This article was downloaded by: [University of Regina]

On: 02 January 2015, At: 13:46

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered

office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



# Journal of Change Management

Publication details, including instructions for authors and subscription information:

http://www.tandfonline.com/loi/rjcm20

# The Politics of Middle Management Sensemaking and Sensegiving

Ole Hope <sup>a</sup>

<sup>a</sup> Norwegian School of Economics and Business Administration , Bergen, Norway

Published online: 08 Jun 2010.

To cite this article: Ole Hope (2010) The Politics of Middle Management Sensemaking and Sensegiving, Journal of Change Management, 10:2, 195-215, DOI: 10.1080/14697011003795669

To link to this article: <a href="http://dx.doi.org/10.1080/14697011003795669">http://dx.doi.org/10.1080/14697011003795669</a>

## PLEASE SCROLL DOWN FOR ARTICLE

Taylor & Francis makes every effort to ensure the accuracy of all the information (the "Content") contained in the publications on our platform. However, Taylor & Francis, our agents, and our licensors make no representations or warranties whatsoever as to the accuracy, completeness, or suitability for any purpose of the Content. Any opinions and views expressed in this publication are the opinions and views of the authors, and are not the views of or endorsed by Taylor & Francis. The accuracy of the Content should not be relied upon and should be independently verified with primary sources of information. Taylor and Francis shall not be liable for any losses, actions, claims, proceedings, demands, costs, expenses, damages, and other liabilities whatsoever or howsoever caused arising directly or indirectly in connection with, in relation to or arising out of the use of the Content.

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden. Terms & Conditions of access and use can be found at <a href="http://www.tandfonline.com/page/terms-and-conditions">http://www.tandfonline.com/page/terms-and-conditions</a>



# The Politics of Middle Management Sensemaking and Sensegiving

OLE HOPE

Norwegian School of Economics and Business Administration, Bergen, Norway

ABSTRACT Middle managers play an important role when organizational change is to be implemented. The objective of this article is to identify what political tactics middle managers exert to influence change outcome. A qualitative study of middle managers in an insurance company reveals how middle managers through political actions influence the sensemaking of others, including their superiors. Drawing on sensemaking and sensegiving theory and political literature, middle managers' divergent actions during change implementation are examined. The findings suggest that middle managers have an influence on superiors' sensemaking by exerting the power of meaning. Middle managers mobilized resource power, such as expertise in the business, as a powerful platform for controlling the change process. The article allows insight into how skilled political actors operate. It contributes to the change literature by demonstrating a tight coupling between practice, politics, and change outcomes. It also expands our understanding of sensemaking and sensegiving by providing evidence for a tight coupling with power and politics.

KEY WORDS: Power, politics, middle management, sensemaking, sensegiving, change

# Introduction

Recent middle manager literature suggests that middle managers make important contributions to strategy and strategy implementation (Floyd and Wooldridge, 1997; Balogun, 2003; Balogun and Johnson, 2005; Wooldridge et al., 2008). While middle managers play an active role in implementing top management's change initiatives, where they act as linking pins and mediators between the organization's strategic and operational levels (Floyd and Wooldridge, 1997; Balogun, 2003), the interactions between senior and middle management in strategic change remain poorly understood (e.g. Rouleau, 2005; Hoon, 2007). This

Correspondence Address: Ole Hope, Breiviksveien 40, 5045 Bergen, Norway. Tel.: +47 90 19 22 21; Email: o.hope@nhh.no

1469-7017 Print/1479-1811 Online/10/020195-21 © 2010 Taylor & Francis

DOI: 10.1080/14697011003795669

study reveals the micro practices that occur in the schism between middle and senior management when declining performances are met with organizational changes. The sensemaking and sensegiving literature focuses on how change initiators and change recipients develop shared cognition, perceptions and interpretations of change initiatives. However, it is remarkable how little focus politics has been given in this literature, especially when sensegiving has to do with influencing the meaning construction of others. Trying to influence others' meaning construction is, per se, political behavior (e.g. Buchanan and Badham, 1999). Politics is traditionally seen as self-serving, but recent research emphasizes that political behavior may be triggered as well by selfless motivation and actions (Buchanan and Badham, 2008).

In this article, I examine the organizational politics that emerge when middle managers face top management's intentions for organizational change. I identify the political tactics middle managers apply to position themselves to exert power to influence the change outcome. I draw on sensegiving theory (Gioia and Chittipeddi, 1991; Weick, 1995; Maitlis, 2005; Weick *et al.*, 2005), middle manager literature (Floyd and Wooldridge, 1997; Balogun, 2003), literature on convergent and divergent actions (Burgelman, 1994; Pappas and Wooldridge, 2007; Stensaker and Falkenberg, 2007), and literature on power and politics (Pettigrew, 1977; Mintzberg, 1985; Hardy 1996; Hardy and Clegg, 1996; Buchanan and Badham, 1999).

The study is designed as an embedded single case study (Yin, 2003) conducted in a Nordic insurance company (INSCO¹), where a strategic change project was followed for eight months. Real-time, longitudinal data was gathered from a multiple set of sections and departments. The study examined an organizational change in the Norwegian claims handling division of INSCO.

This article contributes to existing literature on power and politics by providing access to rich qualitative accounts from respondents taking part in political behavior. Such accounts are rare (Buchanan, 1999), and give insight into how skilled political actors operate, which enhances our understanding of the nature of power struggles and politics in organizations. Furthermore, this study expands existing sensemaking and sensegiving literature through providing evidence for a tight coupling with power and politics, showing that sensegiving may be politics in action. Finally, this article provides a supplement to existing change literature by showing the tight coupling between practice, politics and change outcome.

# Theory

Middle Managers Divergent and Convergent Actions

The traditional middle manager role in strategy is implementing top managements' intended strategies. However, studies show that this perspective is too simplistic (Floyd and Wooldridge, 1992, 1997; Balogun, 2003). Middle managers play a significant role in strategy processes, both in strategy formation and implementation. Middle managers responding and acting in accordance with corporate intentions may be viewed as convergent actions (Stensaker and Falkenberg, 2007). However, we know from the literature that middle managers' responses to change initiatives are more diverse (Floyd and Wooldridge, 1992, 1997; Stensaker

and Falkenberg, 2007). Middle managers frequently engage in divergent action to develop a new strategic orientation (Burgelman, 1991, 1994; Huff et al., 1992; Floyd and Wooldridge, 1992, 1997). This kind of action is often seen as negative as top management may be closely identified with the official strategy (Floyd and Wooldridge, 1997). Divergent actions do not need to be destructive (Burgelman, 1991, 1994; Huff et al., 1992; Floyd and Wooldridge, 1992, 1997; Meyer, 2006), but managers are more likely to fail in effectuating strategic intent if there are tensions and different responses between different groups of middle managers (Meyer, 2006) and such actions are often seen as negative and unconstructive. As actors having wide-ranging contact with the external environment, and through that, first hand information of external environmental changes, middle managers are in a position to play an important role in bringing divergent thinking into the shaping of strategy (Floyd and Wooldridge, 1997; Hoon, 2007). Middle managers' divergent actions regarding change can be the result of either unintentional misunderstandings of corporate intentions, or the result of more deliberate misinterpretations (Stensaker and Falkenberg, 2007).

Recent studies have indicated that how middle managers make sense of change initiatives, and how sensemaking and sensegiving processes affect action are important for understanding what lies behind middle managers' convergent and divergent actions (Balogun and Johnson, 2005; Maitlis, 2005; Stensaker and Falkenberg, 2007). I therefore turn to sensegiving and sensemaking theory next.

# Sensemaking and Sensegiving

Gioia and Chittipeddi (1991, p. 442) define sensemaking as '[it] has to do with meaning construction and reconstruction by the involved parties as they attempted to develop a meaningful framework for understanding the nature of the intended strategic change'. How individuals make sense of change initiatives affects whether the change outcomes are in accordance with the anticipated outcomes or are in conflict with the anticipated outcome (Balogun, 2006; Stensaker *et al.*, 2008). Although sensemaking may take place in horizontal communication and interaction or as a result of top-down communication, most sense is made through the social processes of sensemaking at the recipient level. Hence change outcome is largely determined by the interpretations of the change recipients (Balogun, 2006). In the social processes of sensemaking, change recipients interact in exchanging stories, gossip, rumors, jokes, conversations and discussions to form an interpretation of what they should do to put their superiors' change plans into action (Balogun and Johnson, 2004, 2005; Maitlis, 2005).

Sensegiving can be defined as 'the process of attempting to influence the sense-making and meaning construction of others toward a preferred redefinition of organizational reality' (Gioia and Chittipeddi, 1991, p. 442). Gioia and Chittipeddi (1991) emphasized that sensegiving is a sequential and reciprocal process where the sensegiver and the sensemaker respectively are primarily dealing with influence and understanding. Sensegiving has to do with how different players work to influence each other through different types of communicative and interactive behavior (Maitlis, 2005). Sensegiving has also been described as a political process (Hoon, 2007; Maitlis and Lawrence, 2007). Despite this however, organizational politics

have been largely ignored in the sensemaking and sensegiving literature; hence there is room to explore exactly how politics may have impacts on sensemaking and sensegiving. I turn now to the literature on power and politics.

#### Power and Politics

It is suggested that the power that rests in organizational structures as functional authority is an unquestionable legitimate power, while power exerted outside the lines of command in a bureaucratically structured organization is illegitimate (Mintzberg, 1985; Hardy and Clegg, 1996). Hardy and Clegg (1996) presented a definition of power that may seem rather negative, but nevertheless is the basis of a broad stream of literature regarding power: '[T]he ability to get others to do what you want them to do, if necessary against their will, or to get them to do something they otherwise would not do' (p. 623). Hardy (1996) differentiates three different types of power:

- (i) The power of resources is linked to control over scarce resources. The power of resources is exercised by the deployment of key resources on which others are dependant. Decision outcomes may be influenced through individual control and management of resources such as: information, expertise, budgets, rewards, and punishments in directions that support their objectives.
- (ii) The power of process is related to influencing outcomes by controlling those who participate in decision-making processes and those who do not. This highlights another side of the power of process because it is possible to influence outcomes by indirect participation; one controls who takes part in decision making rather than controlling decision making directly. This reveals a vision that the most powerful decision makers are not the ones we see, but the men/women behind the scenes.
- (iii) The power of meaning has to do with controlling or shaping perceptions, cognitions and preferences, which is per se sensegiving. This is possible by influencing what information is given, and how, and to whom, it is presented. It has to do with controlling language symbols and rituals. Balogun *et al.*, (2005, p. 263) described the power of meaning as 'a process of symbol construction and use designed to legitimize one's own actions and delegitimize those of opponents'.

Politics is power in action, where individuals use tactics and other techniques of influence to foster their will or objectives upon others (Hardy, 1996; Buchanan and Badham, 1999). A common consensus of the definition of organizational politics does not exist (Buchanan and Badham, 2008). Nevertheless Pettigrew (1977) introduced a definition that is broadly cited:

Politics concerns the creation of legitimacy for certain ideas, values and demands – not just actions performed as a result of previously acquired legitimacy. The management of meaning refers to a process of symbol construction and value use designed both to create legitimacy for one's own demands and to 'delegitimize' the demands of opponents. (p. 85)

Political activity is not necessarily an activity that is deployed with personal objectives, such as personal career objectives and/or organizational power. It might as well be a means for managers to serve organizational goals when they have diverse opinions and beliefs about change objectives. Whether for personal or organizational goals, politics is about creating a perception of legitimacy through the management of meaning, and it has to do with shaping a perception of reality and imposing this perception of reality on others (Brown, 1995; Hardy, 1996). From this one may conclude that sensegiving is at the core of political struggles and the fight for power.

In this study, I examine the role of power and politics in sensegiving and sensemaking by exploring how middle managers seek to influence the change outcome through the power of resources, the power of process and the power of meaning.

# The Study

The study was conducted in a Nordic insurance company (INSCO). INSCO conducts business within the general insurance industry in four Nordic countries: Denmark, Norway, Sweden, and Finland. It is one of the top-three companies in general insurance in the region, with 4,500 employees. The study examined an organizational change in the Norwegian claims handling division, which has approximately 350 employees.

The management team in the claims handling division was unsatisfied with the claims handling processes. The claims handling processes were too time-consuming, too costly, and the level of accessibility for customers was too low. As a consequence the division management team decided to organize a project to perform an analysis to identify areas where performance could be enhanced. The project team was staffed with a majority of external consultants with support from some internal non-managerial resources, so that the core business could be sheltered. The analysis concluded that performance could be enhanced through a series of different actions of which the implementation of a new organizational structure was one (see Figure 1, 'Intended change outcome').

In contrast to existing procedures, it was decided that all claims (see Figure 1, 'Baseline organizational model') should be handled at the customer call centre regardless of the claim's size, complexity or cost. Three new sections were to be established: (i) travel insurance claims; (ii) motor vehicle and bodily injury claims; and (iii) buildings and contents claims. By having all claims handlers in the front office working in a call center-like environment, was to enhance accessibility and customer satisfaction. This would eliminate the need for back office experts, and simultaneously give every claims handler the opportunity to handle all kinds of claim complexity. There were no differences in formal qualifications between the majority of claims handlers, so they were qualified to do any claim within their area of expertise. By establishing new procedures for how to handle the low complexity and low cost claims, more resources could be put on claims where it was possible to reduce claim handling costs and claim costs.

Upon implementation, different organizational structures emerged in the sections (see Figure 1, 'Realized change outcome'). In both the travel insurance

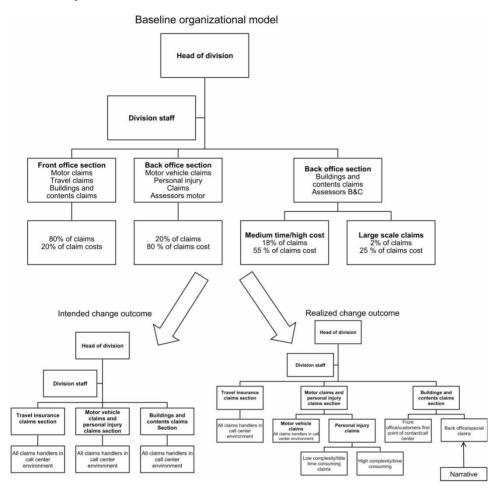


Figure 1. Baseline structure, intended structure and realized structure.

claims section and the motor vehicle insurance claims section, the new organizational structure was implemented as planned by the project. For the claims section for buildings and contents however, the structure remained divided between the front office and back office departments, although one of the two back office departments was closed down. The personal injury claims departments, with a few minor alterations, were organized as before.

#### Methods

### Data Collection

The study is an embedded single case study, where the change project was followed for eight months. Real-time, longitudinal data was gathered from a multiple set of sections and departments within the claims handling division.

The primary methods for collecting data were interviews and personal 'diaries'. To triangulate data (Eisenhardt, 1989), secondary data sources were collected, including internal company documents such as: decision memos, consultancy reports and written inputs from middle managers outside the decision process. In addition, more informal conversations between the researcher and middle managers took place over the telephone, over a cup of coffee, or as a quick chat in the company hallway or in middle managers' offices.

The personal 'diaries' were personal reflections related to the change process recorded by the recipients in preformatted MSWord files, where five explicit themes were to be reflected:

- (i) What have you been working with over the last two weeks?
- (ii) What has been working well in the project so far, and what is the reason it has been working well?
- (iii) What has not been working well in the project so far, and what is the reason it has not been working well?
- (iv) What challenges for the project do you see in the following weeks?
- (v) Is there anything related to the project that you are lacking in order to be able to do your job as effectively as possible? (Resources, skills, guidance, information, etc.)

A total of 29 diarists were recruited, consisting of 3 heads of sections (middle managers), 14 department heads (middle managers), and 12 ordinary claims handlers, where 3 participated in the project team in the organization project. The diarists were instructed to send their diaries by email to the researcher every second week.

Two types of interviews were performed among the same respondents as were recruited as diarists. One group of interviewees was interviewed following a structured, standardized, open-ended interview guide (Patton, 2002; Yin, 2003), and one group was interviewed following a semi-structured, open-ended interview technique (Patton, 2002; Yin, 2003). Interview techniques were adjusted during the data collection process as a consequence of the emergence of new and interesting themes (Eisenhardt, 1989), such as deliberate political actions from a group of divergently responding middle managers. Each interview lasted approximately 90 minutes. A total of 25 interviews were conducted. Of these, 14 were semi-structured interviews and 11 were structured interviews. All interviews were taped and transcribed verbatim.

# **Data Analysis**

First-order Analysis

The data analysis was organized in a first and second-order approach (Gioia and Chittipeddi, 1991). Here, first-order analysis is a narrative or a story developed through a journalistic approach (Langley, 1999). The objective is to create a story as near to the reality of what happened as possible. By writing up narratives or pure descriptions for each case investigated, it is possible to acquire each unique

story as a stand-alone entity (Eisenhardt, 1989). These stories are vital to the generation of insight because they help us to organize huge amounts of data.

The objective of the data analysis was to capture the entire complexity and different actions that took place during the process investigated; this provided the development of a 'thick description' (Langley, 1999; Balogun and Johnson, 2004). The thick description was created by pulling together data from diaries, interviews, document studies and secondary data sources such as small talk and telephone follow-up conversations. The application of multiple data sampling techniques enhances the level of precision (Eisenhardt, 1989). However, despite the use of multiple data sampling techniques, a first-order data analysis will be subjective, even though every effort has been made to make it as objective and neutral as possible. It will be marked by how the members of the organization interpret what is going on in the organization and the researcher's own interpretation of the observed (Van Maanen, 1979). From this process, the data were organized into two broad categories labeled divergent behavior and convergent behavior. In each category, several sub-categories were identified and established, for instance related to departments and/or branches. In the divergent behavior category, one specific sub-category had to do with actions leading to an alternative change outcome than what had been intended.

# Second-order Analysis

The second-order analysis is a theoretical analysis of what unfolded in the first-order analysis. Here the researcher examines the first-order findings for underlying explanatory dimensions (Gioia and Chittipeddi, 1991), or 'interpretations of the interpretations' (Van Maanen, 1979, p. 541). The objective is to discern deeper patterns and dimensions of understanding – patterns not necessarily perceptible to organizational members (Gioia and Chittipeddi, 1991). In this way, theory emerges from the first-order data. In the second-order (Van Maanen, 1979), determination of a deeper understanding is attempted by performing a more theoretical analysis where the first-order findings are examined to find deeper patterns and dimensions based upon a theoretical perspective (Gioia and Chittipeddi, 1991).

# First-order Analysis

After the division management team decided to launch the claims analysis project and tried to shelter the core business, the front office and the back office section management teams chose different approaches. The back office management team took an active approach to try to control what happened in the project. This is when the notion 'The Gang of Four' came to life.

[...] it is clear we are four – what was the name of the Chinese leadership in earlier days – 'The Gang of Four', yes, that was when 'The Gang of Four' came to life. (Middle manager buildings and contents claims back office group)

In these first-order analyses 'The Gang of Four' gives insight into the political tactics applied by middle managers who deliberately fought senior managements'

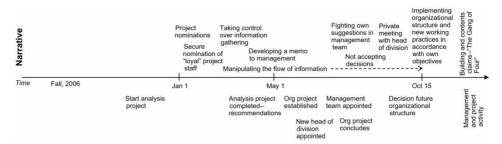


Figure 2. Timeline.

change initiatives, and the tactics they applied when they were trying to delegitimize their opponents among their peers. Key events in the narrative are presented graphically in Figure 2.

In the buildings and contents claims handling branch the processes were affected by conflicting interests between front office and back office middle managers. First of all, no one was involved or invited to express their thoughts in advance of the claims analysis project. The buildings and contents branch had been affected by conflict between the front office and back office sections for years. The conflict may have had its roots in different perceptions of what are the important and demanding tasks within the buildings and contents branch: having to expedite service routines and a high level of upfront customer service on one side, or being required to do the time-consuming claims handling of medium-sized complex claims on the other. The total claims volume is approximately 34,500 claims each year, where only 3,500 claims are related to the latter category. The conflict was mostly about working conditions, criteria for when to pass on one specific claim from the front office to the back office, differences in target figures – did the differences really reflect the differences in complexity, and the removal of workload when telephone caller intensity was out of control. One middle manager expressed why the buildings and contents claim branch was not involved before the project launching:

We have had a latent conflict within [our] field for years. The back office guys look at themselves as more qualified than our front office employees, despite that they have the same formal and practical qualifications. We have what we call an A and a B team. My impression is that the division management team doesn't want the conflict on their table. (Middle manager buildings and contents claims)

'The Gang of Four' was very active in the claims analysis project from the start. Despite the division management team's wish to shelter the core business, one of the most central core business players from the back office was positioned in several important positions in the project. By controlling a set of major positions in the analysis project, they could influence much of what was happening. One of the first things they did during the analysis was to rewrite the entire base of interview questions that was to be used in the data collection for the analysis project. In this way, 'The Gang of Four' took control over the issues that would be focused on in the analysis. In order to make sure their arguments were properly understood

and considered by the project, they took control over the production of a memo that was distributed among the reference group members on a consultation basis. However, the front office representative in the reference group did not receive the memo before the reference group meeting where it was to be discussed. The memo was thereafter passed on to the project management and the steering committee (division management team). In the memo, they not only focused on working practices, but they also took the opportunity to say something about the organization's future.

'The Gang of Four' were challenged by the fact that their opinion regarding future organization seemed to not be supported by the project management team as a whole, despite them having control over the most vital positions in the project team regarding buildings and contents. This challenge resulted in considerable political action. They felt sure that they had low odds for gaining support for their position within the project team without actively taking action. Having managed to situate their allies in almost every position in the project team was not enough to take control over the project team's overall position. This led to another type of engagement and action. Specifically, the actions that were taken mostly regarded gaining control over information: making sure 'gang members' and their allies had always prepared their arguments and tried to foresee what arguments their opponents would apply, that information was deliberately spread or held back (like not distributing their memo to their opponents), and that information was gathered from a wide range of sources. Despite the influencing tactics employed, the propositions from the project team were to organize the division in contrast to the interests of 'The Gang of Four'.

A new head of division was appointed before the final conclusions regarding how to organize the division were made. The new management team started working right away with the organizational project as a steering committee and as a decision team. The head of 'The Gang of Four' was appointed as a member of the new division management team. The atmosphere in the management team was principally to follow the suggestions from the organization project team. Following the project teams's suggestions led to some disagreement in the buildings and contents claims branch as a result of 'The Gang of Four's' position regarding how the section was to be organized. These disagreements led to a series of meetings and postponements while the management team tried to reach a unified conclusion. Nevertheless, the management team made a decision to follow the solution suggested by the organization project team. In the effort to get a decision other than the original one, the head of 'The Gang of Four' started manipulating the new head of division. This strategy actually produced the results he and his allies wanted. The most prominent influencing tactic he used was to have a personal meeting with the new head of division, where he could present his view and position without interruption. In the meeting he emphasized his broad experience within the buildings and contents branch, which included positions as assessor, head of assessors, head of claims handling departments, and finally head of back office section. He managed to maneuver the decision in a direction where the buildings and contents section would still be organized into one front office and one back office milieu. The decision was in favor of 'The Gang of Four', and against the position taken by the project team and the rest of the management team.

In Table 1, a list of tactics applied by 'The Gang of Four' is summarized, containing quotations from interviews, diaries, small talk and telephone follow-up conversations.

# Second-order Analysis

This article has identified how structural changes were met by divergent actions. 'The Gang of Four' applied divergent actions to achieve an alternative decision than the intended. In this specific case divergent action was a successful strategy. 'The Gang of Four' argued that they had 'noble' intentions. Contrary to a great deal of the political literature, which presents the use of power as self-serving, Buchanan (2008, p. 61) argued that 'political behavior [...] is not necessarily perceived to be self-serving'. 'The Gang of Four' had a completely different perception of the right way of organizing the business to take care of both customer needs and the company's need for extensive cost control than senior management and those who supported the intended changes. In this second-order analysis, the political tactics, the sensemaking activities, and the sensegiving activities found in the first-order analysis will be theoretically analyzed.

'The Gang of Four' was not given the opportunity to present their perception of challenges and opportunities regarding the claims handling division up front. When they became aware that the claims analysis project could be predisposed regarding future solutions, they started their political activities. Their political ploy comprised a broad spectrum of legitimizing activities regarding own ideas, and a broad spectrum of tactics applied to delegitimize the ideas and proposals from their opponents (Pettigrew, 1977). It is interesting to observe that the data set that served as 'facts' for both the project team and 'The Gang of Four' was the same, but they emphasized different aspects and evaluated parts of the data differently when they were framing their positions.

'The Gang of Four' faced a predefined process, where the process would be guided and managed by external consultants with support from some internal non-managerial resources. These external resources may be labeled change agents (Buchanan and Boddy, 1992; Hartley et al., 1997; Balogun, 2006). Effective change agents need to be aware of the power constellations in organizations and be able to maneuver tactically within these constellations to manipulate the context to their advantage (Buchanan and Boddy, 1992; Balogun, 2006). In this case, the change agents continuously adapted to the demands from 'The Gang of Four' without letting the overt political ploy of 'The Gang of Four' have an impact on the conclusions that had been drawn. They could do this because the power base from which they had their mandate was very strong. However, power is relational, not something anyone possesses (Balogun et al., 2005). When shifts in relations occur, the powerbase may also shift. When a new head of division was appointed, and one member of the division management team left, a new management team was appointed as a consequence of the organizational changes. These changes shifted the power base from that in which the change agents had their mandate. Here, the relational aspect of power is displayed. The former head of division was responsible for appointing the change agents. This gave them a strong base of power and legitimacy for their proposals.

Table 1. Tactics applied by 'The Gang of Four'

Applied tactics	Purpose	Evidence
Disobeying management decisions about project representation	Securing caretaking of own interests	Should I not fight for what I believe in? Should I not have the opportunity to be of influence? [] The project has not even bothered to interview those who have been head of sections, asking for example, what do you think about the future? Seen from the main direction, what are your thoughts, do you have some contributions to the project? It hasn't been interesting to get an idea of what we knew, what we were thinking, or anything else. [] When they don't reach out their hand; please come and tell us whatever you like! Then I say OK, we can start with something else. That is what I have done; I have been hurrying intensely with my three trusted men. And they have had extraordinary loyalty. (Middle manager buildings and contents back office group)
		If I had been a 'good boy' waiting on the sidelines we wouldn't have been where we are today. [] I'm not accepting that. When argumentation doesn't work, you have to take another approach. (Middle manager back office buildings and contents claims back office group)
Handpicking loyal and skilled personnel to project positions to get control over the entire subproject staffing	Taking control over all processes, analysis and conclusions produced in the project	Then I chose my A-team. Of course I did, because I want to have influence. I get that through the participating actors. I will not be a passive observer for twelve months, and see such things happen. (Middle manager back office buildings and contents claims back office group)
Taking control over the entire subproject staffing	Taking control over conclusions and decisions	If [we] had chosen somebody else to participate in the claims analysis project, these things would never had come up in this way (Middle manager buildings and contents back office group)

Downloaded by [University of Regina] at 13:46 02 January 2015

The
<b>Politics</b>
of
Middle
Management

Placing the most trusted man in many different positions	Being sure that the main idea regarding own position is properly taken care of	I
		(
Taking control over the information gathering in the analysis by taking control over what questions at to be asked and what to focus on during data sampling		[
Developing a memo supporting and giving the reasons for own position and objectives	Influencing others' perception of reality	9
Manipulating the flow of information by holding back information, and by distributing only bits conformation	Making sure that the opposition was less informed and unprepared when issues were up for discussion and decision	7
		]

back office group)

I decided to put my trusted men in as many positions as possible: to make sure we were able to pass on our experience, and the contents in projects that have been running for years. I even made sure that our assessors were also broadly represented in the processes.

(Middle manager buildings and contents claims back office group)

There is a game going on. [...] It's about positioning and influence. (Middle manager buildings and contents

Of course, I want to have influence, which I get through those who are participating (Middle manager buildings and contents)

[The basic foundation] presented by the consultants was of no use to us in buildings and contents. The subproject team had to rewrite the entire base of questions completely. (Middle manager buildings and contents)

Simultaneously we took the opportunity to have an opinion about the [future] organization. This was synthesized in a memo regarding working procedures, segmenting and organization. (Middle manager buildings and contents claims back office group)

The memo was produced as an input to the OD project in [the division]. In week 20, this memo was submitted on a consultative round to the reference group of the OD project. I took care of the submission and the follow-up procedures regarding [the division management team]. (Middle manager back office buildings and contents claims back office group)

I found it strange to not receive the memo from [the subproject manager]. (Middle manager front office building and contents claims front office group)

Applied tactics	Purpose	Evidence
T T	1 · · · ·	

Questioning consultants' expertise

Shaping perception of own expertise

One hour before attending [a reference group meeting] I received a call from the subproject manager [buildings and contents] [member of 'The Gang of Four'] who was to inform the meeting about a memo they had produced. (Middle manager buildings and contents front office group).

It is to make sure that information is spread both here and there, and that you are at any time as well oriented as possible. I do believe I was better informed [...] than anybody else. (Middle manager buildings and contents claims back office group)

I have used some means I never thought I would use. The policy instrument was actually to make sure [specific 'gang' member] controlled all possible arguments.

[...] That is the real policy instrument, which is what we have done all the way, to try to have an influence. The project saw this a long time ago. (Middle manager buildings and contents claims back office group)

It is my opinion that the claims analysis project is governed by consultants. I do believe it is wise to use consultants, but it is, in my opinion, wrong that propositions related to future organizational solutions will be prepared for the steering committee mainly by consultants and other persons with little relevant experience from claims handling and next to no knowledge of what challenges the organization will meet. I also react negatively that some have preferences related to future [organizational] solutions, which they bring into the project without having them subsumed with the challenges we will meet. (Middle manager buildings and contents back office group)

Taking advantage of having a new head of division and his lack of historical background and direct experience in the particular branch	Making sure unfavorable decisions were not made	[The head of division] understood the seriousness in what I said. He wanted information about my opinion, and why. We had a session on this issue where he asked a lot of questions. [] He understood my opinion and why. That is when I think he found arguments and a solid foundation for it being wise to alter the strategy (Middle manager buildings and contents back office group)
		It was to call attention to the risk of choosing the main process [the project's suggestion]. For this field there would be a significant risk that what we had built up during the latter six to seven years would disintegrate. (Middle manager buildings and contents back office group)
Not accepting unfavorable decisions and by that securing replay on vital decisions	Making sure only favorable decisions were made	How this happened? I didn't accept [the proposed solutions regarding future organizational model]. [The new head of division] understood the seriousness of what I told him. (Middle manager buildings and contents back office group)
Arranging a one-to-one meeting with new head of division	Making sure the new division head's perceptions were in line with own interests	Then we had a separate meeting where he posed a lot of questions, a lot. [] I believe that he found a reasonable argumentation for why it was wise to deviate from his position. (Middle manager buildings and contents back office group)
		I have put all my professional expertise into this. [] I've used the knowledge I've got, the experience I've got from it. [] I've seen so many models and solutions throughout the years; I've seen what works and what doesn't. Something that didn't work earlier may work now, but then something new must be added, another variant or something else so that it may work better at the next crossroad. (Middle manager building and contents claims back office group)

However, when the principal changed, the same strong relationship was not transferred, and the power base declined. The arena opened the way for others to promote their agency – 'The Gang of Four' – as internal change agents (Hartley *et al.*, 1997). When the power base changed, 'The Gang of Four' managed through politics to manipulate the context to their advantage (Balogun *et al.*, 2005). When the new head of division appointed him as a member of the new management team, the head of 'The Gang of Four' gained a new and stronger power base. This led to a shift in the legitimacy of the proposed solutions, where solutions proposed by 'The Gang of Four' created the basis of meaning construction in the division at the expense of the propositions introduced and supported by the project management team.

# How Sources of Power are Used in Sensegiving and Sensemaking

As indicated above, sensegiving and organizational politics are interrelated. Both concepts are about controlling and shaping others' meaning construction and perceptions of reality (Gioia and Chittipeddi, 1991; Hardy, 1996; Weick et al., 2005). Politics is the practical domain of power (Buchanan and Badham, 1999, 2008), and politics is about creating legitimacy for certain ideas to influence meaning construction. Organizational change is a power struggle (Mintzberg, 1984), where individuals and groups seek legitimacy to gain power (Brown, 1998), either as a reinforced power or as redistributed power. Organizational politics are especially apparent during change when ambivalence and uncertainty are at their peak (Buchanan, 2008). During change there is fertile ground for alternative perceptions of reality, but only one 'reality' will end up as the dominant and surviving 'reality'. Therefore, the political struggle will be about the power of meaning. The power of meaning has to do with shaping others perceptions, cognitions and preferences (Hardy, 1996), which is about controlling what position will end up as the preferred solution. In this case, we have seen different tactics applied to manage meaning – the power of meaning. The tactics applied have been used to establish both resources power and process power as the means to establish power of meaning.

Being able to gain power over the process seems dependant on the actors having power over two kinds of resources: expertise and close connection to management. In controlling the resource expertise, one controls a legitimizing resource in the sense of having power of meaning. However, this is a factor one needs to have some degree of control over, whatever actions one takes — convergent or divergent. The ability to foster some control over meaning construction is dependent on how the sensemaker perceives the sensegiver's expertise. On the other hand, the power of process gives actors control over who participates in the decision-making processes and who does not, which is a considerable base of power with regard to meaning construction. The data shows the need for tight control over process to achieve decisions in the direction one desires. 'The Gang of Four', despite decisions telling them not to, managed to take an early control over process and by that the entire meaning construction processes in their part of the business by taking vital project positions from the very start. Their success was mostly founded on their ability to gain control of the top

manager's meaning construction. First, they were unsuccessful, perhaps as a result of not controlling the process entirely despite having control over most of the project positions. Then, as a consequence of having the power of resources through expertise and organizational position (gang-member appointed to management team position), they managed to position themselves to have considerable influence over the final decision maker's meaning construction in the second round.

In this particular case, the data support a statement that the power of process is an important factor in influencing meaning construction. As a reactive responding group 'The Gang of Four' did not manage to maneuver themselves into early process power despite controlling most of the project resources because they did not control the project management team where all procedural decisions were made. They succeeded in the end because they had the power of resources. Having power over resources – especially the power of expertise, such as extensive knowledge of business execution – may be influential regarding others' meaning construction. Nevertheless it is not as influential as the power of process. Without participation, influence is dramatically reduced, and with that the opportunity to exert the power of meaning.

From a sensegiving perspective, 'The Gang of Four' took steps to gain the opportunity to influence the sensemaking of the project participants – consultants, staff members, management team, etc. (Gioia and Chittipeddi, 1991). They tried to exert the power of resources, the power of process, and the power of meaning.

Power of resources was exerted through the deployment of resources in the project. Expertise was deliberately positioned where it had maximum influence. 'The Gang of Four' controlled the knowledge and expertise related to the costly time-consuming claims and assessor procedures, which was information the project team to some extent needed. However, expertise in handling the vast majorities of claims was controlled by others. Despite a deliberate strategy in positioning resources in vital positions, an effective power base founded on resources was not established.

Regarding the power of process, the strategy to take vital positions in the project team played a more significant role. A considerable power of process was established through the positioning of divergent acting players in important positions as heads of subproject, project resources, members of the reference group, and members of the steering committee. Through positioning, a powerbase to steer the analysis in the desired direction was established. By controlling who was actively participating in drawing conclusions and making recommendations in the project, they managed to stay clear of their biggest opponents. Process power should have provided some power to influence the decision makers' meaning construction, but it did not.

The power of meaning was executed through different tactics such as rewriting the consultants' questions in the analysis project, by holding information back, delaying distribution of information, memos and propositions to other members of the project team, and disguising dissent within the group when launching information. Rewriting questions was an action well-suited to delegitimize the consultants and legitimize one's own actions (Balogun *et al.*, 2005). Through this broad range of political tactics they both directly and indirectly manipulated and

controlled what information was given (Hardy, 1996), which is sensegiving though controlling the power of meaning.

Despite having both power of process and to some extent power of resources they did not manage to position themselves to influence the final construction of meaning. This was because the project management team, who had another opinion as to what were the best solutions for the organization, controlled the process of drawing the final conclusions for the project.

When not succeeding in the first place 'The Gang of Four' managed to have a replay in order to alter the decision in their favor. Two explicit conditions led to this replay: (i) the appointment of a new head of division; and (ii) the appointment of one of 'The Gang of Four' in the new division management team. At this stage, the discussion had left the open scene and moved behind closed doors. This person had no opponents, and was able to package the information in such a way that he controlled his superior's sensemaking. This sensegiving process may be considered as a '... process of attempting to influence the sensemaking and meaning construction of ... '(Gioia and Chittipeddi, 1991, p. 442) the head of division to a redefined view of the organizational reality. In this sense giving process, he had the power of the resources his position as the buildings and contents expert in the division management team gave him. This power base was extreme. He was the newly appointed head of the buildings and contents section. Having been given this position, he was the one the head of division was dependent on in executing his strategy. He was the expert, and he had a group of loyal experts as his trusted allies. One might even say he also had some power of process, expressed by the fact that they were only two, and one - the middle manager - had set the agenda of what to discuss. He could guide the entire questioning process by the way he formulated his answers.

In this study, we have seen how power of resources has had an impact on the power of process, and how these power bases have played a central role in subordinates' sensegiving processes vis-à-vis decision makers. These sensegiving processes have been materialized through political tactics, where the objective has been to influence decision makers' meaning construction. These sensegiving processes may be seen as the execution of the power of meaning. We see a strong link from resource power via process power to the power of meaning. However, there are indications of direct links between resource power and the power of meaning as well.

Nevertheless, this study shows that the final decisions were made by individuals and management groups who were in a position of a formal legitimate 'Weberian' power base (Hardy and Clegg, 1996; Clegg *et al.*, 2006). Despite this formal legitimate power, these individuals were exposed to subordinates' political sensegiving activities, whose objective was to influence final decisions. In this article, we have seen the effectiveness of such politics, and not least the relational aspects of power have been verified (Balogun *et al.*, 2005). It has been demonstrated how changes in relations dramatically change power bases, and the central role organizational politics play in these relational power struggles.

We know from theory that sensegiving is a top-down and a horizontal process (e.g. Balogun, 2006). However, this study has revealed the bottom-up aspects of

sensegiving. We have seen how divergently acting middle managers have used political tactics to influence superiors' meaning construction.

#### Conclusion

This study has examined middle managements' political actions during the implementation of planned change. As several other studies have shown, middle managers play an important role in implementing such change. Their actions can either be convergent and hence support the change goals, or be divergent, meaning moving in a different direction compared with the plans. In this study, middle managers made a deliberately divergent response to the change initiative.

The analysis revealed how middle managers mobilize different sources of power and relies on different types of political tactics in order to influence other's (superiors, peers and subordinates) sensemaking. By mobilizing process and resource power, several middle managers were able to influence meaning making (Hardy, 1996; Balogun *et al.*, 2005) and position themselves as major sensegivers, with great influence on others' sensemaking (Gioia and Chittipeddi, 1991). Sensegiving processes contain a wide range of political means to gain control over the processes, ranging from a political ploy involving taking control over process and meaning construction in an open process, to the more closed processes where secrecy and manipulation are important means for influence.

The study shows the tight coupling between power, politics, sensemaking and sensegiving. Those who are able to exert the power of process are able to have an influence over other people's meaning construction. Expertise as a basis for exerting the power of resources also has an impact on an actor's ability to exert the power of meaning. This finding contributes to existing literature on power and politics by providing access to rich qualitative accounts from respondents taking part in political behavior, giving insight to how skilled political actors operate. The study also contributes to the existing sensemaking and sensegiving literature through providing evidence for a tight coupling with power and politics, showing that sensegiving is politics in action. Finally, the study enhances existing change literature by showing the tight coupling between practice, politics and change outcome.

#### Note

1. INSCO is a fictitious company name invented to secure the anonymity of the company and respondents.

#### References

Balogun, J. (2003) From blaming the middle to harnessing its potential: creating change intermediaries, *British Journal of Management*, 14(1), pp. 69–83.

Balogun, J. (2006) Managing change: steering a course between intended strategies and unanticipated outcomes, Long Range Planning, 39(1), pp. 29–49.

Balogun, J., Gleadle, P., Hailey, V.H. and Willmott, H. (2005) Managing change across boundaries: boundary-shaking practices, *British Journal of Management*, 16(4), pp. 261–278.

- Balogun, J. and Johnson, G. (2004) Organizational restructuring and middle manager sensemaking, Academy of Management Journal, 47(4), pp. 523–549.
- Balogun, J. and Johnson, G. (2005) From intended strategies to unintended outcomes: the impact of change recipient sensemaking, *Organization Studies* (01708406), 26(11), pp. 1573–1601.
- Brown, A.D. (1995) Managing understandings: politics, symbolism, niche marketing and the quest for legitimacy in IT implementation, *Organization Studies*, 16(6), pp. 951–969.
- Brown, A.D. (1998) Narrative, politics and legitimacy in an IT implementation, *Journal of Management Studies*, 35(1), pp. 35–58.
- Buchanan, D. (1999) The logic of political action: an experiment with the epistemology of the particular, *British Journal of Management*, 10(3), S73.
- Buchanan, D. (2008) You stab my back, I'll stab yours: management experience and perceptions of organization political behaviour, *British Journal of Management*, 19(1), pp. 49–64.
- Buchanan, D. and Badham, R. (1999) Politics and organizational change: the lived experience, *Human Relations*, 52(5), pp. 609–629.
- Buchanan, D. and Badham, R. (2008) Power Politics and Organizational Change: Winning the Turf Game (London: Sage Publications).
- Buchanan, D. and Boddy, D. (1992) *The Expertise of the Change Agent: Public Performance and Backstage Activity* (Hempstead: Prentice Hall International).
- Burgelman, R.A. (1991) Intraorganizational ecology of strategy making and organizational adaption: theory and field research, *Organization Science*, 2(3), pp. 239–262.
- Burgelman, R.A. (1994) Fading memories: a process theory of strategic business exit in dynamic environments, *Administrative Science Quarterly*, 39(1), pp. 24–56.
- Clegg, S., Courpasson, D. and Phillips, N. (2006) Power and Organizations (London: Sage Publications).
- Eisenhardt, K.M. (1989) Building theories from case study research, *Academy of Management Review*, 14(4), pp. 532–550.
- Floyd, S.W. and Wooldridge, B. (1992) Middle management involvement in strategy and its association with strategic type: a research note, *Strategic Management Journal*, 13 (Summer 92, Special Issue), pp. 153–167.
- Floyd, S.W. and Wooldridge, B. (1997) Middle management's strategic influence and organizational performance, *Journal of Management Studies*, 34(3), pp. 465–485.
- Gioia, D.A. and Chittipeddi, K. (1991) Sensemaking and sensegiving in strategic change initiation, Strategic Management Journal, 12(6), pp. 433–448.
- Hardy, C. (1996) Understanding power: bringing about strategic change, British Journal of Management, 7(1), pp. S3–S16.
- Hardy, C. and Clegg, S.R. (1996) Some dare call it power, in: S.R. Clegg, C. Hardy and W.R. Nords (eds) *Hand-book of Organizational Studies*, pp. 622–641 (London: Sage Publications).
- Hartley, J., Benington, J. and Binns, P. (1997) Researching the roles of internal-change agents in the management of organization change, *British Journal of Management*, 8(1), pp. 61–73.
- Hoon, C. (2007) Committees as strategic practice: the role of strategic conversation in a public administration, Human Relations, 60(6), pp. 921–952.
- Huff, J.O., Huff, A.S. and Thomas, H. (1992) Strategic renewal and the interaction of cumulative stress and inertia, *Strategic Management Journal*, 13(5), pp. 55–75.
- Langley, A. (1999) Strategies for theorizing from process data, Academy of Management Review, 24(4), pp. 691–710.
- Maitlis, S. (2005) The social processes of organizational sensemaking, Academy of Management Journal, 48(1), pp. 21–49.
- Maitlis, S. and Lawrence, T.B. (2007) Triggers and enablers of sensegiving in organizations, *Academy of Management Journal*, 50(1), pp. 57–84.
- Meyer, C.B. (2006) Destructive dynamics of middle management intervention in postmerger processes, *The Journal of Applied Behavioral Science*, 42(4), pp. 397–419.
- Mintzberg, H. (1984) Power and organization life cycles, *Academy of Management Review*, 9(2), pp. 207–224. Mintzberg, H. (1985) The organization as political arena, *Journal of Management Studies*, 22(2), pp. 133–154.
- Pappas, J.M. and Wooldridge, B. (2007) Middle managers' divergent strategic activity: an investigation of multiple measures of network centrality, *Journal of Management Studies*, 44(3), pp. 321–341.
- Patton, M.Q. (2002) Qualitative Research and Evaluation Methods, 3rd edn (Thousand Oaks, CA: Sage Publications).

- Pettigrew, A.M. (1977) Strategy formulation as a political process, *International Studies of Management & Organization*, 7(2), pp. 78–87.
- Rouleau, L. (2005) Micro-practices of strategic sensemaking and sensegiving: how middle managers interpret and sell change every day, *Journal of Management Studies*, 42(7), pp. 1413–1441.
- Stensaker, I. and Falkenberg, J. (2007) Making sense of different responses to corporate change, *Human Relations*, 60(1), pp. 137–177.
- Stensaker, I., Falkenberg, J. and Grønhaug, K. (2007) Implementation activities and organizational sensemaking, The Journal of Applied Behavioral Science, 44(2), pp. 162–185.
- Van Maanen, J. (1979) The fact of fiction in organizational ethnography, Administrative Science Quarterly, 24(4), pp. 539–550.
- Weick, K.E. (1995) Sensemaking in Organisations (Thousand Oaks, CA: Sage Publications).
- Weick, K.E., Sutcliffe, K.M. and Obstfeld, D. (2005) Organizing and the process of sensemaking, *Organization Science*, 16(4), pp. 409–421.
- Wooldridge, B., Schmid, T. and Floyd, S.W. (2008) The middle management perspective on strategy process: contributions, synthesis, and future research, *Journal of Management*, 34(6), pp. 1190–1221.
- Yin, R.K. (2003) Case Study Research: Design and Methods, 3rd edn (Thousand Oaks, CA: Sage Publications).