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Manuel Hensmans

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The Trojan horse mechanism and reciprocal sense-giving to urgent strategic change

Manuel Hensmans

Toulouse Business School, Université de Toulouse, Toulouse, France

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Abstract

Purpose – The purpose of this paper is to investigate how executives can rapidly gain employee acceptance for strategic change through reciprocal sensegiving. The author draw on a processual case study of a transformational European merger to study this question, highlighting the properties of reciprocity in making sense of urgent strategic change, then developing them through the lens of a gift exchange.

Design/methodology/approach – The author draws on several qualitative methods to study sensegiving and sensemaking processes in Alpha and Beta from 2011 to 2014: insider-outsider team meetings at the beginning, mid-way and at the end of the merger integration process, ethnographic field notes during a four-month research internship, one focus group meeting with Alpha and Beta managers after the announcement of the redistribution of managerial positions, interviews with a carefully selected sample of top and middle managers, participant observation in key sensegiving meetings with top managers and “custodians,” triangulation with secondary data from the database Factiva, and finally follow-up insider corroboration of the findings by the research intern who took up a management position at Alpha in 2014.

Findings – Likening executive and employee sensegiving to a gift-giving and gift-returning exchange, the author elucidates how executives induce employees to quickly “give in” to strategic change imperatives. The author single out the key third party role of custodians of reciprocity in the mechanism, using the metaphor of the Trojan horse to illustrate its executive use and point to the underexplored darker side of prosocial sensegiving dynamics.

Research limitations/implications – Further research should clarify the long-term advantages and disadvantages of the mechanism. The Trojan horse mechanism possibly sacrifices long-term reciprocity for short-term purposes. Following the example of executives in this case study, use of the Trojan horse mechanism should be followed by attention to socio-political balance concerns, including new procedures that clarify the link between value creation aims and employees’ collective contribution. Without such a cohesion-building exercise, employees’ feelings of procedural injustice may build up, resulting in negative reciprocity in subsequent change projects.

Practical implications – The work indicates that a leader’s visionary credentials are not the main source of her norm-shaping power in a project of urgent strategic change. Visionary credentials are welcomed by the dominant group of employees as long as they are framed as a symbolic management exercise that will not substantially impact socio-political balance. Substantively, employees make sense of the justice of urgent strategic change primarily through the lens of custodians and their “power from the past.”

Social implications – All in all, executives should use the Trojan horse mechanism sparingly, in contexts of urgent strategic change and institutionalized employee behavior. Working with sources and voices of resistance from lower levels of management is more likely to yield symbiotic integration benefits.

Originality/value – Applied to the problem of rapid strategic change in a non-crisis context, the Trojan horse mechanism is a solution to the question: how can executives avoid lengthy socio-political confrontations and quickly induce employee ownership of painful strategic changes?

Keywords Sensemaking, Reciprocity, Strategic change, Distributive justice

Paper type Research paper



This paper investigates how executives can rapidly gain employee acceptance of strategic change through reciprocal sensegiving. Feelings of employee injustice are a major reason for the failure to effect strategic change (Buono and Bowditch, 1989/2003; Croonen, 2010;

Hensmans, 2006; Meyer, 2001; Meyer and Altenborg, 2007; Stahl and Voigt, 2008). The success of a strategic change project requires redistributing strategic responsibilities to employees with the most promising performance record and mastery of change practices (cf. Bartunek, 1984; Goodstein and Boeker, 1991; Gray and Ariss, 1985; Greenwood and Hinings, 2006; Hensmans *et al.*, 2012; Huy, 1999; Johnson *et al.*, 2012; Rouleau and Balogun, 2011). The prospect of losing power makes distributive justice an important sensemaking focus for employees, whether initiated by a new or the current chief executive (Denis *et al.*, 1996; Nag *et al.*, 2007).

As change agents, senior executives hold privileged sensegiving positions which they will need to use to full effect in a strategic change context (Gephart, 1993, 2007; Maitlis and Sonenshein, 2010; Weick, 1988, 1993; Maitlis and Christianson, 2014). Simply using executive power to break the employees' established sense of justice is not a panacea, however. Employees are not devoid of sensegiving power: they can increase or, on the contrary, withhold their cooperation in the implementation of change if the executives' approach defies continuity and appears toxic (Hardy and Phillips, 1998; Maitlis and Ozcelik, 2004; Mantere *et al.*, 2012). Hence, to successfully give sense to urgent strategic change, executives need to ensure that employees integrate its normative justice (Ellis *et al.*, 2009; Meyer, 2001; Schein, 1980). This implies redirecting employees' sensemaking from socio-political to strategic change priorities. Current research suggests it is very hard to rapidly shift employees' sensemaking to strategic change priorities. Executives tend to give sense to change as a socio-political compromise first. Insofar as power balances allow, they subsequently shift the sensemaking focus to strategic change priorities (Monin *et al.*, 2013).

To substantially influence employees' sensemaking, executives have to use their power judiciously, presenting themselves as co-authors of employees' social constructions of organizational justice (Weick, 1995, p. 8; Weick *et al.*, 2005). Their ability to establish a positive reciprocal relationship between their own and employees' sensegiving is critical in this regard (Gioia and Chittipeddi, 1991). Due to a lack of research at the intersection of the sensemaking and justice literatures (Monin *et al.*, 2013; Sakuma-Keck and Hensmans, 2013), the properties of reciprocity as a mechanism to facilitate a virtuous relationship between executive and employee sensegiving have remained underemphasized. This paper elaborates on these properties through the lens of the archetypal instance of reciprocity: the exchange of gifts.

The strategic change context of this study is a European transformational merger that executives initially framed as a friendly takeover for rapid strategic change purposes. The merger involved a radical redistribution of responsibilities to employees of the acquired firm. This redistribution was initially inconceivable to acquirer employees, who felt entitled to post-merger dominance. Nevertheless, the executives' ability to frame their sensegiving and employees' sensemaking as a gift-giving and gift-returning exchange led to its quick and consensual acceptance. We theorize the causal workings of this reciprocal process as the Trojan horse mechanism.

Executives can also mobilize commitment to a strategic distribution decision by means of procedural justice, i.e. the perceived fairness and transparency of the procedures used to obtain a distributive outcome (Ellis *et al.*, 2009; Viswesvaran and Ones, 2002). A sense of procedural justice improves employees' willingness to implement a decision with which they disagree (Korsgaard *et al.*, 1995). While we are mindful of its role, the focus of this paper is not on how executives procedurally compensate for employees' disagreement, but on how they transform employees' sensemaking to obtain their agreement.

The following paragraphs briefly review the literature on the management of distributive justice in strategic change projects, focussing on its sensemaking

dimensions. Change credentials (equity) and socio-political balance considerations (equality) are the main norms of justice at the disposal of sensegivers. We then explore the properties of reciprocity as a mechanism for giving sense to and making sense of change. Through the lens of gift-giving and gift-returning, this paper elucidates how executive sensegivers transform the normative basis of employee sensemaking from maintaining socio-political balance to giving in to strategic change imperatives. We single out the key third party role of historical custodians of reciprocity in the mechanism, using the metaphor of the Trojan horse to illustrate its executive use and point to the underexplored darker side of prosocial sensemaking dynamics.

Making sense of “just” strategic change

Strategic change projects have transformational objectives (Gioia and Chittipeddi, 1991; Hensmans *et al.*, 2012; Johnson *et al.*, 2012). To obtain these objectives, executives have to comprehensively redistribute strategic responsibilities to the employees best capable of implementing change. Distributive justice is then the main focus of executive sensegiving and employee sensemaking (Greenberg and Folger, 1983; Meyer, 2001). The temptation for executives is to either force substantial change on employees, or to symbolically manage demands for urgent change to keep employees on their side cf. (Fiss and Zajac, 2006). The impressive track record of failed strategic changes testifies to the limitations of both approaches: the latter because it fails to effect substantial change, and the former because it does not take into account the socio-political power of employees, which allows them to choose not to adopt strategic change as a meaningful priority (Thomas *et al.*, 2011; Maitlis and Christianson, 2014; Hensmans, 2001; Weick *et al.*, 2005).

To obtain acceptance of strategic change, executives have to engage with employees' sensemaking through both substantive and symbolic activities (Gioia and Chittipeddi, 1991). In terms of distributive justice, equity and equality are the two main sensemaking norms at executives' disposal (Kabanoff, 1991). Equity favors change credentials and merits, while equality favors a sense of socio-political balance. From an executive viewpoint, change credentials (equity) obviously are the most desirable justice rule (Larsson and Finkelstein, 1999; Haspeslagh and Jemison, 1991). The equity rule prescribes an allocation of resources purely on the basis of potential contributions and performances (Greenberg, 1987, 1990; Serpa, 1988). Furthermore, distributive decisions based on change credentials do not take into account organizational members' socio-political sensitivities, saving precious sensemaking time.

By contrast, socio-political balance (equality) favors mutual self-esteem and positive social relationships, enhancing sensemaking cohesion but discriminating against merit and prolonging the integration process (Deutsch, 1985; Meyer, 2001, p. 48). It is often associated with the message that change agents will respect identity politics and other symbolic sensitivities in a distributive outcome (Mirvis and Marks, 1992; Monin *et al.*, 2013; Schweiger and DeNisi, 1991; Zaheer *et al.*, 2003, p. 186). While attention to socio-political sensitivities slows down sensemaking processes, it is critically important for a strategic change project. To address the uncertainties involved in impending organizational changes, executives have to skillfully manage symbolic sensitivities. If not, these sensitivities will engender identity politics that hamper employees' openness to executives' sensegiving (Buono and Bowditch, 1989/2003; Cording *et al.*, 2008; Nahavandi and Malekzadeh, 1988; Stahl and Voigt, 2008; Thomas *et al.*, 2011; Vaara and Tienari, 2011). A message of change that incorporates a norm of socio-political balance, however, will keep employee fears of unfavorable changes in check (Meyer, 2001, p. 52).

Dimensions of sensemaking and sensegiving

Change agents need more than executive power to convince employees of the justice of a strategic redistribution of responsibilities. They have to be able to skillfully blend socio-political sensitivities – as given sense to by employees – into their message of change. This is hard without a reflective understanding of how employees make sense of reality in periods of uncertainty (Schon, 1981; Weick, 1983, p. 223; Sonenshein, 2010).

Effective change agents are aware of the temporal dimensions of sensemaking as a process of socially constructing the past, present and future in a holistic perspective (Kaplan and Orlikowski, 2013; Maitlis and Christianson, 2014). As noted by Weick (1993, p. 635), “The basic idea of sensemaking is that reality is an ongoing accomplishment that emerges from efforts to create order and make retrospective sense of what occurs.” Retrospective sensemaking of outcomes helps humans make sense of themselves and their context as a variable, mutable continuity (Gioia *et al.*, 2002). Ongoing plausibility rather than historical accuracy is key to such a sense of continuity (Weick *et al.*, 2005; Hensmans, 2006; Hensmans, 2010; Hensmans *et al.*, 2012).

Sensemaking includes a prospective, future-oriented orientation inducing individuals and groups to gauge the “probable future impact” of (the lack of) certain actions (Gephart *et al.*, 2010; Gioia *et al.*, 1994, p. 378). Prospective sensemaking is not triggered by a sense of acute crisis. Instead, it is a rather slow-paced process in which the refinement of emerging interpretations results from cycles of sensemaking and sensegiving, as group members attempt to influence other actors’ interpretations (Gioia and Chittipeddi, 1991; Gephart *et al.*, 2010; Hill and Levenhagen, 1995). By giving a collective and material reality to future-oriented cognitive processes, prospective sensemaking helps group members retrospectively make sense of the plausibility of prospective accounts by reconstructing the chain of thought leading to them (Stigliani and Ravasi, 2012; Schutz, 1967).

Individuals are particularly partial to reconstructive analyses that bolster self-esteem and feelings of control, including omitting information that is too confrontational (Weick, 1995). In synthesizing and making sense of different possible paths of meaning construction, employees tend to make sense of information in a way that preserves their identity (Brown and Jones, 1998, p. 74); molding individual and organizational memory in a way that preserves a coherent view of self and suits current organizational needs (Greenwald, 1980; Loftus, 1980). Remarkably, people do the same with the future. They make sense of the future as a creative exercise entailing projecting a coherent identity and organizational needs in a “future perfect tense” (Gioia *et al.*, 2002). In sum, the past and future are inextricably bound together in employees’ present sensemaking. This provides executives with a large scope for influencing staff sensemaking. Depending on their skill, executives can shape employees’ temporal accounts by bundling a revised organizational memory and desirable future possibilities in a coherent sensegiving direction.

To effectively leverage the retrospective nature of employees’ sensemaking, skillful change agents engage in proactive norm-shaping, or sensegiving. Executives can engage in different types of sensegiving to influence employees’ sensemaking: sensebreaking, sensehiding and sense specification (Monin *et al.*, 2013). Sensegiving refers to the processes through which organizational change is framed and disseminated to an organization’s constituents (Gioia and Chittipeddi, 1991). It includes the attempts of executives to influence employee sensemaking of what amounts to distributive justice. When an organization faces severe external pressures and traverses a period of interpretive flux, voids in meaning emerge, inducing employees to look to their management for renewed sensemaking. Executives may interpret this “sensegiving imperative” as an occasion to substantially

alter direction-defining values and understanding (Corley and Gioia, 2004; Maitlis and Lawrence, 2007).

Before executives can legitimately specify the sense in their major change of direction, they need to unfreeze and move ingrained staff assumptions (Lewin, 1951, pp. 224-225). In other words, sensegiving often starts with sensebreaking (Pratt, 2000). Skillful executives do not wait with their change initiative on standby until environmental cues for change become overwhelmingly clear, endangering the organization's continuity. They create opportunities for employee sensemaking in a timely manner by singling out emerging environmental cues that cannot be resolved within the current interpretive sensemaking scheme (cf. Brown, 2000; Maitlis, 2005; Weick *et al.*, 2005). To facilitate timely unlearning and relearning, executives may destroy established interpretations of justice, and proactively create a meaning void for employees. Executives single out for sensebreaking those socio-political assumptions that stand in the way of their successful framing of a desired strategic change direction.

Sensebreaking is not necessarily a desirable part of sensegiving. By symbolically destroying past strategies and attaching a negative meaning to them, executives unambiguously declare obsolete the continuity between past and future (Mantere *et al.*, 2012). Reliance on negative emotions can provide energy to sensemaking processes in a strategic change project, as long as the emotions felt are moderately intense (Maitlis *et al.*, 2013). When executives attempt to radically disrupt employees' sense of identity and historical continuity, this can destroy retrospective sensemaking capabilities to the extent that employees feel emotionally bewildered and traumatized (cf. Huy, 2002). Ultimately, such a toxic sensemaking environment normatively decreases employees' readiness to change (Maitlis and Ozcelik, 2004).

Executives can turn to a more continuity-preserving alternative to sensebreaking. Sensehiding entails the deliberate hiding of particular senses of justice in managers' framing of change (Vaara and Monin, 2010). Change agents can inject a significant dose of ambiguity in their communications to foster employees' readiness to engage with their framework of change. Informing staff selectively about their full strategic change intentions is an essential part of executive sensehiding (Corley and Gioia, 2004). Hiding the most radical consequences of change helps reduce the salience of socio-political sensitivities and marginalize retrospective accounts that do not fit executives' sensegiving intentions. In sum, sensehiding has a continuity-preserving effect on employees' sensemaking processes through the silent sidelining of interpretations of the future that are problematic for people's preservation of an identity (Fischhoff, 1975).

When executives have created a meaning void through sensebreaking, or primed employees into co-authoring an intermediate, ambiguous interpretive state through sensehiding (Sutcliffe, 2013), executives engage in sense specification – i.e. they make an exemplary decision based on specific symbolic meanings that are clearly aligned with executives' strategic change intentions (Monin *et al.*, 2013, p. 262). In this last sensegiving stage, change agents fully reveal their intentions. This specification of a clear sense spurs employees to step up their retrospective sensemaking. It is in this stage that employees most actively search for a continuous link between the past, present and future (Weick, 1979, 1995), determining whether they will buy into change or not.

The above literature review demonstrates that sensegiving is mostly depicted as a unidirectional, top down process in which employees are passive sensemakers. Nevertheless, the sensemaking literature has long established the importance of a reciprocal sensegiving relationship between executives and employees in strategic change processes (cf. Gioia and Chittipeddi, 1991; Maitlis and Christianson, 2014). At the

very least, such a relationship involves sensegivers and sensemakers sharing a reciprocity of perspectives; each assuming that the other could exchange places and experience the same perspective (Gephart, 1993, p. 4170). In what follows we discuss the properties of reciprocity as a bi-directional mechanism for giving sense to change.

Gift exchange: reciprocal sensegiving mechanism

Reciprocity is a universal, generalized norm of behavior in societies and organizations across the world (Gouldner, 1960; Phillips, 2003). As a core rule underlying social exchange relationships, it facilitates the creation of enduring interaction patterns rooted in mutual obligations and commitment to the other party's needs (Axelrod, 1984; Blau, 1964; Cropanzano and Mitchell, 2005; Ekeh, 1974; Peng *et al.*, 2014; Simon, 1966). The existence of a norm of reciprocity makes two minimal demands on exchange parties: first, people should help those who have helped them; and second, people should not injure those who have helped them (Deckop *et al.*, 2003; Gouldner, 1960, p. 171). The archetypal example of reciprocity is the exchange of gifts (Mauss, 1924). Gift-giving and gift-returning is an important method of creating cooperative social relationships between parties that would otherwise be driven by conflicting, self-interested motivations (Titmuss, 1970).

Reciprocity in gift exchange can take three different directions depending whether it centers on: first, prosocial or anti-social behavior; and second, a justice norm of socio-political balance (equality) or strategic change (equity) (Brett *et al.*, 1998; Sahlins, 1977). In all three types of reciprocity, the meaning of a social exchange is based on sensemaking of each other's actions and intentions rather than any sort of objective value (Rabin, 1993). The most common type is balance reciprocity, i.e. reciprocity aimed at maintaining a socio-political balance in an organization. In such an exchange relationship, the receiving party reciprocates a favor with a return favor that has a certain relation of equality with the former, matching or compensating it (Kolm, 2008).

By contrast, negative reciprocity entails one party punishing the other party for inequitable behavior by withholding one's cooperation or participation as long as no appropriate gift is made. It occurs when one party in an exchange feels the other party is trying to get something for nothing or for less than its recognized value, while there is no real need for it (Cameron, 1999; Kahneman *et al.*, 1986; Roth *et al.*, 1991). This type of reciprocity is particularly damaging for a social exchange, as it becomes imprinted in the long-term sensemaking memory of exchange parties.

Finally, generalized reciprocity embodies the most interesting, prosocial type of sensemaking from the strategic change perspective of this paper (cf. Grant *et al.*, 2008; Grant and Berry, 2011). In this case, the party that stands to lose in a gift exchange is asked to forget about immediate socio-political concerns and give unilaterally to the other party in the name of the greater good of the community (Emerson, 1976; Gillmore, 1987; Heath, 1976; Lévi-Strauss, 1946; Malinowski, 1922; Molm and Cook, 1995; Takahasi, 2000).

Generalized reciprocity serves to demonstrate to relevant others one's merit as a social partner in a common project of strategic change. In contrast to the other reciprocity types, it does not entail dyadic but triadic expectations of gift-giving and returning. The third party involved in generalized reciprocity is the generalized other (Mead, 1934). More concretely, it is the generalized other's "custodian": a concrete group or person that exemplifies practices that helped the organization thrive throughout time by favoring the greater good over sectional interests (Dacin and Dacin, 2008; Hensmans, 2003; Shils, 1981). When a subgroup gives unilaterally to serve the greater good, this enhances its reputation in the eyes of custodians.

It also increases the likelihood of getting something back in the future (Frank, 1988; Wedekind and Milinski, 2000), particularly when custodians have a reputation of being generous and loyal, and have the power to influence executives (Feinberg *et al.*, 2014; Nowak and Sigmund, 2005; Wade-Benzoni, 2002).

To encourage employees to voluntarily give up socio-political privileges and give in to strategic change priorities, skillful change agents will try to redefine the nature of their exchange with employees as generalized reciprocity. In such an exchange, parties willingly sacrifice their self-interest for the greater good of the generalized other (Bosse *et al.*, 2009, p. 449). Employees may be willing to take a pay cut or customers may agree to rewrite a very advantageous contract if they believe that such behavior may serve the greater good of a joint enterprise (Harrison *et al.*, 2010). This means that the end balance of one or more cycles of reciprocity may defy the exchange parties' original intentions and definitions of self-interest.

How can executives induce employees into a sensemaking state of generalized reciprocity? The avenue that has been most explored is the sensebreaking route, i.e. the executives take away the sense of current meanings and intentions, prompting employees to give executives a mandate for new sense specification (Clark *et al.*, 2010; Monin *et al.*, 2013). Sensebreaking establishes a clear break with the past, signaling that socio-political certainties of the past provide no template to give sense to the future (Maitlis, 2005).

This paper explores a more continuity-preserving avenue of sensemaking. It does not trigger employee sensemaking by first taking away their sense of identity and direction. Instead, it incites them to make sense of the need to change through their own initiative, by participating in a prosocial sensegiving exchange with executives and custodians. Recent research has demonstrated that employees are amenable to prosocial sensemaking acts, inducing them to give unilaterally for the greater good of the organization (Grant and Berry, 2011; Grant *et al.*, 2008). Prosocial giving is not necessarily proof of altruism, however. In a situation of rapid strategic change, it is more likely to be the result of custodians' social pressure on employees to "give in" to urgent strategic change demands (cf. Cain *et al.*, 2014). This represents the underexplored darker side of prosocial dynamics, in which people are put under normative pressure by powerful constituencies to reciprocate generously. In what follows, we investigate how executives draw on prosocial sensemaking processes to convince employees to give up their socio-political entitlements in favor strategic change priorities.

Case settings and methods

The case concerns a transformational European merger in an industry that has been in constant flux since the turn of the twenty-first century. The merger was initially framed as a friendly takeover, but ended in the acquired firm benefiting from a wholesale redistribution of strategic responsibilities from the acquiring firm. For anonymity purposes, the two firms have been given the imaginary names Alpha (acquirer) and Beta (acquired).

In transformational mergers, employees on the losing side of the redistribution are particularly liable to a sense of injustice. Unless executives duly manage this potential sense of injustice, employees will withhold their cooperation (Buono and Bowditch, 1989/2003; Meyer and Altenborg, 2007; Nahavandi and Malekzadeh, 1988; Zaheer *et al.*, 2003). The aim of this paper is to understand how executives can manage employee sensemaking processes to quickly obtain their cooperation and acceptance of the final decision. Acceptance of a distribution decision can range from active support

to passive acquiescence, including reasoned agreement following regrets or resignation, as long as no contestation of or structural distancing from the change decision takes place on the basis of past normative practices (Cooper *et al.*, 1996; Giessner *et al.*, 2006; Lorsch, 1986; Mantere *et al.*, 2012; Monin *et al.*, 2013; Pideritt, 2000).

This case was selected for its extreme properties from an employee distributive justice perspective. Extreme cases are prone to uncovering causal mechanisms in a relatively “pure” form (Siggelkow, 2007). Redistribution in favor of Beta’s staff was initially inconceivable to Alpha employees who socio-politically felt entitled to post-merger dominance. Nevertheless, the executives’ ability to create a reciprocal, iterative process between their sensegiving and employees’ sensemaking led to quick acceptance of the decision on the grounds of strategic change priorities.

The post-merger redistribution was neither announced by top executives nor expected by staff beforehand. Nevertheless, the context in which Alpha and Beta found themselves presaged a change from the initial takeover status. Alpha was a cash-rich firm with a long history of block shareholder control that, since the financial crisis, was under tremendous pressure to show it could create substantial value. Disappointed with the negligible readiness to change among employees, the Chairman and main shareholders set their sights on outside options. Beta, by contrast, was cash-poor but had successfully transformed under the current director. A Board insider from Alpha summarized the takeover’s strategic rationale, stating that most managers and lower ranked employees give sense to strategic imperatives as symbolic rather than substantive changes:

None of our executives can transform the organization from within. Our employees are too comfortable, too entrenched in their ways [...]. Change projects take a very long time and achieve very little: there is little willingness to accept real changes. That is why the merger with Beta, with its proven transformation credentials and a culture of successful strategic change, is necessary (Memo 2: Board insider 1).

Research design

Extreme cases are often very challenging to access. The dearth of processual research on how executives influence staff sensemaking in transformational mergers stems from the extremely political and sensitive nature of the phenomenon. This makes managers very reluctant to grant interviews or access to reports (Meyer, 2001), particularly for transformational mergers in which socio-political balances are disrupted. Compounding the issue, processual research greatly benefits from “live” case observations and the involvement of both insiders and outsiders for purposes of reflexivity and balance of perspectives (e.g. Balogun *et al.*, 2011; Howard-Grenville *et al.*, 2013; Langley *et al.*, 2013).

To gain judicious access to a live case, we used several research strategies. In the spring of 2011, several reputed research analysts announced a possible transformational merger case. We were very fortunate to have an influential case insider in our network, facilitating timely and rich data access (Bartunek and Louis, 1996). This Board confidant helped a research student gain access to the post-merger integration team as an intern. For non-disclosure purposes, we promised the Board insider to anonymize the research context in return for senior management-vetted research access. We gave the two firms involved in the transformational merger the fictitious, self-explanatory names Alpha and Beta, and promised not to disclose the particular industry context.

We drew on several qualitative methods to study sensegiving and sensemaking processes in Alpha and Beta from 2011 to 2014: insider-outsider team meetings at the beginning, mid-way and at the end of the merger integration process, ethnographic

field notes during a four-month research internship, one focus group meeting with Alpha and Beta managers after the announcement of the redistribution of managerial positions, interviews with a carefully selected sample of top and middle managers, participant observation in key sensegiving meetings with top managers and “custodians,” triangulation with secondary data from the database Factiva, and finally follow-up insider corroboration of our findings by the research intern who took up a management position at Alpha in 2014. Table I documents our data collection and analysis sequence. Figure 1 summarizes our final data coding results.

Data collection

The research intern was based at Alpha’s headquarters – the main focus of the post-merger integration team – for several months. In this capacity, he was privy to informal meetings, lunch and coffee break discussions – occasions on which the most politically sensitive issues were candidly discussed. He made field notes of any interesting event, rumor or discussion in the form of memos (Van Maanen, 1982). We met five times to discuss his findings and any new important development. This research covered the first ethnographic time period of this study: June-October 2012. It served to gain an initial understanding of the directionality of the relationship between executive sensegivers and employee sensemakers.

In an intermediary period (November 2012-January 2013), we kept in touch with the Board insider and the headquarter employees with whom we had built up an informal relationship over the previous period. They kept us posted as to any significant event, decision or action in the merger process. We noted these reports in separate memos.

In a third period (February 2013-May 2013), we went back to the site to collect interview data. This period was extremely lively and interesting to study, as it coincided with the period during which the Executive team communicated their decision on the allocation of strategic responsibilities. If a Beta manager was chosen, this typically meant a Beta practice would be implemented and an Alpha practice sidelined, and vice versa. A great many headquarter responsibilities were shifted to Beta managers. Alpha employees that were not chosen were proposed a job under the Beta manager, which prompted a number of managers to leave the firm. The great majority of Alpha employees decided to stay. To understand how Alpha and Beta employees made sense of this and to investigate ongoing sensemaking processes, we conducted interviews with a carefully chosen sample of 37 Alpha and Beta managers.

We drafted a list of 50 potential interviewees, taking into account whether they were losers or winners in the strategic redistribution process. The Board insider helped us get interview access to the listed people. A total of, 37 people agreed to an interview. In all, 23 interviewees were Alpha members, reflecting our primary interest in sensemaking from the viewpoint of the merger party most challenged by the decision. Ten out of 23 interviewees were proposed the strategic responsibility for which they had been made to formally reapply, in competition with their Beta counterpart. In total, 13 of the Alpha interviewees lost out to their Beta counterpart. Ten out of 14 Beta interviewees were proposed the responsibility for which they applied, reflecting the extent to which their firm had benefited from the strategic redistribution decision. The managers came from four key headquarter departments, reflecting their relative importance in the strategic change aims of the Executive merger team: information technology (17 interviewees); finance (11 interviewees); legal (six interviewees); and communication (three interviewees).

In terms of seniority and decision-making power, these 37 interviewees can be described as middle managers. The research team made sure they did not favor the top

Time and type of Data	Event history	Preliminary analysis of sensegiving and sensemaking processes
April 2011 (4 financial analyst blogs, company web sites, newspaper reports)	Announcement friendly takeover deal	Financial analysts discuss why Beta managers did not put up a fight while being acquired by a "stuffy, very difficult to manage Alpha": high likelihood of a "reverse takeover" deal behind the scenes
September 2011 (newspaper reports, interviews with Alpha Chairman and Beta Chief Executive, company web sites)	Alpha legally acquires Beta	Alpha Chairman argues that the purpose of the takeover is to ensure Alpha's continuity. He announces that the Chief Executive of Beta will replace him by April 2013. Beta's Chief Executive confirms the friendly nature of the takeover and that he agree to be taken over because Alpha is a great company
November 2011 (informal discussion, two memos)	First discussions with Alpha Board insider on sense of merger and the purpose of our research project	What is the purpose of the takeover? We need transformational change. Beta has achieved such change in the last few years, in the same industry. There is too much complacency and resistance against real change among our own employees. Why will Beta's leader become the new Executive Chairman? Only an outsider can make such change happen. No one at Alpha can. Beta's leader appeared before the main family shareholders and he absolutely convinced us that he was up for the job of providing Alpha with a new and stable future
January 2012 (company web site report, family shareholder speech, newspaper reports)	Board announcement of early departure of Alpha Chairman	Alpha Chairman argues that to ensure rapid integration progress, and in light of the current satisfactory progress, he will step down one year early in favor of Beta's Chief Executive
March 2012 (3 memos summarizing informal insider input)	Researchers use their networks to gain preliminary insider input	Communication about the distribution of managerial responsibilities in the merged firm is not clear at all. What is clear is that, if there are major managerial changes, they will be at headquarter level (which in the IT, finance, legal and communication departments)
May 2012 (newspaper reports, company web site report, Board insider informal meeting)	Beta leader officially heads combined group	The new Chairman from Beta immediately announces two things. "Specifying" his predecessor's words, he announces a new organization based on growth and operational excellence principle. Also, he announces that he would consider selling the "crown jewel" product division of Alpha if the time was ripe – which would amount to a transformational change for Alpha employees

(continued)

The Trojan horse mechanism

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Table I.
Summary of data collection and analysis steps

Table I.

Time and type of Data	Event history	Preliminary analysis of sensegiving and sensemaking processes
June 2012: start of participant observation at combination's new headquarters. Coincides with announcement of main "Best of Both" decisions June-September 2012 (10 field notes)	Researcher enters as intern at company headquarters	Researcher works, talks and eats with Alpha and Beta employees at headquarters – the center of merger integration changes. He witnesses both Alpha and Beta employee sensemaking of Best of Both integration decisions
Mid-June 2012 (4 memos)	Focus group with Alpha Board insider, two Alpha middle managers and two Beta middle managers to discuss "Best of both" integration issues	This meeting took place right after the first "decision wave" on the reallocation of managerial responsibilities. No one contested the decisions, even when we prodded participants. All agreed to the sense of the decisions and the direction of the integration process. After the meeting the Alpha Board insider confided that a successful integration was not a foregone conclusion yet, and some more convincing was needed
October 2012 (1 memo)	Agreement by Alpha Board insider to grant extensive interview access	Very hard to get access, but Board insider will help us if we provide a quality report of our findings
February-April 2013 (35 interviews with middle managers, 2 with top managers of Alpha and Beta; 7 field notes about informal meetings at Alpha headquarters; at cafeteria, at coffee machine [...])	After having drawn up a list of 50 representative employees of Alpha and Beta, we manage to interview 37 with the help of Alpha's Board insider	These interviews took place starting 10 months after the announcement of the main "Best of Both" decisions and one month after the announcement of supplementary Best of Both decisions. The tone of the interviews was often very emotional in the case of Alpha interviewees, less so with Beta interviewees. Alpha interviewee pronouncements were generally quite raw and unstructured in nature, given the recency of events. This gave us a sense that we were capturing employee sensemaking at an active processual stage
End of March 2013 (2 external blogs)	Discussions about Beta's new dominance	Insiders testify that the merger has become a classical case of a reverse takeover. Alpha has become "Betaed"

(continued)

Time and type of Data	Event history	Preliminary analysis of sensegiving and sensemaking processes
<i>Start of coding of memos and interviews. Second round of coding to reorder the retrospective accounts in chronological order</i>		
May 2013 (start triangulation with Factiva secondary data 2010-2013)	Triangulation of primary and secondary data	Triangulation of retrospective interview accounts with secondary data reports available in Factiva
June 2013 (informal meeting with Board insider and research intern, 2 memos)	Discussion tentative findings with Board insider and intern	Presentation of initial findings to Alpha Board insider. Alpha Board insider says this is not a reverse takeover, since Alpha family shareholders are still in control. The whole operation was meant to quickly induce Alpha employees to accept transformational change. He confirms a "Trojan horse" – like process
Early November 2013 (4 memos; speech of main family shareholder at special assembly; speech by new Chairman)	Participant observant at conference with founding families; analysis of speeches	Conference reinforces the reality of the great importance of family shareholders in firm. The Chairman of Beta explains his actions in terms of these family custodians' historical moves, seeking their approval. Family shareholders give their explicit backing of the Chairman's "Best of both" decisions
End of November 2013 (2 memos)	Informal discussion with Consultant Director (second Board insider)	The consultancy company of this Director prepared and facilitated the Best of Both merger, providing third party legitimacy to the final decisions taken. The Director expresses his great satisfaction at the very smooth integration of Alpha and Beta. Things are going according to plan, with shareholders responding very positively
<i>May 2014: End of triangulation and coding: data saturation reached</i>		
July 2014 – present (3 memos, merger status report)	Former research intern obtains management position at combination	After discussing with his colleagues at headquarters level for a few months, one of the members of the research team confirms the transformational purpose of the merger: to preserve the continuity of Alpha by "waking up" employees to a new competitive reality

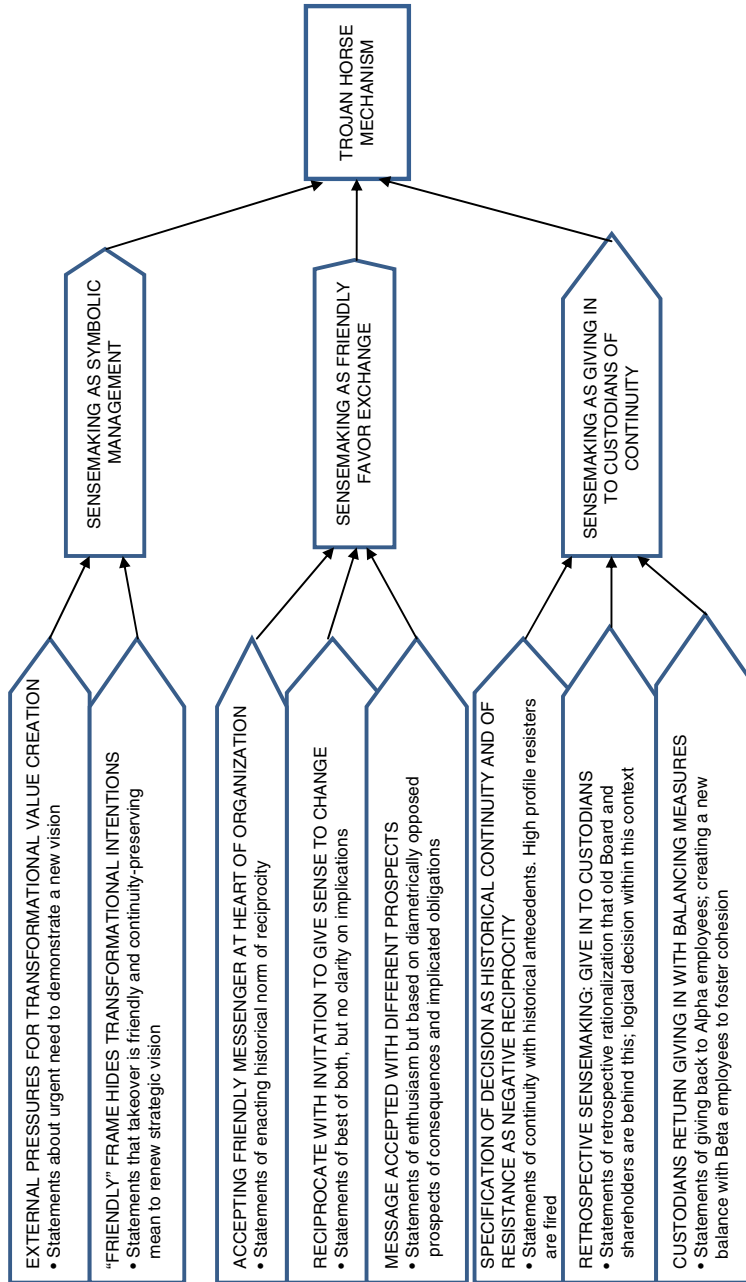


Figure 1.
Overview of the coding steps leading to the Trojan horse mechanism

management view, and paid sufficient attention to the middle management and staff perspective (Mantere and Vaara, 2008). Middle managers are particularly important channels of power, resistance and acceptance in strategic change efforts (Balogun and Johnson, 2005). More than senior managers, they are witness to the rumors, myths, accounts of past experiences and symbolic behaviors that employees use to make sense of impending changes; and in particular, whether they should accept or resist them (Isabella, 1990; Labianca *et al.*, 2000; Pondy, 1983). We asked the managers to discuss the different merger stages: first, the announcement of the friendly takeover; second, the appointment of Beta's director to the Executive Chairman position; third, the new Chairman's announcement of a Best of Both principle of strategic distribution; and four, the announcement of the distribution decision. Many interviewees tended not to follow a clear chronology in their narratives of sensemaking, which was expected given the rawness of emotions so soon after the executive decision. We interrupted interviewees' spontaneous story-telling as little as possible so as not to miss their "in vivo" sensemaking of causalities. At the same time, we made sure interviewees spent enough time discussing each of the different merger phases once they got their story off their chest.

To gain additional insight into executive sensegiving intentions, we consulted one Board insider throughout the entire merger process, and another Board insider toward the end. We also interviewed two top managers involved throughout the pre- and post-merger integration processes, from 2011 to 2013. We made memos of all top management interviews and external corporate communication about the merger reported in the Factiva database (2010-2013). Finally, in 2014, the student who did the research internship in 2012 and co-conducted the interviews in 2013 took up a position in the combined firm. This provided us with an opportunity to obtain post-merger insider insights.

Data analysis

We applied an inductive methodology with constant comparison of data and theory to analyze the case and make sense of it theoretically (Gioia *et al.*, 2013). By using this methodology, we assume that our case protagonists are knowledgeable agents who are able to describe and explain their thoughts and choices. As researchers, our task is to give an adequate account of the informant's experience both by describing raw primary data in memos and interviews, and by coding our data to higher order concepts for theory-building purposes (Locke, 1997). Coding to higher levels of abstraction serves to structure and translate case subjects' disparate understanding into a coherent new theory (Langley, 2009; Suddaby, 2006).

We coded all primary interview and memo data at our disposal. This resulted in three types of codes: first, in vivo codes, derived directly from the words and context of case protagonists; second, codes adapted from the existing sensemaking literature; and third, codes adapted from other theories only weakly associated with the sensemaking literature on rapid strategic change, such as gift exchange theory. After the data were coded, we recoded all memos and interview segments chronologically. We reordered the memos and segments according to the time period they referred to, creating a progression of data proceeding through different temporal and causal stages (Isabella, 1990).

Managers routinely construct sequential accounts of events to establish a line of causality that is clear and appealing (Putnam *et al.*, 1996, pp. 386-387; Shotter and Cunliffe, 2003). Given the inherently retrospective nature of sensemaking, this sequence is not always entirely accurate. To obtain a more accurate chronology, we triangulated the interview and memo data sequence with an independently constructed event timeline of merger integration processes. To this aim, we used secondary data – reports

and analyses – available in the Factiva database for 2010-2013. Triangulation allowed us to confirm a distinct temporal and causal chronology across the interviews, memos and secondary data.

Findings

By mid-2013, the integration of Alpha and Beta had come to a conclusion, almost a year earlier than analysts had predicted. Beta management was firmly and seemingly indisputably in charge. The new Executive Chairman was the former top executive of Beta who had been promoted to lead the strategic change project. In the period June 2012-January 2013, he decided to allocate a sizeable majority of strategic roles and responsibilities to his own staff at corporate headquarters. From an initial position of takeover dominance, Alpha employees found themselves in a position of dominated.

Remarkably, “regrets” notwithstanding, by April 2013 all but one of the 23 Alpha middle managers interviewed reported acceptance of the redistribution of roles and responsibilities to Beta. After a round of retrospective sensemaking, 22 Alpha interviews acceded to the Chairman’s logic and concluded that this decision was for the best of the firm. Only one Alpha middle manager expressed his disagreement and was hoping for Alpha’s Board members and shareholders to turn back the clock to preserve the old continuity. For the other 22, this was both unlikely and undesirable: Alpha’s power-holders backed the decision expressly to safeguard a new and more viable sense of continuity. Unsurprisingly, all the Beta employees interviewed confirmed the justice of the final distribution of positions and best practices.

A new causal logic emerged from the inductive data analysis, which we coded as the Trojan horse mechanism. Parallel to the mythical account of the Greeks and the walled city of Troy, the mechanism invokes the metaphor of besieged incumbents letting in a friendly gift that signals the end of the siege. Receivers feel obliged to reciprocate the gift by lowering their guard in two ways: by not “looking the gift horse in the mouth” (which would constitute a direct sign of hostility); and by welcoming the gift into the heart of the organization. The Trojan horse then reveals itself as an agent of transformational change from within that can no longer be stopped.

In sensemaking terms, the causal process of urgent strategic change may be illustrated by the Trojan horse metaphor. Faced with mounting external pressures to create transformational value, employees resist attempts at radical change. Executive sponsors of strategic change creation present employees with a gift: an organization that allows itself to be taken over without a fight yet promises to increase the combination’s competitive value. Employees reciprocate the friendliness of the takeover by lowering their guard to potential dangers inside. Cloaked in a friendly, non-threatening merger message, the Trojan horse takes insiders by surprise, revealing itself in its true transformational guise. Concluding that this is what their own shareholders and old Board wanted, and having committed to a reciprocal exchange by their own initiative, employees give in to strategic change obligations and accept the decision.

Below, we expound on our findings in terms of the three constituent parts of the Trojan horse mechanism: first, sensemaking of change as symbolic management; second, sensemaking of change as friendly favor exchange; and third, sensemaking of change as giving in to custodians of continuity. We summarize the temporal and causal sequence of the mechanism in an emerging model that shows how employees make sense of urgent strategic change (Figure 2). Finally, Table II summarizes representative quotes of each of the three temporal and causal components, in addition to field notes, reports and interview quotes integrated in the text.

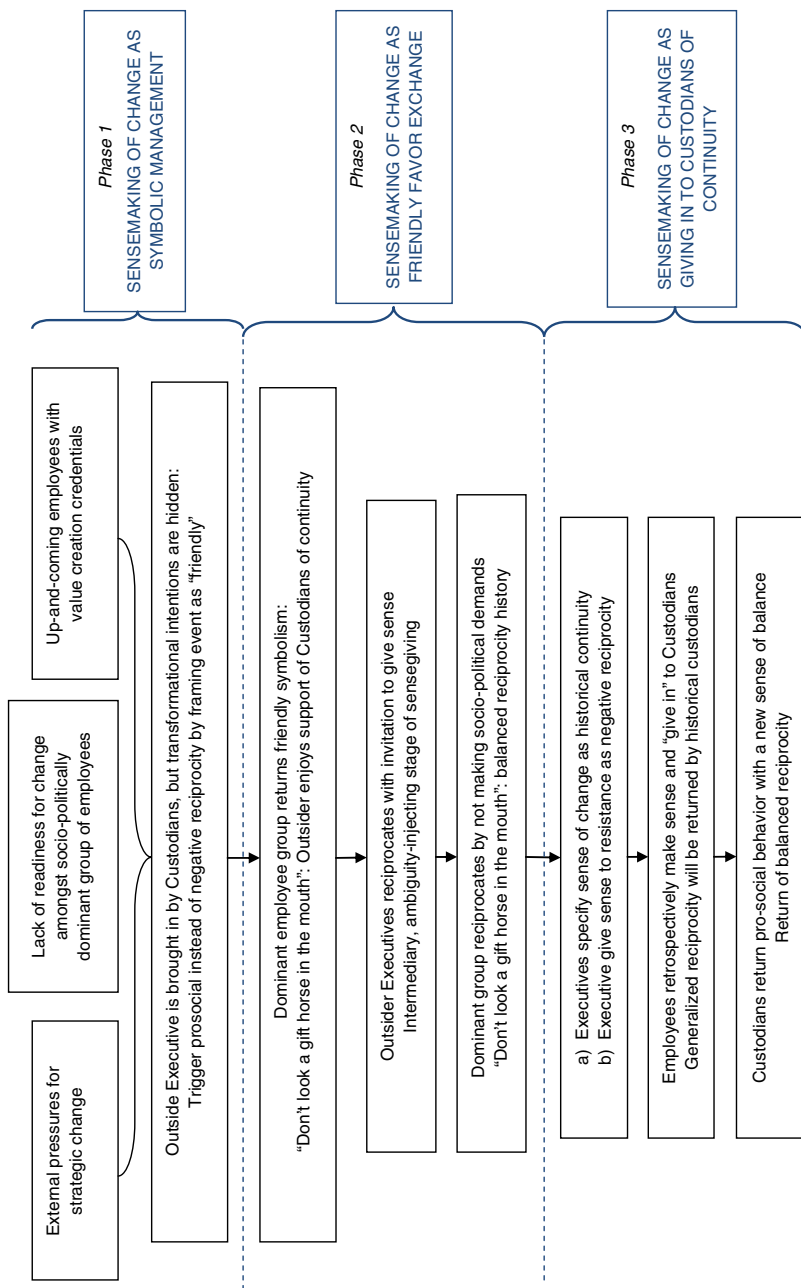


Figure 2. The Trojan horse mechanism: employee sensemaking of fast strategic change

Table II.
The three
sensemaking stages
of the Trojan horse
mechanism

<i>Sensemaking as symbolic management</i>	<p>“We won’t be able to transform on our own. That’s why we are preparing to take one of the biggest steps in [our] history [...] in the form of a strategic acquisition.” (Memo 2; Field notes of internal report, May 2012)</p> <p>“Our Chairman explained there is a lot of pressure on us to act. We really have to do something with our cash pile and show we have a vision. An acquisition would help.” (Interview Alpha middle manager 8)</p> <p>“Why did [Beta] stand out as a first choice? Well, it shed its old industrial past very successfully and now embodies the future of our industry. Beta is not burdened by the past like others. It is a friendly takeover. They are willing to help us achieve our goals. Their leader is very gifted and we see him and his firm as real gift to us.” (Memo 6; extract of interview with Top manager 1)</p> <p>“At the announcement I thought, well great, not too bad at all. With the financial crisis and the pressures in our industry, we need to do something to stay internationally competitive. And our experience of prior acquisitions is we should be confident. And it’s not because we are the acquirers that we shouldn’t be open to learn. We’ve always done things in a friendly and collegial way here. Yes, this could really be a gift to us.” (Interview Alpha middle manager 5)</p>
<i>Sensemaking as friendly favor exchange</i>	<p>Alpha middle manager 2: “Hiring someone from the outside with a complementary external view as Chief Executive was a very good choice. We really need that oxygen bubble.” (Interview with Alpha middle manager 2)</p> <p>“The truth is no-one on the inside can push through the transformation we need. Beta’s leader is the only one that can do it.” (Memo 3; Board insider conveys real intentions)</p>
<p><i>Theme 4.</i> Invite the top 500 managers to give sense to strategic change</p>	<p>“Our leitmotiv is ‘to take the best of both groups’ by relying both on an organization per region, as Beta wanted, and an organization per category, as Alpha desired” (Memo 18; Internal report September 2012)</p> <p>“We don’t really know what the implications of this message are. We need more communication from our hierarchy. Even saying you have nothing to communicate is information!” (Memo 19; field notes September 2012)</p> <p>As early as April 2011, employee representatives of Beta had insisted on a Best of Both approach: “the best practices in both organizations should be identified, shared and used to construct the new organization” (Memo 17; internal Beta report, July 2012)</p> <p>“Their message was they would take the best of both. I found that message very clear and very enthusiastic. No one is perfect, and no organization is perfect. The idea of taking the best of both to make one strong organization, that was super!” (Interview: Alpha middle manager 3)</p>
<p><i>Theme 5.</i> Message accepted with different prospects for change</p>	<p>“Our business model, installed by our chief executive, is good. What we have, an entrepreneurial vision, is lacking at Alpha. Their business model is the one we had ten years ago. That’s why taking the Best of Both makes sense [...] Alpha should adopt our strategy and methods” (Interview: Beta middle manager 2)</p> <p>“What we really have to avoid is to apply Alpha’s recipes of the past. That will only bring more of the same, and the same is obsolete now.” (Interview : Beta middle manager 6)</p>

(continued)

Sensemaking as giving in to custodians of continuity

Theme 6. Specification of change decision

"There is a saying that nice trees have strong roots – and I think that's a good image. My mandate is very clear: to carry out the necessary actions so that in 20, 30, and 50 years Alpha remains a global leader." (Memo 34; Executive Chairman explains continuity between past and future)

"In my view, change could only have happened because of the controlling shareholding of the Alpha families. Over the past 150 years, these shareholders have demonstrated their commitment to a long-term strategy for the business." (Memo 35; Executive Chairman underlines the role of Alpha's custodians of continuity)

External blog: "This is becoming a real reverse takeover: [Alpha] managers that refuse to toe the line are sent away, fired basically, and [Beta] top managers are rapidly taking up the top management places"

"How could this be a reverse takeover, Alpha shareholders are still in control" (Memo 39; Board insider 1)

"I think they [Alpha shareholders and old Board] just did this to shake us up a bit, to wake us up to the need to change" (Interview Alpha middle manager 21)

"Our shareholders have bought and chosen him. He does what he has been hired to do. He does as well as he can in the interest of the group. Clearly, he's surrounding himself with his own people. But it's coherent with his mission." (Interview Alpha middle manager 20)

"We totally misjudged the impact of Beta's top executive becoming the new Executive Chairman. We did not imagine there would be a real performance-based integration and that executive power would shift to Beta on that basis." (Alpha middle manager 7)

"This simply reflects the necessity for any chief executive of any large organization to work with people he is used to working with. Of course he has the right to do this, especially since our shareholders wanted this." (Interview: Alpha middle manager 5)

"We were ill-prepared. This was completely different from prior acquisitions. If we could go back in time, we would act very differently, much more aggressively, fighting for our rights and position like the managers of Beta did. But we cannot, and since it is also of our own doing, we will have to live with this" (Interview Alpha middle manager 11)

"Generally speaking, when a firm buys another, the buyer takes the top management positions. We're in a different situation here. It is more of a merger. And the reverse has happened with top management. The majority of top 50 managers are from the acquired company. That was not in the line of expectations. I guess there was a willingness at the top for things to happen this way." (Interview: Alpha middle manager 19)

"I have the feeling that a real effort was made to choose the best person for the job." (Interview: Beta middle manager 13)

"I have complete confidence in what this organization is becoming. Nevertheless they should do more to foster the cohesion of the merger. The atmosphere in the company used to be friendlier and less adversarial." (Interview: Alpha middle manager 19)

"They said the profit sharing plan was for everyone to feel as belonging to the same Group and have a common objective. The promotion of the ex-Alpha manager was again presented as everyone belonging to the same Group and promoting mobility between every business." (memo 45; field notes of student now employed at firm)

Theme 9. Custodians return staff's "giving in" with a new sense of balance

Period 1: sensemaking of change as symbolic management

Theme 1. External pressures for strategic change.

The 2008-2009 world crisis precipitated an international collapse in the demand for Alpha's industry. In the eyes of financial investors, this exposed Alpha's product portfolio as too mature and commoditized to ensure future value creation. Facing the same conundrum, some of Alpha's main competitors opted for the strategic change shortcut of a large acquisition or merger. Alpha's management had been questioning the future of its firm years before this, concomitantly with considerations of possible acquisitions. Engulfed in a global crisis, Alpha's Chairman in 2010 announced the firm would look for a complementary takeover target. In 2011, Beta became a friendly takeover target for three reasons. It had become one of the last resorts to stave off financial analysts' and shareholders' diffidence. The firm offered geographic and product complementarities. Last but not least, Beta's executives had recently managed to save their firm from the brink of financial bankruptcy and strategically overhaul it:

Theme 2. "Friendly gift" frame hides transformational intentions.

Although Beta's strategic change direction was on a sounder footing than Alpha's, suggesting Beta could become the dominant party, Alpha and Beta executives jointly presented the merger as a "friendly takeover." Alpha's Chairman went as far as branding Beta a gift that would help the firm renew its continuity and its old stake to global leadership:

That Beta is willing to join us under our own name is a real gift for our future. Beta is a twenty-first century firm that is very well led and will help us rejuvenate and find a new continuity. We should be really happy about this, we have been fortunate.

Beta's and Alpha's top executives jointly emphasized the overriding purpose of the two firms joining forces was not to reap strategic synergies, but to obtain the critical mass of resources to have a claim to international leadership. The minimal overlap of activities between Alpha and Beta, be it product-wise or geographically, served to reassure employees of the complementary, continuity-preserving nature of the merger agreement. The purpose of the takeover was not radical change, but to relieve Alpha employees from external pressures for such change:

We were all happy. Beta did appear like a real gift. It was a real opportunity to broaden our competitive capabilities easily, away from the radical change scenario (Interview with Alpha middle manager 2).

Upon announcement of the takeover, Alpha's Chairman announced his imminent retirement in favor of the Chief Executive of Beta. His imminent retirement would leave Alpha's staff without recourse to socio-political guarantees in the integration process. To reassure his staff, the retiring Alpha Chairman denied that his successor would disrupt the firm's continuity:

Although he [Beta director] will undoubtedly take a different approach, we share the same values and sense of justice (Memo 9: Alpha Chairman).

Alpha had amassed a war chest, but lacked the transformational credibility of Beta. Beta's director would help Alpha's perception of how to use its cash pile strategically:

Something needed to be done. We were under so much pressure to show we could adapt and change. He [Beta director] brings a welcome outside view as to how we can effectively use our growing cash pile (Memo 13: explanation by Alpha middle manager 4).

Nevertheless, Board insiders privately explained the motivation for this rapid succession by pointing out that Alpha's shareholders and executive team had become exasperated with the lack of employee readiness for strategic change. Alpha's Board had concluded that only an outsider and management team versed in transformational change could safeguard Alpha's long-term fortunes. Instead of communicating this clearly to their staff, outgoing Alpha executives preferred to maintain silent as to the true nature and consequences of the new leader's change mandate:

People underestimate to what extent Alpha's Board wants to shake up things. They did not ask [Beta's leader] to manage Alpha like his predecessor. They really gave him a mandate to transform the company. They hired him for his transformational credentials (Memo 12, Beta top manager 1).

The new leader phrased it as follows (interview with new Beta Chairman):

I was asked to keep by Alpha Board members and shareholders to keep a low-profile and avoid at all cost of appearing arrogant or giving any hints of change intentions that could cause negative rumours to take root and diffuse.

Period 2: sensemaking of change as friendly favor exchange

Theme 3. Giving sense to change executive as friendly messenger.

Custodians of exemplary historical behavior are central to the executive sensegiving of "present and future prospects" (Soares, 1997, p. 14), and employees' sensemaking of what to do next (Dacin and Dacin, 2008; Shils, 1981). Alpha's custodians, the lineage of family shareholders going back 150 years old, gave their reassurances about the continuity-preserving nature of the takeover and the ascendancy of Beta's leader to the Group Executive Chairman position. Alpha's managers felt confirmed in their own assumptions of dominance:

We understood that our positions were secure (Interview: Alpha middle manager 4).

Alpha's staff perceived the Chairman's succession as a largely symbolic affair, a convenient way to fend off pressures for radical change. They saw no harm in reciprocating Beta's friendly takeover gesture by welcoming its top executive as the new Chairman:

We did not question him being appointed the future group executive chairman, to continue in a spirit of friendship and bolster integration of the two parties (Interview: Alpha middle manager 5).

Employees regularly use their past change history to make sense of the present and the future. If the past invokes trustworthy leaders meting out organizational justice, employees will be motivated to join (Isabella, 1990). Alpha employees' willingness to reciprocate was steeped in a historical norm of reciprocity, and a sense of socio-political dominance:

This is a place where people are nice to each other, where there is solidarity, where people help each other. That is a very important continuity in our history, which we cherish (Interview: Alpha middle manager 7).

The consequences of this concession did not scare us at all. We made acquisitions before. We imagined integration would proceed as in the past (Interview: Alpha 8).

Theme 4. Invite the top 500 managers to give sense to strategic change.

A primary mechanism for creating employee readiness for change is the leader's message for change (Armenakis *et al.*, 1993). Such a message carries greater weight if a convincing

case can be made that the current performance of the organization is insufficient and far removed from a desired end state (Katz and Kahn, 1978; Pettigrew, 1987). Alpha was profitable and performing on a par with industry competitors. Hence, the new Chairman could not convincingly make the case that Alpha employees and practices had to radically improve their ways. Seeing that Alpha employees accepted him at the heart of the organization, the Chairman preferred to hide his transformational intentions by announcing that strategic responsibilities and methods would be allocated following a friendly “Best of Both” logic.

To further commit the largest number of managers to his still very ambiguous change project, the Chairman gave the top 500 managers the opportunity to give sense to strategic change priorities: the Chairman instructed his top executives not to specify the potentially radical consequences of a Best of Both logic, but kept their message deliberately ambiguous (Corley and Gioia, 2004; Memo 14: private explanation of Board insider 1). Some Alpha middle managers asked for explicit confirmation of their dominance in the “Best of Both” approach. Neither the old Alpha hierarchy nor the new Chairman attempted to remove ambiguity about the validity of this assumption. By contrast, sensegiving to Beta employees was less ambiguous:

Yes, communication is timely and appropriate. It mainly comes from our old hierarchy though (Interview with Beta middle manager 9).

Theme 5. Friendly message accepted, but with different prospects.

To gauge the probable future impact of the Best of Both approach, employees engaged in a more prospective type of sensemaking. Unable to find a meaningful historical precedent in previous acquisitions, Alpha employees made sense of the Best of Both message as a form of symbolic exchange of friendly gestures, not a threat to their dominance:

We expected that our methods would remain preponderant. We were happy with a more equal treatment than with prior acquisitions. But still, we imagined that in the end we would retain our dominance. So we did not really make an aggressive case for our methods and for our dominance. We took it for granted (Interview: Alpha 10).

Beta employees, however, highlighted a very different prospect:

The people of Alpha think: “things are running smoothly for us, don’t fix what isn’t broken.” So, they are not ready for real change. We, on the other hand, want to make something really new, open our minds, become entrepreneurial [...] we are totally going for strategic change. That is why taking the Best of Both makes sense (Beta middle manager 4).

Period 3: sensemaking of change as giving in to custodians

Theme 6. Specification of change as historical continuity.

Alpha managers were unprepared for what followed. The new Executive Chairman pushed aside power considerations to carry into effect the Best of Both principle solely on the meritocratic basis of being prepared to engage in transformational change. This really favored Beta managers, who had only recently enacted a comprehensive transformation of their organization and were more single-minded in their pursuit of strategic responsibilities. As testified by one of Alpha’s top executives:

Many at Alpha did not understand what happened. They arrived like sympathetic boy scouts saying “We’ll explain how to do things here.” Beta’s people, by contrast, were armed to the teeth, thinking: go ahead and explain, but I want your position.

The Executive Chairman specified the sense of the proposed distributive shift to Beta executives and practices as continuous with more than 100 years of Alpha history. Central to the Chairman's sensegiving at this stage were references to the firm's long-term family shareholders as custodians of long-term continuity:

The Trojan
horse
mechanism

Our history makes me more confident that the transformation will be successful. Some people think that for the first 150 years of our existence, life was nice and simple, and that now everything is changing. That's just not the reality. Looking back, the group has taken many different turns and made many breakthroughs. The one constant is that we have been supported by long-term family shareholders. For a century and a half, they have protected our long-term interest.

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Concurrent with the announcement of the Best of Both outcome in January 2013, the Executive team launched a new logo to symbolize the need for a renewed identity continuous with the values of the past. Remarkably, the logo's title was "asking more from ourselves":

The new logo had to be faithful to our history while projecting it into the future [...] It reflects our ambition to always ask more from ourselves, to surpass ourselves (Field notes February 1, 2013).

In March 2013, the family shareholders gave their public backing to the Best of Both outcome by specifying the historical continuity of a performance-based change focus:

Performance, efficiency and values have allowed us to build this history. Yesterday's ingredients to success will be key to tomorrow's success. We understand how hard it is to be called into question. We assume responsibility for it. But not considering the challenge, or refusing it, would penalize many generations of effort in this sense [...]. We have always been able to anticipate disruptive trends in the industry; this time should be no different (Speech by one of the main family shareholders and Chairman of the Board on March 18, 2013).

Theme 7. Giving sense to resistance as negative reciprocity.

Four Alpha interviewees explicitly made sense of the change outcome as a reverse takeover:

We have the impression that it's Beta that has acquired us with our own money. Not only has the Chief Executive [of Beta] become our boss, [but] during integration, the management of Beta has obtained the majority of executive positions [...]. Our shareholders should do something about this; they should step in and stop it all (Interview with Alpha middle manager 3).

Turning the table on resisters, the Chairman made an example of Alpha top managers who disavowed the outcome. Several Alpha top managers left, refusing to accept their demotion or being urged to leave. In the words of an Alpha middle manager:

They [Beta managers] are now clearly showing who is in charge. It was humiliating for my [Alpha] boss to be told, against all odds, that he would now be in a subservient position to the new Beta manager who would soon take his place. So he chose to leave. Other top managers were gently asked to leave if they could not live with the decision, if you understand what I mean.

In essence, the new Beta executive team made sense of resistance as negative reciprocity, i.e. anti-social behavior that had to be punished to discourage further anti-social actions (Alexander, 1987; Schroeder *et al.*, 2003; Vidmar, 2000):

Saying out loud that this is a reverse takeover is using a forbidden language (Alpha middle manager 14).

Saying that this is a reverse takeover is just nonsense and damaging to the integration of the two firms. How could this be a reverse takeover by Beta, Alpha shareholders are still in control (Board insider 2).

Theme 8. Retrospective sensemaking: giving in to custodians of continuity.

All Alpha interviewees had been taken aback by the Best of Both outcome. One of the interviewees explicitly called for organized resistance in light of this “reverse takeover,” even asking the old custodians to step in overrule the outcome. Custodians, however, kept their silence and did not intervene. As a result, most interviewees started searching for alternative explanations and appropriate courses of actions. In face of the disciplining of resisting Alpha managers by the new Beta Chairman, interviewees retrospectively made sense of the outcome through the lens of acquiescing custodians rather than the Beta Chairman. Construing what was happening as a continuation of a reciprocal exchange with their custodians, Alpha employees felt obliged to give in. Giving in indicates prosocial behavior in which an exchange party reluctantly engages, in response to powerful third party social pressures (Cain *et al.*, 2014):

The only way I can make sense of these changes is that they were wanted from the start by our family shareholders. They have given carte blanche to the new Executive Chairman to transform our organization (Interview: Alpha middle manager 16).

Whether good or bad for us, we have to accept this for the greater good of the company. Our shareholders are looking to him [the new Executive Chairman] to make a difference, and we have to follow them (Interview: Alpha middle manager 14).

Beta employees also influenced Alpha employees’ retrospective sensemaking. They stressed the continuity between the Best of Both announcement and the Best of Both decision:

In fact, everything was said at the beginning. They had announced they would take the best person for each position. But many on Alpha’s side did not really believe this (Interview: Beta 13).

A few months after the announcement of the Best of Both distribution results, all but one Alpha interviewee had given their backing:

He [the Executive Chairman] is in a hurry; we understand he wants to go fast. It is easier to work with teams and people you know. I now realize we needed a new direction, a new dynamic, to change work habits and shake things up. We were a bit paralyzed (Interview: Alpha 21).

The vision is there, we understand now what they are trying to achieve (Interview: Alpha 24).

Theme 9. Epilogue: custodians return “giving in” with a new sense of balance.

“Giving in” is a performative act that reflects the existence of a norm of generalized reciprocity (cf. Cain *et al.*, 2014). Employees engage in it assuming that it will enhance their reputation, while increasing the likelihood of getting something back in the future from exchange partners that – through their generous behavior in the past – have acquired a reputation as custodians of reciprocity (Feinberg *et al.*, 2014; Kahneman *et al.*, 1986; Nowak and Sigmund, 2005). The custodians of the past – Alpha’s founding family shareholders – had shown themselves to be generous in the past. It took almost a year for them to reciprocate Alpha employees’ giving in. With their approval, the Executive team announced a Profit Sharing Plan which would entitle all employees

equally to a performance-based bonus. In addition, one ex-Alpha marketing manager was promoted head of a former Beta business unit. Executives had been keen to avoid socio-political compromises before their strategic redistribution decision. They were now more willing to attend to Alpha employees' demand for socio-political cohesion. The symbolism of returned favors resonated with younger generations of managers, but less with the oldest employees:

There is more cohesion now. Only the older employees are "giving up." They are waiting for their retirement or asking to work part-time. They know things will never be like they were before the merger. Alpha has become a normal company for them, not the special family company it used to be (Memo 17: field notes of student now employed at the merged firm).

Discussion and managerial implications

This paper investigates how executives can rapidly gain employee acceptance for strategic change through reciprocal sensegiving. There is a paucity of research on this topic at the intersection of employee justice and sensemaking concerns (Monin *et al.*, 2013; Sakuma-Keck and Hensmans, 2013). Nevertheless, there is a need to understand how employees can be induced to quickly give in to uncomfortable change imperatives given the abysmal success record of executives facing such a justification puzzle (Beer and Nohria, 2000; Kotter, 1996; Thomas *et al.*, 2011).

The temptation for executives is to either force substantial change on employees, or to symbolically manage demands for urgent change to keep employees on their side. Imposed executive change rarely works because it does not take into account employees' socio-political power at the structural level of norms and practices (Cooper *et al.*, 1996; Feldman and Pentland, 2003). On the other hand, keeping employees on one's side rarely results in substantial change. Facing the gauntlet of employees clinging to continuity, many executives prefer not to touch socio-political balance by decoupling espousal and actual implementation of strategic change (Fiss and Zajac, 2006).

This paper explores a different sensegiving approach to the above sensemaking puzzle, i.e. the problem of getting employees to "own" urgent strategic change without the justification of a prior crisis. As revealed in this case, executives use the lens of gift-giving and gift-returning to transform the normative basis of employee sensemaking from balance of power considerations to prosocial imperatives of strategic change. We draw on the Trojan horse metaphor to illustrate this mechanism.

While the Trojan horse mechanism has remained unexplored in the management literature, it is regularly invoked in the political economy literature as a solution to a particularly challenging change problem (e.g. Caraway, 2006; Earl and Peng, 2012; McCoy and Friedman, 1988). For instance, Stevenson (2006) draws on the Trojan horse metaphor to analyze Western rule-of-law initiatives to induce the Chinese government to open its doors to legal reform. He discusses the argument that once the Chinese government accepts a small piece of legal reform, it will no longer be able to stop the multiplication of further reforms throughout the Chinese system. Applied to the problem of rapid strategic change in a non-crisis context, the Trojan horse mechanism is a solution to the question: how can executives avoid lengthy socio-political confrontations and influence employees to give in to the strategic change imperatives of a rapidly changing environment? The short answer is by using their sensegiving power to create a prosocial norm of sensemaking that obliges employees to reciprocate positively to strategic change demands.

The dynamic of gift-giving is central to the Trojan horse mechanism. As the expression goes, it is not done to look a gift horse in the mouth, as this would represent a direct sign of unfriendliness and hostility (Schwartz, 1967). Gift-giving is not a neutral act, however. It creates obligations of service and reciprocation among recipients (Brett *et al.*, 1998; Mauss, 1924). Knowing this, executives cloak their substantive change intentions as a symbolic token of friendship: a favor to employees who are now buffered from external pressures. Favors come with obligations: employees lower their guard toward the friendly token. When the friendly gift reveals itself as an insider force for substantial change, employees retrospectively make sense of it as the reference point for continuity-preserving action. They reluctantly give in to strategic change imperatives.

Prosocial and continuity-preserving sensegiving

Trojan horse sensemaking follows a different pattern than what is usually documented in the literature on rapid strategic change. Common to this body of work is the assumption that executive sensegiving should start with sensebreaking (Maitlis and Christianson, 2014, p. 76). Executives attempt to trigger and redirect employee sensemaking by undermining the viability of the previous direction, while conveying the importance of adopting a new direction (Lawrence and Maitlis, 2014; Pratt, 2000; Sonenshein, 2010). Sensebreaking does not necessarily bring the desired effects, however, whether for current or future strategic change projects (Maitlis and Christianson, 2014). It is less effective when facing a strong organizational identity and members' efforts to buffer their sensemaking from executives' unlearning discourse (Nag *et al.*, 2007). Overcoming such identity barriers requires intensively negative sensebreaking that can severely damage individuals' sense of identity, leaving them de-energized and emotionally stricken (Huy, 2002; Maitlis, 2009).

Furthermore, sensebreaking creates sensemaking residuals that significantly reduce executives' sensegiving options in future change projects (Mantere *et al.*, 2012). A sense of urgency can induce executives to radically discredit historical beliefs and employee identities to a degree that any sense of a successful past is destroyed in organizational memory. Ambiguity about the relations between the past and the future facilitates the mobilization of employees with conflicting viewpoints for a common strategic change project (Corley and Gioia, 2004; Kaplan and Orlikowski, 2013). When recollections of failure lie at the forefront of employees' retrospective sensemaking, executives will not be able to exploit ambiguity about the past to give sense to the future (Sillince *et al.*, 2012). The past will inspire cynicism and distrust, leading employees to negatively reciprocate in new change projects (Deckop *et al.*, 2003; Devos *et al.*, 2007; Karniol and Ross, 1996).

In the Trojan horse mechanism, executives do not attempt to redirect sensemaking through sensebreaking, i.e. by taking established meanings away from employees and asking them to give in to substantive change demands. Instead of taking, executives rely on a more prosocial giving symbolism. Many open questions remain on the triggers, motivations and effects of prosocial behavior in organizations (Grant *et al.*, 2008; Grant and Berry, 2011). What is known is that framing one's actions as giving instead of taking makes a big difference, even when the objective outcome is identical (Keysar *et al.*, 2008). Framed as giving, executives' sensegiving of strategic change will induce prosocial sensemaking from employees in the form of returned favors and greater openness to substantial change (cf. Cialdini, 2001; Grant and Berry, 2011). Framed as taking, sensegiving will invite negative reciprocation from employees willing to discourage anti-social behavior (Heider, 1956).

The prosocial exchange at the heart of the Trojan horse mechanism is founded on sensegiving practices that seem to preserve continuity for employees: sensehiding of transformational intentions, followed by an ambiguity-injecting change message that accommodates conflicting employee prospects, ending with sense specification that seeks justification in the power of the past. The executives' purpose throughout this sensegiving sequence is to lower employees' socio-political guard and induce them to participate in a symbolic exchange of favors.

Practices that performatively appear to preserve continuity can be an important source of structural change (Feldman and Pentland, 2003). By co-performing a symbolic exchange, employees co-author a structural change: a new norm of reciprocity that favors strategic change over socio-political balance. At the moment of sense specification, executives make this normative change explicit by asking employees to implement its consequences. Through the lens of custodians, who are the historical symbols of strategic change, employees retrospectively make sense of their performativity within this new norm. The performativity of employees' prospective and retrospective sensemaking practices provides for a strong symbolic identification with a strategic change project. This, as much as real choice and participation, produces commitment to strategic change at a structural level (Balogun and Johnson, 2004; Cooper *et al.*, 1996; Corley and Gioia, 2004; Mantere *et al.*, 2012; Pfeffer, 1981, p. 207). Figure 3 summarizes the relation between performative continuity and structural change in projects of rapid strategic change.

Custodians and employee sensegiving to power and justice

This paper also contributes to the relatively underinvestigated question of how executives can use their sensegiving power to effectively influence employee sensemaking (Maitlis and Christianson, 2014; Weick *et al.*, 2005). Executives in charge of strategic change projects are often depicted as reactive users of power. They adapt in response to normative perceptions of injustice, particularly staff resistance or turnover (Buono and Bowditch, 1989/2003; Stahl *et al.*, 2011). In contrast, we contribute to research that explains how executives proactively use their norm-shaping power to influence sensemaking. An emerging body of work has started to explore the social construction of norms of justice as part of organizational change (Fortin and Fellenz, 2008; Watson, 2003). A very recent finding is that the social construction of power and norms of justice go hand in hand, and can reinforce each other (Monin *et al.*, 2013). The Trojan horse mechanism adds to our understanding of how such a reciprocal construction of executive power and employee justice can be initiated and developed over time.

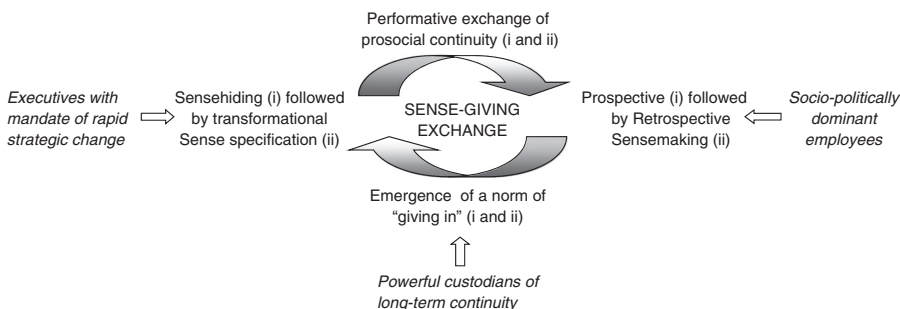


Figure 3.
How the performative exchange of continuity and custodians' third party normative pressure induce employees to "give in"

Three key parties are involved in the reciprocal construction of executive power and employee justice in projects of urgent strategic change: executives, who lead sensegiving processes; employees, who make sense of a possible loss or gain of power; and the organization's custodians of continuity, who play a pivotal third party role. The role of custodians in giving sense to employee norms of justice and justifying executives' use of power is rarely discussed in management theory (Dacin and Dacin, 2008). Nevertheless, as carriers of effective conduct from the past into the future they are useful for leaders of any organization with a sense of history (Jacobs, 2007, p. 140; Shils, 1981; Soares, 1997).

Recent research has posited the importance of custodians in leaders' and employees' sensemaking of how to meaningfully renew the direction of an organization (Howard-Grenville *et al.*, 2013). This paper adds to this body of research by clarifying the importance of custodians in urgent strategic change projects as the third party that enhances both executives' sensegiving power and employees' sense of historical justice. Most of the literature that focusses on the politics of sensemaking processes singles out the role of power struggles, whether between executives and employees or between rival employee subgroups (cf. Maitlis and Christianson, 2014, p. 98; Weick *et al.*, 2005). Our research suggests another possibility: employees do not accept executives' justifications of an urgent strategic change decision in relation to power struggles, but by making sense of custodians' exemplary behavior. This calls for much greater attention to the normative and political authority of custodians in urgent strategic change projects. Actively relying on custodians to revive the power of the past facilitates executives' justification of radical changes and reduces the odds of protracted power struggles (cf. Weber and Dacin, 2011).

Transformational leadership: sensegiving paradox

Firms very often rely on the panacea of an external leader with transformational credentials to execute rapid strategic change. While leadership is fundamentally concerned with the "management of meaning," transformational leaders excel at giving sense to change through an inspiring vision (Bass, 1985; Denis *et al.*, 1996; Gioia and Chittipeddi, 1991; Gioia *et al.*, 1994; Smircich and Morgan, 1982). Up to now, management scholars have not been able to establish a clear relationship between executives' transformational leadership credentials and their ability to effectively shape organizational justice norms (Bach and Walker, 2013, p. 676; Den Hartog and De Hoogh, 2009; Parry and Proctor-Thomson, 2002; Pillai, *et al.*, 1999).

Our research opens up an avenue for processual thinking in research on the sensegiving effectiveness of transformational leaders, yielding paradoxical insights (Langley *et al.*, 2013). In this case, Alpha's custodians chose Beta's top executive as the new Chairman of the merged organization for his transformational credentials. Nevertheless, custodians' power and "long view" credentials emerged as being more important than the transformational leader's credentials for employees' sensemaking purposes. In sum, our work indicates that a leader's visionary credentials are not the main source of her norm-shaping power in a project of urgent strategic change. Visionary credentials are welcomed by the dominant group of employees as long as they are framed as a symbolic management exercise that will not substantially impact socio-political balance. Substantively, employees make sense of the justice of urgent strategic change primarily through the lens of custodians and their "power from the past."

Remarkably, transformational leaders are most effective when they do not make their intentions readily apparent, but cloak them in a transitional, friendly change message.

Employees will more readily accept a friendly rather than a transformational message of change for two reasons. Instead of perceiving a possible attack on their identity and sense of continuity, a friendly message conveys positive reciprocity expectations, triggering prosocial rather than defensive sensemaking processes (cf. Beer and Walton, 1987; Cording *et al.*, 2014). Second, it injects considerable ambiguity into sensemaking processes, allowing employees with very different outlooks on the future to commit themselves to the same project (Gioia and Chittipeddi, 1991; Clark *et al.*, 2010; Monin *et al.*, 2013). A Best of Both message conveys such a combination of positivity and ambiguity (Zaheer *et al.*, 2003). When a transformational leader finally specifies the strategic consequences of her change message, she turns to custodians' change credentials rather than her own, framing changes as continuous with similar episodes in the past.

Limitations of the Trojan horse mechanism: dark side of prosocial sensemaking

In many ways, the Trojan horse mechanism elucidates the underexplored, darker side of prosocial sensemaking dynamics, particularly the way in which employees are normatively pressured to give in to the general interest – as defined by new executives and longstanding custodians. The darker side of prosocial sensemaking primarily resides in the managerial use of ambiguous and intransparent procedures and rules in change projects, i.e. in the lack of procedural justice. In the long run, the management of procedural justice is equally important to employee sensemaking. Procedural justice refers to the perceived fairness of the rules and procedures used to determine the outcome of distributive justice (Dailey and Kirk, 1992; Lind and Tyler, 1988; McFarlin and Sweeney, 1992). Clear communication about the rules of engagement and sufficient opportunities to participate in resource allocation decisions contribute to enhanced feelings of procedural justice (Elsass and Veiga, 1994; Marks and Mirvis, 1998). Distributive and procedural justice perceptions are not necessarily aligned (McFarlin and Sweeney, 1992). The Trojan horse mechanism thrives on a lack of transparent procedures and rules, focussing on obtaining employee acceptance of a decision's distributive rather than procedural justice.

Working with sources and voices of resistance from lower levels of management is more likely to yield symbiotic integration benefits (Balogun *et al.*, 2011; Ford *et al.*, 2008, Thomas *et al.*, 2011; Vaara and Tienari, 2011). This begs the question as to whether the Trojan horse mechanism sacrifices long-term reciprocity for short-term purposes. Employees' reciprocal response in future strategic change projects will not necessarily be positive. A prior use of the Trojan horse mechanism will be imprinted in organizational memory (Walsh and Ungson, 1991; Weick, 1995). Following the example of executives in this case study, use of the Trojan horse mechanism should be followed by attention to socio-political balance concerns, including new procedures that clarify the link between strategic change aims and employees' collective contribution. Without such a cohesion-building exercise, employees' feelings of procedural injustice may build up, resulting in negative reciprocity in subsequent change projects (Brett *et al.*, 1998). Further research should clarify the long-term advantages and disadvantages of the Trojan horse mechanism.

Conclusions

Sensemaking struggles over the justice of a particular organizational direction lie at the heart of strategic change. Change will only succeed if executives are able to obtain an employee buy-in (Kotter, 1996; Quinn, 1996). This is particularly so in a context of

urgent strategic change, in which both the stakes and time pressures on employees are high. The ability to establish a positive reciprocal relationship between executive sensegiving and employees' sensemaking is critical in this regard. The properties of reciprocity as a mechanism to facilitate a virtuous relationship between sensegiving and sensemaking have remained underdeveloped in the strategic change literature. Likening executive sensegiving and employee sensemaking to a gift exchange, we elucidate these properties under the name of the Trojan horse mechanism. The mechanism relies on sensegiving processes that trigger prosocial and continuity-preserving sensemaking responses: sensehiding of transformational intentions, an ambiguity-injecting change message that accommodates conflicting employee prospects, and sense specification that seeks justification in the power of the past – triggering retrospective sensemaking through the lens of historical custodians rather than current executive leaders. Following this sensegiving sequence, executives transform the normative basis of employee sensemaking from socio-political entitlements to giving in to strategic change imperatives, enabling them to quickly execute a strategic change project. In sum, this paper clarifies the very substantive effects of symbolically framing urgent strategic change as a prosocial exchange of gifts. Commitment is produced as much by the strong symbolic identification conferred by the act of giving as by real choice and participation. This study also sheds light on the darker side of prosocial “giving in” dynamics, calling for further research of this underexplored topic.

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About the author

Dr Manuel Hensmans is an Associate Professor of Strategic Management & Innovation at the Université of Toulouse, Toulouse Business School. Before joining Toulouse, Manuel was an Associate Professor at the Solvay Brussels School of Economics and Management, and a Research Fellow at the Rotterdam School of Management, Manchester School of Management, London Business School and Strathclyde Business School. Dr Manuel Hensmans can be contacted at: m.hensmans@tbs-education.fr

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