Switching Strategic Perspective: The Reframing of Accounts of Responsibility

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Abstract

We provide an empirical study of the reframing of accounts of responsibility for strategy. We found that top management ambivalence about strategy provided a middle management team with wide scope for interpretation of responsibility for developing and implementing a strategic initiative. In the early stage, responsibility as well as expectations about the strategy’s successful outcome were ‘talked up’. In the later stage, when it was considered that the strategic initiative was failing, the middle management implementation team engaged in ‘talking down’ of expectations. We show that reframing from initial duty to capability to later accountability shaped and reflected actors’ changing goals. By focusing on responsibility we increase understanding of the division of labour in the actual practice of strategizing, including where and how strategizing is done. Most important, we show how protagonists’ goals drive the framing and reframing of strategic agendas, and how linguistic devices such as disclaimers and self-handicapping influence this process.

Keywords: strategy-as-practice, implementation, responsibility, reframing, accounts, failure, time, ambivalence

Much has been written about implementation as the part of strategy that fails (e.g. Alexander 1991; Beer and Eisenstat 1996, 2000; Kaplan and Norton 1996; Barney 2001). Bourgeois and Brodwin (1984: 250) and Gluck et al. (1980: 158) suggest that strategy implementation often fails because individual managers do not want to delegate responsibility and that normative approaches to implementation are disguised forms of command and control approaches (Bourgeois and Brodwin 1984: 254). This writing challenges the conventional assumption derived from earlier literature (Learned et al. 1965; Christensen et al. 1982) that implementation is a lowly, automatic and simple activity, and as more recently argued (Hambrick 2004: 94) it implies that implementation merits serious attention by researchers.

Our contribution is to provide a detailed empirical study of the reframing of accounts of responsibility for the formulation and implementation of strategy, and of how top management ambivalence about strategy allowed wide scope for interpretation of responsibility by middle managers. In this paper, we will present the reframing of accounts of responsibility as a neglected key activity in the strategy formulation–implementation interface.

Our aim in this paper is to ‘investigate what is actually done and by whom’ (Johnson et al. 2003a: 5). The specific question we ask is: where and how is
responsibility for strategy framed and reframed? We will ground our approach in an empirical study of strategy formulation and implementation in a multinational insurance company. We now proceed to a discussion of theory, followed by case study and research method sections. Then there are two empirical sections (the early and the late stages), followed by discussion and conclusions.

Theory

Strategy-as-Practice

Where responsibility is located is important because evidence increasingly questions the division between strategy formulation and implementation, and the representation of implementation as a mechanical, directed task. The classical school of strategy assumed that implementation dealt with the application of a plan, involving little reflexive human agency. Various empirical and conceptual developments have discredited this view (Mintzberg 1990: 175; Hart 1992), while still failing to fill in the gap in our knowledge of what implementation exactly means in terms of the micro detail of the agency involved. How responsibility is interpreted is a question that has now been raised for a strategy agenda (Jarzabkowski 2004: 549–550).

Descriptions of what people should do when they implement strategy do not agree with the emerging evidence of what they actually do (Johnson et al. 2003a). This suggests a need for empirical and theoretical investigations of accounts of how and where strategizing and organizing is actually done (Whittington 2003: 119) which has given rise to the ‘strategy-as-practice’ approach (Whittington 1996, 2003; Hendry 2000; Jarzabkowski and Wilson 2002; Jarzabkowski 2004). The strategy-as-practice approach is grounded in descriptions of actual activities within organizations rather than prescription (Jarzabkowski 2003), and it uses a definition of practices as the daily deployment and modification of ‘tools’ of interaction and mediation’ (Jarzabkowski 2003: 26). A strategy-as-practice approach sees strategy-making as a ‘chronic feature of organizational life’ (Johnson et al. 2003a: 5), which means that ‘strategy researchers must be in direct and close contact with the actors’ (p. 11). This has implications in terms of methodology and the type of research engagement sought (Balogun et al. 2003). Because ‘the division of labour in strategizing is still obscure’ (Whittington 2003: 120), this raises the question of whether it is senior or middle management who are loci of responsibility in decentralized organizations (Balogun and Johnson 2004). This is important, as middle management have often been left out of the strategizing equation. This is indefensible once we acknowledge the importance of examining ‘how practices structure the subjective and emergent processes of strategic activity’ (Jarzabkowski 2003: 49). In a similar vein, Regner (2003: 59) argued that the ‘specifics in terms of detailed characteristics of managerial activities and reasoning, and their contextual embeddedness remain less well understood’. Events that are seen as ‘everyday activities at the time they happened’ can later be reconstructed as ‘crucial events for the realized strategies’ (Regner 2003: 74). This means we also need to discuss how issues get framed and, over time, reframed.
Reframing

A ‘frame’ is ‘a quality of communication that causes others to accept one meaning over another’ (Fairhurst and Sarr 1996: xi). Frames were originally suggested as a means of explaining the effects on behaviour of individuals’ generalized interpretive schemes (Goffman 1974). From an institutionalist perspective — which is not adopted in this paper — frames absorb institutional prescriptions and so are powerful influences on strategy makers because “institutions structure policy debates with consequences for their initial framing” (Hoffman and Ventresca 1999: 1328; Lounsbury et al. 2003). Critiquing such a position, Creed et al. (2002) have argued that institutionalist notions like culturally embedded templates are too inflexible to deal with changing situations which force people to reframe. Creed et al.’s (2002) empirical data analysed a ‘gay rights discourse’ as an example of a master frame. They showed that actors choose whether to use the master frame to support their gay identity on the one hand or to criticize gays on the other hand. Thus they showed that templates or logics of action do not constrain actors in the sense of restricting their rhetorical positioning (they were free to choose between pro- and anti-gay arguments or identities).

Goffman (1974) analysed reframing via the concept of regrounding: the use of impression management to present oneself positively. Balogun and Johnson (2004), Marshall (1998: 23), Golden (1992), Wilson (2003), Maznevski and Chudoba (2000) and Vaara et al. (2004: 20–23) have also shown that reframing can be used to bring about a switch in (strategic) perspective. In this sense engaging in strategy-making is an ongoing process of framing and reframing. The frequently observed practice of reframing a project occurs when the circumstances of implementation change or when protagonists feel a new frame suits them better. Indeed, Fligstein (1997) argued that strategic actors frame their action in such a way as to convince others that what will occur is in line with broader logics of action that all accept or that is in their narrow interest. For example, Zbaracki (1998) showed how some managers reframe their experiences of total quality management programmes in terms of optimistic belief. Gersick (1994: 25) has shown how project teams are reframed by means of having a mid-project crisis, redefining the agenda and re-establishing momentum. Both Wilson (2003: 237) and Maznevski and Chudoba (2000: 482) showed that there was a slow opinion shift over the project lifetime toward problems outnumbering benefits together with ‘good’ reasons why managers’ earlier promises could not be fulfilled.

When confronted with failure, people reframe the information that is to be presented to others (Caldwell and O’Reilly 1982; Maznevski and Chudoba 2000), despite awareness of the moral implications of inconsistency over time (Forray and Woodilla 2002). For example, in a study of a merger project, failure led individuals to reframe their accounts in order to make themselves less central decision-makers (Vaara 2002). Indeed, a capability to reframe a situation had been analysed by Bachrach and Baratz (1970) as one of their suggested dimensions of power. Our work builds on these studies by researching the discursive reframing involved in the construction of strategy agendas and strategy reversals in implementation.
Responsibility

Responsibility is a key issue in understanding agency in implementation, because for agents with reflexive capacity, responsibility explains how we and others evaluate our actions. That is why the concept of ‘implementation climate’ is limited if it emphasizes compliant abandonment of agency and responsibility (Klein and Sorra 1996). Responsibility is given and taken and implies a relationship guided by a reciprocity principle (Blau 2002: 135–137, 219), a system of relational exchanges (Floyd and Lane 2000: 161) or a patronage system (Jackall 1988), which assumes that the acceptance of obligations is balanced by giving new capabilities. Reciprocity of obligations and rights enables responsibility to be exercised effectively, based on the classical principle that responsibility should be matched by authority (Gouldner 1960). Because of this, authority has been defined as a type of intrinsic reward (Whitley 2003). The acceptance of reciprocity emphasizes that commitment is conditional. An important theme within the commitment literature is the fact that it contains both attitudinal (wish to stay, identification) and calculative dimensions (Siders et al. 2001). Because at least part of commitment is calculative, therefore, it is given in return for something else. Mackin (1996: 2) observed that interpretation of responsibilities involves balancing rights against obligations. Responsibility is therefore a prime candidate for reframing. Although responsibility-related issues such as reframing during projects (Gersick 1994; Maznevski and Chudoba 2000; Wilson 2003; Wright et al. 2000: 814) have been discussed, there are no studies of how accounts of responsibility are reframed in strategy implementation.

Responsibility combines three distinct constructs. Duty is defined as ‘governed by a sense of responsibility’, ‘being a free moral agent’, and ‘trustworthy’ (Anderson 1999), and as a commitment to a subjectively held value (Bovens 1999). Accountability is defined as a state of being ‘answerable to a person or for something’, ‘deserving the blame or credit’ and ‘morally accountable for one’s actions’ (Anderson 1999) and of being sanctioned with regard to acting as agreed (Bovens 1999). Capability is also a part of responsibility because it carries an onus since it makes a person “liable to being called to account as being in charge or control” (Anderson 1999). Building on the Chambers Dictionary (Anderson 1999) definition, we suggest that responsibility should be defined as discursively constituted by claims, accounts or attributions of duty, accountability and capability. We define capability as the means to do the task in terms of authority, resources, and access. We define accountability as the potential to be blamed for not doing the task properly. We define duty as the subjective sense of commitment to do the task.

Let us briefly recap: we argue that responsibility is important for researching strategy-as-practice because it is a site of the agency of individuals within the formulation–implementation interface. By analysing the micro activities that make up the process of reframing accounts of responsibility it will be possible to extend our focus to “middle and lower level managers and more irregular strategy activities” (Regner 2003: 59). We explore the division of labour in the actual practice of strategizing, including where and how responsibility is framed and reframed.
The Case Study

The focus of this empirical study was a virtual e-business transformation team (‘the Team’) charged with the mission of re-orienting a multinational insurance company towards internet-based ways of doing business. The Team in our study was affected by environmental changes in several ways. First, there was rapid technological change taking place which was affecting the way insurance companies operated. Financial services involve the manipulation of symbols and ‘virtual’ goods and are in the forefront of experimentation with e-business (Knights et al. 2001). These trends were evidenced in rapid growth of telephone banking and insurance in the UK and online banking in Europe and the USA. There was also deregulation of financial services which dismantled traditional boundaries within the sector and led to keen competition in the development of new financial products. Second, the period of the study saw the last part of the period of optimism and the beginning of a period of pessimism about the business use of the internet. Third, the period of the study was one during part of which the value of shares fell sharply. This affected business confidence. It also brought the insurance company we studied to the brink of being taken over. The effect of these external forces was to amplify the early stage of optimistic expansion and the later stage of pessimistic contraction of the project.

This paper investigates the contestation between two interpretations of strategy — when an emerging globalization vision espousing knowledge-sharing challenged the existing power of regional directors. Although the regional template — involving regional financial reporting and responsiveness to local markets — was the dominant, existing practice, various developments immediately prior to our study had led to the emergence of a globalization vision. These developments were first, pressures from the financial markets which increasingly favoured signs that companies were global, and second, rapid changes in the e-business environment necessitating mimetic isomorphism by means of the adoption of new e-business approaches. This emerging vision, officially expressed in grandiose terms as “transform the company’s approach to e-business”, motivated the work of many Team members who saw it as an articulated, desirable position. (For use of double quotation marks, please see page 6.)

Research Method

Data Collection

The qualitative longitudinal data set was gathered in a multinational company over a three-year period, 18 months of which (April 1999 to October 2000) was retrospective collection and 18 months of which (October 2000 to April 2002) was real-time. Data comprised semi-structured face-to-face interviews and documentary searches.

Because recording was not permitted, both authors took shorthand interview notes of verbatim talk during the two-hour interviews, a procedure adopted previously by both Putnam (2004: 43) and Burgelman (1994: 28). Both authors
wrote separate transcripts immediately afterwards (Eisenhardt 1989), compared them for differences (Burgelman 1994: 28), and then combined them into a single transcript (Putnam 2004: 43).

The problem of non-recordability is a real one in organizations where often the most significant conversations are the ones which cannot be recorded. Several of our informants mentioned preferring spoken to either tape-recorded or written communication because of the politically sensitive nature of the information. This was partly because opinions which they expressed were critical of senior managers. The following comment from the US Team member was typical: “Is the discussion forum useful? I go in and contribute every day. Every time something controversial is said it is ignored. Nobody will put their name on it. [Two Team members] will not put things in writing.” It was also because the project was always considered as being risky and eventually failed, and our informants did not want written evidence to remain of the extent of their involvement in it. Just after the study was completed, the company’s share price fell sharply and many members including the CEO were fired. The non-recorded nature of the interviews encouraged our informants to speak their minds and resulted in vivid and colourful language with high field validity.

Several empirical studies of which we are aware are precedents for the use of non-taped field notes. Burgelman (1994) used field notes of non-taped interviews and meetings. Putnam (2004), in her rhetorical analysis of tropes used in negotiations, utilized non-taped data as field notes with those of her research assistants in order to be able to include direct quotes in her paper. Heracleous and Marshak (2004) used detailed field notes and did not refer to verbatim quotes (instead paraphrasing the discourse) in order to carry out an analysis of discourse in a business meeting. O’Connor (2000: 181) used field notes during observation of meetings in an analysis of the role of narrative in organizational change.

The data consisted of 30 interviews collected in seven locations worldwide. These were with Group directors, Team members, a former team (E-Business Practice) leader, two Group strategists, four interviews with the Team leader and one with the Team leader’s successor. These interviews generally lasted two hours. Words spoken by our informants as evidenced by word-for-word overlap between both interviewers’ field notes are in double quotes below. Wherever our transcripts were unclear or puzzling, we were able to telephone our informants for further clarification.

Our aim was processual and multi-level — to consider two levels of analysis — first, a middle management team which reported to a board and second, the board members evaluating the Team’s work — over a sufficiently long period to be able to discern a process of actions and their effects. This enabled us to divide the study period into two stages — early (from October 2000 to May 2001) and late (from May 2001 to April 2002). We defined the early stage as the period when the strategy was expected to succeed, and the late stage as the period when the strategy was believed to be failing. In the early stage there were seven interviews of Team members, two interviews of the Team leader, and several internal reports and website statements were used. In the late stage there were seven interviews with Team members, two interviews with the Team leader, and 12 interviews of board members together with several internal
reports. The dual-level and temporal frame conforms to a view of change as a
dynamic, multi-level and contextual process (Pettigrew 1990: 9).

Questions to Team members involved discussion of the member’s own role
and level of commitment, degree of support received from their regional orga-
nization, the Team’s mandate, evaluation of the Team’s success, and evaluation
of the organization and leadership of the Team. Questions to Group directors
involved discussion of their individual role in setting up the Team, the key
events which endorsed the Team, changes in perceptions of those key events,
the Team mandate, whether other teams in the company had a similar mandate,
evaluation of delivery by the Team on the mandate, evaluation of the strategic
challenges of e-business, and comparison with competitor companies in the
Team’s task area. We also used internal company documents including those
relating to the setting up and evaluation of the Team and relating to how the
local implementation of the Team’s work was progressing. This provided back-
ground that enhanced our interpretation of events.

Coding and Analysis

Both authors did the coding and analysis of the interview transcripts. The
research was mostly exploratory, inductive and theory-building in approach.

But there were several deductive steps when the inductively derived insights
were compared with the existing theoretical literature (Langley 1999).

The research attempted to build theory by using the data to construct cate-
gories and explanations (Strauss and Corbin 1994). The unit of analysis was a
sufficiently long statement in the interview transcripts (part of one or more sen-
tences) for us to understand as being related to a particular concept. We noticed
that responsibility for strategy was an issue and that reframing of accounts was
occurring. Therefore we looked for differences between participants’ accounts
of responsibility in the early part when success looked likely, compared with
their accounts during the late part of the strategic initiative when it was said
to be failing. We started building categories from our three-part definition of
responsibility as constituted by duty, accountability and capability. We noticed
that these three components were different in the early and the late stages.

Throughout this process the two authors discussed the match between the need
for an explanation which related to theoretical issues of strategy, implementa-
tion and responsibility, and the data itself. This involved reading the interview tran-
scripts many times and criticizing the appropriateness of the suggested categories
or the lack of data to support them (Strauss and Corbin 1990; Suddaby and
Greenwood 2005: 45). After this the final category scheme was chosen.

The Early Stage

The e-business transformation team was charged (the ‘accountability’ component
of responsibility) with the task of transforming the company’s use of e-business,
which involved greater cooperation between the parts of this rather decentral-
ized organization.
Many Team members felt a strong sense of commitment to the task of getting a global approach to information sharing — it was a “mission” (the ‘duty’ component of responsibility). Duty was partly enacted by means of discourse which evoked inspiring goals which were repeatedly expressed as code words such as “vision” together with company slogans such as “Unleash out of the coalface”. The provenance of these inspirational slogans was often large company conferences (we were referred to internal promotional material about activities such as ‘global people forums’, ‘hothouses’ and ‘ventures’ which promoted employees’ awareness of e-business) where the meaning of the slogans was learned and where they were made easily recallable by frequent use.

The CEO wanted globalization of his company but he was perceived as being reluctant to challenge the authority of regional directors and therefore was reluctant to give authority to Team members (the ‘capability’ component of responsibility). This was openly criticized by many Team members, for example by a European region Team member who in a March 2001 interview referred to regional directors as “blockers”. Thus, not surprisingly, the CEO was perceived as ambivalent about globalization, and the company’s globalization strategy document contained both global aims (learning and efficiency gains with which to attract the eye of the financial markets) and regionalization aims (nearness to markets). The US Team member commented in May 2001 that “[The CEO] will say do e-procurement globally but Australia just thumbs its nose at him because he doesn’t kick butt…. There are 15 systems which are allowed to proliferate which should not happen if you want a global company.”

In August 2000 the board approved a document which stated that the Team’s remit was to “Identify and align resources required to execute projects both within the region and cross-border”. One of the actions undertaken by the Team was to collect information about all IT projects worldwide within the company. This information was put in a ‘rationalization database’ to reduce or avoid duplication of projects. There were three other core projects taken up by the Team: projects to enable procurement and human resource management to be mediated via the internet, and a project to create one single internet ‘Portal’ for the company. None of these four core projects was part of the board’s original remit. The rationalization database was described by a Team member in February 2001 as “a database of all worldwide projects … It is meant to be used only as a knowledge-sharing tool, not as an auditing/control tool.” While this statement downplays its potential political dangers, there were other statements where its role was talked up in terms of it stopping other projects (we learned of this from both the Group director of IT strategy and the Team leader in March 2001).

We define ‘talking up’ as a discursive practice which manages the expectations of others over a project cycle, by means of referring to 10 categories of statement. In the early stage, there was both ‘talking up’ and ‘talking down’ discourse. We suggest that the simultaneous ‘talking up’ and ‘talking down’ can be interpreted as ‘talking up’ being used to get more resources, while also managing accountability (and potential blame) by ‘talking down’. The Team leader’s unsuccessful attempt to get more resources was described in these terms: “the [Region] has 200 full-time working on e-business projects. [The Team leader] wanted some of them” (Group strategist, March 2001). This
means that boosting the mandate was explained as part of an attempt to acquire additional resources — the ‘capability’ component of responsibility. The resentment felt by the UK part of the company was noted in an internal report.3

Besides the need to increase authority and resources, the project manager also needed the full commitment (the duty component) of the Team members. Promising commitment can be seen as the quid pro quo for wanting more resources. The ‘talking up’ discourse included an individualistic statement of accountability — such as the Team leader’s “I am the Team’s full time lead” — with a focus on evaluation of performance together with “incentivizing” and “remuneration”. Part of a commitment-inducing approach was the setting of a definite deadline, such as the Team leader’s “There is a two-year deadline to drive change” or the Group director of IT strategy’s “you have to set objectives, targets, milestones, rewards”.

In this respect the multiple duties and split loyalties of part-time members were especially problematic. The Team leader admitted these problems in November 2000: “My team is dispersed around the world. There are some face-to-face meetings but I am not their line manager and so they are rewarded and resourced and controlled from within their region. So running this team across borders is a real problem with no resources” (Team leader, November 2000). The dispersed nature of the Team, the ambiguous lines of authority (Sapsed and Salter 2004) and the ‘damage of distance’ (Goodall and Roberts 2003: 1153) reduced its capability. The low capability of the Team was sometimes moved into view, but sometimes disappeared from view: for example, the Team leader portrayed himself as lonely and brave: “There are five in the UK to bring about e-business transformation as compared with the 22,000 UK workforce” (interview, November 2000).

The board accepted the Team’s ‘talking up’ of its remit. The following statement by a board member in November 2001 talking about the goals of the project team is typical of the expectations of all the board members: “Seeing that the first four major global initiatives were driven to successful conclusion round the world”. This was a retrospective confirmation of the more ambitious agenda created by the Team’s talked-up remit. Another board member commented: “The Team was the medium for improving (this) knowledge sharing and to attempt to reduce duplication across the group.” Directors had accepted the Team leader’s inflation of his team’s responsibility in the belief that if the rationalization of projects across the company worldwide could be achieved, there was a huge potential benefit in cost saving. However, overall there was a strategic ambivalence on the board and this facilitated the co-existence of different narratives. Although the CEO’s publicly stated position was in support of globalization, he had few supporters for this strategy on the board — just two board members openly supported him in our interviews. This strategic ambivalence provoked the critical comment: “Without clear executive ownership and sponsorship, global initiatives will not succeed in a historically regional business” [internal report]. The board members wanted to have the best of both worlds — to claim globalization to the financial markets audience, yet at the same time not to disturb the entrenched authority of regional directors. This usefulness of ambivalence has been noted elsewhere, where the argument was made that strategic ambivalence may not be deliberate policy and instead may
be due to low capability to act by management fiat because of diffuse power bases (Middleton-Stone and Brush 1996).

The contextual use of promising and excusing sustained this ambivalence. For example, promising can do different things (Austin 1962): it can inspire leadership, express optimism and set higher targets by means of ambitious goals such as the Team’s August 2000 remit document, which referred to ‘move the transformation effort ahead as quickly as possible’. Yet at the same time it can make conditional promises which can also be interpreted as potential excuses such as “If it developed a strategy, a concrete plan, then I would put more effort and support in” (Canadian Team member, May 2001). Other examples of anticipatory excuses are “Low commitment is a potential problem” (Team leader, November 2000) and “Some of the group directors are against” (Canadian Team member, May 2001) which deal with potential failure.

Self-handicapping is ‘any action or choice of performance setting that enhances the opportunity to externalize (or excuse) failure and to internalize (reasonably accept credit for) success’ (Berglas and Jones 1978: 406). The downturn in e-business during the period of the study was one external excuse for failure seized on by Team members halfway through the strategic initiative. Disclaimers are prospective linguistic strategies for deflecting criticism if projected actions backfire (Hewitt and Stokes 1975; Benoit 1995 1997). The Team leader disclaimed when he initially stated that he had insufficient authority and resources to achieve his remit, and he self-handicapped by internalizing reasons for success and externalizing potential reasons for failure. The team had now arrived at a juncture where promissory language had become rare, while self-handicapping and disclaimers, i.e. different types of excuses, started to predominate.

The Late Stage

While in November 2001 the Team’s inflated objectives were still legitimated by board members, one can identify a countervailing development as early as the beginning of 2001. The loose coupling within the organization meant that there were ample opportunities for different individuals to interpret external shock in different ways. Already at the beginning of 2001 there were the first cautious signs of a decline in the role of e-business in the company’s strategic thinking. This was influenced by the collapse of the IT stock market bubble, which reinforced sceptics within the company who had always believed that the core business had more to do with personal selling than with the anonymous trading of a commodity. It also gave Team members an external excuse for failure. Poor financial results provided Canada with a legitimate excuse to withdraw from its commitment to funding the Portal project. Several Team members mentioned the financial situation as a reason why they absented themselves from face-to-face Team meetings. By May 2001 it was alleged to us that the headquarters strategy director together with some of the regional directors were privately criticizing the work of the Team and saying that the Team leader did not have sufficient political support to be effective — they thus cast doubt on the capability part of responsibility, implying potential failure.
We define ‘talking down’ as a practice which reduces the expectations of others over a project life cycle by means of referring to 11 categories of statement. ‘Talking down’ runs throughout the study, as a minority discourse in the early stage and as the dominant discourse in the late stage.

Some team members were critics of the project and constructed a narrative of poor direction and failing implementation. We were told by non-Team members that the Australian member criticized both this and other projects but that he was still regarded as “powerful” and “better in the Team than plotting outside it” (Team leader, March 2001). This type of critiquing was going on throughout the life of the Team: it undermined capability and it was used for self-handicapping and disclaiming in order to reduce accountability.

After the restructuring decision in summer 2001, criticism became even louder and more noticeable. Indeed, the Team’s success was now openly problematized. The board was becoming disenchanted at the lack of realization: “The climate has not changed much, we still have tons of projects, no co-ordination” (board member, November 2001). So the Team leader started to gradually adjust project objectives to be ones which were achievable or already achieved. Given that realization of the more ambitious agenda was increasingly unlikely, now his eyes were on what he would be blamed for or could be said to have achieved. Our data show that, of the three components of responsibility — duty, accountability and capability — it was accountability that predominated during the late stage.

In the late phase, the Team leader was no longer constructing a more ambitious agenda — he was now constructing his place in corporate history as a team leader who had managed a reasonably successful project team. It was understandable that he would seek excuses, including reference to the rise and then fall in hyperbole about the internet. He also sought to reduce the ambition of his objectives, including denying that the core projects were a ‘core’ part of the Team’s remit.

This happened for example when there was an internal report on the progress made by his Team. The central claim he wished to make via the internal report was that the three most problematic of the four core projects (now seen to be very problematic) had in fact never been part of his responsibility. He was partially successful in this, as the internal report in December 2001 stated “there is a perception that the mandate of the team also encompassed supporting the launch of the global initiatives. This was not part of the original mandate.” The report thus supports the Team leader’s concerns and his need to manage the possibility of disappointment. It is important to emphasize that this assessment was made a year later, i.e. December 2001 looking back at November 2000. It was made at a time when the priority had shifted to managing the late stage of the project.

In April 2002 the Team leader recalled that another colleague, a non-Team member, asked “are you guys serious? — this is what you want to achieve … without putting in real resources?”. Through this alleged quote, the Team leader seemed to be keen to reduce or even eliminate blame for himself by saying that there was no chance of succeeding without senior management putting in “real resources”. This was also the view of the internal report: ‘The mandate for the team was unclear with various opinions from senior and regional leadership as
to what constituted the mandate, who had given the mandate, and what success
had been achieved against it.

The Team leader therefore retrospectively diluted his team’s task to be what
large numbers of other organization members were doing — using and raising
awareness of e-business principles. For example, he started to refer to the team
as a network, with a more facilitative connotation. Our data shows that there
was now a spreading of responsibility. Even in March 2001 he had stated: “This
Team will be successful when the business is an e-business … The projects are
not the major thing we do.” Yet this more general objective was shared by most
teams (‘practices’) in the company and so was not really an objective unique to
his Team. A board member in November 2001 was aware of this: “In practice
most practices have this mandate.” Once the ‘failure’ of the Team’s work
became obvious, the Team leader and Team members reacted to their problem-
atic situation by adopting positions which minimized their personal responsi-
bility. For example, in February 2002 the Team leader referred to various
statements made by the CEO as if they were responsible for some of the hype
and inflated expectations. “The boss wants to compete as a global company…
The boss wants people to talk to each other… The boss wanted us to change, to
transform the entire organization into an e-business.” This is an example of
reframing where over-ambitious goals are explained with reference to the
CEO’s agenda.

In terms of its outcomes, the Team was unsuccessful. The Portal project,
regarded as the least politically contentious of the core projects, remained
stalled as a global project for about a year because of lack of support by Canada,
but eventually received central funding and the decision to move ahead. The
human resource management and procurement core projects remained unsup-
ported by several regions and therefore never got properly started. The ratio-
nalization database core project did get started in London but rapidly became
the cause of a fatal amount of resentment and suspicion by regions that “London
wants to cut our projects”, and this probably contributed to the disbanding of
the core members of the Team.

Discussion

Our theoretical point of departure was to contribute to the strategy-as-practice
agenda by analysing how and where situated interpretations of responsibility
take place — in the sense of ‘where strategizing and organizing is actually
done’ (Whittington 2003: 119). Process theories of strategy are concerned with
how managers develop associations between strategy and action (Langley 1999).
Such theories suggest that process or process phases are the primary units of
analysis (Langley 1999: 703; Pentland 1995: 550). Reframing of accounts rep-
resents an important dynamism in responsibility, as divergent and contesting
interpretations become apparent when one actually looks at the microprocesses
of strategizing (Johnson et al. 2000). We offer here our own findings with regard
to the process that reframing of responsibility followed. We invite other research
which seeks to identify patterns over time in how responsibility is reframed.
We observed that the relevance of the three elements of responsibility changed over the strategy implementation process. Broadly speaking, the process started with the commitment or duty of the Team which accepted its responsibility and which attempted to increase its authority or capability, and finished with senior management evaluating the Team as an accountable body.

Initially, we observed that the meaning of responsibility in terms of the relative weight and specificity of duty, capability and accountability were discursively constructed. At this point the strategic goal of the board (cutting duplication of projects) aligned with the goals of the members of the Team (boosting their personal careers). The main event at this stage was the remit document, setting out the Team’s duty. Responsibility was framed first as shared by the board and the Team members, and second as the duty of Team members to the board.

Next there was a reassessment by the Team of the lack of balance that the original remit represented. Responsibility was reframed as unfairly unbalanced against the Team. They felt in the words of their leader that they had been given “responsibility without power”. A crucial element on the board’s side was its ability to remain ambivalent by excluding details of its preferences about both strategy content and implementation. The result was that the responsibility frame placed most of the risk on the Team, who were given few guidelines and were liable to being blamed if things went wrong. At this stage the goals of the Team members (to promote their careers) and the board (to use the Team as an experiment) diverged.

Next there was a period of interpretation by senior management and the Team, in which the Team attempted to increase its capabilities by ‘talking up’ its commitment and its accountability as described in its remit. This attempt centred on the remit for the Team. The remit was the only text referring to the Team’s duties that was written down. It contained the board’s goal. It was written in the form of a problem statement and a likely future scenario — too many duplicated projects and the need to adjust to e-business practice — and the injunction ‘do something about this’.

The Team ‘talked up’ that remit, because it sought ‘enough’ authority and rewardability (its view of accountability). For example, there was an unsuccessful bid by the Team leader to get more capability in the form of authority and resources. Although ‘talking up’ was a bid for the Team’s goal of securing more capability, it not only contained promises, but also included excuses in case the Team was unsuccessful. On the senior management side there was a demand, initially less explicit, that the Team should be committed to the strategy implementation and that it should take the blame for failure — senior management’s view of the Team’s accountability. The goals of the board (making the Team accountable) and of the Team (getting more capability) again diverged. The framing of responsibility was more specifically reframed as including increased duty and accountability (the four core projects) but without any increase in capabilities.

This was followed by interaction between the Team and regional managers, where the tension between the emerging globalization strategy and the incumbent regional empowerment strategy was most obvious. Here the number of conflicting goals multiplied, so that responsibility was reframed as balancing
conflicting political interests. The Team managed this conflict by using the rationalization database to reduce duplication while at the same time denying that this was the case. The board managed this conflict by what we have described as strategic ambivalence, using a range of rationalizations and smoke-screens. Strategic ambivalence was an acknowledgement of the fact that regional managers would buy in to a vague plan but would be alienated or divided by too specific a plan (Pettigrew et al. 1992: 80). Two possible solutions of irreconcilable conflict between centralization and decentralization in multinationals include contingent oscillation (Ferner et al. 2004) and strategic ambivalence between these incompatible strategies. Strategic ambivalence is a solution of the ‘managerial dilemma: the need to use informality and vagueness to gain commitment from diverse interests, and the need to demonstrate formalization of managerial practices to acquire legitimacy from critical resource suppliers’ (Middleton-Stone and Brush 1996: 633).

Put crudely, the Team was in the middle between senior management interested in the end result (‘stop the duplication of projects’) and regional managers interested in the means (‘don’t trespass on my patch’). The Team and its leader understood during this stage that their work was failing, and therefore began ‘talking down’ the strategic initiative.

Lastly, under successful conditions, the Team would have aimed to ensure closure of its work including an appropriate evaluation of its performance. However, ‘talking down’ had already started in the previous stage and by now it was widely assumed that the strategic initiative was failing. The goals of the Team (to avoid blame) and the board (to hold the Team accountable) were now as opposed as it was possible for them to be. Responsibility was reframed as doing what would avoid blame and disguise failure. However, there was no formal closure, merely a reorganization of the Team and its remit, including a disbanding of the core Team. Table 1 shows how these refractions of responsibility and discursive actions were mutually constituted.

Conclusions

Where is Responsibility for Strategy Reframed?

This paper has attempted to address some of the challenges posed by the strategy-as-practice perspective, especially broadening out the notion of ‘the strategist’ so as to include middle managers (Balogun and Johnson 2004, 2005; Johnson et al. 2003b). Our data support our view that the process of interpretation of middle manager responsibility in strategy implementation has not formerly been adequately studied. Strategic process theory has formerly focused on processes within leadership constellations (e.g. Denis et al. 2001; Floricel and Langley 2004) rather than on processes of interpretation by middle and senior managers. Research on middle managers, for example, has emphasized the adversarial (Guth and MacMillan 1986) or at least decoupled (Burgelman 1994) nature of the middle manager–senior management relationship, and the energizing effects of middle managers’ sense of inclusion (Westley 1990).
Floyd and Lane (2000) noted the role of middle managers communicating between senior and operating levels, although they did not consider that communication process as a medium through which responsibility was reframed.

Our data extend current models of where strategizing is done. Current models suggest that strategizing roles are determined by hierarchy, because they suggest that middle managers champion, synthesize, facilitate and implement, whereas top managers ratify, recognize and direct (Floyd and Lane 2000). In our case, the fact that the top management role of directing is more assertive than that of ratifying (the two roles are described as active and passive respectively in Floyd and Lane 2000: 160) signifies the difference between the board’s initial remit and its passive acceptance of the Team’s ‘talking up’ of the four core projects. This suggests it was top managers who refereed between the bottom-up ideas which were presented by the Team’s champions (Bourgeois and Brodwin 1984; Wooldridge and Floyd 1990). The bottom-up ideas concerned how to solve the dilemma of rationalizing duplication without antagonizing regional directors.

However, using hierarchy as the only determinant of strategizing roles misses two aspects of our data. First, it fails to recognize how strategic ambivalence affects the process. To some extent this has been taken up in the observation that it is middle managers who take the risks, and top managers who hedge their bets

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Table 1. Reframing of Responsibility and Discursive Action

<table>
<thead>
<tr>
<th>How is responsibility reframed?</th>
<th>Discursive actions</th>
<th>Where is responsibility reframed?</th>
<th>Whose goals?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EARLY STAGE</strong></td>
<td></td>
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</tr>
<tr>
<td>1. Duty</td>
<td>Promissory language</td>
<td>By board and Team</td>
<td>Goals of board (cutting duplication of projects) and Team (boosting their personal careers) are aligned</td>
</tr>
<tr>
<td>2. Not enough capabilities</td>
<td>Disclaimers and self-handicapping which anticipate failure</td>
<td>Within Team</td>
<td>Goals of Team (to promote their careers) and the board (to use the Team as experiment) diverged</td>
</tr>
<tr>
<td>(Team)</td>
<td></td>
<td></td>
<td>Goals of the board (making the Team accountable) and the Team (getting more capability) again diverged</td>
</tr>
<tr>
<td>3. Not enough capabilities</td>
<td>‘Talking up’ and unsuccessful attempt to get more capabilities (resources and authority)</td>
<td>By Team who suggested and by board who accepted four core projects</td>
<td></td>
</tr>
<tr>
<td>(Team); accountability (board)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>LATE STAGE</strong></td>
<td></td>
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<tr>
<td>4. Balancing conflicting interests (Team); accountability (board)</td>
<td>Private recognition of failure; ‘talking down’</td>
<td>By regional directors, board and Team</td>
<td>Number of conflicting goals multiplied</td>
</tr>
<tr>
<td>5. Avoid blame and disguise failure (Team); accountability (board)</td>
<td>‘Talking down’</td>
<td>By regional directors, board and Team</td>
<td>Goals of Team (to avoid blame) and the board (to hold the Team accountable) were completely opposed</td>
</tr>
</tbody>
</table>

Floyd and Lane (2000) noted the role of middle managers communicating between senior and operating levels, although they did not consider that communication process as a medium through which responsibility was reframed.
and defer decisions (Noda and Bower 1996: 187). What our data add to that account is that strategic ambivalence may encourage and legitimate middle managers’ risk-taking behaviour. The exchange of responsibilities between top and middle management, therefore, may be crucially affected by how much risk middle managers are prepared to take, and this will affect how middle managers reframe their perception of not having enough capabilities (see Table 1).

**How is Responsibility for Strategy Reframed?**

Second, we advance the theoretical understanding of the degree of agency involved in reframing. Institutional theory has been criticized as presenting a view of actors as passive (e.g. Meyer 1983; Hoffman 1999). Creed et al. (2002) attempted to engage with those criticisms by positing that actors adopt alternative positions with regard to a master frame. They argued that in institutional theory (e.g. Scott 1995) agency ‘has been institutionally authorized and constrained; social actors enact constitutive, institutional scripts that link their identities to prescribed behaviors and broader logics of action’ (Creed et al. 2002: 475). Creed et al. suggested ‘an alternative perspective that emphasizes the complexity and uncertainty of institutional reproduction’ where reframing is done opportunistically by actors choosing between alternative frames but still driven by attachment to a master frame.

Our comments on the neglect of middle managers in strategy implementation and their role in interpreting their own responsibilities for strategy resonate with these criticisms of institutional theory. Much of institutional analysis is more influenced by structure than agency (e.g. culturally embedded templates or master frames). The effect of this is that, where institutional and cultural constraints are portrayed as predominant, there is little role for strategic action. Similarly, in a systems perspective the conundrum arises of how new strategic practices can arise from within existing structural constraints and yet overcome those structural constraints (Baum and Oliver 1991; Hendry and Seidl 2003).

We depart from these perspectives because we want to utilize the notion of framing and reframing of responsibility for a strategy-as-practice agenda. Responsibility comprises, in our view, a flexible and reciprocal system of obligations (duty, accountability) and rights (capability), rather than an institutional prescription or master frame. Responsibilities can ‘provide strategic managers with discretion to overrule or mediate external demands’ (Clark 2004: 622). In our case study, reframing happened by means of a negotiated adjustment of responsibilities between middle and senior management.

In line with the strategy-as-practice agenda, our theoretical point of departure was a questioning of a strict dividing line between strategy formulation and implementation; an acknowledgment that middle management also make strategy; an appreciation that we need to take account of the daily deployment of practices and tools; and the need to focus on embedded discourses and practices rather than abstracted strategy tools. Table 1 shows that reframing from initial duty to capability to later accountability shaped and reflected actors’ changing goals. By focusing on responsibility we think we have increased our understanding of the division of labour in the actual practice of strategizing, including
where and how responsibility is framed and reframed. Most important, we have critiqued the notion of hierarchically layered strategizing roles by focusing on relational exchanges affecting responsibility, and we have shown how protagonists’ goals and agency drive the framing and reframing of responsibility for strategy and of strategic agendas, and how linguistic devices such as disclaimers and self-handicapping influence this process.

Notes

The authors would like to thank the following for their comments on earlier drafts of this paper: Andrew Brown, Stewart Clegg, Christine Coupland, Saku Mantere, Cliff Oswick, Duncan Shaw, the Senior Editor Kathleen Sutcliffe and the three anonymous reviewers.

1 An internal sample survey of employees in 2001 found that 63% did not agree with or were neutral about the statement ‘Senior management is equipped to make and or support important strategic decisions about e-business investments’.

2 Of 81 statements attributable from our data to ‘talking up’ discourse, 75 were for the ‘early’ phase (from October 2000 to May 2001), and 6 were for the ‘late’ phase (from May 2001 to April 2002). Thus, ‘talking up’ is primarily associated with the early stage. Moreover, all the 10 categories have a majority of instances in the early period. These 10 categories were as follows. In ‘talking up’ discourse, capability was expressed as claiming that capabilities were needed — claiming more resources (13 statements) and claiming more authority (5) and justifying those needs — claiming more urgency (5), expressing optimism (4), and making confident predictions (6). Accountability was expressed as who was accountable — claiming individual responsibility (7), and what the accountability was for — setting higher targets (6), and setting a definite deadline (4). Duty was expressed as affirmation of subjectively held values — affirming values (17), and supporting the globalization vision (18).

3 Internal report (November 2001: 4). The failed attempt was to have an 11-person core Team (Internal report: Plan A, August 2000), whereas the company decided to go for a 2.5-person core Team (Internal report: Plan B, August 2000).

4 The 11 categories were as follows. In ‘talking down’ discourse, the analysis of categories of statements shows that denial of capability was expressed as claiming that capabilities were not needed — claiming fewer resources (5 statements) and claiming less authority (5) and justifying the reduced need — claiming less urgency (9), expressing pessimism (14), and making unconfident predictions (5). Denial of accountability was expressed as who was accountable — claiming collective responsibility (9), avoiding or spreading blame (17) and what the accountability was for — setting lower targets (9), and setting an indefinite deadline (8). Denial of duty was expressed as denial of subjectively held values — criticizing Team management (15), and criticizing the globalization vision (12).

5 This is shown by counting the occurrence of statements in our data. Of 108 statements attributed to ‘talking down’, 50 were in the ‘early’ phase (from October 2000 to May 2001) and 58 were in the ‘late’ phase (from May 2001 to April 2002).

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