

The Paradox of Adaptability and Consistency:
A Case Study of Balancing Processes and Mechanisms
in the Context of Episodic Change

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Dedication

This dissertation is dedicated to my children, Spencer and Sophia, for their inspiration
and to my husband, Paul, for his belief in me.

Acknowledgments

My fascination with people at work started at a very early age. My mother took my brothers and me to an automobile factory where the tour guide slipped his finger into a bullet hole in the wall and explained one manager's form of motivation from long ago. I was hooked. For that and for countless similar experiences, I'd like to thank my parents, Nicholas and Catherine Sellas, for a childhood full of learning and experiencing what this world has to offer. I'd like to thank my brothers, Spencer and Steven Sellas, for being my trusted partners in this journey.

Being a member of the Executive Leadership Program gave me the privilege of learning alongside my cohort 20 classmates. I am grateful for the conversations, insights, and many hours of exploring together. In particular, I'd like to acknowledge my comprehensive study team for pushing me into unnatural ways of thinking. I'm a far better scholar for having studied with each of them. I'd like to acknowledge two families who were instrumental to my studies, both in terms of content and comfort: Paige and Joe McDonald and their daughters for their hospitality and Jim and Jill Stefanchin for their continual support.

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Lastly, I'd like to acknowledge my husband, Paul. Without his constant support, these studies would have been impossible. I thank him for all the long weekends alone with the kids, for absorbing all my stress and tension, and for listening to hours of my one-sided conversations. Most of all, I want to thank him for postponing his dreams so I could chase mine.

Abstract of the Dissertation

The Paradox of Adaptability and Consistency: A Case Study of Balancing Processes and Mechanisms in the Context of Episodic Change

External episodic change, such as that experienced with the financial crisis of 2007, has the ability to impact the culture of an organization. This type of change requires organizations to address paradoxical conditions of adapting to external environmental conditions while maintaining consistent norms and values. The literature indicates that an organization must balance these paradoxical demands in order to survive and maintain effectiveness, yet a gap exists in explaining how this is accomplished. This study contributes to the literature by presenting an exploratory case that identifies ways in which an organization balanced adaptability and consistency in the context of episodic change.

The findings revealed four ways in which the organization balanced. Strong organizational self-efficacy provided a shared belief in the capability to balance competing demands during an episodic change event. A collective-level view of success facilitated balancing paradox as members engaged in activities that supported organization-wide goals. The use of fluid emergent teams enabled balancing behavior by allowing paradoxical activities to concurrently exist. Lastly, a dynamic view of the external environment was facilitated by processes and mechanisms. This view allowed the paradoxical conditions to inform one another, leading to the organization's success.

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CHAPTER 1: INTRODUCTION

The financial crisis of 2007 to 2010 has impacted organizations in nearly all industries and countries around the globe (International Monetary Fund, 2010). In the United States, unemployment rates dramatically escalated from 5.8% in 2008 to 9.3% in 2009 (Department of Labor, 2010). The impact of this crisis has forced companies to evaluate their very survival in a competitive marketplace. Several large organizations, such as Circuit City Stores, Inc., Lehman Brothers, and Linens-n-Things, did not survive the impact of the crisis. While the collapse of the housing industry, overvaluation of assets, and many other external factors have been identified as causes of the crisis (Bernanke, 2009), individual organizations faced this challenge alone.

Organizations that experienced the impact of the financial crisis were forced to adapt to the external environment while simultaneously maintaining consistency regarding organizational norms. These needs are paradoxical and dynamic in nature (Denison, 1990; Hatch & Schultz, 2002). There are multiple ways in which an organization can manage paradox (Seo, Putnam, & Bartunek, 2004). However, problems can occur if either adaptability or consistency is overemphasized. An overemphasis on adaptability causes problems with maintaining productivity and effectiveness, and an overemphasis on consistency causes missed opportunities for meeting the changing needs of the customers and external environment. This study explored two variables of organizational culture, adaptability and consistency, to understand how an organization faced with external episodic change balanced paradoxical demands in the quest for survival and effectiveness.

The concept of organizational culture has been of interest to scholars and practitioners alike. Several scholars have explored the influence of culture on organizational effectiveness (Carmeli & Tishler, 2004; Schein, 1990; Wilkins & Ouchi, 1983). Yet inherent in organizational effectiveness is a paradoxical nature and the need for balance (Cameron, 1986). Denison (1990) developed a model with four cultural traits: adaptability, consistency, involvement, and mission. Denison and Mishra (1995) raised questions regarding the strength and balance of the traits and their interrelationships. While numerous empirical studies have been conducted using this model, there is a lack of theory to explain how the process and mechanisms of balance between these cultural traits result in survival and effectiveness in an organization.

Statement of the Problem

Research on organizational effectiveness provides a paradoxical view of organizational functioning. Organizations are simultaneously faced with balancing the need for change and the need for stability, balancing short- and long-term goals, and developing new ideas while continuing to profit on others. Cameron (1986) noted this paradoxical nature, identifying the most effective organizations as those characterized by contradiction, simultaneous opposites, and incompatibilities. Denison (1990) posited that resolving tensions created by paradox, rather than making trade-offs, leads to organizational effectiveness. “It is the *balancing* of competing demands that distinguishes excellent managers and organizations from their more mediocre counterparts” (p. 16). The literature has indicated that high levels of all culture traits lead to higher levels of organizational effectiveness (Carmeli & Tishler, 2004; Denison, 1990; Sorenson, 2002).

The need for balance can be seen specifically in an organization that experienced external episodic change. Bledow, Frese, Anderson, Erez, and Farr (2009) identified the conflicting demands and recognized that organizations need the ability to balance them through multiple pathways with different activities. Yilmaz and Ergun (2008) questioned the balance between the cultural effectiveness traits. They extended the current knowledge on culture traits by examining the balance between them.

Two main problems exist that this study attempts to resolve. First, there is a lack of theory to explain the processes and mechanisms of how an organization balances variables of culture. Second, empirical research indicates that the degree of balance or imbalance of pairs of variables shows statistically significant relationships with effectiveness (Yilmaz & Ergun, 2008). More knowledge about this degree of balance is required to better understand the relationship.

Purpose and Research Questions

The purpose of this study was to expand and extend current knowledge regarding the understanding of how an organization balances between adaptability and consistency. This study integrated and addressed what is known in the connection between two constructs: organizational culture and organizational change. To extend and expand current knowledge, the following research question was asked: *How does an organization that experienced external episodic change balance adaptability and consistency?* There were two related subquestions: *What are the processes of balance in an organization that has experienced external episodic change?* and *What are the mechanisms of balance in an organization that has experienced external episodic change?* This question placed the

concept of balance at the center of the study and linked what is known about cultural traits.

Potential Significance of the Study

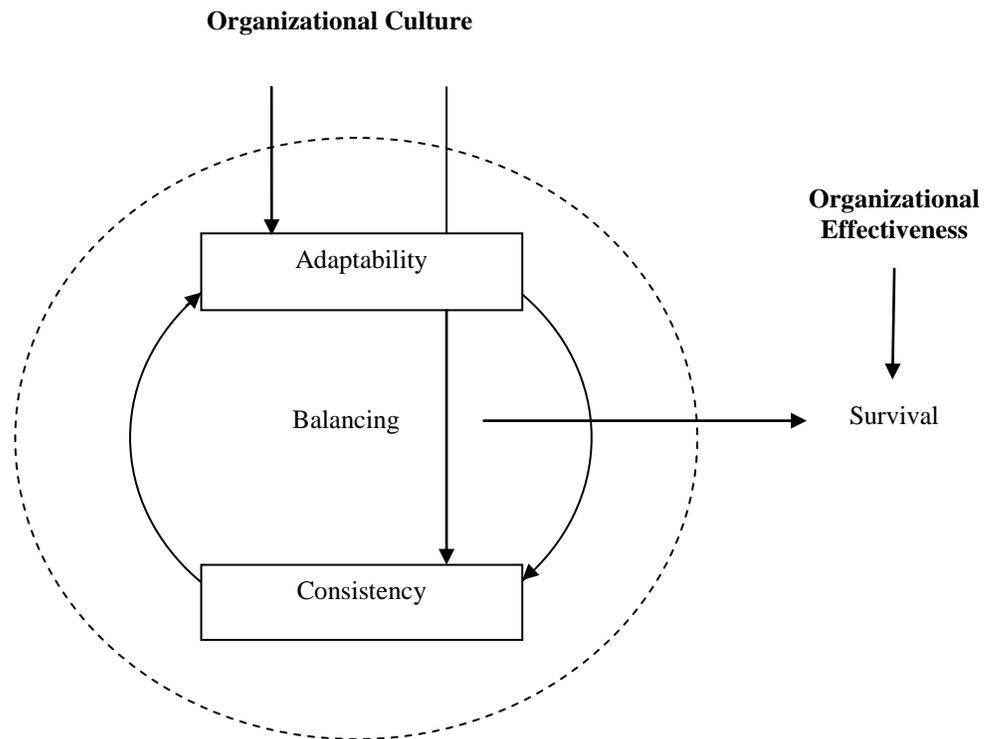
This study sought to extend current knowledge by better understanding the relationship between adaptability and consistency in an organization that experienced external episodic change. There is a lack of theory and empirical evidence to explain the relationship between these variables. This empirical study provides insights that aid the development of theory about the nature of the relationships. While the literature has indicated ways in which paradox can be managed, specific mechanisms and processes have not been indicated. By understanding how an organization balances the paradoxical demands of adaptability and consistency, progress and advancement in theory building can be achieved to close the gap in the literature. This knowledge may also be able to guide a better understanding of other variables of culture, such as mission and involvement, which are the remaining variables in Denison's (1990) theoretical model of culture traits.

In addition, this study is significant for practitioners. The current economy requires many organizations to focus on survival, yet more knowledge is required to be able to enhance this ability. A host of literature indicates that culture influences organizational outcomes (Carmeli & Tishler, 2004; Wilkins & Ouchi, 1983), yet changes in culture and the subsequent impact on outcomes do not occur rapidly (Schein, 1985). By understanding the relationship between the cultural traits, practitioners will be better able to understand factors relating to the process and mechanisms for balancing paradoxical demands. With such knowledge, practitioners can take more deliberate

actions to help an organization manage the balance required of an external episodic change event.

Conceptual Framework

As shown in Figure 1.1, the conceptual framework considers the two cultural traits, adaptability and consistency, as independent variables and episodic change as a dependent variable. This section describes each construct, its variables, and its relationship with the other constructs. The degree of balance between the traits is a moderator to this relationship. This study, designed to examine this relationship, focused on the process and mechanisms for balancing.



Context:

Externally Driven Episodic Change

Figure 1.1. The conceptual framework showing the balance between adaptability and consistency in the context of external episodic change.

Balance

Cameron (1986) identified paradox as a characteristic of effective organizations and indicated that balance must be present between opposing factors for the organization to function. “It is the presence of balanced paradoxes that energizes and empowers systems” (p. 549). Denison (1990), as mentioned above, indicated that effective organizations engage in this balance rather than make trade-offs.

These studies, specific to the organizational effectiveness literature, show the importance of balance in an inherently paradoxical situation. The organizational learning literature (Farjoun, 2010), culture literature (Hatch & Schultz, 2002), and change literature (Tushman & O’Reilly, 1996) all call for balance as a way of maintaining effectiveness and organizational survival. Balance is relevant to cultural traits, as adaptability and consistency serve paradoxical functions in organizations. This is illustrated in Denison’s (1990) model, which places adaptability and consistency across from one another. Adaptability has an external orientation involving change and flexibility. Consistency has an internal integration focused on stability and direction. The nature of the placement in the model suggests the need for balance.

Organizational Culture Variables

This study focused heavily on the theoretical model of cultural traits (Denison, 1990). Denison developed the groundwork for these variables, which he called traits, using Schein’s (1984) definition of organizational culture:

Organizational culture is the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to

be considered valid, and therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. (p. 3)

This conceptual framework used the variables identified by Denison (1990): adaptability, consistency, involvement, and mission. Adaptability is defined as the organization's capacity to change internally as required by external conditions. Consistency is defined as "the degree of normative integration" (Denison & Mishra, 1995, p. 215). Involvement is the degree to which the internal members are involved in the company's objectives. Mission is described as "a shared definition of the function and purpose of an organization and its members" (Denison, 1990, p. 13).

Organizational Effectiveness

Several studies have been conducted regarding the impact of these traits on organizational effectiveness (Ahmed, 1998; Denison, 1990, 2001; Denison & Mishra, 1995; Yilmaz & Ergun, 2008). Organizations possessing greater capabilities among these traits were found to be more effective than organizations with less capability. Traits of organizational effectiveness have been measured by several variables, including sales growth, market share growth, return on assets, quality improvements, innovation as evidenced by new product development capability, employee satisfaction, and overall business performance (Yilmaz & Ergun, 2008).

Organizational effectiveness variables are broad and have been classified into 30 different types (Campbell, 1979). These variables focus on results of behaviors such as performance, turnover, and efficiency. Open systems theory (Katz & Kahn, 2003) provides an explanation for how the organization achieved these results. There is a relationship between variables of organizational effectiveness and variables of open

systems theory that is relevant to this study. For example, the flexibility/adaptability variable from organizational effectiveness is related to the importation of energy from open systems theory. Five relationships between the two constructs inform the study and are discussed in chapter 2.

Episodic Change Context

The financial crisis of 2007 to 2010 set the context for this study. The literature relating to external episodic change events relates organization-wide (Kumar & Thibodeaux, 1990) massive environmental shifts with external jolts (Bacharach, Bamberger, & Sonnenstuhl, 1996) to changes in the culture of the organization (Romanelli & Tushman, 1994; Weick & Quinn, 1999). The external environment is a causal variable for why organizations change (Huber, Sutcliff, Miller, & Glick, 1993; Mohrman & Mohrman, 1989).

The change literature provides process theories to explain how external conditions are resolved in organizations (Van de Ven & Poole, 1995). Dialectical change theory is relevant to this study, as it gives insight into how organizations resolve external episodic change. Balance is required of an organization to manage the paradoxical demands placed on it as the result of change. Literature relating to organizational culture, organizational effectiveness, and balance guided the selection of the methodology to be used.

Summary of Methodology

This single exploratory case study of an organization with multiple embedded units was conducted to gain an understanding of how an organization experiencing

external episodic change balances adaptability and consistency. A case study method was selected, as it allows a researcher to gain an in-depth understanding of the situation by focusing on the process rather than outcomes (Merriam, 1998). Yin (2009) suggested that case study has a distinct advantage over other methodologies, as it answers how and why questions on a contemporary set of events. Case study also allows the context of an event to increase the understanding of the phenomenon.

The site selected for this study is an organization headquartered in Richmond, Virginia. The organization is an online recruiter of hourly positions for a variety of national organizations in varying industries. The research site has 135 employees, who are all co-located on one floor of a building in an office park that overlooks a lake. The floor of the building is open and houses several different departments in close proximity to one another.

Multiple data collection methods were used, including document review, a survey, semistructured interviews, and observation. The survey was sent to all 135 employees. The semistructured interviews were conducted with participants within the organization; attempts were made to involve a customer and a member of the board of directors as well. The data provided a convergence of evidence to be analyzed.

The interviews were transcribed and analyzed, the data were reduced (Miles & Huberman, 1984), and narrative analysis was used (Merriam, 1998). These data were coded along with the data from the document review to identify emerging categories. The descriptive data from the survey and data from the observation were used to support the findings.

Limitations

This study involved a single case and was limited by the experiences of the organization and its members. While the organization was selected as a representative case of an organization that experienced external episodic change as a result of the recession, it was limited to one industry. The findings of this study are relevant to theory building, but are not generalizable to other organizations (Yin, 2009). The site itself was relatively small. While this allowed for a thorough investigation, it was also a limitation, as the site was bound to a certain geographical location. The experiences of the participants may have been more homogenous than in a site with multiple locations.

Secondly, the potential for research bias existed. As a practitioner in human resources, I have worked in several organizations that have experienced external episodic change and made efforts to be aware of my own biases and experiences as I collected and analyzed the data. My personal experiences related primarily to actions of leaders. This study focused on the organizational level of analysis. Leaders were included in the data collection, but were not the focus of the study. In addition, the literature itself informed my data collection methodology and methods. My study sought to identify key aspects from the literature. As this was an exploratory study, I hoped to identify additional ways of balancing paradoxical needs through processes and mechanisms. I made an effort to remain open to possible explanations not driven from the literature.

Definition of Key Terms

The terms presented in this dissertation came from a variety of disciplines, including psychology, sociology, and management. For the purposes of this study, the following definitions were identified to add clarity and understanding.

Adaptability: “A system of norms and beliefs that can support the capacity of an organization to receive, interpret and translate signals from its environment into internal behavioral changes that increase its chances for survival, growth, and development” (Denison, 1990, p. 11).

Ambidexterity: “The ability of a complex and adaptive system to manage and meet conflicting demands by engaging in fundamentally different activities” (Bledow et al., 2009, p. 31); used to address how balance is achieved.

Balance: The act of resolving tensions and contradiction (Cameron, 1986; Bledow et al., 2009).

Consistency: “Shared system of beliefs, values, and symbols, widely understood by an organization’s members, [which] has a positive impact on their ability to reach consensus and carry out coordinated actions” (Denison, 1990, p. 8).

Dialectic: A dichotomous perspective focused on “contradictions and the attempt to overcome contradictions in favor of higher order integrations” (Bledow et al., 2009, p. 10).

Environmental changes: Conditions or trends including increased competition, changing expectations of stakeholders, technological developments, and legal context (Mohrman & Mohrman, 1989).

Episodic change: “Organizational changes that tend to be infrequent, discontinuous, and intentional,” which occur “during periods of divergence when organizations are moving away from their equilibrium conditions” (Weick & Quinn, 1999, p. 365).

Mechanisms: Tools to teach organizations “how to perceive, think, feel, and behave based on conscious and unconscious convictions” (Schein, 1985, p. 246).

Organizational culture: “A pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid, and therefore to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (Schein, 2004, p. 17).

Organizational effectiveness: Functions of an organization, including a function of the values and beliefs of the organizational members, a function of policies and practices, a function of translating values and beliefs consistently, and a function of the interrelation of values, beliefs, policies, and the business environment (Denison, 1990).

Organizational survival: Reversal of the entropic process, which is a “universal law of nature in which all forms of organization move toward disorganization or death” (Katz & Kahn, 2003, p. 25).

Process: External and internal transactions that have the ability to transform an object (Katz & Kahn, 2003). Long-continued deliberate efforts made by a number of people (Wallace, 1972).

Organization of the Dissertation

This chapter has provided a problem statement, research question, statement of potential significance, conceptual framework, summary of the methodology, and definition of key terms regarding the nature of this relationship. Chapter 2 reviews relevant literature and provides an argument for studying how an organization that experienced external episodic change balances adaptability and consistency. Chapter 3 reviews the methodology and research design and analysis that will be used during the study. Chapter 4 discusses the results of the study, while chapter 5 provides interpretations and conclusions.

CHAPTER 2:

REVIEW OF THE LITERATURE

The literature relating to culture, organizational effectiveness, and change is vast. This chapter focuses on literature related specifically to this study and its research question: How does an organization that experienced external episodic change balance adaptability and consistency? The chapter includes four main sections: organizational culture, organizational effectiveness, balance, and episodic change.

The ProQuest/ABI Inform, Business Source Premier, and Web of Social Science Citation Index databases were used to access numerous social science disciplines, with a focus on three search terms: organizational culture and organizational effectiveness, organizational culture and episodic change, organizational effectiveness and episodic change. Search results included published books, theoretical articles, and empirical research findings. Seminal theories and models of organizational culture, organizational effectiveness, and episodic change were used as well as recent empirical studies. Balance literature came from a variety of disciplines, including organizational learning, organizational effectiveness, innovation, and psychology.

Organizational Culture

The study of societal culture has enjoyed a long history. The seminal works of Durkheim (1985) and Geertz (1973) provided a foundation for the study of culture in an organizational context. Inherent in this literature are the explicit and implicit features of social life that are essential to the study of culture (Ouchi & Wilkins, 1985). Schein (1990) identified underlying dimensions of organizational culture, including the

organization's relationship with the environment, the nature of human activity, and the homogeneity or diversity of the group. These dimensions informed subsequent studies on organizational culture.

Organizational Culture Theories

Schein (1984, 1985, 1990, 2004) identified a dynamic model of how culture in an organization is learned, passed on, and changed over time. The model includes three interacting levels of culture: artifacts, values, and basic assumptions. The most outward of these, artifacts, is visible but not always decipherable. Artifacts are what an outsider observes and feels when entering an organization. The values of an organization can be identified by what people say or espouse as the reason for behaviors. Often an organization will publish organizational values, yet these may not include all values. Underlying artifacts and values are the beliefs of an organization. These are the basic assumptions regarding how an organization interacts with the environment and views the nature of reality, time, human nature, and human relationships. Assumptions are taken for granted and invisible to both outsiders and members of the organization. Schein's theory of the levels of culture and their interactions was important to this study, as it informed ways in which norms, behaviors, and beliefs could be observed and identified.

Models of Organizational Culture

Two models are discussed in this section: the model of organizational types (Deshpandé, Farley, & Webster, 1993) and the model of cultural traits (Denison, 1990). Both models attempt to resolve the complex and paradoxical nature of culture. They have

elements similar to the competing values approach of Quinn and Rohrbaugh (1983), which relates to organizational effectiveness and is discussed in a later section.

Deshpandé et al. (1993) used internal-external focus and flexibility-control to develop a model of organizational culture types. The model identified attributes, styles, bonding, and strategic emphasis of different organizations based on findings from a study of business performance in Japan. The four types of organizations were labeled clan, adhocracy, hierarchy, and market. Clan organizations have an internal focus and flexible processes; adhocracy has external positioning and flexible processes; hierarchy has internal maintenance and control processes; and market has external focus and control processes. The typing of organizations in this model and in Quinn and Rohrbaugh (1983) in a subsequent section suggest that organizations as a whole have tendencies towards certain actions and behaviors. This mindset limits the likelihood that the organizations could or should internally act in opposing or paradoxical ways. Denison (1990) resolved this issue by identifying traits found within all organizations that vary in degree.

Denison and Mishra (1995) built on findings from grounded theory in Denison (1990). Denison sought to identify traits of effective organizations found in case studies. Four traits—adaptability, mission, involvement, and consistency—were used to construct the theoretical model of culture traits. Denison and Mishra also used the internal-external orientation along with change-stability. The major difference in their model is that the traits all exist within a single organization rather than serving as variables found in organizational types, as in Quinn and Rohrbaugh (1983) and Deshpandé et al. (1993). In this model, the greater the level of each trait the organization possesses, the more effective it was predicted to be. As the model is applied to a single organization, the traits

are inherently contradictory. For example, adaptability has an external orientation focused on change and flexibility. Consistency, on the other hand, focuses on stability and direction with internal integration. Adaptability and consistency were central variables in my study not only because of their paradoxical nature, but because of the significance in empirical findings that found greater levels of effectiveness when both were present (Yilmaz & Ergun, 2008). Each variable is discussed further in the following section.

Variables of Organizational Culture

Adaptability. Adaptability is concerned with managing the external environment. This can be done by adapting internal processes to external conditions or by trying to attain control over external forces (Katz & Kahn, 2003). Buckley (1968) addressed adaptability from a societal perspective. He identified complex adaptive systems as open to energy or information and indicated that they were “open ‘internally’ as well as externally such that the interchanges among their components may result in significant changes in the nature of the components themselves, with important consequences for this system as a whole” (p. 79).

Schein (2004) identified five steps to external adaptation and survival of organizations: mission, strategy, goals, means, measurement, and correction. Each of these steps enables better adaptability with the external environment and results in internal changes as well. “Culture ultimately reflects the group’s efforts to grow and learn” (p. 109). The culture itself changes as the organization interacts with internal and external environments.

Denison (1990) identified three aspects of adaptability. First is the function of perceiving and responding to external environmental conditions, such as shifting market needs, customer requirements, or economic conditions. Another aspect of adaptability is responding to changing needs of customers. The last aspect of adaptability identified by Denison is restructuring and reinstitutionalizing organizational behaviors to adjust to the external or internal conditions. Buckley (1968) called this change to structure *morphogenesis*.

The function of adaptability in an organization is essential for organizational effectiveness and survival. External episodic change requires an organization to adapt or face potentially severe consequences. This adaptation affects not only the external environment, but the internal organization as well. While adaptation is essential, an overemphasis on it can lead to hyperadaptability (Hatch & Schultz, 2002). Adaptability must be balanced with consistent norms in the organization.

Consistency. The second relevant culture variable in this study was normative consistency. In Denison's (1990) theoretical model of culture traits, consistency was associated with internal integration and stability. Denison and Mishra (1995) explained consistency as the "degree of normative integration" (p. 215). The shared nature of organizational norms is found throughout the literature. This section reviews the literature related to this study, which discusses the functions and strength of consistency.

Katz and Kahn (2003) introduced concepts relevant to this study as they identified the functions of system norms and values. They are "common beliefs of an evaluative type which constitute a coherent interrelated syndrome" (p. 385). These norms and values

serve to integrate rather than differentiate. Katz and Kahn identified three criteria of system norms:

(1) There must be beliefs about appropriate and required behavior for group members as group members, (2) there must be objective or statistical commonality of such beliefs; not every member of the group must hold the same idea, but a majority of active members should be in agreement, (3) there must be an awareness by individuals that there is group support for a given belief. (p. 386)

They also identified two types of values: moral and sacred values and pragmatic values related to functional outcomes. The function of these system norms and values is to serve as a major source of compliance, provide affiliative needs with others in the organization, and act as a source of strength that reflects and justifies the behaviors of the group.

Related to normative consistency, Schein (1984, 2004) addressed internal integration in organizations. He identified six internal issues that allowed a group to integrate internally: creating a common language, defining group boundaries and criteria for inclusion and exclusion, distributing power and status, developing norms, allocating rewards and punishments, and explaining the unexplainable. It is the process of coming into agreement that creates internal integration. Schein summarized the importance of internal integration function in the following way:

Ultimately, what makes it possible for people to function comfortably with each other and to concentrate on their primary tasks is a high degree of consensus on the management of the issues. . . . If internal issues are not settled, if people are preoccupied with their position and identity, if they are insecure, if they do not know the rules of the game and therefore cannot predict or understand what is going on, they cannot concentrate on the important survival issues the group may face. (p. 134)

Schein termed the human need for order and consistency as cultural paradigms. These cultural paradigms contain the group's underlying assumptions. Kotter and Heskett

(1992) characterized shared values in the organization as difficult to change and invisible. The shared values become more visible and easier to change when expressed as group behavior norms. These common or pervasive ways of acting are passed to new members and persist in the organization. This consistency of behaviors over time creates stability but is never static. An overemphasis on normative consistency can create the problem of narcissism (Hatch & Schultz, 2002).

Strength of Culture

The strength of cultural norms was important in this study. The strength of organizational culture has been linked with firm performance (Denison, 1990). Strength has been defined in a variety of ways, including Ouchi and Price's (1978) homogeneity in their type Z organizations. Schein (1984) described strength of cultural norms as stable and intense. An empirical study of insurance companies indicated that a strong culture was associated with better organizational performance (Gordon & DiTomoso, 1992). Further studies of cultural strength indicate that strong cultures have more reliability in stable environments than weak cultures (Sorensen, 2002). While the strength of a culture has been found to lead to organizational effectiveness, strong cultures can also include dysfunctional elements that lead an organization to fail (Kotter & Heskett, 1992). Therefore, the strength of a culture relates to the performance of the firm while the function of norms acts as a coordinating mechanism.

Culture as an Enabler or Hindrance to Achieving Goals

Organizational culture has been attributed with enabling an organization to achieve its goals or hindering it from doing so. Deshpandé et al. (1993) examined

corporate cultures in Japanese businesses and found that organizations with cultures that stressed competitiveness outperformed those that did not. In studying innovation, Baer and Frese (2003) found that a cultural climate of initiative and psychological safety moderated the relationship between process innovations and performance. Similarly, Ahmed (1998) found that the most innovative companies were those that “have created appropriate cultures and climates” (p. 30).

The content of the cultural norms was identified as critical. Kotter and Heskett (1992) found that “only cultures that can help organizations anticipate and adapt to environmental change will be associated with superior performance over long periods of time” (p. 45). Dyer (1985) observed that the 1960s shift in culture, which fostered independence and collaboration between members of an organization, expanded management’s ability to act and resulted in the technical innovations that were developed in that time period. He attributed the increase in organizational effectiveness to the freeing culture. Similarly, additional theoretical work indicates that cultures can facilitate adaptation if they value teamwork, performance, and support (Kotter, 1996). This literature suggests that the underlying beliefs and values enable or hinder the outcomes of the organization.

Organizational Effectiveness

Many scholars have linked culture and organizational effectiveness (Carmeli & Tishler, 2004; Denison & Mishra, 1995; Wiener, 1988; Wilkins & Ouchi, 1983). To discuss this linkage, organizational effectiveness must be understood and defined. While the term “organizational effectiveness” makes intuitive sense, it is not well defined in the literature and has varying evaluation criteria (Steers, 1975). Hall (1972) provided a broad

definition of organizational effectiveness as “the degree to which an organization realized its goals” (p. 96). He also noted that organizations have multiple and conflicting goals, which leads to difficulty in analyzing effectiveness. Despite the difficulty in defining organizational effectiveness, its importance is noted. It “is not only a central theme in the practical sphere; it is a central theme in organizational theory as well” (Goodman & Pennings, 1977, p. 2).

To develop a better working definition, Campbell (1979) identified 30 variables from the literature. These included overall effectiveness, productivity, efficiency, profit, quality, growth, accidents, absenteeism, turnover, job satisfaction, motivation, morale, control, conflict/cohesion, flexibility/adaptation, planning and goal setting, goal consensus, internalization of organizational goals, role and norm congruence, managerial interpersonal skills, managerial task skills, information management and communications, readiness, utilization of the environment, evaluations, stability, value of human resources, participation and shared influence, training and development emphasis, and achievement emphasis. Recent studies also have multiple and conflicting variables associated with organizational effectiveness (Denison, Haaland, & Goelzer, 2004; Yilmaz & Ergun, 2008). The range of variables may be attributed to the complex and paradoxical nature of organizational effectiveness. Theories and models in the literature assist in understanding this nature.

Model of Organizational Effectiveness

While the factors associated with organizational effectiveness are varied, models address how organizations perform. Two models of organizational effectiveness that are relevant to this study are discussed and compared. Quinn and Rohrbaugh (1983) and

Denison (1990) used similar dimensions to understand organizational effectiveness. Both used dimensions of flexibility-control and internal-external orientation. Quinn and Rohrbaugh identified types of organizations, while Denison identified traits found within an organization.

Quinn and Rohrbaugh (1983) used a multivariate technique to develop a model from previous literature. The model recognized the two dimensions mentioned above, control-flexibility and internal-external orientation, along with a third paradoxical dimension, organizational means-ends. The control-flexibility dimension relates to organizational structure, the internal-external orientation relates to organizational focus, and the means-ends dimension relates to organizational processes and outcomes. The results of the study yielded four types or models of organizational effectiveness. This model was important to this study, as Quinn and Rohrbaugh observed that “judging the effectiveness of any organization ultimately involves the question of values” (p. 375). This observation relates to the culture found within each of the organizational types.

Denison’s (1990) model of culture and organizational effectiveness uses two contrasts: the contrast between external orientation and internal integration, and the contrast between stability and flexibility. These contrasts focus on the culture of a particular organization which requires it to address and balance paradoxical demands. This model was central to this study, as it focused on a specific organization and the paradoxical demands that existed within it. This model gave way to a host of empirical studies that indicated that organizations that are adaptable and involved and have a strong mission and a strong normative consistency are more effective than organizations that do

not. Additional studies indicated the same results in other countries (Denison et al., 2004).

This study was concerned with how organizations balance the paradoxical variables of Denison's (1990) model of culture and organizational effectiveness. The dimensions of the model provide an understanding of the nature of the paradoxical demands yet do not entirely address the dynamic reality of organizational life. To fully examine how an organization that experienced episodic change balances adaptability and consistency, open systems theory must be discussed. The following section discusses open systems theory and survival and the relationship to organizational effectiveness studies.

Open Systems Theory and Organizational Survival

Open systems theory recognizes external environmental forces affecting organizations (Katz & Kahn, 2003). The theory has 10 common characteristics: (1) importation of energy, (2) throughput, (3) output, (4) systems as cycles of events, (5) negative entropy, (6) information input, negative feedback, and the coding process, (7) the steady state and dynamic homeostasis, (8) differentiation, (9) integration and coordination, and (10) equifinality. Table 2.1 relates key variables from open systems theory to those found in Campbell's (1979) variables of organizational effectiveness. These variables were relevant to this study, as they transcend the culture and organizational effectiveness literature.

Table 2.1
Relevant Variables of Open Systems Theory and Organizational Effectiveness

Open systems variable (Katz & Kahn, 2003)	Organizational effectiveness variable (Campbell, 1979)	Relevance to study
Importation of energy: Importation of energy from the external environment	Flexibility/adaptation: Ability to change in response to environmental changes	Adaptability
Throughput: Transformation and reorganization of energy from input	Stability: Maintenance through periods of stress	Balancing
Output: Exportation of some product into the environment	Productivity: Product or service the organization provides	Organizational effectiveness
Negative entropy: Reversal of entropic process in order to survive	Overall effectiveness: General evaluation of performance, ratings, or judgments	Organizational survival
Integration and coordination: Processes that bring the system together for unified functioning	Role and norm congruence: Degree to which members of an organization are in agreement	Normative consistency

The relationship between open systems theory and organizational effectiveness provides two important aspects to this study. First, open systems theory introduces the dynamic nature of effectiveness, which gives insight into processes and mechanisms of balance. Second, the survival of the organization during an external episodic event relates to both negative entropy and overall effectiveness. An organization's desire to reverse the entropic process through performance enhances effectiveness. These relationships are paradoxical, causing the organization to balance competing demands.

Balance

Balancing Paradox

Organizations face multiple competing demands just to survive. Quality versus quantity, short-term goals versus long-term goals, and stability versus change are a few examples of what organizations must balance to remain viable. This section identifies literature from organizational culture, organizational learning, innovation, psychology, and organizational effectiveness to identify key elements of balance.

Conceptualizations of Balance

In a seminal work, Cameron (1986) identified the paradoxical nature of effectiveness criteria and posited that the most effective organizations are characterized by paradox. The construct of balance has evolved into a variety of related concepts (Table 2.2). While some of the literature relates to organizational effectiveness, the construct spans other disciplines such as organizational learning (March, 1991; Bledow et al., 2009).

The paradoxical nature of organizations requires action. The literature provided varying perspectives on how an organization achieves balance. Four different categories were identified for managing dualities in organizations: selection, separation, integration, and transcendence (Seo, Putnam, & Bartunek, 2004). Selection is when an opposing force is ignored, causing the organization to select one force over the other. Separation recognizes both forces yet separates them into domains or by levels of analysis. Integration combines the paradoxical forces by neutralization or forced merger. Lastly, transcendence reframes the paradox to create a new perspective or reformulate the whole.

Literature relating to balance that is relevant to this study has been identified and categorized. The major topics include trade-offs, balance of competing values, dialectic, ambidexterity, and duality.

Table 2.2
Conceptualizations of Balance in Selected Literature

Category of duality*	Terms	Selected authors	Concept
Selection	Trade-offs	March, 1991	Engaging in exploration at the expense of exploitation (concept from organizational learning)
Separation	Competing values	Cameron, 1986; Denison, 1990; Quinn & Rohrbaugh, 1983; Denison & Spreitzer, 1991; Denison, Hooilberg, & Quinn, 1995	Recognizing and managing competing values concurrently (concept identified as necessary, although specific processes and mechanisms are absent)
Separation	Dialectic	Bledow et al., 2009; Van de Ven & Poole, 1995; Weick & Quinn, 1999	Focusing on overcoming contradictions in order to integrate
Integration	Ambidexterity	Tushman & O'Reilly, 1996; Raisch & Birkinshaw, 2008	Concurrently engaging in paradoxical activities
Transcendence	Duality	Farjoun, 2010	Viewing paradoxical activities as interdependent and mutually enabling

*Categories are from Seo, Putnam, and Bartunek (2004).

Trade-offs. March (1991) identified the paradoxical nature of exploitative and exploratory learning in organizations. Both are necessary for organizational survival, but he viewed the balance between them as a trade-off. Organizations focused on exploitative learning “reduce speed with which skills at existing ones are improved” (p. 72).

Alternatively, organizations focused on improving current procedures “make experimentation with others less attractive” (p. 72). Much like the swing of a pendulum, March viewed focus on one type of learning at the expense of the other.

Balance of competing values. Quinn and Rohrbaugh (1983) identified three value dimensions in the organizational effectiveness literature that simultaneously exist in organizations: internal/external orientation, stability/flexibility, and means/ends. The dimensions are organizational realities that require that “no choice need be made between two or more contradictions. Both contradictions in a paradox are accepted and present. Both operate simultaneously” (Cameron, 1986, p. 545).

Dialectic. An alternate way to address paradox in an organization is through dialectic process. Dialectic “is a focus on contradictions and the attempts to overcome contradictions in favor of higher order integrations” (Bledow et al., 2009). This process of overcoming contradictions creates a new synthesis, unlike trade-offs, which compete for resources. The change literature has addressed dialectic balance as well by positing opposing entities that collide to produce a synthesis (Van de Ven & Poole, 1995). It is the conflict between opposing entities that generates a dialectical cycle. Weick and Quinn (1999) viewed this event sequence as having generative mechanisms of pluralism, confrontation, and conflict.

Ambidexterity. Bledow et al. (2009) defined ambidexterity as “the ability of a complex and adaptive system to manage and meet conflicting demands by engaging in fundamentally different activities” (p. 31). An organization’s need for both short-term and long-term success causes paradoxical conflicts. Tushman and O’Reilly (1996) identified the balance needed to achieve both of these competing goals as ambidextrous.

The identification of ambidexterity as a means of balancing paradoxical needs has caused others to study antecedents, outcomes, and moderators (Raisch & Birkinshaw, 2008) and to test the hypothesis empirically (He & Wong, 2004).

Duality. Farjoun (2010) approached the demands of capitalism of achieving flexibility concurrently with consistency and reliability. He presented a duality view in which these demands are “fundamentally interdependent—contradictory but also mutually enabling” (p. 202).

Processes and Mechanisms of Balancing

The subquestions relevant to this study focused specifically on processes and mechanisms of how an organization balances adaptability and consistency. Katz and Kahn (2003) offered an understanding of processes relevant to this study. They discussed process as an organizational throughput that involves transactions with the environment and internal transactions. These processes have the ability to transform an object, such as a product, as well as molding people. Related to change efforts specifically, Burke (2008) referred to systems that facilitate change: “Process refers to certain interventions meant to significantly implement the change effort” (p. 105). This definition indicates a steady state in the organization. Wallace (1972) provided another definition of processes that relates to changes in culture “as the consequence of long-continued deliberate efforts by numbers of persons to innovate within a recognized technical, artistic, or intellectual tradition” (p. 467). This definition was important to this study, as it relates to paradigmatic change and variations to normal science. The literature on external episodic change indicates changes to the culture of an organization, making Wallace’s definition instrumental to organizations’ adaptive capability.

A definition for mechanisms is found in the culture literature. Mechanisms are tools to teach organizations “how to perceive, think, feel, and behave based on conscious and unconscious convictions” (Schein, 1985, p. 246). This definition includes both behaviors as well as visible artifacts. Behaviors such as attending, measuring, reacting, and allocating resources are mechanisms of how culture is transmitted in organizations. Visible artifacts are rites and rituals, physical space, buildings, and formal statements regarding organizational values and beliefs.

Alder, Goldoftas, and Levine (1999) conducted a case study to identify mechanisms of balancing flexibility and efficiency in an automotive assembly plant. The study identified four mechanisms focused on trade-offs. While the research question in this study focused on identifying mechanisms, it is important to note that Alder et al. found the context of the study as a reinforcer of the mechanisms.

Problems with Lack of Balance

The literature has advocated balancing paradox as necessary for organizational effectiveness and survival. It has also identified problems that occur when there is a lack of balance. March (1991) identified competing adaptive processes in organizational learning: exploration and exploitation. Vulnerabilities of each were identified. If an organization focuses on exploitation at the cost of exploration, it will cease to adapt. If an organization focuses on exploring new information without balancing the need for exploitation, it will not perform.

Hatch and Schultz (2002) identified problems that occur when organizations do not balance internal culture with external image. Narcissism occurs when an organization does not express its culture in its identity. This causes self-absorption and self-seduction.

Hyperadaptation is the reversal of the same variables. This occurs when an organization mirrors its external image without maintaining the culture. The result is a loss of the culture and hyperreality.

These examples of problems with lack of balance can be generalized to this study. Overadaptation causes organizations to lose focus on performance and effectiveness, while an overemphasis on stability and maintenance of a culture causes organizations to miss opportunities to grow. Organizations are in a constant dynamic state that moves from adaptation to consistency and back. Problems occur when an organization is unable to shift or stops the dynamic process.

Episodic Change Context

This study sought to understand the relationship between adaptability and consistency in organizational culture. The context of the study was episodic change. This section defines episodic change and discusses its relationship with organizational culture and the external environment and the requirement for balancing.

Definition of Episodic Change

Several scholars addressed episodic change using a variety of terms including revolution (Greiner, 1972), revolutionary (Miller & Freisen, 1980; Gersick, 1991; Burke, 2008), gamma-change (Golembiewski, Billingsly, & Yeager, 1976), third-level change (Kumar & Thibodeaux, 1990), transformational change (Tushman & Romanelli, 1985), and discontinuous change (Grundy, 1993) (Table 2.3).

Table 2.3
Conceptualizations of Episodic Change and Content

Theorist(s)	Conceptualizations of episodic change	Episodic change content
Greiner, 1972	Revolution: Organizational crisis, substantial organizational turmoil	Significant upheaval of management practices
Golembiewski, Billingsley, & Yeager, 1976	Gamma-change: Re-conceptualizing of salient dimensions, change in state, quantum shift, discontinuous	Culture, social order
Miller & Friesen, 1980	Quantum change: Concerted and dramatic	Dramatic jumps in formal scanning and/or delegation of authority Environmental events (recessions, innovations, natural disasters, new market, financial resources, technology)
Levy, 1986	Second-order: Irreversible change to “core”	conflict/crisis, leadership, political (legal), mergers, acquisitions, culture, core processes (structure, decision-making, communication)
Kumar & Thibodeaux, 1990	Third-level: Organization-wide change	
Gersick, 1991	Revolutionary change: Affects deep structure, change to the whole	
Dunphy & Stance, 1993		Reformed mission and core values
Grundy, 1993	Discontinuous change: Rapid shifts	Strategy, structure, culture
Romanelli & Tushman, 1994	Transformational change: Short bursts of fundamental change	Culture including mission, core values
Bacharach, Bamberger, & Sonnenstuhl, 1996	Organizational transformational process: Massive environmental shifts with external jolts	Logics of action are aligned, misaligned, and realigned
Weick & Quinn, 1999	Episodic change: Infrequent, slow, discontinuous, macro, distant, global, replace rather than alter	Leadership, strategy, structure, culture, environment, performance

Although the terms vary, the type of change can best be summarized using Weick and Quinn's (1999) definition of episodic change:

Episodic change is of a social entity that combines the following characteristics: dense, tightly coupled interdependencies among subunits; efficiency as a core value; a preoccupation with short-run adaptation rather than long-run adaptability; constraints on action in the form of the invisible hand of institutionalization; powerful norms embedded in strong subcultures; and imitation as a major motivation for change. (Weick & Quinn, 1999, p. 367)

This definition was relevant to this study, as it includes the key variables of the study of adaptability and consistency and alludes to the influence of organizational culture. The core features of episodic change are organizational crisis (Greiner, 1972), large change with many elements (Miller & Friesen, 1980), organization-wide change (Kumar & Thibodeaux, 1990), and change that is dramatic and externally driven (Weick & Quinn, 1999).

The Relationship of Episodic Change and Organizational Culture

Culture is one area identified in the literature related to the content of episodic change. Grundy (1993) identified changes in culture as a result of rapid shifts in the environment. Similarly, Golembiewski et al. (1976) conceptualized quantum shifts as causing changes in culture, while Romanelli and Tushman (1994) identified revolutionary change as causing changes in mission and core values. Culture and the environment were both identified as content of change by Weick and Quinn (1999). This conceptualization was relevant to this study in terms of understanding external conditions that cause episodic change.

Episodic Change and the External Environment

This study was framed in the context of episodic change as a result of the financial crisis of 2007 to 2010. The environment was an important variable and was found throughout the literature relating to episodic change. Five factors thought to cause change are (1) characteristics of the organization's environment, (2) performance, (3) top management characteristics, (4) structure, and (5) organizational strategy (Huber et al., 1993). Within the organization's environment, turbulence, competitiveness, and complexity were identified as key predictors of change. An empirical study verified that organizational environments determine organizational change, and the frequency of environmental antecedents predicted the frequencies of organizational change.

Mohrman and Mohrman (1989) also identified triggers of change: economic pressure; perceived opportunities; new technology; changing legal context; and cultural pressures articulated by stakeholders. Economic conditions were identified as the principal way that environmental pressure was translated into the need for change. Environmental forces, such as social, technical, economic, and political, were identified as reasons why an organization must change after facing the choice of "adapt or die" (Lawrence, 1989, p. 57). The external environment is a key variable for why an organization changes. The scale of the change fits the definition of episodic change. The literature points to the critical need for organizations to balance conditions of change as well.

Episodic Change and Balance in the Organization

Van de Ven and Poole (1995) identified process theories of organizational development and change that explain how external conditions are resolved. Of these

theories, dialectical theory was relevant to this study, as it provides insight into how balance occurs. This theory is based on the assumption that an “organizational entity exists in a pluralistic world of colliding events, forces, or contradictory values that compete with each other for domination and control” (p. 517). These conditions may be external to the organization as it competes with other organizations. In this theory, process is “explained by reference to the balance of power between opposing entities” (p. 517). Over time this balance produces a new thesis for the organization.

Balance has also been identified as a way in which to change culture. Holbeche (2006) identified balancing a culture and an approach to use when attempting to preserve the benefits of a culture while adding or differentiating elements of it. This involves counteracting “a limitation of the culture with a positive” (p. 196). This allows for the softening of dominant cultural traits and the introduction of new values and beliefs or changing structures and systems.

The literature on episodic change indicates that the culture of an organization can be affected. The external environment is a key cause for episodic change. When organizations are faced with externally caused episodic change, they are required to balance the paradoxical demands placed on the culture. The organization’s need to adapt to external change is paradoxical to its need to maintain normative consistency.

Key Findings from the Literature

This review of the literature has revealed several important findings. First, organizational culture can enable or hinder organizational effectiveness. The values and beliefs of an organization shape the ways in which it behaves, affecting its ability to perform. The strength of a culture is also related to organizational effectiveness. The

degree to which the values and beliefs are shared guides behavior by the individuals and the organization. Organizational effectiveness is enhanced in strong cultures yet may limit the ways in which an organization can adapt.

Another finding is that the variables of culture, adaptability and consistency, are paradoxical. Adaptability focuses on the external environment and change, while consistency is internally focused and stable. To be effective, organizations must balance the paradoxical demands of these variables. The literature on balance indicates a variety of ways in which organizations can balance, from selecting between two demands to transcending them and allowing the demands to enable one another. Problems can arise in organizations that are not able to achieve this balance.

The final area of findings relates to external episodic change. Large-scale organizational changes, such as the financial crisis of 2007 to 2010, can cause an organization to change its culture. Organizational crisis and environmental shifts cause fundamental changes within an organization. Organizations must “adapt or die” ((Lawrence, 1989, p. 57). The survival of the organization depends on its ability to adapt to the episodic change event while maintaining normative consistency in how it functions.

These findings in the literature informed the selection of the case study methodology and the methods used within it, which are discussed in the following chapter.

CHAPTER 3: RESEARCH METHODS

Overview: Research Approach and Design

This case study sought to describe how an organization experiencing an external episodic change event balanced adaptability and normative consistency. The financial crisis of 2007 to 2010 caused considerable external episodic changes to occur in organizations and required cultural changes so that organizations could achieve effectiveness and survive. The purpose of this qualitative case study was to begin to fill the gap in the literature relating to mechanisms and processes of balancing paradoxical conditions of an organizational culture.

The methodological approach used in this study was an exploratory case study involving a single case with multiple units of analysis (Yin, 2009). A case study approach was selected since it allows a researcher to gain an in-depth understanding of the situation by focusing on the process rather than the outcomes (Merriam, 1998). Yin (2009) suggested that case study has a distinct advantage over other methodologies, as it answers how and why questions on a contemporary set of events. The research question required a robust and detailed investigation of a bounded event and how the organization balanced adaptability and consistency over time. Case study also provided for the context of an event to increase the understanding of the phenomenon.

Multiple units of analysis were necessary to be able to collect information from several departments within the organization, as the processes and mechanisms of balance are believed to be located across the organization. The case site was a representative or

typical case (Yin, 2009). It was selected based on its financial performance, as well as its accessibility and espoused values.

The research question in this study required collecting information on the organization's adaptability, consistency, and balance, each of which required extensive investigation to identify processes and mechanisms. Case study methodology allowed use of "a diverse array of data collection materials" (McCaslin & Scott, 1993) and provided for the integration of information to create a convergence of evidence (Yin, 2009). The various data collection methods allowed for each variable to be fully explored so that comprehensive analysis could be conducted. Triangulation of the data through multiple sources and methods improved the probability that findings and interpretations would be found to be credible (Lincoln & Guba, 1985).

The research was conducted from a postpositivist perspective. This approach to study is grounded in the belief that research is aimed at finding a "truth" (Crotty, 1998). This approach has elements of being logical and cause-and-effect oriented, with an emphasis on empirical data collection (Creswell, 2006).

This chapter discusses the research question, site and participant selection, methods for data collection and analysis, plans for ensuring robustness and trustworthiness of the data, and ethical precautions for study participants.

Research Question

This study focused on one primary research question, with two subquestions:

RQ: How does an organization experiencing external change balance adaptability and consistency?

1. What are the processes of balancing in an organization that has experienced external episodic change?
2. What are the mechanisms of balancing in an organization that has experienced external episodic change?

Site Selection

The site for this study was an organization based in Richmond, Virginia. A pseudonym, “Job Catchers, Inc.,” is used throughout the study to protect the identity of the organization. The organization’s primary line of business is online recruiting of hourly positions for a variety of national organizations in varying industries. Job Catchers was selected since it provides a good example of a representative or typical case (Yin, 2009). The company was formed in 2000 and has experienced 80% growth year-over-year with the exception of 2009, when it grew 20% due to the economy. At the time of the study, it had 135 employees. The organizational design provided for a single case embedded design with multiple units of analysis.

Data Collection and Analysis

Case study methodology includes a variety of data collection techniques (Merriam, 1998; Yin, 2009). Four of these methods were used in this case study: semistructured interviews, survey, observation, and review of documents. The literature provided variables to be investigated, and Table 3.1 outlines the methods to be used to collect each type of data.

Table 3.1
Content of Data Collected by Method

Theories and contributing literature	Method			
	Document review	Survey	Semi-structured interviews	Observation
Theory of organizational culture and effectiveness (Denison & Mishra, 1995)	Adaptability and consistency	Adaptability and consistency		
Categories of duality (Seo, Putnam, & Bartunek, 2004)			Balance	Balance
Open systems theory (Katz & Kahn, 2003)	Output		Processes and mechanisms	Processes and mechanisms
Organizational effectiveness (Campbell, 1979)	Productivity and overall effectiveness			
Levels of culture (Schein, 1984)	Artifacts, espoused values		Espoused values, underlying beliefs and assumptions	Artifacts, espoused values

Data collection began with administration of the survey and continued with document review, interviews, and observations. All data were collected within a 6-week period. The sections that follow describe how each data element was collected and analyzed.

Semistructured Interviews

The interview data collection method was selected as a means of learning about the organization by collecting data from individuals (Yin, 2009). A semistructured

interview format was chosen over a highly structured/standardized or unstructured/informal interview format to allow for open-ended and follow-up questions (Merriam, 1998). An interview protocol was designed to gain an understanding of the participant's role in the organization and to gain insight into processes and mechanisms of balance (see Appendix A).

Purposeful selection (Creswell, 2006) was used to identify nine participants from within the organization to interview: three senior leaders, three middle managers, and three experienced individual contributors representing the advertising, marketing, sales, product, and engineering divisions. The titles of the interviewees are indicated in Figure 3.1. To be included, individuals had to be associated with the organization before the financial crisis of 2007 to 2010 and be involved in activities related to the response to the change. Participants represented different departments to provide perspectives from varying parts of the organization that inform the understanding of the central phenomenon in the study.

These nine interviews were completed within a 3-week time period. All interviews were conducted in the office of the participant, with the exception of one, which was conducted by teleconference. The interviews, which lasted from 45 to 70 minutes, were recorded and transcribed. All nine of the participants were polite, cordial, open, and eager to provide information relevant to the questions. Another shared trait among the participants was difficulty recalling "all the way back to 2007." Each participant was provided a transcript of the interview to ensure accuracy of the content (Lichtman, 2009). The chief executive officer and the marketing director responded with minor edits. No other participant responded.

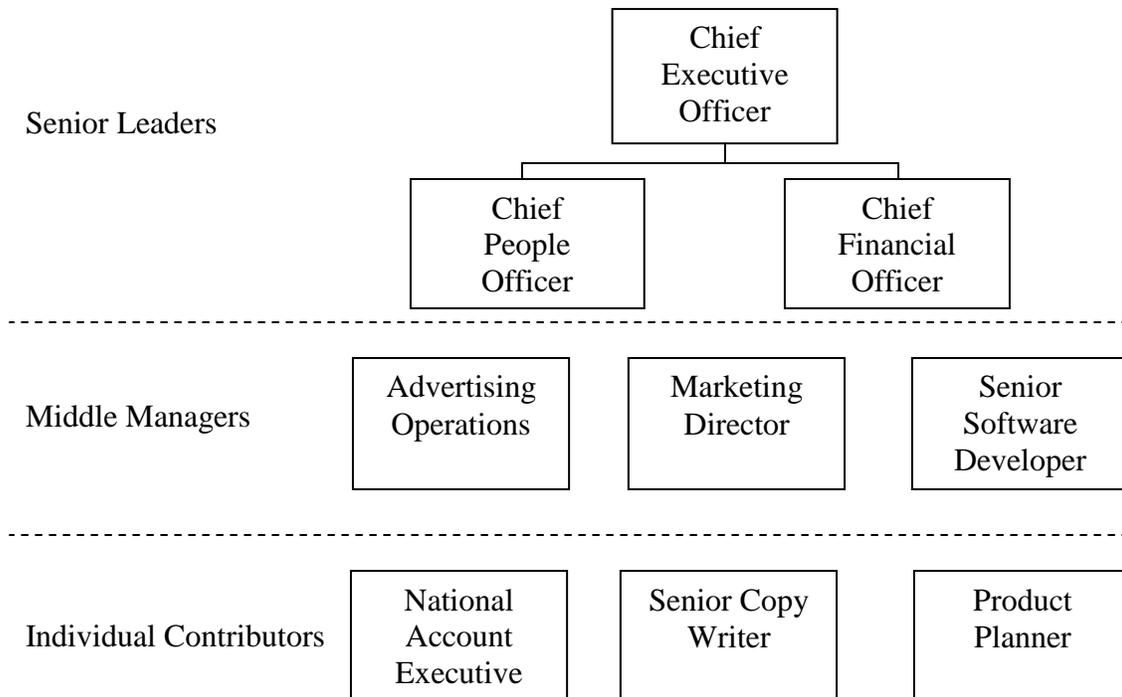


Figure 3.1. Partial organizational chart showing participants.

I originally planned to interview a member of the board of directors and a customer. To obtain participant contact information for these interviews, I made multiple written and verbal requests, which went without response. During the interview with the chief human resources officer, it was discovered that the chief executive officer wanted to complete his interview before determining if the external interviews would be permitted. While verbal permission was granted, contact information for the member of the board of directors was not provided. A customer was contacted, but multiple attempts over a 2-week time period to schedule an interview were not successful.

Narrative analysis was used to understand each participant's experience in the organization (Merriam, 1998). The first-person accounts of experience gained from each

participant were analyzed and coded to identify overarching categories. Subcategories were created, defined, and summarized.

Survey

The Denison Organizational Culture Survey (Denison & Neale, 1996) focuses on the four traits of culture: mission, adaptability, consistency, and involvement. It was used to add to the understanding of the organization as a whole. This questionnaire has been extensively used in empirical studies (Denison & Mishra, 1995; Fey & Denison, 2003; Denison et al., 2004; Yilmaz & Ergun, 2008).

The reliability and validity of the instrument were tested using a sample of 35,474 participants from 160 organizations (Denison, Janovics, Young, & Cho, 2008). Coefficient alphas for the four variables were as follows: involvement, .89; consistency, .88; adaptability, .87; and mission, .92. The correlation between indexes was as follows: involvement, .89; consistency, .88; adaptability, .87; and mission, .92. A second-order factor correlation indicated loadings between .84 and .94. These results indicate strong support for the validity and reliability of the Organizational Culture Survey.

All 135 members of the organization were invited to participate in the survey. Descriptive data from the survey were used to inform the semistructured interviews. In addition, these data were analyzed to identify scores by organizational unit and service dates.

Observation

Observation was conducted to gain a first-hand encounter of the activities in the organization (Merriam, 1998). The site itself was unique, with a contemporary aesthetic

atypical for Richmond, Virginia. The observation was twofold: observing interactions and physical surroundings.

The interactions of participants in formal and informal meetings were observed to gain content knowledge and process information and to observe interactions. Two formal meetings were observed for interactions. These meetings, occurring as a natural part of business, were identified by the organization as ones that involved evaluating customer needs or external competition (adaptability) or internal norms, values, or behaviors (consistency). The meetings were audiorecorded but not transcribed. The data were recorded using the document found in Appendix B.

The first meeting observed, called a “scrum” after the sport of rugby, was a weekly meeting between members of the product department, information technology department, and a program manager. The purpose of the meeting was to assess progress and feasibility of customer enhancements for the user experience of the website. In this particular scrum, three participants were present. The meeting was a “standing meeting” outside the doorway of one of the participants. The participants were cordial but focused. All of the dialogue related to the content of the meeting.

The second observed meeting was titled “sprint planning.” The purpose of the meeting was to provide updates and work through issues across departments relating to changes to be made for job seekers using the website. Seven participants met along the back wall of office cubicles.

The physical surroundings were observed for evidence of artifacts and espoused values as well as an expression of current or past behavior (Webb, Campbell, Schwartz, & Sechrest, 1966). The data were recorded using the document found in Appendix C.

During regular business hours, five separate locations were observed: the lobby/reception area, an internal open area/lobby, the open cubicle area, a closed-door office, and the lunch/break room. The areas were selected based on the suggestion of a member of the human resources team and the belief that they would provide artifacts of the culture. While the areas observed were not occupied, occasionally employees walked by and offered verbal greetings. No one asked what I was doing. All the physical observations occurred during visits for interviews or meeting observations.

Review of Documents

The final method used in this study was document review (Yin, 2009). Documents related to the context of the study and to the research questions were collected throughout the 6-week data gathering process. Documents relating to the context of the study were found external to the organization in the form of articles and awards (see Appendix D), and documents related to the research questions were provided by internal sources and the company website, which was dense with espoused values. The process for obtaining internal documents varied. A member of the human resources department was quick to respond and provided all documents requested. The interview participants were more guarded in providing documents. Three participants allowed the researcher to view an internal document on a computer monitor but deferred the request for a paper copy to the chief human resources officer and the chief financial officer. Multiple requests were made of the officers for this particular document both verbally and through e-mail without response.

Robustness and Trustworthiness

Robustness and trustworthiness were ensured in this study by triangulating both the sources of the data and the methodologies used. The data sources included leaders and individuals in the organization, giving different perspectives on the external change. Using interviews, a survey, observation, and document review also increases the credibility of the study. In addition, use of peer debriefing, member check of the interview data, and a peer coding check increased credibility.

Transferability of the data was provided by “thick description” (Lincoln & Guba, 1985). Detailed descriptions are provided in the findings using direct quotations from the interviews. The findings are generalizable to theory rather than to a population (Yin, 2009). The conceptual framework involved a variety of theories, and the findings relate to each of them and potentially add to subsequent theory development.

Human Participants and Ethical Precautions

This study was conducted under the guidelines provided by the institutional review board of the George Washington University. Signed consent forms were obtained from each of the interview participants. All documents acquired were handled in a confidential manner and kept in a secure place. Confidentiality agreements were obtained from the editor and transcriptionists. To ensure confidentiality, pseudonyms have been created for each participant and for the organization. A final publication copy of this study and any subsequent related publications are to be provided to the organization to review to ensure that its confidentiality has been protected.

Summary

This chapter has outlined several aspects of the study. Case study methodology best captures the information required. Problems of the study reveal the paradoxical nature of the research question that involves multiple individuals, departments, decisions, and processes. The methods used in the case study provide a convergence of evidence (Yin, 2009) designed to reveal mechanisms and processes of balance. The research procedures selected for this study ensure a thorough, relevant, and confidential acquisition of information. The data collected were analyzed to identify how change in an organization impacts the balance between adaptability and consistency. The findings will begin to fill the gaps in the literature relating to how an organization balances paradoxical demands of maintaining adaptability while maintaining normative consistency.

CHAPTER 4:

RESULTS

This chapter presents the findings from this case study, which was initiated to answer the question: *How does an organization that experienced external episodic change balance adaptability and consistency?* and the two related subquestions: *What are the processes of balance in an organization that has experienced external episodic change?* and *What are the mechanisms of balance in an organization that has experienced external episodic change?* The research results represent a 6-week time period in November and December 2010 at Job Catchers, an online hourly employment search engine. Pseudonyms were used to protect the privacy of the study's participants.

This chapter is organized into three sections: (1) background of the organization and context of the study; (2) summary of survey findings, and (3) analysis and emergent themes derived from the data.

Organizational Context

Evidence collected from document review, interviews, and observation was used to provide contextual information about the research site, supplementing the basic information provided in chapter 3. This study involved episodic change as experienced by the financial crisis, and details of the company's history, data relevant to the financial crisis, and competitor data provide a foundation for understanding this context.

Company History

Job Catchers was established in May 2000 by a transaction attorney who saw an opportunity to start an Internet company focused solely on hourly positions. The business

entered into contracts with employers, who paid to have their open positions posted on the Internet site and received resumes of applicants. Within 2 years, Job Catchers processed 1,000,000 applications. During these initial years, the organization comprised the chief executive officer (CEO), Paul Simmons, and seven other individuals, four of whom continue to work for the organization. The business was relocated to its current location in Richmond, Virginia, in May 2006 to accommodate the growing business, which increased to 5,000,000 registered applicants. In August 2006, the organization secured investor financing, allowing it to expand to 40 employees, and it began to increase its revenue by advertising to the job applicants visiting the site. The current chief financial officer and chief human resources officer joined the organization at this time. The business experienced 80% growth rates year-over-year, securing 3,600 customers in a variety of different industries. Most customers are in the hospitality, retail, and restaurant industries.

The business currently has five divisions: finance, human resources, sales, product (which includes marketing), and information technology. The heads of sales, product, and information technology all joined the organization within the past 2 years as replacements to former leaders. The business's revenue is split evenly between employers and advertisers. At the time of the study, the organization had 135 employees, with an average age of 27; many employees had no prior professional work experience. The average tenure with the company was 2.7 years, and 94% of the organization had 5 or less years of tenure (see Table 4.1). Since the start of the financial crisis in 2007, 76 employees joined the company, representing 56% of the overall population.

Table 4.1
Percentage of Employees by Years of Service

Years of service	Number of employees	Percentage of employees
9 or more	4	3%
6-8 years	4	3%
3-5 years	51	38%
1-2 years	39	29%
Less than 1 year	37	27%

The business announced the addition of 150 employees by the end of 2011, which will double its size. As a result, the organization will need to relocate to a building that can accommodate the increase in employees.

Job Catchers' office building was located in an office park, where it occupied the second floor of a nondescript building that backed up to a manmade lake. The office was filled with standard-sized office cubicles, and the outside wall of the building was lined with closed-door office space. Four small conference rooms, as well as a large kitchen and break room, were scattered across the office space.

Competitors and the Financial Crisis

Job Catchers has several national competitors. CareerBuilders, Hotjobs.com, and Monster Worldwide, Inc. (Monster) are large key competitors. The business also has several smaller regional competitors. Job Catchers is dedicated solely to staffing hourly positions in the United States across a variety of industries. Competitors also post hourly positions but primarily focus on salaried positions.

Monster is publicly traded, providing more accessible information, and therefore serves as a comparison for Job Catchers. Monster is significantly larger than Job Catchers in terms of employers who post positions, employees, and revenue. A review of its 2008 annual report indicated a 10% downturn in domestic revenue. This was offset by an

increase in the international segment. The financial performance of 2009 directly related to the financial crisis. Monster.com saw a 36.2% loss in domestic revenue matched by a similar decrease in the international segment. Comparatively, in 2008, Job Catchers had the strongest revenue performance in its company history. The competitors' financial downturn started earlier, was deeper, and lasted longer than Job Catchers'.

The financial crisis had a significant impact on domestic employment levels, impacting Job Catchers and its competitors. Monthly unemployment rates in the United States increased from 5.5% in June 2008 to 7.4% in December 2008. The increase in unemployment rates continued throughout 2009, with 9.4% in June followed by the highest level of 10.1% in October (Department of Labor, 2010). Further analysis revealed relevance to episodic change in this study. Job openings data provided an indication of the changes in the external market for Job Catchers and its competitors. In March 2007, job openings in the United States reached a prerecession peak of 4.8 million. By July 2009, the lowest level of job openings was reached at 2.3 million. "In a weak economy, job openings fall as employers cut back their hiring plans in response to weak demand" (deWolf & Klemmer, 2010).

Job Catchers' primary customers came from the retail, hospitality, and restaurant industries during the 2008-2009 timeframe. These industries followed the same trends as the national unemployment data. The retail industry's lowest unemployment rate in 2008 was 4.8% in April. This rate more than doubled to 10% in October 2009. The food services industry unemployment rate remained at a higher level throughout the same time period, with the lowest rate of 7.7% in April 2008 and the highest rate of 12.5% in August 2009.

The high unemployment rates and low number of job openings caused two changes in the external environment for Job Catchers: a decrease in revenue from employers using their business and an increase in job seekers. In January 2009 the business experienced a sharp downturn in renewals from customers. Typical renewal rates were in the low 90% and fell to the mid 60% range, causing the business to lose a third of the annualized revenue stream. New bookings with customers fell by 50%. The employers resorted to traditional recruiting techniques when they had openings, such as placing a “help wanted” sign in the window rather than paying to have positions posted on an Internet site. At the same time, the site experienced a significant increase in the number of registered users as the unemployment rate increased. This expanded both the number of job seekers and the demographic profile. The typical job seeker had been 18 to 24 years old with minimal or no college education. The business had a significant population of young African American women. The unemployment rate caused new job seekers to register and caused an increase in the number of Caucasian men aged 35 and over.

The impact of the financial crisis caused a large-scale change for Job Catchers and for its competitors. The change was rapid and unanticipated. Comparatively, the impact on Job Catchers was less severe and shorter than the impact on its competitors. The themes section later in this chapter provides an explanation of how Job Catchers adapted to these external environmental conditions while balancing internal normative consistency.

Survey Results

The online survey was sent to all 135 employees via personal e-mail. The participants were able to complete the survey voluntarily during the 2-week time period and received a reminder e-mail after the first week. Seventy-six participants completed the survey, providing a 56% response rate. The response rates varied by department, as shown in Table 4.2.

Table 4.2
Survey Response Rate by Department

Department	Employees (n)	Participants (n)	Response rate
Finance	7	2	29%
Information technology	29	16	55%
Human resources	4	3	75%
Product (including marketing)	25	10	40%
Sales	67	42	63%
Other	3	3	100%

The survey was administered to identify overall organizational effectiveness and to provide data specific to the organization's view of its adaptability and consistency. The mean scores for the 60 questions ranged from 3.36 to 4.80. The overall effectiveness mean score was 4.18; adaptability and consistency had mean scores of 4.09 and 4.01, respectively (see Table 4.3).

Table 4.3
Mean Score of Variables

Variable	Noted variations*	Mean score
Overall effectiveness	Overall organization	4.18
Adaptability	Overall organization	4.09
Consistency	Overall organization	4.01
Involvement	Overall organization	4.34
Mission	Overall organization	4.26
Adaptability	Senior leaders	4.27
Adaptability	Product	3.60
Adaptability	Marketing	3.53
Consistency	Senior leaders	4.51
Consistency	Product	3.75
Consistency	Marketing	3.29

*Mean scores 4.25 or above and scores 3.75 or below for sub departments.

Analysis revealed variation for mean scores based on level in the organization, tenure, and department. The mean score for adaptability among senior leaders was 4.27. The product department's mean score for adaptability was 3.60, and marketing's was 3.53, indicating a difference in opinion. The same pattern was observed with the consistency variable. The mean score for senior leaders was 4.51, whereas scores from the product and marketing departments were 3.75 and 3.29, respectively. Within the 10 months preceding the survey, organizational structure changes had occurred in product and marketing; each had a transition in the vice president position. The marketing department had reported to the CEO and after the change reported into the product department. These changes may help explain the variation in mean scores.

The survey contained 15 questions relating to adaptability (see Table 4.4) and 15 questions relating to consistency (see Table 4.5). Mean scores for the questions relating to mission and involvement are found in Appendix E.

Table 4.4
Mean Score of Adaptability Variable and Related Survey Items

Adaptability	Mean score
The way things are done is very flexible and easy to change.	4.01
We respond well to competitors and other changes in the business environment.	4.09
New and improved ways to do work are continually adopted.	4.49
Attempts to create change usually meet with resistance.*	3.68
Different parts of the organization often cooperate to create change.	4.05
Customer comments and recommendations often lead to changes.	4.28
Customer input directly influences our decisions.	4.31
All members have a deep understanding of customer wants and needs.	3.64
The interests of the customer often get ignored in our decisions.*	4.12
We encourage direct contact with customers by our people.	4.45
We view failure as an opportunity for learning and improvement.	4.37
Lots of things “fall between the cracks.”*	3.66
Innovation and risk taking are encouraged and rewarded.	4.35
Learning is an important objective in our day-to-day work.	4.31
We make certain that the “right hand knows what the left hand is doing.”	3.59

*Reverse-coded questions.

Table 4.5
Mean Score of Consistency Variable and Related Survey Items

Consistency	Mean score
The leaders and managers “practice what they preach.”	3.91
There is a characteristic management style and a distinct set of management practices.	3.67
There is a clear and consistent set of values that governs the way we do business.	4.43
Ignoring core values will get you in trouble.	4.12
There is an ethical code that guides our behavior and tells us right from wrong.	4.21
When disagreements occur, we work hard to achieve “win-win” solutions.	4.08
There is a “strong” culture.	4.80
It is easy to reach consensus, even on difficult issues.	3.84
We often have trouble reaching agreement on key issues.*	3.88
There is a clear agreement about the right way and the wrong way to do things.	3.79
Our approach to doing business is very consistent and predictable.	3.65
People from different parts of the organization share a common perspective.	3.96
It is easy to coordinate projects across different parts of the organization.	3.76
Working with someone from another part of this organization is like working with someone from a different organization.*	3.99
There is good alignment of goals across levels.	4.12

*Reverse-coded questions.

Findings

When the data were analyzed as described in chapter 3, four themes emerged:

1. The site had strong organizational self-efficacy, i.e., members believed in the organization's capability to balance competing demands during an episodic change event.
2. A collective-level view of success facilitated balancing paradox.
3. Fluid emergent teams enabled balancing behavior.
4. A dynamic view of the external environment was facilitated by processes (i.e., iterations and continual process) and mechanisms (i.e., speed and the use of data and metrics).

This section includes findings that answer the main research question—How does an organization that experienced external episodic change balance adaptability and consistency?—as well as the two subquestions: (1) What are the processes of balance in an organization that has experienced external episodic change? and (2) What are the mechanisms of balance in an organization that has experienced external episodic change?

Organizational Self-Efficacy

It's just a company of "can do," because we have always had nowhere near enough people to do what we are doing. I have no idea how we do it now or how we've done it. —Individual contributor

The data collected projected strong shared feelings regarding the capabilities of the organization. The interviews provided strong evidence of organizational self-efficacy further supported by physical observation and the survey. This section reviews three areas related to the organization's self-efficacy: a shared belief in the organization's

purpose and mission, a belief in the ability to survive the financial crisis, and the opinion that the crisis was an opportunity rather than a threat.

Shared belief in the organization’s purpose and mission. The mission of the organization was well known and visible, both in the physical office space and on the company website. The organization was founded specifically to aggregate positions for hourly employees, and the heritage of the organization was clear in the espoused mission statement: “To put people into the right-fit positions so they can maximize their potential and live more fulfilling lives.” This statement was observed in two separate locations on the office walls, in the new employee orientation materials, and in a letter from the CEO found on the company website. The website also included the statement “the No. 1 source for hourly employees (and a friend to the hourly worker).” The reception area walls were surrounded by full-body images of hourly workers in various uniforms, giving visitors to the office a sense of the organization’s purpose.

The connection to the hourly worker was articulated by each of the nine interview participants. As stated by one, the hourly employee “is [part of the heritage], and that’s why when we first started . . . one of the premises was ‘look, we really are going to be able to make differences in people’s lives.’” The CEO reinforced the messaging of the mission statement by quizzing the employees. “He picks a person in every meeting to say the mission statement out loud.” This belief was evident in how members of the organization treated hourly workers that serviced the business as well. “You know Sophia, Katie, and Spencer that come in here every night and clean? I expect everyone here to know their names. . . . People know that you respect them for what they do.”

Beyond the expectations of the CEO that employees could articulate the mission statement, memorizing the statement helped employees understand the reason why the organization existed and helped them achieve goals. Several participants discussed an understanding of the organization's purpose. "We think our mission is just that we are here to help people find jobs and improve their lives; that we have some blessings that other folks don't." Another echoed a similar sentiment:

I think that if you can get people to understand the importance of what you are doing and really make sure they understand how big of a role they play so that they feel what they do is important and makes a difference, that then makes all the difference.

The mission statement provided guidance in trying times as a result of the financial crisis. A middle-level manager expressed this by saying "We need to stay focused on our mission in serving job seekers, and we need to stay focused on our values because those are the things that are going to be most important to our continued success."

The shared nature of the belief in the organization's mission and purpose was evident in the survey results. The question "There is a clear mission that gives meaning and direction to our work" received a mean score of 4.71, one of the highest among the 60 survey items. This connection to the purpose of the organization had a prominent physical presence as observed in the wall decal entering the office. "They're called job catchers and they make no apologies for their passion and enthusiasm." This shared belief was relevant in the context of the study during the financial crisis.

Belief in the collective self during the crisis. The financial crisis created a sizable impact on the organization, with a sudden, unexpected change in revenue and employer postings on the website. The impact of the event was viewed differently by the

senior leaders and the other members of the organization. While the top layers of the organization recognized the dramatic shift in the business and reacted quickly, the middle-level managers and individual contributors did not recognize the event as severe.

The senior leaders had confidence in the business, having achieved the highest growth in company history in the fourth quarter of 2008. This confidence led to surprise: “Maybe because of the industry that we’re in, we are somewhat insulated—not totally isolated but we’re somewhat insulated. Then January 1 [2009] hit, and it was literally like stuff went off the cliff.” Another senior leader reported:

We didn’t really feel any material impact . . . until 2009. And we all thought it was the nature of our company. That we were so new so employment wasn’t terribly bad yet. It’s a high-turnover segment of the market. People need our services. We were undersaturated in the first place with two sales reps for the whole country. So we put 30 [sales reps] out there, which is still fairly nominal. You know, we’re the new kid on the block, so we can grow even though macro factors might be working against us a bit because we were taking out high-cost competitors.

Other members of the organization felt confident. One middle-level manager stated, “It was a news event for us. It wasn’t something that disturbed us. It wasn’t something that we feared.” Another recalled, “The fact that it’s taking me a little time to think back to it . . . speaks volumes about how we handled it. It was more of a nonevent in some ways.” An individual contributor focused on the emotive rather than financial impact: “I think [the crisis] was probably more a hurdle we had to get over mentally.” None of the individuals interviewed reported any concern over the organization’s ability to survive the crisis. It was seen as a nuisance: “We got pissed at the economy.” Relative to the industry, one reported:

We were impacted but not as big as it seems like the other industries or even our competitors [were]. We know our competitors were having worse performances than us. But I think a lot of it was . . . everybody focused on what was important.

The belief in the organization as a whole was identified by the level of confidence by both the senior leaders and the members. One middle-level manager who recently rejoined Job Catchers after a 2-year absence said, “The fact that I had the confidence to leave the company during a recession to start my own consulting business spoke volumes about the confidence I had, you know, that the company has sort of instilled.”

The quick response by the senior leaders reinforced the organization’s belief in itself. Frequent and public meetings were held to discuss the impact of the financial crisis and to inform the members of related changes. The senior leaders were confident in the skill level of the members and were careful to separate the event from sales opportunities.

Our biggest concern was to make excuses for reps. We didn’t want to make excuses; they already know . . . what a tough time it is to sell. What we didn’t want to do is make excuses and say “Well, it’s just a crummy market and you’re doing your best.” I mean to keep hope alive—that was probably the biggest challenge.

Communications of the events surrounding the financial crisis were identified as a mechanism and are discussed in detail later in this chapter. The content of the communications reinforced collective belief in the organization’s ability to be effective.

The impact of this was seen by several members:

We are not going to say, “Well, this is going to be a tough year because of the economy.” That’s crap. We are not a company that is concerned with that; it’s outside our control, but I don’t want to hear it. . . . We’re not going to make an excuse because a winner is a winner. We are a company that is growing, and we are going to continue to grow.

Another reported, “There wasn’t time to worry about it. Seems more like let’s just focus and push on through and it will get better and we would celebrate.” A continued

belief in the way the organization functioned was articulated by an individual contributor: “It was definitely not a strategy when the economy turned that we said ‘we need to do this or we are going to lose clients’; we just continued to do what we did.” A reflective perspective by another was also noted. “So when you look back on it, business stayed the same but didn’t grow as fast. I didn’t die; I’m fine.”

This confidence and belief in the capability of the organization was a learning opportunity on how the organization performed. “I think we actually have gotten much better at [the mission] as we’ve come through this financial crisis.” Another responded similarly by stating, “I think we have gotten better and better at doing things over time.” This belief in the organization’s ability was shared among the members and was well articulated by a long-tenured employee:

We’re constantly looking on how to evolve our business and get smarter. From the start of our company 10 years ago to today, . . . a continual theme in our company is to always be improving on whatever you are doing; never be satisfied with what we have today. We recognize our successes, but we also don’t just sit back and be happy that we have what we have.

This confidence in the organization served as a lens for viewing the financial crisis. While competitors in the same industry were suffering revenue losses of 30% or greater, Job Catchers used the same events to identify new opportunities in the market.

Crisis as an opportunity. While the initial impact of the financial crisis was a surprise to the senior leadership team, a rapid and effective response was deployed to reduce the expense structure of the business. Several iterations to the 2009 budget were made and the management team announced cost-saving measures, including a layoff of positions, a suspension of contributions to the company 401k plan, a hold on salary increases and bonuses, and modifications to the free snacks and drinks. The detail and

impact of these changes are discussed more fully later in the chapter. In addition to cost savings, the business viewed the financial crisis as an opportunity for growing the business. This response preceded the financial crisis and was part of the way in which the organization reacted to threats:

It's no different than when 9/11 happened. We were in the same situation, very analogous. . . . It became very difficult for us, but rather than just saying, "Okay, we can't operate anymore," we said, "How can we do more and survive and thrive in this kind of market?" And so we set ourselves up for success post whatever the event is, and that was the case. We sat down and had those kinds of meetings back then and we have them again here, and each time I think we took advantage of it.

The view of the crisis as an opportunity was both internally and externally focused, as mentioned by a senior leader:

I do think going through times like this are an incredible opportunity for the organization because, yes, it's an opportunity to go get market share if you approach it in the right way. I also think it's such an incredible opportunity to drive home to your people that our values are important, that they are important and that's not just a bunch of crap that's written up on the wall.

The changes made to the budget were an example of the crisis being an opportunity: "Instead of just doing informal reprojections . . . let's redo this. Let's rethink this. This is a different world we're in now. And we used that as a chance." The view was not limited to the budget but was also applied more broadly to internal opportunity:

Let's use this year as a year we get the infrastructure where we want it. Whether it's the product, whether it's processes, whether it's systems, whether it's controls, whatever it is. This is the year we get our internal act together because things will turn good again, and then we'll have a great foundation to work off of.

The view of crisis as external opportunity was shared among several of the interview participants from varying parts of the organization and varying levels. One commonality among the data was a belief in the organization's ability to maximize the

potential. “We really looked at it as an opportunity to go get market share.” The business’s results reflected this view of the crisis, with growth in revenue in advertising and stability with employers posting positions. One middle-level manager reflected on this:

We saw strengthening . . . in revenue growth. So it could be one of the situations where the board, our investors were like “Look, let’s strike while the iron is hot, while other people are faltering.” So it could be a situation where now is the time to expand. During a crisis, certain companies can take advantage of their relative growth to gain market share, make acquisitions, things like that. Now might be the time to take advantage of it, or like Rahm Emanuel said, “Why let this crisis go to waste?”

The survey contained a question relating to the downturn in the employer side of the business: “We view failure as an opportunity for learning and improvement.” The mean score in the item was 4.37. One individual contributor captured this view:

I think the economy, in its own way, was such a good thing for us. Because we would have just been cruising along, making the money we were making, still not being grown up all the way because it was easy for us and we hadn’t learned a lot of tough lessons.

This view of the crisis as an opportunity was widely shared across all levels, departments, and tenure of the members.

The impact of the financial crisis was not feared by the organization’s members. While recognition of the magnitude of the crisis varied by organizational level, the collective belief in the capability to survive and thrive was widely shared. The strong shared mission and dedication to the purpose of the organization was an underlying belief that enabled the organization to balance the need to adapt to the external environment while maintaining normative consistency.

Collective View of Success

I think what happened as a result of the crisis is that it confirmed for us even more than ever that we rally together as a team and we accomplish things that maybe we thought we couldn't accomplish. —Senior leader

When entering the office, visitors can immediately sense the unity among the members. As with most organizations, the company logo and branded colors were prominently displayed. Further physical observation indicated more evidence of the individual members' connection to the collective. The organization reinforced this sense of unity by using compensation and evaluation tools that provided support for collective success. Barriers to collective success were quickly eliminated. Each of the data collection methods provided evidence of a belief that when members worked together, the organization could succeed. This section reviews relevant data to support the finding that the organization had a collective view of success that facilitated balancing paradox.

Sense of unity. The company website provided an overview of the organizational culture, values, and behavior for job seekers, employers, advertisers, and potential employees. It contained many pictures of employees and their testimonials. One featured a client relations manager who noted, "The biggest difference between Job Catchers and other jobs is our sense of unity." This sentiment was apparent throughout the office with visible artifacts of unity. Along the hallway entering the office space, each member had a framed picture hanging on the wall. From a distance it appeared as six uniform rows of pictures. Each picture depicted an employee engaged in an activity. Some were pictured with children, others behind the spokes of a bicycle wheel. Several were photographed with their pets, in athletic wear, and in sports fan jerseys. A few were more avant-garde—one with a man holding an unopened bottle of Corona Extra and another of a woman

pictured with a New Jersey license plate while reading a book titled “Weird NJ.” A decal quotation near the pictures stated, “To love what you do and feel that it matters—how could anything be more fun?”

Another artifact was observed in the office cubes and closed-door offices. Most office chairs were covered with sports jerseys in the organization’s logo colors with the last name of the employee embroidered on the back. One interview participant expressed, “I’m not alone in this thing. You know, we are all one team here.”

One of the artifacts observed was the presence of alcohol in the office. The kitchen had the usual office amenities, with a coffee station, microwave, recycling area, and glass-door industrial refrigerator. The refrigerator was filled with an assortment of diet sodas and tea, a lunch box, a case of yogurt, two gallons of milk, a large bottle of relish, and a case each of Budweiser, Budweiser Light, Corona Light, and Heineken. Two opened bottles of red wine sat on the counter near neatly organized assortments of snacks, each with a price tag of 25¢ to 75¢. A collection jar for donations sat below the shelves. One of the offices had a crystal decanter filled with Bourbon and four glasses; two cases of beer rested beneath the table.

The website offered some explanation about “first Friday” happy hours, in which all employees celebrated together after work. Along with a description of the event, the website stated, “We actually like each other. . . . We actually care about what everyone has to say.” When asked about the presence of alcohol, one interview participant responded:

I joke that we have more beer and wine in [the refrigerator] than anything else. But it’s funny: two big bottles of red wine sitting out on the counter—this is hysterical! I mean, I don’t drink wine during the day or anything. And I don’t see

anybody else drinking beer, but there is plenty of it in there. We have had functions. It is leftover stuff that goes in there, and it's there for the next time.

Another stated:

It's a weird thing that in 2010 you have a company that is like a family and is this big. It's not unhealthy. We don't hear about the big party that everyone was at or improper things that are going on. It's a light professional environment.

This sense of unity was important in the context of the financial crisis. "We still kept the key rallying events. We still had some happy hours and socials . . . and kept our culture intact. It was really important as we made cuts and made decisions that were sometimes tough." Another described the result of budget cutting related to organization-wide events. "Sometimes it meant more if you and your friends are bringing beer instead of the company buying beer for the first Friday-type celebration. So it kind of helped bonding to a degree."

This sense of unity was evident in the behavior of the members in working together. The survey question "Cooperation across different parts of the organization is actively encouraged" received one of the study's highest mean scores of 4.71. This cooperation was described by several of the interview participants as having a mindset of helping one another.

People aren't in it for themselves really. They say "I'm happy to help." As a catcher, one of the core principles is you come to the aid of others when they need help. It's just the way we operate here.

Another noted, "There are not a lot of people here in the company that would say 'Well, looks like we have a problem. I didn't cause it. I gotta go!' It's not our organization; we don't hire those people."

A mindset in the organization encouraged members to help each other.

“Everybody that works here, they all have the same mentality; people are climbing over each other to help.” This related to the content of regular responsibilities as well as additional projects. One interview participant reflected on his work team: “I think everybody here wants to see their individual team do well and meet whatever goals it has. And then, of course, the organization—we are very happy to see the company as a whole achieving.” Another related this mindset to cross-organization projects.

There’s plenty of times when somebody would be on a project and they are like “I can spend an extra 15 minutes staying late tonight or an extra half-hour finishing this out so our goals are met,” and all of that comes from really having strong valued people here in the organization.

The sense of unity was pervasive in the organization. The sales division provided evidence of this by celebrating individual successes as a division. In one interview, the sales process was described. A small number of national sales account managers did not have direct reports but used the services of other members in the group. Upon signing a contract, the national sales account managers headed to the large internal lobby with a chalkboard with the words “Catcher doodles” above it. On either side of the blackboard were two calendars, one with community events and the other with cultural events. A large gong and mallet hung to the left side of the blackboard under displaced ceiling tiles, giving the impression of many occasions of vigorous “gonging.” The national sales account manager alerted the sales team of the contract signing by banging the gong. At that time, all the sales organization came out from their cubicles to celebrate together.

The survey question “Work is organized so that each person can see the relationship between his or her job and the goals of the organization” received a mean score of 4.29, showing the connection individuals had with the organization’s success.

Compensation and evaluation as a reinforcement of collective-level success.

The ways in which the organization rewarded and evaluated the members reinforced collective success rather than individual performance alone. This was evident with features of compensation, benefits, and perquisites. The reinforcement of the collective was also evident as a result of changes made during the financial crisis. This section reviews standard practices of compensation and benefits as well as modifications made during budget cuts.

The evaluation process occurred annually and had multiple components, including a multirater review where each member identified peers, subordinates if any, and the leader to respond to questions related to the company values. The process was described by one senior leader:

It becomes part of the performance review—not as a rating; we don't rate anything, the performance review isn't rated. I don't like ratings. I don't like putting people in a box like that. If you have something to say about performance then explain it. If you rate people 1, 2, or 3, what are they, you know? To me that's a cop-out.

This performance review process was designed to encourage candor and acted as a way to minimize individual typing among the members.

The variable compensation and benefits also supported collective-level success. All employees were eligible for a bonus, all received stock options, and the 401k contributions were made when the organizational-level goals were met. If these goals were not met, then no contributions were made. The survey question “Teamwork is used to get work done, rather than hierarchy,” which received a mean score of 4.48, showed the underlying importance of the way in which work was done rather than differentiating by level in the organization.

Individuals in the organization supported the compensation structure, which focused on the collective. One interview participant described a situation in which the business was deciding to move a relationship with an existing employer to another group. The decision was made based on the dual relationship, as the company both advertised and posted positions on the website. It was ultimately determined to move the relationship to a new member of the organization, which had bonus consequences for the former owner. His bonus potential was reduced by \$20,000, and he was excluded from an exclusive invitation to a national sporting event. His response to the situation was “It was the best thing for the company, but it was tough to have to give those things up.”

The financial crisis caused the business to reduce expenses. This impacted both compensation and perquisites. The decisions made indicated a collective-level response. The reductions were made unilaterally in the organization. Increases were withheld for all employees, the contributions to the 401k program were halted, and “people didn’t get bonuses that year. People felt it.”

Another frequently mentioned cost-savings measure was the snacks. Prior to the crisis, a vendor supplied the snack room with free snacks and drinks. With the crisis, the vendor was eliminated, and each department was assigned a particular month to stock the snacks and was given money provided by the organization. The departments shopped as a team. One interview participant described the sentiment of the organization regarding this change. “We used to have free snacks around here. How do you have free snacks and you’re laying people off? It wasn’t the money, it’s what kind of message are you sending? . . . We need visible signs that say that we’re in this together.”

Elimination of barriers to collective success. The data revealed how the organization responded to barriers of collective success. This was evident in the way the organization addressed poor performance and the layoff process used as a result of the financial crisis. The organization was quick to respond to poor performance at all levels. This section describes two scenarios of how performance barriers were eliminated within the leadership team and in the sales organization. It also describes the process used to reduce positions through a layoff.

The company had a history of acting on substandard performance. This was most notable with the sales organization:

Sales people understand why sales people aren't here anymore. At our company meetings every month, . . . everybody in the sales plan is listed in terms of where they are against their quota. So everybody in the company knows the performance of every salesperson. So when those people at the bottom of the list aren't cutting it and they are not here anymore, people say "Well, I probably thought that was going to happen."

Considering the sense of unity in the organization, the performance terminations were different than other behaviors. The organization viewed this as a way to remove barriers to collective success. "If you weren't at your quota we have performance plans in place for sales people that were cut and dry." Members expected that everyone must be performing satisfactorily to remain in the organization.

The sharp decrease in revenue and employer bookings caused the leadership team to quickly reevaluate the budget. This process revealed differences in perspectives by the leadership team. Deep cuts were necessary for organizational success, and each leader was to determine the minimum budget in which they could operate. Tension among the team members developed as two of the members varied from the view of the others. One became territorial and the other was viewed as passive. The response by the other leaders

was swift, eliminating both leaders at a critical time in the business. One described the event by stating, “Our values are pretty clear and everyone knows you got to want to follow those or you’re not long for the company.” While this action could be viewed as risky, it was determined necessary as a way to eliminate barriers to collective-level success. The survey question “Ignoring core values will get you in trouble” received a mean score of 4.12.

The financial crisis required the business to make difficult decisions, which resulted in the layoff of four representatives in the services part of the business. This layoff was done concurrently with performance terminations in sales. The senior leadership team engaged in multiple conversations in order to decide whom to lay off. “One of the biggest issues we were going to have to deal with was do we just cut back on the number of hires we make? Is that going to be enough, or do we need to also lay some people off here?” It was a difficult event for the team. “From a layoff perspective, would we ever do that again? I don’t know. It was painful for Paul. It was painful for me, painful for the leaders in that area. I guess you do what you have to do.”

The layoff process was openly discussed and is reviewed in detail in a later section. The leadership team personally handled the process and was actively involved in trying to identify new positions in other companies. One senior leader reflected on the difficulty of the situation:

You will have people question . . . Did we consider doing a salary cut across the board as opposed to laying people off? And I told them we absolutely did. . . . We’re not sure for how long people would need to take a salary cut, and we didn’t feel like that was fair to everybody else within the organization . . . because we were trying to maintain positions for six people.

The layoffs and changes to the senior leadership team related specifically to the financial crisis. The terminations for poor performance had been in existence throughout the organization's history. The swiftness and determination to make these difficult decisions was based on the organization's desire to eliminate barriers to collective success.

Succeeding together. Job Catchers viewed success as a collective experience. Teams were highly valued, as was support of one another. This section reviews data collected from the survey, meeting observation, document review, and interviews that provide support for this finding. This attribute began at the earliest stages of the organization and continued to the present day. "The norms and values we still have that continue from the past is that we all have to work very hard and we all have to contribute to the overall success of the company." The website described the first day of the organization as "dependent upon people." One senior leader echoed this view: "It doesn't matter what business you have, it's all about the people."

Newly hired employees attending orientation quickly learned this in training. The new hire orientation materials stated, "We are all in this together with a common cause." The materials also visually depicted the collective nature by showing an image representing all the departments as overlapping circles that look like a flower. The names of each department were next to each petal, indicating a large area of overlap in the center. One interview participant said, "We need to stick together as a team. We needed to have everybody's ideas on the table so we weren't leaving anything to chance."

Teamwork was frequently discussed in the interviews and is discussed extensively in the next section. However, teamwork was evidence of the organization's collective

view of success. It was the focus on working as a team rather than an individual that supported this view of the collective. Two survey questions related to teams (see Table 4.6).

Table 4.6
Mean Score of Survey Items Related to Teams

Team questions	Mean score
People work like they are part of a team.	4.68
Teams are our primary building blocks.	4.52

Evidence was collected during a meeting observation. During the scrum, participants were discussing various projects for enhancements geared toward the employers posting positions on the website. The content of the discussion specifically related to the content of the project, which was recognized as something that the “overall business is really excited about.” This focus on the overall business came up twice in the short meeting. The project was subsequently moved faster toward completion.

This focus on collective success related to the events of the financial crisis. It was a challenging time for the organization, which reinforced this collective view. “It’s like, ‘Okay, look guys, we are all in this together.’ It’s not like, ‘Sales, it’s all your fault’ or ‘Technology, it’s all your fault.’ It’s like we gotta figure out this friggin’ thing together.” Another observed the impact. “You get a whole heck of a lot tighter as an organization and as coworkers, friends, whatever, when you go through the tough times. When you go through those tough times, collaboration ends up becoming even more important.”

The collective focus on success was seen in terms of individual support for the organization. As individuals, members of the organization personally supported each other and the overall organizational goals. “Some people need to be superstars, some

people need to be the winners, and I think we actually have a team right now that all wants to win together.” Another stated: “I really feel like right now this team has proven to each other that we got each other’s butts and backs.” This was reinforced by a senior leader’s comment: “It would be such an anathema to us as a team to betray someone else on the team.”

The collective-level focus related to structural components of the organization as well. One middle-level manager explained his organization and mentioned a direct report that he would be losing to another team. “I have a part-time person who is transitioning [to another role]. . . . It’s the right change. It was a nice fit and nice time to make that transition. So far everything’s working out for the best.” This leader supported the headcount reduction in his area to support both the employee and the success of the other team. The crisis required collective support in order to achieve sales goals. The organization responded by providing assistance and support.

Sales needed something that historically someone in a different department wouldn’t provide. It didn’t matter; they needed something and they needed something that hopefully gets some business, so whoever you were didn’t matter. Just pitch in and help out. . . . Let’s make sure sales have what they need.

The organization responded quickly to achieve collective sales goals, resulting in maintenance of revenue from the employer side of the business.

The sense of unity across the organization was evident across all data collection methods. The strong cohesion was valued by all the members. The compensation and evaluation practices reinforced this unity by focusing on organization-wide benefits and by minimizing the typing of individual performance. When faced with barriers to collective-level success, the organization was quick to act on removing them, even at the expense of making difficult decisions. The values and beliefs of the organization focused

on succeeding together as an organization by teamwork. This focus is fully detailed in the next section.

Fluid Emergent Teams

One of the advantages about the organization is that it is quite fluid in terms of groupings of people. —Middle-level manager

Teamwork was important to Job Catchers as an organizational value. One of the ways in which the organization balanced adaptability and consistency was by using fluid emergent teams to focus on the most pressing problems and opportunities. This section describes the organization's beliefs in a fluid team structure and discusses how the structure was applied during the crisis.

Belief in dynamic team structure. The history of the company built in behaviors that created a belief in dynamic team structures. Multiple interview participants discussed the history and small scale of the organization. From the beginning of the company, the small size required flexibility and broad responsibilities. "When we were a six-person company, every person was a department." This required a fluid perspective on how to work. This impacted the beliefs: "When you have that sort of entrepreneurial spirit or environment, everybody is really sort of all hands on deck." It also impacted the way in which problems and opportunities were addressed. "We realized a long time ago that any time you shine a spotlight on some issue, it always gets better because you get smart people in a room that figure out what to do." This belief about the organization was also noted externally. The Society of Human Resources Management awarded the organization with the "Best Places to Work" award. A review of related documents noted the organization's ability to "align and engage" around key issues.

The size of the organization also facilitated the fluid, dynamic nature of the work. “We are so small and we are always talking to each other. . . . It seems like it requires all this effort, but it’s not like that at all.” Another reported, “We’re very inclusive of people. I guess when you are small you want to make use of every resource you have available because we want people to be versatile, number one.” A long-tenured employee said, “As a small company, roles encompass a lot of different things that maybe your title doesn’t reflect.” The survey questions “The way things are done is very flexible and easy to change,” with a mean score of 4.01, supported this fluid nature.

The physical office space offered a design to promote a fluid team structure. There were very few formal conference rooms. The few that existed were small, with the largest holding a conference table and 10 chairs. The only time this room was observed to be used, it was filled with external vendors meeting with employees. The office had a large internal lobby which was used for standing meetings. The open nature of the space allowed for meetings of varying sizes to occur. Both meeting observations were held in hallway spaces, which allowed others to hear the content and for the meeting participants to look around for others. This space allowed for interactions:

When you meet regularly as an entire company and when you are passing by everybody, I mean, it sounds kind of cheesy; it sounds like you are all in the same department. So it’s not as difficult as it’s been in other companies where you are dealing with other people in other departments. Not as much gets lost in translation.

Team formation around problems and opportunity. The formation of the team was emergent in nature. As problems and opportunities were identified, teams of knowledgeable members were formed. The composition of the team was dependent on the situation:

We just say: We have some kind of a problem and who can help in the company?” Who are the most suitable people for doing that? We may grab a couple of people from an adjoining team, a person or two from the product team, and maybe someone from marketing, someone from advertising. . . . We just kind of put together swat teams to respond to whatever the issue is. It doesn’t have to be a crisis for us to do this. It may just be an opportunity that we now recognize that we didn’t before. . . . How can we put together a group of people to lead the effort to make some sort of change?

Five interview participants reported being on several teams concurrently. The content of the teams ranged from products, enhancements to the website, culture, and organizational design. The teams had leaders who may have been individual contributors in their regular job duties. Managers could be asked to be a team member rather than a leader. “A lot of the roles that I play and the teams that I am on, it’s definitely a joint effort. You might be the team lead for that project but don’t have anyone reporting to you.”

Two of the survey questions provided insight to the emergent nature of the teams around problems and opportunities. One question, “New and improved ways to do work are continually adopted,” had a mean score of 4.49, indicating a strong interest in continual improvement. Another question, “Different parts of the organization often cooperate to create change,” with a mean score of 4.05, showed support for the cross-functional nature of the teams.

There was a widely shared acceptance of the formation of teams. The emergent nature of the teams occurred with no apparent hierarchical barriers:

If we have somebody over here that knows as much about that product as that person does, then bring them into the fold. So we don’t just do things functionally or look at the organization chart and say who we want from each of these departments. We say: Who really know the most about this? And people are just ready; they know they can be tasked with whatever, so there’s never this issue of a leader saying, “Hey, you can’t take my person. I’ve got them working on something else.”

The duration of the emergent teams was dependent on the content of the project. One interview participant explained that some teams could exist for as short as a week, while other teams, such as the culture team, were ongoing roles that existed concurrently with regular job responsibilities.

The sprint planning meeting observation provided evidence of the fluid nature of the teams formed around problems or opportunities. The purpose of the meeting was to discuss enhancements for the job seekers on the website. The participants began with a discussion regarding missing team members. When one of the process leaders was noticed as absent, the other leader quickly said she would cover the content. The meeting progressed with her leadership. At one point, two members added content to the discussion board and quietly left the meeting without notice. The other members continued on. I had asked the process leader why the two had left, and she said they provided the necessary content and went back to their desks to work. The remaining team members discussed parts of the content that did not involve them and continued. The team formation was dynamic based on organizational problems and opportunities. The ways in which the teams met was also fluid and dynamic, depending on the content of the particular meeting.

As we've grown, that is . . . one of our challenges: it's an ongoing kind of figuring out what are the roles, . . . ongoing discussions of how do we now structure ourselves to maintain that sort of spirit of entrepreneurship and speed and yet at the same time not step on everybody's toes and not duplicate effort.

The dynamic, fluid nature of the teams was central to how the organization worked. The early days and history of the company drove the need for fluid teams to address the many disparate needs. As the company grew, the fluid team structure had

become a way in which the organization solved and addressed problems. It was also a way in which the organization exploited opportunity.

Dynamic View of External Environment

We were so focused on employers and getting what their needs were on the site because they were the ones paying the bills. Now we are able to focus on the job seeker and better balance. We definitely pay attention to the employer, but the mindset has changed. It's been slow coming but it is finally getting there.
—Middle-level manager

The previous section focused on ways in which the organization internally responded to problems and opportunities with the use of emergent teams. This section examines ways in which the organization viewed and responded to the external environment. Parallels between the two findings are discussed in the processes and mechanisms section. This section discusses the fluid nature of the organization, the multiple external customers served, the ways in which behaviors were differentiated for each customer, and the ways in which the external environment informed the organization's view of it.

Fluid nature as a lens to view the external environment. Two questions from the survey helped to frame the discussion regarding the fluid nature of the organization and how it was used to view the external environment. One question, "Our approach to doing business is very consistent and predictable," received one of the survey's lowest mean scores of 3.65. The business did not have a predictable approach to doing business. Rather, the approach was fluid, based on the customer, opportunity, data, and the impact on other customers. The second question, "We respond well to competitors and other changes in the business environment," had a mean score of 4.09. The organization viewed the response to the external environment as positive. Thus, the environmental

response was positive but not consistent and predictable. The interview participants provided explanation:

We are constantly looking on how to evolve our business and get smarter. From the start of our company 10 years ago to today, it is a continual theme to always be improving on whatever you are doing. Never be satisfied with what we have today. We recognize our successes, but we also don't just sit back and be happy that we have what we have.

The size of the organization was identified as a way in which this fluid nature was achieved. "We have the benefit of scale and nimbleness." It was also used to view new and existing customers.

We have customers who have been with us for many, many years, just from the standpoint that we have a product and service that matches their business perfectly because we listen to them and we build a product that answers whatever questions really they need answered.

The organization valued the ability to continually modify and improve services and to maximize external environmental opportunities. The data demonstrated this by identifying how the organization viewed its customers and differentiated services.

Multiple customers concurrently coexisting. Job Catchers started with a single customer: employers of hourly positions. These companies would post open positions on the website and pay Job Catchers either by each position or through longer-term contracts with multiple positions. Approximately 2600 employers used the website services. It was estimated that half were national accounts with multiple locations across the country. The other half were small and medium-sized businesses with either local or regional locations. Once notable success was achieved, "people started to come to us asking us if they could get in front of our audience," and the advertising portion of the business

emerged. In this part of the business, advertisers purchase space on the website to target the types of job seekers Job Catchers has as registered users.

In our earlier incarnation, . . . the key focus of our business was selling job seekers. We sold them to employers in terms of applications, and we sold them to advertisers in terms of here is a great job seeker to send your ad to. Our website was built around getting those two portions out.

At the present time, revenue from the employer and advertising sides of the business was split evenly. During the height of the crisis, revenue increased in advertising to offset a decrease in employers to maintain income.

As discussed in the section on organizational self-efficacy, a central belief in the organization was to serve hourly job seekers. While the job seekers did not pay to register or use the website, they were considered a customer and were treated accordingly.

From a financial point of view, there's been a much more focus on the job seeker and the quality of their experience on our site so they can complete their task. So it was always there. We're here to help the job seekers, but in the last year . . . they made some changes that probably, well not probably, had a negative impact on revenue in the short term but it did improve experience for job seekers.

The connection to the hourly job seeker was visibly present in the building. The offices were accessed by a large stairwell with a large decal on the landing reading "At the top of these stairs, you'll meet the biggest, proudest backers of America's hourly workers and employers. They're called catchers and they make no apologies for their passion and enthusiasm." The lobby area was surrounded by full-sized images of hourly workers in various uniforms, such as a package deliverer, custodian, and drycleaner. Those exiting the office see a similar decal that reads "Don't forget to tip, thank, and high-five AMERICA'S HOURLY WORKFORCE." The lunch room had two

biographies of job applicants posted on the wall with pictures, career interests, a narrative on how the person spent their day, job-seeking activities, and career questions.

One senior leader described the connection to the business:

If you operate in the salaried space, [it] is a great space. But if you think about the impact you make on somebody, it's like, it's "Okay, are they going on vacation in the Bahamas or the Outer Banks?" In the hourly world, it is "Did I pay my rent or could I not pay my rent? Could I buy my kids Christmas gifts or could I not buy them Christmas gifts?" That's pretty cool when you see that play itself out. It's always been pretty easy for us to highlight that and important for us. It's gotten better over time. It's always been a focus.

This third, nonpaying customer had moved to the forefront of the organization's goals and initiatives. "We introduced our thematic goal which is . . . radically improve the user experience. We put different initiatives in place and metrics in place to measure whether or not we were doing that." The attention of the organization shifted to focus more closely on the job seeker. The focus did not detract from the efforts expended on the employers or advertisers but was additive.

Differentiated behaviors for each customer. The business viewed itself as having three customers: employers, advertisers, and job seekers. Each of these customers received varied and differentiated services concurrently. The impact of the financial crisis created several needs and opportunities that were identified through the document review and interviews. This section reviews each of the customers and the customized attention the organization provided.

Employers. The website provided a list of customizable solutions for employers and claimed to be the "easiest and most enjoyable for job seekers and employers." Throughout the history of the company, many modifications were made to the website to increase functionality, expand service offerings, and respond to the needs of the

employers posting positions on the website. The financial crisis required the organization to simultaneously enhance services, identify new employers, and increase revenue. One senior leader described this change as it related to employers: “We’re going to hone in on the key verticals that we’ve been able to sell into. We really focused in on our current client base.” Enhancements to “technology had improved so [Job Catchers] had been able to get access to companies that in the past may not have posted.” There was also an expansion and shift to “different types of companies rather than putting as much emphasis on retail clients, who aren’t hiring many people.” The organization saw this as an opportunity to focus on different types of employers.

Another significant change was made after the start of the financial crisis. Job Catchers acquired a business to assist employers with technology to sort through resumes. “During the recession employers are being flooded with resumes and it is hard for them to identify the best candidate. We [developed] screening tools that allowed employers . . . to identify the best applicants right away.” Some of the technology advancements that were made for customers to attract them were no longer offered as a basic service. Job Catchers began charging customers separate fees for these services, and the employers responded by paying the increased rates.

Advertisers. The second customers, advertisers, also had a portion of the website dedicated to describing the seven customizable services. Many of the advertisers were for-profit organizations aimed at selling products or services to job seekers. The business expanded this customer segment to include online universities. The website provided data for universities interested in educational-lead generation by identifying that 45% of

registered job seekers were 18 to 34 years old and interested in advancing their careers through education.

There was a notable increase in the advertising revenue after the start of the financial crisis. While fewer positions were posted by employers, there was a significant increase in those looking for work. “When the economy did what it did, you obviously have more people seeking, so our traffic numbers really went up.” This led to an increase in revenue and in trying to attract new advertisers.

Job seekers. The hourly job seeker was central to the mission of the organization, and Job Catchers focused on retention. “We can go get them, get them to come with us now; when the economy comes back, they’re going to stick with us.” As mentioned, the business identified the user experience as a goal for the current year, and many technology enhancements were made. The impact of the financial crisis changed the demographic of the job seeker, which had historically been 54% female and 46% male. African Americans represented 28% of registered job seekers, and the business was “over indexed on African American females.” The financial crisis brought in older white men as job seekers, which caused the organization to consider making changes to serve this population.

We kind of accepted that [the white male] segment probably wasn’t going to see the right type of jobs for them, so we focused on just trying to make the experience better for everybody. Try to so that the people who are satisfied with us will be even more satisfied and try to have that positive impact on the white male population too.

The three customer types were all viewed as critical to the business.

Differentiated services and modifications had been continually made, with the financial

crisis creating new needs. The business was fluid and dynamic in its approach for each customer and focused attention on improvements for each.

Internal behavior informed by the external environment. The financial crisis created changes for all three customers. The organization viewed the changes as an opportunity. It also used data and changes to inform the way in which it provided services and approached the market. One senior leader expressed this:

Rather than saying, “Well, this is the world we are in” we instead say, “Should we be changing our product mix? Should we improve our overall products to take advantage of the people who are thriving in this market?” Because no matter what the economic circumstances, there are always a group of people who come out ahead and there are certain people that don’t.

The ways in which the customers’ needs balanced was noted in the business. “These two sides of our business [advertising and employers] have really been complementary from the standpoint that we can rely on either one of them to help the business at either time.” A middle-level manager described the events of the financial crisis as an opportunity to inform the activities with the customers:

People were struggling to find a job more so than previously. That meant we were getting more and more people coming to our site looking for jobs, competing for less jobs. And that had the effect from an advertising point of view [of] helping us out. So we had the other side of the business started to pick up some of the slack from a revenue point of view. As a company, that helped us kind of smoothly still grow year-over-year and position ourselves to be much stronger in 2010. Which as soon as the employers started to hire a little more, we were ready to capitalize on that and get more and more jobs on our site.

The job seeker as a customer helped to add some balance in how the business responded. There was recognition that too much advertising for the job seeker negatively impacted the user experience. There was a focus on maximizing the annualized value of the registered job seeker. “Not even looking at it in terms of how much have we

generated from the very first time they came to the site but let's give them a phenomenal experience so they will keep coming back and really look at [the data] on an annualized basis." Job Catchers modified its approach with registered job seekers from being a resource for looking for a job to being an aid to managing a work life better.

This interest in maintaining a long-term relationship with job seekers prompted the organization to host a customer summit. The focus on the event held in September 2010 was to gather a segment of employers and host a series of lectures on "pairing right people in right jobs." One interview participant involved in planning the event commented:

We've always thought, even when we had no money, it would be great to get all of our clients together. We talked about best practices in the industry, and certainly it is a soft sell, but we want to make sure they know of new things we are doing and new advances, but wouldn't it be great to have a mind-share?

The event brought speakers in from other organizations, vendors, and specialists in employment to inform the employers on trends and data and reinforce Job Catchers' interest in serving the hourly job seeker. This event brought two customers, employers and job seekers, into discussions that informed future goals and activities.

Information that came from this event and from other data gathering helped shape the direction of the organization. A review of a document from an award the CEO received indicated a strategy to enhance the efforts made toward smaller employers. Goals, decisions, and changes the organization made were informed by understanding the dynamic relationship between employers, advertisers, and job seekers.

Mechanisms and Processes

The data revealed mechanisms and processes related to the findings. This section reviews four mechanisms: open communications, risk taking, speed, and the use of data and metrics. Attributes of the processes, iterations and the continual nature, are reviewed as well. While the mechanisms and processes were identified through each of the methods, they related to specific findings identified in Figure 4.1.

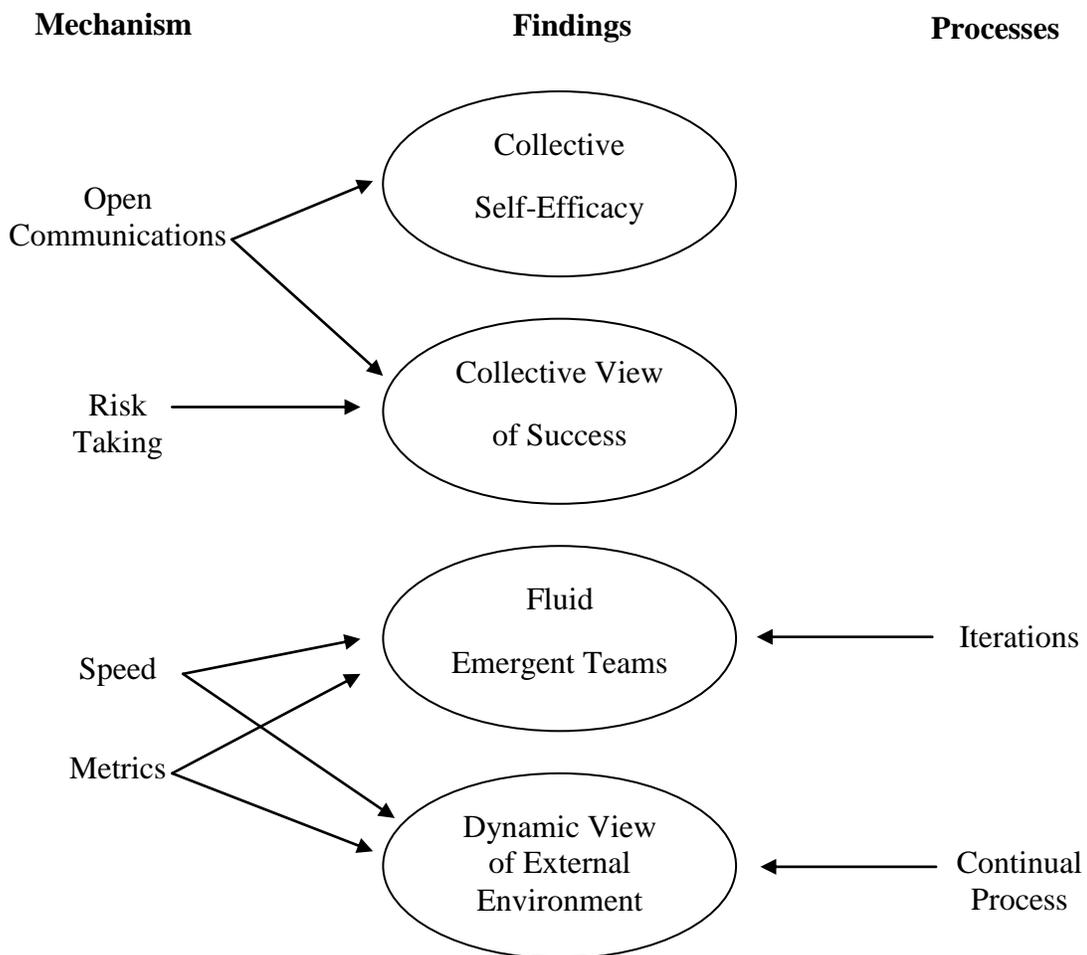


Figure 4.1. Relationship of mechanisms and processes to related findings.

Mechanisms

Communications. Job Catchers had frequent and valued communications mechanisms. The primary audience for the communications was the internal members. Evidence was gathered of top-down communications as well as peer-to-peer. Both the way in which information was shared and the content of what was shared were important. Face-to-face communications were frequently used. Standing meetings where groups gathered to discuss projects and process were the norm. Weekly all-employee meetings were held, including remote members who joined by teleconference. The CEO started the meeting with an update, and then each of the senior leaders provided department updates. One senior leader described this mechanism as “overcommunication of organizational clarity.” It was an effective way to reinforce the organizational purpose, mission, and goals. As noted by one middle-level manager: “Everybody in this company gets a little bit of information every single day that keeps us all together.”

The value of communicating began at the earliest stages of employment. A document for managers of newly hired employees stated that the new hire process was “designed to encourage questions, discussion, and to provide him/her with a forum to address concerns or potential problems from the beginning.”

In addition to the organization-wide forums, peer-to-peer communication was equally as important. The website provided evidence of this and described the culture as “thoughtfully candid.” One interview participant described the expectation of communications between peers in the organization. “Just be candid. Just let me know what is really important to you, because it’s then probably going to be really important to me.”

The content of what was communicated was also important. The financial crisis caused changes in the organization that were widely and candidly shared. Both the impact of the crisis and the response were shared by the leadership team. “Everything was very transparent and everyone knew what was happening.” Another mentioned, “They didn’t gloss over it. It was ‘these are the facts.’”

The leadership team met frequently to discuss the layoff and decided to share both the content and process of the decision openly, thinking “it was better to be up in front talking to the whole company face-to-face to be able to handle questions.” This sentiment was noticed and appreciated: “They were more up front [about the crisis] than any other place I’ve ever been in terms of why we are doing this.” The leadership made the decision to communicate the layoff event openly, knowing the information could have a negative consequence:

It’s a transparency element. Whether you agree with it or not, here’s the process that we went through. . . . You may not agree with the decision that we made, [but] let me just lay out the rationale for why we did it and the different options that we had. And then people may get mad about it.

This level of candor was appreciated by members in the organization and was mentioned specifically in four of the interviews.

In addition to the interviews and document review, the survey supported communications as a mechanism of balancing adaptability and consistency. Three questions helped to describe communications at Job Catchers (see Table 4-7).

Table 4.7
Mean Score of Survey Items Related to Communications

Communications questions	Mean score
The leadership has “gone on record” about the objectives we are trying to meet.	4.55
Information is widely shared so that everyone can get the information he or she needs when it’s needed.	4.11
All members have a deep understanding of customer wants and needs.	3.64

The variation in mean scores provided insight into the process and content of the communications. The weekly meetings were led by the senior leaders who determined the content of the communications. The mean score of 4.55 for the leadership question supported the observed candor and details regarding communicated content. The question regarding information that was widely shared had a mean score of 4.11. This indicated support for timeliness of the information. The content of the information communicated was internally focused. The content included information regarding the impact the financial crisis had on internal measurements and how it would be handled. The mean score of 3.64 for the question related to a deep understanding of customers’ needs and wants indicated that while the impact internally was understood, information regarding the impact on customers was not as strong.

The communication mechanism was linked to the findings on organizational self-efficacy and collective view of self. The communications were used as an opportunity to provide information regarding the financial state of the business as well as reinforce organizational self-efficacy.

It wasn’t like “Oh, don’t worry about this. We’re going to get through this. We have a problem, but we’re taking these actions and we’re going to get through this and that’s how.” It wasn’t sugar coated. So the hope wasn’t one on a false hope. It was one of “Hey, we’re aware of what’s going on. We still think we have a great

long-term opportunity. Our investors are behind us, but in the meantime we got to make these short-term corrections.”

In an earlier section it was noted that the senior leaders had a different perspective on the impact of the financial crisis than did the members. The focus on the opportunities available as a result of the crisis and how they would be handled may have contributed to this difference. The leadership team quickly recognized the dramatic shift in the business. When they communicated the message to the organization, they also shared the perspective of the crisis as an opportunity, which reinforced the self-efficacy and the collective view of success.

Risk taking. Taking risks in the business was a mechanism that reinforced the collective view of success. The events of the financial crisis caused the leadership team to evaluate risks and benefits of potential changes. One senior leader commented on the CEO: “Paul is somebody that is willing to take a lot of risks and quickly sees the positive in things.” The organization supported this with the survey question “Innovation and risk taking are encouraged and rewarded.” This question had a mean score of 4.35.

Risk taking was noted to be a value in the organization. “People are encouraged to ask for forgiveness rather than permission—I think is the cliché but it’s true.” The communications that resulted from the financial crisis supported this. “One of the big things to come out in company meetings was it’s okay to make mistakes.” The senior leadership felt “the best thing to do is cut it deep, cut it fast, and put it behind you.” One interview participant reflected that opportunities were missed by not taking enough risks.

The support for risk taking related to the organization’s collective view of success. Risks were evaluated against benefits and were carefully measured along the way. Successes were celebrated. This reinforced the belief that the organization had the

ability to be successful. The risks associated with failure were minimized and used as a learning opportunity. Risk taking was associated with work content rather than individuals, further supporting the collective view of success.

Speed. The need and desire for speed emerged as a mechanism. “Things are really encouraged to happen in real time.” This was observed during meeting interactions with discussions on deliverables in terms of hours rather than days. On one particular project, one of the meeting participants questioned another’s ability to complete a task before lunch rather than at 1:00 pm. The desire to work quickly was reported by several interview participants. “There’s a lot you’ll hear out there about speed, getting things out quicker.” Another stated, “You don’t have the luxury of time. You need to be that lean machine and just go.” An orientation document for newly hired employees stated that organizational members “are always there ready to make changes immediately so that we can give our customers the service they deserve.”

The events of the financial crisis required urgent action. The decision to cut budgets and lay off employees occurred rapidly. “We reacted quickly. We wanted one fell swoop. We didn’t want to have a slow series of small deaths. Let’s just do it in one big fell swoop.” The desire for speed was an organizational goal as well.

The innovation side has changed in terms of us realizing our need to be more innovative and that then driving the need to move more quickly. So the speed element . . . has really been an area of focus for us and something that has changed. [It is] something that needs to continue to change.

Speed was related to two of the key findings: fluid emergent teams and the dynamic view of the environment. Speed related to fluid emergent team both in terms of how the teams were assembled and how they operated. In one interview, the participant described the process for identifying and assembling a team as a real-time event. A

programming change required on the website was resolved by a cross-functional team that was identified during a meeting. This team worked through the problem and delivered a working solution “in about a week.”

Similarly, speed related to the dynamic view of the environment by taking relevant information regarding the three customers and working quickly to respond. One interview participant reflected on the relationship with a large employer. “If they send you an email at 3:00 with a question, and you respond back to them at 3:05, . . . they respond, ‘Wow, you guys are fast.’” This rapid response allowed the organization to collect and understand large amounts of information about the environment in a short amount of time.

Metrics. The use of and interest in data and metrics was a mechanism frequently used in the organization and started with the founder. “We’re very metrics driven. . . . This is kind of the way Paul approaches the business.” He “is a lawyer by trade, but he doesn’t have information constipation.” This desire for data and metrics provided a purpose for the finance group:

Finance’s role is to protect and to serve. We [serve] by giving the rest of the company access to good data, good analysis, and helping them make better decisions. [We] protect because we got to be the gatekeeper, and we got to be the ones who make sure we have good processes and controls in place.

This use of metrics was shared across divisions as well. “When we commit to numbers we factor in as many of the variables as possible so we are not setting ourselves up for disappointment. Numbers are really important here. When you set goals you are expected to achieve them.”

The question “We continuously track our progress against our stated goals,” with a mean score of 4.71, supported this factor with one of the highest scores in the survey.

Similarly to speed, metrics related to the fluid emergent teams and the dynamic view of the environment. Metrics related to fluid emergent teams both as a catalyst for the assembly of a team and as an indicator of goal achievement. Data called attention to a problem or an opportunity that was resolved by the use of a team. Once the goals were set, the team used data to indicate a level of success or project completion.

Metrics were used in the same way to view the dynamic of the external environment. The organization used data from the website to observe job seeker behavior. During one of the meeting observations, data collected from an empirical trial was used to determine the behaviors of job seekers using a new feature. These data informed the team and guided their decision. The business used data regarding advertisers and employers in the same way. It carefully tracked market variations and competitor information to view the environment as well.

Processes. The data revealed two processes used by the business: iterations and the continual nature of the processes. These relate to fluid emergent teams and the dynamic view of the environment. This section discusses both and provides evidence collected by the four methods. It concludes with the relationship between the key findings.

Iterations. The interview participants described a basic process of problem identification, team assembly, action, and measurement against goals. During one interview, a participant described the process in Figure 4.2 and added several arrows directed back toward each part of the process, indicating they were the most important part. The iterations were central to each process as they informed and guided decisions, timing, priorities, and customer satisfaction.

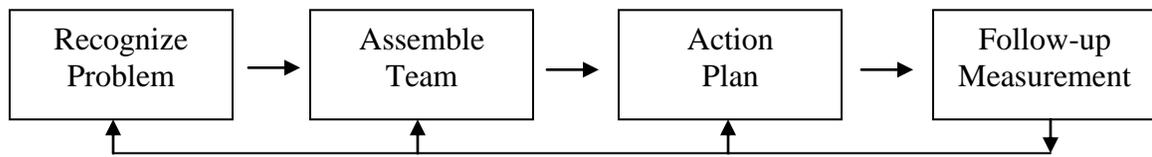


Figure 4.2. Basic process flowchart indicating iterations.

The information technology department made use of an external process that was adopted throughout the organization. Rather than having specific step-by-step instructions, the process has an iterative quality:

You cannot sit down and write a big paper on this is going to be our new project. I’m going to design the requirements, and when I’m done I’m going to give it to you to build, and when you are done I will look at it and test it. The process . . . requires working with a product person very closely. They have an idea, you sketch it out, and they say “Yeah, that’s what I was thinking,” and then they build it and you say “Yep, that’s what I was thinking.” It’s very iterative.

This iterative process was observed in the scrum meeting. The participants assessed projects, content, and timing by asking each other questions, refining meaning, and moving backward to resolve an open question from a previous meeting. One interview participant described this iterative process as an advantage based on the size of the organization. “Huge ships can’t maneuver, small ships can.” He continued by describing how Job Catchers could go back and modify where the competitors had a more difficult time.

The iterations were also seen during the budget cutting caused by the financial crisis. “Our budget was set too high. We had to go back and reiterate it a couple of times.” The process was important to the business, and the iterations were used to ensure accuracy and balance. While the basic process used by the business to resolve problems was effective, the iterations in the process ensured the expected results.

Continual process. The processes described in this study were both ongoing and continual. Evidence of this was shared as interview participants discussed ongoing modifications to the website, products offered, and growth opportunities. One commented, “We celebrate successes then continue to move on.” It was an expectation in the business that continual progress would be made to achieve organizational goals. Two survey questions quantify this finding, as shown in Table 4-8.

Table 4.8
Mean Score of Survey Items Related to Continual Process

Continual process questions	Mean score
Business planning is ongoing and involves everyone in the process to some degree.	4.08
New and improved ways to do work are continually adopted.	4.49

Both the iterations to a process and the ongoing, continual nature were related to fluid emergent teams and the dynamic view of the environment. Within teams, iterations were used to confirm, modify, and validate progress. This process was continual throughout the projects in the team and in the way the business operated. The same iterations were used to assess information related to the external environment, which supports a dynamic view. The business had continual processes to identify problems and opportunities related to the external environment.

Summary

The data gathered provided four key findings, four mechanisms, and two processes of how an organization experiencing episodic change balances adaptability and consistency. The findings involved the organization’s historical origins, values, beliefs, behaviors, and response to the financial crisis. Each finding was unique, but they shared

mechanisms. Table 4.9 shows the methods that provided the data for each finding. The interviews were the primary data source, supported by survey, document review, physical observation, and observation of meeting interactions. The findings explain how the organization balanced changes in the external environment by a strong culture that believed in itself, had a strong interest in collective success, and used dynamic emergent teams to resolve problems and exploit opportunities.

Table 4.9
Data Sources for Each Finding

Theme	Survey	Document review	Interviews	Observations
<i>Organizational self-efficacy</i>				
Belief in mission	•	•	•	•
Belief in collective self	•		•	
Crisis as an opportunity	•		•	
<i>Collective-level view of success</i>				
Sense of unity and belonging	•	•	•	•
Compensation and evaluation			•	
Elimination of barriers			•	
Succeeding together	•	•	•	•
<i>Fluid Emergent Teams</i>				
Belief in dynamic structure	•	•	•	•
Team formation	•		•	•
<i>Dynamic view of external environment</i>				
Fluid nature as a lens	•		•	
Coexistence of multiple customers			•	•
Differentiation of services		•	•	
Environment informs behavior		•	•	
<i>Mechanisms</i>				
Communications	•	•	•	•
Risk taking	•		•	
Speed			•	•
Use of metrics	•		•	
<i>Processes</i>				
Iterative			•	•
Ongoing	•		•	

CHAPTER 5: INTERPRETATIONS AND CONCLUSIONS

The impact of the financial crisis caused significant global and domestic changes (International Monetary Fund, 2010). These in turn caused a dramatic downturn in job openings and a significant increase in unemployment (Department of Labor, 2010; deWolf & Klemmer, 2010). These external environmental conditions are defined as episodic change (Greiner, 1972; Kumar & Thibodeaux, 1990; Weick & Quinn, 1999). The literature on episodic change, organizational culture, and organizational effectiveness all indicate that an organization must balance paradoxical demands in order to survive (Bledow et al., 2009; Burke, 2008; Denison, 1990; Van de Ven & Poole, 1995). While the literature posits the need for balance, it does not explain how an organization achieves it.

This exploratory case study examined the research question: *How does an organization that experienced external episodic change balance adaptability and consistency?* There were two related subquestions: *What are the processes of balance in an organization that has experienced external episodic change?* and *What are the mechanisms of balance in an organization that has experienced external episodic change?*

The findings from this study identified four ways in which Job Catchers balanced adaptability and consistency. Four mechanisms and two processes related to the findings were also identified. Each of these is discussed in this chapter in the context of related literature. Conclusions are made regarding the findings, and limitations and implications for future research and practice are discussed.

Discussion of the Findings

This exploratory study yielded four major findings, which are discussed in this section in relation to the literature from organizational culture, organizational learning, organizational effectiveness, and organizational change. The findings are as follows:

1. The site had strong organizational self-efficacy, i.e., members believed in the organization’s capability to balance competing demands during an episodic change event.
2. A collective-level view of success facilitated balancing paradox.
3. Fluid emergent teams enabled balancing behavior.
4. A dynamic view of the external environment was facilitated by processes and mechanisms.

Each of the findings is supported by themes that emerged from the data, as shown in Table 5.1.

Table 5.1
Findings and Related Themes

Finding	Theme
Organizational self-efficacy	Belief in purpose and mission Belief in the collective self Crisis as an opportunity
Collective-level view of success	Sense of unity and belonging Compensation and evaluation as reinforcement of collective-level success Elimination of barriers to collective success Succeeding together
Fluid emergent teams	Belief in dynamic structure Team formation
Dynamic view of external environment	Fluid nature as a lens Coexistence of multiple customers Differentiation of services Environment informs behavior

Finding 1

The site had strong organizational self-efficacy, i.e., members believed in the organization's capability to balance competing demands during an episodic change event.

A major finding from this study was the strong organizational self-efficacy that provided belief in the collective capability to balance during the financial crisis. Bandura (1997) defined collective efficacy as “a group’s shared belief in its conjoint capabilities to organize and execute the courses of action required to produce given levels of attainments” (p. 475).

Schein (1985) described the deepest levels of culture as basic assumptions. These levels are implicit, unconscious, and often taken for granted by the members of the organization. One of the basic assumptions Schein identified was the nature of human relationships. This assumption provides an explanation for how Job Catchers staff members related to one another and were able to manage and succeed through episodic change events. They had a strong shared sense of purpose and mission, a belief in the collective self during the financial crisis, and a view of the crisis as an opportunity.

Mission and organizational self-efficacy. The data showed a strong sense of purpose and mission in the organization. This is not a surprising finding, as Denison (1990) and Denison and Mishra (1995) identified mission as a necessary trait for overall organizational effectiveness. The espoused values and mission statement in the organization reflected a strong purpose to better the lives of the hourly employees who find positions using the website.

Yilmaz and Ergun (2008) underscored the importance of an organization's mission in overall effectiveness. They identified mission as the most prominent trait in Denison and Mishra's (1995) model for overall performance. The influence of mission on the balancing between adaptability and consistency is further discussed in the conclusions section of this chapter. It is a significant finding in this study that an organization's mission impacts its balancing behavior.

Alvesson (2002) identified metaphors for culture. One common metaphor is culture as "social glue." The strongly shared belief in the mission serves as a basis for the organization's ability to execute and survive, even in light of episodic events. Bandura (1986) stated, "Achievement of collective efficacy requires cogent means of relating factional interests to share purposes. The unifying purposes must be explicit and attainable through concerted effort" (p. 453). The mission in the organization provided the basis for how the organization felt about itself during the crisis. It provided both a sense of direction and pride among the organizational members.

Belief in the collective self. A curious finding to this researcher was the variation in the view of the severity of the financial crisis. As noted in chapter 4, the senior leaders in the organization recognized the dramatic shift in the business and reacted quickly. The middle-level managers and individual contributors did not view the crisis as severe or particularly threatening. The strong organizational self-efficacy provides an explanation for this variation. The open communications mechanism influenced how the crisis was viewed throughout the organization. Repeated and frequent communications that reinforced the organization's abilities were used throughout the crisis. The belief in the collective self is a critical element in organizational self-efficacy.

Katz and Kahn (2003) discussed patterns of activity or cycles of events. This cyclic character of an organization provides energy to the system. The cycles involve interactions with the environment or within the organization itself. The latter “can provide expressive satisfactions to its members so that the energy renewal comes directly from the organizational activity itself” (p. 24). This energy building from within was an important component of this organization’s belief in the collective self. The exchange with the environment during the crisis required urgent changes in the cost structure and in new business growth. The exchange between the members created energy to accomplish tasks in light of the challenge.

The organization’s previous successes during crises such as the events of 9/11 were noted in chapter 4. This experience also impacted the organization’s belief in the collective self. Schein (1984) defined an aspect of organizational strength as the “length and intensity of shared experiences of the group” (p. 7). The success in past crises reinforced the belief in future success. The viewing of past events as just as severe as the financial crisis indicated a belief that the organization would be able to work through and succeed in a variety of challenges. Bandura (1986) reinforced this concept by positing that perceived efficacy will influence the behavior, level of effort, and staying power of the group. The level of effort was very high and the group maintained and increased its staying power over time. Several participants reflected on how the events of the financial crisis reinforced the organizational values and belief in the mission. This was a critical element to organizational self-efficacy.

Crisis as an opportunity. The interpretation of these findings is related to those found in the “dynamic view of the external environment” theme later in this chapter. This

section offers a more robust discussion on the environment informing internal behaviors, covering what precedes the behaviors. Schein (1984, 2004) identified the organization's relationship to its environment as a basic underlying assumption. This relationship includes several components: mission and strategy, goals, means, measurement, and correction if goals are not met. The organization can view its relationship with the environment as one of "dominance, submission, harmonizing" or finding an appropriate niche (Schein, 1984, p. 6). In this case, the organization viewed the relationship with the environment as full of opportunity to be exploited.

This basic assumption informed the mission of the organization by identifying the purpose it served by improving the lives of hourly employees through its services. The strategy, goals, measurements, and corrections followed the mission. In order to achieve the goals, the organization viewed the external environment and the episodic change events of the financial crisis as full of opportunity to achieve the mission.

The mission, belief in the collective self, and the view of the crisis as an opportunity all developed strong organizational self-efficacy. The basic underlying assumptions informed both the organization's mission and its view of the external environment, including episodic events such as the financial crisis. Previous change events provided an enduring, shared belief that the organization had both the strength and stamina to survive and succeed in challenging times. Energy for the organization to accomplish its goals came from interactions with the environment and from the cycles and patterns within. Organizational self-efficacy was a key finding in how Job Catchers balanced the need for external adaptability with maintaining normative consistency. The organization's shared belief in its capability to achieve was necessary to engage in

managing these paradoxical conditions. The strong mission was a critical element to this self-efficacy, and an important relationship between them can be concluded.

Finding 2

The collective-level view of success facilitated balancing paradox.

The collective view of success included several components to support this finding. First, a strong sense of unity and belonging existed in Job Catchers, which enabled members to connect and identify with the collective. Two separate systems supported and reinforced the collective. The rewards and evaluation system expanded beyond the individual to reinforce the collective. In addition, as barriers to collective success were encountered, they were promptly eliminated. This allowed for success to be viewed from a collective perspective. This section interprets the findings for each of these areas.

Sense of unity. The sense of unity was an important and strongly held belief in Job Catchers' culture. This unity led to a collective view of success. The focus on unity was visible throughout the organization through artifacts identified in chapter 4. The uniform framed pictures lining the lobby hallway and the jerseys on each office chair were immediately visible artifacts noticed by visitors. Hatch (1993) linked artifacts with the organization's values in a model of cultural dynamics. In this model, the artifacts are realizations of the organization's values.

Unity was a core value of the organization that produced artifacts and behaviors. Wiener (1988) called this a functional value, which is concerned with the conduct of the organizational members. It is focused on the goals and functions of the organization. This goal-oriented functional value produced results in Job Catchers, as seen both in the

financial success during the financial crisis and in the ways in which the business performed. The functional value of unity relates to the ways in which the organization views collective rather than individual success. It also provides a basis for the next finding of fluid emergent teams.

The sense of unity was a strongly held belief as seen in all four data collection methods. The strength of this value is an important feature that promoted the effectiveness of the organization and led to the ongoing balancing of adaptability and consistency. Sorensen (2002) provided empirical evidence of the function of strong values in a culture. His study concluded that a strong culture increases the reliability of the organization in stable environments and indicated that this benefit disappears during change events. Job Catchers' effectiveness in balancing paradoxical demands was partially aided by the strong sense of unity. The ways in which this value was used to view success as a collective phenomenon provided balance in the organization.

Rewards and evaluation. The rewards and performance evaluation systems at Job Catchers reinforced collective rather than individual behaviors. Although the sales organization had individual sales targets, the annual salary planning, bonus plan, stock options, and 401k program all reinforced collective success in the organization. Schein (2004) identified the allocation of rewards and punishment as a function of internal integration aimed at reinforcing the organizational values. The focus on collective rather than individual success was reinforced by these rewards. For example, 401k company contributions were made only when overall business objectives were met. Similarly, salary increases and bonuses were halted when the business did not grow and were reinstated once the revenue goals for the company were met.

The evaluation process at Job Catchers was an iterative process aimed at providing group feedback to an individual. The system was designed intentionally to avoid a set rating scale for individuals. Rather, dialogue among team members was encouraged, and multirater data were provided to give an overall impression of performance. This is an important feature to reinforce a collective rather than individual view of success. Ouchi and Price (1978) identified evaluation as a means of ensuring complete socialization into an organization. They termed this a “slow” evaluation process that considered the actions and behaviors over time to provide the individual with more meaningful feedback. The systems used at Job Catchers provided support for collective success by giving group-based feedback without individual performance ratings.

Elimination of barriers to collective success. One surprising finding was the speed and decisiveness in which the organization eliminated individuals who created barriers to overall success. This was seen with the terminations of individuals with poor sales performance and with the removal of two senior leaders during the peak of the financial crisis. As noted in chapter 4, sales numbers were publicly posted during weekly meetings to show progress toward overall goals. Surprisingly, names were attached to individual sales numbers, indicating the highest to lowest performers. While this practice is not unique, it is counter to the systems mentioned above. The sales representatives with consistently low performance were identified, coached, and subsequently terminated if the trend continued over time. This was the organization’s means of eliminating a barrier to collective success. Schein (2004) identified defining boundaries as a way in which a group ensures its ability to function. Members who perform in ways that support collective success are insiders and “get a sense of identity from belonging to a defined

organization” (p. 118). Members who do not perform to support collective success become outsiders and are eventually terminated if behaviors do not change.

Similarly, Job Catchers eliminated barriers that were not as easily quantifiable as sales numbers. The removal of the senior leaders was based on a values difference between the two individuals and the collective. The strongly held belief in collective success became escalated during the financial crisis. The individuals removed from their positions were viewed as protecting their own units. The rebudgeting process brought this value difference to light and subsequently led to removing the leaders from their positions. Schein (1986) called this consensus on group behavior *criteria for inclusion*. The belief in unity and collective success was a strongly held criterion among the senior leaders. This belief was required for inclusion. The inability to accept this belief or to act on it caused exclusion and subsequent removal from the organization.

Succeeding together. The strong belief in unity, reinforcement of rewards and evaluation, and elimination of barriers to collective success all lead to a sense of succeeding together. The literature on this finding is varied. Hofstede (1991) identified characteristics of cultural orientation in the context of national cultures. He identified individualism and collectivism and called the United States a prototypical individualistic culture. Although Job Catchers is a U.S. company, its orientation can be identified as collective. Ouchi and Price (1978) identified “type Z” organizations, which helps to interpret this finding. Type Z organizations have collective concerns, use consensus for decision making, work in small teams, and “most members share a common set of values or objectives plus beliefs about how to coordinate effort in order to reach common objectives” (p. 36).

Cameron and Whetten (1981) provided additional support for interpreting the collective view of success in Job Catchers. They identified a transition in focus from individual to collective as the organization matured. They found that organizations in the early formation stages tend toward more individualist measures of success. As organizations grow over time, a more collective measure of success becomes relevant. A 10-year-old organization, Job Catchers has gone through the early phases of identifying a mission, establishing a purpose, becoming established, and growing. The collective view of success is now a part of the organizational culture and values.

The collective view of success in Job Catchers is a key finding in this study. This strongly held belief was reinforced by the rewards and evaluation systems. It was protected by eliminating barriers to performance or values by quickly terminating individuals who did not share this view. The collective perspective in the organization provided a strong desire to succeed together rather than as individuals. This finding is central to the ways in which the organization balanced the need for external adaptability with maintaining normative consistency. The focus on the collective eliminated individual achievements that could cause narcissism or hyperadaptability. The organization as a whole experienced paradoxical demands as a result of the financial crisis. The collective view of success required the organization to face these demands concurrently in order to survive. A more robust discussion of the ways in which the organization balanced competing demands is included in the section on the dynamic view of the external environment. The collective view of success enabled the ways in which the organization balanced.

Finding 3

Fluid emergent teams enabled balancing behavior.

Job Catchers' collective view of success provided the values, reinforcement, and mindset for achieving organizational goals, which allowed for balancing paradoxical needs of adaptability and consistency. It also provided the basis for another way in which the organization balanced during the episodic change. Extensive use of fluid emergent teams in the organization allowed for rapid responses to environmental changes and also for maintaining aspects of the normative culture. This section reviews two themes that support this finding: a belief in a dynamic structure and team formation.

Belief in dynamic structure. Two relevant components of dynamic structure are discussed in this section: the structure of the organization and the underlying beliefs that contribute to the success of the fluid emergent teams. The data provided in chapter 4 indicated an organization with a history of flexibility. At the start of the company, very few employees were needed to perform broad job duties. One quotation sums up the experience: "When we were a six-person company, every person was a department." This led to an entrepreneurial and dynamic basis for the organization. Burns and Stalker (1961) provided interpretation for this structure in their seminal work. They identified two types of organizational structures: organic and mechanistic. Job Catchers can be typed as an organic structure that focuses on change, adjustment through interaction with others, and a commitment to the task. This differs from a mechanistic structure, which focuses on stability, precision, and hierarchy. By functioning as an organic structure, Job Catchers was able to anticipate and respond to environmental changes.

Schein (2004) provided further insight into this finding by identifying two assumptions important to this discussion: the nature of the relationship to the environment and the nature of human relationships. To behave as an organic structure as described by Burns and Stalker (1961), Schein posited that the organization must have underlying assumptions regarding the nature of the relationship to the environment that support it. This relationship includes the means to achieve goals, such as the organizational structure and division of labor within it. The interview and survey data supported a relationship that was fluid, dynamic, and inclusive of people.

The second underlying assumption Schein (2004) identified that is relevant to interpreting this finding is the belief about the nature of human relationships. Within this assumption there are rules of interaction that have a joint effect of time, space, and relationship assumptions. The fluid emergent teams were established to anticipate or resolve problems that arose externally or internally. There was a shared belief in these teams as a way of managing the business. Along with this belief was the mechanism of speed. The teams accelerated resolution to problems. Schein described this as the joint effect of relating to one another and the effect of time.

Team formation around problems and opportunities. With a foundation that supported a flexible, fluid structure, the organization used teams to address problems that arose as a result of external environmental changes or issues in internal integration. This finding was described in detail in chapter 4 and was notable for the formation of teams to work through the rebudgeting process and changes related to cost reductions, layoff procedures, and modifications to the pay and benefit structure. The organization also used teams to identify opportunities for system enhancements and for activities for the internal

members. Literature relating to the involvement and content of the culture helps to interpret the use of teams in the site.

Denison's (1990) research on culture and organizational effectiveness is central to this study. The Denison (1990) model served as a basis for the conceptual framework. The involvement trait is relevant to the discussion of fluid emergent teams as it provides explanation and aids in interpreting the use of these teams as a way to balance adaptability and consistency. The data collected supported high levels of involvement in the business. A key way for members to be involved was through these fluid emergent teams. Team membership crossed hierarchical and divisional boundaries and was based on the skills and content knowledge of the members. This suggests that the involvement trait may influence the way in which the business balanced adaptability and involvement—an idea discussed further in the conclusion section.

The strength of these underlying assumptions is evident in the data presented in chapter 4. The members of the organization readily accepted membership into these emergent teams, and the leadership expected to have team members involved as a regular part of work. Gordon and DiTomaso (1992) provided an explanation for the success of emergent teams. In their empirical study, they found that a culture of adaptability was related to success during times of rapid change. In addition to this context, they further found that adaptability was predictive of short-term performance. They surmised that a strong culture of consistency and an appropriate culture in terms of content produced these results. The use of the fluid emergent teams was valued and a consistent norm in the business, spanning organizational levels, departments, and projects, including internal integration and external adaptability. This raises an important feature to this study and the

findings: the content of the culture. Thus far, the findings revealed a meaningful connection to the mission of the organization of serving hourly employees, a view of success at a collective level, and a belief in relating and performing together in emergent teams.

Fluid emergent teams were one way in which the organization balanced adaptability and consistency during the financial crisis. The teams emerged out of the belief in a dynamic structure that responded to and anticipated external environmental changes. The teams allowed for rapid responses by those best equipped to address the issues. As a result, the content of the work performed by these teams balanced paradoxical demands by addressing external needs while maintaining a sense of consistency in organizational performance. This finding relates to the previous finding—a collective view of success. The collective view of success was based largely on an underlying assumption of working together to serve the hourly workers who used the website. The emergent work teams were a functional way in which the business balanced the needs to achieve the organization's mission.

Finding 4

A dynamic view of the external environment was facilitated by processes and mechanisms.

The three preceding findings were internally focused ways of balancing adaptability and consistency that allowed for balance by providing an internal lens as it resolved external environmental tensions brought on by an episodic change event. The last finding, the dynamic view of the external environment, differs in the sense that it provided outwardly focused balance. This finding comprised four themes: the fluid nature

as a lens to view the external environment, the coexistence of multiple customers, differentiation of services, and the external environment informing internal behaviors.

Fluid nature as a lens for viewing the external environment. The data collected for this theme described an organization that was very dynamic and fluid. A survey question related to consistency and predictability received one of the lowest scores. This was coupled with high scores on questions about the organization's ability to respond to customers' needs. There was a certain pride among the interview participants regarding the ability to rapidly adapt to customer needs to fulfill the organization's mission of serving hourly job seekers. Katz and Kahn (2003) helped interpret this theme with one of the common characteristics of an open system. Equifinality is defined as the ability to reach the same final state from different initial conditions and by using a variety of paths. The organization focused on the goals rather than on the means of achieving them. Processes of balancing were identified that support this finding. Iterations and continual processes were used to achieve organizational goals, which caused variation in the means. The fluid nature of the business was used as a lens for viewing and adapting to the external environment.

Coexistence of multiple customers. The organization identified three external groups that served as customers: employers with open positions, advertisers interested in using the site, and job seekers. The employers and advertisers provided revenue for the organization. The job seekers used the site but did not pay to do so. In spite of this, the organization viewed job seekers as the primary customer to serve. Katz and Kahn (2003) helped to interpret the importance of serving these three customers by the process of

input, throughput, and output. This process is instrumental for understanding the two other themes below.

Katz and Kahn described the importation of energy as the form of energy from the external environment that provides stimulation. Each customer provided a unique set of interests and needs, providing differing levels of energy for Job Catchers. Throughput transforms the energy, which requires reorganization of the input. This is the work that gets done in the system, which is also varied by the customer's needs. The output of the system is the product or service exported into the environment. The continuity of the product or service "depends on the receptivity of the environment" (Katz & Kahn, 2003, p. 24). Each of Job Catchers' customers had different input, throughput, and output into their system, which resulted in varying activities, products, and services for each. The next two themes describe how the organization integrated the varying processes by balancing paradoxical needs.

Differentiation of services. As each customer had varying input, throughput, and output, the services and products differed. The effect of the financial crisis caused a sharp decrease in the number of employers posting positions on the website; it had the opposite effect on the number of job seekers, which sharply increased. The literature relating to ways in which organizations resolve paradoxical tension is helpful for interpreting the data relating to the differentiation of service. Tushman and O'Reilly (1996) identified ambidextrous behaviors required by episodic environmental changes. Change requires the organization to manage cost and efficiencies at the same time as developing new products and services. They posited that an ambidextrous organization must "periodically destroy" what exists to be able to adapt. Job Catchers acted in this way by seeking new industries

to provide more employers. Adaptation was also seen with the changing demographics of the job seekers and again with the addition of universities in the advertising part of the organization. Katz and Kahn (2003) called this activity *differentiation and elaboration*. The approach to each customer, the technology enhancements, and the services were all modified based on the unique input. Buckley (1968) posited that change requires modifications. He cited Ashby, saying that the level of external change would be met with the same level of internal modification, employing requisite variety in order to achieve.

Internal behavior informed by the external environment. While the organization differentiated products and services for each customer, it also used the financial crisis and related changes to inform internal behavior. Job Catchers engaged in integration and transcendence activities as described by Seo et al. (2004). This section reviews literature on how the organization concurrently engaged in paradoxical activities and allowed the activities to inform one another.

Integration. The organization was required to differentiate services and products for each customer. Raisch and Birkinshaw (2008) indicated that this type of activity may have implications for organizational design. Katz and Kahn (2003) suggested that the process of specialization causes role differentiation. One of the core values of the organization was unity. Differentiating and separating the organization into specialized roles to manage the changes to products and services would have caused tension with the desire for unity. Rather than modifying the need for changes or the beliefs and values, the organization used integration. Seo et al. (2004) called this approach *neutralization*. The

organization used dynamic emergent teams to resolve the tension between the required changes and the belief in unity.

Transcendence. Simultaneously, the organization allowed the paradoxical conditions to reframe its perspective. This was seen in two areas. First, the organization had significant changes in the relationships with employers. Those employers that had been a source of stability had fewer positions to fill. The organization responded by adding new business from other industries. It enhanced technologies to become more attractive to current and potential customers. The products and services were differentiated. The organization valued unity and dynamic teams as a means of achieving organizational goals. These internal norms and values informed the ways in which the organization managed external adaptation. This was seen with the customer summit, which created unity among the customers. The summit used small teams of experts to discuss topical events and interventions. The internal values informed external adaptation.

Another example is the job seeker taking a prominent status, equal to that of employers and advertisers. The financial crisis increased the number of job seekers using the website. It also changed the demographics, highlighting the importance of the user experience. The mission of the organization placed the job seeker in the forefront. The members in the organization shared a deep belief that they existed to better the lives of their job seekers. This belief escalated the job seekers into a prominent position. Seo et al. (2004) identified this transcendence behavior as a synthesis or a new definition. Farjoun (2010) called this behavior mutually enabling, in which the paradoxical conditions were fundamentally interdependent.

Job Catchers' ability to use integration and transcendence may have influenced the view of the crisis as an opportunity. Schein (1984) noted the interdependence of external and internal systems. He noted: "Even though one can distinguish between the external and internal problems, in practice both systems are highly interrelated" (p. 9). This connection allowed Job Catchers to use the high levels of organizational self-efficacy to view the crisis as an opportunity. Schein (2004) identified features of a "doing" orientation as having the assumption that nature can be controlled and manipulated. While the financial crisis brought on significant challenges for the business, the ability to allow the paradoxical nature of the external environment and internal integration to inform one another helped them to find opportunity.

Processes and Mechanisms

The study's subquestions related to identifying processes and mechanisms for balancing adaptability and consistency. Two mechanisms, communications and risk taking, related to organizational self-efficacy and a collective view of success. Speed and the use of metrics as well as the two processes related to fluid emergent teams and the dynamic view of the environment. This section uses literature to interpret the processes and mechanisms in the organization.

Communications. Job Catchers' open, frequent, and organization-wide communication was frequently mentioned and related to both organizational self-efficacy and the collective view of success. A weekly meeting with all members of the organization provided a venue for the leadership to provide information regarding the external environment and related changes and to reinforce the strengths of the organization. While communication among team members was reported to be

“thoughtfully candid,” the content shared by the leadership team both posited and reinforced values, beliefs, expectations, and opportunities for the organization’s members.

Burke (2008) explained the need for communications during an episodic change event that “throws life out of balance” (p. 241). Leaders communicate expectations and realities of the event, which aid the organizational members in restoring balance. The leader must adjust the story to accommodate changing circumstances while continuing to adhere to the basic principles of the organization. Schein (1990) stated that leaders can manage an environment of change by highlighting the threats and encouraging the organization to believe that change is possible and desirable.

The use of communications in Job Catchers provided the opportunity to reinforce the organizational mission, provide relevant information regarding the external environment, emphasize market opportunities, and support the view that success at the collective level was expected. While communication among team members was highly valued, it was the communication from the senior leadership team that provided evidence for supporting the related findings.

Risks. The use of risks was associated with the collective view of success in the organization. While several individuals attributed risk taking to the actions of the CEO, this mechanism was used to promote success at the organizational level. Deshpande et al. (1993) identified risk taking as a part of organizational cultures that are externally positioned and use organic processes (Burns & Stalker, 1961). In this type of culture, risk is used as a bonding agent among organizational members and allows an organization to strategically emphasize growth and new resources.

Speed. The mechanism of speed was identified as it related to fluid emergent teams and the dynamic view of the environment. Emergent teams were used as a way of resolving problems and exploiting opportunities quickly. The organization selected individuals with content expertise to accelerate focus on specific issues. Schein (1990) identified ways in which leaders guide evolution or manage change. Leaders influence situations when they feel “they do not have the time to let evolution occur naturally” (p. 117). This view helps to interpret this mechanism by understanding one of the reasons for assembling the fluid emergent teams. The organization desired speed in resolving problems. This is also a feature of the dynamic view of the environment. The response and anticipation of customer needs required a rapid pace. By quickly acting on opportunities with customers, the organization was able to manage the dynamic relationship with the changing external environment.

Metrics. The use of data and metrics in the organization was a mechanism of both fluid emergent teams and the dynamic view of the environment. Careful measurement and data gathering were used to inform decision making and determine the success of implemented changes. The organization measured the customers’ needs and behaviors precisely with use of technologies to guide potential actions. Schein (2004) identified steps of external adaptation and survival, and measurement was a key feature. He noted that measurement aids in assessing goal achievement. It involves gathering information, getting it to the right places, and understanding it so appropriate action can be taken. This is closely related to the processes identified in the study.

Processes

Two features of processes were identified: iterations to existing processes and a continual nature to the processes used. The iterative nature of the existing processes related to the use of metrics. Once data were gathered, adjustments and iterations were made to correct, improve, or modify a process. Technology had a significant role in the organization, as the website was the primary product for the three customers. The Agile process that was used (which stresses incremental and iterative software development, involving team-based collaboration) contained an iterative feature to ensure goal congruence. Schein (2004) referred to this as “systemic thinking” (p. 401). This is a belief that the world is intrinsically complex, nonlinear, and interconnected.

While iterations applied to existing processes, the continual nature of processes referred to the ongoing existence of many organizational-wide processes. The continual processes allowed the organization to assess the external environment and to respond to it internally with a team approach. Katz and Kahn (2003) described open systems as having a cyclic nature of information input, throughput, and output. The system is continual in nature as a means of preventing negative entropy. This macro view of open systems provides explanation for the use of continual processes, with the introduction of new emergent teams focused on problems and opportunities. It also aids in understanding how the organization continually assessed the external environment and anticipated needs and changes as they related to the customers.

Summary of Interpretation of Findings

The literature used to interpret the findings came from a variety of fields, including organizational culture, organizational effectiveness, change, organizational

learning, and theories of action. While the range of literature used was broad, there were similarities across the findings. The underlying basic assumptions and values in the organization provided directionality for the findings. They informed the mission of the organization, the way individuals viewed relationships with each other and their customers, the way the work was performed, and the way the organization viewed its ability to influence the external environment. The main research question asked *How does an organization experiencing external episodic change balance adaptability and consistency?* The findings indicate a dynamic state of continual process, modification, and action. Balancing is an active state that requires constant guidance, reflection, and collaboration. The findings related to the mechanisms shared a common trait of leadership influence. While this study was concerned with the organizational level of analysis, it is important to note the influence of the senior leadership. This concept is further explored in the section on future research.

Conclusions

The findings in this exploratory case study provided an understanding of how Job Catchers balanced adaptability and consistency during the financial crisis. This section makes three conclusions that provide meaning for these findings and begin to fill the gap in the literature regarding how an organization balances paradoxical conditions. These conclusions are the result of new knowledge from this study and relevant literature used in developing the conceptual framework. This study concludes:

1. The content of an organization's beliefs and values must concurrently facilitate adaptability and consistency.
2. Mission and involvement variables have an important role in balancing behaviors.

3. Balancing requires paradoxical tension to be accepted rather than resolved.

Each of conclusions is discussed below.

Conclusion 1

The content of the organization's beliefs and values must concurrently facilitate adaptability and consistency.

The findings revealed underlying basic assumptions about the nature of human relationships and the nature of the relationship with the environment that were observed through the beliefs and values of Job Catchers. Schein (1984, 1985, 1990, 2004) described the interaction between levels of culture from basic underlying assumptions, values, and visible artifacts. Hatch and Schultz (1997) added to this dynamic relationship the external content: experiences from interactions with external groups. The assumptions provide a foundation for the beliefs and values of the organization, which guide both internal and external patterns and behaviors.

The literature has indicated that an external episodic event can change the culture of an organization (Golembiewski et al., 1976; Levy, 1986; Grundy, 1993; Weick & Quinn, 1999). The financial crisis forced Job Catchers to reevaluate its purpose and its relationships with customers, which reinforced the basic mission of serving the hourly workers seeking employment from its website. The content of the values and beliefs endured the crisis and intensified in strength. Sorenson (2002) identified the strength of a culture as significant in organizational effectiveness.

The content of an organization's beliefs and values is relevant to organizational effectiveness. Wiener (1988) developed a typology of value systems that related to organizational effectiveness. He stated that "the nature of the values is a crucial factor in

the impact that culture will have on organizational effectiveness” (p. 536). The values and beliefs in Job Catchers provided a basis for behavior that concurrently supported external adaptation and internal integration. The strong belief that the organization existed to serve the hourly workers informed the need and desire to acquire new employers and make modifications to services as a result of the crisis. The same belief informed the way in which the organization chose to relate to one another by forming emergent teams to solve problems and exploit opportunities. It also provided a basis for organizational self-efficacy, as previous success in difficult financial situations yielded success that led to the belief in the collective capability to attain goals. The beliefs and values of the organization concurrently facilitated adaptability and consistency.

Denison (1990) identified four traits of culture previously discussed: adaptability, consistency, mission, and involvement. All of these traits have beliefs and values that allow them to be expressed as behaviors in an organization. In Job Catchers, adaptability that led to better serving the hourly worker was highly valued. This value was also consistently shared among the members. Gordon and DiTomaso (1992) identified similar findings in an empirical study and concluded that a “strong culture from the standpoint of consistency, and an appropriate culture from the standpoint of content, will produce positive results, but a combination of the two is most powerful” (p. 794). The financial crisis provided ample reason for Job Catchers to reevaluate the culture. The strengthening rather than modification of the culture provides evidence that the beliefs and values were mutually enabling of adaptability and consistency.

Conclusion 2

Mission and involvement variables have an important role in balancing behaviors.

This study focused on the paradoxical conditions that result from balancing adaptability and consistency. Denison (1990) and Denison and Mishra (1995) indicated that strength in all four traits results in high levels of organizational effectiveness. This was supported by repeated studies in a variety of different countries (Denison et al., 2004; Fey & Denison, 2003; Yilmaz & Ergun, 2008). It has been noted that organizations must balance the paradoxical demands of these traits (Denison & Mishra, 1995). How the organization balances reveals a more complex relationship between the variables. The findings revealed a linkage between the remaining two traits. Both the quantitative and qualitative data collected in this study indicated a meaningful relationship between mission and involvement and balancing between adaptability and consistency. The survey results showed higher mean scores for mission and involvement than for adaptability or consistency, as shown in Table 5.2.

Table 5.2
Mean Scores of Variables in Survey Instrument

Variable	Mean score
Overall effectiveness	4.18
Adaptability	4.09
Consistency	4.01
Involvement	4.34
Mission	4.26

These scores indicate the strength of both involvement and mission in the organization. While both variables were strong, each impacted the findings differently.

Two findings, organizational self-efficacy and the collective view of success, related in part to the mission of the organization. The involvement trait strongly related to the collective view of success and the fluid emergent teams (see Figure 5.1).

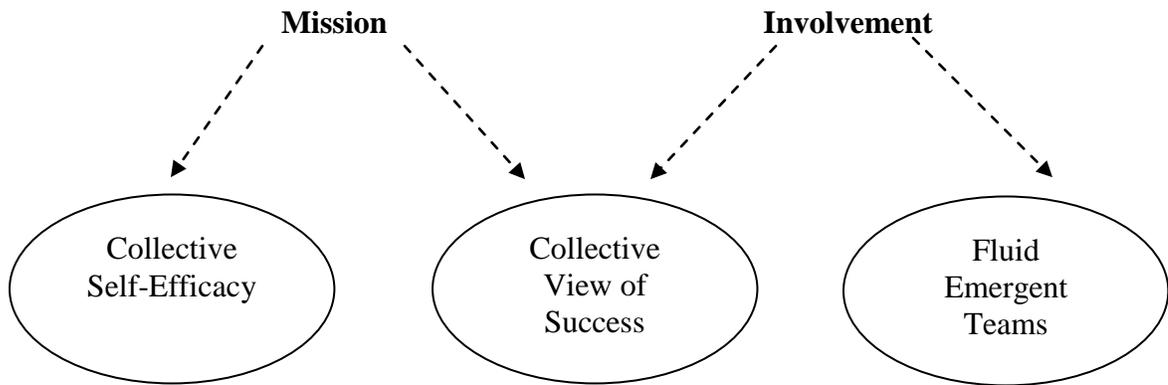


Figure 5.1. Influence of involvement and mission variables on findings.

Mission. Yilmaz and Ergun (2008) studied the relationship between Denison’s (1990) traits by pairing them. Their study identified mission as most critical to overall effectiveness. This study revealed the importance of mission, as found in two separate findings. One of the key themes in the organizational self-efficacy finding was a shared collective belief in the purpose and mission of Job Catchers. This strong mission led to a shared belief in the ability to achieve goals. The collective view of success also included a component of the organization’s strong mission. The mission led to goals in the organization related to serving the hourly worker. The goals were set with an organization-wide perspective. Achievement of these goals led to the feeling of being able to succeed together.

Involvement. The unity of the organizational members was a key theme in the collective view of success. The members were engaged in activities that demonstrated this sense of unity. The level of involvement was reinforced by the rewards structure and evaluation process. The strong level of involvement in the organization shaped the ways in which the organization came together and viewed success at the collective level. Involvement was also critical to the ease and eagerness of the formation of fluid emergent teams. The business revealed an expectation to work together collaboratively. Teams included members from throughout the organization, involving them in the most pressing issues faced during the financial crisis. High levels of involvement in the organization facilitated the findings that enabled balancing adaptability and consistency.

Conclusion 3

Balancing requires paradoxical tension to be accepted rather than resolved.

Finding 4, the dynamic view of the external environment, revealed evidence regarding the ways in which the organization handled tension created by paradoxical conditions. The literature in chapter 2 identified four ways in which organizations resolve tension. *Selection* involves an organization choosing one activity over another, essentially trading off one for another (Seo et al., 2004; March, 1991). This option resolves tension by eliminating it. *Separation* requires organizations to divide time and energy into separately managing the paradoxical conditions (Cameron, 1986; Quinn & Rohrbaugh, 1983). The focus of the separation is to overcome contradiction in order to be able to integrate. Both of these approaches focus on resolving paradoxical tension.

Integration, as seen in ambidexterity, accepts paradoxical conditions (Tushman & O'Reilly, 1996; Raisch & Birkinshaw, 2008). The organization engages in divergent

activities simultaneously as a normal part of business. The tensions are accepted rather than resolved. Job Catchers demonstrated this type of behavior, as described in the last finding, the dynamic view of the external environment. Many adaptations were made as a result of the financial crisis that involved each of the three customers. These adaptations were accepted and concurrently existed with efforts to maintain normative consistency.

The last way in which the literature indicated that organizations face tension is *transcendence*, in which paradoxical activities are viewed as interdependent and mutually enabling (Farjoun, 2010). Job Catchers also demonstrated transcendence. As described in the interpretation of the findings, the organization made many external adaptations. The expansion of employers to gain new business caused the formation of internal teams. These teams were developed with a strong sense of unity and purpose by fulfilling the organization's mission. The organizational response was led by the customer's needs. The collective self-efficacy and collective view of success informed the solutions that were provided to the customers, which resulted in greater financial success.

Summary of Conclusions

This exploratory study provided conclusions that begin to fill the gap in understanding the ways in which an organization experiencing episodic change balances adaptability and consistency. The core underlying beliefs in the organization must concurrently support the paradoxical nature of adaptability and consistency in order to balance. While the behaviors are different, the shared beliefs and values allow the organization to engage in each concurrently. This study highlighted the important role of a strong mission and a high level of involvement. These variables impacted the findings in the study, indicating their influence on balancing adaptability and consistency. Lastly,

the study concluded that paradoxical tensions need to be accepted rather than resolved for balancing to occur. The conclusions of the study prompt interesting questions that can be resolved by further study.

Limitations of Study

Several limitations existed in this research. The study is limited by the experiences of a single organization and its members during a specific time period. A case study of a single organization can surface meaningful findings and conclusions but cannot be generalized to other organizations.

To address this issue, four data collection methods were used to triangulate the data to ensure robustness and richness. The first method was the interviews, which were limited by the lack of external qualitative content provided by interview participants. The study's design called for interviews with a customer and a member of the board of directors. Many attempts were made to schedule interviews, and neither participant was able to provide time during the length of the study. Interviews with all nine internal members were conducted according to the plan. A census survey was administered. Multiple documents relating to the research questions and context were acquired, and two meetings and the physical surroundings were observed. While the site was very responsive in providing opportunities for interviews and observations, internal documents related to the context of the study were not provided despite several requests. The data gathered were analyzed and provided the findings, mechanisms, and processes. The findings provided an explanation for the main research question and began to fill the gap in the literature related to how an organization balances paradoxical needs.

Implications

Implications for Future Research

This study provided interesting findings that warrant further study. There are six areas for further research for scholars.

Organizational self-efficacy and organizational effectiveness. One of the key findings of the study was the high level of self-efficacy in Job Catchers. Literature on collective self-efficacy indicates a relationship with performance (Bandura, 1997), but this area remains unexplored in the organizational effectiveness literature. A study examining the relationship between organizational self-efficacy and organizational effectiveness would add to the literature by illustrating any positive correlation or causal effect.

Content of values and organizational effectiveness. The content of values and beliefs in this study enabled balance. Wiener (1988) presented a typology of organizations regarding content and origin of values, yet the categorization of content remained quite broad. Further research to explore the content of values as enabling or hindering balancing behaviors would help explain the importance of underlying assumptions.

Impact of mission and involvement. Both mission and involvement were considered to have an important impact on how the organization balanced adaptability and consistency. This suggests a more complex relationship than identified in the literature (Denison, 1990; Denison & Mishra, 1995). Research to identify the relationship between the variables has recently surfaced (Yilmaz & Ergun, 2008), yet questions remain unanswered. Two potential studies could help fill this gap. A quantitative study to

identify any mediating effect of mission and involvement in balancing adaptability and consistency would provide empirical evidence to support or refute the relationship.

Further qualitative study aimed at understanding how and why mission and involvement enable balancing would aid in theory development.

Role of leadership in mechanisms that support balancing. Each of the mechanisms identified in this study related to the behavior of the CEO or senior leaders in the organization. This study was geared specifically toward the organizational level of analysis. Further research on the role of leadership in guiding balancing behavior could lead to theory development.

Approaches to managing tension. This study found simultaneous application of different approaches to tension. Tension was accepted rather than resolved. A qualitative study aimed at exploring how and when organizations choose different approaches to managing tension through acceptance would advance knowledge in this area.

Collective view of success and impact on overall effectiveness. A key finding in this study was the organization viewing success collectively rather than individually. There is literature that suggests that a collective view is an Eastern rather than Western phenomenon (Hofstede, 1991). There is also literature that suggests that the organizational life cycle may provide a collective view of success (Cameron & Whetten, 1981). This finding is an important aspect in how this organization balanced adaptability and consistency and warrants further study. A study aimed at exploring collective rather than individual success and the relationship with overall effectiveness would extend knowledge in this area.

Implications for Practice

Implications also exist for practitioners managing the results of the financial crisis and similar episodic change events. Three implications relate to how practitioners may be able to gain knowledge from the conclusions of this study to inform decisions, clarify values, and shape actions with organizational members.

Acceptance of paradoxical tension. Organizations have several ways to approach paradoxical tension. This study concluded that organizations that accept rather than resolve this tension successfully balance adaptability and consistency. Practitioners' use of this knowledge may lead to conscious decisions regarding how tension is approached. Accepting tension and allowing it to inform behaviors may have implications for higher levels of goal attainment.

Reinforcement of values through episodic change events. This study revealed how an episodic change event can cause an organization to reflect on and reinforce values and beliefs that support both adaptability and consistency. This knowledge presents practitioners with the ability to use change events to examine and reinforce values that support positive outcomes.

Rewards, evaluation, and elimination of barriers to collective-level success. One of the findings related the ability to balance to a collective view of success. This study has implications for how practitioners use rewards, evaluation, and barrier elimination to support collective-level success rather than individual-level performance. This knowledge may lead to the modification of systems that reinforce the individual solely.

Summary and Concluding Remarks

This study examined how an organization balances the paradoxical needs of adaptability and consistency in the context of episodic change. The events of the financial crisis caused multiple demands on Job Catchers that required simultaneous adaptations for varying customers. They also caused the organization to reassess and reinforce its core values, beliefs, and mission.

Four main findings explained how this organization balanced paradoxical demands. First, a high level of organizational self-efficacy existed, which allowed the members to believe in their collective ability to achieve goals related to the crisis. Second, success was viewed at the collective level, allowing for collaborative behaviors that benefited the whole rather than the individual. Third, the use of fluid emergent teams helped the organization quickly resolve problems and maximize opportunity. Finally, by accepting rather than resolving paradoxical tensions, the organization embraced a dynamic view of the external environment, which allowed it to concurrently modify products and services as well as inform and reinforce its values and beliefs. The mechanisms and processes used reinforced each of the findings by providing information, support, and speed.

The conclusions of the study are significant, as they begin to close the gap in the literature that explains the relationship between adaptability and consistency. These traits require an organization to balance paradoxical demands. Understanding how this organization used the content of the values and beliefs to inform both adaptability and consistency adds to existing knowledge. In addition, mission and involvement had an important role in the balancing process. This is significant in understanding possible

mediating effects in the relationship as well, which is significant for future theory building. Acceptance rather than resolution of paradoxical tension offers additional insight into ways of achieving organizational effectiveness. Each of these conclusions benefits scholars interested in these constructs, as it broadens the understanding of related literature on organizational culture, organizational effectiveness, and the ways in which organizations balance paradoxical conditions.

The ability to balance paradoxical demands separates organizations that will excel from those that are mediocre (Denison, 1990). Job Catchers was selected as a representative organization that achieved organizational effectiveness during the financial crisis. This study revealed findings that allowed the organization to balance paradoxical demands. The ways in which it achieved this balance resulted in its current success. It is my belief that the ways in which Job Catchers balanced adaptability and consistency will provide the basis for its success in years to come.

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APPENDIX A:
INTERVIEW PROTOCOL

How does an organization that experienced external episodic change balance adaptability and consistency?

Time of interview: _____

Date: _____

Place: _____

Interviewer: _____

Interviewee: _____

Position of interviewee: _____

Thank you for agreeing to speak with me for the next hour. A pseudonym will be used, and your responses will be kept confidential. With your permission, this interview will be tape recorded for the purposes of transcribing and analyzing the data for use in my dissertation. You can stop the interview at any time for any reason.

To get us started, let me tell you about what I am interested in learning. I'm interested in how organizations experiencing external change balance adaptability of customers' needs with consistency in corporate culture. I'll be asking you a series of questions aimed at gaining this information from you.

Questions for internal participants

1. Tell me about your role in the organization. What are your responsibilities?
2. Describe how the current financial crisis in the United States has impacted the organization.
3. How did the organization respond to the financial crisis?
4. How did the organization adapt to the crisis?
5. In what ways did the norms and values of the organization affect how you adapted?
6. In what ways did the way you adapt affect the organization's values?
7. What processes did you use to navigate through the crisis?
8. Were there aspects of the organization that remained consistent throughout the past 3 years?
 - a. Were they helpful/not helpful? Why or why not?
9. What have been the major changes in the organization over the past 3 years?
 - a. Were they helpful/not helpful? Why or why not?

APPENDIX B:

OBSERVATION RECORD – MEETING INTERACTIONS

Participants (coded): _____

Time/date/location: _____

Stated meeting purpose: _____

Content of interaction	Evidence of balancing/types of balancing	Evidence of processes and mechanisms	Context of interaction

APPENDIX C:

OBSERVATION RECORD – PHYSICAL SURROUNDINGS

Time/date/location: _____

Object/area of physical surroundings: _____

Description of object/area:

Evidence of artifacts:

Evidence of espoused values:

Physical trace evidence:

Links to identified themes or codes:

APPENDIX D:
DOCUMENTS REVIEWED

1. Company website
2. Society of Human Resources Management Best Places to Work Awards article
3. Floor plan of office space
4. Customer Summit booklet (September 22–24, 2010)
5. On-boarding notes for managers
6. New hire orientation training materials
7. Agile manifesto
8. Virginia Business Person of the Year article from VirginiaBusiness.com

APPENDIX E:
MEAN SCORES FOR SURVEY ITEMS

Table A.1
Mean Score of Mission Variable and Related Survey Items

Mission	Mean score
There is a long-term purpose and direction.	4.55
Our strategy leads other organizations to change the way they compete in the industry.	3.76
There is a clear mission that gives meaning and direction to our work.	4.71
There is a clear strategy for the future.	4.39
Our strategic direction is unclear to me.*	4.19
There is widespread agreement about goals.	4.26
Leaders set goals that are ambitious, but realistic.	4.09
The leadership has “gone on record” about the objectives we are trying to meet.	4.55
We continuously track our progress against our stated goals.	4.71
People understand what needs to be done for us to succeed in the long run.	4.35
We have a shared vision of what the organization will be like in the future.	4.20
Leaders have a long-term viewpoint.	4.61
Short-term thinking often compromises our long-term vision.*	3.36
Our vision creates excitement and motivation for our employees.	4.43
We are able to meet short-term demands without compromising our long-term vision.	3.79

*Reverse-coded questions.

Table A.2
Mean Score of Involvement Variable and Related Survey Items

Involvement	Mean score
Most employees are highly involved in their work.	4.60
Decisions are usually made at the level where the best information is available.	4.12
Information is widely shared so that everyone can get the information he or she needs when it's needed.	4.11
Everyone believes that he or she can have a positive impact.	4.52
Business planning is ongoing and involves everyone in the process to some degree.	4.08
Cooperation across different parts of the organization is actively encouraged.	4.71
People work like they are part of a team.	4.68
Teamwork is used to get work done, rather than hierarchy.	4.48
Teams are our primary building blocks.	4.52
Work is organized so that each person can see the relationship between his or her job and the goals of the organization.	4.29
Authority is delegated so that people can act on their own.	4.28
The "bench strength" (capability of people) is constantly improving.	4.29
There is continuous investment in the skills of employees.	4.16
The capabilities of people are viewed as an important source of competitive advantage.	4.39
Problems often arise because we do not have the skills necessary to do the job.*	3.84

*Reverse-coded questions.