ORGANIZATIONAL IDENTITY AND STRATEGY

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Abstract

Working with the resource-based view of strategy framework, this paper proposes that expressing the character of an organization's identity affects how other firm resources are evaluated as potential sources of competitive advantage. We work within a social constructionist point of view that emphasizes metaphorical and symbolic constructs, proposing that specific metaphorical imagery about organizational identity can be a key variable mediating strategic concerns. In addition to presenting a theoretical argument about this relationship between organizational identity and strategy, we present three small case studies to illuminate our theoretical proposition with detailed examples drawn from real life. By highlighting their role in defining organizational resources, we conclude that metaphorical imagery of an organization's identity can play an important role in the formulation of strategy.

Barney et al. (2001: 630-632) have called for additional research to develop how we understand organizational capabilities and the way they generate competitive advantage. While the importance of organizational identity as an important component of strategy – and, in itself , as a potential source of competitive advantage -- has been recognized in the organizational studies literature (Ashforth and Mael 1996, Reger et al. 1998, Dutton and Dukerich 1991, Dutton et al. 1994, Gioia and Thomas 1996, Glynn 2000), the nature of the relationship between these two concepts invites further exploration.   Working with the resource-based view of strategy framework, this paper proposes that expressing the character of an organization's identity can serve as a dynamic capability that affects how other firm resources are evaluated as potential sources of competitive advantage. Simply put, when members of an organization characterize its identity they make a claim about relevant resources in the organization and their strategic potential. In this light, organizational identity can be seen as mediating strategic concerns in a very specific way. Along with much of the organizational identity (OI) discourse, our contribution grows from a social constructionist point of view (e.g. Berger and Luckmann 1966), but within this framework we emphasize symbolic (Morgan 1997) and cultural (Fiol 1991, Smircich 1983, Parker 2000) dimensions of such constructs.   In addition to presenting a theoretical argument about this relationship between OI and strategy, we also present three small case studies to illuminate our theoretical proposition with detailed examples drawn from real life.

This paper begins with a brief overview of the concept of strategy, focusing on the so-called resource-based view, before moving to a discussion of the concept of OI. In this latter section, we emphasize the assertion that any given organizational identity should be understood as a claim or description of characteristics or attributes that draws on the socially-constituted reality of organizational members[1]. This is explored in connection with the idea that articulating OI as a set of characteristics can be seen as a special type of capability with the potential to affect how a firm intends to act. We then present case studies from a related set of interventions we conducted with strategy-development teams at the three core

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[1] Stimpert et al.'s working definition of organizational identity as "the theory that members of an organization have about who they are" is very relevant here (1998: 87).

business divisions of a large organization we call Chemalot. We discuss the outcome of specific workshops we conducted with strategy development teams in this firm, and, in the context of a discussion of these data, develop our primary proposition about the relationship between OI and a resource-based view of strategy development.

Strategy and Organizations – Social Construction Aspects

Our starting point is that strategy – howsoever conceived and presented – will always be a theory that is socially constructed. In proposing this, we are in agreement with Whittington (2001), and, deeper still, with Granovetter (1985), in looking at strategy with a "systemic" perspective (distinct from classical, evolutionary, and processual forms). Using Whittington's apt words, we hold that "the objectives and practices of strategy depend on the particular social system in which strategy-making takes place" (2001: 4). Further, we find that the socially-constructed nature of strategy is particularly characteristic of what is called the resource-based view. This is, classically, one of two areas of focus within the discourse on strategy: one emphasizing the world external to the firm, and the other emphasizing the inside of a firm and its fit with the former. The social contextualization of strategy we are proposing here tends to be more consonant with the latter of these two –the resource-based view.[2]

In brief, the resource based view (RBV) of the firm proposes that firms generate above-average returns through holding superior resources that are protected by some form of isolating mechanism that prevents their diffusion in the firm's industry (Rumelt 1987). Resources are 'tangible and intangible assets which are tied semi-permanently to the firm (such as) brand names, in-house knowledge of technology, employment of skilled personnel, trade contacts, machinery, efficient procedures, capital, etc.' (Wernerfelt 1984:172). For a resource to be a source of competitive advantage, it must be valuable, rare, non-imitable, and non-substitutable (Barney 1991).[3]

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[2] The phrase "resource based view of the firm" was coined in 1984 by Birger Wernerfelt, although the intellectual history of this body of work extends back to Edith Penrose's seminal (1959) book on the growth of firms. The notion attracted a considerable amount of attention beginning in the late 1980s.

[3] A variety of other criteria have been proposed to distinguish resources that can provide sustainable competitive advantage from other resources, including: durability, transparency, transferability and replicability (Grant 1991), inimitability, durability, appropriability, substitutability, and competitively superior, (Collis and Montgomery 1995), and complementarity, scarcity, low tradability, inimitability,

One important question addressed by the field concerns the acquisition of resources that provide competitive advantage. Earlier thinking held that firms obtained such resources through luck (Rumelt 1987), that is, they ran across such resources before their true value is known. Subsequently, it was proposed that critical firm resources—particularly "intangible assets"--are accumulated over time by good managers, not simply acquired in strategic factor markets (Dierickx and Cool 1989; Teece et al. 1997).

More recently, the discussion in the field has moved on to the study of capabilities or "core competencies" (Prahalad and Hamel 1990) as important resources. Capabilities "can be viewed as bundles of tangible and intangible assets, including a firm's management skills, its organizational processes and routines, and the information and knowledge it controls" (Barney et al. 2001). A capability can, therefore, be regarded as a "special type of resource – specifically an organizationally-embedded non-transferable firm-specific resource whose purpose is to improve the productivity of the *other* resources possessed by the firm" (Makadok 2001: 389).[4] Capabilities therefore stand in relation to resources as factors which can improve or detract from the value or applicability of a firm's resources.

Capabilities, however, do not become definitive sources of competitive advantage, since they are ultimately highly context-dependent, and not generically valuable regardless of circumstances. Even the resource set to which the capabilities relate is neither stable nor uncontested, since there is variation even among top managers of a firm vary in how they see or evaluate resources (Stevenson 1976). Even the vaunted capability of "learning to learn" can be dismissed as being a somehow definitive capability: logically, such a capability is itself open to being superseded by "learning to learn to learn," and so on – in other words it stands open to a problem of "infinite regress" (Collis 1994). This emphasis on context dependency draws attention to the importance in dynamic environments of constantly developing new capabilities, so-called "dynamic capabilities" (Teece et al. 1997; Fiol 2001). Such dynamic capabilities have subsequently been linked to strategic routines by which firms achieve new resource configurations as markets merge, collide, split, evolve, and die (Eisenhardt & Martin 2000). Dynamic capabilities have also been contrasted with the "resource-picking" causal

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limited substitutability, appropriability, durability and overlap with strategic industry factors (Amit and Schoemaker 1993).

[4] Organizational capabilities have also been seen as *capacities to deploy resources* (Amit and Shoemaker 1993: 35).

mechanism for creating rents based on resources, and found to be either complementary or substitutable mechanisms depending on circumstances (Makadok 2001).

Still another highly intangible element in the discussion of firm resources is "knowledge," and particularly knowledge that is "tacit" (Polanyi 1958).   Drawing in part on Polanyi, as well as on Nelson and Winter (1982), several authors have defined knowledge as a vital resource which is inextricably bound up with the social interaction processes of people (Barney 1991, Reed and DeFillippi 1990, Kogut and Zander 1992, Spender and Grant 1996, Teece et al. 1998).   The argument that tacit knowledge may lie at the base of sustainable competitive advantage continues to be developed (Berman et al. 2002). While such knowledge is certainly is difficult to imitate, it is also difficult to identify, regulate, and manage (Nonaka 1991, Nonaka and Takeuchi 1995, von Krogh and Roos 1995, von Krogh et al. 1994).[5]

The proposition of this paper focuses on knowledge, but with an important difference. While much of the discussion of tacit knowledge as a potentially valuable resource for a firm presumes that this knowledge is operational in nature, this paper proposes that when groups of characterize their organization they are generating a form of knowledge, namely self-knowledge. The ability to generate such self-knowledge can be seen as just as valuable a capability as other, more instrumentally-oriented, knowledge-creating processes. Furthermore, the ability to re-generate self-knowledge may be extraordinarily valuable in the current business environment: in this sense, there may be a need to frequently reframe strategies, resources – which may mean that characterizing the identity of an organization has to be a dynamic capability. First, however, we have to examine the notions that OI is self-knowledge, that such self knowledge is socially constructed, and that expressing organizational characteristics is a dynamic capability as we have examined it above. We undertake to develop the theoretical support for these propositions below.

The RBV is, therefore, consists of differential emphasis on a variety of socially-constructed factors (resources, capabilities, knowledge) which may lead to developing sustainable competitive advantage. The role of OI, to which we turn next, is somewhat unclear in this domain. How is it seen best: as a resource, a capability, a dynamic capability, or a form of knowledge? Or is it in some measure all of these? To begin shaping an answer to this

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[5] This point has recently been illuminated by a study of NBA teams, with several implications for non-sports-related organizations indicated as well (Berman et al. 2002).

questions and build up the theoretical proposition at the heart of the paper, we turn next to an examination of OI.

<u>Organizational Identity</u>

The topic of OI has drawn considerable attention in the organizational studies literature in recent years. Since Albert and Whetten (1985) first proposed that the identity of an organization lay in its core, enduring, and distinctive features, the field has burgeoned, with recent contributions to the subject touching on social identity theory development (Hogg and Terry 2000), Foucauldian analysis of the microprocesses of control that produce individual identification with organizations (Covaleski et al. 1998), stakeholder analysis (Scott and Lane 2000), management of multiple identities (Pratt and Foreman 2000), the functional adaptability in the identity-image dialectic (Gioia et al. 2000), identity adaptability and competitive advantage (Fiol 2001), the relationship between organizational culture and identity (Parker 2000), and the psychological construct of narcissism (Brown 1997).[6] The field of ideas that characterize OI is therefore, very large, but it can be summarized in the words of Barney, one of the discussants in Reger et al. (1998), who proposes that a workable definition of OI is "the theory that members of an organization have about who they are" (1998: 87). As such, when members of an organization collectively and consensually express what the central characteristics of their organization are, this becomes a form of organizational self-knowledge – descriptive propositions which are self-referential.[7]

In addition to being a form of self-knowledge, OI is a construct that is necessarily social in reference (Albert 1998). Thus, one key theme in scholarship in this field is the idea that OI is not so much a concrete and stable property of an organization, but is instead a set of meanings that is socially-constructed (Fiol 2001). This notion is already embedded in Albert and Whetten's original formula of identity as a set of propositions about reality framed as

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[6] Furthermore, the field of OI studies has matured to the point where the approaches being used are themselves being classified with increasing frequency. Thus, Porter (2001) offers the idea that the "social realist" theorizing of organizational identity typically takes place within one of 4 different broad paradigms: normative/positivist, qualitative/social constructionist, one which synthesizes these two former ones, and psychodynamic/psychoanalytic. Outside, and critical of, these 4 streams, she then situates the extensive body of largely Postmodern work which sees OI as a contingent linguistic construct or literary genre. For Gioia (1998), on the other hand, the body of Postmodern work is one of three major "lenses" framing scholarship on OI: a functionalist lens, an interpretivist lens, or a Postmodern lens.

[7] Clearly, we are referring here to organizational identity, and not organizational image – an idea which describes "the way that insiders believe outsiders see the organization" (Gioia 1998: 23, summarizing Dutton & Dukerich 1991 and Dutton and Dukerich 1994).

claims -- "*claimed* central character … *claimed* distinctiveness … [and] *claimed* temporal continuity" (1985: 265; emphasis added). In general, this idea has become even more important and explicit, and much of the OI discourse increasingly sees this concept not as a rigid and enduring taxonomy, but as more mutable and situationally-determined set of meanings (Fiol 2001, Gioia and Thomas 1996, Gioia et al. 2000). As we propose below, however, the content of such meanings often fails to include symbolic and metaphorical dimensions, and, in so doing, folds back into arguments which stress psychological processes of identification.

The manner in which organizational identity is seen as socially constructed varies. On the one hand, scholars more aligned with a Postmodern approach strive to avoid assuming that organizational identity has a fixed or given reality, but regard it simply as an artifact of popular as well as academic discourses. In this, they emphasize the contingency, shifting loyalties and differential assertions of allegiance, positional claims and counterclaims that characterize human social interaction. In the words of Hatch, "a postmodernist stance would be that identity is constantly shifting. It revolves around the decentering of the subject, so there can be no stable, steady point, no central essence that could be described as identity. … [I]dentity is impermanent; it is subject to being continuously deconstructed and reconstructed" (Hatch, in Bouchikhi et al 1998: 39-40; and compare Porter 2001). While not working explicitly in a Postmodern frame of reference, many others now emphasize the instability and contingency of OI (Brown and Starkey 2000, Fiol 2001, Gioia et al. 2000).

Another current in OI scholarship that emphasizes the identity as a fluid and contingent social construct draws from Tajfel and Turner's social identity theory (SIT) (Tajfel and Turner 1986). SIT emphasizes that individuals not only identify with these groups differentially, but know themselves and project their own self-image to others in terms of membership or affiliation with these groups. This concept was brought into the OI discourse primarily by Ashforth and Mael (1989), who examine how different forms of identification with an organization co-exist within the same group of employees. The focus of this work is on the forms of organizational identification that individual members experience toward their collectivity. While they elaborated a variety of ways in which social identity theory related to organizational identity, their analysis primarily emphasized the themes of socialization to the organization, and

commitment to it or to a part of it. In this regard their focus is much more on the identification processes that link members to their organizations than on the propositions used to define, locate, or characterize an organization. Nonetheless, SIT-oriented discussions of OI are also instances of a social constructionist approach to OI, since they implicitly use the world of available social affiliations and the socially-defined processes by which individuals assemble these into identification constructs as key referents (Hogg and Terry 2000).

Fiol's work (1991, 2001) has forcefully elaborated the idea that organizational identity consists of a set of meanings that is socially-constructed, although, as we discuss further below, she has also extended her reasoning to include identification processes as well. Basing her argument on the importance of factoring cultural dimensions into discussions of OI, she argues that culture should be understood as a link between behaviour and meaning in organization life, and not "just" behavior, or "just" meaning. She then proposes that organizational identities represent a specific instantiation of organizational culture: "identities represent aspects of culture translated into a specific context" (1991: 193). She argues persuasively that the social construction of organizational identity is a firm-specific form of sense-making, proposing that identity "serves as a critical link between people's particular behavioural contexts and the underlying values that give them meaning" (1991: 200).

Parker (2000) has directly attempted to provide an overall theory linking organizational culture and identity by developing the long and rich history of the culture concept. His theoretical focus is on a simple set of properties of culture : the local nature of culture (i.e., shared meaningful frames of reference decay swiftly as one moves geographically away from their center); and the structurally differentiation of any culture– i.e., organizational cultures are "fragmented unities" (2000: 1). The claim to structural differentiation as a key property of culture stems from his analysis of three separate organizations in the UK, each of which was cloven by a variety of dimensions: geography, gender, functions, etc. As he describes it, the organizational cultures consisted of constant contestation, in which there are different attempts to frame a relevant unity within these cross-cutting variables (2000: Chap. 8).

Thus, a variety of approaches for evaluating OI have been offered in the literature, most of them emphasizing in one way or another that the identity of an organization occurs as a by product of human social interaction. But what exactly is specified as the key process of social

construction is problematic as well. Two aspects of the "social" dimension are referred to most frequently: the perception of oneness that different members and constituencies of the organization have with it overall (organizational identification processes); or the interaction, often in the socio-political realm, of already aggregated subgroups within the organization (the contestation of identity). What is missing in these is an emphasis on forms of cultural content like symbols, imagery, metaphors, etc., which can also be said to be at the heart of processes of social construction of organizational life (e.g. Burrell and Morgan 1979, Morgan 1997, Smircich 1983, Tsoukas 1991).

Analogy and metaphor are inescapable elements in the repertoire of ways of thinking about and knowing organizations (Morgan 1997; see also Grant and Oswick 1996, Sackmann 1989, Tsoukas 1991, 1993). Thus, Morgan proposes that "we can open the way to different modes of understanding by using different metaphors to bring organizations into focus in different ways. Each metaphor opens a horizon of understanding and enacts a particular view of organizational reality" (1997: 427; and see also Tsoukas 1991). In organizational contexts metaphors are not exclusive or exhaustive descriptors of those contexts, since seeing it as a machine predisposes one to see mechanistic effects in it; seeing it as a political apparatus predisposes one to see alliances and power cliques; etc. The use of any one such image simply emphasizes some subset of the information available to us, and casts it in terms of a meaningful schema (Morgan 1997). Consequently, such metaphors serve an important practical purpose, as crucial components of the knowledge that organizations have of themselves, and as tools with which managers can understand their environment more holistically.

Our contention is, then, that when members of an organization represent its core and distinctive characteristics using such metaphors and imagery, these may be seen as direct data about organization's identity.

Organizational Identity and Strategy

Many scholars recognize that there are strong strategic implications to an organization's identity, and there is a clear thread of scholarship which focuses directly on the relationship between OI and strategy (e.g., Reger et al. 1998). Knowledge of 'what an organization is' can be a necessary precondition for mobilizing an effective and complete strategy – not in only in

situations of reactions to crisis management, but in situations where strategy for the future is being proactively crafted: "identity is not simply a screen, it is also a source of competitive advantage. It constrains our thinking of options in the first place" (Gustafson, in Reger et al. 1998: 117).

While there are a variety of theoretizations of the OI – strategy relationship, many of them rest on the issue of identification processes. Ashforth and Mael (1996) suggest that loosely coupled individually-held points of view have an impact on organizational strategy. Their primary emphasis is to propose a model of how the individual is affected by the ways that organizational identity and strategy are institutionalized. Dutton et al. (1994) similarly take an identification processes perspective, stressing that individual members of the organization are motivated to act to improve the image of their organization when its deterioration threatens part of their individual identity. Fiol, while stressing the cultural dimensions of an organization's identity, also foregrounds the idea that OI is important in terms of identification processes (2001: 694). She proposes that the strategic value of an organization's identity derives from its ability to unify, mobilize, or motivate via processes of membership identification (2001: 695) – an argument which attempts to cleave the part of the OI discourse that focuses on psychological processes of membership identification to the more social construction-oriented part that focuses on representation and interpretation.

Another thread in several attempts to explore the connection between strategy and OI concerns the crisis or threat situation. On this point, Reger observes that "crisis provides unique opportunities to study identity," and that "crisis may make identity more explicit" (1998: 167). Dutton and Dukerich (1991) and Glynn (2000) both feature case studies of crisis situations – an orchestra experiencing a major strike, a public organization experiencing a dramatic threat to its public image; while Elsbach and Kramer emphasize how perceptions of threats to organizational identity prompt a variety of responses (1996). This can lead to a tendency to phrase the relationship between OI and strategy in negative terms: Glynn summarily suggests that "conflicts of strategic definition and resolution can stem from conflicts over identity," (2000: 295); Dutton and Dukerich focus on individuals taking "actions on issues that damage their organization's image" (1991: 520). And, several participants in the

discussion in Reger et al. (1998: 111-116) touch frequently on the stress- or crisis-related origins for OI.

Social construction is another persistent and frequent theme in the literature theoretizing the OI-strategy link. Gioia and Thomas (1996), for example, have suggested that perceptions of organizational identity and organizational image mediate between strategy and strategic interpretation. In particular, their research pointed to the role played by forward-looking formulations of identity and image, what they call "envisioned identity and image," in mediating the development and implementation of new strategies. The central analytical framework in their work consists of the many dimensions by which top managers make sense of their organization and its strategy (Daft and Weick 1984, Dutton and Duncan 1987, Thomas and McDaniel 1990). In this connection, Gioia and Thomas argue that social constructs like identity and image act as "perceptual screens" which affect how strategic issues are perceived and responded to (1996: 372).

As a sensemaking "screen," though, Gioia and Thomas do not appear to see the potential richness in OI as a social construct, as the data from their subjects reflects only perceptions of whether the identity of their organization is strong or weak (1996: 381), and not what the symbolic referents of organizational attributes are. This relative strength, then, translates into identification processes, so that their argument stands more on the basis of strength of identification with the institution and less on a characterization of the nature of the institution. There is no description of the core and distinctive characteristics of the organization other than as types of generic institutions. Nonetheless, their research strongly supports the idea that an organization's identity helps managers to sensemake about the future potential of an organization. What remains implicit, however, is the question of how this future potential is constituted with regard to the resources that are either newly identified or mobilized in the characterization of the organization's identity.

However, several researchers exploring the the OI-strategy connection have worked explicitly with the resource-based view of competitive advantage (Stimpert et al. 1998: 87). Barney asserts directly that organizational identity is "a classic, socially complex resource" for creating competitive advantage (quoted in Reger et al. 1998: 117). An example of research that adopts the resource-based approach is Glynn's assessment of how several

constituencies in an orchestra organization develop differing views of what its core competencies are (2000). Her case is built to some degree on the assertion that cultural institutions like orchestras are distinctive in having contradictory constituencies (2000:287), a point of view shared by Albert and Whetten (1985: 271).[8]

Glynn's examination of professional identity conflict in a cultural arts organization (2000) strikes many of the conceptual themes we develop in the present paper: the relationship of OI and strategy; the role played by OI in defining and ascribing importance to organizational resources; and the encompassing sociocultural context in which claims to identity, value creation, and organizational purpose are framed and contested. However, in focusing on an organization which joins what are perceived to be dichotomous professional identities (the artistic and the economically utilitarian), her analysis dwells on the sociopolitical power conflicts between these opposed interests in ideological terms, e.g., "I argue that the *ideology* embedded in identity claims filters organizational members perceptions of firm resources" (2000: 287, italics added).[9] Her characterization of OI attributes, similarly, is one which is ideographic – i.e., representations of the ideologically-opposed positions of the artistic and utilitarian.[10]

Glynn stakes out two primary processes whereby OI, as a set of claims regarding organizational attributes and purpose, presumes and subsumes judgments about resources: processes of identification and processes of interpretation (2000: 293).[11] She reasons that the interpretative process is important because the contested claims about the identity of the organization rests on differing interpretations of what the relevant strategic issues are that confront it; as a result of differences in how these strategic issues are seen, different sets of resources are deemed to be relevant (Glynn 2000: 294; see also Dutton and Jackson 1988).

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[8]However, the notion that almost all organizations are comprised of often disparate and contradictory elements is not novel. Schein, for instance, has pointed out that many large corporations have 3 distinctive internal management cultures – an executive, a functional, and an operational one (Schein 1996).

[9] Parenthetically, the ideologically-charged manoeuvring over the identity of this organization is a good example of what the social differentiation processes that Bateson called "schismogenesis" (Bateson 1958).

[10] Parker (2000) similarly argues that organizational identity arises from contestations along a variety of dichotomous variables, such as gender, spatial/functional, generational, and occupational/professional (Parker 2000: chapter 8).

[11] As in the case of Fiol (2001), Glynn's model dovetails the psychological and the social emphases in the OI discourse.

The ideologically charged professional identities that cleave the orchestra, however, are themselves based in prior assumptions of what relevant resources are – so these prior assumptions, embedded in professional identities, mediate between the overall identity of the organization and how its collective resources are evaluated. Her logic is: professional identity defines how strategic issues are seen, which then defines which resources are relevant. As we explore below, though, we believe the logical sequence can be framed differently: namely, expressions of organizational identity constitute judgments of resource relevance, which in turn define strategic opportunities.

Theoretization of the relationship between OI and strategy as we have discussed it above is often framed in terms of social constructionist processes, but the emphasis seems to be largely on structural features rather than symbolic content. This is noteworthy because the sociocultural universe in which organizations exist and which they themselves comprise, while certainly characterized by important structural variables, is also a universe of values, symbols, and meanings (Douglas 1986). This dimension of organizational life is essential to all sensemaking (Weick 1995), so it should hardly be overlooked.

For the purposes of this paper, this means that data about the symbolic attributes of an organization's identity – the imagery, word, or metaphors that members use to characterize its core and distinctive features – should also be brought to bear on the relationships among OI, resources, and strategy. Claims by members about what the central character of an organization are have to be brought into the analysis, being just as relevant to the processes of socially-constructed sensemaking as forms of contestation.

Theoretical Development

As the literature on organizational capabilities and organizational knowledge indicates, firms have many potential resources at any given time which may or may not be defined, understood or mobilized as a result of a variety of organizational behavior factors (Stevenson 1976, Mosakowski 1998). The most appropriate resources in a firm for dealing with any particular situation will vary with the situation (Glynn 2000, Fiol 2001), so that a need exists to determine which resources are relevant in order to attain competitive advantage. Forming the judgements about resources is necessarily a sense-making (Weick 1995), and hence, a socially-constructed process in which meaningful characterizations of OI are involved.

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To some degree, as we have noted, dynamic capabilities may provide an answer to this particular need to shape these judgements about resources. For instance, it has been proposed that firms can obtain competitive advantage by developing the capability of astutely and quickly applying their dynamic capabilities (Eisenhardt and Martin 2000: 1117). However, this argument is oriented more towards a specific organizational function or operation, rather than to the evaluative implications of expressing what an organization's identity is. Expressively characterizing an organization's identity is different than improving one's combinative capabilities (Kogut and Zander 1992) or resource allocation routines (Burgelman 1994). As in the case of Eisenhardt and Martin's idea, the combinative capabilities and resource allocation routines are more instrumental and performative – even more pragmatic – notions.

We suggest that expressing the essential and distinctive attributes of an organization using metaphorical or analogical imagery necessarily represents such an evaluation, so that such articulations of OI, as a form of organizational self-knowledge, accomplishes this higher order filtering to guide the selection and application of other resources. This process may implicitly subsume the sorts of decisions otherwise arrived at through consciously performed operations or organizational routines through the very act of defining the essential qualities of the organization. But what is the nature of such an articulation? What does it mean to make a claim about an organization's identity? Literature on OI which deals with the claimed "attributes" of the organization stresses professional identities (e.g. Glynn 2000, Parker 2000), industry or organization type (e.g. Porac et al. 1999, Gioia and Thomas 1996), or identity strength (Gioia and Thomas 1996). These attributes are far from being the symbolically rich analogies which are also available in the sociocultural environment, and which can just as well constitute elements in process of social construction of organizational identity, resource definition, and strategic purpose. The case studies we present below suggest that such metaphorical attributes are just as relevant.

We turn next to a three small case studies to explore how this claim might look in the context of strategy development at a real firm. Since this claim is not derived from a body of data, it is important to discuss in the first instance some methodological considerations about the use of a case study approach.

Case Study

Methodological Considerations

Our concern in this paper is to develop a theoretical argument about the relationships between OI and strategy, and to illuminate our theoretical proposition with detailed examples drawn from real life. The issues we were seeking to examine – organizational identity, strategy, and the relationships among these – are necessarily complex and often subjective (Bouchikhi et al. 1998, Reger et al. 1998). Furthermore, they are situated in multilayered contexts, characterized by different types and levels of feedback loops and causalities (Langley 1999). Research methodologies which can access such implicit cognitive and semiotic formations are necessarily qualitative, involving close interaction with the subjects (Gioia and Chittipeddi 1991, Kunda 1992). Previous studies of the relationships between organizational identity and strategy (e.g. Dutton and Dukerich 1991, Glynn 2000) have typically used qualitative research methods, including participant observation and interviews, to gather data on the ways that individuals identify with their organizations.

Neither experiment nor survey constituted appropriate methodological frameworks for such data, since we are at an early stage of developing new theory about a conceptual relationship (Yin 2003). Our approach in this paper, therefore, is to use an interpretive case study approach (Stake 1995) to illustrate the theoretical arguments we have outlined above (as is done, for example, in MacIntosh and MacLean 1999). Consequently, we are not claiming that these data have statistical generalizability - i.e. that they are a sample which can be generalized to a population. But we do claim an analytical generalizability, i.e. from case into theory; namely, that the case can stand as a documentation of effects derived from theory development.

There are also implications in this approach for our role as researchers, since in providing and facilitating the interventions discussed below we were not completely detached but very much in the thick of what is going on (Stake 2000: 445). This too is relevant to how we have proceeded, since we conducted a workshop that responded to the needs of the organization as they were presented to us. Finally, our case study work is built on the idea that the repertoire of data gathering and creation can be more varied and extensive, involving observations, participant observation, interviews and document analysis, thus permitting one

to triangulate implications or findings in these data (Stake 2000: 443). In sum, our case study does not represent a controlled setting in which all factors are controlled as dependent and independent variables. The researchers were involved as agents in the field of activities being observed, and data from different sources were triangulated to form a meaningful interpretation of what was happening. Thus, we acknowledge that case study approach limits claims to generalizability for our interpretations.

We offer three interrelated, interpretive case studies (three divisions of the same corporation) guided by the following elements. First, we conducted pre-interviews with particpants of the workshop in order to characterize the strategy development process being used in the firm up to that point. Secondly, we used a specific technique for our interventions, namely LEGO® Serious Play™ (LSP) (see Appendix A). Thirdly, we reflected on the process based on our field notes as well as post-interviews with participants. Hence, we triangulate the case data through these various data sources.

Data Site and Firm Background

Chemalot[12] is a large, privately-held specialty chemicals firm with a worldwide workforce of approximately 4,400, in Europe the Americas, and the Asia Pacific region. Headquartered in the French-speaking part of Europe, it has been in existence for more than 100 years under the control of its original founding family. With an annual turnover currently in excess of USD 1 billion, its primary focus is on design and production of very specific types of compounds used in high-end consumer products. It consists of 3 major externally-oriented divisions -- Fragrances, Flavors, and Specialty Chemicals – and one internally-focused operations division. Based on their different respective market focuses, each of the 3 major divisions was expected to develop its own strategic plan (See Table 1).

TABLE 1:

CHEMALOT's PRIMARY DIVISIONS

Division	Market	Social standing inside Chemalot
1	Fragrances	Oldest division of corporation, very high profile; largely

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[12] "Chemalot" is an invented name. The real name of the firm has been altered at their request in order to preserve their anonymity. The detailed characterization of the firm, the participants, and the strategy development process here represents not only the prior period of research at Chemalot, but also a condensation of the extensive pre-workshop interviews

1	Fragrances	Oldest division of corporation, very high profile; largely responsible for Chemalot's high external reputation
2	Flavors	Newest division, attempt to leverage corporate competency into new market segment; problem child
3	Specialty chemicals	Basic engineering and production; focused on both internal and external clients; handles all corporate Purchasing.
4[13]	Operations & Logistics	Operation of chemicals infrastructure; shipping & logistics for both internal and external clients

Strategy development processes at Chemalot

Formal strategic planning was a relatively new phenomenon at Chemalot, as a tri-yearly process of divisional strategy development was established only in the late 1990's. As on senior manager said, *there really wasn't any formal strategy at Chemalot until about 5 years ago. Up to that point we simply made money by producing high quality, desirable products for an industry that was organized like a sort of big club in which everyone had a place and a role.* This first large-scale effort to draft strategic plans for each division was named "X3" (see Table 2). By early 2001, Chemalot was just initiating the second of the two major strategy-development initiatives called "X6." The Fragrances and Flavors divisions followed the classic externally-oriented practice of conducting detailed industry and financial analyses in order to make advance plans about market, client, and revenue targets. The third division was implementing a highly detailed roll-out of a Balanced Scorecard approach.

 (Further details on the methods we use in our research and the nature of the interventions appear in Appendix A.)

TABLE 2:

CHEMALOT DIVISIONS AND STRATEGY

Division	X3 Strategy	X6 Strategy	Means of dissemination

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[13] We did not have any contact with the 4th division in Chemalot, which, in any case, constitutes a relatively small part of the overall organization.

	determined via financial measurements	used to generate X3 strategy	focusing on financial aspects of key client relationships
Flavors	Detailed market segment analysis	Review and update X3 strategy with even more detailed analysis	PowerPoint presentation focusing on financial aspects of market segmentation
Specialty Chemicals	Market analysis; initiation of Balanced Scorecard approach	Continue and extend implementation of Balanced Scorecard	PowerPoint slides of Balanced Scorecard components
Operations & Logistics	-- No data --	-- No data --	-- No data --

The X3 strategy development process for the Fragrances division resulted in detailed market segment financial forecasts that drove a preferred client strategy. This consisted of focusing on those clients that produced the largest amounts of revenue, and then making determinations about how to diversify the points of contact and commerce with them. The X6 cycle of strategy planning process was regarded by the responsible teams in both the Fragrances and Flavors divisions primarily as a review of the prior plan – not an adaptation of it to new circumstances. The table of contents from the X6 strategy presentation of Fragrances division emphasized a focus on development of a vision, the determination of objectives and measurements in advance, and the need to make decisions before proceeding.

For the Flavors division, the X3 strategy development process had been driven by an extremely elaborate and highly analytical review of their industry, which was characterized by a high level of fragmentation. The resulting market segment analysis had then been used to drive an internal reorganization of the division, separating out a great number of different departments each one focusing on what was deemed to be a small relatively exclusive set of clustered segments. The Flavors division's strategy presentation shows a simple focus on

market analysis, laying out the X6 strategy in terms of market segment analysis, followed by specific "*segment actions*" including detailed tables of growth rates needed to hit financial targets; and a geographical market analysis, also followed by specific "*market actions*." This was later supported by discussion of the key "*Objective*," namely to "*Be truly outstanding for our --- clients.   In everything that is important to them.*"

The Specialty Chemicals division's strategy was entirely focused on the elaboration of the Balanced Scorecard. The technique had been introduced in 2000, and was expanding, with more and more detailed activities, throughout the organization. The person responsible for initiating the use of it was the chief executive for the division, who had arrived in 2000 and immediately set about implementing it.   The person responsible for overseeing its implementation was the number two man in the division, who opined that "*The Balanced Scorecard is the primary input to our strategy. It drives the level of detail about what has to be done down very far – it's a very detailed process.*" He noted that, although it had been initiated with the expectation of a 6-month implementation period, that milestone had long been passed, and the conclusion of the "implementation phase" was still several months away.

The strategy development processes in use at these three divisions of Chemalot, as evidenced in the presentations they made to corporate management, fit extremely well with the mainstream of thinking about strategy in the organizational literature. In broad terms, according to such mainstream thinking strategy is grounded in defining a vision or mission (Bennis and Nanus 1985), upon which a competitive strategy is defined, which then leads to creating work processes to implement the strategy, and defining individual jobs to carry out these processes (Argyris 1998;   compare Lissack and Roos 2001).   Implicit in such an approach are the ideas that the future can be somehow predicted or forecast, and that one can make big decisions in advance and then ruthlessly control the details of their implementation.

However, the pre-intervention interviews also revealed some uneasiness about the existing state of affairs, especially that the strategic planning groups were concerned with correcting deficiencies in the X3 plans. This had to do in large measure with controlling the

details of how the strategy is implemented. Said one senior manager at the Fragrances division:

The strategic vision of X3 was not lived through people. People were reassured that we had such a plan, but it wasn't critical to what they did on a daily basis. We now want to bring it closer, bring it home to people, and make it tangible in their behavior.

A senior member of the Flavors division's strategy development team put it this way: "*The X3 didn't address implementation. In fact, we had success with the strategy despite the lack of implementation focus.*" And, when asked why the implementation of the Balanced Scorecard approach was so much behind schedule, the person responsible for implementing it at the Specialty Chemicals division responded: "*It's a heavy process. There's so much formalism that it is quite difficult to use.*"

Top corporate management was becoming aware of some of the limitations with using the traditional visioning, advance planning, and implementation approaches to strategy development. The top corporate strategy officer (a member of the family that owned Chemalot) told one of the authors in a meeting in 2001 that they were dissatisfied with the emerging strategic plans from the divisions, both in terms of their content, and the processes that had been used to develop this content. As part of our long-term relationship with this firm, they engaged us to use a new and unusual approach.

This approach we used is called LEGO Serious Play®, and it consists of facilitated activities by which participants build constructs using LEGO materials. Interested in assessing the role of, among other things, OI on the strategy development process, we felt that using the LEGO Serious Play® technique was valuable because it allows immediate visualization of the otherwise extremely abstract concept of who we are. (For further details see Appendix A).

Brief Review of Organizational Identity Representations

<u>Fragrances Division</u>

In the workshop for the Fragrances division the construction of the identity of the division focused on a conceptualization of the organization's workflow. This consisted of a complex series of processes by which client requests were fulfilled on a project-by-project basis. The structure was very linear, and was laid out along a single long axis, which began in an "*innovation engine*," and culminated in a set of stairs which rose up to the generic "*client*

project," represented by a large animal. A small, mobile, piloted vehicle, bristling with flower-like emblems of the specialty products which the division provided to clients, was moving along the axis in order to present, like a bunch of flowers, the end product to the client. This represented for the participants the continuous efforts to bring value to clients. The image of the organization as an extended and continuous project arose only after several initially frustrating attempts to find a consensus on what the organization "*really was.*" But when it came out it was immediately seized on by the group as a very workable and useful representation: the participants saw the essence of their organization as a process that routinized the production and delivery of an emotionally-saturated product – hence the almost courtship-like imagery of the presentation of the "*bunch of flowers.*"

This latter comment led the group to discuss seeming omissions to the X6 plan. At the end of the intervention one of those who had worked to draft the X6 plan said: "*If you look at the X6 plan, where is the 'love' part? Where is the emotional part that is such a big part of our products?   It's not there.*"   In other words, after the intensive exploration of their organizational identity with this workshop, the members of the strategy development part of the organization acknowledged that there were important new insights that necessitated modifications to the X6 plan.

Approximately 2 months later, the executive in charge of the Fragrances division met with us to share what these changes had been. They consisted of rebuilding the plan, and the way in which it was presented to the entire division, around the essential messages that their division had a product with a unique type of emotional charge.

Flavors Division

The construction of the organizational identity for the Flavors division was very difficult, and several attempts were rejected as "*too simplistic.*" When participant were asked to evaluate the adequacy of these initial attempts, they acknowledged that they were not representing the most important aspects of the organization. Then, after additional probing by the researchers, they began elaborating and adding considerable detail to their model to convey what they felt was the excessive amount of internal structural complexity their organization had developed. The resulting labyrinthine model had a variety of elements symbolizing the differences in components, personnel, strengths, weaknesses, techniques,

etc. of the different internal departments. At the rear of the model they constructed a narrow set of communication channels to the pair of support departments clogged with a stream of information requests far in excess of the "*bandwidth*" available for them to be dealt with. Threading through this complex construct, they also laid what they called "*tube relationships*" which represented the most productive route through their organizational labyrinth for delivering value to their clients.

As in the Fragrances division workshop, the members of the Flavors division workshop reflected openly on the existing version of their strategic plan – the more so when the divisional director of the strategy development process actually confessed that he felt the plan was inadequate in light of the workshop's activities. They observed that much of the group's strategic plan simply reflected the complexity of their organization, and did not provide clear proposals for how to be successful. "*We've just underlined where the bottlenecks are in our value creation*" and not focused on increasing the number of tube relationships, said one participant in reference to their X6 plan.

At the end of the workshop, the only Vice President present among the group, who reported directly to the Division President, spontaneously left the room and ran up two floors in the building looking for his boss. In 5 minutes he was back, accompanied by this individual, and by the Corporate Vice President for Strategy for all of Chemalot. He drew them over to representation to explain to them the construct they had produced of the organization's identity, and talk about how it related to the division's strategic plan. In an email received approximately a week later from this individual, he announced that this review with the Divisional President and the Corporate Vice President for Strategy had had "*positive results*" in leading them to re-do their divisional strategic plan.

Specialty Chemicals Division

In the case of the Specialty Chemicals division, an initial attempt to create a very orderly depiction of the organization provoked a discussion among participants about several problematic internal relationships between senior members which were not represented. Returning to the model, they converged on an image of a "*flat information surface*," like the

circuitry on a microchip, in which an interwoven network[14] of relationships knit together production, marketing, planning, etc. There was intense preoccupation with the linkages among the managers – not only who was linked with whom, but what the quality of the links were. The manager who oversaw the engineering function was especially emphatic about installing "*gates*" – akin to the logic gates on a microchip – that opened and closed in the connections between people, insisting "*We have to show how it really is*." Interestingly, the final version showed that an individual located in Europe – supposedly the second-in-charge in the division, the individual responsible for overseeing the implementation of the Balanced Scorecard process – was connected, it seemed, to everything and everyone, in the center of this large-scale microchip. The Division President, by contrast, represented himself as an active and mobile supervisory component moving around on the information surface, but observed that he "*wasn't really connected to anything*" except to computerized data system that weaved together the organization. Having brought a Balanced Scorecard approach to the organization and promoted its use, he was uninvolved in the operations of the division as a whole, or in the implementation of that particular tool.

The group did not conclude at the end of the workshop that they their strategy of depending on the Balanced Scorecard to set operational targets was fundamentally in error. However, reflecting on their organizational identity as a complex interpersonal, interdependent, and informational network, they repeatedly stated that a key piece of wisdom was "*Don't depend on single individuals*." They did acknowledge, however, that they could not depend on this tool alone as a strategic framework, since their microchip circuitry was also highly interconnected with the actions of the other divisions of Chemalot. The Division President in charge of the entire division commented to the group:

I'm really glad I didn't send out the memo I've been working on about the 'state of the division.' I've got to redo it completely in light of what we've now learned about the way we all work together.

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[14] As they explored their organizational identity, though, two individuals began to realize that they were having difficulty talking about the "network." The discussion peaked with the following exchange: "*Well, when I say we're a network, what I'm referring to is the web of information that we all share*," said the first. "*That's not what I mean*," said the second. "*When I say network, I'm talking about the personal relationships between people*."

TABLE 3

IMPACT OF WORKSHOPS ON CHEMALOT DIVISIONAL STRATEGIC PLANS

	Fragrances	Flavors	Specialty Chemicals
Organization's Identity Made Explicit	A single complex process of managing projects to create "love stories" with clients	An uncoordinated proliferation of departments chasing different market niches	A tightly interwoven information surface that is strongly interdependent with all of Chemalot
Central idea	The love proposal to the elephant	The thread through the labyrinth	Interdependent microchip circuitry
Changes to X6 Strategic Plan	Revise to focus strategic action on emotional dimension of their products	Revise to focus strategic action on developing more of the productive tube relationships	Coordinate Balanced Scorecard targets with other divisions' strategic priorities

Discussion

These case studies have indirect implications for several of the theoretical points we have developed in this paper, but they also simply exemplify the primary proposition in this work, namely that these metaphor-rich expressions of organization identity seem to enable these groups of strategists in the firms to evaluate the relevance and potential of other firm resources. We can examine this from several points of view.

The first major point to discuss is that these 3 case studies are a literal, if unusual, example of the social construction of an organization's identity (e.g. Glynn 2000, Parker 2000). In part, it may be seen as a knowledge-creating intervention (e.g. Nonaka and Takeuchi 1995), in which the self-knowledge of OI created acts as a resource that affects how the other organizational resources are mobilized. From this perspective the understanding of the identity of the organization became new knowledge – just as Morgan has argued would be the case when new metaphorical ways of seeing the organization are adopted. Thus, in each case, the resulting construct articulates some set of attributes that organization members deemed important, conveyed in symbolically rich terms.

But we can call this socially constructed OI for several other reasons. The intervention, although not part of the normal flow of activities inside of these divisions was nonetheless normalized as a top corporate management request for the relevant team members to try new inputs for the strategy development process. Furthermore, the intervention involved bringing together a group of individuals responsible for strategy development, and though their intensive interaction and collaboration producing a construct of what their respective division's identity is. In doing this, they drew on their individual and common experience of what the division does, and not only on their knowledge of its functioning in quantitative terms. Their verbal discussion and their communications with each other via multi-modal images of the LSP process (Bürgi and Roos 2003) were eminently social processes of negotiated sense-making. Finally, the metaphorical representations they produced were literally constructed as part of a process in which participants were tasked with interpreting who they are as an organization.

Thus, the process which we used is in focusing on the identity of each of these divisions is one in which social construction is not only an important framing theory, but is embedded in

the process as practice as well. Thus, still another way of understanding these data pertains to the quality of interaction among the strategy-making team. Thomas and McDaniel (1990) have shown that the information-processing structure of top management teams – the nature and quality of their interactions – influences how strategic issues are interpreted. The case studies offered here reinforce this idea in several ways: First, in providing a context and means by which a strategy-formulating group looks to identity, accepting and using the descriptive and interpretative potential of metaphors and analogies, as a source of insight into strategy development. Instead of utilizing the traditional techniques of SWOT analysis, Balanced Scorecard elaboration, etc., these groups articulated the identity of their organizations and thereby characterized the organizations in evaluative terms.

The second point to discuss concerns the static or dynamic nature of OI and other types of intangible firm resources. In linking the differential emphasis of resources to a specific context of interpretation, this paper offers a picture of what Collis' context-dependent resources may look like (e.g., Collis 1994). It should be clear that we are not claiming unchanging, uncontexted value for OI as articulated in the case studies above. These case studies also support Glynn's (2000)assertion that, as claims, organizational identities are necessarily changeable – a point also made by Fiol (2001), Gioia and Thomas (1996), and others. With Fiol, furthermore, we agree that today's dynamic business landscape makes any resource subject to the possibility of swift changes in value, so that a collective definition of identity cannot be not an enduring resource (Fiol, 2001). However, because such a collective definition arises through a process that draws upon much of the tacit knowledge of organizational members, it certainly has the possibility of being *distinctive* resource, which competitors would have less ability and interest in copying directly. As with much that is socially constructed, and that is, hence, subject to socially-created limitations on intelligibility, articulations of OI may, consequently be said even to have a built-in isolating mechanisms (Rumelt, 1987).

The third point to discuss is that, in each of the three cases, the organizational identity as characterized did indeed relate to an evaluation of divisional resources. These examples support Fiol's argument that that, while an organization's identity is a resource in the same way as culture (e.g. Fiol 1991) is, articulating it necessarily not only shapes but emphasizes

some attributes and de-emphasizes other firm resources. This work can also be taken as a direct instantiation of Glynn's assertion that "organizational identity can frame the manner in which resources become emphasized, prioritized, and deployed, and how perceptions of core capabilities can become constructed for the institution" (2000: 295). In the illustrative cases cited, participants in all three divisions discovered that the way in which they represented their organization bore within it distinct implications for foregrounding specific intangible resources. Reactions and verbal data from participants during the workshops clearly shows that important additional data was being fed into the strategy development process at the 3 divisions of Chemalot. There was patent acknowledgement that the existing X6 strategy documents would have to be revised in light of the insights gained as a result of the workshop: the Fragrances team emphasized on the emotional connotations of their products as "love proposals" to their clients; the Flavors team emphasized creation of more "tube relationships" to cut through their own labyrinthine organizational structure; and the Specialty Chemicals team emphasized coordination with other divisions as a function of the "microchip circuitry" which linked them to the rest of Chemalot. And, there were explicit statements by the individuals who oversaw the strategy development process in all 3 divisions at the end of each workshop to the effect that the strategy as it had been formulated would have to be revised to take into account what had been learned.

The key difference here, however, lies in what it is about the organization's identity that is indeed deemed relevant. In the case of Fiol and Glynn, it is, respectively, social identification processes and structural contestation among organizational constitutencies which represent how OI mediates strategy. In the instances we have presented, however, it is the specific metaphorical imagery which is the key mediating variable. The intensive use of metaphors to characterize the identity of organization, moreover, support the view of Morgan and others about the importance of such imagery for framing reality. In linking these devices to both organizational identity, and through that concept, to the strategic implications of defining resources and how they might be mobilized, we are also able to reinforce why metaphors matter in organizational life. In this case, they are seen to play a role that is frankly strategic (they affect how resources are seen and mobilized).

This is a distant, but undeniable, echo of Schön's famous example of the pragmatics of metaphors. He relates the case of a group of product development researchers trying to make an artificial bristle paintbrush that mimicked the properties of natural bristle paintbrushes. Their efforts had been repeatedly stymied until one of their group proposed the metaphor that "a paintbrush is kind of a pump;" this provided a new ways of conceptualizing paint flow in the paintbrush, which led to ultimate success in their development efforts (Schön 1963, 1993). The practical effects of this example are powerful – a sort of highly telescoped example of paradigm shift – and they are similar to what we have described in the examples of the Chemalot divisions. Seeing the identity of one's organization in a new way produced "breakthroughs" in assessment of firm resources and strategic issues.

Further, the contention that these 3 examples illustrate how an OI mediates strategic concerns has to be seen in the context of the discussion of resource-based strategy development. The re-evaluation and freshening of inputs to strategy development may be seen as examples of an organizational capability – that is, an organizational process which directly affects how resources are mobilized (e.g., Amit and Shoemaker 1993). But it also exemplifies that such capabilities, particularly in times of change, be seen as a dynamic ones (e.g. Eisenhardt & Martin, 2000.) In this framework, the metaphorical characterization of the organization's identity was a dynamic capability that mobilized different resources for each of the 3 divisions – relating to product properties, client relationship skills, and interorganizational coordination respectively. That is, it was an organizational process that became situationally available to the organization on the basis of a top manager's decision to re-evaluate the strategic plans. What this dynamic capability provided was a situational response to a recently defined need for new inputs to the strategy-making process. In some sense, too, it was more efficient in accomplishing the sorting, evaluating, judging operations that are implied by the organizational functions proposed by Eisenhardt and Martin, Kogut and Zander, and Burgelman.

Conclusions

This paper proposes that the relationship between OI and strategy makes most sense within the resource-based view of strategy, such an organizational identity articulated in a

symbolically rich fashion helps to shape meaningful evaluations about the existence and mobilization of firm resources. The case study we have presented shows how an unusual intervention that focuses on articulating and visualizing an organization's identity brought about changes in the respective strategic plans of 3 divisions of a large firm. In term of the implications for other researchers, this work strengthens the findings of Dutton and Dukerich (1991), Glynn (2000), Fiol (1991, 2001), and the many discussants in Reger et al. (1998) by supporting the idea that OI and strategy are linked in crucial ways. At the same time, it extends this previous work by proposing new importance for the role of metaphors and rich imagery (Morgan 1997) to characterize OI, and thus bring OI to bear on strategy by seeing relevance and applicability of resources in its light.

APPENDIX A: DATA GATHERING, PARTICIPANTS, AND THE NATURE OF INTERVENTIONS

Data Gathering

Our contact with senior management at Chemalot began in 1999, with several extended meetings with their top- and mid-level managers. The interventions described in this article took place in 2001, just at the beginning of the "X6" strategy development process.

Data was gathered through both ethnographic interview (Spradley 1979) and observational mechanisms. Semi-structured interviews were conducted with a majority of the members of the strategy-making teams of all 3 divisions before and after the intervention.

The initial interviews lasted approximately 1 hour. In these discussions, subjects were asked to characterize the strategy-making processes in their division, the overall strategic situation of their division, and describe their involvement with the strategy-making process. Topics included:

The types of data used in the strategy-making process

The weaknesses and strengths of the process

What was missing from the process

What could be improved about the process

Finally, they were asked for their ideas about specific strategic challenges and opportunities which they felt were not being addressed immediately by the organization. These interview data were supplemented by another critical source of information about the firm's strategy development process, namely the full set of slides used by each division to present its strategy to the executive board. For 2 of the 3 divisions, these 50+ slides were reviewed by us. In the 3rd division these slides were reviewed with us by a senior executive, but no copies were made available.   We interviewed 8 individuals in the first division, 8 in the second, and 7 in the third.

Approximately 2 months after the interventions, participants were contacted for a 30-minute telephone interview. They were asked to describe the intervention itself, and then characterize its effect on their divisional strategy. We also sought their reflections about the nature of the intervention itself. We also had email exchanges with several participants both

before and after the intervention, concerning the same sort of subjects covered in the interviews.

During the intervention itself, we videotaped the entire proceeding, focuses primarily on the entire group itself and not on any specific individual. This gave us a relatively complete document of participants' actions, words, and constructions throughout the entire event. The videotapes were reviewed afterwards, in order to reconstruct and digest the primary flow of activity in the group, resulting in the narratives given below.

Participants

In the first division, there were a total of 9 participants in the workshop, of whom 4 reported directly to the Division President. They had been directly involved in the development of the X6 strategy during the preceeding months, including preparation of the Powerpoint presentation to top corporate management. They all had full-time responsibilities in other areas (directing specific lines of business, key accounts, etc.). Another 4 individuals were asked to join the workshop by the Division President, to add additional points of view to the strategy development process. They were mid-level managers, with a variety of geographic and account responsibilities. The 9th individual was the Division President.

In the second division, only 6 of the 7 individuals originally interviewed actually attended the workshop. This group consisted entirely of the individuals who had played an active role in the development of divisional strategy. As a whole, they were largely middle managers with a variety of responsibilities, and were not as senior as was the case for the group in the first division. One Vice President who reported directly to the Divisional President was included in the group, as he had been in charge of the strategy development process.

In the third division, with the exception of 2 individuals who were absent, the group consisted entirely of the top management team of the division, including the Divisional President. This group included people who managed all the functional and geographic areas of the division.

Nature of the Intervention

Each intervention with the three divisions of Chemalot used a "Real Time Strategy" application of LEGO Serious Play®, which is an adult learning tool grounded in theories of

play.[15] In this application, under the guidance of a facilitator, participants undertake to use the LEGO materials to build constructs of key aspects of their organizational context, including their specific jobs, their organization's environment, and importantly, the identity of their organization itself. Each intervention lasted approximately 2 days, and alternated between building activities, turn-taking in presenting to one another what each individual had constructed, and periods of collaborative building of what the identity of their organization was. Intensive discussions amongst participants about the implications of their individual and collaborative constructions occurred throughout. All of the activity was documented with a combination of note-taking, still photography, and a total of 40+ hours of videotape recording. For the purposes of this paper, these video data were used to confirm key observations made in the notes which were taken during the sessions.

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[15] Research leading to the development of this workshop, which is designed to encourage a deep conversation about issues of identity and strategy has been reported in Roos and Victor (1999, 2001).

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