

IF IT MAKES SENSE FOR ME, IT MAKES SENSE FOR YOU:

Trickle-Down Organizational Sensemaking

Christine Nielsen

chrisnie@ruc.dk

Kristian J. Sund

sund@ruc.dk

Abstract

This paper explores a simple question: do changes to knowledge structure trickle down from top management to the rest of the organization during times of strategic change? To analyse this we explore the impact that two different strategic change communication initiatives have on employees' understanding of the strategy, perceived uncertainty and organizational commitment, in the context of a Scandinavian retail organization. The first initiative is a top management strategy workshop, whilst the second is a company-wide announcement about a restructuring, involving a modest number of employee dismissals. Using a mixed method approach, combining semi-structured interviews of several layers of employees and a company-wide quantitative survey, we focus on various layers of employees' perceptions of the changes and the strategic communication from a sense-making perspective. We find that different cognitive schema co-exist in the organization, and reflect different ways of perceiving and interpreting the intended strategy of the organization, where it is primarily former experiences and intersubjective communication in specific contexts that affects the sense-making of strategic communication. In addition the results of the quantitative research show significant impact on the organizational commitment in the responses after the management workshop and before and after the process of restructuring. At the same time the management workshop and the restructuring also affect the uncertainty related to the perception of the organizational development, while there is no significant and clear difference in the perceived environmental uncertainty. The implications for practitioners are discussed.