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STORIES OF ORGANIZATIONAL CHANGE

Qualitative analyses of individuals' experiences in merger cases

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<p>Organizational change is a complex phenomenon and always comes hand in hand with change management. In the modern world, mergers and acquisitions are common ways for companies to increase their market share and try to keep making profit. In merger situations, it is crucial for a business to have both, solid management and clever leadership. Change communication acquires a lot of effort and for gaining the trust of the employees it needs to be as truthful and honest as possible.</p> <p>The purpose of this thesis was to gain more knowledge about organizational change and change management from individual's perspective. A desired outcome of this qualitative study was to get more knowledge about how an employee experiences mergers and how well it favours the previous theories. All in all, the main goal was to gain data that could in the best case scenario help the managers of tomorrow to manage changes more efficiently and by that also increase their profits.</p> <p>Employees are the biggest asset of a company but still their involvement in merger cases is not nearly always accomplished, which often leads to a negative attitude towards the change. Storytelling as a research method in these cases can lead to fruitful results. This thesis focuses on three individuals' experiences in merger cases. These people were interviewed and the interviews were analysed in the light of theoretical frameworks presented in this thesis. The focus was mainly on two different change models and the method relied on psychoanalytical basis. A main part of the theory was also a four step categorization that showed characteristics that could tell the nature of each story.</p> <p>The results indicated that change management in none of the three merger cases was carried out perfectly. Change resistance and lack of communication was present in all the stories. The results showed that a lack of trust, motivation as well as decreased mental and physical strengths were major themes in all of the stories. Lastly, the interviews were compared with the different categories and they favoured the theories. All in all, the purposes of the thesis were met.</p>		
Key words Change communication, change management, merger, qualitative research, storytelling		

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<p>Organisaatiomuutos käsitteenä on monimutkainen ilmiö, joka kulkee aina käsi kädessä muutosjohtamisen kanssa. Nykypäivänä yritysfuusiot ja -kaupat ovat hyvin yleisiä keinoja kasvattaa markkinaosuutta sekä ylläpitää tuloskasvua. Fuusiotilanteessa on yritykseltä löydettävä sekä asioiden että ihmisten vahvaa johtamista. Lisäksi muutosviestintä vaatii paljon resursseja ja työntekijöiden luottamuksen ylläpitämiseksi tulisi se tehdä niin totuudenmukaisesti kuin mahdollista.</p> <p>Tämän opinnäytetyön tarkoitus oli saada tietoa organisaatiomuutoksista ja niiden vaikutuksista yksilöön. Työntekijöiden kuvailemat kokemukset ja tuntemukset, sekä niiden yhteensopivuus teoriatiedon kanssa olivat myös tämän laadullisen tutkimuksen päämääriä. Erityisenä tavoitteena oli kerätä tutkimustietoa, joka voisi parhaassa mahdollisessa tapauksessa toimia apuvälineenä tulevaisuuden johtajille, jotta he onnistuisivat läpiviemään organisaatiomuutoksia tehokkaammin ja tuloksekkaammin.</p> <p>Työntekijät ovat organisaatioiden suurin voimavara, mutta silti heidän osallistuttamisensa muutossuunnitteluun fuusioiden yhteydessä harvoin toteutuu. Tämä taas usein johtaa negatiiviseen asenteeseen muutosta kohtaan. Tarinalliset tutkimusmenetelmät voivat olla hyvinkin tuottoisia tällaisissa tilanteissa. Tämä opinnäytetyö keskittyy kolmen yksilön kokemuksiin yritysfuusiotilanteissa. Narratiiviset henkilöhaastattelut analysoitiin tässä opinnäytetyössä esitettävien teorioiden valossa. Painopiste oli kahdessa eri muutosmallissa ja menetelmällä oli psykoanalyttinen perusta. Tärkeä osa teoriaa oli myös tapa, jolla tarinat niiden erityispiirteiden perusteella jaettiin kategorioihin.</p> <p>Tutkimustulokset osoittivat, että muutosjohtaminen ei yhdessäkään tapauksessa onnistunut täydellisesti. Muutosvastarinta ja kommunikaation puute oli läsnä kaikissa tarinoissa. Tuloksista selvisi, että luottamuksen ja motivaation puute sekä henkisten ja fyysisten voimavarojen loppuminen olivat pääteemoja kaikissa haastatteluissa. Lopuksi tarinoita verrattiin niiden erityispiirteiden perusteella aiemmin kuvattuihin kategorioihin ja nähtiin, että tutkimustulokset tukivat teoriatietoa. Yhteenvetona voidaan sanoa, että opinnäytetyö vastasi asetettuihin tavoitteisiin.</p>		
Asiasanat Kvalitatiivinen tutkimus, muutosviestintä, muutosjohtaminen, narratiivinen tutkimusmenetelmä, yritysfuusio		

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1 INTRODUCTION

In the world, where mergers, acquisitions and joint ventures seem to be a reality in the organizations of today, it is important to do research and collect information from these organizations, as well as from the individual employees, so that it is more possible to make organizational changes happen more efficiently in the future, especially when globalization is a more blooming phenomenon every day. As said this, a conclusion can be made that as well as surveys and measurements of sales and such, it is important to conduct also studies based on some more qualitative research methods in the field of business, as well as within the organizations.

Mergers and acquisitions are two of the most common types of major changes that are happening in the organizations today. Unlike managing smaller changes, this kind of profound phenomena can affect the entire work entity, as well as a single employee, in a significant way. Sometimes a change means that the work at that particular place has come to an end.

Not always does a merger mean that a company will increase their profits by going through one. Although merging in general is seen to most likely increase market share by reducing competition in the field. In theory, it can also be assumed that once two or more companies become one, their weaknesses and strengths complement each other in a way that makes one strong organization. These are some of the possible positive sides of a merger and why it may be concluded. What are the real consequences of these actions can only be seen sometimes years or decades after the changes. We can think of it as a marriage where two spouses decide to share their lives with each other. Sometimes the positive sides of a marriage win, sometimes

the bad takes the lead. Only thing that is for sure is that for making it work, both participants need to work and sometimes make sacrifices.

The management of a company going through a merger is the unit that plans the actions, but in the end, it is the employees of the organizations who put these actions into work. These people work within a certain organizational culture that will, and needs, to be cracked open for being able to make changes in the ways of working. They are also the ones who have to start working in a different way when everything they knew before changes. A wellbeing employee in a wellbeing social entity is an efficient employee. If a merger affects the employees in a negative way, they will not be satisfied with their jobs anymore which could inevitably lead to a decrease in efficiency.

Furthermore, carrying out qualitative research about social working environments and individual employees may help us understand change management a little bit better, because it gives us an insight to social identities within the organizations as well as individual experiences about them. It is also important for the decision makers to get information about how these individual experiences could be made more positive when it comes to organizational change so that the affects in efficiency would be decreased as much as possible during the ongoing change. This thesis will take a deeper look into specific individuals' personal experiences about going through an organizational change.

This thesis will observe organizational change that happened in specific companies from individuals' perspective. The changes have been narrowed down into mergers and acquisitions. There will be three different cases which will be looked into. The cases include individually told stories collected by narrative interviewing. The results can be examined and analyzed deeper when compared with the previous sci-

entific research and methods made about organizational change. It will also be analyzed, whether these individually told stories have a successful ending when thinking about change management, leadership, and the theories around it.

There will be evaluations about how well the organizations handled the change in the specifically chosen stories. The focus will be on how these individuals experienced change management in their companies. First, organizational change, change management, and some information linked to the topics will be explained further. Second, the theoretical framework around this thesis will be introduced. This chapter includes change models that the chosen stories will be compared with. Third, the methodology used for carrying out the study in this thesis will be explained. After the theoretical part of this thesis, the individually told stories will be analyzed, as well as compared and reflected with theory. At last, there shall be a conclusion and results of the study.

2 PURPOSE

The purpose of this thesis is to find out, how the three chosen individuals experienced the change going on in their organizations. The purpose is to see, how well the stories fit together with the given theories about organizational change. In the best case scenario those results could affect the direction of the future studies, research, and mergers and acquisitions that are yet to come, in a positive way. A goal for this thesis is to hold answers to managers in companies going through mergers and acquisitions on how to handle change management better. It will show examples of real life mergers and acquisitions from the individual employee's perspective. When reflected with theory, these examples could educate managers beforehand.

3 WHAT IS ORGANIZATIONAL CHANGE ABOUT

When thinking about organizational change, it is clear that we must look deeper in the terminology. Senior and Swailes (2010) present one of the many definitions of an organization from Daft (1989), which states that it is “(...) a social entity that has a purpose, has a boundary, so that some participants are considered inside while others are considered outside, and patterns the activities of participants into a recognizable structure.” (Senior & Swailes 2010, [Daft, 1989].) Organizational change on the other hand, was described by Pahkin and Vesanto (2013) as being a structural and functional change that affects the entire organization. It always affects more than just one individual, their work tasks and positions. Good and common examples of organizational changes are mergers, acquisitions, joint ventures as well as different kinds of outsourcing solutions. (Pahkin & Vesanto 2013.)

Furthermore, when it comes to theories involving organizational change, Kurt Lewin was the one who first came up with the term ‘planned change’ back in the 1940s. This planned change in this case means that a certain organization identifies an area where change is possibly needed, evaluates the need for change and then makes the change happen if seen necessary. Lewin believed that for group or employee behavior to change, it is necessary to “unfreeze” the forces that are against the change. The phenomenon is illustrated in Figure 1 These forces can be for example personal defenses as well as group norms. To be successful, it is essential to recognize the restraining forces and strengthen the driving forces that are trying to implement the change. (Burnes 2009, 328-334 & Lewin 1947, 16-17.)

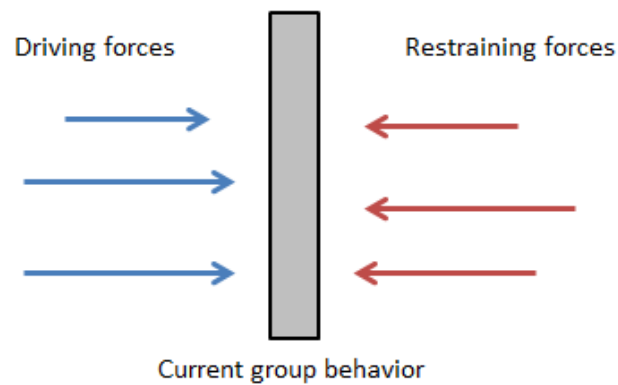


FIGURE 1. Force fields in change (Lewin 1947, 16-17 & Burnes 2009, 334).

Lewin (1947) approached change with three aspects in his article *Frontiers in Group Dynamics: Concept, Method and Reality in Social Science; Social Equilibria and Social Change* (1947). As we can see, the three aspects are *Unfreezing*, *Moving* and *Freezing*, and they are also illustrated in Figure 2.

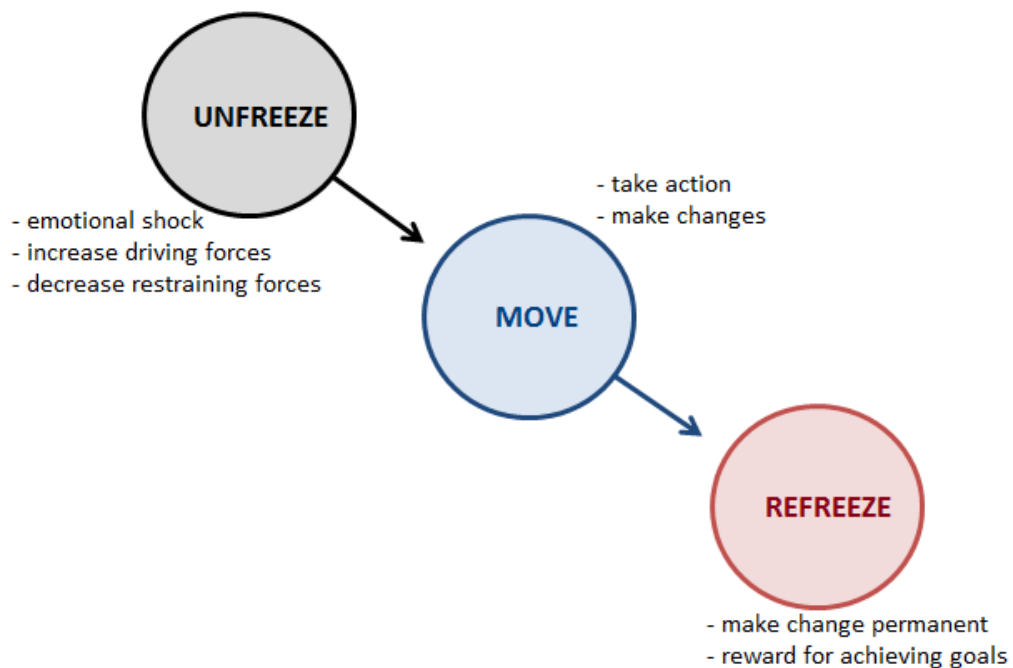


FIGURE 2. Three aspects of change (Lewin 1947, 34-35).

Unfreezing in this theory is quite problematic and sometimes requires a deliberate emotional shock that can break open the shell of satisfaction and self-consciousness of the group. Unfreezing is not always necessary if the group is not a unanimous one. A group of employees with a strong identity and self-awareness may need to be scattered by shaking the working stability on an emotional level before they would be willing and able to learn something new. Making the actual change happens in between unfreezing and freezing. The permanency of a desired level of actions should be kept as a well-known objective or the results will not stay on the wanted level as stated by previous studies. (Lewin 1947, 34.)

3.1 Staying competitive

Nowadays increasing competition and globalization force companies to grow and find new business opportunities by internationalizing. It is expected from a business to create growth and increase its competitive strengths. The creation process is challenging especially when talking about mergers and acquisitions. In this creation one large acquisition or many small ones may be needed. The actual success is depending on whether these acquisitions are managed and integrated properly. The need for mergers has been there throughout the entire human history but never has it been pursued in such volume as during the past decade. Aside the growth in number of acquisitions, also the before untouched industries and markets are being restructured more and more often. When competition increases, companies have to find a balance between their existing strategies to assess opportunities as well as try to explore the potential of new actions to redefine the focus in their strategies. (Hassett et al 2011, 7-8.)

3.2 Mergers and acquisitions

As mergers and acquisitions being profound kind of organizational changes, they do have differences. An acquisition differentiates from mergers and take-overs by the fact that in an acquisition one business buys another with the purpose of using it as a subsidiary. This way the full potential of the business can be taken into consideration. (Canwell & Sutherland 2004, 2-3.) On the other hand, Hassett et al (2011) differentiates mergers from acquisitions by stating that an acquisition is a purchase of a great amount of an established business to provide control. Merger is then seen as the result of the mixture of two equal businesses that agree to merge or put their assets together for being able to create a completely new business. (Hassett et al 2011, 31.)

A major change, like merger or acquisition within an organization, may not only be seen as an organizational change but also as a social change that affects everyone working within that particular organization (Lewin 1947, 13). Bjerke (1999, 6) states that these societies in organizations form a so-called mini-culture of their own. These cultures can have all the attributes that a general definition of a culture requires. Organizations are full of social life and not only the formal structures defined by the management. When it comes to social change and social constancy, they are highly relative concepts. Moreover, change and constancy should not be seen as opponents because even without a merger or an acquisition, our social surroundings do not stay stationary. There is in fact a constant change inside of a social entity at all times but the amount and the type of that change may differ. (Lewin 1947, 13.)

3.3 Management and leadership

Nowadays, it is not common anymore that someone would take the words management and leadership as synonyms. Any successful company can be seen to have both, solid management and clever leadership. Both are also essential for successful change management and surviving a major organizational change. Today the word 'management' sometimes can be used for the entire administrative department. A 'leader' then again is seen to be someone who is able to affect on the opinions and attitudes of others, and help them through tough times. (Bjerke 1999, 57-58.)

Anyway, management and leadership are similar in some ways. They are both about finding ways to get things done, making decisions, and networking with people who may be able to help to achieve their goals. The most profound distinction between these two is that management is about time frames and budgets, when leadership is about motivating, empowering, and inspiring people to do the best they can every day. The characteristics of management and leadership by Kotter can be examined from the Table 1. (Kotter 1990, 5-8.)

TABLE 1. Management and leadership (Kotter 1990, 6).

	Management	Leadership
Creating an agenda	PLANNING AND BUDGETING - creating steps and timetables for achieving the results that are needed, and then locating and acquiring the resources necessary to make it	ESTABLISHING DIRECTION - developing a vision for the future, usually the distant future, and strategies for making the changes necessary for that future to happen.
Developing a human network for achieving the agenda	ORGANIZING AND STAFFING - creating a structure for accomplishing the plans, staffing with the right individuals, delegating authority and responsibility, providing procedures and policies, and creating methods as well as systems to monitor implementation	ALIGNING PEOPLE - communicating by words and actions to all those whose help may be needed so as to influence the creation of teams that comprehend the vision and strategies
Execution	CONTROLLING AND PROBLEM SOLVING - on one hand monitoring the results, and on the other hand identifying abnormalities, and then trying to plan and organize to get these problems solved	MOTIVATING AND INSPIRING - making people energetic and help them overcome political and bureaucratic barriers to change by satisfying the profound, not often fulfilled, human needs
Outcomes	Predictability and order. Potential of producing expectedly and consistently. Being on time and budget.	Change. Potential of an extremely useful change. New products, new ways of making the firm more competitive.

Along with the importance of making a distinction between management and leadership, Kotter (1996, 13) emphasizes some crucial mistakes that a company can make when trying to implement an organizational change. Firstly, if people in the company are too satisfied with the way the things are currently, the change will be hard to conclude. Also, if the directing team is not strong enough, they might not be able to get everyone on board. The vision might be underrated or badly announced, or the obstacles for actions not demolished. Sometimes the barrier between successful change and a failure is that there are no short term successes. People might get frustrated if they feel like no matter what they do, they cannot see the

results. Last but not least, it is crucial to make sure that the change is rooted well in the organizational culture. That is the only way of making the change last. (Kotter 1996, 4-13.)

3.4 Resistance to change, communication, and wellbeing

As a major character of this thesis's methodology chapter, Schein (2008. p. 34-35) states that human beings tend to resist change because it creates chaos in their lives. People like it when things run smoothly at work and they know what to do and what to expect from their co-workers and superiors. This thinking is clearly linked to feeling good, able and appreciated at work. More about Schein's ideas will be written on the Methodology chapter. Heiskanen and Lehtikoinen (2010, 57) say that it is only natural that people worry and care about their tasks and futures. It was also mentioned that only as soon as there is resistance, has a change in an organization truly started.

Furthermore, work-place wellbeing is indeed a very important subject within organizations since it can have a straight effect on productivity and profits. It is still quite hard to measure, how big of an impact wellbeing at work has on efficiency. All in all, studies have shown that in successful businesses there is a clear connection between economic success and the high satisfactory level of their employees (Hyppänen 2013, 165-166). Even with using common sense, one could say that a happy person is willing and able to accomplish more than an unhappy person would.

In addition, Ahonen and Ojala (2003, 22) state that work-place wellbeing is strongly linked to individual's performance at work. They divide wellbeing in physical, social, and mental abilities as well as to know-how and knowledge, and inner values

and motivation. The relations between these sectors are shown in the Figure 3. Moreover, the lack of wellbeing at work increases sick-leaves and by that the expenses. So in theory, by decreasing the amount of sick-leaves by investing in workplace wellbeing, can companies as well as the whole society raise the productivity of the employees. On the contrary, if sick-leaves are decreased by adding monitoring and control, it can have a positive effect on a short term, but shorten the lifelong productivity of the workforce. (Ahonen & Ojala 2003, 22-36.)

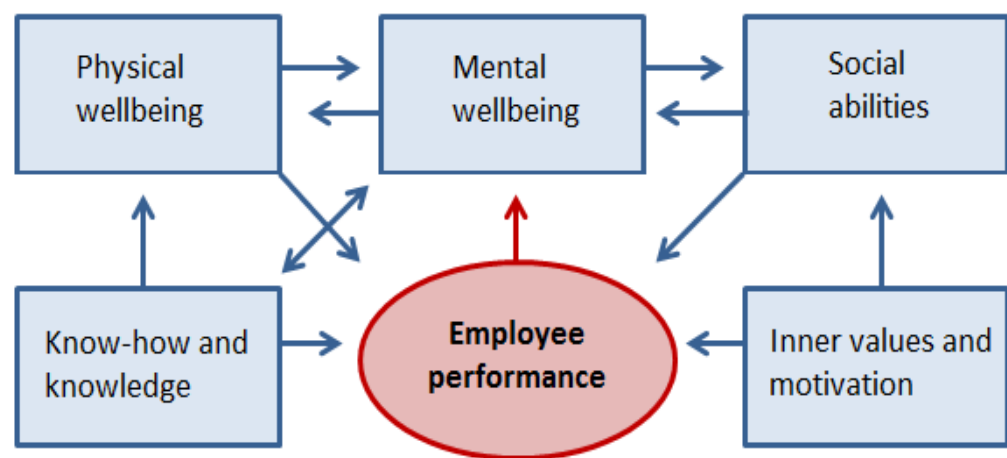


FIGURE 3. Employee performance (Ahonen & Ojala 2003, 22).

One aspect of looking at the possible wellbeing of the employees before and after an organizational change, is communication. When talking about communication, communicating change acquires more effort than communicating over normal routines and daily information. A positive change is easier to handle. The challenge is always the changes that have some negative effects. Sometimes these things are kept as a secret as long as it is possible. On the contrary, the keys to a successful communication lie with being open, fast, and equal with whom the information is shared with. (Mattila et al 2008, 153.)

Moreover, when change occurs, the employees' trust, motivation, and the working atmosphere face new challenges. Good communication between management and employees can decrease resistance to change. Because of that, it is essential for the companies to make sure that the employees interpret the change in a proper way. According to Heiskanen and Lehikoinen (2010, 21), there needs to also be room for the basic questions like "What is going to happen to me?" and "Why do we have to make this change happen?". A real change will only be possible once the goals and new ways of working are clear and accepted by everyone working in the company. This is only made possible by proper communication. (Heiskanen & Lehikoinen 2010, 21.)

3.5 Individual's perspective

Furthermore, in his article *The Economics of Well-being* (2012, 83), Justin Fox states that "*Many things of value in life cannot be captured by GDP, but they can be measured by metrics of health, education, and freedom*". As a phenomenon, work-place wellbeing is a subjective experience and a combination of many different factors. Such factors could for example be feeling appreciated and knowing the individual and common goals at the work place. The overall atmosphere at work as well as feeling of safety, are important factors as well. Employees can be happier if they realize that their abilities and resources are well-evaluated and appreciated. (Hyppänen 2013, 165-166.)

If we move away from the broader perspective and definitions of organizations and take a look at the same phenomenon from an individual level, organizational changes can include a conflict between the old and the new ways of working, according to Schein (2008, 105): "*(...) learners are adults who may have to unlearn something before they can learn something new. The fundamental reason why people sometimes*

'resist change' is that the new behavior to be learned requires some unlearning that they may be unwilling or unable to do." Lewin (1947, 13) as well claimed that it is important to distinguish a change or lack of change with a resistance to change. Moreover, constancy does not prove stability and neither does change prove a lack of resistance. (Lewin 1947, 13.)

A change within a learned pattern is always a risk. As said by Ellemers et al. (2003), social identity maintenance provides an important basis for individuals' behavior. So, when changes occur, this social identity maintenance is shattered which could have immediate effects to the everyday working life. Boussebaa and Morgan (2008) state that the importance of empirical studies in organizational change is significant, as the effects can best be found out by asking the people themselves.

Driver (2009) went even deeper into the organizational change experienced by the individuals by using a qualitative research method of storytelling, which will also be exploited in this thesis. The method is based on letting the individuals tell their own experiences and emotions towards the change and then analyzing it. Also Schein (2008) stated that whenever going through a change, it is important to realize how the actual corporate culture is, and that it cannot be measured by doing superficial surveys and questionnaires. As well did Boussebaa and Morgan (2008) emphasize the high importance of studying processing talent management from their institutional context. By ignoring this context, management may have a hard time governing the big picture during and after the organizational change. With these assumptions it can be said, that it is essential to find solutions for being able to handle these situations.

4 THEORETICAL FRAMEWORK

Here the different theoretical frameworks used in this paper will be introduced and explained in a brief summary. The stories about organizational change told by single individuals will be mostly analyzed in the light of literature from the following authors. Change model of unfreezing, learning new, and then refreezing by Schein (2008), Appreciative Inquiry as a tool for change management by Senior and Swailes (2010), and Lacanian theorizing used by Driver (2009). In the end, the success of the stories from the individuals will be analyzed, and then divided in groups according to Driver (2009).

4.1 Edgar H. Schein – Change model

Schein (2008) writes that leadership and culture are opposite sides of the same coin. He states that it is impossible to understand one without the other. Schein sees culture being a hidden force that is affecting on our behavior inside and outside of organizations. Culture matters because it is powerful yet unconscious amount of forces that have an effect on our individual and collective behavior and values. The leaders and managers in this scene have a role as culture creators and evolvers. Schein states that organizational culture, as any culture, has three levels, artifacts, espoused values, and underlying assumptions, which are illustrated in Figure 4. The underlying assumptions are always the hardest to change when it is needed because even the employees cannot reconstruct them without outside help. The very things their everyday behavior rests on, are hidden behind these unconscious tacit assumptions. (Schein 2008, 3-27.)

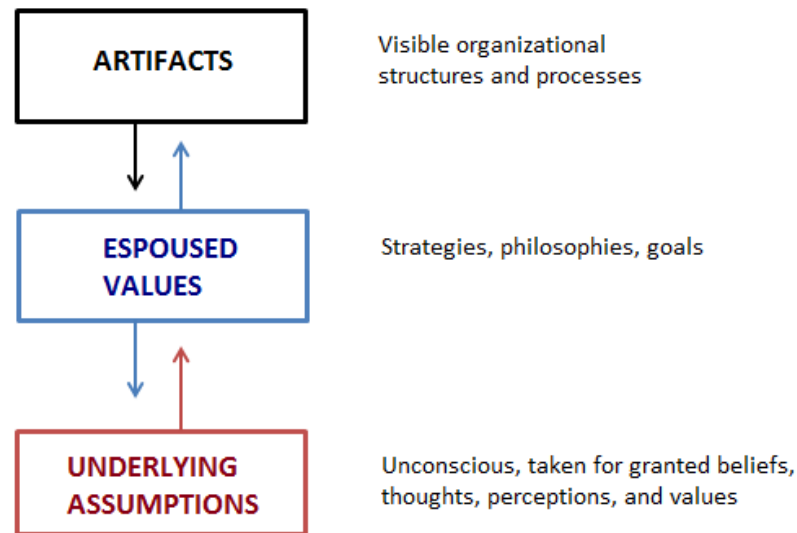


FIGURE 4. Three levels of culture (Schein 2008, 21).

In the book, *The Corporate Culture Survival Guide* (2008), Schein introduces a three-step model for learning and changing. This model is Schein's vision about how an organizational change should be concluded. Schein states that when an organizational change takes place, the people involved in it will have to deal with two anxieties; *survival anxiety* and *learning anxiety*. Survival anxiety is mostly unconscious. It appears as discomfort about the possibility that something bad could happen unless one responds in a certain way or changes their behavior. At the same time one can also experience guilt about not achieving their goals or ideals. Survival anxiety again means that one is encouraged to change and adapt by the fear of not surviving if they don't. Learning anxiety on the other hand comes from realizing that the new ways may be difficult to learn, old ways difficult to unlearn and the new ideologies and values hard to accept. "*Learning anxiety is a combination of several specific fears, all of which may be active at any time as you contemplate having to unlearn and learn something new.*". (Schein 2008, 112.)

Schein (2008) explains change to happen in three different stages. Overall, Schein has very similar thoughts about organizational culture and change management as

Lewin (1947). The three aspects of change by Lewin (1947) earlier illustrated in Figure 2 are agreed by Schein in his theories. Furthermore, the First Stage of Change according to Schein (2008) is *Unfreezing*, which begins with creating motivation towards the change. On this stage, a certain level of survival anxiety is created and on the other hand, learning anxiety should be decreased due to an experience of psychological safety. The Second Stage consists of learning the new concepts and new standards of judgment, which happens through imitation of the so called role models within the organization. The Third and the last Stage of change in this model is *Refreezing*. This means internalizing new concepts and meanings as well as standards and incorporating them into people's self-concepts and identities and the ongoing relationships. (Schein 2008, 103-107.)

When it comes to mergers and acquisitions, Schein has a theory of four alternatives for what happens to the different cultures inside the organizations. These alternatives are separation, domination, blending and conflict. The assumption here is that there has been a mutual culture inside one organization and when two or more companies merge, there will be more than just one organizational culture acting within the same organization. Managing the change at this point becomes essential. (Schein 2008, 13-16.)

The first option for organizational culture at the time of a merger or an acquisition, separation, means that the colliding cultures coming from different companies or organizations remain separate. This is most likely to happen in occasions where conglomerates let their subsidiary companies keep their diverse identities and cultures. Separate cultures work best when they will not be working at cross-purposes with each other. The next alternative is domination which literally means one culture dominating another. Schein states that in his own experience, one culture is always dominant even if the goal would be taking the best out of both cultures, but

that a total domination where the objective of getting entirely rid of a culture is rather rare. (Schein 2008, 13-16.)

The phenomenon mentioned before, blending, could be seen as the most idealistic option of all these alternatives. In theory it is much easier to be said than done. Sometimes the cultural differences are not taken into consideration which leads to resistance towards change. Blending at its best often occurs when there is a problem that can only be solved by taking ways to deal with it from both participants. The last alternative is conflict resistance and "counter-culture". This option is most likely to happen when the subcultures inside the organization are not taken into consideration at all. When employees are not listened to, they may start fighting against the management with the help of unions and strikes for example. It can even be seen so that when a conflict occurs, the people are willing to bring the company down even if it means losing their own jobs as well. (Schein 2008, 13-16.)

All in all, Schein (2008) states that culture is deep, broad and stable. The deepness comes from the fact that culture is not a tangible. It has so many levels that human beings are not able to explain. Moreover, it is mostly unconscious. Culture is broad, it includes every single aspect of our lives. If one does not have a specific focus when trying to understand organizational culture, it will be found boundless and frustrating. Since human beings do not like chaos but they prefer things to go smoothly and be expectable, culture as well tends to stay stable. The management within organizations should therefore realize that when trying to change a part of the organizational culture, they are in fact trying to change the most stable part of the organization. (Schein 2008, 34-35.)

4.2 Senior and Swailes – Appreciative Inquiry

Senior & Swailes (2010) have a different approach towards change in organizations. Unlike Schein (2008) yet agreeing with Lewin (1947), they state that change does not take place only when there is a need for it, but on the contrary, it happens all the time. *"Appreciative Inquiry (AI) is an organizational change methodology that takes a radically different view from traditional approaches, being far more collective method that focuses on the 'positive psychology' generated by asking positive questions rather than concentrating on negative questions and issues"* (Senior & Swailes 2010, 372). Appreciative Inquiry was not originally developed by Senior and Swailes, but they do agree with it and think that its ways of dealing with organizational change are ideal.

Furthermore, Senior & Swailes (2010) see organizations as systems that consist of two different subsystems, formal and informal, as seen on Figure 5. The elements creating the formal subsystem are for example the company's strategy, management, goals and structure. The informal subsystem then consists of leadership, politics and last but not least, culture. Both of these subsystems can be seen in an interaction and transformation process with each other as they all have an effect on one another. What can be seen especially relevant regarding the informal subsystem is job satisfaction as well as employee behavior. (Senior & Swailes 2010, 6.)

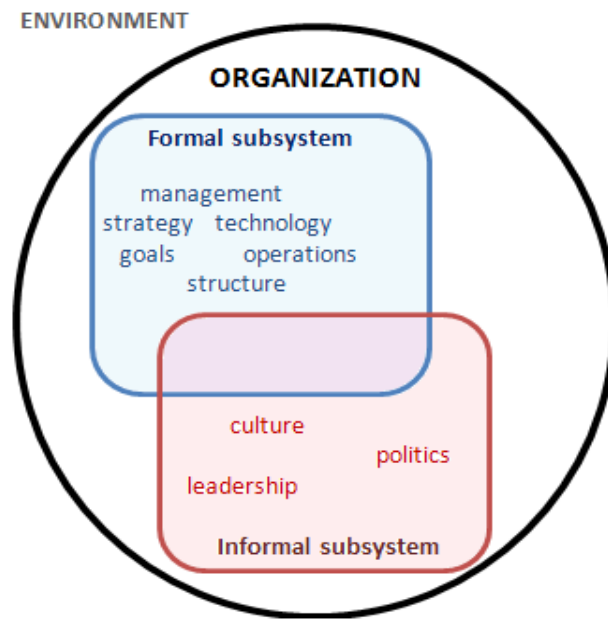


FIGURE 5. Organization as a system (Senior & Swailes 2010, 6).

All in all, the importance of organizational culture is not ignored by Senior & Swailes (2010). They state that organizations as their simplest are the physical surroundings where we work and interact with others. It is not a coincidence that people often start conversations by asking each other 'who do you work for?'. It is so that the organizational culture defines a big part of us as we spend a lot of time of our lives working. An organization can be seen as a structured set for people to act in. What needs to be taken into account is that the management creates this set by giving the shape and direction to the activities of the employees. (Senior & Swailes 2010, 4.)

Moreover, Appreciative Inquiry is about capturing the imagination of the best people and using that imagination when aiming to construct a possible future. It consists of eight principles which include positive interactions between a group of people, changing the attitudes by telling stories, and asking positive questions and changing the behavior by setting positive goals in order to achieve the desirable

way of working. An essential part of AI is also to try to make everyone connected to the change on hand so that the whole story will be captured. For making all participants connected, time for discussing ideas and reflecting needs to be provided. People also need to create bonds between one another. This creates trust and trust creates willingness to open up about ideas and perspectives. (Senior & Swailes 2010, 370-373.)

AI has a foundation on free choice, which means that people should have their own opinion heard in what way they will and want to participate. The assumption behind this is based on free choice creating commitment and creativity. The principles in AI that were mentioned above are used to underpin a *Four Stage Cycle* to engage people. The cycle consists of *Discovery*, *Dreaming*, *Designing* and *Destiny*. It is overall about facing the facts regarding the working surroundings, observing the past successes, making future goals and finally creating a mutual agreement on those goals. (Senior & Swailes 2010, 370-373.)

4.3 Lacanian theory – Psychoanalytical basis

In this thesis, Lacanian theory is mostly exploited through the article "*From Lost to Lack: Stories of Organizational Change as Encounters with Failed Fantasies of Self, Work and Organization*" by Michaela Driver (2009). In Driver's article it can be found that Lacanian psychoanalytic theorizing about organizational change is based on an assumption that the human beings are stuck in imaginary fantasies and illusions about themselves, work and organizations. Each person has constructed a stable identity for themselves within these fantasies.

Lacan himself was a psychoanalyst, who concentrated on human beings' conscious and unconscious desires to receive love. Lacan states that psychoanalytic thought

defines itself in terms of traumas and their persistence, that people have learned how to dismiss a given trauma, mark or impression, but the marks left to our subconsciousness might still be permanent. (Miller 1992, 10.) These theoretical aspects make Lacanian theorizing suitable for storytelling, which is a method used for getting also in touch with the unconscious parts of the human mind, just like narrative interviewing in general is.

The fantasies described by Lacanian theory in this thesis, are constructed by being a way to overcome an experience of helplessness, disintegration and lack. As a psychoanalytical theory, these feelings of unfulfillment are standing in contrast to the feeling of being whole and fulfilled in the womb. By acting this way since the day we were born, we are trying to define what we want and who we are. (Driver 2009) Lacanian psychoanalysis does not offer a cure to the problematic situation described above. What it suggests, is that one needs to take a different position towards lack. *"We do this the only way we can, namely in and through discourse and speech."* (Driver 2009, 355). This theorizing suggests that it is the lack that makes every single human being unique in their own way and that this feeling of dis-fulfillment should be appreciated instead of being frowned upon on (Driver 2009, 355).

5 METHODOLOGY

In this thesis, a qualitative method will be exploited. The method will be called storytelling throughout the text. First of all, there was a search for volunteers which led to the decision of choosing three people and their stories. The chosen people are all Finnish. The criteria for choosing them was that they needed to have gone through an organizational change, preferably a merger or an acquisition, without affecting on it themselves. This means that the people could not have been a part of the managerial department while the change was taking place.

The material that is going to be analyzed is based on these three individuals' stories about undergoing an organizational change. The interviews were executed so that the people were told to tell about the change, how and when it happened and how it affected self, work and organization in their own words and opinion. Moreover, the interviewees were assured about anonymity. This means that the name of the company or the name of the storyteller will not be exposed on any part of this study. This collected material will be then analyzed and combined with the theoretical framework described before. The method of this study is mainly based on the Lacanian theorizing explained and examined in the article by Driver (2009).

5.1 Qualitative research method

Qualitative research methods, in the field of business, are often exploited with unstructured interviews in order to being able to investigate perceptions and constructions of reality by the people involved with the organizations. *"Qualitative method (...) seeks to probe a deeper level of values and social definitions, which underpin the organization."* (Greener 2008, 36.)

Using qualitative research methods in the field of Business is not as common as using quantitative ones. The importance of both can only be seen if both are used and the results reflected to the actions. Lewin (1947, 39) suggests that the two areas of research, quantitative and qualitative, have been investigated separately because of their core differences in nature. Quantitative methods are based on economic data, which is often easier to read. Qualitative methods tend to have a so-called disturbing richness of psychological and cultural events that is far more complex and not as easy to measure.

Narrative interviewing as a qualitative research method describes people's lives from stories that they tell about them. This method requires intense and active listening as well as collaboration between the interviewer and the interviewee. The method has sometimes been criticized by its focus on an individual and not the social context. (Marshall & Rossman 1995, 86-87.) However, in studies that specifically concentrate on the individual's perspective, this method can be fruitful.

When searching answers for a few, in this thesis three individual cases, it is useful to use a qualitative research method since the sample is quite limited. The purpose of this paper is not to find an all-inclusive answer to how these kind of organizational changes are handled by the management in general, but to raise conversation, and in a best case scenario have an effect in future studies as well as actions made within the organizations.

All in all, qualitative research may be complex and not easy to measure but it still gives us valuable information about our surroundings and the social relations that are all around us.

5.2 Methodology used by Michaela Driver

In her article, which was mentioned before in a connection to the theoretical framework, Driver explains the used methodology as qualitative. She exploited Lacanian theorizing and storytelling by collecting 40 stories about organizational change from people who had gone through them. The stories were collected by the students from a class Driver was giving. The aim was to gather stories from people who had faced a change that they had not produced themselves. The purpose of the study was to understand how it feels like to go through change and examine the emotional and personal meanings related to organizational change. The anonymity of the storytellers was also highly protected. The stories were divided in different categories depending on the character of their content. The categories were *Gripes*, *Traumas*, *Tragedies* and *Epics*. (Driver 2009.) The nature of these different types of stories will be explained on the upcoming chapter called *Storytelling – categorizing*.

6 STORYTELLING – CATEGORIZING

When analyzing the stories about organizational change collected by the students, Driver (2009) discovered that the overall character in all of them was negative. “(...) *the storytellers engaged with loss not just as lost bliss but as the loss of an illusion or an idealized state that may have actually prevented the storytellers from being happy.*” (Driver 2009, 362). By further examination, she stated that this could also be explored as a constructive and empowering encounter with lack. In aim to group each story, Driver used key words referring to storytellers’ emotions and the central story line. As a result, four groups of stories were created. (Driver 2009.)

6.1 Gripes

Gripes are expressing anger over ill-treatment and injustices that are experienced as results of organizational change. The stories classified as gripes seemed to be echoing frustration in relation to loss. These stories were related closely to the new organizational realities and to a loss or missing the past. (Driver 2009, 358-359.)

6.2 Traumas and tragedies

“(...) *Traumas and tragedies focus on more severe psychic injuries with tragedies also expressing feelings of horror at what has been done.*” (Driver 2009, 357). In these stories, the organizations are seen as the villains who created a great feeling of loss among the employees. They include devastation and hopelessness of the storyteller when losing things they had counted on. Traumas often express outrage and despair and

they have a feeling of disappointment and sadness. A trauma is like a gripe about missing something that was there before, but it is also about missing a deeper meaning and a dream or an ideal. A tragedy is an even more profound phenomenon when it comes to feeling loss. It often includes feelings of horror and devastation. Overall, when experiencing lack, loss and blaming the organization, it seems that traumas and especially tragedies have to do with a fear or a loss so profound that the storyteller could barely survive. (Driver 2009, 359-361.)

6.3 Epics

In stories referred to as epics, loss also plays a central role. They do not have an especially happy feeling to them and they should not be referred to as happy endings in particular. Anyhow, these stories often focus on achieving something against the odds with developing a different perspective on what they might have lost. If a person sees that they have learned something important during an organizational change, it cannot be seen completely negative. Epics are about learning something important and focusing on the positive outcome after experiencing negative feelings. (Driver 2009, 361-362.)

7 COLLECTING THE STORIES

As mentioned before in the Methodology –part, three individual cases were selected for this thesis. All of the cases are stories told by people who have gone through an organizational change that contains the description of a merger or an acquisition. Criteria for selecting these cases, was that these people may have not been a part of the change in a way, where they would have been a part of some managerial level and by that enabling the change. On the next part of this thesis, the interviews as well as the people will be introduced and the stories then analyzed in the light of the theories presented earlier.

Moreover, the cases of this study will be introduced in the following part of this thesis. The names of the companies as well as the storytellers' names will not be exposed. The storytellers will be called Annie, George and Jack. The companies in Annie's story will be referred to as 'X' and 'Y'. The companies in Jack's case will then be called 'A', 'B', and 'C'. In George's case this kind of a company's alter ego was not needed. At first, the stories were tape recorded and then written down for further examination. The reason behind this was that my focus was to capture the very first things that came to these peoples' minds when thinking about the organizational change that took place. The approach was chosen for making it possible to get into these peoples' sub-consciousness. That is the reason behind the chosen approach, which could, in some ways, be considered to be a more fruitful way than asking the storyteller to write their story down. *"Such methods, like a focus on ambiguities, tangents, omissions, silences, unusual constructions and other failures of speech, might provide further insight into how stories of change are lived experiences of failed fantasies and how each story articulates lack in ways that are unique to the storyteller."* (Driver 2009, 366.)

The first case analyzed in the thesis is a story told by 'Annie', a 55 year old woman. Annie has been working for her company since the year 1979. Annie works as an office secretary in one of the leading companies in logistics in Finland. Two years ago, the company was sold to the biggest public limited company providing logistic services in Finland. These services are available to businesses as well as consumers. The company has also operations in some other European countries. All though the name and owner of the company have been changed several times during Annie's career, her work assignments have stayed about the same throughout the years. In this paper, the name of the former and then redeemed company is referred to as 'X' and on the contrary the company taking over as 'Y' in order to protect the anonymity of the interview. Also the name of the interviewee has been changed.

As the second case Jack's story about an organizational change will be analyzed. Jack is 34 years old and he works for a local telecommunication business that will in this story be called company 'B'. He started working for the company 'B' in the year 1999 as a summertime employee, but ended up staying there. He is working there as a telecommunication expert. He has about 60 co-workers, but only 2 of them work with the same field as Jack does. About five to six years ago, company 'B' merged with company 'A' and they together became company 'C', which was mostly managed by the board from the original company 'A'. The change is still ongoing in a way because the employees from company 'B' still have to face new co-operative negotiations yearly.

The third story is about George and his experiences about a specific organizational change. George is 65 years old and nowadays retired. The change he is telling about took place when he was working as a principal in an agricultural college in Finland. He started working there as a principal in 1980's and since the year 2000 he acted as a board member but no longer as a principal. The change in question started happening when some remarkable decisions about the education system were made in

Finland. Many independent units were going to become only parts of one large organization. What this meant in practice was the loss of job positions as well as reorganizing the current job descriptions. Changes were going to come to everyone's everyday life and the ways of working were not going to remain the same as they had been for decades.

7.1 Analyzing the stories

When taking an overall look at the interviews, or the stories, it is clear that the attitude towards the organizational changes happening in these companies is mainly negative. As is expected, resistance to change does exist. As a long time employee for over thirty years in the company 'X', at the time of the acquisition, our first storyteller Annie felt insecurity and distrust even. She tells that the feeling of stableness was lost in the minute the employees found out what was going to happen to the company 'X'. The feel of loss was in this case at first surpassed by the fear of losses that were possibly about to happen. (Driver 2009)

"It was probably two years ago when 'Y' bought the company. Back at the time, the first thought in my mind was if I would still have a job. That was the biggest worry in my mind, and like what was going to happen and no one knew what the future would hold for us." – Annie

"Then they started the co-operative negotiations. There was a lot of talking about how many people would need to be put out of work, and well, it lasted around five to six weeks and we were feeling really insecure at the time. Fortunately eventually I got to keep my job and my old tasks remained the same, all tough I got also a lot of new tasks to do as well." – Annie

Eventually, from the department of office employees in the company, Annie tells that six people left from her working unit as a result to the co-operative negotiations. Most of them had expressed their own willingness to leave the company.

Our second storyteller Jack tells that their company 'B' was owned by another company 'A' from another town, but the ownership had been so silent that no one had been thinking about what could happen if the owner decided to make changes. Jack's company had a long history in his home town and when the change started to happen, the company 'B' no longer existed but the two companies merged into one big company 'C'.

"It was at least five years ago, maybe even more from when it started, but it begun so that 'A' had owned a major part of 'B' since forever, but the CEO's had been best friends or freemasons or something but 'B' had been left alone. But well, then the CEO of 'A' retired and after that it only took a tiny while when things started to happen and latest when our CEO in company 'B' retired. That was the time when the big city people started visiting our unit quite frequently." – Jack

In Jack's case, the number of people leaving from his unit as a result to the co-operative negotiations was a lot higher than in Annie's case. Jack states that his suspicion is that all the actions will be moved to the headquarters and their unit shut down as soon as it is possible. Still, no information is shared with the employees so they have to guess what the future holds for them.

"But yea, it is true that every time they say that nothing's going to happen or that there is no reason to be afraid, one can only think about those about 40 people that have already lost their jobs in our unit since this change started. Every time they start the co-operative negotiations again I have to think whether this time it'll be my turn. It can be quite scary." – Jack

"I guess it looks good on the papers when it just says that now we have kicked this and this many people out, so now we save this and this much." - Jack

The insecurity experienced in the stories was in unison with a highly increased workload imbedded by the company 'Y' and 'C', which in their stories, Annie and Jack both often refer to as "them" as the company in general, as well as the management level of the companies 'Y' and 'C'. In Annie's story, company 'Y' assumed that the same time used before for doing certain amount of work, would also be enough for a lot bigger number of assignments and responsibilities. The same way, In Jack's case, company 'C' assumed that the same amount of work as before could be done with a smaller amount of people than before. In the third case from George, the entire educational system in Finland was going through a change, which meant that assignments and job positions were all changing dramatically. In this case, it was not only about increased workloads but about a change that made people's jobs in some cases completely different than they were before.

"Of course it was all a part of a bigger national change that was going to go through all of these schools and institutes of education. It had been decided by the ministry so basically it came all the way from the government. It was about a change in the financing and of course another reason was that the world was simply changing. This change itself brought new requirements for teaching and educating." - George

When dealing with two big companies and a merger or acquisition between them, obviously there will be a great amount of information to be dealt with. In her story, Annie refers to having to learn a huge amount of new systems and in general, the new ways of doing things. And when in fact learning new could be considered to be a desirable thing, the way of trying to make it happen made the people feel more resistant towards the change. According to Appreciative Inquiry by Senior &

Swailles (2010) it would have been more profitable to gain the trust and will to make the change happen among the employees by offering them more choices, as the existence of free will increases both, trust and innovativeness. (Senior & Swailles 2010.)

"It is necessary to develop yourself all the time. There are so many new instructions every day and I don't want to start talking about integrating and dealing with two completely different computer programs, it was sometimes a nightmare." – Annie

When talking about learning new, it is only natural to point at Schein (2008) and his theory about learning and unlearning. As Schein states, the adult learning is more problematic when compared to a child learning new things, as the child does not have any former information to unlearn before acknowledging new things. Therefore, the people trying to implement a change should take into account the existing resistance and the reasons for it (Schein 2008.) In the following quotes from Annie's story, some conclusions may be drawn about whether this took place at the time of the merger or not.

"I really think they expected too much from us. They expected the change to happen quickly and just in a blink of an eye, like 'okay, tomorrow the things will be done differently'. And of course, that is not how things happen in real life, and we ended up having all sorts of problems. I really had a feeling that they expected too much." – Annie

"And with integrating the two completely different computer systems, they just sent us the instructions, but then when we tried to do as told, we found out that it didn't work at all. At some point the whole process started to feel like a total disaster." – Annie

If we then analyze the third story told by George, he says he realized himself that the change was hard to conclude because people needed to learn new ways of doing things, all though they had a long history of doing them in another way. George simply thought that a severe change could not happen smoothly with the same people that had worked there for a long time already. In the story told by Jack, it is said that the company taking over was trying to make people change their ways of working and implement the new ways into every unit. So just like in Annie's case, Schein's theory of learning and unlearning can be referred to in all the stories.

"So like I said, it would maybe work like this if everything that was there before would be taken away, everyone fired and new people in. But like this, when changing every single aspect one by one... it takes time." - George

When looking at Annie's story again in the light of Appreciative Inquiry by Senior & Swailes (2010) we can acknowledge that the theoretical framework similar to it was not exploited by the company 'Y' at the time of the acquisition. AI suggests that a large number of people should be involved in shaping possible futures, and this is a way towards some new reality. (Senior & Swailes 2010.) The way by which company 'Y' tried to make change happen did not include most of the people connected by the change, but it had what Annie refers to as the '*main group*', that is just giving orders from their ivory tower without knowing anything about putting things to practice.

"Their plans felt like it was just some blue prints and numbers on the paper, but they knew nothing about putting it into practice or about how much staff is actually needed to do this and this. Like when the acquisition happened and we were working harder than was humane, and then they just hit us in the face with the co-operative negotiations and told us we have to decrease the staff." - Annie

When having too much work to do, and wanting to achieve everything you are supposed to while dealing with guilt as well as *survival anxiety* (Schein 2008), when not being able to do so, Annie came to a point of burnout. She says it was because of the stress, having to constantly be very alert and the fact that it felt like talking to walls when pointing out the absurdity of the working pace. Fortunately, after being on a sick leave because of the burnout, the supervisors in her unit came more aware about the situation and some of her workload was shifted to other employees.

Jack also tells that he experienced an 'almost burnout' because of making over 200 hours during one month. The workload had increased a lot after the merger because a lot of employees had got fired, but still, everything had to get done. Unlike in Annie's case, he doesn't feel like their supervisors are doing anything to make it better. He mentions that all they are trying to achieve is to implement their ways of working to Jack's unit, even though the resistance towards it is quite strong. According to Appreciative Inquiry, shaping future with all the people involved within the change did not happen in his case either. (Senior & Swailes 2010.)

"Originally they said that nothing would change. But they are constantly trying to bring their ways of working to our unit. We don't like the way the work. They do it so that everyone sticks with their own tasks and you won't go and do anything about anyone else's job. In our unit we have preferred a way where a problem comes in from one door, we fix it together and then we are done." – Jack

"From time to time it even goes so that we take turns in being on sick leave because of anxiety and depression. There is one guy that is actually banging his head against the table every time the phone rings. We are walking on thin ice here." – Jack

Annie compares the amount of information with the feeling of one having too much to eat to the point when one can't even hold everything in anymore. She states that

even if it had to come to the point where she could not take it anymore, she still sees the outcome of it mainly positive, because it changed the perspectives of some of the supervisors.

"After time, the closest superiors have realized that the workload is too big for us, it is too big for everybody at the moment. So this way, it has been good to feel that at least in our unit, everybody agrees with these realities and understand each other. It really helps with everything going on, that one can feel the solidarity." – Annie

Another time, when Annie felt like the employees were getting fair support from the supervisors in her unit was, when the co-operative negotiations were taking place in the department of the teamsters.

"Actually, they were supposed to let go ten to twenty of our teamsters, but then our superiors left to have some meetings with the 'big bosses' in Helsinki and told them that this was absurd. Eventually they got a more positive outcome and managed to get some more time and didn't have to fire so many." – Annie

At the end of the day, the corporate acquisition between these two large companies in Annie's case happened only two years ago, and the final outcome of the change is yet to come. It can be said that the process of *refreezing* by Schein (2008) in his *three stages of change*, cannot yet be put into action. In Annie's story, she tells that now, after a while, things are going more efficiently, but still there are some new problems caused by the organizational change every week and she thinks that it might still take years to get everything to work smoothly. Most of the problems are related to computer systems, which play a huge role in a company, specialized in logistical services. This refreezing of a newly created organizational culture was not yet possible in George's case either at the time when he retired. He himself had a clear idea

of how the organizational culture was not mutual for everyone and every unit affected by the situation. In fact, George felt serious distrust towards the ongoing change.

“In my opinion, a mutual organizational culture and a way of doing things should’ve been a major goal, but it is very hard to implement since all these different units have a long history and their own cultures, so it really is not possible to make them all become one in such a short time.” - George

As a positive outcome of the change, Annie points out that she got a lot of new co-workers from the company ‘Y’, but she feels like it is somehow too early to embrace that because the state of all the jobs in the company are still on stake.

“If I am thinking about positive sides about the merger, it is something that I’ve realized a bit later. It is that I got to know a lot of new people and got new co-workers who are actually really nice people. But still, all the time there is a little voice in the back of my head wondering about how long will this last until something else comes up. They are having the co-operative negotiations right now in some department and then they will move to another.” – Annie

What seemed to be a problem in all of the three cases, was the lack of communication and sharing information with the employees. Or like in Jack’s case, where the supervisors had actually been promising the employees that nothing was going to happen. This kind of behavior can only make the employees trust their company and their positions at work even less.

“No one was able to prepare themselves to the upcoming change because they didn’t know that it was going to happen. It should’ve not been a secret because it affected so many people. They should have given information about what is going to happen and

why. They should've talked to each and every individual and motivate them by telling why these changes are a necessity – why this needs to be done.” – George

“They kept on saying that nothing is going to happen and that everything will run as it always has. Then all of a sudden they slammed it on our faces that by the way, we are all a part of company 'C' now.” – Jack

As according to Kotter (1990, 7), leadership and management are both needed for making a change happen: management in the sense of order and leadership for literally leading the people forward by motivating them. In all three cases in question it seems like the management was stronger and leadership had been almost forgotten. Lying to your employees and keeping things from them does not come with the description of leadership. In George's case the decision making came as far as from the government, so it is understandable that the bureaucratic aspects of the change were strong and complicated. But especially in Jack's case it seems like the management has decided to keep their decisions that are affecting the employees in a negative way to themselves. As said by Mattila et al (2008, 153), informing the employees about these matters should be prompt and open whether this information is positive or negative.

“It should have not been a secret because it affected so many people. They should have given information about what is going to happen and why. They should have talked to each and every individual and motivate them by telling why these changes are a necessity – why this needs to be done. That would have made it easier to accept and to understand.” – George

7.2 Categorizing the stories by their characteristics

When analyzing the way Driver (2009) categorized the stories in her article about storytelling, a deeper look can now be taken into what ways the stories from Annie, George and Jack fit in this categorization. The categories mentioned before were gripes, tragedies, traumas, and epics. Like the stories in Driver's (2009) study, all the stories described in this thesis had quite a negative character, when looking at the way storytellers refer to the past as being somehow better. In this case, past means the time before the change. Feelings of loss and lack are also recognizable. As a result of writing down the interviews while making this thesis, a table was drawn to illustrate the specific characteristics of each category described by Driver (2009). The Table 2 below now shows that characteristics from all the categories were found from the stories.

TABLE 2. Characteristics of the stories (Driver 2009, 358-362).

Characteristics of the stories			
	Annie	George	Jack
Gripes:			
Anger over ill-treatment and misjustices	x		x
Frustration in relation to loss	x	x	x
Missing the past	x	x	x
Traumas:			
Outrage and despair			
Disappointment and sadness	x	x	x
Losing one's meaning or a fantasy about themselves	x		x
Tragedies:			
Horror and devastation			
Feeling that cannot survive	x		x
Loss of something profound			
Epics:			
Achieving something against the odds	x	x	
Developing a different perspective towards the change	x		
Having learned something important	x		x

It could be said that the fantasies and ideals Annie and Jack had about themselves as hardworking employees, were crushed when they realized that they could not keep up with the workload they were given, after the organizational changes. Also the fantasy about having a stable job was taken away from them at latest when the co-operative negotiations started to take place. Like was mentioned before, the company 'X' had gone through several organizational changes over the years, so for Annie, these fantasies had been damaged even before. The fantasy and ideal of a stable job was also taken away from Jack when the merger became a reality at his workplace. And the yearly co-operative negotiations have made the unstable feeling about his job permanent. (Driver 2009.)

If we wanted to put all three stories in a category defined by Driver (2009), we would have to face the question about the characteristics of each category. As mentioned before, each of the stories have some characteristics suitable for every group of stories. Most of all, in the light of the material available in this thesis, Annie's story could be defined as *a gripe*. The story included a lot of ill-treatment and a severe feel of mistrust and anger towards the management level and the company 'Y' in general.

If we think about the characteristics pointing to the two groups called *traumas* and *tragedies*, I would say that the word tragedy may be too severe in order to define any of the stories, since it should have, according to Driver (2009), an overall feeling of horror, devastation and hopelessness. Stories defined as tragedies tend to have references even to death or suicide, which was not the case in any of the stories. However, similarities to the description of a trauma can be found. Both Annie and Jack talk about a burnout produced by the organizational change and the actions made by company 'Y'. These burnouts lead to sick leaves. Annie had to take time off from work because she felt like she no longer had the time, energy or any other resources to continue to work. All in all, Annie still saw the outcome of the burnout

as positive, because it helped the supervisors understand the situation a bit better. Jack as well has had to be on sick leaves because of all the stress caused by insecurity and way too many working hours.

If we think about stories that could be called *epics*, in George's case it is highly unlikely that it will happen since he is already retired. Still, some characteristics of an *epic* could be found because at the end of his story, George mentioned that in the end everyone found their places within the new organization. In Jack's case, the possibility is there, but it might need a change of a work place since the ongoing change with the yearly co-operative negotiations does not seem to be ending anytime soon. If Jack would stay at his current work place, the management of the company should make some major changes in the way they are handling and leading their employees for making his story become an *epic*.

Furthermore, it could be stated, that the story told by Annie has still the best potential for becoming an *epic* within the workplace she is currently at, as according to Driver (2009) the stories in that group have a positive perspective towards the past change. If the story tells about learning something even from the negative situations, it could be considered of being an *epic*. Annie told about the management making some changes when realizing that the workload was too big, as well as that she is happy about getting new co-workers as a result of the acquisition. (Driver 2009.) Because the organizational change in companies 'X' and 'Y' is still taking place, it can be said that the story could have a different perspective if we would interview Annie again in a few years. Also Jack's case would be interesting to study again after some time has passed.

8 CONCLUSION

The purpose of this thesis was to observe an organizational change that happened in specific companies from individuals' perspective. The purpose of this thesis was to find out, how the three chosen individuals experienced the change going on in their organizations. The purpose was to see, how well the stories fit together with the given theories about organizational change. The changes were narrowed down to mergers. There were three different cases that were described. The results were examined deeper when compared with the previous scientific research and methods made about organizational change. It was also analyzed whether these individually told stories had a successful ending when thinking about change management and the theories around it.

In the beginning of the thesis I started by defining an organization as well as organizational change in general. After defining the theoretical framework and presenting the method I would use, as well as the method used by Driver (2009) eventually, a few facts were told about the companies involved in the change described, followed by an overlook and analyses about all the three stories regarding the organizational change that these people had experienced themselves.

As an outcome, it was found out that the theories, such as the change model described by Schein (2008) as well as the Appreciative Inquiry by Senior & Swailes (2010), could explain on some parts why the organizational changes experienced by Annie, George and Jack did not go as well as they could have.

By disregarding the process of learning and unlearning and increasing the survival anxiety of the employees in a level that was in Annie's case barely manageable, the

company 'Y' did not succeed according to Schein (2008) in implementing the desirable change. Also from the different point of view, the company 'Y' did not take all the necessary people into account and they lacked the mutual commitment towards the change that would be essential when talking about the AI model by Senior & Swailes (2010). The same phenomenon could also be seen in Jack's case where the former company 'A' was making all the decisions regarding the new company 'C'. Employees were not involved in decision making in George's case either, but the situation is a little bit different there since the decisions came all the way from the government. In Annie's and Jack's cases, employee involvement would have been easier to accomplish.

At the end, the stories were compared with the categories composed by Driver (2009). Similarities to each category could be found from each story. However, the conclusion about the correct category would be either gripes or epics, depending on the occurrences taking place in the near future. Here, George's case would be described as a gripe and Jack's and Annie's stories either gripes or future epics. (Driver 2009.) As a conclusion, it could be said, that categorizing these stories was not the main purpose of this thesis. The main purpose, as written in the beginning of this thesis, was to examine and analyze the individual stories in a way that could in the best case scenario affect the direction of the future studies, research, and managing mergers and acquisitions that are yet to come, in a positive way. By studying this thesis, the future managers could be educated a bit better about how to manage and lead their employees through an organizational change.

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APPENDIX

ATTACHMENT 1

Annie's interview translated from Finnish to English:

"I started working in our company 'X' in 1979 as an Office Secretary and since then, the name of 'X' has changed many times. And now, it was probably two years ago when 'Y' bought our company. Back at the time, the first thought in my mind was if I would still have a job. That was the biggest worry in my mind, and like what is going to happen and no one knew what the future would hold for us. And well, our workload increased of course and we had to learn a huge amount of new systems and ways to do things and then they started the co-operative negotiations. Back then there was a lot of talking about how many people would need to be put out of work and well, it lasted around 5 or 6 weeks and we were feeling really insecure all the time. Fortunately eventually I got to keep my job and my old tasks remained the same, all tough I got also a lot of new tasks to do as well. When dealing with big companies like these there is obviously a lot of new information. And when these companies merge, it is necessary to develop yourself all the time, there are some new instructions every day and I don't want to start to talk about integrating and dealing with two completely different computer programs, it was sometimes a nightmare.

I really think they expected way too much from us. They expected the change to happen quickly and just in a blink of an eye, like "okay, tomorrow the things will be done differently". And of course, that is not how things happen in real life, and we had all sorts of problems. I really had a feeling, that they expected too much, and also the increased workload at first, it was really unrealistic and they just assumed that we would have the time to do this all. But yes, eventually the inevitable happened when trying and trying and trying without managing to get everything done and I hit a stop. I really felt like I had no time and

no energy either. After I had been on a sick leave because of the stress, they finally got it and my workload was decreased again. It was a complete stop, like a burnout, and some of my tasks were shifted to other employees. But still the amount of information and things to remember is so huge, it feels like one has to constantly be really alert and it is beginning to feel like we cannot hold it all in anymore, just like after eating way too much.

Eventually from the office staff of our unit, there were 6 to 7 people who left. Most of them expressed their will to leave the company, so they didn't really have to fire that many employees. Then right after that, the co-operative negotiations started regarding the teamsters in our unit. Actually they were supposed to let go over ten of our teamsters, but then our superiors left to have some meetings with the 'big bosses' in Helsinki and told them that this is absurd. Eventually they got some more time and didn't have to fire so many. I could say that sometimes the 'main groups' plans felt like they are just some blue prints and numbers on a paper, but they knew nothing about putting it into practice or about how much staff is actually needed to do this and this. Like, when the merger happened and we were working harder than was humane, and then they just hit us in the face with the co-operative negotiations and told us that we have to decrease the staff.

And with integrating the two completely different computer systems, they just sent us the instructions, but then when we tried to do as told, we found out that it didn't work at all. At some point the whole process started to feel like a total disaster. Of course now, after a while, things are going more smoothly, but still they have to correct and make changes to the computer system every week. I think that it might take a few years until things are working in a way they are supposed to.

If I am thinking about positive sides about the merger, it is something that I've realized a bit later. It is that I got to get to know a lot of new people and got new co-workers who are actually really nice people. But still, all the time there is this little voice in the back of my head wondering about how long will this last until something else comes up or we get sold

to some other company etc. They are having the co-operative negotiations right now in some department and then they will move to another. I definitely felt more secure about my position in the firm before 'Y' bought it.

Fortunately after time, the closest superiors have realized that the workload is too big for us. It is too big for everybody at the moment. So this way, it has been good to feel that at least in our unit, everybody agrees with the realities and understand each other. It really helps with everything, that one can feel the solidarity. But then when looking up the ladder of management, then we really feel like they just don't get it."

Jack's interview translated from Finnish to English:

"It was at least five years ago, maybe even more from when it started, but it begun so that 'A' had owned a major part of 'B' since forever, but the CEO's had been best friends or freemasons or something but 'B' had been left alone. But well, then the CEO of 'A' retired and after that it only took a tiny while when things started to happen and latest when our CEO in company 'B' retired. That was the time when the big city people started visiting our unit quite frequently. Well of course it got us wonder about what is going to happen, are we merging or are we all getting fires or maybe nothing at all, their visits were a bit of a mystery.

They kept on saying that nothing is going to happen and that everything will run as it always has. Then all of a sudden they slammed it on our faces that by the way, we are all a part of company 'C' now. And well, somethings we had heard through some gossiping but never did we get an official announcement about the merger. Eventually after all this we got some information but the official announcement was done a bit later. It took a very long time until these big city people started to realize that our town and unit exists too when making plans. Everytime there was something it was so that this event will be held here and then there, but never in our town. And all the time they are moving all the operations at the city

where our head quarters is. Just a little while ago they stopped keeping any storage here and other nice things with it.

But yea, it is true that every time they say that nothing's going to happen or that there is no reason to be afraid, one can only think about those about 40 people that have already lost their jobs in our unit since this change started. Every time they start the co-operative negotiations again I have to think whether this time it'll be my turn. It can be quite scary. Then there was this one plan of moving the employees into different working groups and one superior actually told me that if I am willing to move to another group voluntarily, I will keep my job. I told about that to our workplace steward and he went to see our CEO about the matter. After that the superior was not allowed to handle basically anything so there was at least some sense so that they realized what he did was wrong. But yea, we are still going the same way. Everyone that is left are kind of required to stay for the company to continue its operations.

My work load has increased a lot over time as well. Last June I did over 200 hours of work. I almost burned out. Originally they said that nothing would change. But they are constantly trying to bring their ways of working to our unit. We don't like the way the work. They do it so that everyone sticks with their own tasks and you won't go and do anything about anyone else's job. In our unit we have preferred a way where a problem comes in from one door, we fix it together and then we are done. For them, a problem goes by 5 or 6 employees until it's fixed, for us it's 2. I was actually really told by one guy that I am not allowed to go and help out a friend, that if it's none of your business, you won't be doing it. This guy has also left the company by now.

But yea, if they end up firing many more, we will go down. Designing I guess is the next department to be shut down. Then the "small bosses". Our unit is really starting to be so that there is not much people that they can let go if we want to survive. I do think that once they are able to handle everything from our headquarters, then they will just shut down our

unit once and for all. Lights out and that's it! But that day, it's not today yet. If I am perfectly honest, I can say that I do think about quitting every day. There is absolutely no more fun at work. Before it used to be different. We used to make pranks to each other and even wine as a group! No more. Nowadays the only thing left is to come to work and to leave. I guess it looks good on the papers when it just says that now we have kicked this and this many people out, so now we save this and this much. But I wonder when they realize that woops, these guys are getting sick from this. From time to time it even goes so that we take turns in being on sick leave because of anxiety and depression. There is one guy that is actually banging his head against the table every time the phone rings. We are walking on thin ice here."

George's interview translated from Finnish to English:

"Well well well, where would I start. Of course it was all a part of a bigger national change that was going to go through all of these schools and institutes of education. It had been decided by the ministry so basically it came all the way from the government. It was about a change in the financing and of course another reason was that the world was simply changing. This change itself brought new requirements for teaching and educating.

Anyway, we were a part of this change. Well, obviously this wasn't easy and there was some resistance. People were thinking about what's going to happen to them and what it is that makes these new ways somehow better than the old ones. And of course there was a worry about one's own job and their tasks at the workplace.

And well... when thinking about what kind of things could be done for making it easier and what was not done in Finland before the change, then that was about informing everyone in advance about what is going to happen so that people would have a clue. No one was able to prepare themselves to the upcoming change because they didn't know that it was going to happen. It should've not been a secret because it affected so many people. They should've

given information about what is going to happen and why. They should've talked to each and every individual and motivate them by telling why these changes are a necessity – why this needs to be done. That would've made it easier to accept and to understand. There were a lot of failings, they did inform us about the change in some way but they did not say why this was necessary and why it is better than the ways we did things before. Whenever something comes up, they just tell us about it but not about the reasons behind it, not about why. But then again, informing could always be better.

On one hand there was merging going on and on the other hand also very significant merging between these different kind of institutions of education and organizations into a one major organization that would have units in several different locations. In my opinion, a mutual organizational culture and a way of doing things should've been a major goal, but it is very hard to implement since all these different units have a long history and their own cultures so it really is not possible to make them all become one in such a short time.

So like I said, it would maybe work like this if everything that was there before would be taken away, everyone fired and new people in. But like this, when changing every single aspect one by one... it takes time. I was the principle back then and I personally didn't have a fear about getting fired but I did know that there would be a big change in what I was supposed to do - even my work description would change. I did have a fear about other people though. I feared whether they would still have a job after the change. All these things we went through again and again also with trustees from the union and everyone because also the salaries and the grounds for the salaries changed within the merger. After all we did all find our new places within the new organization. I am nowadays retired but I do know that the change is still ongoing.”