Post-acquisition integration: ways of sensemaking in a management team meeting

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Abstract

Purpose – The aim of this paper is to investigate actors' ways of sensemaking through the use of rhetorical strategies, frames, and categories, in a management team meeting.

Design/methodology/approach – The empirical data were generated from a video recorded and transcribed management meeting, and participant observation. The analysis of institutional discourses and practices builds upon the assumption that language and texts are the main tools for understanding actors' social reality. The managers' ways of sensemaking of institutional discourses and practices is captured through their use of tools like rhetorical strategies, frames, and categories in talk-in-interaction.

Findings – The team managers' ways of sensemaking through mobilizing rhetorical strategies, institutional categories, and how they recontextualise frames in negotiation of a disputed issue, adds new aspects to previous studies of the multi voiced complex integration processes in a cross-border acquisition. The significance of the results is the revealing of actors' frequent use of rhetorical strategies, frames, and categories in sensemaking processes. The study calls for further research on structural features of institutional talk as related to the dynamics of talk-in-interaction.

Originality/value – The findings and methods of analysis contribute to international business studies and to the empirical-based research on institutional interaction through text and talk.

Keywords Team management, Meetings, Rhetoric, Acquisitions and mergers, Communication

Paper type Research paper

Introduction

Mergers and Acquisitions (M&A) have been contemporary phenomena in a competitive global market for several decades. A recent review of 98 M&A Anglo-American studies, published in ten established US management journals, identified six research approaches in the area (Schmidt *et al.*, 2006). This study is relating to two of the six approaches. The first is the Organizational Behaviour School's approach, which focuses upon integration processes, organizational, and cultural fit (Marks and Mirvis, 1985; Nahavendi and Malekzadeh, 1988; Buono and Bowditch, 1989; Cartwright and Cooper, 1992; Olie, 1994; Larsson and Finkelstein, 1999; Birkinshaw *et al.*, 2000; Vaara, 2003; Pepper and Larson, 2006). The second is the Strategic Management School's approach, focusing on outcomes and economic synergies of the integration process (Jemison and Sitkin, 1986; Haspeslagh and Jemison, 1991; Larsson and Finkelstein, 1999; Paruchuri *et al.*, 2006). It has been claimed that most M&A fail (Kitching, 1967; Marks and Mirvis, 1998), although

Schmidt *et al.* (2006) point out that this depends rather on the definition of "M&A success" used, the methods applied, and how the findings are interpreted. The opposite view might be approaching.

Research on M&A integration processes has implied dramatic changes and problems for the parties concerned, specifically for the acquired company (Buono and Bowditch, 2003). In this cross-border acquisition, the management team of the acquirer needs to establish some coherence, integration, and stability among actors. Studies have indicated that individuals tend to sharpen their national identities as an inherent part of intra- and inter-organizational sensemaking (Nahavendi and Malekzadeh, 1988; Risberg *et al.*, 2003; Vaara *et al.*, 2003). Tienari *et al.* (2005, p. 220) argue that "this intertwines with the construction of particular gender identities." However, there is a gap between the conventional integration methods used in M&A studies, which do not necessarily focus on the complex organization change processes, and those studies applying qualitative research methods in order to capture the multi voiced complexity of change processes on a group or individual level.

In this study of a cross-border acquisition, empirical data emanates from five year research project of post-acquisition integration processes. A Swedish multinational company acquired a Norwegian company and the management team meeting reported took place about three years after the acquisition was settled. Various data, quantitative and qualitative, were gathered about this cross-border acquisition. The study uses a qualitative method to investigate micro-processes of interaction among actors in a management team meeting, where sensemaking as a collective activity is constituted. The analysis of institutional discourse and institutional practices builds on the assumption that language and texts are the main tools for understanding actors' social reality. Post-acquisition integration processes are complex, aiming to bring together various opinions on specific issues and activities, and therefore actors' ways of sensemaking are focused on a specific issue. Prominent scholars have studied various aspects of the integration processes in international business studies, but few of them have paid attention to the complexity of actors' ways of using institutional discourse, rhetorical strategies, frames, and categories, as discursive tools for making sense of talk-in-interaction.

The aim of the study is to investigate how the management team members use rhetorical strategies, frames, and categories for sensemaking, to be accountable during the meeting. The claim is that to understand institutional discourse, and institutional practices, the researcher needs to study social encounters, *in situ,* and in addition needs knowledge "from-within," "thinking-from-within" or "withness-thinking" to be able to make sense of the multi voiced complexity of the talk-in-interaction (Shotter, 1993, p. 19, 2005, 2006a, p. 585; 2006b). The claim is also that the way a problem or a dilemma is constituted and understood can be depicted through the rhetorical strategies, frames and categories used to handle it and make sense of it. More generally, the aspiration is to deepen the knowledge of the integration process after a cross-border acquisition by investigating the polyphonic complexity of institutional discourse and institutional practices related to actors' sensemaking.

The next section considers the theoretical perspective on language, and tools such as rhetorical strategies, frames, and categories applied in the analysis of empirical data. The setting is then presented, then the research methodology, and the analysis of the empirical data from the management team meeting. Finally, a concluding part summarizes the

findings and the contribution of this qualitative analysis in a cross-border business research context. We conclude with some reflections on the limitations of the approach.

Institutional discourse and practices

The study combines a socio-cultural perspective on institutional discourse and talk-in-interaction (Goffman, 1981; Van Dijk, 1983; Shotter, 1993, 1995; Wertsch, 1991; Linell, 1998) and an ethnomethodological perspective that refers to the contextual knowledge inherent in social encounters (Garfinkel, 1967). The analytic focus is on the sequential organisation of talk-in-interaction, i.e. an analysis of social structure and interaction. Schegloff (1991, 1992, p. 191) asserts:

> In order to sustain and elaborate the events they are engaged in, participants must display to each other their ongoing understanding of those events while simultaneously interpreting in a relevant fashion the actions of the others.

The functional approach, "dialogism," is to study language as discourse and talk-in-interaction and to investigate "actions and interactions, i.e. discursive practices in their context as basic units" (Linell, 1998, p. 7).

Language, historically and culturally generated, is the mediating tool for developing social practices and by which we constitute the world (Wertsch, 1991, 1998; Säljö 2005). In the ethnomethodological perspective, rhetorical strategies, frames, and categories are investigated as the force of actors' accounts, intrinsic in social practices relying on indexical situated experience (Wenger, 1998, p. 13). Language in a socio-cultural perspective is a constitutive mediator of human acts and collective practices, and not a system or codes for representing cognitive models (Wertsch, 1991, 1998; Linell, 1998; Säljö 2005). The analytic focus is on talk-in-interaction, a process of cooperation between speakers and listeners, that requires flexibility, and the willingness to change, neither of which can be predicted or taken for granted. It focuses on the use of language as an institutional discourse among upper level managers. Researchers have commented on the inherent difficulties of this process.

> Utterances (the use of language) have a critical role in this co-dependency between self and context simply because they provide information: a current utterance provides information that creates a range of potential contexts to which a next utterance can respond (Schiffrin, 1993, p. 255).

Complexities arise, as Garfinkel (1967, p. 9) asserts, when:

> . . . roles of speaker and hearer will be interchanged in support of a statement-reply format, the acknowledged current-speaking right – the floor – passing back and forth. Finally, what is going on is said to be conversation or talk.

To further expand the knowledge of language use in social practices, *in situ,* studies of social accountability are recommended by Garfinkel (1967). Public, private and commercial institutions develop and promote their own accountability practices – how they address and refer to people in and outside the organization – therefore there is no template the researcher can use. The uniqueness of these accountability practices in institutions reveals the complexity evident in institutional discourse and in institutional categories (Wertsch, 1991; Mäkitalo and Säljö 2002; Rovio-Johansson, 2005). Empirical-based studies on institutional interaction through the analysis

of text and talk (Goffman, 1981; Buttny, 1993; Antaki, 1994), and dialogue as talk-in-interaction (Garfinkel, 1967; Sacks, 1992; Psathas, 1995; Silverman, 1998) have provided interesting knowledge of how participants make themselves accountable through their actions. The claim is that accountable actions in talk-in-interaction and face-to-face relations can only be understood in the context or in the "from-within" perspective to use Shotter's (1993, p. 19) terminology and, whenever verbal actions are misinterpreted, it triggers a shift of actors' frames (Goffman, 1981).

In order to understand institutional encounters, such as a management meeting, it is crucial to focus upon the relation between collective institutional practices and actors' ways of sensemaking. "Participants in social interaction are both constrained by – and constructors of – the institutional and interaction orders (i.e. the contexts) in which they find themselves" (Schiffrin, 1993, p. 255). Lepper (2000), relying on the pragmatic tradition, agrees that "context" has to be understood as a situated practice and an embedded activity, approached from an operating actor's perspective. However, defining the context of a situation may itself be problematic since, "[C]ontext is not concrete for the observer, but intersubjective for the participants" (Edwards and Mercer, 1989, p. 92). Language context and the meaning of verbal actions are constituted in "language games" (Wittgenstein, 1997, pp. 23-24, 203, 329). "Here, the term 'language games' is meant to bring into prominence the fact that *speaking* of language is part of an activity, or of a form of life." Shotter (2006b, p. 201) points out: "Wittgenstein (1997) brings us to the relationally-responsive use of words, and shifts us from the position of disinterested outside observers to that of interested participants," which call for "the relevant, sequentially unfolding ways of relating ourselves to events in our circumstances for another next first time from within what I have called the interactive moment."

Rhetorical strategies
Speakers may use accounts, and rhetorical strategies, to explain what they intended to do, to defend what they have done, or to reject an alternative course of action. Rhetorical strategies are often used in conversations and discussions by a speaker, when actions must be justified and/or excused. The conduct of people can fail in various ways and the severity of these failures will have differing implications for the accountability of the persons involved. Being "accountable" for a group, such as the management team in this study, means that each group member is responsible for actions taken by the group. Each group member is also expected to respond in a relevant way to expectations of the group members when making decisions that apply to the entire group. Talk can be used to recast the negative interpretation of one owns action, thereby even transforming other's opinions. This recasting is on a micro level and the transformative function [that] is the most distinctive feature of accounts as a discursive practice (Buttny, 1993, p. 1). Accounting practices are studied as elements of situated experiences in practice, i.e. as elements of knowing. Thus, even if the action does not fulfil the expectation, the account can provide a path forward.

Shotter (1993, p. 19) states that "how to go on," or the "third kind of knowledge," is "the kind of knowledge one has from-within a social situation, a group, social institution, or society." This third kind of knowledge differs from the two others "It is not 'theoretical knowledge' (a 'knowing-that' in Ryle's (1949), terminology), but knowledge in practice, nor is it merely knowledge of a craft or skill ('knowing how'), for it

is joint knowledge, knowledge-held-in-common with others." In other words, it is "situated knowledge" such as to be familiar with the situation, and to stress the context dependence of sensemaking in talk-in-action and in social encounters. "It is also knowledge of a moral kind, for it depends upon the judgements of others as to whether its expression or its use is actually fitting in the situation or not – one cannot just use it or express it on one's own, wholly within one's own terms" (Shotter, 2005, p. 122)

The analytic focus of this study is on the actual talk among the members of the management team, their rhetorical strategies and their sensemaking of the categories used in the discussion. "Sensemaking" means here "a process that is ongoing, instrumental, subtle, swift, social, and easily taken for granted" (Weick *et al.*, 2005, p. 409). Van Dijk (1983, pp. 375-404) exemplifies the rhetorical strategies used in actual talk and conversation as: generalizations (actions which are not incidental or exceptions), corrections (That is not correct), repetitions (highlighting particular evaluations several times), emphasizing (drawing attention to relevant information), presupposition (assumptions, implications, suggestions), displacement ("I did not mean that," "Not me, but the others") and avoidance (conversational or topical avoidance; "I don't know"), to mention a few of them.

Frames
Research on institutional communication and institutional practices show that people frequently use frames that are in Sacks' (1992, p. 40) words "inference rich." Such frames, if unspoken, enhance the effectiveness of the conversation, the negotiations, and the decision-making. Tannen (1993, pp. 53, 59-60) explains that "script, frame and schema can be understood as structures of expectations based on past experience" and that "[T]he interactive notion of frames refers to a definition of what is going on in interaction, without which no utterance (or movement or gesture) could be interpreted." Goffman (1981) uses the concepts "frame" and "footing," which are sometimes blurred and difficult to distinguish. However, Goffman (1981, p. 128) introduces the term "footing" as "[A] change in footing implies a change in the alignment we take up to ourselves and the others present as expressed in the way we manage the production or reception of an utterance" and footing is "another way of talking about a change in our frames for events, these changes being a persistent of natural talk." In his article in *Semiotica*, Goffman (1979) did not analyse the structural underpinnings of changes in footing. "Frame" is here used to indicate recontextualising of "something like a filtering process through which societal-level values and principles of conduct are transformed and refocused so as to apply to the situation at hand" (Gumperz, 2001, p. 217).

Categories
In the analysis of conversation, and talk-in-interaction, discursive entities like categories are used to describe people, relationships, rights, and obligations. From the ethnomethodological perspective, categorisation is an important aspect of sensemaking in all social encounters (Garfinkel, 1967). Categories are generated in institutional settings through accounting practices inherent in specific traditions of argumentation (Shotter, 1993) and perform the function of mediating cultural tools that are fundamental to our sensemaking of the world around us (Wertsch, 1991; Lepper, 2000). Thus, in organizations, categories are embedded in the professional languages used by the members of organizations (membership categories), in administrative routines, in infrastructures and, accordingly, are invisible to the public. Wertsch (1991, 1998)

emphasizes that categorisation is basic in conversation. We use categories as mediating tools in co-ordination of both professional and non-professional activities. On one level, categories provide us with resources for perception, reasoning and remembering. On another level, categories provide us with the tools to enhance the effectiveness of the conversation, make sense of the problems and sharing of perspectives.

A case study
In March 1999 a Swedish multinational company bought a Norwegian company. When the acquisition took place, the Swedish company composed of a division of a Swedish high-tech multinational company, and employed about 2,400 persons. In the beginning of the twentieth century, the Norwegian company had a flourishing technological production. When the company was acquired in March 1999, it produced advanced technological products, and employed 550 people. After the acquisition, the Swedish management team and two representatives from the acquired company held business area meetings every second week in Sweden. The purpose of the meetings was the integration of production processes, and to build up an infrastructure between the two companies.

Empirical data emanate from a five year research project on integration processes of a cross-border acquisition, such as: semi structured interviews with employees on all organization levels in both companies (in the beginning of the project), video recorded meetings of the business area management group responsible for the integration process, observations, field notes, follow up interviews with employees on all organization levels in both companies (in the end of the project), and various information materials distributed by the acquirer during this time period. The research project got access to these management team meetings during a period of eight months and were allowed video record each meeting. The researchers operated the video camera, made observations, and took notes if something specific and unusual occurred during the meetings. The researchers were known to the participants in the meetings, from the interviews conducted at the beginning of the research project.

This particular meeting is selected since the expectations of the meeting participants' were not met and the particular issue under discussion was not solved. This was clarified by the meeting members in the follow-up interviews. Microanalysis of the language and talk-in-interaction is used based on a perspective on language previously described in this paper. Given the theoretical framework, verbal and nonverbal behaviours are studied as potential sources of talk-in-interaction, and investigated in their immediate particular context. The video film, as a data collection method, opens the possibility to study the film many times during the analysis. As one of the observers of the meeting, it was possible to analyze the discussion, and study the notes from this particular meeting. What happens during eight months of meetings is that the observer's "etic" perspective (from outside) is changing and is developing to an "emic" perspective (from inside). The observer develops a kind of knowledge "from-within" (Shotter (1993, 2005).

This management meeting took place three years after the acquisition. The presentation of the selected issue and the subsequent discussion are transcribed and analysed. Linell's (1994) recommendations for transcription of dialogues and talk-in-interaction are applied (Appendix 1). To protect the anonymity of the companies, and the individuals involved in the management group, fictitious names are used in the excerpts.

Both Swedish and English are rich languages. When it comes to translations of common words, expressions and sentences it becomes more difficult, particularly in this case where the culture of the organisation and its institutional discourse practices are studied in the speakers' ways of using the language. Two of the examples are the Swedish expressions: "RIKTIGT VASSA BLOCK," that has been translated as "EXCEPTIONAL BLOCKS" and the Swedish word "tvivelaktig" translated as "doubtful." The translation from Swedish to English was difficult despite the availability of a qualified native interpreter. An additional circumstance complicating the interpretations is that one of the CEO's spoke Norwegian. However, the Swedish language and the Norwegian language are reasonably similar, at least in vocabulary, so this problem was not insurmountable.

A management team meeting

Setting

The management team has a meeting at least every second week, and often every week. The meetings last for about four to six hours, sometimes even longer. The agenda includes about 10-15 items, each of which is prepared by middle managers. All presentations of reports and different issues were in Swedish. Usually the Swedish CEO, the head of the meeting, is informed in advance about the agenda and the issues.

The management team consists of ten persons: the Swedish chief executive officer (CEO) and his assistant, the Norwegian CEO, one Norwegian representative of the middle management, and six additional Swedish representatives of middle management.

The excerpts presented in the following text include just one issue from the entire agenda of the meeting. The entire discussion of the issue is transcribed. Only the parts of the discussion relevant to the "sale-lease back" issue are included below. Therefore, Excerpt 1 starts at line 5 and Excerpt 2 at line 60.

The issue, the "sale-lease back" case

The CEO of the acquiring Swedish company is identified as Arvid and the CEO of the Norwegian company is identified as Bertil. The actors in this issue are Arvid, Bertil, Christina, the chief accountant and controller, Christian, the manager of the Swedish production process, and the six middle managers.

Christina starts by presenting the financial information for the first quarter of the year, she has to report "red figures" that shows a loss, standing before the group. She explains the "new target" set by the board requires a reduction in capital employed.

Excerpt 1.

5   **Arvid:** this is a question of leadership . . . people are tired of hearing

6   about cash-flow and that . . . ((*folds his arms*)) . . . but we have a number

7   of actions we intend to take. . .we have ideas this . . . to sell receivables,

8   reduce stock and finished goods, ZZZ-deal/project ((*he counts the first*

9   *and the second fingers on his right hand at the same time he says*

10   *reduce stock and finished goods, stock in trade*)) there are

11   EXCEPTIONAL BLOCKS we can do ! ((waves his hands and moves

12   his chair closer to the table)) and I mean we have to first focus at those

13   examples and look at the consequences ((*waves his right hand*)) its

14   important that you give input from ... so we can make up a list OKAY

15   this is what we actually do to secure our plan ((inaudible; [EP])) April

16   ((*he points at the white board*)) ... the current one ...... WHAT can we

17   do next year ... WHAT can we do to become better than that and third

18   ((*points in the direction of Christina; looks at her papers*)) of course

19   in a short term perspective you can take actions that are doubtful in the

20   sense! ((*holds both hands up and makes the quote sign in the air*)) to

21   "improve" the figures... but you have to account for the consequences!

22   ((*waves his right hand*)) ... if we have any ...

Notice Arvid's introduction in which he takes up Christina's budget frame and uses her professional categories, "cash flow, receivables, reduce stock and finished goods" (line 7s-8), to indicate to the members of the team the importance of the budget process and the "new target." He emphasises that there are good ideas, "EXCEPTIONAL BLOCKS," and that the team has to analyse and map the consequences and take an active part in this work. He does not comment on "the new target" set because he supported the target when the decision was taken by the executive board of the divisions, which he is a member of. Arvid's rhetorical strategy is "repetition," which refers to Christina's categories and "emphasising," referring to his way of pointing out the importance to "improve" the Figures (line 21) and to reinforce the validity of the target. He emphasizes "EXCEPTIONAL BLOCKS" (line 11), a new category inherent in the institutional practices, and he draws attention to "our" plan (line 15) and he puts the question "What can we do to become better?" (line 17).

Later he uses "displacement" as a rhetorical strategy when he stresses "you" (lines 14, 19 and 21) to indicate that he is not going to do it but his managers around the table are supposed to do it; a shift in frames. When he takes up the plan for the year (line 15) he implies actions to improve the red figures. He says "in a short-term perspective you can take actions that are doubtful in the sense" (line 19s-20). Here, Arvid talks as the CEO, the Head of the Management Group, and of the business area, i.e. those having a financial perspective on investments. This topic structures the conversation, and the talk. The personal reference, within the topic, can organise the structure and thereby the conversation.

Notice that Arvid uses "our" (line 15) and "we" (lines 6s-17), to implicitly underline the team's shared responsibility. Malone (1997, p. 62) points out that recognition of "you" pronoun plural, meaning the managers, "allows us to see how identity work gets done in talk. It gets done by the speaker creating alignments between people and topics." It can also be seen as how different frames can be brought together or used for shifting reference, which Arvid exemplifies due to his knowledge of the managers' different competences, institutional interests and positions in the organization.

Arvid's general strategy in his opening comments is twofold: to remind the team members of their collective responsibility for the EP-plan, and to emphasize that the team members have to recognize that their actions have long-range consequences:

24   **Christina:** ((*Christina stands behind the chair; looks at Arvid when she*

25   *talks*)) Yes, even if these actions are not doubtful! ((*looks at Arvid and*

26   *then down into her papers*)) you can get consequences above all on

27   ((*laughter*)) next year ((*she smiles; waves her right hand while she*

28   *goes on talking*)) . . . we can improve cash flow . . .

29

30   **Arvid:** [yes, yes]

31

32   **Christina:** [as] we are losing sales [*she is alluding to the economic*

33   *outcome and the red figures*] so we shall not take any doubtful actions

34   at all! ((*she moves her left hand up to her eye-glasses; corrects the eye-*

35   *glasses*)) . . .

In her response (lines 24s-28), Christina seems to take an economic and normative ethical perspective when she responds to Arvid. Here, an economic and normative perspective means the professional stance of a Swedish economist, who acts according to "good accounting practice" and personal, ethical judgement.

No one else takes an active part in the discussion so far. She starts be hinting at "EXCEPTIONAL BLOCKS" (line 11) by pointing out "you can get consequences" (line 26) where she means on next year. Her frame is still the same as above, the company's need of money for future investments. She also uses repetition as her rhetorical strategy, by saying "even if these actions are not doubtful" (line 25). The word "doubtful" seems to be interpreted by her meaning "improper or shady." Then she says "we are losing sales [she is alluding to the economic outcome and the red figures] so we shall not take any doubtful actions at all" (line 33s-34). She uses categories and "we" and sets up a reference structure, implying the team's responsibilities. Earlier Arvid has used "we" as a reference structure, probably with a similar intention.

In a sensemaking perspective, it seems as if Christina experiences a gap between action and expectation. This fact implies that Christina cannot accept that the CEO would even suggest an action, which she obviously cannot understand or accept the implications of (lines 24s-28). This is a dilemma for Christina and she probably feels that her professional competence is at stake, or at least in question, if she does not object to her chief, the CEO of the business area:

37   **Arvid:** no, no, what I mean is ((*he moves his right*

38   *hand while his is speaking; looks at Christina*)) for instance, if we

39   would NEGLECT TO DO!, to make an investment which is right

40   from an effectiveness point of view that ((*waves his hand again to*

41   *stress what he is saying*))

42

43   **Christina:** yes, yes . . . ((*she is nodding*))

44   **Arvid:** . . . that is WHAT! I meant is doubtful . . .

End of excerpt 1.

Note Arvid's somewhat unfinished interjection. His meaning of the word "doubtful" is clearly expressed by "if we would NEGLECT TO DO!, to make an investment which is right from an effectiveness point of view that" (line 39s-40), which seems to indicate "failure," i.e. neglecting to improve the red figures or do future investments. At the same time he uses emphasising as a rhetorical strategy by raising his voice. Arvid indicates that he meant a legal action (legal investment) even if he expressed it somewhat equivocally. The meaning of the category is agreed upon, i.e. the boundary given by Arvid is legal actions, "the right investment" from his perspective as the CEO.

This is an interesting piece of sensemaking between Christina and Arvid. It is provoked by the "new target," an institutional membership category. What is triggered in this dispute is the negotiation of the means to reach "the new target," that is, the "actions," which is a rather broad, imprecise category. Christina must be accountable for her actions, and her way of using the word "actions" must be interpreted as valid by the members of this meeting, employees in the Accounting Department, and by the upper management of the group of divisions (Buttny, 1993; Shotter, 1995).

Arvid's rhetorical strategy is to forcefully and loudly explain, as well as emphasising with a louder voice, his way of using the word "doubtful." He speaks clearly and much louder (line 44), giving weight to each of his words. This rhetorical strategy is an "apparent concession" (Van Dijk, 1983, p. 399), i.e. an effort to meet Christina's wish for clarification. In doing so he re-establishes his dominant position and the social structure of the team. Finally, he ends the argument (line 44). Christina shifts the frame and continues her presentation of the "sale-lease back" issue.

Excerpt 2.

60   **Christina:** Okay, we have had brainstorming yesterday in the finance

61   committee in the Accounting department. Then ideas came up okay . . .

62   there were suggestions such as to sell receivables, to reduce stock,

63   to reduce fixed assets! ((*she turns to Bertil*)) . . . specially real

64   estate . . . Would it be possible to sell the building in Norway! for

65   instance? . . . Is there anyone who would want to have it ?! and does!

66   it make sense to do it?

67

68   **Bertil:** There is

69   very little sense we think . . .

Christina focuses on "the new target" by exemplifying and repeating categories as her rhetorical strategies. From her professional position, possible actions are "to sell receivables," "to reduce stock, to reduce fixed assets! (she turns to Bertil) … especially real estate" (lines 62s-64) to improve "cash flow." She turns to Bertil and asks "Would it be possible to sell the building in Norway! For instance?" (line 64) and "and does! it make sense to do it?" (line 65s-66). The answer from Bertil clearly indicates that to take the building in Norway as an example was not a popular move from Christina. Even if Christina uses "we" to emphasise that it was not only her but also the entire finance committee's suggestion, she has used it as an example. Bertil answers (in Norwegian): "There is very little sense we think" (line 68s-69). Here, he seems to have shifted frames, from a meeting member to a defender of the acquired company. Subsequently (see below), he reveals who "we" are. As line 71, below indicates, confirmed by the researcher' notes, Christina suddenly "seems to be unsure:"

71   **Christina:** … UHM … no, [no, but] …

72

73   **Arvid:** [what] does that mean? … ((*Arvid points at Bertil*)) …

74   that was completely …

75

76   **Bertil:** … negative

77

78   **Arvid:** Okay ((*Arvid nods*)) … little

79   sense in Swedish… that can be rather positive …

80   ((*several members are talking at the same time*))

81

82   **Bertil:** little sense … utterly negative …

83

84   **Arvid:** Okay … ((*smiles towards

85   Bertil and nods again*))

86

87   **Christian:** … that does not make sense at all … then?

89   **Bertil:** we regard it

90   as … completely negative

91

Arvid seems to be curious when he asks for clarification from Bertil. Since, Arvid gets only one word as an answer from Bertil (line 76), he repeats Bertil's words "very little sense" (line 69). Arvid changes his frame, and he signals a language problem by

repeating and interpreting "little sense" into Swedish. He points out that "little sense" in Swedish "that can be rather positive" (line 79). [In reviewing the video film it is obvious that the managers around the table are talking at the same time about the interpretation.] Bertil claims that "little sense" in his language is "utterly negative" (line 82). The sensemaking of this confusion about the expression "little sense" is investigated and the semantic meaning is clarified to be different in the two languages. Both Arvid and Bertil use repetition as a rhetorical strategy and their frame is a language frame in contrast to the earlier budget frame. Then one of the managers, Christian, asks "that does not make sense at all ... then?" (line 87). This question seems to reflect the puzzlement of the meeting members as well. However, Christian seems probably to have realised that the representative of the acquired company does and will not support the accountant's suggestions, which are aiming at reducing red figures and making future investments possible for the company:

92   **Arvid:** Okay ... ((*nods again as*

93   *agreeing*)) Why? ... we will take that another time ...

94

95   **Bertil:** ... in other words ... we

96   have been acquired by the XX and now demand after demand turn up!,

97   and these ((demands)) do not support OUR BUSINESS!

98   ... THAT IS THE PROBLEM ... and what views are you imposing in

99   the organization?! ...

100

101   **Christina:** you can ...

102

103   **Bertil:** a business ... which has 120 MILLION IN CASH

104   ... you take all motivation away from the staff! – that is the problem

After Bertil has stated that "we regard it completely negative" (line 89s-90), Arvid asks "Why" (line 93) but almost immediately he says "we will take that another time" (line 93). Arvid, as the head of the meeting, probably wanted the discussion of the company's economy to go on. Now, Bertil shifts frame and he is the defender, who explains and indicates a stance of discontent among staff in the acquired company, "these ((demands)) do not support OUR BUSINESS!" (line 97). Notice, again he uses the noun "we" (line 95). He goes on "... THAT IS THE PROBLEM ... and what views are you imposing in the organization?" (line 98s-99). At this point Bertil is no longer in the joint budget frame, where the discussion about red figures and investments goes on. Bertil is defending the board of the Norwegian company (his employer) and the staff, and his role as the CEO in Norway. It is his responsibility to defend staff and the company and he claims that the demands of the buyer do not support the development of the Norwegian business. Further, he indicates a risk that the attitudes and motivation among the Norwegian staff will be diminished by the suggested action (sale-lease back) (line 103s-104). As a defender,

Bertil raises his voice and uses "displacement" as a rhetorical strategy and moves the topic from the division's economy to a problem of motivation of employees. Christina (line 101) has no chance to get into Bertil's heated outburst:

106   **Arvid:** yes, yes ... IF WE DO THAT YES!, ... but we have not

107   done that ... ((long pause, not timed)) ... YET ...

108

109   ((several members are giggling)) ((Christina tries to say something))

110

111   **Berti**l: what is she saying? ((*a short laugh is heard from Bertil; which*

112   *sounds more like he is snorting,*))

113

114   **Christina:** no but ((we spoke)) yesterday...

115

116   **Arvid:** ... [no ... but] what ... Bertil

117

Arvid has noticed the Bertil's heated reaction and he tries a joke, "IF WE DO THAT YES!!, ... but we have not done that ..." (line 106s-107). Arvid's joke probably makes no sense to Bertil and he does not reply. Arvid's joke does not function as a joke, not at least the way Arvid pronounces it with a long pause, before he says "YET" (line 107). Bertil is questioning the intention behind Christina's suggestions (line 111). The managers are giggling. Again, Christina seems as if she wants to continue the issue, but she fails, "no but ((we spoke)) yesterday..." (line 114). Arvid looks at Bertil and asks "what ... Bertil," but gets no answer (line 116). Probably, Arvid seems to have caught Bertil's comment (line 111) and the underpinning signal and question, "Is the acquirer going to sell and shut down the acquired company?":

118   **Christina:** [no] ... that is ((*she talks; turns to Bertil*)) ... no

119   but we were talking about the property in Malmö ... if we could sell it

120   ((*she waves her left hand*)) ... and lease it back ... and it is the same

121   action so to speak ... if you would ... but ... you can make a calculation

122   which means that we are going to sell it and then we are going to pay

123   that much in rent and we can see if it decreases the profitability ... and

124   if so then it would be completely clear ...

125

126   ((Sequence is ended.))

End of excerpt 2.

Christina repeats and narrates what happened in the accounting department yesterday (line 118s-124). Christina shifts the frame and takes the position as the negotiator of the meaning of the category sell-lease back. It seems as if she has realised that the meaning of the category "real estate" is contested and she makes an attempt to be more flexible in her rhetoric (lines 118s-124). The rhetorical strategy she chooses is displacement, which refers to the move of the focus from the Norwegian building to a neutral building in Malmö (another building owned by the acquirer, in a different part of Sweden). She then indicates that a use of a computational example could illustrate the problem, the category, "reduce capital employed." She says, "you can make a calculation which means that we are going to sell it and then we are going to pay that much in rent and we can see if it decreases the profitability . . . and if so then it would be completely clear" (lines 121s-124). This shift and change of frame serves to mobilize a new conversation, i.e. a non-sensitive subject of discussion (Goffman, 1981). The intention with this shift seems to be a bridge to a renewed discussion of capital employed.

Comments
This multi voiced discussion ends with a remaining problem, the situated meaning ascribed to the category "property," which in all the actors' institutional practices probably means "real estate (line 63s-64), and invested money." Bertil talks emotionally about the effects of the merger (lines 95s-99) and the accountant's suggestion. Thereby he is implying that the meaning of the category is a threat, which means that the acquirer intends to "close down" the Norwegian company (line103s-104). In business and financial sense, the category "real estate" raises various possibilities: the building or half of the building could be sold, making money available for other investments, particularly if the arrangement was a "sale-lease back." The buyer can for instance be a bank and in reality the company borrows money for the investment, but the company is allowed to buy it back from the buyer since "sale-lease back" is a contract between seller and buyer. Arvid probably wants to resolve the gap between action and expectation. Bertil probably wants Arvid to deny that the acquirer wishes to sell the acquired company.

Christina focuses on "the new target" and so does Christian. This refers to an immediate reduction of capital employed" and the improvement of cash flow, while Arvid and Bertil are talking about the future consequences of the acquisition. Actually the same topic and the same problem, but difference in the time perspective, i.e. the first pair is looking at possibilities in short time perspective, while the second pair sees it in a long-time perspective. Arvid gives a second chance to Christina to try to solve the dilemma and to negotiate a solution of the problem by using a different example, the property in Malmö. At this point, Christina and Arvid engage in the same discussion: how to find money for other investments. However, the confusion around the meaning and interpretation of the category is exemplified, and despite actors' shift of frames, these actions gave no positive results from the acquirer's perspective. The issue was not solved in this meeting.

Of the ten members of the management team only these four, as noted above, take part in the discussion of the issue. The researchers'/observers' experienced this situation as not unusual. If a manager did not have the role of the one who submitted the report, or was not acting manager of the activity area involved, he or she was silent.

However, when issues were controversial, in one way or another, members tended to enter the discussion, or at least become more involved as listeners. The remaining six members, who are ratified participants, do not contribute to the discussion, but rather act as the "participation framework" (Goffman, 1981, p. 226).

Conclusions

In a meeting like the one described, sensemaking aims at reaching a mutual understanding among team members despite the differences in their education, expertise, and responsibilities for different areas in an organization. Such mutual understandings achieved through sensemaking, facilitate the work of an organization, as Malone (1997, p. 4) notes: "Social life works not because people follow normative rules, but rather because they follow constitutive rules which make sense of what is going on." The aim of the study was to investigate how rhetorical strategies, frames, and categories are used in a management team meeting in order to make sense of the situation and to be accountable as a member of the team. It was claimed that to understand institutional discourse, institutional practices, rhetorical strategies, frames, and categories frequently used in a particular setting, the researcher needs to study social encounters, *in situ,* and in addition to the knowledge "from-within," "thinking-from-within" or "withness-thinking," to be able to make sense of the multi voiced complexity of the talk-in-interaction (Shotter, 1993, p. 19, 2005, 2006a, p. 585; 2006b). The claim is also that handling and sensemaking of a problem or a dilemma is constituted and understood through the way the rhetorical strategies, frames and categories are used by the actors.

The study exemplifies how rhetorical strategies, frames, and categories are intrinsic in social and institutional practices (Wertsch, 1991; Shotter, 1993, 1995; Lepper, 2000) and used as discursive tools in sensemaking. It also highlights how these tools function as mediators between the members of the management team meeting. The results also indicate the differences in members' ways of sensemaking and the ease with which the essence of these expressions is taken for granted. The members of the meeting have to investigate through the use of rhetorical strategies and frames, what meaning is ascribed to categories by negotiating the frames, and thereby often bridging the gap between actions and expectations.

The discursive categories used by the accountant, in particular the category "building," which referred to a real estate (capital employed), evoke immediate emotions from the CEO of the acquired company. This discussion of the "building" of the acquired company takes place about three years after the acquisition. The building is a symbol representing the national industrial history, which since the beginning of the last century has been an important acting force for the development of the community, the region and the nation. The accountant, pursuing a specific task for the acquirer, the category "building" is a case of "sale and lease back" and means a reduction of capital tied up and an improvement of the cash flow. To the CEO of the acquired company the category has a different symbolic meaning and functions as a "red warning flag." To be accountable, the CEO of the acquired company is expected to support the accountant's suggestion to sell and lease back the building in order to be accountable in the group. That is likely to be the expectation of the management team as a whole and certainly that of the accountant in particular. Taking the risk of not being accountable might be interpreted by the team as if the member is trying to

conceal an agenda which differs from the formal agenda of the meeting. A supportive account would have been an acceptance of the accountant's suggestion, which could have been an opening for a negotiation of the meaning of the category, and the frames used: a way of sensemaking (Goffman, 1981; Tannen and Wallat, 1987; Shotter, 1993; Malone, 1997). Later, possible solutions could have been discussed on how to reach the joint new target of the company.

From a financial perspective, the suggestion of sale-lease back is not controversial. If the suggestion is interpreted from one perspective as intention to close down the acquired company and move the production and integrate it with the acquirer's activeness, then it is shocking. Consequently, a discussion starts among the other managers. As has been pointed out earlier, there seem to be two discussions going on, however, with the same content but in different time perspectives. Two of the managers are focused on "the new target," i.e. a "reduction of capital employed" and implicitly the improvement of cash flow in a short time perspective. Both CEOs' however, talk about the investments in a long time perspective, implicitly referring to the future consequences for the acquired business that must not be taken as a struggle for power.

A qualitative approach and analysis like the one presented in this study, does not bring one closer to any "objective truth" than other methods. This is in spite of the researcher's "knowledge from within" or what has been named "the third kind of knowledge" (Shotter, 1993, 2005, 2006b). However, qualitative methods and analysis open the possibilities for understanding the polyphonic talk-in-interaction and the diverse worlds that members of a meeting construct and sometimes act upon as if they were real. Owing to the specific conditions of the case, the possibilities for generalisations are necessarily somewhat restricted. If these results are taken for granted, as general or facts about meetings in organizations outside of this organizational context, then incorrect interpretations are probably the result. The alternative approach is analysing the situation *in situ,* and actors' ways of sensemaking of the meeting as a social encounter.

These results of a micro analysis of a meeting have significance for M&A studies, both quantitative and qualitative, in highlighting the integration processes in international business studies. The results complement earlier known aspects and bring forward new aspects of integration processes after a cross-border acquisition. Results reveal the complexities and consequences of actors' ways of sensemaking in meetings and contribute to a deeper knowledge of the importance of institutional discourse, institutional practices, and talk-in-interaction. However, the area calls for further research on the relation between sensemaking in social encounters and collective structural features of institutional discourse and institutional practices as related to the dynamics of talk-in-interaction.

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Appendix
Transcript symbols (Linell, 1994):

[ ]	Simultaneous overlapping utterances
. . .	Untimed pause
?	Marks intonation of an question
!	Indicates an animated tone (voice)
,	Continuing intonation

CAPITALS loud talk:

(( ))	The transcribers' commentaries on: inaudibility, non verbal aspects, extra discursive actions/activities, characterisations of how talk was delivered.
–	Interruption; breakdown of recording

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