

Exploring Senior Managers Sensemaking Role in Practice: the Case of Strategizing in the Transition Economy

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Abstract

The actors at the centre of this study of managerial sensemaking and practices in the transition economy are top managers. Its aim is the exploration of the relationship between **strategizing, managerial cognition** and **social construct** including culture, ideology and social practices of the focus group. This **longitudinal** study encompasses a period of 7 years from 1997 to 2004 and consisted in observing a group of young entrepreneurs, who started their businesses in the early 1990s in Kazakhstan and reached the status of significant business players, becoming part of the new business elite. The present paper analyses the interplay between top managers' strategic actions, their social context and the sense top managers give to their actions and to the context. The paper argues that this aspect of strategic management has not been properly addressed by theoretical perspectives on and empirical works in strategic management literature. Empirical results confirm the idea that, the ways managers organise their practice is associated with their micro and macro responses to the different challenges in their particular context. In the transition economy, strategic managerial practice has evolved by **small scale loops between context observation, sensemaking, verbal interactions and action, occurring within a framework provided by the social construct.**

Introduction

The concept of "strategizing" has attracted growing interest in recent years. However, its conceptualization is still ambiguous and many aspects of this process are still overlooked. This paper focuses on the company owners' and general managers' strategic practices in the turbulent environment of an economy in transition. Based on the results of a large empirical longitudinal study (Serdyukov, 2006), this paper highlights the importance of the cognitive side of strategizing and aims to investigate how social factors are incorporated in the process of strategy. The research was conducted in Kazakhstan, one of the former republics of the Soviet-Union and encompasses a period of 7 years from 1997 to 2004. During this period, I observed a group of 12 company owners and general managers, who started their businesses from scratch in the early 1990s and who were recognized as representatives of the business elite. The group, named "New Generation" by the media, is an outstanding and complex phenomenon in the social and economic life of Kazakhstan.

This group highly contributed to the transition process from planned to market economy. The threefold change occurred in the post-Soviet countries (economic reform, political reform and

State reform) has been a popular research subject in the organizational literature for the last decade. Despite a large number of research studies conducted on the transition process there is very limited literature approaching the question of how new company owners and managers acquire and develop their managerial knowledge; how they shape their strategic practices in the chaotic and uncertain environment of a country in transition.

This article's objective is to illustrate how, in practice, a group of general managers in search of the meaning of their job during this transition period participate in creation of a new activity that did not exist in the Soviet economic system, "the strategic management of a private company". This paper makes a distinctive contribution by identifying factors influencing the process of strategy building within a group of general managers during different periods of their career. Therefore it contributes to the processual perspective (Pettigrew, 1987, 1990, 1992; Johnson, 1990, 1992) and sheds light on practitioners' strategic practices, their motivations and manner of dealing with the ambiguity of the transitional context. Another contribution is to show how the members of the group individually use the cognitive and social capital constructed and accumulated in the interactions within the group.

Conceptual framework

The group studied here went through different stages of its development. Its members started their career as entrepreneurs, became further owners and general managers of their holding type companies. Some of them went through the experience of civil service and political activities, accepting posts as Ministers, Vice-Ministers in the Kazakh Government, CEOs of big State-owned companies, becoming members of Parliament, presidents of political parties, or more recently engaging in the management of professional associations like Kazakh Congress of Entrepreneurs. So, their titles changed many times during their career path, but in each activity they played a strategic role. For this reason, in this paper they will be referenced to as "strategists" defined as those who ultimately shape the strategic direction of an organization (Samra-Fredericks, 2003). The aim of the study reported here is the exploration of relationship between **strategizing, managerial cognition** and **social construct** including the culture, ideology and social practices of the focus group. These three theoretical pillars of the study will be briefly introduced and their respective contribution to the present research will be discussed in the following three subsections. This definition and conceptualization section is important for addressing further the research agenda, the methodology and the research outcomes.

Strategizing perspective: Considering strategy as practice

The concept of strategizing is developed by at least two perspectives in completely different directions. For the planning school (Mintzberg, 1990), strategizing is a formal process of assessing, analysing, developing and implementing a company strategy (ex. McNamara, 2003). For researchers envisaging strategy as a practice, strategizing involves micro-processes of observation, sensemaking, talking, and acting in order to develop a strategic direction. (Samra-Fredericks, 2003). This paper adopts the second perspective providing a more subtle, complex and dynamic conceptualisation of strategizing.

"Strategy as practice" is a new perspective in the strategy field, started about twenty years ago, aiming to answer the question "How do the strategizing practices of managers shape strategy as an organisational activity?" According to this perspective, strategy is defined as "a

situated, socially accomplished activity constructed through the actions and interactions of multiple actors.” (Jarzabkowski, 2005, p. 7). This conceptualization of strategy was used in this study influencing the overall agenda of the empirical research. This paper talks about ‘strategizing’ which is defined as the interplay between top managers and those practices that mediate interactions with the community about strategy (idem). For this approach, strategy is a “situated” activity always under construction, which means that “activity both shapes and is shaped by the society within which it occurs”. (Jarzabkowski, 2005, p. 21). Accordingly, individual cognition constructs and is constructed by a social context on an ongoing basis, which gives all importance to the interpretation and meaning ascription to engage an action. Since situated activity is socially constructed, it constitutes reality for those actors involved in constructing it. The interpretative nature of situation comprises two important elements, social embeddedness and history. The embedded construction of situated activity is termed ‘praxis’. Praxis comprises the interaction between macro and micro contexts in which activity is constructed (Whittington, 2002). The micro situation (what people are doing) is embedded in the macro context (what is going on in society). To this extent, strategy is a situated activity that is located within this praxis, constructed by actors in interaction with their context. That is why this study of managerial and strategic practices of senior managers in a transition economy was conducted on the intersection between strategic actions, discourse and cognition.

Managerial cognition: How company top managers make sense of their practices

Speaking about managerial cognition involves linking the content of managers’ thoughts and the process by which managers *enact* (Weick, 1995, Weick et al., 2005) their environment, understand and interpret it in order to take appropriate action in a specific context.

This paper’s theoretical framework is based upon wide literature on *sensemaking*, *organizing* and *enactment* (Weick et al., 2005; Gioia & Mehra, 1996; Weick, 1995; Gioia et al. 1994, Thomas et al. 1993). A growing stream of research has suggested that cognitive sensemaking processes are important in conducting strategic changes (Fiss & Zajac, 2006) and that company managers play a key role in this processes by providing meaningful interpretations to their organizations (Thomas et al., 1993). A strong body of empirical work identifies top management’s role in direction setting as an interpretative one: sensemaking about the environment and the organization, followed by a process of sensegiving to the organization (Gioia and Chittipedi, 1991). Therefore, this paper tries to link strategists’ thinking, speaking and acting by using the concepts of sensemaking, representations, and strategic actions. In this research, sensemaking is understood as a **process** of meaning building. Sensemaking involves the process of understanding and interpreting the contextual signals by individuals in interaction, creating meaning of the world, of their activity and of themselves, which is expressed in words and/or in actions. Sensemaking occurs when the current state of the world is perceived as being different from the expected one (Weick et al., 2005). It starts “with chaos” (idem. p. 411), when previous understanding, representations and schemas no longer match current events and cannot be used to take appropriate action. Thus, people search for a meaning of what is happening, state verbally their explanations, and exchange their views with others in order to find the most plausible sense in the process of communication and interaction. “As this occurs, situation is talked into existence and the basis is laid for action to deal with it” (Taylor and Van Every, 2000).

Social representations: How managerial practices are embedded in the social construct

The idea of the embeddedness of top managers' practices in a social context will be explored in conjunction with the theory of social representation rooted in the French social psychology. **Representation** can be viewed as a **process** similar to sensemaking and as a **product** of this process materialized as images, schema or cognitive frameworks organizing our thinking and action. This approach proved to be complementary for my study and enriched the analysis by explaining the social origin of sensemaking and the mechanism of social representations formation. The theory of representations anchoring (Grize, Silem, Verges 1987) in a **cultural, ideological** and **practical** context, provide an insight to the origin of strategists' representations of the context, of their actions and of themselves.

According to Jodelet (1989), social representation is "a form of socially developed and shared knowledge, with practical implications, which contributes to the construction of a common reality for a social group". The traditional definitions formulated by social psychologists emphasize three interdependent characteristics of representations: they are developed in and through communication, they (re) construct reality and they shape the surrounding environment through its organization.

The main function of representations is to give situations meanings for practical ends. They therefore cannot be reduced to simply perceiving the world, processing information and learning about the world. They involve discriminative processes and decision-making about various events, making assessments, looking for causal associations, predicting new facts about situations, and setting up strategies and tactics which can be used as plans for action. Being an intrinsic system of values, ideas and practices, social representations establish an order which will enable individuals to orient themselves in their material and social world and to control it. They also enable communication to take place among the members of a community by providing them with a code for social exchange and a code for naming and classifying unambiguously the various aspects of their world and their individual and group history. (Moscovici, 1961, 1984). Lastly, representations prepare individuals for action and elicit a whole set of normative expectations because they are based on knowledge which will impose specific kinds of behaviour in keeping with the social norms, in other words, the behaviour society expects of the individual.

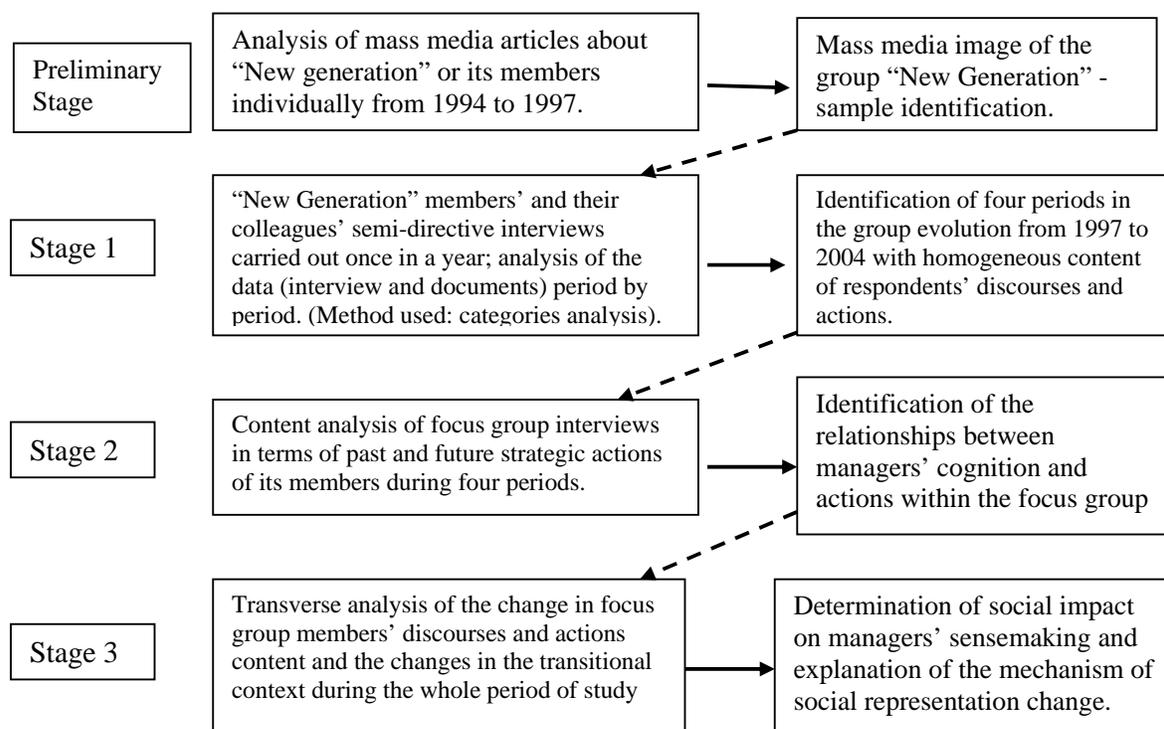
Research question

In the above discussions, one of the most important roles of top management is to provide a clear strategic direction to the company. The ability to do so is based on the thorough comprehension of the particular context in which future action will take place. This ability takes vital importance in transition economies, where the uncertainty level is very high, rules are changing and institutions are not yet effective. In order to understand the role of top managers in interpreting the contextual situation in order to come up with clear guidance this research needs to address the following questions: How do the members of the "New Generation" make sense of their practices and of the transition context? How does the meaning constructed within the group influence their strategic practices? Any existing activity is embedded in existing patterns of strategizing (Jarzabkowski, 2005), and in a larger sense managerial practices draw on the shared understanding, skills, values, language, rituals and technologies of the wider society. This leads to a last research question that is addressed in the empirical study: How are strategic practices and representations embedded in the social construct?

Empirical study

This longitudinal study embraces the period of 7 years from 1997 to 2004. The data are collected mainly through yearly conducted semi-directive interviews with 12 members of “New Generation” and their colleagues. The research is designed in three distinctive stages, the preliminary stage being used to justify the sample choice and to describe the chosen group and the context of transition.

Figure 1. Research design



The first stage of the research involved the collection of interviews, of internal and external documents concerning the members of the “New Generation” and the observation. During this stage, 62 semi-directive interviews with members of the focus group and 88 interviews with their colleagues were held during the period of study. Once a year, from 1997 to 2004 the members of “New Generation” were interviewed during my two weeks visit to Kazakhstan. The interviewing process took the form of free conversation turning around the same questions each year: “What is the essence of managerial work for you? What were the most important actions you have taken last year? Why? What will be your future actions? Why?” The following year more specific questions were asked about reported strategic action taken during the past year. The interviewing was structured in exactly the same way each year and covered the same questions with each respondent. Nevertheless, the questions were open-ended and very general, respondent were encouraged to follow their own thought process and give information as it occurred to them. To enhance reliability, the instruments were designed so as to address some of the same issues over time. Occasionally questions were added to follow up on specific issues that had happened during the past year and have been reported by the internal documents or media articles. The category analysis of these interviews has enabled the reconstruction of the content of the individual interviews according to the

categories reflecting respondents' managerial functions, social roles and status in society. The role of colleagues' interviews was to confirm or to refute the focus group respondents' facts and to give an outside and enriching view on the directors' strategic and managerial activities. As a result of this stage of the research, four periods were identified, during which respondents had homogeneous set of objectives, of activities, of the contextual meanings and of strategic actions.

The second stage is focused on the data interpreting period by period in order to identify the content of respondents' representations and its inscription in the social context. Each year the respondents explained which strategic action they were intending to take and why. In the following year they reported on the past year's actions by explaining in quite a different manner why they had taken those actions depending on the results. Then, these two versions were compared and interpreted in order to understand the relationships between the respondents' sensemaking process and its relationship with past and future actions. This analysis was focused on the process of the sensemaking by the group members of their past and future actions. The observations allowed to identify the anchorage of managerial representations in specific cultural, ideological and practical contexts involved in the sensemaking process. The final objective of this exercise was to construct a framework for transversal analysis of the respondents' interviews.

The third stage is a transverse content analysis of all collected data using a framework elaborated in the previous stage in order to elucidate the process of meaning production by the group in relation with strategic actions and social context. This analysis explains the choice of various strategic actions adopted by the members of this group in different periods of time in order to legitimise and to reinforce their position. The study of the process of sensemaking with regards to the social context allowed for the role of cultural, ideological and practical issues in the production of managerial meaning to be delineated. Moreover it shed the light into the process of emergence of a new managerial knowledge in a transition society, where management theory and practices were invented, discovered, adopted and assumed in the highly turbulent and uncertain environment.

Triangulation procedure was used in order to ensure the validity and the reliability of the study. All four types of triangulation identified by Usunier et al. (1993), namely *theoretical, data, investigation and methodological* triangulation, were mobilized. This approach was particularly advantageous since it reinforced the validity of the results, neutralized the disadvantages of each of the methods used, and led to finding new paths of research.

Group “New Generation”

The “New Generation” is a group of young company directors and owners who started up their businesses in the early 90s in the commercial sector. The members of this group all belong to the same generation: they were 24 to 30 years old when their career as entrepreneurs began.

Later on they organized a movement in opposition to the old administration, the so-called “red directors”, civil servants and politicians inherited from the time of the Soviet Union. The consolidating idea of this group was motivating and powerful: “To contribute to the prosperity of Kazakhstan by promoting democracy and the market economy”. Officially this movement did not exist for a long time, crushed under the weight of critics from the “old elite” and under

contradictions inside the group. The lack of political experience and organization, the picture of “climbers” and “sharks” in the Kazakh society as well as the illegitimate position in the eyes of the old elite contributed to the defeat of this movement. On the other hand, the core of this group has been changing continuously ever since. Young businessmen and entrepreneurs have identified themselves as part of a new generation of managers or leaders. They gather in professional clubs and associations of people sharing the same profession, the same ideas on the future of their country, on business methods and objectives without pursuing any political or economic goal. In 1998, the general tone of the press about the “New Generation” changed completely: the picture of young and ambitious managers greedy for power and money was replaced by the image of “young patriots, willing to serve their country”, and of “highly professional managers, well educated, very efficient - the future of the nation”.

Within a period of only ten years, the group members had developed their firms into large holdings¹, thanks to the massive privatization, which took place from 1992 to 1996. Some of the members of this group have held office as ministers, deputy-ministers, political party leaders and heads of influential associations. They are now recognized by society as a whole as belonging to Kazakhstan’s new elite class. They know each other well, spend a great deal of time together, support each other, join together in political actions, and belong to the same associations and clubs. In 2003, the most politically active members of the “New Generation” have undertaken a second attempt of uprising, by organizing a new anti-presidential political party called the DVK (Democratic Choice of Kazakhstan). All members of the “New Generation” supported them either explicitly or implicitly. This attempt had no more success than the first one. The party folded for an insignificant reason. Two organizers were imprisoned a short time after for different reasons with no relation to their political activities. Third one organized another opposition party with a more moderate program. After this incident, all other members of the “New Generation” focused on their businesses and limited their outside activities to the participation in professional associations, charities and cultural events.

Results

The empirical results show that the group studied in this research has constructed **common** and **shared** meaning concerning their managerial activities, the context and themselves. These representations, constructed through the interactions, found their expression in the different forms of communication as well as in the strategic actions of the group members. The process of sensemaking is deeply rooted in the social relationships and takes into consideration historical and cultural conditions, the dominant ideology and social practices of the group members. The role of the interaction within the group is not limited to the “making sense” of past actions and events, but it also drives future actions, which, in turn, has an impact on strategists’ representations. The vision of the world by these players is constructed in relation to the representations of oneself and of one’s practices. Group identity seems to be not only a regulating mechanism in the relationships among members of the same group but also in the behaviour of the individuals who subscribe to this identity. Space restrictions meant, basic results are summarized in the table below.

Table 1. Evolution of the “New Generation” members’ representations in four periods.

¹ In Kazakhstan, which has a population of 15 million inhabitants, the small firms have 5 to 50 employees, the medium firms 50 to 100 employees, and the large companies are taken to be those with more than 100 employees. The holdings mentioned here had more than 1000 employees in 1997.

Periods	1997-1998	1999-2001	2002-2003	2004
Categories				
Expressed Objectives	To optimize the company structure	To create favourable conditions for his company development	To improve the economic conditions in the country	To assure the sustainability of his company
Hidden objectives	To legitimize his new position of « company owner »	To projection a positive self-image in society To find his own identity and style of management	To influence different decision making processes at the State level to his advantage and to gain power	To preserve his private property, to reinforce his social status
Functions	-strategic decision making -control -day-to-day management	-restructuring -company promotion -company development	(vague definitions by respondents) -lobbying	-assuring group cohesion -searching for synergies
Roles	Interface between the company and the outside world	Company “protector”	Ideas “promoter”	The “face” of his company
Competences	On the intellectual level	On the communication level	On political level	On social level
Self-image	“brain” of his company	“strong leader”	“responsible citizen”	“equilibrated person” “respectful businessman”
Place	In the centre of his company	On the top of his company	Outside of his company, in the groups of influence	Within his company and within his networks

The respondents described the transition environment as being characterized by fast changes, blurred rules of the game, destruction of old economic and social framework and emergence of a new one. At the first period of the study, they assigned themselves the role of “pioneers”, of “creators” and of “challengers”. They were not clear about their actions, but all wanted “to take quick actions”, “to catch all opportunities”, “to take advantage of the absence or irrelevance of certain laws and rules”, “create new possibilities for the business development”. Having neither knowledge nor experience in management and business, these entrepreneurs had to create their managerial practices from scratch. Moreover, they had to legitimize their actions in society, where the majority of the population still believed in the old soviet type values and was hostile to newly emerging capitalistic relationships. This is the reason for speaking not only about sensemaking but also about sensegiving. In previous empirical studies, sensegiving occurred within organisational boundaries. Or in this paper the sense is given not only on the organizational level, it is communicated trough out the whole society.

At the time of the emergence of “New generation”, in a most uncertain and turbulent period, its members’ practical experience, interactions, and communication within the group were reported to have had the greatest impact on their practices. Indeed, they did not have other explicative elements to understand *what was happening in society*: the old soviet ideology was already rejected, whereas the new one had not yet had time to be established. Western

management theory, explaining the essence of managerial practices was not yet accessible. Management books and articles were not yet translated into Kazakh or Russian, and the English language was spoken by a very limited number of people. The previous common knowledge contained in the collective memory of Kazakh society could not give a relevant explanation to “What was happening at that period” and “What to do” in this new situation. In addition, Perestroika brought freedom of expression, gave an impulse to mass media development and encouraged individual mobility. These factors created favourable conditions not only for the creation of a new economic system, but also to revolutionize Kazakh citizens’ values, aspirations and practices.

So the exchanges within the group allowed the “New Generation” managers to create a plausible, coherent meaning of the situation and enabled them to act accordingly in the most pertinent way. All respondents’ opinions converge in assigning a capital role to their membership of “New Generation”. This membership was considered as a valuable resource and an undeniable force against political uncertainty, economic chaos, and institutional insufficiency. For them it was a possibility for the co-creation of meanings and managerial practices. The data reported in this study describe the process of sensemaking in a very practical manner: each member of “New Generation” contributes to the construction of a common sense of the changing environment and of relevant response to these changes. Practically, when one member of the group discovers a useful tool, innovative method or finds interesting information, he brings it to the attention of the group for discussion, evaluation or testing. Thus, some ideas, tools or techniques are rejected; others evolve and strengthen through discussion and are kept for practice by members of the group. So the “innovator”, by raising an issue that deviates from the current norms, on the one hand, legitimizes his idea within the group, in order to remain in compliance with its shared norms and beliefs; and, on the other hand, he enriches the group knowledge building process by initiating new discussion and innovation.

The themes related to their cultural heritage (references to the nomadic practices, names of Kazakh heroes, references to the important historical events, etc.) systematically appeared in the interviews, informal conversations with the focus group members, as well as in their organisational documents (meeting minutes, video tapes of organizational social events, articles and news paper interviews). At the same time the respondents’ discourse reflected the ideological recurring themes specific to each period of the investigation: at the beginning, the privatisation results were highly discussed in the media and in society as a whole; further the democratization process and the role of political institutions; and lastly the integration of Kazakh business in the global economy. The transversal analysis of media articles, focus group members’ interviews and the organizational documents clearly show that strategists’ practices are significantly influenced by the meaning given to the contextual events, ideological discourses and the content of the current activity. It is also deeply rooted in the historical and cultural background of individuals and embedded in the common social systems.

Discussion

This section will discuss the role of sensemaking of top managers’ practice and some theoretical implications will be addressed. The paper argues that this aspect of strategic management has not been properly addressed by theoretical perspectives on and empirical

works in strategic management literature. Empirical results confirm the idea that, the ways managers organize their practice is associated with their micro and macro responses to the different challenges in their particular context. The key aspect of the approach by sensemaking and social representation lies in recognising that managers' actions do not necessarily follow logically from their assumptions and knowledge. Instead the approach investigates the complex, reciprocal and subtle ways in which managers use ideas and knowledge to interpret them and to make sense of changes in their environment as well as in their own objectives. This paper has not aimed to scrutinize all the strategizing practices that "New Generation" members have been using to shape their companies' strategies. It focused only on the sensemaking activity because strategy development and direction setting actually involves retrospective sensemaking on prior actions (Weick, 1995). Following practice research agenda, this paper addresses these practices as mediating mechanisms by which strategists interact in pursuance of their own strategic ends.

A theory of "Strategy as practice" deals with top managers as intentional actors who aim to pursue goal directed activity. Top managers are placed at the centre of strategic processes because they attempt to shape their collective performance and have responsibility for the output from the contributions of different actors within the organization (Jarzabkowski, 2005, Whittington, 2003). In the case of "New Generation", strategists used their companies as means to reach their own personal long term goals, which are rooted in the traditional values of a nomadic society: *to achieve political power in order to preserve personal wealth and independence*. This goal can be reached only in interaction with different actors. "The construction of situated activity is distributed amongst multiple actors with potentially divergent goals and interests. Distributed actions may be more or less aligned, depending upon the degree to which situated practices render them mutually intelligible and enable collective activity." (Jarzabkowski, 2005). In this particular case, interactions go far beyond organizational boundaries and strategic practice has a societal dimension.

The majority of the research on managerial cognition is carried out on a punctual basis. This kind of research does not take into account the long-range process of the evolution of managers' representations and cannot observe the implications of their strategic actions. One of the contributions of this study consists in the introduction of the temporal aspect and the follow-up of the evolution of the group of managers over a long period of time. The longitudinal character of this research allowed the observation of the changes in their representations, their strategic actions, their social status and their image in the society in conjunction with transitional context evolution. Longitudinal approach enables to grasp the sensemaking process as **a small scale loops between context observation, verbal interactions and action, occurring within a framework provided by the social construct: culture, ideology, and social practices.**

That is why, more the environment is hectic and uncertain, and when managerial and business practices are under construction, more managers' representations are unstable. Although, managers continuously face evolving disorder (Weick et al. 2005) and this instability opens up opportunities for meaning manipulation in the different situated discourses, this study also suggests that a part of this meaning remains stable and that this part is deeply rooted in the culture and traditions of Kazakh society.

Empirical study shows that strategic managerial practice is built up by the focus group in a contingent and singular context, including the country's authorities, cultural and ideological factors as well as actions and meanings of the other social actors. The members of the «New

Generation» perceive this context subjectively; they *enact* it in the group verbal interactions in order to make it more orderly, coherent and understandable. The role of the social practices is to keep their representations in line with the context reality and therefore to assure the relevance of their actions. In the same way as the concept of sensegiving points to an inherent instability in the meaning of organizational actions (Gioia & Chittipeddi, 1991), the concept of socially constructed representations revealed a **significant instability in the meaning of managerial actions** highly dependent on the social context. Probably, this observation makes sense only in the transitional background, where rapid changes in the environment require quick cognitive adaptation and therefore constant evolution of representations. Exploring the stability or instability of managers' representations in Western society may be a fruitful avenue for future research. In this paper, this finding requires to review the process of sensemaking specifically in the transition society.

For my research, it is important to see sensemaking as a social and active process. "Sensemaking [...] involves not only "pure" cognitive interpretation processes, but interpretation in conjunction with action" (Gioia et al, 1994, p. 365). Newly emerged company owners-managers need not only to quickly make sense of the changing and uncertain environment in the transition economy and act accordingly but also to convey this meaning to their employees. "Top managers must work continuously at interactive strategizing in order to convey their own meanings and renegotiate those meanings in light of others' responses." (Jarzabkowski, 2005). Therefore they are not only "sense makers" but also "sense givers" especially during the period of rapid strategic change. In their daily activities, there are those 'discursive' practices that provide linguistic, cognitive and symbolic resources for interacting about strategy.

Increasingly, research shows that strategy is mediated by the language that strategists use, created in part by the academic concepts, tools and techniques that populate strategy classes, textbooks and popular media. While the use of such practices to inform strategy making is still largely under-explored, the limited body of empirical research shows that they have consequential effects for the practice of strategy. In the study reported here, the discourse analyses revealed the dependency of strategists' verbal communication structure on the availability of managerial terms, models and specific vocabulary.

Conclusion

Overall the main contribution of this study is its specification of the sensemaking process and its role in the strategic managerial practice in the particular context of a transitional economy. It highlights the role of social framework in the meaning creation of managerial practices and strategic actions of company managers. The nonlinear aspect of sensemaking is further evidenced in the revealing observation that in the focus group members' practices, **sensemaking is a double direction activity**. When the respondent speaks about his prior actions, he explains their purpose and motivation, in order to justify their results. But at same time, he presents and justifies them having his future actions already in mind. In other words, **individuals give sense to their prior actions in accordance with their future actions**. So, an attentive listener can often presume the direction of the future projects of a speaker by the manner in which the later explains and justifies his previous actions.

The first implication to be drawn from these results in comparison with the literature available so far on company top managers is that studies on them should not be restricted to examining their occupational roles and functions only at the firms where they work. Strategists are above

all active social players with their own personal ambitions, emotions, passions and projects. They have their own representations about the ethics, the feasibility and the scope of their actions. The strategies and representations, formed in the interaction between a director and his environment, only exist because of the consistency of the internal processes orientating and constraining his social conduct and his actions.

Moreover this study responds to the reproach made to the sensemaking tradition, that it is focussed on groups somewhat detached from the wider social environment, like fire-fighters' team (Weick, 1993) or aircraft care crew (Weick and Roberts, 1993), and the lack of empirical studies on group sensemaking situated within societal structures.(Johnson et al., 2007). Members of the "New generation" group, involved in the sensemaking process, each belong to different sorts of institutions like Parliament, political parties, professional associations, government bodies and above all, represent a distinctive social group by themselves.

Secondly, the strategic practices, the discourse and the representations of the focus group are in a **co-production** relation. The tight interactions between the members of the group, their identification as part of "New Generation", their mutual trust as well as the convergence of their interests participate in the construction of **group cohesion**, well **orchestrate strategic actions**, **shared representations** and **common practices**. The meaning is built by the group in a contingent and singular context, including the country's authorities, cultural and ideological factors as well as the actions and meanings of the other social actors.

So, this study contributes to understanding the group's role in interpreting ambiguous information and ascribing it a relevant meaning, used in the strategizing of the group members. Another contribution of this research consists in the effort of studying company directors as "socially competent players" (Rouleau, 1996), whose sensemaking activities are not bounded by the frontiers of the organizations and their managerial roles and functions.

Some possible limitations of the study should be noted. First, this research involved the use of at least three languages: Russian, French and English. Probably some lexical distortions occurred while switching from one language to another during the analysis. Secondly, social construct was studied in a very broad and general sense and most likely needs some more detailed consideration.

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