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## Organizational Identity Construction

*- A qualitative study made in three different contextual settings*

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## **SUMMARY:**

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**Purpose:** The aim with this thesis is to look at how managers in different contextual settings will try to influence their employees with different kinds of identity strategies in order to construct a new organizational identity.

**Methodology:** The thesis is qualitative and is characterized by an abductive research procedure. The empirical material is based on eight semi-structured interviews with managers from three different companies.

**Theoretical perspectives:** The thesis has been written from an identity perspective with emphasis on organizational identity

**Empirical foundation:** All three companies have undergone a merger of some sort, and the empirical foundation is based on the material obtained from the interviews.

**Conclusions:** Our findings show that depending on the contextual setting and what sort of merger an organization goes through, the identity strategies will differ. We see that symbols and values are two objects of relevance in our case companies' identity strategies, but that there are differences in how they are being used. There is consensus around the fact that values are important to have, however their meaning to each organization differs and it has also proven to be dependent on what position you possess in the company.

We have developed a four-fielder in order to further illustrate our findings. The four-fielder consists of four dimensions that we feel are important and that has been highlighted by our case companies in their identity strategies. The dimensions are; symbols, products, internal, and external.

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# 1. Introduction

The world today is characterized by globalization and a fast-moving society. Technology is evolving more rapidly and companies are subjects to more competition from new markets and countries, and a need has emerged to be able to adapt more rapidly to these conditions in order to survive. Changes are today a part of organizations' everyday life, whether it is fusions, acquisitions, lay-offs, or expansions (van Leeuwen & van Knippenberg, 2003).

The concept of change is however not a new one. With the evolution of society the need to change and the methods used have evolved. From an early perspective of the division of labour with Adam Smith's Scientific Management, attention shifted towards the human aspects with the Hawthorne studies. One very influential figure within organizational change is social psychologist Kurt Lewin who early on developed a three-step model for planned change (1951). Today however, companies cannot simply progress from unfreezing, to change, to refreezing, instead they are faced with far more complex and often harrowing changes. There are no certainties that the new situation will 'freeze', hence there is a need for flexibility and resilience among the organizations (van der Bent *et al.*, 1999).

Still today, the literature on organizational change is vast, and the area is very broad. Depending on the focus, organizational change can be viewed through industrial or professional trends, organization-specific transformations, mergers, joint ventures, downsizing and so forth (Alvesson & Sveningsson, 2008). In conjunction with the persistence of different approaches to change, there has also been a range of consultant-led n-step approaches on how to 'successfully' manage change such as TQM or Kotter's eight steps to successful change (1996). Many of today's organizational change researchers claim that organizational change implies organizational culture. The culture is many times put forward as a key issue in order to make the change possible (Alvesson & Sveningsson, 2008). Managers of culture are concerned with the construction of moral systems of meaning and value, the importance of creating supportive, positive cultures emphasizing organizational goals rather than sectional (Dawson, 2003).

Changing a culture due to a merger normally implies an intercultural interaction when the values and cultures meet (Hofstede, 1991) and are suppose to work together. Furthermore, it has been claimed the when a change occurs it is obvious that the goals and the values of the organization will be modified and impacted as well as the interaction

between individuals in the organization (Ellmers, 2003). Management's ambition is often to make the two companies work together as one unity, and the lack of a team spirit is often considered to be a proof of an unsuccessful integration (Kleppetø, 1993). We find it interesting to look upon the attempts to influence the identities of the organizational members. What kind of identity strategy management chose to apply can highlight different aspects of the organization, such as values, culture, symbols, core competences, and so on.

There is a relatively large amount of research highlighting the importance of considering identity in organizational change processes. It ranges from what identity is and how it is created, to the importance of identification in an organization (Ashforth & Mael, 1989; Hatch & Schultz, 2002). Kleppetø (1993) has done a study where he examines how organizational identities are affected in connection with mergers and acquisitions.

To us it seems important that companies and management reach out to the employees so that they, despite the change, can still be motivated, inspired and willing to work towards the new goals. We are interested in what strategies the management will use in their work towards constructing a new identity. By focusing on the 'soft values', that is culture and identity, how can the managers create a sense of oneness? A coherent culture?

Today, there is such a vast amount of organizations selling different kind of products, being active in different kinds of markets, and in light of this fact, one might ask how the managers from different types of organizations deal with identity construction? Even though much research has been done on organizational change and identification, we see a lack of research comparing how different contextual settings will affect the strategies used by managers in their attempts to construct a new identity.

With this thesis we intend to contribute to a deeper understanding of the work performed by managers in order to construct a new identity, and how they perceive their work in this process.

The aim with this thesis is to look at how managers in different contextual settings will try to influence their employees with different kinds of identity strategies in order to construct a new organizational identity.

## 1.1 Research question

What identity strategies do managers use in their work towards constructing a new organizational identity after a change?

## 2. Method

### 2.1 Qualitative Research

In order to gain a deeper understanding of the situation for the managers, we have chosen to do a qualitative study, since this approach is concerned with how people understand things and their patterns of behaviour (Denscombe, 1998), and it focuses on the perspective and actions of the person studied (Alvesson & Sköldbberg, 2000), therefore we deem it to be the most suitable way of approaching the research problem. Our role will be to try to explain, analyse, and understand the actions and attitudes by individuals or groups.

When gathering information for this thesis we have used primary as well as secondary data. Primary data is the information we acquire ourselves through interviews and correspondence with respondents. Secondary data is the already existing literature within our field of interest (Denscombe, 2003).

### 2.2 Choice of Subject and Companies

Our master program is situated within the field of organization and management, and it has had a heavy focus on the concepts of knowledge, identity, and culture. Quite early on we felt that we wanted to look deeper into the concept of identity since we both felt a fascination about its ambiguous and complex nature. The fact that it is so complex also makes it a difficult subject to study.

When reflecting upon a theme for our thesis we soon became interested in how an organization creates a new identity after a merger of some sort leading to an organizational change. We have chosen to interview managers, since they have an important role in transmitting the norms and values to the employees (Hogg & Terry, 2001).

We write this thesis with the assumption that every organization possesses an identity (Albert & Whetten, 1985). Our interest in identity has been narrowed down to a focus on the strategies the managers apply when trying to construct a new identity within an organization that has gone through a change. We thought it would be interesting to look at companies in different contextual settings since we wanted to see how people from different backgrounds and professions handle a construction of a new identity after a change.

In all, six companies that have gone through a change in their respective organizations have been contacted, three have replied positively, henceforth called Brilliance, Tranquil, and Austerus. The companies are all engaged in some form of knowledge work; Brilliance is an international knowledge intensive firm (2 respondent), Tranquil is a large R&D company (4 respondents), and Austerus (2 respondent) is an international energy company.

The prerequisites were that the managers should have worked at the company before, during and after the change, in order to be able to provide an overall picture of the change process. The managers all hold different positions and work at different departments within their respective companies, ranging from middle<sup>1</sup> to top management. The reason for this particular sampling is to highlight similarities and differences when trying to construct a new organizational identity in different organizational settings. Out of the eight respondents, two are females, and this was not an intentional choice made by us. They are all middle-aged, and they have been working for their respective company from 6 up to 20 years.

The two respondents from Brilliance are a CEO and a managing partner with some 20 years of experience within their field of expertise. The choice to interview these two persons was because of their involvement in the construction of the new identity. The respondents from Tranquil are engineers and this was a choice we made because the company's most important unit is R&D, and the biggest unit is situated in Smalltown, the place where we conducted all of our interviews. One of the respondents from Austerus is an HR manager and the other one is a brand manager. When searching for respondents from this company we contacted Austerus's student contact person and presented our topic and prerequisites, thereafter she recommended us to contact these two people, and the information provided by them proved to be very rich and informative seeing as they both were very much versed into the change process.

Each company represents a different profession and it is our aim to illustrate how different professions may go about in the construction of identity and what they find important in this process. Since they work in different departments, such as R&D, HR, and senior management, we assume that their particular involvement in the change process have differed, something we wish to investigate further with this thesis. An overview of the respondents will be shown in the case description in chapter four.

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<sup>1</sup> The managers interviewed from Tranquil are *locally* the most senior managers in a three level hierarchy. If you look at the whole international company they are placed in the middle management segment.

## 2.3 The Interviews

We believe that the only way for us to obtain a deeper understanding is through an interview study, seeing as the sought-after information we will get from the managers about their experiences, knowledge, ideas, and impressions are hard to come by somewhere else.

The choice was made to conduct semi-structured interviews since they are constructed around a couple of main themes or questions and gives the interviewee the possibility to talk relatively freely around the themes (Denscombe, 1998). Our interview guide is built up around three main themes, namely background, the change process in general, and the change process from a managerial perspective. Each theme has a varying amount of questions relating to the theme. The questions are broad and there are no yes or no questions. We will by no means strictly follow our interview guide, given that we will be guided by what our interviewees feel is important we may skip or add certain questions. In view of the fact that qualitative interviews are less structured than quantitative, the interview may possibly move in different directions depending on what the interviewee consider important.

The interviews were all held at the respondents' offices, this we see as an advantage given that they are in their natural habitat, and we therefore presume that they felt more relaxed. Depending on the interviewee, the length of the interviews varied, from 45 minutes up to an hour and a half. We were both present at all interviews, and we took turns in asking the questions in order to create some dynamics. During the interview we took field notes about aspects we considered being extra important, such as certain answers and body language. To be sure to capture all relevant information we used a digital voice recorder. Our aim while performing the interviews was to give the respondents the opportunity to talk as freely as possible around the questions, and in order to make them develop their answers further, questions such as 'How do you mean?', 'Could you elaborate on that' and so forth were asked.

The transcriptions of the interviews were made at the latest the day after the interview so that we would have the interview fresh in our mind. Furthermore, we divided the transcription so that we wrote half of each interview, after that we proofread each other's transcriptions.

All interviews were conducted in the respondents' native language, Swedish, which is considered to contribute too more nuanced answers, since it is easier for the respondents to put forward his or her thoughts in their own language. We are however aware of the possibility that certain information may be lost in translation.

Due to the ambiguous notion of identity, our interpretations will contain a higher degree of subjectivity; it is for example difficult to put words on certain issues concerning identity, and we assume that how a

manager works to construct a new identity is not written down in documents. Moreover, the theme will be approached from different angles, i.e. the questions will not only concern identity *per say*, but also the change and the managers' understanding of it. This because we believe that there is a risk in framing your interview questions solely around the notion of organizational identity since the respondents might spend a lot of effort and time to portray a picture as positive as possible of the company.

We have made the choice to make this study into an anonymous one, since we hope that this will make our interviewees more relaxed and give us richer answers, not feeling inhibited by the fact that a thesis is a public document and accessible to everyone. Scholars have also claimed that anonymous case studies can possibly become more revealing and less shallow since data that may be deemed sensitive can still be used (Lundahl & Skärvad, 1999).

We acknowledge the possibility of the so called interview effect, which means that the respondent might adjust his or her answers to the things he/she believes the interviewer wants to hear, or to portray a positive image of himself/herself (Denscombe, 1998). Moreover, the recording can affect the answers, given that the interviewee is conscious about the fact that what he or she says is being recorded. However, while conducting the interviews we did not get the impression that they in any way felt inhibited or somehow adjusted their answer to be more politically correct.

## 2.4 Epistemology

When interpreting the material we have different possibilities to reason and position ourselves in relation to the purpose and our frame of reference. Deductive and inductive reasoning are two possible approaches when conducting a study (Lundahl & Skärvad, 1999). Deductive reasoning is called '*the road of argumentation*' in which the author starts from his or her own perception of reality and ideas in order to verify or falsify the hypothesis made based on the researcher's empirical findings. This method is strongly connected with positivism and is more suitable for quantitative research (ibid.) '*The road of discovery*' is the name for inductive reasoning (ibid.), where the emphasis is on how the individual understands reality (Bryman & Bell, 2003). Inductive reasoning aims, in contrast to deductive research, at developing new theories based on the empirical material (Lundahl & Skärvad, 1999).

Drawing upon these two methods we have chosen to employ both an empirical and a theoretical point of departure, seeing as our aim is to create an understanding and obtain a deeper knowledge of the identity construction process. By interchangeably move between our empirical material and existing theory, our approach will be an abductive

reasoning (Lundahl & Skärvad, 1999). This was deemed the most suitable reasoning for this thesis, since the analysis will be based on the hypothesis that best explains the results.

Epistemology is about issues having to do with the creation and diffusion of knowledge in particular areas of inquiry. This study will progress from an interpretative approach and the empirical material will be studied reflexively. With this thesis we hope to shed light on and gain a deeper understanding of the work by the interviewed managers when trying to construct a new organizational identity.

When Alvesson and Sköldbberg (2000) talk about reflexive interpretation, they refer to the open play of reflection between various levels of interpretation using for example hermeneutics, critical theory, and postmodernism. Our aim when analysing our empirical material is to interchangeably move between the empirical material, our own interpretations, a critical interpretation, and reflect upon the language and politics involved. It is imperative to recognize the importance of language and how it frames the world. The world becomes framed in a particular way depending on the way language is used (*ibid.*). Our aim is to be as reflexive as possible when analyzing our material, even though we are inhibited by time constraints.

We are aware of the fact that the generalizations made may have a low level of trustworthiness in light of the fact that the number of interviewees is not enough to rely on statistically (Denscombe, 1998). On the other hand, our aim is not to provide statistically reliable answers, since it is our belief that the concept of identity and how it is constructed is a far too complex and ambiguous subject to be able to codify. In a qualitative study like ours it is possible to talk about the trustworthiness of the thesis by using the concepts of *validity* and *reliability*. What is often questioned is the trustworthiness of how the data has been gathered, and later on the interpretations made of that material. We judge this thesis to have a high degree of validity, since it is, like Bryman (2005) says, measuring the things we have set out to measure. Our aim is to investigate the strategies employed by managers in order to construct a new identity, and the interviews have only been conducted with managers. Regarding the reliability it may be harder to say whether or not that has been achieved, since the reliability aims to measure how stable the results are (Bryman, 2005). In spite of this, we do consider that our results are reliable as they reflect the situation at each of our case companies, we do not however claim that our results are universally applicable at any company undergoing a change, since, as discussed above, we deem the concept of identity construction far too ambiguous and context dependent that it will vary from company to company.

## 3. Frame of Reference

This thesis has organizational change in different contextual settings as its empirical focus and our aim is to analyse this from an identity perspective, therefore this chapter will present different theoretical aspects related to identity. Firstly, we will explain the concept of identity, subsequently we will talk about organizational identity and aspects that are deemed important in times of change. We will also address the concept of culture, seeing as culture and identity are considered by many researchers to be closely related.

### 3.1 What is identity?

Identity *per say* is a sensible and diffuse phenomena to approach. We agree with Mead (1934, in Hatch & Schultz, 2002) in that identity is very subjective, seeing as it is a socially constructed phenomenon that “arises in the process of social experience and activity” (ibid. p. 992).

Within research, identity is about issues relating to who one is (Gioia, 1998). There are many views upon identity and the research is vast. As a phenomenon identity is very ambiguous and hard to grasp, the definitions are many and they are hard to use (Aurell, 2001). There are also many ways to understand identity and the construction of it (Zambrell, 2004). Some think that that there is no simple, unambiguous definition of the term extensive enough to understand what identity actually is (Stier, 2003). According to Alvesson (1994) identity work is a social and interactive activity through which identities are created. Even though many researchers talk about the complex nature of identity one influential attempt to create some order on the topic was made in 1972 by Henri Tajfel who coined the concept of social identity as (Hogg & Terry, 2001:2):

“The individual’s knowledge that he belongs to certain social groups together with some emotional and value significance to him of this group membership”.

Social Identity Theory’s (SIT) basic idea is that people will categorize themselves into a variety of social categories to which one feels one belongs such as nationality, political affiliation, organizational membership, and gender that provides a definition of who one is (Tajfel & Turner, 1985 in Ashforth & Mael, 1989). Social identity is based on comparisons between social groups that seek to find distinctiveness of one’s proper group in relation to other groups, brought about by an underlying need for self-esteem (Turner, 1975, in

Hogg & Terry, 2001). Through social classification individuals can divide and order the social environment, giving individuals a means of defining others. It can also make the individual find or define him- or herself in the social environment (Ashforth & Mael, 1989). People do not just only adhere to one social category, instead they have a collection of category membership that varies in importance in the self-concept. Each membership represents a social identity that both describes and prescribes how the person should think, feel, and behave (Hogg & Terry, 2001).

Ashforth and Mael (1989) suggest three different factors that can increase the likelihood to identify with groups. The first is the *distinctiveness* of the group's values and practices in relation to similar groups, differentiating it and providing a unique identity. Another factor serving to increase identification is the *prestige* of the group. Thirdly, identification is likely to be related to the *salience of the out-groups*. When there is an awareness of out-groups this can point out boundaries and can cause in-group homogeneity.

It is however possible to question whether a person's identity can be compartmentalized in the way that Ashforth and Mael (1989) suggest. It may be considered that they treat the notion of identity too lightly by simply claiming that a social identity prescribes how a person should think, feel, and behave, especially since so many scholars have pointed to the ambiguity of identity.

### 3.2 Organizational Identification

Most theory and research suggest that individual identity and organizational identity are closely linked (Scott & Lane, 2000, in Alvesson & Empson, 2008:14). In that sense we agree with Ashforth and Mael's (1989) suggestion that an individual's organization can provide an answer to the question, Who am I? Organizational identification can thus be seen as a form of social identification, influencing how individuals understand and behave towards different matters (Ashforth & Mael, 1989). An organization's identity will answer the question 'Who are we?' Albert and Whetten (1985) are the originators of the notion and describe organizational identity as what members believe is distinctive, central, and enduring about their organization.

Drawing on SIT's three factors that are claimed to increase the identification with a group Alvesson and Björkman (1992) maintain that the more distinct an organization is in terms of symbols and values, the members perceptions of its successfulness, to what extent it distinguishes itself from its environment, the more the organization will tend to function as a social identity for its members. For the group to preserve the power of their proper identity, it is important that the group consider its distinctive character. When the in-group, gets in

contact with a new group, the out-group, the members will try to defend its identity through differentiating itself (Pratt, 2001).

Dutton *et al.* (1994) develop a model to explain how images of one's own organization shape the identification with it. They focus on what members believe is distinct about their organization, and also what the members believe outsiders think about the organization. They call the first image *perceived organizational image*, and the second one *construed external image*. They maintain that an individual strongly identifies with an organization if "(1) his or her identity as an organization member is more salient than alternative identities, and (2) his or her self-concept has many of the same characteristics he or she believes define the organization as a social group" (ibid:239).

When the organizational identification is strong, the members' self-concept has incorporated a large part of what he or she believes is distinctive about the organization into what he or she believes is distinctive about him- or herself. The phenomenon of identity encapsulates how to make an organization meaningful to individuals and motivate them to achieve in different ways and at particular times (Dutton *et al.*, 1991). If a person strongly identifies with an organization it may translate into desirable outcomes such as intraorganizational cooperation (Dutton *et al.*, 1994). It is claimed that the stronger the attractiveness of the perceived organizational identity is to the member, the stronger the members' organizational identification (Dutton *et al.*, 1994).

However, organizational membership can also contribute with negative elements for a member. If the external organizational image is believed to be negative by the members, they may experience negative personal outcomes, such as stress. If the company experiences bad publicity and a member strongly identifies with that company, they will experience the bad press personally. Seeing as the construed external image summarizes a member's beliefs about how people on the outside of the organization view the member through his or her affiliation with the organization, "the construed external image is a powerful reflection of public opinion" (Dutton *et al.*, 1994:250). If members of the organization believe that their organization's advertising efforts and public image campaigns make people on the outside think that the organization is unique in some ways that may enhance members' organizational identification.

Organizations have many different symbols, rituals, ceremonies and stories that all communicate the collective organizational identity. Organizational identification often implies that the employees share the values and ideals of the organization, which will make it easier for them to adapt to the norms and the culture of the organization, thus enhancing the identification (Alvesson & Björkman, 1992). In order for a member to identify with an organization several researchers advocate the importance of values. However, there exist some incongruities in how the values should be used. Alvesson and

Björkman (1992) claim that a person's organizational identity is dependant on how clear the values in an organization are. The clearer the values are, the more the organization can distinguish itself from its environment. If the employees positively experience these values, the organization will offer its employees a significant social identity. By identifying with the organization the person will be motivated and stimulated while working (Alvesson & Kärreman, 2007). Whereas Eisenberg (1984, in Fiol, 2002) argues that the more ambiguous the values are, the easier it will be for the organizational members to build consensus around them, but not necessarily achieve an agreement around their concrete meanings. He claims that the ambiguity can help leaders in building coherence in times of identity changes, and thus making employees identify better with the organization.

### 3.3 Culture and Identity

Culture is often connoted with the thought of sharing something, whether it is traditions, systems of meaning or basic assumptions directing people in different ways (Alvesson & Sköldbberg, 2008).

There are many different definitions of culture; Siehl et al.'s (1998:52)<sup>2</sup> definition is a good example:

“... the social or normative glue that holds an organization together. Culture can be thought of as a magnet that holds a company together through shared patterns of meaning”.

Several researchers agree on the fact that culture and identity are closely linked (e.g. Alvesson & Sveningsson, 2008; Albert & Whetten, 1985). Albert and Whetten (1985) say that culture is more about the importance of the organizational values and goals and they impact the way people perform in their work, while identity refers to the employees' loyalty towards the goals and the values of the culture (Fiol *et al.*, 1998 in Ellemers, 2003) and their incorporation in the members' self image (Albert & Whetten, 1985). When a change occurs it is obvious that the goals and the values of the organization will be modified and impacted as well as the interaction between individuals in the organization (Ellemers, 2003).

Schein (1985) claims that culture can be analyzed on different levels, this is shown in his model “Three levels of culture”. The most concrete level shows the tangible aspects of the culture, the so-called artifacts. They are easy to observe but hard to interpret if they do not in a clear way explain their meaning for the organization or which basic assumptions they reflect. Furthermore, they represent something that can be seen, heard and felt such as; visible structures, members'

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<sup>2</sup> This definition has been taken from Kleppetø's (1993:76) book, since we were not able to locate the original quote.

behaviour, work tasks, written values *et cetera*. The next level in his model is the espoused values which represent the common values, norms and rules incorporated in the ideology such as; spoken values, strategies, goals, and philosophies of the organization and they function as guidelines for the organization in their daily activities i.e. clarify how the organization act and solve problems. The inner core of the culture is the basic assumptions. They create the fundamental pattern of the culture and is so to say the core of the organization where thoughts, understandings, and feelings has been so deeply rooted that they are taken for granted by the members and normally lies in their unconsciousness, which make them hard to change.

Hatch and Schultz (1997) see an organizational culture as a symbolic context where identity is created, and where the culture cannot be influenced directly but it is changing gradually in the interaction with the external image and identity. Furthermore, they claim that the organizational identity is impacted by the external image of the organization. When looking at an organizational identity the culture has to be taken into consideration.

### 3.3.1 Symbolism

Culture and symbolism are very closely related, since culture can be seen as being created and sustained through the use of shared symbols (Alvesson & Sköldbberg, 2008). It is claimed that in order for organizations to create a perception of a unique corporate identity, organizational symbolism such as stories, myths, and image is of the essence (Alvesson, 2004).

Fine (1992, in Prasad, 1993) emphasises the need to understand how some symbols are more powerful than others in organizational sense making. He refers to this as the “sedimentation of meaning” and contends that when a symbol is sedimented it has gained a high level of “materiality and permanence within an organization” (1993:1405). In their article (1994), Organizational Images and Member Identification, Dutton *et al.* state that when people are reminded of their affiliation with an organization through visible symbols, his or her awareness of the attractiveness of the organization is heightened, and it increases the probability of the organization as a source of self-definition.

The tangible, visible corporate identity emphasises graphical design and leadership through official symbols that also are closely linked to an organization’s strategy (Hatch & Schultz, 1997). Melewar and Karaosmanoglu’s concept of corporate design or visual identity (2006) can be seen in relation to symbolism, since the corporate visual identity system consists of the company name, slogan, colour, logotype, and typology. It is claimed that companies thoroughly re-arranges and communicates new logos and symbols when they change, a name change is for example, one of the most commonly used ways for organizations to point out a change in identity (Melewar & Karaosmanoglu, 2006).

The organizational identity is created locally in the organization and its symbols, therefore it is a part of the culture. The culture gets an internally symbolic meaning, which is the base for the creation and maintaining of the identity. Seeing as the corporate identity's symbolic construction comes top down it is also impacted by the present culture and previous experiences as well as by social influences from the environment. Hence, the organizational identity is formed by the interaction between the employees and by influences from top management (Hatch & Schultz, 1997).

### 3.3.2 Values

According to Gellermann *et al.* (1990, in Hultman, 2005:33) “a value is a standard of importance based on beliefs”. Once values are embraced in an organization they play an important role both for persons as well as for the organizational culture, since they function as criteria for making decisions and setting priorities (Hultman, 2005).

It is possible to say that values can be seen as something that serve as a direction and guidance for how to conduct oneself, what alternatives to choose in different situations and how to behave towards others. It can however differ between which values you claim you have and how you thereafter behave in reality (Bang, 1999). Nevertheless, the espoused values shared by the employees play an important role when analyzing how an organization's culture is created. The prevailing values and the norms within an organization underlie the way to act as individuals. According to organizational theory the identity is formed by common values and understandings (Hatch & Schultz, 1997).

Organizational and corporate values are used to help express how an organization operates and they can be explained in several ways (Urde, 2003). Furthermore, Urde argues that values can be interpreted as rules or as the religion of the organization, and they provide the organization with a unified mission and vision, acknowledge intrinsic principles, exclusive core practices, storytelling and an element of intellectual assets. These internal values depict what the organization represents, and are an essential source to generate the distinctiveness of an organization (*ibid.*).

Hultman (2005) claims that all organization's decisions are guided by values. Moreover, the essential questions concern how the values chosen by the organization function as guiding actions. Furthermore, values are not defined by what we say, but by what we do. They must generate effective outcomes to be deemed as viable. Thus, when an organization modifies its values, it is important that they are clearly defined in order for the employees to understand their meaning. Furthermore, it is essential that the managers incorporate them in the management system such as employee selection, day-to-day supervision, training, and performance evaluation. According to Hultman (2005) this is what makes the values *real*.

## 4. Case Description

Our respondents come from three different companies present in three quite different areas. Brilliance is an internationally known knowledge intensive firm, Tranquil is a large R&D company, and Austerus is an international energy company. In this chapter we will briefly introduce the three different companies and their contextual surroundings. Firstly, we will give an overview of our respondents. All names have been made up.

Company	Name	Position
Brilliance	Lars	CEO
Brilliance	Per	Managing partner
Tranquil	Thomas	Sector manager
Tranquil	Jan	Sector manager
Tranquil	Annika	Sector manager
Tranquil	Erik	Sector manager
Austerus	Anne	HR - manager
Austerus	Gunnar	Brand manager

**Table 1: The respondents**

### 4.1 Brilliance

Brilliance is an international knowledge intensive firm and falls into the characteristics that Alvesson (2004) give professional service firms; firstly, they have a distinct professional identity and standardized ways of certification, and secondly, the company is based on a partnership principle.

The two respondents we have interviewed worked for another knowledge intensive firm, Glory, before they started at Brilliance. Glory was a firm with a very strong corporate culture, and the people working there felt a strong pride in belonging to the company. Both Lars and Per started their career at Glory and today they have about 20

years of working experience within their profession. When Glory's parent company ran into trouble some years back, the Swedish department needed to look for a partner with whom they could merge.

Naturally the employees felt anxious when they became aware of the problems, but thanks to the company's good reputation among their clients in Sweden they did not experience any worries or concerns from them. They also had a good reputation among their peers, therefore, when they started to look for a company with whom they could merge, they actually had several offers. In the end they decided upon the firm Talent. After the merger and all the positions at the new company Brilliance had been set, almost 80 per cent of top management came from Glory.

The only ones with negative comments was the media, and seeing as the media is the only source of information for people outside the company, for example the friends of the employees, these were the ones who possibly had negative comments about the company.

Today, Brilliance a company with a high growth and a high turnover per employee compared to its competitors, in other words they are doing very well.

## 4.2 Tranquil

Tranquil is a R&D company with worldwide presence. It is the result of a joint venture (JV) in the beginning of the 21<sup>st</sup> century between Tran and Quillo, two large international companies. They merged their divisions for development, production and marketing of a consumer product. A joint venture is the name for when two companies decide to cooperate on a project, most often these co-operations occur between companies from different countries. (Nationalencyklopedin, 08-05-22). The two companies equally own them. Quillo was a company, and still is a company with a high technical focus, whereas Tran has a high degree of customer orientation. The interviewed respondents at Tranquil are all former Quillo employees and before the JV, Quillo experienced a couple of years of red numbers due to harder competition, and the mass media giving them more and more bad publicity. This led to a 'negative spiral' regarding the overall atmosphere at work as several of the interviewees said. Some of the interviewees said that they avoided talking about their work with friends. Due to this down turn, the company started to look for a solution to their problems, and find a way to reinvent themselves in the ever harshening competition. They found a company, Tran, interested in the JV and went through with it.

Tranquil has a top-level hierarchical division where the CEO is from Tran, and the VP from Quillo, and then it continues like that down the

line. The choice to do it like this was to reassure that there would be an equal interest from both parties in the success of the new company.

The JV led to a huge turnaround, making Tranquil's products more modern and high-tech, and making the employees more customer oriented. Tranquil soon became one of the leaders within their market.

### 4.3 Austerus

Austerus is today one of the worlds largest energy groups. The Swedish subsidiary was created in the beginning of the 21<sup>st</sup> century when Austerus acquired a majority of stocks in Streamline, and a couple of years later Streamline changed the name to Austerus. Streamline was a company with an old history and strong traditions. Still today another company owns a part of Austerus Sweden, however, the head quarter in Europe had a desire to create a sense of oneness within the group, and therefore they went through with the name change even though it was an expensive deal.

The name change had been planned for a long time, and there was much commotion regarding the preparation and ceremony for the new logo and name. Just a couple of weeks before the public announcement, a storm hit southern Sweden. In order to not leave the company name Streamline smeared, and taking the old employees into consideration, the choice was made to weather the storm and postpone the name change until the situation had been stabilized.

Due to the storm, the company underwent bad publicity and were criticized for the way they handled the situation. This made an impact on the employees in the sense that they did not enjoy talking about were they worked. The smearing went so far that there was even a provocative exhibition held, demonstrating hatred towards Streamline.

When the mass medial attention faded, as it eventually always does, the company could go through with the name change. The employees also felt that the company had done a good job throughout the rescue- and restoration work, and they could now give the old company a proper funeral and bury the old name.

## 5. Analysis

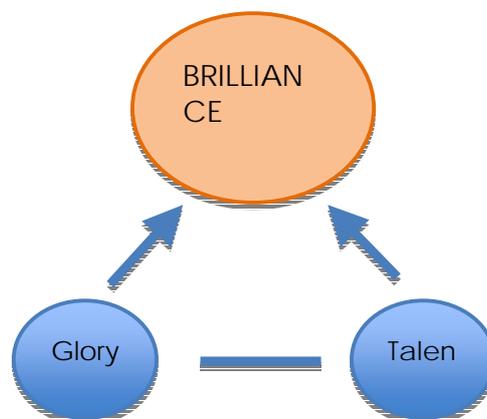
After having done eight interviews with different people from different companies, the ambiguity of the concept of identity has become even more apparent to us as researchers. The word identity may for many people seem like something evident and taken for granted, but when asked to specify the meaning of it, it becomes very difficult. We will approach our empirical findings from an interpretive perspective and analyse it reflexively. We will look at similarities and differences between the three companies and their respective circumstances regarding their change. Initially, we will analyze them separately, after that a comparative analysis will be made.

### 5.1 Brilliance

#### Organizational Structure

In the case of Brilliance the strategy was according to our respondents to create a completely new culture.

“The point was not that one should take over the other, instead we should try to combine and find the good pieces from each company and put them together in order to create a stronger company (...) Nobody will take over the other, instead nobody will recognize themselves, and that is the way it turned out as well”. (Per, Managing Partner)



**Figure 1: Brilliance**

The CEO emphasised the importance of having a quick integration, and he demanded to have the company's structure set before the summer vacation, that is only two months after the contracts were signed.

"...I don't want the whole company going on vacation not knowing what they will come back to because then you are worried, and you have the time to worry". (Lars, CEO)

They managed to create this new structure before the vacations, and possibly this strategy chosen by Lars created a feeling of security among the employees, and arguably a sense of security is likely to increase the trust among the employees towards management.

### Composition of the new management

One significant aspect to bear in mind when analysing this case is the fact that Glory had a very strong organizational culture, whereas Talent did not, partly due to the fact that they had merged with several other companies over time, and they had never really worked towards creating a joint culture. Lars said that Talent recognized Glory's strong leadership and they saw the opportunities and advantages with Glory's 'drilled management'. This resulted in Lars becoming the CEO of Brilliance.

"... it was Talent who bought Glory, but in reality it was more of a merger (...). Those working at Talent probably thought that they had bought Glory, but when the organization was set, probably 80 per cent of management came from Glory". (Per)

It seems probable to assume on the grounds of ending up with 80 per cent of top management from Glory, that there may have been some feelings of perplexity from the Talent employees, seeing as they may have had their mind set on the fact that it was Talent that bought Glory.

### Identity Strategies

During the change both the CEO and the managing partner points out how important it was to communicate and inform the employees. According to a study made by Engquist (1992, in Lind, 2001:140) communication is among other things about "the need to gain control over a situation". In times of change and turbulence people need to know what is happening, even if the message is unpleasant, a clear message creates a feeling of security. To overcome the possible threats

of resistance, to reduce uncertainty, and to persuade employees to embrace the change, communication is important (Seeger et al., 2005). Hence, the partners were constantly informing the employees about what was happening, this maintained a calm within the organization.

In order to form a new culture they started with a culture/value project with the partners of the firm. It was a deliberate strategy from the CEO's side to start with the partners as he felt that they could not start off by informing the values in large group meetings. Instead the partners needed to establish the meanings of these values at an initial stage to form a unity, and then it could be discussed further down the line, because as the CEO says, the values also have different meanings or implications depending on where in the hierarchy you are. Prasad (1993) claims that broad notions such as justice and leadership can be supported at a general level, but that they also contain very different meanings for people within particular institutional contexts. This can be seen as a justification of the CEO's approach to first discuss the values and their meanings with the partners and then continue with the other members of the organization. However, it can be questioned whether a top down approach is the best way when establishing the meanings of values, seeing as they are closely tied to culture and identity (Schein, 1985) and may therefore influence the culture and identity in the direction of what top management thinks is important. It is also important to mention that the values they worked with were Brilliance's international values that are the same throughout the whole international firm, so it was important to establish the meaning of them for the Swedish employees.

During this project the partners, 83 in total, met and discussed Brilliance's four basic values and what they meant for each partner. After that they organized seminars, workgroups, and project groups, during a period of two months and in the end they could unite around something that became the base for their strategy. Lars says that as the CEO he wanted to make sure that he could go through with the operational actions needed in order to create a company in conjunction with what the values meant to them. He tells a story of what he told the partners after these meetings:

"If you now say that this was a fun project, let's go do what we did yesterday, then I am not prepared to be a CEO (...) If you have said this, I will go through with the operative matters needed to create a company with these values. It will not help to come and whine afterwards, and I know that there are some partners who won't fit in, and you will have to leave the company, that doesn't mean there is something wrong with you, you just don't fit in and we cannot have people here who do not agree with these values".

This project led in the end to a substantial reduction of partners. After having established what the partners thought about these values, they were then spread down throughout the organization by means of

workshops and with the help of consultants working as facilitators, making sure that the discussions advanced via the partners, to the managers, to seniors, and so on, during a period of six months. The managing partner also talks about making the individuals who did not agree with the new culture and values leave.

”Some of these individuals leave on their own accord, whereas for those who can’t do that and stay within the organization, even though they are dissatisfied and spreading that dissatisfaction out in the organization, have to be put away, no matter how good co-workers they are. Otherwise, the rest of the organization will not be able to put the process behind them”. (Per)

When creating a new culture and organizational identity it may be deemed important that everybody is on board, and that you reduce all possible resistance. Hence, it is easier for management to have employees subjecting themselves to the new culture, and to purge out those who do not agree. Results from a study made by O’Reilly *et al.* (1991, in Dutton *et al.*, 1994) suggested that a stronger fit between people and their organization brought about attitudes and behaviours in line with stronger identification. Hence, it is possible to perceive the importance of having members striving towards the same goals, and who accept the culture when the aim is to create a new identity. However, we think it is valid to question whether it is even possible to create a completely new culture, seeing as Glory came in with a really strong corporate culture to begin with and that they got approximately 80 per cent of the management positions together with the CEO post. We assume that this gave the partners from Glory a very strong hand in the creation of the ‘new culture’. Even if both the CEO and the managing partner say that the aim was to create a completely new culture, and that is what, according to them, happened as well, it is plausible to suppose that they are bias seeing as both of them come from Glory.

The CEO says that after about a year he felt that the company needed to unite around something in order to further strengthen the employees’ identification with Brilliance. He says that a book inspired him when he presented the idea that the company was on a journey ‘going from good to great’. This became a kind of mantra for all employees, ‘what I can do good today, I can do even better tomorrow!’

“This created a core of a new culture, an exciting culture, where the self-confidence that had hit a rock bottom, was now strongly enhanced”. (Lars)

Alvesson and Björkman (1992) say that organizations have many different symbols, rituals, ceremonies and stories that all communicate the collective organizational identity. Thus, it is possible to assume that

this may well have been the first step towards a sense of unity within the company, as well as a reinforcement of the members' bonds with Brilliance.

In connection to the continuing work of creating a common culture and shaping a new identity it may be deemed important to mention that Brilliance is a company where many new graduates start their career. According to Ashforth and Mael (1989), newcomers are often unsure about their roles and apprehensive about their status within the organization, so it is possibly easier to shape a newcomer who has no experience, and this will according to us facilitate the maintaining and acceptance of the culture.

### Integration

The managing partner strived, in conjunction with the CEO, towards a quick integration between the new co-workers at the office he was in charge of. Glory had just recently moved in to a new office, and the partners at Brilliance jointly decided to move in to Glory's office within two week after the merger. It was, as both respondents maintain, very important for the business to continue as usual, seeing as they had a responsibility towards their clients.

Furthermore, the managing partner made sure that in the office there was only one coffee machine, one place for the outgoing and incoming mail, they also mixed all the employees in an open-plan office, all in order to force the employees to interact. In relation to SIT this can be seen as a way to try to reduce the in-group/out-group syndrome, seeing as they probably in the beginning identified themselves with either Glory, or Talent. By making them interact and realizing that the other person is actually not so different from oneself and is not a threat, could possibly help to dissolve potential groups.

When Glory seized to exist they obviously had to remove all objects with their logo on it, such as pens, paper bags, and so on, and replace it with the Brilliance logo. Surely, these kinds of symbols had to be removed and no one questioned that. However, the fact that the Talent workers had to move into Glory's office already two weeks after the take-over, that they had to use Glory's old switchboard number, together with a completely new work structure for everyone, was something adding to the resistance among both parties, because no one recognized themselves in this new organization. Like the managing partner says, these seemingly trivial matters may be of great importance to people. According to Fiol (2002), if members of an organization get the time to deidentify themselves with a previously valued organizational identity, there will be less resistance to the change. Dutton *et al.* (1994) say that when a person strongly identifies with its work organization, their own sense of survival is tied to the organization's survival. Hence, it is possible to assume that in times of change when a person feels that he or she is about to loose something

that he or she is attached to, even the smallest things become important, because there is a desire to hold on to anything that connects you to that old identity.

Brilliance's management also organized meetings with the employees so that they could get to know each other, and where they had to talk about their preconceptions about one another as Glory employees and as Talent employees, which in the end, according to the managing partner, made them realize that they were not so different from one another as they first may have thought. By making the members interact with one another, the managing partner reduced the groupings between them. It is like Dutton *et al.* (1994) say; when members of an organization interact with each other they change their level of inclusion in the organization, thus the attractiveness of the perceived organizational identity increases, strengthening the organizational identification. Thus, for the members to realize that they were not so different from one another may have helped them embrace the new organization better.

#### *The Possible Power of Symbols*

Another thing that may be considered as working to unify the company and its members is when the CEO talks about how they handled the fact that some of their co-workers were in Thailand at the time of the Tsunami. Brilliance flew down a team of people with the mission to search for the missing co-workers. This may not be a deliberate strategy to construct a new identity, but it may possibly still be something that reinforces the organizational identification. This action may strengthen the employees' identification with the company because they see all the good things that the company is doing, and that Brilliance is actually caring for its employees, hence as an employee you feel proud to be a part of this company. As Dutton *et al.* (1994) point out; if members think that their organization is defined by certain qualities such as virtue or good ethics, they are likely to see the perceived organizational identity as attractive. To be associated with an organization possessing these qualities enhances the members' self-esteem since this affiliation gives them the opportunity to see themselves with these positive qualities, resulting in a strengthening of the members like for him- or herself.

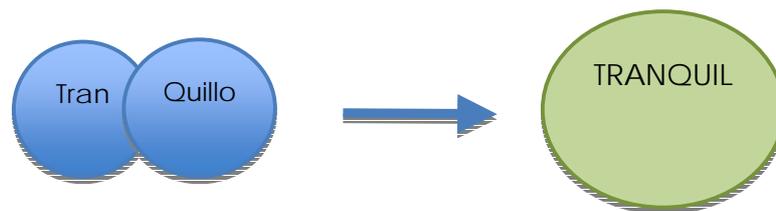
Another possible powerful symbol concerns the status an employment at Brilliance implies, which has also been pointed out by researchers (Alvesson, 2004). Both respondents talk about how Brilliance is a company that is popular amongst newly graduates, and the CEO says that other accounting firms often want to recruit from them. This may be deemed as something reinforcing the identification with Brilliance and giving the employees a sense of pride working there.

## 5.2 Tranquil

### Organizational Structure

For Tranquil, management wanted to merge the two cultures by taking the best from them, or as Erik said,

“... taking the raisins out of the cookies, you focus on what you do well”.



**Figure 2: Tranquil**

One of the reasons for this joint venture was that Quillo had experienced a rough couple of years with red numbers and dismissals that created a negative spiral, leading to an overall negative atmosphere at Quillo. Dutton et al. (1994:240) claim, “If members interpret the external organizational image as unfavourable they may experience negative personal outcomes, such as depression and stress”. When the Quillo employees then found out that they were going to merge with Tran it is possible to assume that the process of deidentification (Fiol, 2002) went faster, which in turn may smoothen the progress of accepting a change and a new culture. They all say that the news of joining forces with Tran changed this negative spiral into a positive one.

“To be merged with another company gives a vision of the future, a positive spirit, a belief on something”. (Erik)

“This came as good news (...) In general there was a positive atmosphere along the line (...) I believe it gave hope for the future”. (Jan)

To make sure of an equal interest in the new company, top management decided upon a hierarchical division where the CEO came from Tran and the VP from Quillo and then it continues like that down the line.

### *The importance of Communication*

Even though this change was perceived as a positive one among the employees, there were still feelings of uncertainty and worries about the future, how your work tasks would be affected and whether or not the joint venture would work out. In order to reduce these initial feelings of uncertainty our respondents worked a lot with communication and the spreading of information.

“As a manger you become an information-spreader, if everybody is worried it is important that I as a manger try to stay more calm, and putting across this calm together with relevant information about what is actually going on, because there is a lot of rumour-mongering”. (Erik)

Granberg (2003) claims that in times of organizational change it is extremely important to spread information within the company. Hence, even if it may seem as if enough information has been spread, it is important to repeat the message again. This statement is further strengthened by Engquist (1992, in Lind, 2001) who claims that in times of change and turbulence people need to know what is happening, even if the message is unpleasant, where a clear message creates a feeling of security.

To inform about the change, large group meetings with information from top management were held with all mangers that in turn spread the information down to their employees. Annika emphasises the fact that the CEO and other top managers came to Smalltown and held meetings and were present among the employees. She talks about the product manager that held an inspiring speech about the new company and what this joint venture would imply for everyone. The presence of top management and their belief in the new company can contribute to a feeling of security and trust that in turn will lead to a reinforcement of the identification. It is claimed that trust is an important aspect when it comes to identification with an organization (Kramer & Wei, 1999 in Fiol, 2002).

### *Identity Strategies*

In a big company like Tranquil there is such a vast amount of people and professions present that it may be easier to identify with your profession rather than with the company as a whole. Looking at it from a different angle, having an in-group bias (Ashforth & Mael, 1989) does not necessarily have to mean something negative, it may in fact increase the identification, not with the company, but with your co-workers, which may possibly increase the loyalty to the company. As Alvesson and Sveningsson (2008) claim, due to the diverse professions, divisions, departments, and hierarchical levels that may

encourage a diversity of meanings, values, and symbols, people will interpret things within the organization differently. If you identify with a group you are more inclined to accept the values, norms, and other cultural expressions signifying this (Alvesson & Björkman, 1992).

In order to work towards a new identity, Thomas, when talking with his employees, emphasized the overall offer the two companies together would be able to provide the market. By emphasizing the positive aspects of this joint venture, thus toning down the barriers between the two companies he possibly reduced the in-group/out-group syndrome (Ashforth & Mael, 1989). Thomas continues by saying that in his everyday work he stresses Tranquil's values and the 'user experience' for the end customer. Melewar and Karaosmanoglu (2006) explain how a company's product can reflect the visual identity of an organization. The visual identity is claimed to serve two purposes (Baker & Balmer, 1997, in Melewar & Karaosmanoglu, 2006): representing the company's values and as a support of corporate communication. One can therefore argue that it was important for Quillo to join forces with Tran in order to make the products more attractive to the customers, thus enhancing the visual identity and external image. Thomas says that there was a lot of focus on the products that were under development. Even though it was hard to develop a unique product from day one, the colour was changed to one that was unique for Tranquil at that moment of time. This was to some extent a factor in the construction of the new identity according to Thomas.

Another important part of creating this new identity was to create a new logo. This logo came out a month or two after the JV and graphically it signifies the first letters of the two companies. There were a lot of symbolic actions in connection with the launching of the new logo. It could be perceived everywhere both internally on backpacks, pens, papers and so forth, and externally on their products and in commercial campaigns. It is claimed that in order for organizations to create a perception of a unique corporate identity, organizational symbolism is of the essence (Alvesson, 2004). By creating a joint graphical language, reflecting the new company, the aim was to distinguish their branding and where the new identity was being expressed through the products.

Melewar and Karaosmanoglu's concept of corporate design or visual identity (2006) can be seen in relation to Tranquil's efforts in marketing their new name, since the corporate visual identity system (CVIS) consists of the company name, slogan, logotype, colour, and typology. They continue by saying that a name change is a very popular way for organizations to point out a change in identity. In Tranquil's case the external image changed very much since they got a new name and logo, and that the design language on their products changed. Moreover, this JV proved to be a success generating positive press, more market shares, and increased profits, which all resulted in an overall positive image of the company. According Thomas, the JV

has resulted in a possibly more hip company, compared to the more technical oriented Quillo, making the employees want to point out that they work at Tranquil and not Quillo. When members of an organization believe that the organization's construed external image is positive, i.e. members believe the organization's image hold attributes that differentiate it in positive terms, and it strengthens their organizational identification (Dutton *et al.*, 1994).

### Integration

All managers created an educational program together with their employees depending on their work tasks and personal interests. There was a so called toolbox containing cultural seminars, where they could learn about the national cultures in the countries where Tranquil is present, value work shops, FAQ's, and so forth.

They also established Functional Integration teams. This was a mix of managers and experts from different departments with the aim to integrate the two companies in terms of work processes, structures, software architecture and so on, in order to create a common ground with the best from the two companies. One can argue that a contributing factor for Annika's employees to be able to identify with Tranquil is thanks to the fact that her team was able to strongly secure that their organization's processes and competence were implemented in Tranquil. It is possible to assume that this contributed to the feeling of prestige within the team, to have *their* way of working implemented throughout this huge organization. The prestige of a group is something Ashforth and Mael (1989) claim is a factor in order to strengthen group identification. Furthermore, Rousseau (1998, in Fiol, 2002) claims that one way to prompt identification with a group is for example, a team working towards a deadline, so, it is possible to assume that in the strive of Annika's organization towards the implementation of their way of working made them bond and get closer as a group.

This joint venture was between two big companies coming from two very different national cultures, and one way for the managers to try to reduce the barriers between the two cultures was through the cultural seminars that were introduced. Another way was through the mixing of people from the two companies.

"... we mixed my group with three engineers from Tran, so that led to a natural exchange of experiences (...) it infused the employees with positive hopes for the future". (Jan)

It is claimed that members will experience an increased inclusion and contact with their organization when interacting with other

organizational members, leading to a strengthening of their organizational identification (Dutton *et al.*, 1994).

### The Values

Initially, values were created and followed by discussions in workshops about their content and how people could relate to them. However,

“The values were many and complicated and people couldn’t relate to them (...) It is not so easy to buy into the values”. (Jan)

Even though the values were worked with to try to find a somewhat common meaning for everybody, they were later on revised and cut down to solely three because people had problems identifying with, and relating to all of them.

“I remember one [value] was discipline, as a Swedish-thinking employee you don’t buy into that so easily”. (Jan)

Annika also mentions the word discipline as a strong value and how during the workshops she talked with her employees about the meaning for them of this and the other values. Hultman (2005) says that the chosen values function as guiding actions, which may explain why some people had problems accepting the values ‘discipline’. However, when the three final values had been established, Jan says that they were placed on everyone’s screen saver and the employees were unable to remove them. It is possible to ask whether or not this is a good approach when trying to implement new values. It is plausible to believe that this approach causes more resistance towards the values than acceptance of them. Jan says that in discussions with his employees about the meaning of the values, it was hard for everyone to relate to them.

“Of course not everybody can adhere to the word passionate (...) [an employee saying] ‘what do you mean passionate?! I am not at all passionate’. Still you know what the word means and you have a commitment to the company”. (Jan)

“They [the values] don’t really feel established (...) personally I am doubtful about what they have contributed with (...) It is hard when talking with the engineers who work here, it is difficult for them to really grasp what they mean (...) Of course they represent something, but I haven’t managed to incorporate them to be present in the everyday work”. (Erik)

According to Hultman (2005) what makes the values real is if managers are able to incorporate them in, among other things, the day-to-day supervision. Seeing as Alvesson and Björkman (1992) talk about the importance of having clear values in order for the employees to be able to identify with the organization, it may be possible, considering these statements, to question whether or not the employees at Tranquil actually identifies with the organization. Maybe they do not care at all about the values, and their focus lies more on their job, and that is what they identify themselves with, 'I am an engineer, that is my identity'. However, Eisenberg (1981, in Fiol 2002) claims that it is better if the values are ambiguous because that allows for a greater amount of people to reach a consensus around them, without necessarily achieving consensus around their concrete meanings. In a company like Tranquil with such a diverse work force it may be considered as the only choice to have values that can incorporate the whole work force.

### 5.3 Austerus

#### Organizational Structure

Streamline was a part of Austerus for a few years before going through with the name change. Seeing as internal measurements showed that there was no feeling for Austerus as a company, it was deemed that a change was needed. For Austerus, the strategic choice was to create a sense of oneness, and integrate Streamline into Austerus's culture.

"There was a need for a change. [Streamline] was associated with boringness, stiffness, and conservatism, I mean this business was supposed to compare itself to media, telecom, and IT". (Anne, HR manager)

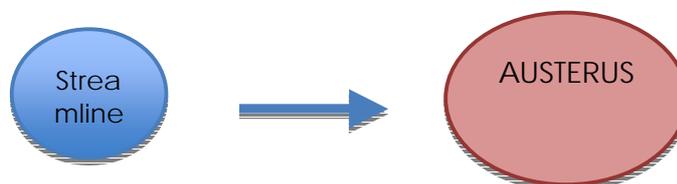


Figure 3: Austerus

### Identity Strategies

Both of our respondents say that this change caused little resistance among the employees, as they perceived it.

“This was such a positive change. There was a down side with some organizational changes, but not anything that played an important role”. (Anne, HR manager)

“This was not a radical change, the employees working here are smart people, and if the parent company has decided this then ok”. (Gunnar, Brand manager)

In their case the change came in small steps, it is still an ongoing process, where the structure of the parent company has not been fully completed until this year.

Nevertheless, the need to incorporate Streamline into Austerus was necessary, and in order to make the Swedish subsidiary feel like a part of Austerus they worked with learning maps including cases, values, desired behaviour, customer orientation and so on. Even though the old values did not differ that much from the new one's, it was as the HR manager says, a matter of burying the old ones and transforming them into the new ones. In addition to the learning maps they educated 60 employees to become change agents who had the responsibility for the learning maps out on the sites. Furthermore, they also had so-called ‘brand champions’ who were the spokespersons out in the companies. Scholars (e.g. Seeger *et al.*, 2005) have advocated the importance of communication in order to overcome the possible threats of resistance, to reduce uncertainty, and to persuade employees to embrace change. According to Pincus *et al.* (1991, in Melewar *et al.*, 2006:42) the aim of communication is:

- “developing a shared vision of the company within the organization;
- establishing and maintaining trust in the organizational leadership;
- initiating and managing the change process; and
- empowering and motivating the employees”.

Even though these aims are from a top management perspective, we believe that the communicators are the voices of top management out on the field, and they often have the ability to speak in favour of the company seeing as that is their profession.

To follow up the change, measurements via the intranet were made, together with the distribution of brochures. HR, accompanied by the management and some communicators, went on a ‘Road Show’ to visit all the subsidiaries/units, where they met all the co-workers, informing them about the change. In order to make the employees aware of and embrace this change, it was important to have an open communication

with the employees so that they could get the answers they needed to reduce insecurity and increase the trust. Trust is an important aspect when it comes to identification with an organization (Kramer & Wei, 1999 in Fiol, 2002), and in times of organizational change it is important to spread information within the company (Granberg, 2003). Furthermore, it is important to create a strong sense of 'we' when changing an organizational culture (Alvesson & Sveningsson, 2008), therefore it may be possible to assume that for the employees out on the sites to see those working with the change in person can create a stronger sense of trust and unity.

### Symbolic Work

In Austerus's work towards creating the new identity they had a big formal ceremony for the top 200 managers where everything was in Austerus's colours, famous artists performed, and where the managers during one day worked with the before mentioned learning maps. This ceremony was very rich in symbols, and Dutton *et al.* (1994) state that when people are reminded of their affiliation with an organization through visible symbols, his or her awareness of the attractiveness of the organization is heightened, and it increases the probability of the organization as a source of self-definition. Since it is claimed that culture is created and sustained through the use of shared symbols (Alvesson & Sköldböck, 2008; Hatch & Schultz, 1997), it seems plausible to assume that this ceremony was a helpful move in the work towards creating this oneness.

The brand manager says that this change was more a graphic external change with a new company logo and name. It can be claimed that the change in itself was more a symbolic change, with a new logo that was seen everywhere, in commercials, on football fields, on gadgets and so on. It is in recent years that they have actually started to work with the identity of Austerus and what that stands for, 'what is our soul?' In Austerus case, they could not start to work with the identity from the beginning since the structure had not been completed, so we believe they focused on the symbols as a way to appeal to the employees. As mentioned before, culture and symbolism are very closely related, and culture can be seen as being created and sustained through the use of shared symbols (Alvesson & Sveningsson, 2008). The same authors claim that when a company undergoes a change it is important to use symbolically rich material, seeing as it expresses meanings in a powerful way.

When talking with Anne, it seems as if Corporate Social Responsibility is very important for Austerus. However, seeing as Anne is a HR manager and thus works closely to these issues, it may also be that she emphasises that to a larger extent than the other respondents. Austerus sponsor a lot of child- and youth athletic organizations, environmental- and safety issues and so on. These actions relating to societal issues

that everyone can relate to no matter your profession, whether you are an electrician or an engineer, can be seen a something tying the company together, creating this oneness.

A way to make people appreciate Austerus was by gathering all the benefits (e.g. education possibilities, payments for parental leave, insurances) under a specific web portal on their Intranet.

“... It is like a candy store where the employees can pick whatever they want (...) We put up a web portal where we gathered all the benefits so that the employees became more aware of them, thinking ‘Gosh, how lucky we are’, instead of taking it all for granted”. (Anne)

These benefits were almost the same as before, but they had been spread out so nobody had never really understood the quantity and quality of them. When becoming a part of Austerus more benefits and opportunities such as exchange programs for the employees’ children, and education possibilities at top ranked schools have been added. In this strive towards the creation of a sense of oneness and renewal these small things such as gathering all the benefits in one place can be seen as important, in view of the fact that it enhances the attractiveness of the company. The more a member feel that his or her company has positive attributes that differentiates it from its competitors, the stronger this member will identify him- or herself with the organization (Dutton *et al.*, 1994).

### The Values

There is contradiction in the statements between the two respondents regarding the values. The brand manager thinks that the values are only words and that Austerus has not really done a good job with their implementation. Furthermore, they are not very unique for the company, and he thinks that they need to be made alive by having a management that lives according to them. Another option, according to him, is to introduce storytelling. Scholars have advocated the use of storytelling in order to make sense of events or to introduce change (Boje, 1991). However, seeing as Austerus is such a young company, he says that the stories available today are not very clear. The HR manager on the other hand, talks more about the values as something they work constantly with; in recruitment, in employee feedback, in the bonus program and so on.

“It is important to incorporate the values and the behaviour in every day life. Otherwise you may have your values on a nice mouse pad, I have worked for a company where the employees threw out all of the mouse pads with the values on

them because they felt that the management did not live by them. It is a pretty powerful weapon, you should have respect for that". (Anne, HR manager)

"Sure we talk about openness, diversity, and social responsibility (...) But there is nobody going through the roof about it saying, 'Ooh look at this, how exciting'...". (Gunnar, Brand manager)

As mentioned before, it may be because Anne works with HR that she is more versed into the work with the values and more enthusiastic about them. Seeing as her professional role makes her involved in an everyday work with the values, they also become more meaningful to her.

### External forces

When the day for the name change came closer Sweden was struck by a natural disaster, resulting in a postponing of the name change as the disaster had a significant impact on Streamline, and they did not want to bury Streamline with a smeared name. In the midst of the rescue- and restoration work, Streamline became subject of negative press and even a hateful exhibition. This however worked more as a unifying contribution, rather than as something separating them, according to the HR manager.

"You became stronger as a group, 'we will solve this', but it was not always so fun to attend dinner parties and saying that you worked for Streamline". (Anne, HR manager)

If you identify strongly with an organization, threats like this are often taken personally. When outsiders judge the organization through its public reputation, members will interpret and react to the external image they construe of their organization, either building up or eroding the identification (Dutton *et al.*, 1994). In Austerus's case, the group grew stronger and more close-knit. Austerus employees from other countries came to help, which further reinforced the feeling of unity.

### SUMMING UP

In order to give a conclusive general view of the three cases, we have compiled a table with extracted key point from each case that our respondents highlighted as important in their identity construction strategies.

<i>COMPANY</i>	<i>KEY POINTS</i>
Brilliance	<ul style="list-style-type: none"> <li>• Completely new culture</li> <li>• Quick employee integration</li> <li>• Business as usual</li> <li>• ‘National’ interpretation of the values</li> <li>• Managers as inspirational, communicative and calm</li> </ul>
Tranquil	<ul style="list-style-type: none"> <li>• Merging of two cultures – equally divided board of direction</li> <li>• Integrated work- and structure processes (Functional integration teams)</li> <li>• End consumer focus – hip product, new name and logo</li> <li>• New values were created</li> <li>• Managers as information- and calm spreaders</li> </ul>
Austerus	<ul style="list-style-type: none"> <li>• Integration of Streamline into Austerus</li> <li>• Creating a sense of oneness</li> <li>• New name and logo, CSR</li> <li>• Adaption of Austerus values</li> <li>• Managers as communicators.</li> </ul>

**Table 2: Key Points**

## 5.4 Comparative analysis

When doing this thesis we have looked upon three different changes within companies working in three different contextual surroundings, and now we will continue with a comparative analysis that is built up around four themes highlighting the similarities and differences between the three companies. The themes are based on what we feel has been emphasized by our respondents.

The companies investigated in this thesis have all gone through a change due to a merger with another company, there has thus been a need for management to make the employees identify with a new

culture. The fact that the three companies differ in their area of work, in their context, and in how the change was made, their answers have been coloured accordingly. But the differences are not only apparent at a larger organizational level, they are also present at an individual level, since they all have different experiences from the change.

## INTEGRATION

All three companies had different focuses in their integration. For *Tranquil* the major focus was to integrate the work- and structure processes through so-called functional integration teams with the aim to agree upon what competences to use from each company in order to produce a good product. In addition, cultural seminars were held as a way to get the two cultures to understand each other, but nevertheless the focus was around the product. Some respondents had people from Tran coming to their site and this was an opportunity for a physical integration between the two cultures. These efforts can be seen as a way to reduce the in-group/out-group syndrome between the two cultures. It is claimed that members will experience an increased inclusion and contact with their organization when interacting with other organizational members, leading to a strengthening of their organizational identification (Dutton *et al.*, 1994).

For *Brilliance*, a company where the employees have the same profession the focus was to have a quick integration so that the business could continue as usual as fast as possible. Therefore they had to work more with integrating the employees with each other seeing as they were going to work within the same four walls. In relation to SIT, integrating the employees can be seen as a way to try to reduce the in-group/out-group syndrome. For *Brilliance* the integration was more about making the two companies melt together and become a new more prosperous firm, rather than to integrate different processes, which was the case at *Tranquil*. In the case of *Austerus* the aim of the integration was to create a sense of oneness within the firm. The integration was not physical since most of the Swedish employees stayed in Sweden and did not meet their new co-workers overseas. So, in order to create this oneness different efforts were made, such as listing benefits at a specific web portal, highlighting CSR, sponsoring different events, but also changing the logo and name and being visible in society.

## COMPANY FOCUS

In *Brilliance* the important thing was ‘business as usual’, they had a responsibility towards their clients that needed to be maintained. Seeing as Glory had loyal clients following them when they merged with *Talent*, together with *Brilliance*’s widely known name, management did not have to concentrate on launching a new name on

the market, their focus was more on internal questions concerning how to make the employees feel unified and inspiring them to see the benefits of working for *Brilliance*. Whereas, for *Tranquil* and *Austerus*, it was two new names that needed to be introduced on the market, therefore, the focus became the external image as a way to project a new image of who they were.

However, for *Tranquil* it was also a new product entering the market, a product that needed to be hip and up-to-date. By receiving confirmation from the consumers that bought their product, thus enhancing the construed external image they could possibly identify themselves easier with the organization (Dutton *et al.*, 1994). For *Austerus* who sells an intangible product, the focus of the external image is not around the product as we see it, but rather around the brand itself and an effort in building a trust around it. In order to gain this trust *Austerus* worked with corporate social responsibility, and being visible in society, making the employees understand the benefits of being incorporated in this international company. Seeing as symbols are claimed to express meaning in a strong and rich way (Morgan *et al.*, 1993, in Alvesson & Sveningsson, 2008), the identification with the company may be enhanced because the employees feel that their employer is taking responsibility in society.

## VALUES

The values were all worked with at a somewhat similar way in the three companies, that is, through smaller work groups in order to try to reach a common understanding. Seeing as it is claimed that values play an important role both for employees as well as for the organizational culture, since they function as criteria for making decisions and setting priorities (Hultman, 2005), it can be deemed important that everyone has a say in the work with establishing their meanings.

However, in spite of these similarities in their work with the values, the discrepancies concerning their importance or worth are obvious. At *Austerus*, the brand manager thinks that the values are solely 'words on a paper', and in order for them to actually signify something people should live by them. This can be seen in relation to Hultman's (2005) claim that values are defined after what we do and not what we say. Whereas the HR manager, who works with them on a daily basis, she has another view. At *Tranquil*, some of the managers expressed feelings about the values in line with the brand manager at *Austerus*. They said that even though the values were good to have, they had a hard time incorporating them in their everyday work, and that the engineers had difficulties in grasping what they meant. This statement strengthens Hultman's (2005) claim that when an organization modifies its values it is of relevance that they are clearly defined in order for the employees to understand their meaning. For the engineers, the focus was more around the products.

However, in contradiction to *Tranquil* and *Austerus*, *Brilliance* is a company where the professional roles do not differ that much within the firm. When talking about knowledge intensive firms, Alvesson (2004:210-1) says that “organizational identification is facilitated through the recruitment of a similar kind of people with similar class background, education, and personal attributes (...) The creation of a fairly homogenous group associated with the firm strengthens the organization as a source of identification”. In *Brilliance*, both the CEO and the managing partner emphasized how important it was that everyone could unite around the values, and that everyone adhered to them. Seeing as they applied *Brilliance*'s international values and that it was important that everyone could unite around them, they were worked with on a national level, so that a Swedish employee also could find a meaning with them. It is possible to draw a parallel between Alvesson's (2004) statement about creating a homogenous group and the fact that if you did not adhere to the values you had to leave.

To summarize, it appears as if for *Tranquil* the values were more like PowerPoint values and not really lived after since people could not really relate to them and that they were placed on the screen savers without the possibility to remove them. The same goes for the brand manager in *Austerus* who felt that the values were nothing more than the words on his little card. Nevertheless, from the interview with the HR manager who worked with the values on a daily basis and that thoroughly explained to us the daily appliance of the values and the accompanied behaviors, we perceive them more as values to be followed at work. In the case of *Brilliance* the values can also be thought of as 'values in use', since it was important, according to the managers, that everyone adhered to them.

## THE ROLE OF THE MANAGER

All companies applied a top driven approach in the work of constructing a new identity. Whether or not this is a good approach has caused discrepancies among researchers, where some claim that in order to make an organization change you should apply a top down approach (e.g. Dawson, 2003; Latour's diffusion model, 1986), whereas others advocate bottom up approaches (e.g. Alvesson & Sveningsson, 2008; Beer *et al.*, 1990).

According to Dutton *et al.* (1994) it is common for managers of organizations to articulate what is enduring and distinctive about their organization. Whether or not these claims are true is less important than the fact that powerful organizational members engage in communication and influence processes in an effort to create a collective identity for its members. In *Brilliance*, the CEO had a more visionary and inspiring role, telling inspirational stories – ‘If we can do this, we can do anything!’ It is claimed that knowledge management stands for community, so that people throughout this international

organization needs to feel that they belong to the same tribe (Alvesson, 2004). Therefore, Lars's stories can be seen as a way for him to try to make the Swedish employees feel like a part of the big whole. For the managing partner on the other hand, his role was more to integrate the employees at his office, making them feel more unified as a group, and reassured that business towards their clients continued as usual.

In *Tranquil* the respondents' roles were more to spread information and sustain a calm within the organization. One respondent highlights the fact that his organization was separated in half; where one half stayed with Quillo and the other half went over to *Tranquil*. This shows how for some people the identification lies more with your work group rather than with the company as a whole, which in turn may affect the role of the manager seeing as he needs to adapt his behaviour after the employees' different needs.

For *Austerus* it was important for the managers to work with communication, this is exemplified through their Road Trips to all subsidiaries to inform about the name change and about the future, distribution of brochures, and so on. Scholars (e.g. Seeger *et al.*, 2005) have advocated the importance of communication in order to overcome the possible threats of resistance, to reduce uncertainty, and to persuade employees to embrace change. At a micro management level all respondents had the role of communicating and spreading information, and sustain a calm. Of course as a CEO, Lars's role is different because he is also the external face of the company, whereas all the other interviewed managers worked mainly internally towards the employees.

All three cases demand different types of managers. For *Brilliance* it was important to find a core in the organization to be able to start the journey towards a unified culture. In order to achieve that, Lars was visionary and inspirational. In *Tranquil* there was a need amongst the employees for information about the changes since insecurity existed about the unknown outcome of the JV, hence the managers became 'insecurity absorbers' and 'information spreaders'. In the case of *Austerus* top management strived towards a sense of oneness, by placing a lot of effort on the communication.

## 6. Discussion and Conclusions

This chapter is divided into two parts; we will first discuss and analyse the themes we touched upon in the comparative analysis at a deeper level. Secondly, we will present the conclusions we have drawn based upon our empirical material, applied theories, and own interpretations. The chapter ends with suggestions for future research.

### 6.1 Discussion

It can be claimed that the main goal for an organization is to make profit, so whatever change a company decides to go through, it is in order to make the company more prosperous. What strategy to apply may however differ, we have chosen to look upon identity strategies, where the role of the manager, values, and symbols have appeared to be of great importance.

#### **INTEGRATION**

It may be deemed important for a company like *Brilliance* to have a quick integration, seeing as they needed to continue with business as usual. Employees that had invested their careers and identity in the company needed to be calmed, and the professional side towards the clients needed to be maintained. This can be seen as important in order for the employees to maintain their sense of professionalism, not losing their in front of their clients.

For *Tranquil* it was more important to integrate the different work processes in order to deliver a new product to the market demonstrating the synergies of the joint venture. We maintain that initially the focus was on the external image and not really on the inside of the organization. The external focus may however tie the employees to the company when seeing that the customers like their products, and media giving gave them positive publicity. It can also be claimed that in this case it is more about the external image of the organization the employees' identify with, rather than the internal. In *Austerus*, there was no need for a direct integration of any work processes or physical integration since for most of the employees the work continued as usual. However, it was important to make the employees aware of the new name and what it stood for, as well as it was of great importance that the company started to build up an image

and trust around the new name and logo. The natural disaster that struck Sweden was of course nothing the people at *Austerus* wished for, nevertheless it did contribute to the feeling of unity within the company since workers from all subsidiaries came to Sweden and helped in the restoration work. A similar thing we claim happened in *Brilliance* with the Tsunami, where it is possible to assume that the actions taken by management worked as something reinforcing the employees' identification with the organization. Therefore, it seems plausible to claim that not only deliberate strategies are leading towards an integration and increased identification. To be associated with an organization possessing qualities such as virtue or good ethics, members are likely to see the perceived organizational identity as attractive, and thus enhancing the members' self-esteem since this affiliation gives them the opportunity to see themselves with these positive qualities, resulting in a strengthening of the members' like for him- or herself (Dutton *et al.*, 1994).

## COMPANY FOCUS

For *Tranquil*, the focus was the product and the external image. Internally they worked with integrating work- and structure processes, and the cultures, and externally through the acknowledgment of the market that likes their products. Seeing as the products since the beginning of the joint venture have been regular 'cash-cows', it seems reasonable to ask what will happen the day the products they develop stop being so popular? Drawing upon Schein's (1985) three level model of organizational culture, the products the employees so strongly identify themselves with represent the top level (the artifacts) of the model. We therefore find it plausible to believe that if the company has not incorporated a deeper level of organizational identity the employees will not have any problems changing to another organization seeing as their identification lies more with the 'hip product', rather than with the company.

Research has pointed to the importance of symbolism in times of change (Pfeffer, 1981, in Seeger *et al.*, 2005), and in the case of *Austerus* the importance of symbols is pertinent, which may be explained by the fact that the product, energy, in itself is not so attractive. It seems as if it is important to project a good external image of the organization in order to attract and retain customers. For them, it is more about having a presence in society, sponsoring different events and sport clubs. Corporate social responsibility (CSR) is not only for people outside the organization, in today's conscious society people are not only interested in money, it has become more important to work for companies that take responsibility. Symbols are claimed to express meaning in a strong and rich way (Morgan *et al.*, 1993, in Alvesson & Sveningsson, 2008), therefore the identification with a company that for example promotes CSR, may be enhanced. But then again, it seems plausible to question how much a person actually identifies with CSR?

Today, many companies take responsibility in society and support good causes.

For *Brilliance* that is a knowledge intensive firm, and that, in line with Alvesson's (2004) claim, work a lot with creating a coherent culture, the focus was doing 'business as usual'. Furthermore, the fact that they actually were able to continue doing business as usual can in itself be thought of as a confirmation for the employees that their merger was successful and that they did not experience any huge problems impeding their professional work.

## VALUES

We argue that values may have different purposes depending on the organization, the personal understanding of the values, and what position you possess in the company. We contend that in our cases they can function as *identity markers* where you categorize the values after how you should identify yourself, or as *guidelines*, implying how you should act. They can also be *inspirational*, or if nobody can adhere to them they may be seen as *corporate nonsense*.

The values in *Brilliance* can be claimed to serve as *identity markers* seeing as research on knowledge intensive firms (Alvesson, 2004) claim that they strive towards creating homogenous groups in order to strengthen the organizational identification, which can explain why employees who did not adhere to the values got fired or left on their own accord. Furthermore, since this is a firm who often employ newly graduates that also can be seen as 'unwritten sheets', it may be easier for them to adhere to the values. On the other hand however, it is also possible to question if they are successful in their work with the values, seeing as they are a company with a high employee turnover. The CEO says that they employ many newly graduates at *Brilliance*, but after a couple of years they move on to other jobs, so it is possible to assume that maybe they never can attain that deeper level of identification.

Seeing as the values at *Tranquil* are very broad, we believe that they are meant to be inspirational, perhaps in order to embrace all employees in the company. Another reason for having these values may be because they are a R&D company that has to be on the edge of development of new technology, and these values may be deemed to be 'modern' in relation to today's society and to their market. However, it seems as if, at least for the interviewed engineers, the values are *too* broad and they have problems standing by them. Clearly expressed in the interviews some respondents thought it was good having them, but had a hard time to incorporate them in their organization, and that the values were just placed on the screen savers without the possibility to remove them. This in the end makes them more like *corporate nonsense*, since nobody can really adhere to them. So, in opposition to the claim of researchers that values play a significant role in the identification with a company, whether they should be clear (Alvesson

& Björkman, 1993; Hultman, 2005) or ambiguous (Eisenberg, 1984, in Fiol, 2002), our findings suggest that, at least in the case of *Tranquil*, the values do not play a very significant role in the engineers' identification, it is the product that is important. On the other hand, taking it one step further, it can be claimed that they may in fact need to be that abstract in order for all employees, no matter their profession, culture, or gender to be able to identify themselves, in accordance with Eisenberg's claim.

The opinions about the influence of the values at *Austerus* differed between the two interviewed respondents, from being solely 'words on a paper' according to the brand manager since they were not lived after by management, while according to the HR manager they were integrated in the daily work and in recruitment processes, so for her they may function more as *guidelines at work*. One value is social responsibility, something that they are actually actively working with. Furthermore, the values are accompanied by an x amount of behaviours to follow. The values and behaviours have been printed on a small card, so that all employees can carry it with them. This further strengthens our suggestion of them as guidelines at work, seeing as by having them on little cards, they may imply that as an employee you should carry them with you and always remember how an *Austerus* employee is supposed to behave.

At *Brilliance* everybody has a somewhat similar education, an academic one, so it may be easier to work with the values centrally, seeing as everyone presumably has a fairly common perception of reality, and thus facilitating the understanding of the values. As stated in the interviews, *Brilliance* worked with the values starting at the top and then spreading them down the line, if you did not like them you left at your own accord or they made you realize that you did not belong there. This seems easier to do in a company where there are not any professional differences and everyone is 'pretty much alike'. Whereas in companies like *Tranquil* and *Austerus* where there is such a large diversity of professions, ranging from blue-collar to white-collar, the need to accept that people have different perceptions of the values are greater, and hence the need for them to be more abstract.

## MANAGERIAL ROLES

We think it is important to acknowledge the different roles and managerial positions our respondents possessed in the change- and identity construction process. Additionally, it seems important to mention that different employees will stress different aspects of the change, which will affect the role of the manager, implying that he or she will have to adapt his or her actions in the identity construction process depending on the need of the employees.

When looking at *Brilliance*, it seems as if our findings are in conjunction with what research says about how management in

knowledge intensive firms act. Alvesson (2004) says that due to the ambiguity of knowledge work, management calls for a lot of effort to secure a sense of a coherent self, something that can be reached by having a homogenous group of employees, thus justifying the importance of having all employees adhering to the values. Furthermore, managers often put a lot of emphasis on making the employees feel a connection with the company, since they are often working outside the office, it is important that they can gather around something and feel a loyalty towards their employer, here in our case we can see how inspirational stories may have contributed in that work. Inspirational talk like this may be deemed to enhance the employees' self-confidence and also their organizational identification, since if a member of an organization believes the organizational identity is positive that will strengthen his or her identification with the organization (Dutton *et al.*, 1994).

When entering this thesis we thought that the managers at *Tranquil*, seeing as they are the highest ranking managers at their site, would have a greater possibility to influence the work with the change and constructing this new identity, but in correlation to what research shows – much change initiatives are top management driven, and our respondents' roles has been more as information spreaders and to follow the instructions of top management. Whereas in the case of *Austerus*, the focus was mainly on communication. It is however important to acknowledge that the two respondents had very communicative roles in the change, which may affect their answers. On the other hand, this change did not have any major implications for people in general, work continued as usual.

## 6.2 Conclusions

The research question we have set out to answer is:

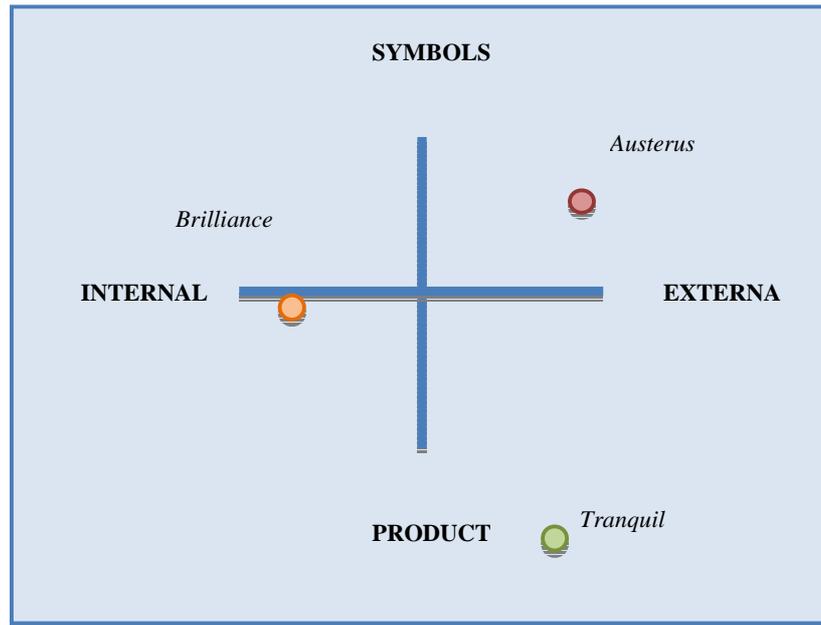
“What identity strategies do managers use in their work towards constructing a new organizational identity after a change”.

The aim with this thesis has been to look at how managers will try to influence their employees with different kinds of identity strategies in order to construct a new organizational identity.

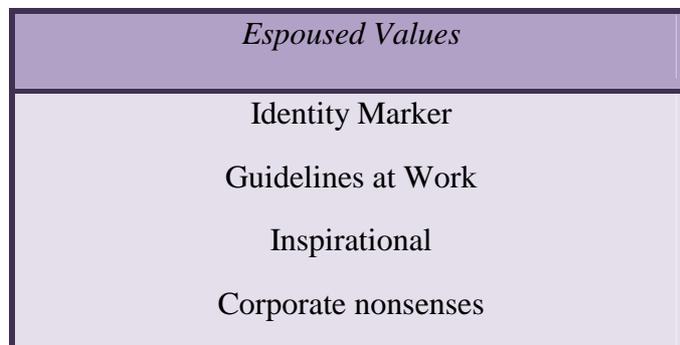
Our findings show that depending on the contextual setting and what sort of merger an organization goes through, the identity strategies will differ. We see that symbols and values are two objects of relevance in our case companies' identity strategies, but that there are differences in how they are being used. There is consensus around the fact that values are important to have, however their meaning to each organization

differs and it has also proven to be dependent on what position you possess in the company.

We have developed a four-fielder in order to further illustrate our findings. The four-fielder consists of four dimensions that we feel are important and that has been highlighted by our case companies in their identity strategies. The dimensions are; symbols, products, internal, and external.



**Figure 4: Model of Identity Strategies**



Furthermore, we have compiled a list with words we feel characterize the role the espoused values play in the identity construction.

### Table 3: Espoused Values

*Brilliance*, a knowledge intensive firm, with a heavy client focus, the foci in the identity strategy is a *symbolic/internal* approach, with both respondents emphasizing a quick integration between the employees, and the CEO as a storyteller and inspiration to the employees. The values in Brilliance can be thought of as *identity markers*, seeing as if the employees do not fully adhere to the values then they have to leave the company.

For *Tranquil*, a R&D company in a fast moving market, the focus is on the *product/external*. The identity is built up around their products and through the acknowledgment of the market that likes their products. The values at Tranquil can be claimed to function as *corporate nonsense*, seeing as it seems as if they are too broad and people have problems standing by them.

In the case of the energy company *Austerus*, the strategy for the new identity is *symbolic/external*. Much work is focused on being present in society, supporting morally good causes. It has been important to project a good external image of their organization. The values are accompanied by an x amount of behaviours to follow, therefore the values can be seen as *guidelines at work* for the employees, telling the employees what conduct is the appropriate one at this company.

All three companies are still in the midst of the identity construction. Thus, what our findings show are the initial identity strategies these three organizations have used. What needs to be highlighted is that successfully creating a new culture can take up to 15-20 years (Cummings & Worley, 2005), and one can assume that none of the companies have not really formed a deep identification, which makes the identity less sedimented (Fine, 1992, in Prasad, 1993). In *Austerus* the structure of the company is now complete, five years after its founding and according to our respondents there is an ongoing process and work with defining the company and 'who are we?'. While for *Brilliance* efforts are made to employ the 'right' people in order to create a homogenous group. People often start their career in the

organization, but they have a high employee turnover, which can make it difficult to attain a deep level of identification. For *Tranquil*, it is still the product that is in focus, however they also work towards a more integrated company.

To conclude, the construction of an organizational identity still remains a complex and ambiguous matter. After having conducted this thesis we now more than before see the importance of taking the context into account together with the role of the manager when deciding what identity strategies to use.

### 6.3 Critics

This thesis had eight respondents, which may be deemed a too small amount especially when they were dispersed in three different companies.

Furthermore, due to time constraints we have only been able to scrape the top of the three companies work with the construction of a new identity, and our answers do not go into any depth.

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