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**Stories and Organizational Change –  
Participants and Sensemaking in Local Government**

**A thesis report presented in partial fulfilment of the requirements for  
the Degree of Master of Philosophy (Business) in Communication  
Management at Massey University, New Zealand**

**Mary Day  
2002**

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# **Stories and Organizational Change – Participants and Sensemaking in Local Government**

## **Abstract**

This project explores the role of storytelling by individuals in times of organizational change. The study was carried out in a local body organization that, like other local body bodies in New Zealand, had been undergoing a series of changes over a period of several years as the result of central government reform.

There is a wide body of literature supporting the theory that the performance of stories is a key part of an organization's members' sensemaking. It has been shown that people reconstruct and interpret different experiences of organizational change and learning.

For this study a total of 21 employees from the local body were interviewed by way of storytelling. The main research question asked: "what do stories told by employees in an organization undergoing change indicate about the change?" Closely related sub-questions asked if stories indicated resistance or commitment to the changes, or degrees of resistance and/or commitment. Resistance to change is recognised as a critically important factor that can influence the success or otherwise of an organizational change. This resistance can be an impediment to progress. In times of organizational change, stories told by employees may indicate resistance to the change which, if not adequately addressed, may retard organizational change efforts.

The major findings from the employees' stories revealed some important key themes. They were that the participants had conflicting views of what the purpose of the current changes were. In addition, there was a general sense of, "here we go again", following on from previous changes in the organization. This perception gave the effect that participants had difficulty in viewing the current changes seriously. There was also a general perception that the right people were not being included in the change- making decision process. People felt left out and therefore expressed resistance in their stories. Further, a special group of people was selected from within the organization to carry out the change process and they too indicated feelings of isolation from and rejection by the organization's employees, and that created for them feelings of resistance.

Overall, it seemed clear the stories provided confirmed that participants resisted the change to varying degrees. Thornhill, Lewis and Millmore. (2000) states perceptions about change will affect its acceptance and may lead to resistance that could effectively minimise or even negate the purpose of the intended change. The analysis of these stories provided implications for change managers. This study has shown that the individuals' narratives or stories are a powerful vehicle and source of knowledge of how employees view happenings within the organization. A positive lesson to be learned from this research, and one which can be utilised by change managers in the future, is the significance of employees' stories and their importance to managers to listen to, gauge and assess the mood of the organization toward change.

A second round of interviews with a small group of the original interviewees, one year on, served the purpose of giving the participants an opportunity to reflect on the events and for sensemaking of what they didn't necessarily understand or were not aware of at the time of the first round. This proved to be a valuable opportunity to consider, reflect and learn for future organizational change processes.

It is suggested that it would be useful to conduct similar research within other local bodies that have also been undergoing series of changes over recent years following central government reform. Because of the uniqueness of local bodies and their position seated between public service organizations and the private sector, they are in a position where they are pressured to satisfy the demands of the stakeholders, both the community and the ratepayer-elected body of councillors. No doubt councils are continuing to investigate the most appropriate local government structures to meet their stakeholder's needs and the delivery of services.

### **Key Words**

change, change management, commitment, culture, organization, organizational employees, resistance, sensemaking, stories.

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## Content/Format of the Thesis Report

The format of this report mostly follows the formal style for empirical research reporting as described by Sumser (2001), with a few modifications and additions.

Sumser (2001) suggests three main sections. The first section is titled Conceptual Elements and consists of theory and a review of literature. The second section is titled Methodological Elements and consists of hypotheses or questions, definition of terms, design, sample and findings. The third and last section is also titled Conceptual Elements and consists of the analysis, conclusions and implications. Table 1 illustrates the format:

**Table 1:** Empirical Research Report Format (adapted from Sumser (2001) p. 45).

| Conceptual Elements   | Methodological Elements   | Conceptual Elements   |
|---|---|---|
| <ul style="list-style-type: none"><li>• Theory</li><li>• Review of Literature</li></ul> | <ul style="list-style-type: none"><li>• Hypotheses/Questions</li><li>• Definition of Terms</li><li>• Design</li><li>• Sample</li><li>• Findings</li></ul> | <ul style="list-style-type: none"><li>• Discussion/Analysis</li><li>• Conclusion</li><li>• Implications</li></ul> |

This report consists of the three main sections as described by Sumser (2001). The three sections are divided into chapters.

The first section covers conceptual elements over two chapters. Chapter One introduces the scope of the research project plan, rationale and context. It explores concepts, theories related to organizational culture, organizational change and stories and provides definitions. The project proposal and objectives are outlined, followed by a description of the local body organization where the research was conducted. A brief overview of local body reform in New Zealand in the last ten years is given.

Chapter Two, which is the Literature Review, covers some relevant theory of organizational culture and how storytelling can be viewed as a vital part of culture. Relevant research is also discussed.

Section two covers methodological elements in Chapters Three and Four. In Chapter Three the quantitative and qualitative research methodologies are briefly compared.

Various methods of qualitative data analysis are described and reasons for the chosen method of data analysis are given.

Chapter Four presents the findings from the interviews conducted, and stories gathered from the interviewees in stage-one. Findings are grouped into eight main themes.

Vignettes or excerpts of stories collected are included to illustrate the main points or themes identified from the findings. Following an introduction 4.1, this Chapter Four is divided into two sections: section 4.2, which provides findings to support the identified themes, and section 4.3, which provides interviewees' stories to illustrate identified themes.

Section three again covers conceptual elements in Chapters Five, Six, Seven, Eight and Nine.

Chapter Five contains an analysis and discussion of the main findings from stage-one, as outlined in Chapter Four. Excerpts of stories are included to support findings. Chapter Six pulls the results of the stage-one study into a conclusion, that sets the scene for the implications in Chapter Seven. The implications provide some pertinent messages for change management agents. Chapter Eight outlines the details of the second round of interviews (stage-two), carried out with five of the original 21 interviewees one year on. Before the second interview all five had been provided with a copy of the main findings arising from the original interviews. Interviewees' hindsight views and reflections on the events of the organizational change are described and discussed. Chapter Nine provides a brief overall conclusion with further implications.