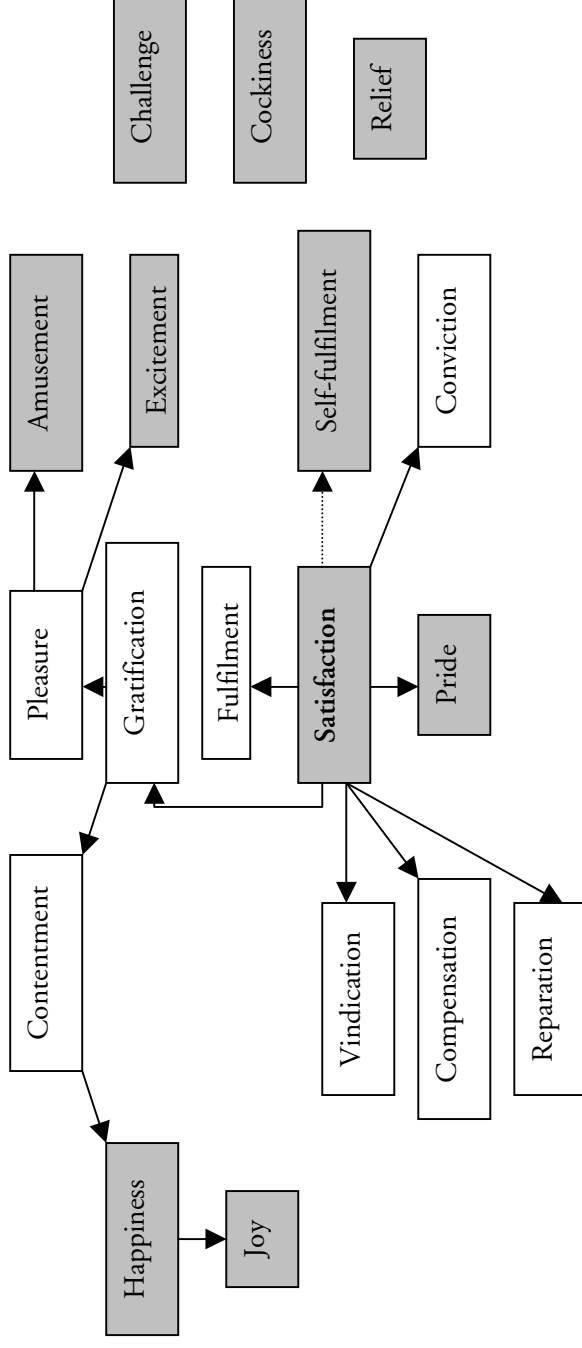


SATISFACTION

The fulfilment or gratification of a desire, need, or appetite. Pleasure or contentment derived from such gratification.

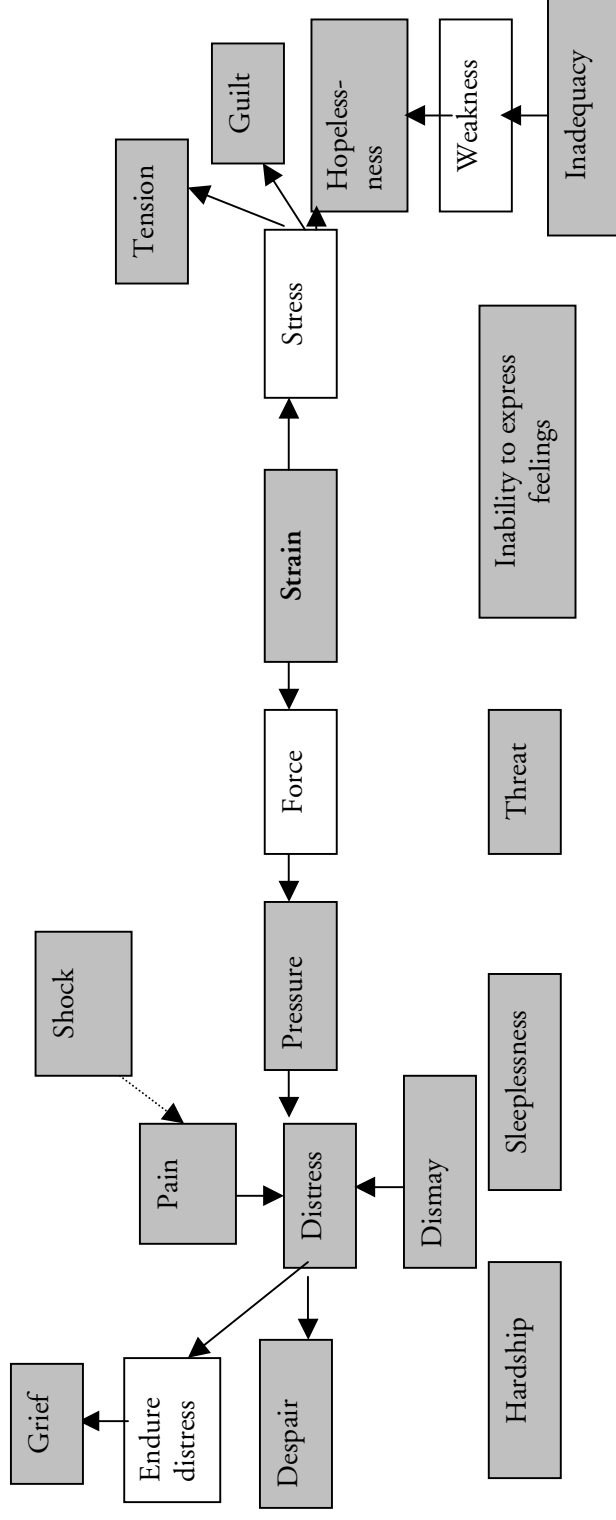
A source or means of gratification.

1. Compensation for injury or loss; reparation. The opportunity to avenge a wrong; vindication.
2. Assurance beyond doubt or question; complete conviction.



STRAIN

(a) a severe demand on mental or physical strength, resources, abilities, etc.
the stresses and strains of modern life
There's a lot of strain at work because we're so busy



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