Reason for Being: Exploring the Formation and Members' Acceptance of Organizational Purpose in an Athletic Footwear and Apparel Company

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REASON FOR BEING:
EXPLORING THE FORMATION AND MEMBERS' ACCEPTANCE OF
ORGANIZATIONAL PURPOSE IN AN ATHLETIC FOOTWEAR AND APPAREL
COMPANY

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ABSTRACT

Through two inductive qualitative studies, this dissertation explores the surprising emergence, and members' subsequent responses, to value-laden claims regarding "why we exist" – what members themselves and scholarship refers to as organizational purpose. Study One finds that, although unintended, the implementation of specific practices within this organization generated powerful emotional energy amongst members. Leaders subsequently grafted this energy into organizational symbols and engaged in meaning-making to articulate what this energy meant for why the organization existed. This study advances theories of organizational identity formation and Selznick's institutionalism by highlighting an alternative unit of analysis focused on features of shared experiences rather than discourse, documenting an alternative generative mechanism focused on emotional energy, and recasting leaders not as ideological visionaries engaged in sensegiving, but by setting in place conditions to build, harvest, and articulate emotional energy. Study Two examines members subsequent responses to these value-laden claims, finding that members either broadly rejected claims finding them akin to a desired projected image or broadly accepted claims finding them to be real and implicating of the organization itself. These responses varied depending on various ways members construed the credibility of the organization, as well as the plausibility of the organization's claims. This study advances theories of how members accept or reject organizational meanings by highlighting the ways in which members anthropomorphize organizations – treating them as if they were human beings – and evaluating claims in light of what they see as organizational traits, motives, and intentions. In addition, this study advances theory by identifying the critical importance of perceiving how products and services – "what we do" – is linked to claims regarding "why we exist."

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Then we got better. We got faster. We got stronger. The same thing is true about what we learned about fitness and the mentality of those who go through this journey. So we have unlocked something that is actually really fucking powerful and transformative for people…We are a brand about transformation. We are going through transformation. We are living the story.

-Interview with member of "FitCo"

CHAPTER ONE:
INTRODUCTION

Why are we here? Why do we exist? What is our purpose? Questions like these can arise at moments when organizational members face "critical decisions" (Selznick, 1957) – questions that probe the fundamental reason for an organization's being, its overall direction, and fundamental goals. Although not everyday occurrences, these questions have long occurred in organizations. For instance, David Packard – then CEO of Hewett Packard – in a speech to employees reflected on "why are we here?" and explained HP's "real reason for existence" was not simply to make money, but to "make a contribution" to the world. Similarly, when LEGO embarked on an attempted organizational turnaround they "focused on existential fundamental issues such as 'why do we exist' and 'what is our raison d'etre?'" and saw themselves as existing for children's imagination, creativity, and learning (Schultz & Hernes, 2013: 11).

Developing understandings of such questions continues to be a relevant phenomenon in organizations. Indeed, scholars and practitioners propose a host of virtues of addressing and forging answers to such existential questions. In the world of practice, leaders including Deloitte chairman Punit Renje (Deloitte, 2013), Zappos CEO Tony Hsieh (Hseih, 2012), Whole Foods Market CEO John Mackey (Mackey & Sisodia, 2013) and influential consultants like Jim Collins (1994, 1996) proclaim the necessity and virtues of organizations possessing a "purpose" and cultivating members' connection to it. These virtues range from greater financial performance, to increased employee motivation and commitment, to moral justifications for "doing good" amongst a range of stakeholders.

In the world of scholarship, scholars dating to Selznick (1957) have pointed to the humanistic and strategic importance of organizations developing a collective purpose. More recently, scholars in leading management journals have argued that "unswerving focus on

purpose as set out above will engender trust that can support innovation and growth and position companies for long-term success," that "focusing on purpose reflects the best of what a business can be" and have "call[ed] for greater attention to the (re)discovery of purpose" (Hollensbe et al., 2014). Likewise, the Academy of Management's 2016 annual conference is focused on the theme of "Making Organizations Meaningful" and has called for submissions that examine questions related to organizational "expression[s] of purpose, values, or worth" (Glynn, 2015).

In spite of its prevalence and proposed benefits, resolving questions about "why we exist" can be challenging. When organizational members engage such questions, their inquiry problematizes what is often assumed or given in organizational life – the reason the organization exists – thereby introducing uncertainty regarding basic understandings of the organization. For instance, does the organization exist solely for profits or perhaps some other "good?" And if so, what? This has led some to suggest that, "We often take as given that an organization's purpose is to produce economic value; and, although economic value can often add to social value, sometimes it does not. This disjuncture raises the question of meaningfulness. The meaningfulness of an organization is its expression of purpose, values, or worth" (Glynn, 2015). In this way, such questions can destabilize seemingly foundational meanings. This is perhaps one reason why scholarship suggests resolving these questions and building shared understandings and personal commitment amongst members is fundamentally important, yet "enormously complicated" and "leaders most difficult but indispensable tasks" (Selznick, 1957: 65). *How, then, do organizations form new understandings regarding their "reason for being" and how do members personally relate to these new understandings?* My dissertation looks to build and elaborate theory on these phenomena by drawing upon the lens of organizational purpose as a

"sensitizing concept" – a general way of seeing, organizing, and understanding empirical phenomena (Charmaz, 2009).

These two processes – how organizations form new understandings about why they exist and how members personally relate to these new understandings – are implied in a wide-ranging set of theories, but not directly and systematically theorized (see also Singelton, 2011). For instance, forming an organizational purpose and enlisting members' personal connection to it are considered underlying mechanisms by which "organizations" become "institutions" (Selznick, 1957). Yet, our understanding of if and how this occurs remains *prescriptive* rather than *explanatory* (Scott, 1987). Likewise, empirical investigations document *that* new purposes emerge in organizations through some process, but stop short of explaining *how* (Bartunek, 1984). Theories of identity at organizational and individual levels of analysis may offer potential clues to understand how these processes occur. Yet, it is unclear if the core features of identity processes capture these phenomena. Specifically, research on identity processes tend to focus on how individuals and organizations situate themselves in social space by answering questions like "who are we?" and "who am I?" as illustrated by references to social identity theory (e.g., Ashforth & Mael, 1989), theories of optimal distinctiveness (e.g., Gioia et al., 2010), and theories of categorization and classification (e.g., Albert & Whetten, 1985; Glynn, 2008; Whetten, 2006). It is unclear if and how this relational and comparative focus of identity provides answers to the question, "why do we exist?" Whereas the former question focuses on *locating* an entity, the latter seems to focus on *justifying* an entity. Finally, theories at the individual-level of analysis such as charismatic and transformational leadership (e.g., Shamir, House, & Arthur, 1993) and meaningful work (Rosso et al., 2010) suggest deep personal

connections can be forged between some members and organizational purpose, but the nature of this forging process remains poorly understood.

Taken together, given its broad practical and theoretical relevance, organizational purpose warrants focused theoretical and empirical attention. This dissertation is an empirically grounded investigation that unpacks these general clues and provides more detailed theoretical insights regarding how organizational purpose forms and members relationship to organizational purpose. Doing so offers the opportunity to enrich existing theory and develop a theoretical foundation for future investigations of these seemingly core phenomenon in organizational life.

Given the limited direct theorizing on this phenomenon and the process-oriented nature of the phenomenon I sought to understand, I conducted two interrelated inductive, qualitative studies at "FitCo" – a multi-billion dollar athletic footwear and apparel company where I was granted almost unfettered access. Over the course of 21 months I spent researching FitCo, I explored in-depth, up close, and in real-time the surprising emergence of beliefs, organizational claims, and members subsequent reactions to the fundamental notion that FitCo existed for a "greater purpose" – to enable people to realize their potential and become their best self through fitness. In Study 1, I examine the process by which new value-laden beliefs and organizational claims about "why we exist" unexpectedly emerged at FitCo. Here I address the research question: *how does organizational purpose form in organizations?* In Study 2, I examine how members subsequently reacted and related to these new claims and understandings. Here I focus particularly on the factors that influenced whether members accepted claims as "substantive" – implicating fundamental and defining aspects of FitCo – whereas others construed FitCo's claims as more "symbolic" akin to impression management or an "intended image" (Brown, Dacin, Pratt, & Whetten, 2006). Here I address the research question: *How, if at all, do members*

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come to accept organizational purpose? Because these two studies are temporally linked and interconnected, I begin this dissertation by providing an overview of the case of FitCo.

OVERVIEW OF CASE

Description and Timeline of Events

FitCo is an athletic footwear and apparel company headquartered in the United States, with revenues above $1B annually. The company was established in the United States decades ago by an entrepreneur and since then has grown into a successful global brand. For decades, FitCo has sold footwear, apparel, and accessories in a variety of market categories including basketball, football, baseball, golf, hockey, training, running, yoga, as well as casual lifestyle wear. FitCo has become well recognized within the industry and popular culture through its iconic footwear innovations, endorsement deals with professional athletes, and sponsorship of sporting events. FitCo currently employs 8,000 people worldwide, with approximately 1,200 at headquarters.

The primary focus of my dissertation are the events that occurred at FitCo between 2008 and 2015. This time period emerged inductively through my data collection and analysis as most significant to explain the research questions guiding Study 1 and Study 2. I provide a high-level overview of the relevant events that occurred at FitCo during this time period. This provides a general background for the unfolding events at FitCo that I detail more specifically in the methods and empirical chapters for Study 1 and Study 2. Figure 1 illustrates these major events and how they map onto data collected for each study (see Figure 1).

Beginning in 2008 FitCo started to reposition its business focus from team sports – basketball, football, baseball, and the like – to fitness and training. My informants offered a variety of accounts for why this occurred including competitive pressures, diminished sales,

strategic insights, and a perceived lack of brand clarity and focus. Some described FitCo as "lost" during this time. Others said FitCo "didn't have belief" and was guided primarily by pursuit of financial success. A senior brand director who was involved with assessing FitCo's business options during this time period described FitCo this way:

> FitCo was just marketing. Basically trying to sell some bullshit technology. I'm not saying they are bullshit but I'm just saying they're not 'real.' There was not a brand purpose behind what we are doing. We [were] chasing sales. We don't have a belief in what we are doing and we are not trying to get our consumers, or trying to find consumers, who believe what we believe. We are just kind of chasing. What's the next technology? What's the next blah, blah, blah. [D1-13.2[1]]

Echoing this, one described this time as "Yeah, well, very schizophrenic and that we could chase money, and as such, we've consistently lost sight of why we exist" [D1-21.4]. This notion of "chasing" and lacking belief connects with common sentiments from members that FitCo "did not stand for anything" during this time period. A former CEO I interviewed summarized the situation FitCo faced this way: "The biggest challenge about FitCo's history is not so much success or failure in one thing but the fact that it was never connected to become a bigger being. And that was pretty much the same then…So if you look at 20 years, FitCo had done great things, but it was all opportunity seeking without connecting" [D1-81].

During this 2008 time period senior leaders gathered from around the world to begin to discuss what FitCo's business focus should be. As a senior executive who attended this meeting explained to me:

> It must have been 2008. We were in meeting, called back all of the leaders from around the world. There were about 15 or 20 of us in the room. 'Guys, what are we going to do here? We are everywhere trying to be everything and compete everywhere.' But when we looked at we asked, 'what can we own?' And at that point in time it was the first step toward it [focus on fitness and training]" [D1-44].

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[1] D1 or D2 denotes time period of interview, where D1 = prior to August 2014 and D2 = after August 2014. 13 = unique participant number. .2 = number of interviews with participant.

So began FitCo's transition to focus their business on fitness and training. After examining this business category and considering several strategies, FitCo engaged in strategic partnership with various fitness organizations. This included event sponsorship, creating and marketing exclusive footwear and apparel, and supporting the growth of these organizations. FitCo's strategic efforts in these areas were developed, implemented, and continue to be executed upon from 2010 until the present.

Alongside this business refocusing to the fitness and training category, came significant changes within FitCo beginning in 2011. Specifically, during this time period FitCo engaged in efforts to align their new strategic focus on fitness and training with their own internal practices. These efforts included promoting employee health and wellness by offering healthier food options in their cafeteria, allowing employees to workout on campus during work hours, internal fitness related events, and providing a variety of fitness classes for employees. These efforts continued to the present. During my time in the field, it appeared these internal activities and initiatives were well-entrenched. For instance, it was customary and socially accepted for employees to workout during the day at their convenience, to expect a variety of fitness events throughout the year, and to have the opportunity to participate in health and wellness initiatives, such as biometric testing and analysis. As I will unpack in the empirical findings for Study 1 the implementation of these internal initiatives played a catalyzing role in further change at FitCo. In particular, employees' participation and shared experiences in certain activities generated a powerful positive response from employees that set in motion a series of events leading FitCo to claim it existed for a "higher purpose."

2013 into 2014 marked another important time period at FitCo. During this time, questions began to surface regarding core meanings and understandings associated with FitCo.

To illustrate, a senior marketing executive said, "You know, beyond that we just need to find out ways of being. Having meaning for people. Having a reason for being" [D1-21]. In a follow-up interview, this member described in Spring of 2013 continued confusion at executive levels regarding core understandings of FitCo: "I'm still not clear as to what we stand for and we continue to have discussions in the corner office as to what FitCo is" [D1-21.2]. Others members described how "this need kept percolating" over the last few months and that FitCo needed to "give people the reason for being" [D1-14]. This lack of clarity around FitCo's "reason for being" was evident across several interviews with senior executives. For example, one explained, "It became very evident. Everyone started speaking the same language, 'we don't really know what our purpose is. What is it?'" [D1-28]. Another suggested, "I'm not sure about our mission or our purpose. Why do we exist?" [Field Notes]. Others claimed that "There isn't enough simple alignment on what that purpose specifically is in words, but it's becoming clearer… There is a general sense of it, but it's not as clear as it should be" [D1-13]. More generally, there was sentiment during this time that FitCo's reason for being was something "bigger" – that commercial success, catchy products, or market leadership were felt to be insufficient justifications for their existence. As one noted,

> Some people would say, 'be the number one fitness brand.' But okay, what the hell is the number fitness brand? Is that a mission? Is that a purpose? Or is that just…I don't know some big objective? Like what does that really mean at the end of the day? What's in it for the consumer? You exist because you want to be the number one fitness brand? It doesn't make any sense [D1-28.2].

As the above comments suggest, a particularly salient point of exploration emerged amongst senior members regarding FitCo's "reason for being," or in their words, "purpose." Senior executives discussed this term by referencing "why FitCo existed" as an organization or the general reason or rationale behind FitCo's business activities. Senior members described this

focus to me as engaging a "why" question that appeared somewhat distinct from understandings

of "who" and "what" FitCo was. One manager explained it to me this way:

> I think the 'what' is clear for us like, who and what we are is very clear. Why we're
> doing it is the question we have not answered with universal acceptance. With an answer
> that's universally accepted by the organization and which we feel comfortable…Like we
> know that we are about fitness. We made that decision that we are about fitness,
> functional fitness and that we believe in the power of fitness to transform lives but we
> have no idea why. Like we have not answered the why. Like we can't articulate in a
> poignant and powerful message why. Like you know, one person could say you're going
> to fight obesity, you know what I mean? Like you're going to do it because you want to
> fight obesity or you're going to do it to fight complacency or you're going to fight
> something else, you know? [D1-18]

Subsequently, during the Summer and into the Fall of 2013, a team of approximately

eight senior members engaged in a process of reflection and exploration to clarify and establish

these core understandings. This team's efforts resulted in what they labeled a "brand book." As I

unpack in the empirical chapter for Study 1, the brand book formalized core understandings and

meanings associated with FitCo. Although it was described as a "brand book" senior members

on this team described this as an internally facing document to provide a common point of

alignment amongst internal members regarding FitCo. As one explained, "it's a mirror, not a

painting" [D1-28.5]. This quote emphasizes a common understanding that the brand book was

not a stylized externally facing advertising execution, but rather intended as a reflection *about*

FitCo to FitCo by FitCo.

The result of this team's efforts was a formal claim that FitCo existed to inspire people

everywhere to holistically be their best self. More specifically, FitCo claimed through committed

effort and pushing oneself to the limits, anyone can realize the best version of themselves. Being

a "better version of oneself" was described in this document as a way for people to be better their

various identities – to be a better mother, a better leader, a better colleague. FitCo claimed it

existed to enable these kinds of transformations in individuals.

Starting in Spring of 2014 and continuing into early 2015, FitCo began communicating

the claims and understandings to members. This occurred through several means. First, FitCo's

senior leadership communicated these understandings to members during all-employee events

called "Brand Days." These occured bi-annually and were occasions for FitCo's members across

the world to learn about upcoming products, initiatives, advertising, and strategic priorities. I

attended both of these meetings during this time period. In each, there was a strong emphasis on

communicating meanings contained in the brand book, either through senior leaders speeches,

internal "mood videos" – videos designed by an advertising agency that were used to motivate

and communicate brand direction internally – and commercials. Second, in Fall 2014, FitCo

communicated claims regarding why they existed to members formally and directly by

distributing the finalized Brand Book in both electronic and paper form. Some senior executives

viewed this rollout as something of an after thought because they felt there was "nothing new"

that members did not already understand from attending brand days. In addition, I noticed

through my observations that pictures and key meanings from the brand book had been displayed

internally beginning in the Summer of 2014. A third way FitCo communicated these

understandings to members was indirectly through external communications[2]. Indeed, aspects of

why FitCo claimed to exist were a central theme in their advertisements. These communications

also included the public launch of a new logo in the Spring of 2014. Finally, in Winter of 2015

FitCo launched a major brand campaign that translated aspects of the brand book for presentation

to external audiences. Senior members described how there was an alignment between what

these external communications conveyed and what they hoped members understood: "For us

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[2] This aligns with previous findings on the role of presenting external images to shape internal understandings (e.g., Corley & Gioia, 2006; Howard Grenville, Metzger, & Meyer, 2013; Ravasi & Schultz, 2006).

what we want our employees to believe in is actually what we want our consumers to believe the brand is. There is one focal point" [D1-43].

Justification of Case and Overall Dissertation Design

Taken together, FitCo offered a fitting setting to examine my two research questions guiding this dissertation. I will propose in Chapter 2 and Chapter 5 that theory elaboration is necessary to explain if and how organizations can form new understandings of why they exist and members potential acceptance o these claims. Given this focus, FitCo offers an appropriate setting because it represents an "extreme case" (Eisenhardt, 1989) in making the dynamics of interest especially vivid and therefore conducive to theory elaboration.

I divide my investigation into two separate, yet interrelates studies. Study One examines the events during time frame from 2006-2014 and draws upon interviews, observations, and archival documents to examine at the organizational-level of analysis how new understandings regarding "why we exist" emerge and come to be claimed in organizations. Specific to the case of FitCo, this study examines the emergent processes that led to the subsequent communication to employees during the Spring of 2014 and continuing into early 2015 (see Figure 1). Study Two focuses at the individual level of analysis and examines how members receive and potentially accept these new claims about why FitCo exists. The primary time period under investigation here is between mid 2014 and into early 2015. Here I draw upon interviews at two time points, observations, and archival documents. Taken together, these two studies examine two critical phases at FitCo – the emergence of organizational claims and members' subsequent interpretations and potential connection with claims regarding "why we exist."

CHAPTER TWO:
STUDY ONE THEORETICAL FOUNDATIONS AND LITERATURE REVIEW

In this chapter I review literature for Study One. I organize my review in two sections. In Section One I review literature that explicitly touches on the notion of organizational purpose. The goal of this review is to identify key aspects of this phenomenon in order to select appropriate theories that may explain how it forms in organizations. Thus, my goal is not to adjudicate between perspectives, trace how and why perspectives have evolved over time (see Singleton, 2011), or develop a formal definition of the concept. Rather, I simply identify common themes in order to establish a "sensitizing concept" – a general concept that provides a "loose frame," initial ideas, and particular kinds of questions to ask informants (Charmaz, 2010). According to Blumer (1954: 7), sensitizing concepts "gives the user a general sense of reference and guidance in approaching empirical instances. Whereas definitive concepts provide prescriptions of what to see, sensitizing concepts merely suggest directions along which to look[3]." To identify these directions, I sought literature where the notion of "organizational purpose" was explicitly discussed. This lead me to a body of material including Barnard's theory of organizations, Selznick's institutional theory, a number of articles in strategy and organizational identity, as well as writings by executives and practitioners (see Table 1 for definitions and discussions of organizational purpose).

In Section Two I review two primary theories – theories of organizational identity formation and Selznick's theory of institutionalization – that appear particularly relevant to explain how organizational purpose forms in organizations. The goal of this review is twofold – 1) to sensitize me to particular themes as I entered the field and 2) note how these theories may require elaboration in order to sufficiently account for how organizational purpose forms in

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[3] To facilitate clarify of writing, in the remainder of this dissertation I refer to organizational purpose as a "concept" by which I mean a "sensitizing concept."

organizations. The upshot of this review is that examining how organizational purpose forms in organizations may enrich theories of organizational identity formation and Selznick's theory of institutionalization.

EXPLORING ORGANIZATIONAL PURPOSE: DEFINITIONS AND PERSPECTIVES

To summarize, I found the notion of organizational purpose a) often plays a supporting versus central role in scholars' theorizing; b) is alluded to, but often not defined and distinguished from other concepts and phenomena; c) is conceptualized in different ways; and d) has shifted in meaning over time (see Singleton, 2011). As a result, its features remain rather broad. I found organizational purpose, at minimum, to be a) an organizational level concept, b) that is self-reflexive in nature, and c) is commonly discussed in non-economic terms that are often value-laden or "normative" in nature. To deepen my understanding of it, I then drew upon Morgeson and Hofmann's (1999) suggestion to identify the "function" or outputs of the concept – that is, what organizational purpose is thought to "do." The majority of perspectives discuss organizational purpose as a means to justify the value of the organization's existence, particularly in relation to morals, values, or its place in society. Other perspectives discuss organizational purpose as synonymous with a statement regarding achievable, pragmatic organizational goals. I unpack each of these themes below.

Organizational Level

Organizational purpose is widely considered an organizational-level concept. Barnard (1938: 88) perhaps first called attention to this, discussing the concept through what he termed an "organizational view" or shared perceptions about the organization as an entity: "what he [sic] thinks it means to the organization *as a whole*." Selznick similarly discussed purpose alongside terms such as "institutional mission" (Selznick, 1957: 74) and the "goal of the organization"

(Selznick, 1957: 26). Organizational identity scholarship that touches on organizational purpose employs the pronoun "we" referring to a collective property of the organization (Gioia et al., 2010; Margolis & Hanson, 2002: 282; Schultz & Hernes, 2013: 11). Strategy scholars and practitioners similarly allude to organizational purpose as an organizational level concept (see Table 1).

Reflexive Understanding or Claim

Organizational purpose seems to have a "reflexive" quality in that it states something *about* the organization and *to* the organization. In this way, organizational purpose is often discussed in the literature as a kind of reflexive understanding or official claim made by the organization. For example, Collins and Porras (1996: 68) define organizational purpose as "the organization's reason for being," Collier (1998: 638) suggests it comes about by "corporate reflection on what the company is 'for'," and Selznick (1957: 65) discusses purpose alongside the organization's "definition of mission and role." This reflexive quality becomes perhaps most apparent in perspectives that claim organizational purpose answers questions such as "Why does our business exist? Why does it need to exist?" (Mackey & Sisodia, 2013: 33-34). Selznick (1957: 26) similarly alludes to this reflexive quality in suggesting organizational purpose comes about through a type of self-reflection: "the purposes we have or can have depend on what we are or what we can be. In statesmanship no less than in the search for personal wisdom, the Socratic dictum – know thyself – provides the ultimate guide."

Non-Economic

A final common theme focuses on the concept's "content." Across perspectives, scholars and practitioners discuss organizational purpose as broadly non-economic in terms of content (see Table 1). Indeed, some perspectives explicitly suggest reference to profits, costs, or other

economic criteria are not central to the concept. For example, Collins and Porras (1994b: 76) explicitly rule out profits in their definition of purpose: "purpose is a set of fundamental reasons for a company's existence beyond just making money." Similarly, business ethicist Ed Freeman argues, "We need red blood cells to live (the same way a business needs profits to live), but the purpose of life is more than to make red blood cells (the same way the purpose of business is more than simply to generate profits)" (as cited in Mackey & Sisodia, 2013). Barnard (1938: 154, emphasis in original) explicitly argues purpose is not about profits: "The purpose is *not* profit…The possibilities of profit and their realization in some degree are necessary in some economies as conditions under which a continuing supply of incentives is possible; but the objective purpose of no organization is profit, but services." Finally, Selznick (1957) alludes that purpose should involve pursuit of societal values and institutional survival, not economic returns.

Function

An alternative means to examine the concept of organizational purpose is to explore its "function." Morgeson and Hofmann's (1999: 254) recommend exploring the "function" of collective-level concepts, which they define as "the causal outputs or effects of a given construct." Functions capture what a concept does or makes possible, and collective-level concepts are often defined in this manner[4]. For example, scholars have recently defined organizational identity in regards to its function – namely, for organizations to positively distinguish themselves in social space (Whetten, 2006). Likewise, organizational memory is defined in terms of what it does – namely "stored information from an organization's history that can be brought to bear on present decisions" (Walsh & Ungson, 1991: 61).

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[4] Exploring the function of constructs does not imply constructs are necessarily adaptive or have a teleological implication (i.e., explaining the function of a concept in reference to its role in broader systems).

Morgeson and Hofmann (1999) also suggest the functions of collective concepts can be similar to their individual-level analogs. That is, both organizational and individual memory serve similar functions, but their "structures" – how the concepts are composed – may be different due to their differences in level of analysis. Thus, one way to investigate the nature of collective concepts is by exploring their individual level counterparts for clues. To better understand the concept of organizational purpose, I looked to identify its potential function, as well as micro-level analogs. My reviews suggest organizational purpose is discussed in regards to two general functions: 1) justify the organization's existence, and 2) direct and guide behavior through pragmatic goals.

Justify the Organization's Existence. As noted, some perspectives emphasize organizational purpose as providing a justification for the organization's existence. For example, Bartlett and Ghoshal (1994: 88) and Mackey and Sisodia (2013: 33-34) suggest purpose is "the reason an organization exists." Collins and Porras (1996: 68) claim purpose is the organization's "reason for being" and Mourkogiannis (2007: 38) defines organizational purpose in terms of "sets of reasons." Likewise, Collier (1998: 638) defines organizational purpose as "what the company is 'for' in an existential as opposed to a merely instrumental sense." These perspectives imply that organizational purpose answers a question about the existence of the organization – what it is for or why it exists.

The term "justification" appears fitting to the concept of organizational purpose because many perspectives imply organizational purpose answers a question about the value – often social or moral – of the organization's existence. The term justification is defined as "the action of showing something to be right and reasonable; good reason for something that exists" (Oxford Dictionary, 2010). Thus, for many scholars and practitioners, organization purpose is not any

reason why the organization exists – to sell shoes, to provide the best customer service, to create products – but more specifically about describing how the existence of the organization is good, right, or generally valuable.

For example, in their empirical study of an aviation company, Margolis and Hansen (2002: 289) find that interviewees explained organizational purpose as "why the organization's existence is important and therefore reveals the real meaning underlying work at the organization." These members defined their organization's purpose as "providing affordable air transportation" and discussed it in reference to values such as "doing what was right," being a "patriotic cause" and "bring[ing] fairness to a transportation system that promoted inequality." Other definitions and discussions similarly reference organizational purpose not in instrumental terms, but in reference to morals, values, and virtues. For example, Mourkogiannis (2007: 38) explicitly defines organizational purpose as reasons for conducting business that "resonates with people's ideas about what is right or worthwhile." Similarly, Mackey and Sisodia (2013: 46) suggest organizational purpose answers questions about the social value or contributions organizations make to society; "Why do we need to exist? What is the contribution we want to make? Why is the world better because we are here?" These authors go further to suggest "great organizations" have "great purposes" which they label "The Good, The True, The Beautiful and The Heroic." Strategy scholars Bartlett and Ghoshal (1994: 88) suggest organizational purpose should be "linked to broader human aspirations" while Selznick (1957: 65) discusses organizational purpose and mission in relation to "ultimate values."

This discussion of purpose also echoes its functions at the individual level of analysis, particularly in literature on meaning and meaning-making. For instance, Rosso and colleagues (2010: 111) discuss purpose as a mechanism to foster perceptions of meaningfulness by

"emphasizing the virtue of one's behavior and providing a sense of assurance that one is acting in accordance with fundamental value bases." Their theorizing draws upon Baumeister and colleagues (Baumeister, 1991; Baumeister & Vohs, 2002; Baumeister, Vohs, Aaker, & Garbinsky, 2013) discussion of the need for "value" in theories of meaning and meaning-making. Baumeister and colleagues argues individuals have a need for value – what they refer to justification or legitimation – in that they are motivated to see their actions as right, good, or justifiable: "They [individuals] need to see their current actions as well as their past acts as not being bad and objectionable, and they want to see their life as having positive value" (Baumeister, 1991: 36). This broadly echoes others such as Wuthnow (1996), who discussed the importance of providing accounts to render activities as possessing value and worth, and Sonenshein and Dholakia (2012) who theorize the importance of meaning-making as "benefit finding" in members' engagement with organizational change.

Direct and Guide Behavior through Pragmatic Goals. Older perspectives on organizational purpose tend to emphasize its role in guiding and directing behavior through the setting of pragmatic goals. Barnard, for example, discussed organizational purpose as an "objective" that would "limit the conditions of choice" for organizational members. This practical and functional overview comes through in his argument regarding why purpose is necessary in organizations: "the necessity of having a purpose is axiomatic, implicit in the words 'systems,' 'coordination,' and 'cooperation" (Barnard, 1938: 86). Echoing this function, Singleton (2011) finds that Parsons (1956) drew upon Barnard's original work, but replaced the term purpose with "goal." Dauten (1958: 161), for instance, suggested using "the terms objectives, purposes, and goal interchangeably." As a result, these perspectives seemed to view organizational purpose as answering the question, "What is/are our aims or goals?" This

question, therefore, focuses attention to the future, providing answers to the specific direction of the organization regarding what it hopes to achieve. In doing so, the "function" of the concept is somewhat instrumental. For actors in the world, it solves a practical problem of directing, motivating, and focusing energy and activities in the organization in regards to some future state[5].

This discussion of purpose reflects other treatments of purpose at an individual-level of analysis. According to Baumeister (1991: 32), purpose is an individual-level "need" involving organizing and orienting action in regards to a future possible state or goal. Purpose therefore provides clarity regarding behavior by delimiting options and enabling choice in regards to some possible outcome. Others in management (e.g., Barrick, Mount, & Li, 2013) and positive psychology (e.g., Ryff & Singer, 1998) take a similar view, casting purpose as "goals, intentions, and a sense of direction" (Ryff, 1989: 1071).

Integrating the two functions of purpose suggests these two functions may not necessarily overlap. To illustrate, an organization's purpose might be "to be the number one shoe manufacturer" satisfying the second function, but its unclear if this satisfies the first (i.e., explains why it is important the organization exists). Likewise, an organization's purpose might be to "create happiness" satisfying the first function, but its unclear if this satisfies the second (i.e., what is the future, pragmatic goal of the organization?). Alternatively, these functions may overlap. For instance, an organization's purpose might be "alleviate poverty in third world countries" which seems to satisfy both functions.

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[5] These perspectives tend to be somewhat agnostic to the nature of this goal – whether that goal is economic, social, or moral, instrumental or ideal, or whether it serves the organization's interest or others' interest.

Summary

Extant literature discusses organizational purpose as 1) an organizational-level understanding or claim about the organization, 2) that is seemingly value-laden or "normative" in nature, 3) that functions to justify the value of the organization's existence and/or direct and guide behavior. The above review provides outline of what the phenomenon of organizational purpose and suggests similarities and differences to established concepts in the literature. Below, I briefly compare and contrast organizational purpose to three seemingly related concepts – organizational identity, organizational mission, and organizational culture. This provides a basis to identify potential theories to draw upon to explain how it forms in organizations.

Relationship to Similar Concepts

Organizational Identity. Organizational purpose shares similarities and differences with the concept of organizational identity defined as members' claims and understandings of the central, distinctive, and enduring attributes that define an organization. These similarities and differences become perhaps most apparent in relation to social actor (Whetten, 2006; Whetten & Mackey, 2002) and social constructionist perspectives (Gioia, Corley, & Shultz, 2000) (for review see Gioia, Patvardhan, Hamilton, & Corley, 2013). To begin, both concepts focus at the organizational-level of analysis. Additionally, although social actor and social constructionist perspectives differ in important ways, they both share a similar feature with organizational purpose in that they are "self-referential" concepts (Corley et al., 2006; Gioia et al., 2013). Indeed, some argue organizational identity fundamentally involves "sensemaking-inward" (Pratt, 2003).

Organizational identity, however, does appear to differ in regards to the "function" of the meanings attached to the organization. In short, organizational identity involves attaching

meaning to an entity by answering the question "Who are we?" whereas organizational purpose potentially answer two different questions: "Why are we?" or "What is/are our aims or goals?" Dating to Albert and Whetten's (1985) foundational piece, scholars have often construed organizational identity as fundamentally "relational" involving matters of categorization and classification. As Albert and Whetten (1985: 267) put it, "A primary meaning of the term identity in most formulations is that identity is a classification of the self that identifies the individual as recognizably different from others (and similar to members of the same class)." This notion of similarity and difference seems to transcend specific perspectives and underlies views of organizational identity as serving to locate an entity in social space (Corley et al., 2006; Whetten, 2006; Zuckerman, 1999) and notions that organizational identities result from processes of optimal-distinctiveness (Brickson, 2000; Gioia et al., 2010; Navis & Glynn, 2010). As a result, organizational identity is broadly construed as answering questions related to "who" an organization is (Pratt, 2003) such as "Who are we?" "What kind of business are we in?" or "Who do we want to be?"

Answering "who" an organization is and how it is similar or different from other organizations may not satisfy the two functions of organizational purpose – either justify the organization's existence or define its pragmatic goals. Indeed, some practitioners allude to this stating the role of organizational purpose is "not to differentiate. Two companies can have the same core values or purpose" (Collins & Porras, 1996: 71). An empirical study of organizational identity formation is illustrative (Gioia et al., 2010). In this study, a new college saw a central feature of their identity to be "interdisciplinary." Although this helps to define the organization, it is unclear if it satisfies either function of organizational purpose. For instance, it might be

important that this new college exists because it solves societal problems, enables the creation of new knowledge, or fosters student's growth, among others.

That said, these concepts have theoretically and empirically been related to one another in various ways: as separate concepts – with purpose shaping identity and identity shaping purpose – or one in the same concept with purpose constituting identity. For example, to my knowledge, two studies allude that organizational identity forms from purpose (Gioia et al., 2010; Schultz & Hernes, 2013) whereas others suggest purpose forms from identity (Collins & Porras, 1996; Selznick, 1957). Other scholarship suggests organizational purpose can *constitute* identity. For example, Margolis and Hansen (2002) suggest organizational purpose and organizational philosophy are "core attributes" of organizational identity. Their empirical study of a discount airline suggests organizational purpose provided partial "criteria of the [organizational] identity definition" – that is, it satisfied criteria of a central, distinctive, and enduring attribute (Margolis & Hansen, 2002: 282). Similarly, Gustafson and Reger (1995: 464) seem to allude to organizational purpose when they discuss "intangible attributes" of organizational identity that describe "why things are done." Pratt and Rafaeli's (1997) investigation of dress amongst nurses appears to also view purpose as somehow apart, but somewhat related to, identity. In their study they allude to mission – which they describe as "why we are here" – as intimately tied to identity. As above, this research treated purpose as a "subpart" of collective identities and that collective identity may be "multilayered."

Finally, some perspectives on organizational identity exhibit similarities to organizational purpose in regards to the nature of the content. Specifically, the value-laden almost "moral" aspects of organizational purpose harkens to a central dimension of organizational identity: whether it is *normative* or *utilitarian*. Albert and Whetten's (1985) initial piece on organizational

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identity suggest organizational claims and understandings of "who we are" can exhibit characteristics that are utilitarian in nature, exhibiting qualities of economic rationality, productivity, and efficiency. By contrast, other organizations have identity claims and understandings that espouse cultural, educational, or expressive ideals. By analogy, organizations with utilitarian identities more resemble a "business" whereas organizations with normative identities more resemble a "church."

Organizational Mission. Organizational purpose also shares similarities and differences with notions of organizational mission. Some scholars tend to treat them as synonyms (e.g., Bartunek, 1984; Dunn & Jones, 2010; Gioia et al., 2010; Selznick, 1957). Others explicitly call out differences between mission and purpose. For example, Collins and Porras (1996) construe mission in terms of an "envisioned future" or a future goal – what they refer to as a "Big, Hairy, Audacious Goal" – that is "visible, vivid, and real" and ultimately achievable. They seem to suggest mission and purpose differ in regards to their function: "Core purpose – not some specific goal – is the reason why the organization exists. A BHAG [Big Hairy Audacious Goal] is a clearly articulated goal. Core purpose can never be completed, whereas the BHAG is reachable in 10 to 30 years" (Collins & Porras, 1996: 74). Similarly, Mackey and Sisodia (2013: 47) distinguish purpose as "the difference you [the organization] are trying to make in the world" where mission is "the core strategy that must be undertaken to fulfill that purpose." In both these examples, these authors construe mission in somewhat analogous ways to the second function of organizational purpose – as a goal for organization's to pursue.

Organizational Culture. Finally, discussions of organizational purpose share similarities and differences to organizational culture. Organizational culture is defined in a dizzying number of ways (for recent review see Giorgi, Lockwood, & Glynn, 2015). One common element of

organizational culture is that it is somehow organizational as opposed to strictly individual in nature. Although culture can be widely held or somewhat fragmented in an organization (Martin, 1992), it is at minimum, supra-individual in nature. In this way, it shares a similar level of analysis as organizational purpose. Another common element of perspectives on organizational culture is its influence on guiding interpretation and action by defining appropriate behavior. For instance, Schein (1992: 2) offers the following definition:

> [culture is a] 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 correct way to perceive, think, and feel in relation to those problems.

Defined in this way, organizational culture is a much broader, more holistic concept than organizational purpose because its broad "function" is to solve problems of adaptation and integration. In contrast, organizational purpose focuses more specifically on the function of justifying the value of the organization's existence or providing direction for goals and aims. For instance, organizational culture need not function to justify the organization's existence as the case with organizational purpose. An organization's culture may be composed of a set of values – respect for others, humor, or aggressiveness – that do not answer or justify why its important an organization exists. Finally, organizational culture generally lacks a reflexive quality (Hatch & Schultz, 1997) compared to organizational purpose.

THEORETICAL PERSPECTIVES ON THE FORMATION OF ORGANIZATIONAL PURPOSE

Building from the above review of organizational purpose and affiliated concepts, I identified two primary theoretical lenses that offer potential explanations for how it forms in organizations – organizational identity and Selznick's institutionalism. I selected organizational identity research given the similarities in regards to 1) the level of analysis, 2) the reflexive

quality of the concept, 3) overlaps in terms of content in regards to "normative" versus "utilitarian" organizational identities, and 4) discussion of organizational purpose in prior research on organizational identity. I selected Selznick's institutionalism given 1) Selznick's explicit discussion of purpose, and 2) the theory's explicit focus on the possibility that value-laden understandings for existence can emerge in organizations. I review each theory below in regards to their capacity to explain how organizational purpose forms in established organizations. In doing so, I identify how each offer potential insights but appear insufficient (i.e., critique) in a number of respects, and therefore motivate the need for additional theorizing in order to account for this phenomenon.

Formation of Organizational Identity

Theoretical Review. Existing perspectives emphasize organizational identity forms and changes from a general process of sensegiving and sensemaking (Gioia & Chittipeddi, 1991). Organizational identities are mutually constituted by official claims made by the organization and its leaders regarding "who we are" and members' understandings (Gioia, Patvardhan, Hamilton, & Corley, 2013; Gioia, Price, Hamilton, & Thomas, 2010). For instance, by projecting desired future images, embedding organizational claims in culture, modeling behaviors, and branding, organizations and their leaders proffer labels and define associated meanings in order to influence members sensemaking and meaning construction about what defines the organization (Corley & Gioia, 2004). At the same time, members engage in sensemaking of such claims, with the assumption that members "social validate" (Ashforth & Mael, 1996) the sense given. To summarize: "Identity claims 'give sense' to audiences about 'who we are as an organization.' Identity understandings develop in conjunction with claims. Understandings provide the raw material for claims made and also reflect the process through which members

'make sense' of their own claims" (Gioia et al., 2013: 160). The upshot of this general perspective is that organizational identity is thought to result primary from cognitive processes in organizations (see also Scott's (2008) discussion of identity as a "carrier" of the cognitive pillar of institutions).

Gioia and colleagues (2010) provide one of the first, and still one of the very few, empirical treatments of organizational identity formation in their study of a research college at a large university. They find organizational identity forms through sequential themes including 1) "articulating a vision;" 2) "experiencing a meanings void;" 3) "engaging in experiential contrasts;" and 4) "converging on a consensual identity." The first two elements of this process echo prior research on organizational identity change. In the first, senior leaders engage in sensegiving (Gioia & Chittipeddi, 1991) and provide claims that shape the essence around which identity forms. In the second, members experience "identity ambiguity" (Corley & Gioia, 2004) where members face incongruences between their current and desired identity (see Pratt, 2000). In turn, this ambiguity was resolved by first determining what the organization was not – a process they label "via negative" – and then members compared their experiences in past organizations with those in the current organization. Throughout this process, members engaged in reoccurring themes including negotiating identity claims, performing liminal actions, attaining optimal distinctiveness, and assimilating legitimizing feedback. This study also demonstrated the importance of considering both the claims organizations make, but also their interrelated understandings of who the organization is (see also Ravasi & Shultz, 2006).

In their review of the field, Gioia and colleagues (2013) provide additional internal and external influences that can shape the formation of organizational identity. From an external perspective, dynamics related to achieving legitimacy (Clegg et al., 2007), cultural fitness (Glynn

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& Watkiss, 2013), and concern for similarity and difference from others (Kroezen & Heugens, 2012) have been theorized or empirically found to shape organizational identity formation and change. From an internal perspective, scholars have identified several factors including founders and leaders beliefs and values, past experiences of members, and narratives as influencing formation (Gioia et al., 2013).

In summary, the above research on organizational identity formation suggested my data collection and theorizing be potentially attuned to: 1) how initial statements by leaders via sensegiving can shape the subsequent formation process; 2) the ways members engage in comparisons – either to other organizations, the future, or previous experiences – to make sense of these initial sensegiving attempts by leaders; 3) the role of interactions and negotiation between members during the sensemaking process amongst leaders; 4) the importance of experimental action of members to clarify emerging understandings of "who we are;" 5) examine potential external factors such as achieving legitimacy and cultural fitness; and 6) potential internal factors that might influence the formation process such as leaders beliefs and values, past experience of members, and narratives.

Theoretical Critique. While this research provides useful starting points, it is unclear if prior research on organizational identity formation can account for how organizational purpose forms in organizations. First, organizational identity research has tended to ignore the "content" of organizational identity treating all content in a somewhat uniform fashion. As Gioia and colleagues (2013: 182) note, "another valuable contribution would be made by additional research into *what* identity content forms and *why*." In doing so, scholars have overlooked a basic dimension by which organizational identity content can vary forwarded by Albert and Whetten's (1985): utilitarian and normative (see definition section above). Addressing this

oversight is important because there is suggestive evidence that the processes that produce organizational identities may vary depending on whether that content is utilitarian or normative in nature. Value-laden understandings of normative social purposes – for instance, community, justice, freedom, and the like – are speculated to be profoundly *experiential* in nature (Nilsson, 2015; Selznick, 1992). That is, they may emerge from, and are constituted by, emotion and lived experience. An analogue at the individual-level is similarly suggestive. Research on morality suggests emotions play a powerful role in shaping moral beliefs and understandings (Haidt, 2001). However, organizational identity research has tended to overlook emotions and lived-experiences as drivers of organizational identity formation (Gioia et al., 2013). Indeed, as reviewed above, organizational identity research has tended to examine cognitive issues of similarity and difference as a central driver of organizational identity. Similarity and difference makes sense when answering rather value-free questions (e.g., are we a content provider or are we a content producer?), but its unclear if and how these cognitive categorization processes factor into the formation of identity content that is value-laden and normative in nature.

Second, although Albert and Whetten (1985) outlined the relevance of normative organizational identities, they focused on normative organizational identities as a function of founders and founding. Drawing upon Weber's (1968) discussion of organizations founded by charismatic leaders, they suggest that "Young, normative organizations are generally founded upon the ideological vision of a charismatic leader" (Albert & Whetten, 1985: 278) and over time develop utilitarian identities as a function of their growth in size, age, and necessity to survive (see also Weber's (1947) discussion of the routinization of charisma). As a result, in organizations that lack this founding ideological vision, it is unclear if and how a normative organizational identity can actually form. Indeed, common examples of organizations that

espouse normative grounds for their existence –Tom's Shoes, Zappos, Patagonia, and Starbucks amongst others – are predicated on their ideological founders. Examining this question is theoretically important because it opens opportunities to consider how normative organizational identities may form in the absence of ideological leaders, thereby focusing on potential practices and processes that explain emergence post-founding. This question is also practically relevant, because without a clear understanding of it and how it emerges after founding, scholars have little to offer in the way of guidance to practitioners.

In summary, although research on organizational identity formation offers a potential starting point, examination of how organizational purpose forms in organizations would require additional theorizing on 1) the role of emotions and experiences and 2) theorizing on if and how normative organizational identities can emerge in organizations as opposed to simply founding.

Selznick's Institutionalism

Theoretical Review. A second theoretical perspective that offers potential insight regarding how organizational purpose forms in organization is Selznick's institutionalism. According to Selznick, an organization becomes an institution when it is "infused with value" such that the organization becomes a "receptacle of group idealism" (Selznick, 1957) and "subjects of genuine moral concern for their constituencies" (Kraatz, 2009: 63). Kraatz characterizes the distinction between organizations and institutions regarding understandings of why they exist accordingly: "Where the organization justified its existence and its decisions on technical grounds (e.g., in terms of efficiency), the institution developed and espoused an ideology or mission that guided (or at least covered) its actions" (Kraatz, 2009: 62). Selznick (1957: 62, 67) suggests the development of organizational purpose is a "creative task" for institutional leaders that "entails a self-assessment to discover the true commitments of the

organization" and that "some kind of assessment is necessary before the required clarity can be achieved." Thus, Selznick's theory of institutionalization appears to implicate the formation of organizational purpose at the heart of his theory.

Selznick's (1957) original discussion offers several potential perspectives to examine. First, echoing comments above, Selznick, suggests the ideals and values for which organizational members see the organization existing for may emerge from experience. Second, Selznick recommends "institutional leaders" – the primary actor in developing organizational purpose – must assess the institution's prior "binding commitments" – both internal and external – in formulating purpose. Commitments – defined as "choices which fix the assumptions of policymakers as to the nature of the enterprise – its distinctive aims, methods, and role in the community" (Selznick, 1957: 55) – should be central concerns for "responsible institutional leaders" when defining the organization's reason for being. Similarly, Selznick suggested institutional leaders consider the present inner workings and qualities of the organization. For example, he (Selznick, 1957: 67) argues that a definition of organizational purpose "must reflect [the] internal state of the polity: the strivings, inhibitions, and competences that exist within the organization." In addition, he cautioned that an "adequate definition of mission" might be undermined by "retreating to technology" – what he viewed as an "excessive or premature technological orientation" and "concentration on ways and means" (1957: 74). In this way, Selznick emphasized some reflexive process: "the purposes we have or can have depend on what we are or what we can be" (Selznick, 1957: 26). Once defined, institutional leaders must "embody" the purpose into the social structure of the organization.

Theoretical Critique. Although Selznick suggests such a formation process occurs, he unfortunately stops short of explaining *how* this occurs. This is reflected in recent calls that

scholars "know more about if, when, and how aspirationally motivated institutions occur" (Nilsson, forthcoming, see also Besharov & Khurana, 2015). Moreover, although Selznick's theorizing of institutionalization offers starting points, his theorizing has been critique as prescriptive rather than descriptive (Scott, 1987). Therefore, examining the process by which organizational purpose forms in established organizations offer opportunities to elaborate Selznick's theory of institutionalization.

In summary, although Selznick's discussion of this process tends to be prescriptive rather than descriptive, there were several suggestive factors I consider in my examination. This included 1) if and how experiences factor into the formation process, 2) the potential role of actions that become "binding commitments" thereby influencing members assumptions, and 3) the central role of "institutional elites" in formulating an organization's purpose through reflection on inner workers and outer constraints.

CHAPTER THREE:
STUDY ONE METHODOLOGY

Research Approach and Case Selection

In line with my objective to elaborate theory, I utilized inductive, qualitative methods using grounded theory approaches (Corbin & Strauss, 2008). Inductive approaches are appropriate when the objective is to build and elaborate theory (Eisenhardt, 1989). A qualitative approach is particularly useful because it is well-suited to build and elaborate theory regarding process – "how and why things emerge, develop, grow, or terminate over time (Langley, Smallman, Tsoukas, & Van de Ven, 2013). This aligns with my research question focused on *how* organizational purpose develops. In addition, qualitative methods are particularly helpful in explaining socially-constructed meanings and phenomenon. My review suggested that organizational purpose has a socially-constructed character – that is, it is "discovered" or "constructed" through the interactions and cognitions of senior leaders or other organizational members. Qualitative methods can help capture how events, interactions, negotiations, and activities may underlie how meanings such as organizational purpose come to be social realities.

I adopted a single, holistic case study design (Yin, 2003) to address my research questions. Put differently, this design focuses on one unit of analysis – for this study, the formation of organizational purpose – in a single organization. This design is appropriate to examine my research question. As Yin (2003: 9) suggests case studies are appropriate when "a 'how' or 'why' question is being asked about a contemporary set of events, over which the investigator has little or no control." More specifically, single case study designs are appropriate when the case is "extreme" (Yin, 2003) – that is, makes vivid and transparent the theoretical area of interest. Multiple case designs can be preferable to enrich theorizing through case comparison. Due to time and resource constraints, I was unable to adopt this research design. However, the

strength of this design is in-depth "understanding of the dynamics present within single settings" (Eisenhardt, 1989: 534).

In line with my single case study design, I selected a research setting based on purposeful sampling (Locke, 2001). Here selection involved choosing a research context that aligns with research questions and theoretical interests. Building and elaborating theory is often facilitated in contexts where dynamics of interest are extreme or "transparently observable" (Eisenhardt, 1989; Yin, 2003). This suggests I draw upon theory to identify situations where formation processes might be more vivid. One instance where issues of organizational purpose might be transparent is during organizational change[6]. Organizational change – particularly more radical instances of change – occasion reflection by organizational leaders and members regarding basic questions about the nature of the organization and its overall strategic direction (Bartunek, 1984; Gioia & Chittipeddi, 1991; Smircich, 1983). Indeed, organizational change has been the backdrop for several empirical investigations of organizational identity (e.g., Corley & Gioia, 2004; Ravasi & Schultz, 2006) – a seemingly similar reflexive concept as organizational purpose (see Chapter 2) – and is theorized to be especially pronounced during such episodes (Pratt, 2003; Whetten, 2006). This reflects Selznick (1957: 74-75) suggestion that the formation of organizational purpose becomes both more challenging, and more necessary, when organizational "self-determination" becomes a salient concern.

FitCo fits these criteria and is therefore a theoretically appropriate setting to examine this process. As my summary of the case in Chapter 1 demonstrates, FitCo is an established

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[6] Another instance where organizational purpose may be vivid is during organizational foundings. Organizations in these situations can face significant uncertainty given limited resources, history, and a proven track record. To ensure survival in these situations, leaders and members tend to devote increased attention toward defining key elements of the organization and communicate these meanings to themselves and outsiders (e.g., Lounsbury & Glynn, 2001; Navis & Glynn, 2010). Because this period likely involves reflecting on the organization as an entity, dynamics related to the development of organizational purpose may be more pronounced.

organization that, according to archival records and members understandings, appears to have existed without a purpose for decades (see Chapter 4). Additionally, FitCo is currently undergoing strategic change – a change that appears to implicate fundamental aspects of the organization – that have raised basic questions regarding "why we exist." This makes the dynamics and processes related to organizational purpose more vivid. Finally, as I was able to observe in real-time in the field, FitCo has come to claim a purpose that at least some members firmly believe in. Thus, FitCo is at least a minimally "successful" case. Taken together, FitCo offers an appropriate setting to examine my research questions.

Data Collection and Sampling

I developed my data collection and sampling strategies to "follow the analytical trail" (Corbin & Strauss, 2008: 146) regarding the emergent phenomenon I observed in the field and the problems encountered by my informants. Below I document the three sources of data I collected – semi-structured interviews, internal archival documents, and participant observation – and the role each played in my evolving understanding of the events at FitCo. To facilitate transparency regarding my data collection and honor the discovery epistemology of grounded theory and qualitative methods (Locke, 2011), I present my data collection and sampling as they iteratively unfolded. A summary of the data collected can be seen in Table 2.

As outlined in the summary of the case in Chapter 1, a salient theme that emerged from my interviews with senior leaders was discussion of the need to clarify and articulate a shared belief or feeling regarding why FitCo existed. This shared belief or feeling that FitCo somehow existed for, as a senior executive put it, "something bigger than shoes and t-shirts." After returning to the literature I discovered an opportunity to elaborate theory on how this process takes shapes and tailored my data collection accordingly.

In line with my qualitative approach, after sensitizing myself to extant literature I returned to the field and started my investigation by conducting semi-structured interviews to better understand the current events, challenges, and other dynamics surrounding discussion of FitCo's purpose. My selection of informants was guided by purposeful sampling (Locke, 2001). Based upon my pilot interviews, I began by interviewing senior members that were currently engaged with questions about FitCo's purpose. Here I follow prior research that identifies senior leaders as particularly important in formulating self-referential meanings associated with the organization (e.g., Corley & Gioia, 2004; Gioia & Thomas, 1996; Gioia et al., 2013; Ravasi & Schultz, 2006).

In discussing the events that transpired around discussion regarding FitCo's purpose, senior leaders mentioned their evolving understandings were codified in various versions of what they labeled as FitCo's "brand book" (see Overview of Case in Chapter 1). The function of this internal document was to formalize key meanings and understandings associated with FitCo. Given my interest in members who were critically involved with the development of this brand book, I then adopted a snowball sampling technique because it is effective at identifying participants that share knowledge or engagement with decision-making or issues (Miles & Huberman, 1994). This yielded an initial sample of members in several areas including brand communications, strategy, human resources, "Go-To-Market", and research and consumer insights. To gather as detailed information as possible, I conducted multiple interviews with these members to inquire about emergent themes in my data analysis. Additionally, I collected interviews with two former CEOs of FitCo in order to explore how FitCo's purpose relates to its history.

Semi-structured interviews are an appropriate data collection technique as they provide flexibility to capture emergent themes and are a useful window to help explain the nature, emergence, and change of collective meanings (Locke, 2001). In particular, interviews can provide insight regarding process – the important events, activities, interpretations, and interactions that underlie the construction of social meanings. In line with grounded theorizing (Locke, 2001) I developed my initial interview protocol based on emergent themes from my pilot interviews as well as reports in the popular press and other official communications. To facilitate my informants' recall and description of events, I developed a preliminary timeline to help identify relevant events and dynamics and how these have transpired over time. This was used only as a tentative guide, as I asked informants to assess the accuracy of the timeline and made changes accordingly. A task-related interview format can facilitate recall and description (Spradley, 1979). Such a format aligns with my interest in capturing process. My interview questions looked to give voice to my informants. In particular, I examined what they meant by FitCo's purpose, what facilitated attention to this phenomenon, how they attempted to clarify their understanding, relevant issues and challenges they encountered in doing so, as well as identifying other relevant events, interactions, and dynamics surrounding attention to this issue. Appendix I contains my initial interview protocol.

To complement and extend the semi-structured interviews I conducted with members affiliated with the brand book, I worked with a key informant that developed this document to obtain all substantive working versions. This included 25 different iterations developed between June 2013 and July 2014. This archival document provided an important window onto leaders evolving interpretations and understandings of key meanings associated with FitCo. In addition,

it enabled me to triangulate themes that emerged from interviews, as well as informed my

follow-up interviews with senior leaders.

Two important themes emerged through my memoing and initial coding of these

interviews and archival documents that informed my subsequent data collection. First, my initial

interviews with senior leaders indicated continuing ambiguity regarding FitCo's reason for being

and that they continued to discuss and refine their understandings. This suggested processes

related to organizational purpose would continue to evolve between senior leaders during my

time in the field. Senior leaders indicated that discussion and attention to these issues were

sporadic and ad hoc making real-time observation of their interactions problematic. To

compensate for this, I developed three senior leaders as key informants that I periodically

conducted follow-up interviews to gather additional insight regarding how current processes

were unfolding amongst senior leaders engaged in these issues. Taken together, I tailored my

data collection to collected data on these processes as close to real time as possible.

Second, senior leaders indicated a pivotal time in FitCo's recent history involved the

development of a number of internal practices associated with their current business focus on

fitness and training. Interviews with senior leaders and archival documents suggested a potential

link between these practices and the emergence of discussion of FitCo's reason for being

amongst senior leaders. To illustrate, an internal document noted

> We set out to become the leading fitness brand. So we got people moving at FitCo and
> around the world. Unexpectedly, our lives started transforming inside and outside the
> gym. Collectively and individually we began fulfilling our true potential…We know this
> is something worth sharing with the world, and something worth standing for as a brand.

In line with theoretical sampling, I then focused my data collection on understanding these

practices and the events surrounding their development within the organization that occurred

prior to my entry into the field during the time period in 2011 to 2013. This led me to collect two

types of data. I collected additional semi-structured interviews with members that had insight regarding how these internal practices came about, members' experiences with these internal practices, and the outcomes of participating in them. I also conducted participant-observations to understand the nature of these practices and their potential impact on members and FitCo. This included observing members participation of various fitness activities and classes, as well as participating myself. In particular, I participated in an introductory fitness class with five other members that met twice a week over a five-week period. This introductory fitness class was essentially an "on-boarding" class for newcomers interested in a specific group fitness called GWC (pseudonym). After completing this introductory course members can participate in the GWC with other members. GWC was extremely popular at FitCo and my informants suggested it had a particular strong influence on members themselves. By participating in these classes I was able to viscerally experience myself what informants reported and better understand their effects on members.

A final part of my data collection focused on archival documents. I collected general background data to sensitize me to FitCo, its history, and the claims it had made about itself. I collected a variety of background data including reports about FitCo in the popular press, external communications, a internally commissioned book on FitCo's history, annual reports and interviews with familiar outsiders including a highly regarded industry analyst, as well as members of FitCo's current advertising agency.

Data Analysis

My analysis followed grounded theory techniques, which involved iteration between data collection, data analysis, and consulting extant theory (Locke, 2001). Given my interest in process, I began my analysis by drawing from interviews and archival documents to develop a

broad timeline of events. This was facilitated by the task-related interview protocol I adopted for my semi-structured interviews with senior leaders. I then engaged in descriptive or open-coding, staying close to the data and the language of my informants (Locke, 2001).

A key starting point in my coding focused on how senior leaders described what motivated their questioning of why FitCo existed. An emergent theme from this analysis focused on their perspective this process was organic and emergent from collective participation in practices at FitCo. As they saw it, discussion about why FitCo existed was a trailing indicator of the feelings and emotions generated by the shared experiences members had at FitCo with these new practices. Given this, I then descriptively coded the practices members engaged in. For example, "changing food in cafeteria" and "yoga classes" were some of these open codes. After coding the practices and dynamics, I then shifted my open-coding to examine how they sought to resolve emergent questions about why FitCo existed. To illustrate, open codes here remained close to their language. For instance, members discussed "what's our fight?" and examined different problems FitCo could address such as "obesity" and "sedentary behavior."

After engaging in open coding, my coding began to shift toward axial coding. Here I began to cluster codes together and name them into categories (Locke, 2001). In this way, I "lifted" (Suddaby, 2006) these provisional codes by abstracting them up a conceptual level. For examine, I began to cluster the practices members engaged into broader categories such as "shared participation." I also began to compare within and across categories to better understand their dimensions. This analysis led me to identify different aspects of shared participation and how a certain group fitness practice differed on a number of underlying dimensions from other types of shared participation.

Finally, I examined how these categories interrelated to generate a broader theoretical framework. I started to see how certain types of shared participation exhibited qualities of effective interaction ritual chains (Collins, 2004) (IRC) both in terms of the characteristics of situations and interactions, but also their ability to generate strong emotional energy in participants. This suggested these practices played a strong motivating or catalyzing role in the purpose formation process. What became apparent, however, is that whatever the effects of IRCs, there needed to be some type of transition mechanism that linked the emotional energy felt in participants with understandings of FitCo itself. That is, a mechanism that linked individual and organizational levels of analysis. In further coding my data, I noticed that organizational symbols appeared to play this role as a type of "carrier" (Scott, 2008) of participants felt emotional energy and offered a transitional bridge from participants lived experience to FitCo itself. Finally, senior leaders interpretations and discussion of why FitCo existed appeared to consult these same symbols and offer cognitive translations of them. Thus, emotional energy stored in symbols that were translated into words and understandings by senior leaders through two types of cognitive processes. Upon arriving at this general understanding of how pieces worked together, I engaged in five member checks with senior leaders and longer tenured members to ensure I correctly understood the sequence of events. This served to validate my main findings and interpretations.

CHAPTER FOUR:
STUDY ONE FINDINGS
EXPLORING THE FORMATION OF ORGANIZATIONAL PURPOSE

In this chapter, I report findings from Study 1 focused on how organizational purpose forms in organizations. I present my findings organized around four general phases that capture interlinking events that transpired at FitCo that brought about value-laden claims by FitCo that it existed for something beyond utilitarian or economic concerns. Next, I present a theoretical model that integrates these findings to explain this process. Finally, I discuss implications of this research for theories of organizational identity formation, Selznick's institutionalism, and organizational change, as well as contributions to practice.

Before presenting my findings, I begin by unpacking two critical assumptions underlying my theorizing of this formation process: 1) an organizational purpose indeed formed at FitCo and 2) an organizational purpose was absent prior to the formation process I examined. Unpacking these assumptions are important because they establish that this was a *formation* process as opposed to a *reinterpretation* of the past events, claims, or understandings.

Background to Formation Process

At least two data points suggest FitCo lacked a purpose prior to the beginning of its emergence in 2011 decades after its establishment in the United States. First, longer tenured members perceived a purpose was absent at FitCo since its inception. For instance, without prompting, an employee with 12 years experience suggested they felt FitCo only very recently developed a "purpose." When I asked this employee to describe FitCo prior to these recent developments they characterized FitCo as exclusively concerned with maximizing financial performance:

> It was like we had no real purpose. We were making product because we were making product. The purpose was to make sales at any cost…But we weren't very focused. We

were doing whatever we could. It's almost like a 'gimmicky business'…Yeah. Topline sales. We were a business. We were a business that had to make a profit and that business would make a profit no matter what cost.

Likewise, a member with 16 years experience saw the recent developments at FitCo as something new for FitCo. In particular, they contrasted FitCo's strategic direction and tactical brand campaigns from the past with a new sense in recent years that FitCo had a "strong mission or vision:" "So fortunately yes, I would say this is different for us because we've always had strategy and we've always been different campaigns, but no real strong mission and vision" [D1-70.2].

Second, and relatedly, the absence of a purpose is also suggestive from how insiders perceive FitCo's prior actions and history. The constellation of labels and meanings used to describe FitCo's behavior and history centered around a common theme: that FitCo opportunistically, and even erratically, pursued sales and financial performance as its exclusive interest (see also Chapter 7). Members interpreted FitCo with labels such as "chasing sales," "schizophrenic," "opportunistic," "entrepreneurial," and "transactional." To illustrate, a senior executive explained in a meeting I attended that FitCo operated with a "more opportunistic style of management" linked to FitCo's founder:

> There is this perception. That is kind of this out-of-body part. I'm not FitCo. And you're not FitCo [pointing to meeting attendee]. And you're not FitCo [pointing to another meeting attendee]. Nobody is FitCo. But there is this thing FitCo over there [waving arms around]. It's this, opportunistic shit-show. Where they have done all this stuff. And that doesn't get changed for another decade until we stay the course. But I do think people have the founder in their mind. [Field Notes]

Indeed, longer tenured employees described the founder of FitCo as an "opportunist" that "liked to sell shit" and would "do whatever needed to make a buck." Stories abounded of how FitCo's founder was somewhat erratic, but competent at riding customer trends and that under his regime it was like "the wild west." Others members inferred from FitCo's historical actions of pursuing

sales at all cost as evidence that FitCo was plagued by "schizophrenia." An influential outside

analyst of the athletic footwear and apparel industry I interviewed seems to corroborate

members' sentiments. He explained to me that FitCo approached its business in a "transactional"

manner that amounted to his view that FitCo "lacked a soul" [D1-85]. Finally, another member

illustrated this theme by contrasting their experience at another athletic footwear and apparel

company with what it was like at FitCo 15 years ago:

> [At competitor] the people who went to work there thought what the mission was to create these products for these elite athletes that really inspired the human form in sports… The belief that the company stood for something greater than just sports. It was the idea of like sports is the celebration of mankind and all that good stuff. You know, it was massive… When I came here [FitCo] it was the complete opposite… A very sales driven company that wasn't focused about anything. It was about, "Let us make some money. Let's be optimistic. [D1-66]

Indicators and Description of Formation

As the evidence above suggests, FitCo operated since its founding without claims or

shared understandings of why it existed beyond economic performance. I now review several

indicators that are suggestive a purpose beyond economic purpose formed at FitCo. First, based

upon interviews conducted in Winter of 2014 and Spring 2015, an emergent understanding

amongst at least some members was that FitCo existed to "help make people become their best

self fitness." To further explain and illustrate their perception of why FitCo exists, members

often used the tag line from a recent brand campaign that urged individuals to be their best. From

the perspective of many members, this brand campaign was not simply a marketing tactic from

FitCo's past, but a genuine, authentic embodiment of FitCo's ideals:

> I love the idea of the campaign. It's pretty cool. We made a lot of videos over the last 4-5 years. The company has sort of changed…There are lots of different activities people participate in. And they live this brand campaign. *Finally, we have a message about what we really do*. We do exactly what the brand campaign is talking about. We believe it. We love it. It's our culture is in the brand campaign. (D2-63)

This understanding is explained, in part, because members perceived the campaign as representative, and emergent from, the shared experiences that occurred amongst employees at FitCo. Indeed, members described a type of emergent process that occurred at FitCo that brought about understanding and belief that ultimately resulted in the claims made in their brand campaign. To describe what occurred at FitCo, members used terms like "discovery," "organic," and a "confluence of events" that captured a fundamentally new understanding of FitCo. For instance, an internal document reflected on some of the events at FitCo and explained the emergent change this way:

> We set out to become the leading fitness brand. So we got people moving at FitCo. Unexpectedly, our lives started transforming inside and outside of the gym. We soon realized that the true fruits of fitness lie in their application to life. We know this is something worth sharing with the world, and something worth standing for as a brand… We look to empower people to be fit and healthy in their lives so they can experience what WE experienced.

Indeed, several senior executives described characteristics of the process that occurred by what it was *not*. Namely, a planned, calculated, or prescriptive endeavor: "I don't think there was clear process…It was an organic process, it wasn't systematic. You know, okay, we have to find our purpose to what is our business. We have these four options for purpose here, okay [lets select this one] [D1-43]." Another senior executive made this off-handed comment to me: "Sometimes it's framed [externally] that this fitness focus was very rational and calculated, when in fact it was a process of discovery. This amazing thing that was happening internally and feeling like we needed to tell the world and celebrate it" [D1-45]. Another described the process that members engaged in to understand why the existed as a form of therapy:

> It's almost like you going to therapy as a person. And going, 'what the hell am I really trying to do?' *You as a brand have to look within yourself and determine, what the hell is my purpose? What are we really trying to do?* And that's what we did. I mean *we went into therapy for two and a half years to figure out what the hell we are really here for.* And the interesting thing is it's very similar to what happens when you go into therapy.

There is no one there telling you the answer. There is not a psychologist saying at the end of the day, ok everything you told me means X, Y, and Z. Go out and do that. You slowly reveal it to yourself and come to acknowledge it yourself and go, 'holy shit! That's what I'm trying to do.' And that's what we went through…There is no guidebook and I think there are two routes to get there. *One route is you look deep within yourself and go on this painful arduous journey to figure it out and get there. And I think we've done that.* Or you just go to an agency and go 'you know what, we need to talk to people about what the hell we really mean. And the agency goes and slaps something together" [D1-28.5].

The result of this therapy process was new claims about why FitCo existed. A team of several members including middle managers and senior leaders drafted a "brand book" that contained core claims about FitCo. This was an internal facing document that members described as contrasting to a marketing campaign. As noted, one explained, it's a "mirror, not a painting" and that it's "us talking about us to us." One central point of discussion and contention was regarding why FitCo existed, or to use their terms, the nature of FitCo's "purpose." What resulted from this sensemaking process was the sense FitCo existed to improve people's lives through their fitness. These claims about why FitCo existed were echoed by senior leaders in all employee events (see Chapter 7). For instance, the CEO explained in an event I attended to employees during the rollout of their brand book. Additionally, a brand manager described that after the "journey" FitCo went through, FitCo was defined by its non-economic claims of existence:

It is who we are. That's the way I would define our brand. What is FitCo? FitCo is a brand that unlocks people's potential to fitness…the brand is changing the world through using fitness. Like we are a brand that is 100% centered around fitness and it's power to change people's lives. And that our products are a direct representation [of that]" [D1-13.2].

In the pages that remain, I document this journey that precipitated claims and beliefs that FitCo existed for something beyond economic performance, but to enable people to become their best self and realize their potential through fitness.

PHASES OF ORGANIZATIONAL PURPOSE FORMATION

Phase 1 – Enabling Participation in Business Focus

The first step in this formation process seemed to occur when members at FitCo started to collectively participate in activities associated with their new business focus in the category of fitness and training. As noted in Chapter 1, starting around 2008 FitCo began a significant shift in their strategy to direct their attention away from market categories linked with team sports (e.g., basketball, baseball, football, etc.) and toward a new category of fitness. This new strategic emphasis led FitCo to focus on activities such as cross-training, running, yoga, and studio classes among others. During this time, interviews and archival documents showed that FitCo defined their strategic objective as becoming the "Number One Fitness Brand."

Alongside this new strategic focus came a major shift in FitCo's internal practices – namely, providing opportunities and encouraging members to participate in activities linked to this business focus in fitness. FitCo is located in a modern, beautiful building replete with a basketball court, baseball field, soccer pitch, weight room, and other athletic amenities. Despite having the available means for members, prior to this new shift these amenities were used to a very limited degree by members. In addition, there were no common norms about when, how, and why members should utilize these facilities or not. One manager explained it as if FitCo's internal activities were decoupled from who FitCo was as a company: "So we were a fitness company but our culture didn't reflect that whatsoever. And so we would have this wonderful gym and it would be empty. A lot of the senior management didn't encourage sort of leading a healthy and active lifestyle" [D1-18].

Two internal efforts were subsequently undertaken, each aimed to generate members participation, and perhaps more specifically, members "embodiment" of FitCo's focus on

fitness[7]. First, FitCo *created opportunities* for members to participate. For instance, FitCo

offered a variety of workout options such as yoga, pick-up basketball games, personal training,

and group fitness classes. FitCo also altered their cafeteria offerings by providing more healthy

options and reducing less healthy options such as pizza and French fries. Additionally, FitCo

provided opportunities for members to volunteer in fitness activities through initiatives in their

foundation. For example, members could start fitness activities in their local schools. Second,

FitCo *motivated participation* through formal and informal means. This was accomplished

through official internal communications, role-modeling, and reshaping norms. For instance, a

vice president explained to me:

> Senior leaders and I kicked this off and then it was about feeding down throughout the
> management hierarchy to make sure, even at the lowest levels or the entry level the idea
> that – don't let people be irresponsible with it, it's not like go and workout half the day –
> but we want to empower, we want to be able to add more classes, give them more
> education, you know, beef up the staff. Yeah, so it worked pretty well. [D1-5]

One manager summarized these initial efforts in the following way:

> There was a need and recognition that we needed to shift our culture to allow our
> employees to live the lifestyle that we were promoting as a brand. And that the only way
> that we could promote and evolve as a brand was to embody the lifestyle and live it here
> first so then we could take it to consumers…. So a lot of that had to do with senior
> management leading by example and actually joining and participating on a daily basis in
> workout classes, in studio classes. I mean most of the senior management team
> participates...The [Head of HR] and some of the other senior leadership team actually sat
> down with all of the different lines of managers and basically were like you have to let
> your employees go workout" [D1-18.2]

Taken together, these two practices provided a stimulus to which employees subsequently

responded. Although members began to participate in some of these activities, the general

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[7] I asked members responsible for these internal efforts why they decided to enable member participation. In
response, I heard a variety of accounts that often focused on perceived benefits. These included enabling employees
to be more knowledgeable of their business activities and make better products, to lower health care costs, to
increase employee engagement, amongst others. It was unclear, which, if any, of these accounts were the ultimate
drivers of the actions. Given my process focus, I'm more concerned with the role these activities, practices, or
events played in explaining *how* purpose formed rather than the ultimate explanation of *why* they engaged in these
activities and practices around fitness and training.

reaction to these early practices varied from indifference to outright resistance. In short, members exhibited little positive reaction. For instance, many members found the altering of the cafeteria to remove unhealthy options to be forced:

> We are going to take everything out of the cafeteria because you aren't really an adult enough to make a decision on your own", and all that. I don't appreciate it. I know that I make poor choices in my life. I don't need to be reminded every day. Like, yes I do struggle with it. I try to make better choices *but don't tell me you are going to do it for me* because if you are going to do that then you better shoot everyone going out to smoke because that is just as bad if not worse. [D1-32]

Likewise, a senior leader described the early stages of members' participation this way in an article in the popular press: "We had a lot of people that worked out at FitCo then. But no one truly had passion. They liked to workout, but I didn't love it. [Members would say] 'It's really not my passion.' I don't wake up everyday saying I want to spin or aerobics. We had a lot of people saying 'fitness really isn't that exciting." That said, what these initiatives did accomplish was to get members participating in a variety of shared activities.

Phase 2 – Ritualizing Participation in Business Focus

During this time period a substantial shift had occurred whereby members were actively participating in a host of activities associated with FitCo's business focus around fitness. Although members' behaviors had shifted, the cognitive and emotional response from members remained tepid and at times resistant. What occurred next was described by members as a major point of transformation at FitCo.

Informants described how the introduction of a new internal practice profoundly changed FitCo. Informants referred to this practice as a "sea change for our organization," "spark," [D1-14.2; D1-81; D1-70.2] "foundational," [D2-29, D1-13.2] "tipping point," [D1-43] and "catalyst" [D1-2.2]. More specifically, members saw this internal practice as providing seeds for their feelings that FitCo existed for something beyond financial performance. As one informant

summarized, "It gave us a reason for being outside making money" [D1-21.3]. Another noted, "This was the catalyst for what's making this company a company of transformation" [D1-2.2]. A senior executive described how this practice came about haphazardly, but created a type of "buzz" at FitCo: "I think somebody once said, Jim, you're a really good rough carpenter. You're not a great finish carpenter. What did they mean by that? Like I'll credit a lot of people but others and myself were probably at the core. We got people moving [at FitCo] and we created a buzz [resulting from the new practice]." [D1-20]. In the next two sections I unpack the features of this new internal practice and the subsequent outcomes amongst employees.

Participation. In its most basic form, the internal practice FitCo instituted was a simple group workout class (GWC). As the importance of this workout class to the formation process grew through my analysis, I altered my data collection to gather more detailed information on the nature of this class. This included asking informants to describe their experiences in the class, as well as observation and my own participation.

GWC is conducted in a separate building about a five-minute walk from FitCo's central headquarters. Members typically change into workout attire in the locker room and then walk over in pairs or groups through several worn dirt paths. Conversations are often not work related and tend to orient around weekend happenings, the previous day's workout at GWC, and inside jokes. This lack of work focus is reflective of a general rule or tenant that was quickly established when GWC was first instituted at FitCo: "Leave your Ego at the Door." I heard this phrase in my introductory class as well as from informants: "But I went to that first class and one of the things that they had said before going was check your ego at the door here guys" [D1-44].

Informants perceived two primary meanings of this phrase. The first established boundaries to demarcate that work related matters – including conversations about work, work-

related relationships, and work roles including level of hierarchy or function – were irrelevant at GWC. One informant explained how work-related disagreements are not applicable at GWC: "You know people talk about egos are checked at the door and its true. You know, it is like if Bob and I are having a very heated discussion, that conversation happens outside of GWC. You have that experience together and then reconnect after" [D1-65]. The second interpretation was that everyone at GWC was equal, independent of physical ability. As one informant said "we are all athletes at GWC" [D2-2.4]. Another member described, "It is like you connect and like there is no hierarchy. So beyond ego. I am working out with the CMO and I am going to freaking beat him if I can and he is my CMO" [D1-62]. This eliminated athletic ability as a marker of status or distinction, thereby facilitating commonality amongst participants.

GWC occurs is in a large converted storage building and generally feels utilitarian in nature. The space is sparsely populated with equipment and channels participants – often 10 to 30 – into one central area where they typically stretch, chat, and mill around before GWC formally begins. The sequencing of events follows the same pattern over the course of an hour: informal questioning from the lead instructor about how participants are feeling, a description of the day's activities, a group warm-up, and the main workout activity. Member's participation and the overall atmosphere at GWC shift as the class moves through the sequences of events. As members move from informal discussion, to warm-up, to the main activity, their effort correspondingly increases. At the same time, the volume of music surrounding participants steadily increases. From my participation and observation, the amplification of both effort and music brought about feelings one has during the lead up to a rock concert or participating in a sporting event – a mixture of readiness, focus, excitement, nervousness, and anticipation. As one

informant explained to me, "You are always a little apprehensive and nervous about what you are going to do and how it is going to feel [D1-61]."

Members then collectively begin the workout activity. Each participant simultaneously engages in roughly the same activities and movements during this main activity. Although workouts are often different, a common feature is an emphasis on completing the main activity as quickly as possible, which can range from 5 minutes to 30 minutes. This focus on speed often brings about all out exertion by participants. Indeed, my informants saw a distinguishing hallmark of GWC being the intensity of effort participants put forth, and as a result, the difficult and often painful experience of participating. A common label members invoked to describe the experience was "suffering:" "I think that kind of shared suffering creates a set of you know, camaraderie and everyone is kind of in it, you know, punished the same way" [D1-37]. To illustrate, after I participated in one workout a woman squatted down, hunched over and heaving with tears in her eyes. Other members walked over to pat her on the back to reassure her of the effort she had just exerted. Additionally, my own experience participating brought about similar feelings of pain – the sharp, burning, suffocating pain one feels from sprinting as fast as possible for as long as possible.

Another distinguishing feature of participating in the main workout activity at GWC is the interactions between participants. Compared to other classes at FitCo, participants at GWC encourage one another during the workout. One member contrasted GWC with other activities at FitCo:

> It's kind of like a really intense experience because everyone's doing it, everyone's going really, really hard. The music's really, really loud. Everyone's interacting. It's not like everyone's cycling you know? It's like you're looking at the other person and you know how much pain they're in and you're in the same amount of pain. [D2-52]

Thus, whereas participants in other classes all engaged in a common activity or movement (e.g., yoga or cycling) their interactions with one another during the event were often non-existent. In such classe,s participants often directed their gaze toward a central instructor and moved upon command. At GWC, participants would interact during the main activity often shouting words of encouragement. For instance, if a participant completes the main activity faster than others, a common practice is to cheer on other participants until they finish. One of my informants describe how they were on the receiving end of this at GWC:

> There was this workout that I was doing. I was dead last to finish and I was carrying a plate on my head and there were literally 40 people around me cheering me to finish. There was music blasting and the coach like did the last steps with me. I have a picture of it. They posted it on Instagram. It was like that doesn't happen anywhere else [besides FitCo]. Like you get cheered on by 40 of your co-workers to you finish something. It just happens here on a daily basis. [D1-67]

> ***Outcomes of Participation.*** After its introduction at FitCo, GWC generated a host of

outcomes amongst participants. Members reported physical changes they and others experienced including weight loss – which was at times dramatic – and gaining muscle. For instance, a member described the changes she observed in a woman in an adjacent department,

> She was in IT and joined GWC…I believe she had diabetes. So she had health issues and what happened was they coached her in regards to nutrition and diet and just living a healthier lifestyle and she dropped a ton of weight, diabetes was stabilized. Like literally she was telling me all these changes and impacts that it had on her life. You could tell from just talking to her, she was happier. It was just this huge transformation [D1-27].

An outcome noted by many members of FitCo was that GWC generated a new sense of connection amongst them that resulted from the experiences they shared. For instance, members often referred to these outcomes with notions such as "bonds," "community," and "camaraderie." "I mean you see it in the gym people working out next to each other suffering together and that does things that it's hard to measure the impact of. You know what I mean? Creating bonds that last" [D1-13]. More specifically, members discussed this sense of "community" as a quality of

connection that somehow transcended how one would relate as an occupant of a work role.

Instead, members saw a connection that was forged that was more personal and genuine, or in

their words, more "human."

> So it gives us this whole other way to relate to each other and build a relationship with somebody you never would otherwise. Like how else would you get to know somebody on a personal level other than at a cocktail party…One of my team members and I did this really hard workout at GWC and she was counting and cheering me on. I'm telling you, our relationship got close really quick. Because it's that we have this type of shared experience together that we would never have. You know it would be very forced at a cocktail thing, you know what I mean?...It just doesn't happen so this fitness piece here [at FitCo] has actually given us a totally different way to interact and get together…But it allows us to become more human with each other [D1-14.1].

In this way, GWC fostered an intersubjective sense of "we-ness" or entitativity centered on

feelings of personal connection that transcended the work domain.

Finally, GWC appeared to spark strong shared positive feelings amongst participants.

One common word members used to capture the feelings generated from GWC as "magic." For

instance, a senior leader described how after GWC was introduced to members at FitCo "From

that day on, the magic just happened" [Interview in Popular Press Article]. Likewise, a lower-

level member put it to me this way, "I mean there is that little bit of magic. I can't really describe

that part of it." One of the instructors at GWC tried to describe how it had affected people noting

the feelings it generated were somehow "transcendent": "I think it's very hard to describe what it

is because it's an intangible – it's a feeling. And that's the beauty of it. I realize what I'm saying

sounds cheesy. I get it. It's like any other motivational book or speech you've heard. But it is so

transcendent like you cannot put it in a box and package it" [D1-15].

Others talked about energy and shared excitement that was unleashed through the

introduction of GWC: "So we all just started this feeling of like oh let's go. So we all started

having this excitement about fitness and it just – it was like fire. It went through the whole floor"

[D1-29]. This sense of all most contagious energy came through when members described how participants of GWC would replay their experiences through conversation: "It was contagious. At the time, we were obnoxious about it. 'Oh my gosh that workout was unbelievable!' We were the annoying people…The people in this other department were probably like, 'those people are so fucking obnoxious.' But there was something contagious about it. We were so uplifted by it" [D1-70].

Phase 3 – From Shared Experiences to Organizational Symbols

At the time of its introduction at FitCo, only a fraction of members participated in GWC. Indeed, as the example above illustrates, participation early on was sometimes department by department. Informants spoke about the period of time after GWC was instituted as being "divisive" within the company – either you participated in GWC or you did not: "And that's one thing that we noticed in the initial months is that it kind of started to create a divide a little bit of like people that did GWC, they drink the Kool-Aid, and those that were still like 'ugh those crazies over there'" [D1-2]. Others discussed how "cliques" started to form:

> So if I walked past to you and it's a one-on-one, it's a 'hello and hello.' If I walked past you when you're with a group of GWC participants knowing that I don't do GWC there's like a hey and almost like a no response. Like almost like a high school type of thing. And I know that sounds ridiculous but I've personally been in those interactions. So there's, I mean, there's cliques in the building and I think there was at least for a time a strong divide between those that did and those that didn't [D1-17].

During this time, another phase started to occur at FitCo. Here senior leaders at FitCo started to symbolically present members positive responses to GWC to both insiders and outsiders. As I will describe below, this had the effect of symbolically connecting members' positive responses to GWC to FitCo as a whole. During this time period several symbols emerged. Internally, FitCo started to display employee testimonials, often with a picture of an employee and texts describing the various benefits and effects of participating in GWC including

physical change, feelings of greater confidence, and improvements in work functioning. Many of these symbols focused on the "health and wellness" of employees. I observed these testimonials were located in three high-traffic areas at FitCo – in the center of a building next to the primary elevator, inside commonly used stairwells, and at the entrance to restrooms. Externally through reports in the press and their YouTube channel, FitCo started to draw upon the positive responses of employees as material to discuss their new business focus in fitness and training. To illustrate, late in 2012, FitCo published a video documenting the new participation that had occurred at FitCo, as well as employees discussing benefits they have discovered through participation. In a meeting I had with senior leaders, one senior executive discussed how these changes that occurred amongst employees became a focal point for FitCo to talk about itself externally. In particular they referred to "what happened in this building" and how they "came to see an opportunity:"

> When I just look at our old documents. When we used to tell our – the experiment of what happened here – where we made that apart of our [external] story and how we saw this culture and all those kind of things. That story of how we "got people moving…" Even in my year and a half, it used to be around what happened in this building and we saw this opportunity [Field Notes].

In addition, FitCo started to develop a new logo that they saw as symbolizing some of the positive benefits that employees had experienced internally. As a senior manager in marketing said to me during an interview, "This new logo that we've created, this symbol that you have on your [interviewer] pull-over sweatshirt. That symbol essentially is the embodiment of our transformation, right?" [D1-21.3]. Another said, "So when we actually get into the nuts of like what we have discovered it is this idea that we exist to help people become holistically fit, which is captured in the [logo]" [D1-72].

Taken together, this appeared to be a type of symbolic management, whereby the positive responses of participants of GWC were "encoded" into different organizational symbols. In this way, leaders played less of a role of "generating" responses from members than being attentive to somehow "capture" the seemingly positive energy that was being built. This came through in leaders' descriptions of how events unfolded at FitCo, and the notion that FitCo somehow "harvested" energy in the building. As one senior manager said,

> I would go to my grave on that point. This would not have happened without GWC. It wouldn't happen. It would been another fitness thing and people would have been like, 'yeah, yeah.' The culture didn't happen until we opened the gym for GWC. I'll go to my grave on that point. What HR did was harvest it and leverage the energy that was taking place with it and help drive it through the rest of the organization even for those who don't know GWC, don't like GWC, don't even want to try GWC. But they harnessed that energy in a way…All we did was captured energy of what GWC already was. It's already happening, we just got ourselves plugged into it [D1-70.2].

Phase 4 – Articulating Purpose

Starting in 2013 and into 2014 a new phase in the formation process occurred. During this time, members describe a shared feeling or belief that FitCo existed for something "powerful" but that existing organizational symbols and meanings failed to adequately provide words to capture or communicate this shared feeling or belief. A senior leader illustrated this point, stating there appeared to be a collective feeling that FitCo existed for a "greater purpose" but that existing organizational symbols (e.g., descriptions of employee health and wellness) did not adequately capture it:

> Like it's great that we have people here that work out…then what? You know what I mean? It's like we have a greater purpose than having our employees that are healthy and that we see the benefit of it. But it's bigger than that and you know, I'm not sure if everybody knows that yet…Like why are we doing this [fitness]? Like why do we care? Like we felt we needed that higher purpose to it. And it might be because people already felt like we had one here. I think when – this is before me – but *when the organization kind of really started focusing on fitness, they felt like they were transforming…Personally and the organization did because they were living this different life and we needed that in a purpose because we'd experienced that.* [D1-14]

This description suggests there was an emergent collective feeling amongst members at FitCo generated from participation in GWC had facilitated a cognitive sense that FitCo had a "greater purpose." Members were "living this different life," and as a result, felt FitCo had a greater purpose because of their shared experiences. This connection between collective feelings and FitCo is reinforced in this member's description of how members perceived transformation in themselves and the organization. Another senior leader described it in a similar way: "We just needed to clarify it [FitCo's purpose] because we are all living it. We were all being transformed through fitness and seeing the power of fitness to drive your whole life. We just needed to encapsulate that into something that everyone could understand, you know?" [D1-43]. Here too, feelings of transformation and "seeing the power of fitness" precipitated the drive to clarity FitCo's purpose. More generally, both these descriptions suggested that collective feelings and experiences of members at FitCo preceded and precipitated cognitive interpretations that FitCo existed for a "greater purpose."

During this time period, members in several areas of the organization began interrogating organizational symbols in search of answers to questions about "why does FitCo exist?" A key informant described this time period as members in several departments started "speaking the same language" to try to make sense of why FitCo existed.

> I think it was beginning to form [early 2013]. I think it was – it's early stages of forming at that point in time. I mean I think before it was, okay, we're going to be about fitness but I don't know how to articulate fitness. And now we're like okay we're going to be about fitness and it kind of looks like this. This is what it looks like. But we were like, *why do we really want to do that?* [D1-28].

The questions members engaged in during this time centered on why FitCo engaged in their business focus in fitness and training. In particular, they seemed oriented around clarifying the values, ideals, or benefits connected to their business focus on fitness and training, thereby

endowing FitCo's existence as significant and possessing positive value. Informants captured

this phase by describing how "who Fitco was" was clear, yet "why" they are in the business of

fitness remained unclear: "I think the what is clear for us like, who and what we are is very clear.

Why we're doing it is the question we have not answered with universal acceptance. With an

answer that's universally accepted by the organization and which we feel comfortable" [D1-18].

These questions prompted members at FitCo to engage in two processes to provide words to the

collective feelings they shared and ultimately resolve ambiguity about why they existed (see

Figure 2).

  Testing Social Problems. The first pathway through which members looked to resolve

ambiguity about why they existed was by exploring FitCo's relationship to various social

problems in society. In this pathway, members looked to construe FitCo's existence as worthy or

valuable by connecting FitCo's goods and services in fitness and training as potential "answers"

to various social ills and problems. In this way, FitCo existence took on positive worth by

serving as a means or vehicle through which a widely recognized social problem could be

solved. The in-vivo term members employed for this process was "what's our fight?"

  My collection of internal archival documents – particularly the 25 iterations of FitCo's

"Brand Book" – revealed several social problems FitCo iterated through between June 2013 and

April 2014 as they attempted to articulate key meanings of FitCo. Members at FitCo described

these social problems under the opening section of the document called "The Situation." These

various social problem members experimented with included obesity, passiveness associated

with being "fans" of sports as opposed to participants, sedentary behavior, and the activity-

reducing conveniences of modern amenities. In the process of trialing these social problems,

members described how they tried to find a similar underlying common cause across the

problems and then assess the capacity of FitCo's products and services to remedy this social ill.

For instance, they described "complacency" as a common cause of both the passivity of being a

fan of sports as well as obesity:

> And it's –you know, our fight – we say it's complacency. Complacency is the enemy of
> the world. Complacency is what's creating obesity. It's creating people that are just okay
> being where they're at, maybe just taking a pill. Stay on the couch or whatever they want.
> If we can eradicate complacency in the world we think the world will be a better place
> because of it [D1-2.3]

Thus, by positioning FitCo's business focus on fitness as a solution to the problem of

complacency, they endowed their existence with positive worth.

    Exploring Valued Outcomes. A second concurrent process members engaged in to

resolve ambiguity about why they existed was by exploring different interpretations of the

benefits or value of FitCo's core business activities in fitness. Members told me during this time

they believed in the power of FitCo's focus on fitness to play a meaningful role in individual's

lives, but it was difficult to communicate the "power" of their focus and FitCo's role:

> We couldn't just say that fitness was positive. Fitness was good. We had to find, and are
> still finding and exploring, like what was the deeper connection that people had to that
> activity, to that lifestyle. So that we can then weave in or explore what our role would be.
> Now ultimately we're a brand, we need to provide value for anyone who wants to
> connect themselves to us. Like what are we doing for the consumer at the forefront of
> everything that we do? All of our actions and all of our activities. How we develop a
> product? Everything should be with the particular consumer in mind. [D1-21]

Members subsequently looked to endow FitCo's existence with positive worth by framing

FitCo's core business activities as inherently causal of positive outcomes for individual

consumers and society at large. Members engaged in this interpretive process by successively

interrogating the value of FitCo's core business activities in fitness through asking questions

such as "why does that matter?" "why should we care?" and "so what?"

By continually asking such questions of FitCo's core business activities, members' interpretations of the consequences FitCo generated became progressively more general and abstract. For instance, from June 2013 until April 2014, members tried on several general benefits including 1) construing FitCo's focus on fitness as enabling individuals to positively change and progress, 2) construing FitCo's focus on fitness as enabling individuals to reach their potential, 3) construing FitCo's focus on fitness as enabling individuals to reach their potential, which in turn, will enable these people to be great contributors to the world, and 4) construing FitCo's focus on fitness to enable individuals to strengthen their various identities (e.g., as mothers, fathers, partners, workers, etc.) (see Figure 2).

Members engaged these questions, in part, by drawing upon organizational symbols. For instance, members started to reinterpret their new brand mark as capturing three general benefits of FitCo's focus on fitness that members started to experience once they began participating in GWC:

> We always talk about the benefits of fitness, physical, mental, and social. I think what we've done in the culture three years ago the first benefit people started seeing was this physical benefit. Different levels of the physical benefits. [The] idea that you're stronger, you're losing weight, you're healthier and your diabetes is going down. So you know health and aesthetic benefits. The second was really social. People started to see relationships were improving, relationships here at work, relationships at home, they're meeting new people, making new friends. It was kind of this community, camaraderie type experience. So these transformations have really happened here. The mental is the most interesting one because it's mental in the physiology of your brain and it's this idea of exercising makes you smarter and improves memory and that one side. Which you could argue is almost still physical. *The other aspect of mental is the idea of having purpose. You know, enlightened clarity in the why you're on the earth and why you exist and what your purpose is in life. And this is I think where the third step of transformation needs to happen is this mental.*

Notice too this member makes connections between their interpretations of the kinds of benefits fitness produces and members' own experiences at FitCo, noting "these transformations have

really happened here." Notice too how this member suggests the "mental" part of this symbol is somehow incomplete and that the "third step of transformation" still needs to happen.

The result of members engagement in these two interpretative processes was a set of formal claims about why FitCo existed – what they labeled FitCo's "purpose." As noted in the opening section of this chapter, these claims centered on the idea that FitCo existed to enable people to be the best version of themselves through fitness. The final version of their brand book identified a problem in the world – that modern conveniences inhibit people's natural tendency to move, push themselves and be active. FitCo's business focus on fitness is construed as a kind of panacea to this, thereby enabling individuals to realize their full potential. FitCo then began to formally make this claim through a host of channels to internal members and outside audiences (see Study 2 in Chapter 7).

TOWARD A MODEL OF ORGANIZATIONAL PURPOSE FORMATION

The above findings outline critical actions and phases that appeared to precipitate claims that FitCo existed for a purpose – claims that appeared new to FitCo. In this section, I build upon these phases to develop a process model that connects these phases and identifies underlying mechanisms. Figure 3 illustrates this process model that centers on the notion that organizational purpose forms through the development, encoding, and articulation of members' collective emotional energy that is connected to their organization's core business activities. At its core, this cross-level model suggests certain kinds of interactions and shared experiences of members can drive emotional energy that attentive leaders can draw-upon as raw materials to craft symbols to implicate the organization as a whole and claims about its existence. It is through such a process that an organization such as FitCo that long was governed by concerns for

efficiency and economic rationality and devoid of a larger significance by their members can become, as Selznick (1957) suggests, a "receptacle of group idealism."

Starting at the left of Figure 3, the first step in this process involved *enabling participation in business related activities.* Through motivating members' participation and providing opportunities for participation, FitCo brought members into participation together around a host of common activities. As I will discuss in the subsequent step, creating opportunities for interaction were important because it is through interaction and shared experiences that emotional energy can be built up amongst members. Note too these activities were not tangential to FitCo's business focus in fitness and training – for instance, providing opportunities for members to volunteer in soup kitchens. By enabling participation in FitCo's business focus in fitness and training, conditions were set such that members' responses would be closely affiliated to core rather than peripheral elements of FitCo. Indeed, members' participation amounted in some respects to a kind of embodiment of FitCo's business focus.

As members participated in various activities, responses were generated amongst members ranging from indifference to resistance. The introduction of GWC, however, was construed by members as the beginning of a fundamental change at FitCo as it brought about extremely strong, positive, energetic responses from members. In this way, GWC was a seemingly powerful engine that drove an array of member responses including feelings of magic, a sense of personal connection and solidarity, and positive energy. I labeled this phase *Ritualizing Participation in Business Activities.*

Interaction ritual chain theory (IRC) (Collins, 2004) offers a theoretical foundation to understand the characteristics of GWC, the outcomes it produced in members, and its role as a mechanism of change at FitCo. At its core, IRC is a micro-interactionist theory that suggests

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collective sentiments, collective beliefs, and collective identities are brought about through specific features of interaction. In particular, IRC examines the aspects of situations and interactions that precipitate states of collective effervescence – an intersubjective emotional state of excitement, buzz, or energy. Collective effervescence, as Durkheim (1912) forwarded in his analysis of religious ceremonies, is the primary origin of religious ideals and beliefs. Thus, according to IRC, the "stuff" of collective sentiments are first and foremost residues of the experiences and emotional energy of participants engaged in shared activity.

All interactions and situations are not created equal according to IRC. In particular, certain features of situations and interactions must be present in order to be effective and generate emotional energy in participants. These ritual ingredients include 1) individuals bodily co-assemble, 2) the presence of barriers that demarcate who is inside and outside the interaction, 3) a mutual focus of attention, often brought about through participation in a common activity or rhythmic entrainment, and 4) participants share a common mood or emotional experience during the activity. When these ingredients are present, IRC theory proposes rituals serve as a mechanism to bring about feelings of solidary, emotional energy amongst member, general feelings of morality, and pump up collective identities and symbols with significance. As Collins (Collins, 2004: 39) suggests, effective IRs foster a "morally suffused energy; it makes the individual feel not only good, but exalted, with the sense of doing what is most important and most valuable." In addition, effective IRs are mechanisms to foster symbols that are somehow sacred and motivate feelings of membership:

> [Effective IRs] are the touchstone for morality, and of the sacred, is that which is a value in itself, apart form its utilitarian value. Respect for sacred objects, and for the group sentiments behind them, is a higher value than the merely mundane… IRs result in feelings of membership that are attached to cognitive symbols; and result also in the emotional energy of individual participants, giving them feelings of confidence,

enthusiasm, and desire for action in what they consider a morally proper path." (Collins, 2004: 40-42).

In this way, they are an underlying mechanism by which collective sentiments are sanctified (Harrison, Ashforth, & Corley, 2009).

Note the parallels between the features of GWC and effective IRs. Participants in GWC 1) bodily co-assembled in a separate building at FitCo from main activities, 2) this separate building created further barriers to those outside the ritual, 3) members are instructed to "drop their ego" thereby facilitating commonality, 4) participants all engage in similar movements, 5) loud music helps to create a common mood, 5) participants interact with one another throughout the activity recognizing the similar feelings they shared, thereby generating shared feelings or states of intersubjectivity. GWC subsequently generated new strong feelings of community and personal connection – connecting on a "human" level – feelings that participating in the activity was somehow "magic" or removed from everyday mundane reality, and shared feelings of energy.

IRC also offers an account for why GWC was particularly effective in contrast to other activities members participated in. For instance, other group fitness classes – for instance yoga or cycling – often lacked interaction between participants, and were conducted in semi-transparent rooms in FitCo's main building. In the case of yoga and some other activities, classes lacked the strong music and atmosphere of GWC that can generate feelings of a shared mood. These features result in lower barriers to outsiders, a diminished common mood, and a lower degree of intersubjectivity that results from face-to-face interaction amongst participants. Other activities at FitCo that were done individually – such as working out alone or eating healthier foods in the cafeteria – lacked many of the necessary ingredients for IRCs.

Given the commonalities between GWC and effective IRs, it is perhaps not surprising to hear members suggest that GWC was the impetus for shared sentiments that FitCo existed for something beyond utilitarian or economic purposes. Indeed, IRC theory proposes that effective IRs are not simply replaying and maintenance of shared beliefs and practices as other perspectives on ritual might suggest (Dacin, Munir, & Tracey, 2010). That is, ritual is not a mechanism of maintenance and stability. Rather, IRs can operate as transformative mechanisms to bring about new collective sentiments:

> These moments of high degree of ritual intensity are high points of experience. They are high points of collective experience, the key moments of history, the times when significant things happen… Intense ritual experience creates new symbolic objects and generates energies that fuel the major social changes. Interactional ritual is a mechanism of change (Collins, 2004: 42-43).

At FitCo, the establishment of GWC appeared to generate the type of "morally-suffused energy" that IR theory suggests are the "raw materials" of new collective sentiments. This mirrors findings that suggest collective identities can be resurrected through shared experiences and emotional responses of participants (Howard-Grenville et al., 2013). My findings therefore suggest one trigger for the formation of organizational purposes in established organizations come from effective interaction rituals.

Collective emotional energy and moral feelings provided potentially powerful building blocks for recasting basic understandings about FitCo. This finding aligns with Selznick's theorizing on how values emerge, which can subsequently become the very reason for an organization's existence: "The first principle of a naturalist ethic is that *genuine values emerge from experience*" (Selznick, 1992: 19, emphasis mine). Indeed, more recent theorizing regarding the "experiential turn" in institutional theory suggests that social purposes, including "our

highest social aspirations and deepest human yearnings are experiential" (Nilsson, forthcoming: 3).

To make this potential a reality, however, requires several steps on the part of attentive leaders. The upshot is that IRCs left unmanaged may not be effective in themselves to generate an organizational purpose. Rather, symbolic management on the part of attentive leaders that skillfully *capture* and *translate* members' emotional responses into organizational symbols and claims appears to play an important role in this formation process.

First, leaders forged linkages that transpose members' collective emotional energy and moral feeling to the organization itself. At FitCo, this involved *crafting organizational symbols* that operated as two basic mechanisms: to lift and connect members' feelings from GWC to FitCo itself and operate as "carriers" (Scott, 2008) to prolong and objectify collective feelings. Although GWC was seemingly an effective IR pumping up participants with emotional energy, feelings of solidarity and emotional energy did not transcend to FitCo as a whole. Rather, as the findings alluded to, during the initial stages of GWC, only a smaller portion of FitCo's members actively participated. Therefore, the collective effervescence generated by GWC remained only amongst those who participated. When leaders began crafting symbols about FitCo that represented the experiences of those participating in GWC – for instance, portraying members experiences to outsiders and displaying employee testimonials – these new symbols provided a mechanism to transpose the collective energy of a successful IR among participants of GWC to FitCo as a whole. Thus, the emotional energy of the participants of GWC became symbolically connected to FitCo itself. In this way, symbols at FitCo served to shift energy across levels of analysis from individual, to subgroup, to the organization.

By crafting organizational symbols, leaders solved a second problem associated with IRCs – shared emotional energy can be ephemeral and may not translate into more permanent feelings of solidary and collective sentiment. What is needed, according to IRC, is the "transformation of short-term emotions into long-term emotions, which is to say, the extent to which they are stored in symbols that reinvoke them" (Collins, 2004: 81). For instance, a naturally occurring crowd my successfully exhibit many of the features necessary for effective IRs and in turn build collective effervescence, but may not generate longer-term collective feelings, sentiments, and solidarity because shared emotions are transient. At their most fundamental level, symbols in IRC are mechanism to perpetuate and crystalize the groups shared emotions and feelings. In this way, they can act as carriers of collective emotional energy and shared experience. Symbols reify group experiences and emotional energy, giving them permanence in an embodied object.

A final step of the formation process involved members developing and articulating claims that made sense of the collective energy encoded into symbols thereby rendering cognitive understandings about why the organization existed. Against this backdrop of collective emotional energy stored in symbols, members appeared to search for words to articulate the value or "good" that constituted this collective energy and how FitCo as an organization was implicated. In this way, the collective energy generated through IRCs and stored in organizational symbols was followed by a period of surfacing and reflecting on the value FitCo's activities. This suggests the development of collective energy amongst members can operate to prime subsequent episodes of sensemaking onto how members conceive of the value of the organization's existence. Although literature suggests threat and negative emotions can trigger sensemaking at the individual (Maitlis, 2009) organizational level (Brown & Starkey, 2000), this

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finding expands our understanding of emotions in sensemaking by highlighting how strong positive energy enables the exploration of how organization's conceive of why they exist.

They did so through two interpretive processes that each illuminate the value of their experiences in different ways. The first focused on construing value by framing "what we do" as a solution to a social problem, thereby providing a credible "cause" or motive for action. An organization's existence is endowed with positive value, by construing it as an "answer" to a socially recognized problem. The second interpretive process focused on construing various benefits of "what we do." Here an organization's existence is endowed with positive value by demonstrating positive outcomes of their existence. Both of these processes provided cognitive mechanisms through which the collective emotional energy generated amongst members was articulated into new claims for why FitCo existed beyond utilitarian or economic concerns.

DISCUSSION

As discussed in the introduction to this dissertation, scholars and practitioners have suggested a host of virtues of organizations possessing a purpose. In light of these benefits, understanding how organizational purpose forms becomes a question of practical import. More specifically, to ensure our scholarly understanding is most relevant and actionable to members in organizations, our understanding of this formation process should focus on if and how it can occur in established organizations that currently lack it.

To sensitize my understanding of this formation process, I reviewed theories of organizational identity formation and Selznick's theory of institutionalization. I selected these theories because they seem to best align with how scholars and practitioners discuss the core features of the phenomenon of organizational purpose that cast it as 1) an organizational-level understanding or claim about the organization, 2) that is seemingly non-economic and value-

laden or "normative" in nature, 3) that functions to justify the value of the organization's existence and/or direct and guide behavior.

In reviewing these theories I identified several critical ways in which they failed to offer a complete account of how organizational purpose forms in organizations. To summarize, theories of organizational identity formation do not disentangle how formation processes may differ depending on the kind of organizational identity content – in particular, whether it is utilitarian or normative in nature. Yet, theory suggests these formation processes may differ depending on content because normative social purposes are thought to possess an experiential quality, as opposed to more cognitive or symbolic elements. In addition, theories that do consider normative identities (Albert & Whetten, 1985) suggest they are more often the function of ideological founders. As a result, understanding how normative identities form in organizations moves theorizing beyond founders and founding to examine emergent processes.

In regards to Selznick's theory of institutionalization, his theorizing has remained prescriptive as opposed to descriptive or explanatory of how this process actually unfolds. Indeed, this had led to scholars to recently suggest in-depth exploration of how social values may become the "true ends of the institution" and the organization's "very reason for being" (Kraatz & Flores, 2015: page). Thus, although this theory provided some clues of important actors – in particular, institutional leaders – and prescriptions for how this process should occur, if and how this formation process actually occurs remained opaque. Below I revisit both these theories to discuss how my study extends theory in these areas. In addition, I review how my study offers contributions to research on organizational change more generally. I conclude by discussing application of this model to other setting and practical contributions.

Organizational Identity

This study elaborates theory on organizational identity formation. Perhaps the most central implication of this study for theories of organizational identity formation is formation processes may differ depending on the content of organizational identity. Albert and Whetten (1985) discussed the need for scholars to derive "dimensions of identity" and focus their analysis on the dimensions of "Utilitarian" and "Normative" using the case of a modern research university as illustration. Others have drawn upon the lens of "organizational identity orientation" to suggest the content of organizational identity can be construed in three qualitatively different ways: individualistic, relational, and collectivistic (Brickson, 2000; Brickson, 2012). Despite these observations, the few studies of organizational identity formation have tended to overlook content. This has led some to conclude that a "valuable contribution would be made by additional research into *what* identity content forms and *why*" (Gioia et al., 2013: 182).

The grounded model developed from this study suggests that organizational identities that possess normative dimensions may require certain ingredients to form – most centrally, the development, encoding, and articulation of emotional energy built amongst members in shared experiences. Consideration of these dimensions of organizational identity is important because it helps to integrate theories of organizational identity change and formation that have either emphasized cognition or emotion and experience. Prior research on formation and change of organizational identities has tended to privilege cognitive understanding over emotions and experiences (Gioia et al., 2013). Yet more recently, Howard-Grenville and colleagues (2013: 131) study of the resurrection of the community identity of "Track Town" found that emotions and experiences played a causal role in "propelling a collective identity because experiences and

emotions did not merely reflect members' cognitive identity understandings, but, to a large degree, defined them." The findings from my study echo Howard-Grenville and colleagues findings in that shared experiences and collective emotion provide the "raw materials" for the construction of collective identities.

More specifically, the finding regarding interaction rituals provides an alternative but ultimately complementary mechanism to account for when and why shared experiences and emotions are effective at influencing collective identity processes. Indeed, there are strong parallels between the events that were effective at regenerating Eugene Oregon's identity of "Track Town." For instance, shared clapping and participation, focused attention on runners, feelings of "magic," "energy," positive emotions, and feeling the track was a space was set apart as a "cathedral" mirror elements of effective interactive ritual at GWC. In addition, symbols became an important intangible resource for the regeneration of a collective identity. Although Howard-Grenville and colleagues suggest these shared experiences were a mechanism for authentication with the past, I found in line with theory on interaction ritual chains that certain features need to be in place in order to be generative of emotional energy.

More generally, integrating these findings with those of Howard-Grenville and colleagues may suggest a broader, alternative perspective to organizational identities processes. Prior research on organizational identity have traditionally been grounded in two underlying theoretical perspectives: those emphasizing institutional or categorical mechanisms (Glynn, 2008; Whetten, 2006; Whetten & Mackey, 2002) and/or sensegiving and sensemaking processes that are broadly "Weickian" in orientation (Corley & Gioia, 2004; Gioia & Chittipeddi, 1991; Gioia et al., 2010). Although these perspectives differ in the level of analysis that explain organizational identity processes – either the institutional field or members localized interpretive

processes – they share a similar focus on cognitive mechanisms. In contrast, integrating my findings with those of Howard-Grenville and colleagues highlight several shifts in our theorizing that could be construed as broadly "Durkheimian" in nature. This shift could be construed as Durkheimian as it centers upon notions of ritual, interaction, and collective effervescence as underlying mechanisms for collective sentiments. In doing so, this focus shifts theorizing in a number of ways including: 1) an alternative unit of analysis focused on features of situations and interactions, 2) an alternative mechanism focused on emotional energy, 3) a central theoretical focus not on the endurance of meanings and claims, but on the problem of preserving ephemeral emotional energy generated through shared experiences, and 4) recasting leaders not as initiators or drivers of this process through claim-making, but through setting in place conditions to build and harvest emotional energy. Taken holistically, this new perspective can be theoretically significant because it may offer insight onto questions regarding the dynamism of organizational identity, processes associated with formation, and the ways in which organizational identities can get "charged up" with significance, taking on special qualities for their members.

A second central contribution of this study is answering calls for multi-level research on identity processes in organizations. Ashforth and colleagues (2011) propose that identities are embedded and interlinked across three levels of analysis: intrasubjective ("I think), intersubjective ("We think), and generic subjective ("It is"). My findings echo this suggestion. Interaction rituals at GWC facilitated an intense experience of intersubjectivity and resulting shared emotional energy. In turn, this energy became the raw materials for attentive leaders to begin shifting this intersubjectivity to the generic subjective through the symbolizing efforts and resulting cognitive processes to justify FitCo's existence. In particular, this study contributes to our understanding of the linkages of identity across levels of analysis by specifically illuminating

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mechanisms for *how* these linkages are forged. First, effective interaction rituals can be mechanisms for effectively generating intersubjectivity. Second, the crafting of organizational symbols can serve as a transition mechanism to facilitate the generic subjective, rendering shared experiences a reified, collective reality. Regarding the former, my study answers calls for particular attention to the intersubjective as playing a critical role in identity formation – an often neglected transition point in the formation of collective identities (Ashforth et al., 2010).

Selznick's Institutionalism

At its heart, my study resonates with core assumptions underlying Selznick's unique view of organizations (Kraatz, 2009; Kraatz & Flores, 2015; Selznick; 1957). This includes a) appreciation that collective values and conceptions of worth emerge and are discovered through experience, b) that their emergence is often unintentional, c) that subjective experience is not epiphenomenal, but should be taken seriously as constitutive of valued-ends, d) that processes associated with collective values and ideals need to be studied up close, over time, and from an internal perspective, and 3) that social scientists should identity ideals and values as units of analysis and explain processes that can lead to their realization or frustration.

My study also offers important extensions to Selznickian approaches to organizations. Most centrally, my study provides a complementary descriptive and explanatory lens regarding how organizations can transform from justifying themselves in terms of efficiency or economic rationality to becoming receptacles of members' idealism. As noted in the introduction, Selznick tends to state *that* this process occurs and should occur, but says less about *how*.

First, this study extends Selznick's theorizing by uncovering *specific mechanisms* by which organizational purpose forms in organizations. In particular, it calls attention to how collective emotional energy and moral feelings are generated through interaction rituals, lifted

and stored in symbols, and translated into words through sensemaking processes of *exploring valued outcomes* and *testing social problems*. These findings intriguingly help flesh out more general suggestions made by Selznick that "core building" is important to institutionalization processes. For instance Selznick, suggests this "core building" may involve developing a social base as a "center from which influence may radiate, a training ground for loyal and self-conscious adherents (Selznick, 1957: 92) and that "core-building involves more than selective recruiting. Indoctrination and the *sharing of key experiences*…will help to create a unified group and give the organization a special identity" (Selznick, 1957: 106, emphasis mine). Although Selznick proposes core-building activities come *after* the definition of purpose, my findings are suggestive they emerge *from them*.

Second, Selznick implicates "institutional leaders" and "elites" as critical agents to this formation process. My study brings to life some important behaviors leaders engage in during this process. In particular, leaders are attentive to organizational developments and the generative experiences of their members. What this suggests is that leadership plays a critical "following" role in bringing to life organizational purposes in organizations. Interestingly, Selznick writes in *Leadership in Administration* that leaders may bring this about through two general sequential steps: "Definition of Institutional Mission and Goals" and "Embodiment of Purpose." As he says "defining the ends of a group existence, to design an enterprise distinctively adapted to these ends, and to see that the design becomes a living reality" (Selznick, 1957: 33). My findings suggest leaders can be adaptive in bringing about purposes in a less planning, deliberate, and instrumental fashion. Rather, "organizational ends" are discovered through monitoring ongoing organizational adaptation, and in particular, the energizing experiences of members. As Joas (1996: 154) states, "Only when we recognize that certain means are available to us do we

discover goals which had not occurred to us before." Although both approaches result in a kind of alignment between formulated ends and their embodiment in the organization, they suggest different sequential approaches.

Organizational Change

This study also holds potential contributions for theories of organizational change. First, recent research in the organizational change literature has suggested that dismantling and reconstructing "discursive" and "symbolic materials" is critical to organizational change (Bartunek, 1984; Fiol, 2002; Gioia & Chittipeddi, 1991). In turn, scholars have adopted more cognitive perspectives on organizational change drawing from theories of sensemaking and narratives (Maitlis & Lawrence, 2007; Sonenshein, 2010; Sonenshein & Dholakia, 2012). The model developed here complements and extends this work by highlighting the potentially transformative power of effective interaction rituals as a mechanism to change core organizational meanings, including understandings and claims about the organization's fundamental reason for being and existence. Rather than a mechanism for stasis, interaction rituals have generative power to bring about change because of their ability to incite strong emotional energy and moral emotions in their participants. Interaction rituals also call attention to the importance of micro-level contextual features and interaction dynamics as conditions by which additive change can be mobilized – in this case, the formation of an organizational purpose. This extension is potentially significant to the organizational change literature because it refocuses scholarship on a different unit of analysis – micro-level interaction and situations – as well as associated mechanisms – collective emotional energy and moral feelings (see also Bartunek et al., 2006; Huy, 1999, 2002).

Second, this study offers insights regarding the role of employees during organizational change. Examinations of change typically describe front line employees as "recipients" or "instigators" of change. In the former, scholarship has moved toward understanding how employees play a critical role in change, rather than simply barriers of resistance that need to be overcome (Sonenshein, 2010). In the latter, scholarship from tempered radicals (Meyerson & Scully, 1995) to issue selling (Dutton & Ashford, 1993; Dutton, Ashford, O'Neill, & Lawrence, 2001) to activities of change agents (Sonenshein, forthcoming) has cast employees in a more agentic role, often as motivated by a cause, grievance, or issue to induce organizational change. The findings of this study offer perhaps a third way of framing employees – as "embodiments" of change. I found that the shared experiences and collective energy that resulted from employees participating in effective IRs was the "feedstock" or "raw materials" that helped to provided the foundation around which purpose formed at FitCo. In this way, members themselves embodied the change that ultimately happened at FitCo. As the common adage goes "Be the change you wish to see in the world." This suggests employees not only "receive" or "initiate" change, but are also important mediums *from which* organizational change can occur.

Applying Model to Other Settings

I selected FitCo as an extreme case in order to facilitate theory building regarding how organizational purposes forms in organizations. My findings from FitCo raise questions about how these insights apply to other contexts. At first glace, FitCo appears something of a non-traditional context (Bamberger & Pratt, 2010), given most organizations do not enable employees to participate in group workouts and fitness. Yet, when group workouts are framed as a form of effective IRs, we can see the potential application for a host of organizations where employees can engage in IRs around business activities. For instance, at Patagonia, employees

are encouraged to participate together in outdoor activities core to their business such as skiing and climbing during company hours. This idea is encapsulated in the Patagonia's philosophy of "Let My People Go Surfing." Similarly, Medtronic holds annual parties for employees to meet patients whose lives have been improved by their products. Although employees are not directly participating as they would in a workout, one can imagine these situations have similar ingredients of effective IRs – mutual focused object of attention (on patients), bodily assembly (at party), barriers to outsiders (only employees attend), and sharing of similar mood (feeling deeply touched). Howard-Grenville and colleagues (2013) cite other examples at Nike and Harley Davidson of crafted situations where employees share experiences together that resonant with an IR perspective. This suggests this model many generalize to a large number of organizations where opportunities for interactions rituals are present.

Practical Contributions

This study offers potential practical contributions as well. Common wisdom captured in sentiments that leaders can work with an outside consultant and in a matter of weeks or months to "discover their organization's purpose" is likely insufficient to truly form an organizational purpose. Rather, the current study redirects practitioner attention to two main issues. First, it shifts attention from more "top-down" approaches of leadership to the characteristics of events and interactions in the form of effective IRs and resulting employee experiences. This is not to say leaders do not play an important role. Instead, leaders put in place opportunities for effective IRs and in turn look to "capture" and ultimately translate the collective emotional energy that results from members shared experiences. In addition, they play a role in articulating the emotional energy that is built up through processes of testing social problems and exploring valued outcomes. To reiterate a quote from on member, this process is a kin to "therapy" that is

"a painful and arduous journey." Although difficult, what emerged from this process emerged a

claim about why FitCo existed that

CHAPTER FIVE:
STUDY TWO LITERATURE REVIEW AND THEORETICAL LENSES

In this chapter I present literature, research questions, and theoretical lenses guiding Study Two. I organize this chapter around two general sections. The first section begins by discussing the relevance and significance of my general research focus – how members come to connect with organizational purpose. I then review extant theory and literature to show that disparate theoretical areas share an implicit concern with a similar process. I then show that investigating this process can contribute to these theoretical areas in two general ways – either by illuminating an underlying, yet underexplored mechanism or offering important theoretical extensions.

In the second section, I review several literatures and theories that offered sensitizing lens to my data collection and theorizing. I illuminate the theoretical logic underlying these theories, the varied practices organizations employ, and their corresponding mechanisms. Given the inductive, discovery-oriented nature of my research approach (Locke, 2001, 2011), I used these as preliminary guides, holding them lightly to remain open to what emerged in the field.

SECTION ONE:
LITERATURE REVIEW

Relevance In and To Practice

Prominent organizations such as Deloitte, Zappos, and Whole Foods have recently discussed and engaged in efforts to foster a sense of organizational purpose amongst members. For example, Deloitte Chairman Punit Renjen (2013) explains, "organizations that focus beyond profits and instill a sense of purpose among their employees are more likely to find long-term success." Deloitte has since devoted significant resources to do so. Similarly, Zappos CEO Tony Hseih (2012) suggests, "While employee appreciation measures can help motivate employees,

we really try to focus more on inspiring employees. You can inspire employees through a company vision that has a higher purpose beyond just profits or being No. 1 in a market." Finally, Whole Foods CEO John Mackey highlights the importance of an organization "suffused with higher purpose" and that leaders must ensure employees are "invested and energized" around the organization's purpose (Mackey & Sisodia, 2013). Together, these examples suggest greater inspiration and motivation is one potential benefit of members embracing an organization's purpose.

Writings in the popular press similarly advise organizations to create conditions for employees to somehow align with an organization's purpose. To illustrate, consultants suggest the need to "Communicate the purpose of the organization, and how employees' individual purposes fit into that purpose" (Baldoni, 2013). Scholars Bartlett and Ghoshal (1994: 81) writing in the Harvard Business Review proclaim, "senior managers must convert the contractual employees of an economic entity into committed members of a purposeful organization." Some have recently gone further, suggesting that organizations and even entire economies should foster and be organized around purpose (Hurst, 2014).

Successfully doing so purportedly provides individual and organizational benefits. To begin, many professionals are increasingly looking for a greater purpose or mission to connect to in their work (Kelly Global Workforce Index 2009; Lancaster & Stillman, 2010). Some practitioners suggest this consideration is an important factor in professional's job search:

> Having achieved mastery and at least some degree of wealth, they [professionals] crave the one thing most companies still don't explicitly offer them — purpose. We've heard from associates at all the big management consultancies, analysts at the largest investment banks, developers at the most prominent technology companies, and senior managers from Fortune 50 corporations, and they all tell us the same things. *They are not picking their next job based on the size of the paycheck. They are instead looking for a worthwhile mission and promising team to join. And, they are having a frustratingly hard time finding that.* (Koloc, 2013, emphasis mine.)

At the same time, it appears employees are having a difficult time finding a "worthwhile mission" to connect with. This sense of "frustration" is echoed in other findings. For example, a recent survey found nearly two thirds of employees and executives believe not enough is done to cultivate purpose amongst employees, and only 52% of employees believe their organization possessed a strong sense of purpose (Deloitte, 2013).

In summary, reference to "instilling," "inspiring," "convert," and "fitting" suggest somehow individuals come to view positively, connect with, accept, or internalize their organization's purpose as somehow relevant or important. As I develop in the following pages, my research focus is on *how* this happens and the potential role organizations can play to facilitate this. My focus on process is particularly well-suited to offer practical insights for workers and leaders interested in further developing this. As Langley and colleagues (2013: 4) recently argued, a process focus provides "know-how" knowledge – that is, knowledge about "how to produce the changes that the evidence suggests are desirable." Thus, understanding this process is not only timely and relevant, but also consequential in and to practice, as the research approach I adopt may generate actionable insights.

Theoretical Review

What do scholars know about the process by which members broadly come to view positively, connect with, accept, or internalize their organization's purpose as somehow relevant or important? Several literatures share an implicit interest in such as a process including Selznick's theory of institutionalization, charismatic-transformational leadership, meaning of work, and ideological contracts. Although suggestive of its nature and theoretical significance, each literature stops short of explaining how exactly this process unfolds. I propose an empirical examination of this process may advance theory in these areas in two ways: a) illuminate

important micro-mechanisms underlying more general processes of institutionalization and the influence of charismatic-transformational leaders on followers; and b) move beyond static, psychological approaches to consider the dynamic, social processes that generate meaningful work. Below I review each of these literatures and propose Research Question 2.

Selznick's Institutional Theory. Selznick's theory of organizations calls attention to the phenomenon of "value infusion" – a process he refers to as the "institutional embodiment of purpose" (Selznick, 1957). Institutionalization[8] is a process whereby organizations that were once considered "technical instruments" become valued, social entities. As he famously put it, "In what is perhaps its most significant meaning, 'to institutionalize'" is to infuse with value beyond the technical requirements of the task at hand" (Selznick, 1957: 17). As a result, transmitting, imbuing, or instilling value or worth into organizational life is a central element of institutionalization. Scott (1987: 494) summarizes Selznick's view accordingly: "institutionalization [is] a means of instilling value, supplying intrinsic worth to a structure or process that, before institutionalization, had only instrumental utility" (Scott, 1987: 494).

Selznick viewed this general process as composed of several underlying dynamics including the interaction and influence of various "group interests" and internal politics, the organization's relationship with its environment, and the role of institutional leaders and "elites" in defining and protecting the organization's purpose. Selznick also suggested some of these processes involve dynamics at the individual-level of analysis. For example, he suggested institutionalization requires "transforming a neutral body of men [sic] into a committed polity"

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[8] Scholars differ in important ways regarding how to conceptualize institutionalization and space constrains my review of each (see Powell & DiMaggio, 1991; Scott, 1987). Each perspective has its adherents and detractors. I acknowledge these differences, but resolving them is not the objective of my review. Rather, I simply observe that Selznick's perspective has received renewed theoretical interest (e.g., Besharov & Khurana, 2013; Heclo, 2008; Hirsch & Lounsbury, 1997; Kraatz, 2009), and scholars have called for additional research within this theoretical tradition (Kraatz, Ventresca, & Deng, 2010).

(Selznick, 1957: 90) and that "the personal and group bonds that make for institutionalization are not wholly separable" (Selznick, 1957: 20). Thus, processes at the individual-level appear to be important transformational mechanisms (Hedstrom & Swedberg, 1998) in explaining how organizations become institutionalized.

One process Selznick (1957: 150-151) called special attention to was the "inbuilding of purpose" amongst members:

> The inbuilding of purpose is a challenge to creativity because it involves transforming men [sic] and groups from neutral, technical units into participants who have a peculiar stamp, sensitivity, and commitment…To create an institution we rely on many techniques for infusing day-to-day behavior with long-run meaning and purpose.

This discussion seems to imply a process by which members are "transformed," and come to accept, internalize, or somehow embrace the organization's purpose. In turn, he argued this processes "contributed to a unified sense of mission and thereby to the harmony of the whole" (Selznick, 1957: 152).

Although seemingly important, Selznick also suggested this inbuilding process is not entirely straightforward and may pose "challenges to creativity" on the part of institutional leaders. This challenge involves consideration of the role of the institution in broader society, to develop models of thoughts and behavior that support this, and ultimately imbue or "inculcate" these ways of thinking and behaving amongst members. As a result, inbuilding of purpose is not simply about creating understanding of the greater purpose or mission of the organization amongst members. Rather, as he notes, it denotes individual "transformation" and a "sensitive awareness" on the part of members to recognize what is required to effectively pursue the organization's purpose.

Despite calling particular attention to the importance of this process and some underlying dynamics, Selznick stopped short of explaining how exactly it occurs. This reflects Scott's

(1987: 495) critique that Selznick's theorizing is more prescriptive than descriptive: "His [Selznick's] treatment of institutionalization informs us *that* values are instilled; not *how* this occurs" (Scott, 1987: 495, emphasis in original). Years later, scholars have continued to note this oversight (Besharov & Khurana, 2013).

Taken together, this process of inbuilding purpose amongst members is one mechanism that may explain how institutionalization or "value infusion" occurs[9]. As a result, exploring this process is theoretically significant because it may shed light on the important conditions, sequence of events, or organizational practices that explain how institutionalization occurs. For instance, although Selznick alludes to the fact that personal, individual-dynamics may factor into institutionalization processes we know little about how these dynamics may facilitate or hinder this broader process. Scholars have recently called for greater attention to the micro-mechanisms underlying institutionalization processes and this study may provide new perspectives onto these dynamics (e.g., Powell & Coylvas, 2008).

Charismatic and Transformational Leadership. A second stream of literature that begins to examine how members comes embrace organizational purpose comes from research on transformational and charismatic leadership[10] (Bass, 1985; Burns, 1978; House, 1977; Shamir et al., 1993; for review see Van Knippenberg & Sitkin, 2013). This stream of literature generally examines the characteristics and behaviors of "exceptional" leaders who have a seemingly profound impact on followers. Most research suggests these leaders engage in a variety of actions – discursive, symbolic, or behavioral – which in turn influence followers to promote

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[9] I do not assume this process is *sufficient* for institutionalization. However, Selznick's discussion suggests it is *necessary*.

[10] I follow others that use these terms interchangeably. Charismatic leaders are typically attributed to possess special gifts and qualities that make them extraordinary: a "connection with some very central feature of man's existence and the cosmos in which he [sic] lives (Shils, 1965: 201). These leaders affect followers' by generating commitment and obedience to the charismatic leader. In contrast, transformational leaders inspire followers to commit and work toward organizational goals (e.g., Burns, 1978). As a result, transformational leaders may include charisma, but charismatic leaders need not be transformational (e.g., Bass, 1985).

greater performance, commitment, and other important outcomes. Scholars have forwarded

several "dimensions" of these actions, such as articulating a compelling vision, emphasizing

collective identities, expressing confidence and optimism, and referencing core values and ideals

(Bass & Avolio, 1995) (for other proposed dimensions see Van Knippenberg & Sitkin, 2013).

Referencing collective purpose or mission is another such activity. For example, Bass's

(1985) model of transformational leadership suggest leaders garner "idealized influence" when

members attribute leaders as conveying a strong sense of purpose and collective mission.

Perrow (1972: 65) similarly argued that, "The common purpose of an organization must always

be a moral purpose, and to inculcate this moral purpose into the very fiber of the organization

and its members is the only meaningful task of the executive." Likewise, Shamir and colleagues

(1993: 578) argue, "Such leadership [charismatic-transformational] is seen as giving

meaningfulness to work by infusing work and organizations with moral purpose." Thus, imbuing

a sense of the organization's mission or purpose appears to be one important component

underlying how charismatic-transformational leaders have an influence on followers.

Although this is widely assumed as a central practice these leaders engage in, scholars

have limited insight regarding the process by which members come to embrace organizational

purpose. This reflects more general sentiments that scholars have limited understanding of how

these charismatic-transformational leaders affect members. As Bono and Judge (2003: 552)

suggest "it is surprising that so little is known about the processes by which transformational or

charismatic leaders have their effects on followers." This lack of insight seems to extend to how

members come to embrace organizational purpose. For example, a recent review by Van

Knippenberg and Sitkin (2013) have highlighted a dizzying array of mechanisms to account for

the effects of charismatic leaders on followers including self-esteem, self-worth, self-efficacy,

collective efficacy, collective identification, leader identification, self-concordance, value congruence, social identification, personal identification, and value internalization. Yet, none of these empirical studies examined mechanisms underlying the effects of charismatic-transformational leaders on members adopting or embracing organizational purpose. Indeed, studies typically examine outcomes related to "performance" or other instrumental variables instead of members' perceptions of organizational purpose and the degree to which they embrace it. This oversight reflects recent reviews by Podolny and colleagues (2005) and Glynn and DeJordy (2010) who suggest scholarship has overlooked how leaders imbue meaning and purpose within followers. As these latter authors summarize, "understanding how leadership infuses meaning, values, and purpose is an underdeveloped area of leadership research but, we suggest, a potentially rich and fruitful area of inquiry" (Glynn & DeJordy, 2010: 138). Taken together, although these theories suggest charismatic-transformational leaders should play an important role in shaping members relationship with organizational purpose, scholars have yet to theorize and empirically investigate how this process unfolds.

An investigation of how members come to embrace organizational purpose and the role organizations and their agents play in this process may extend understanding of theories of charismatic-transformational leadership in two ways. First, and more generally, exploration of this question may elucidate more fine-grained mechanism by which such leaders influence followers – an area scholars have noted remains a source of confusion (Van Knippenberg & Sitkin, 2013). Second, despite employing verbs such as "infusing" and "inculcate" to reference this phenomenon research on charismatic-transformational leadership tends to overlook process dynamics. Taking a process approach may identify conditions, events, or pathways that explain

when such leaders are and are not successful on influencing members to embrace organizational purpose.

Meaning of Work. Research out of the meaning of work literature also implies a process by which members come to embrace organizational purpose. This eclectic body of research draws upon various theoretical perspectives ranging from job-design (Hackman & Oldham, 1980) and job-crafting (Wrzesniewski & Dutton, 2001), to work values (Brief & Nord, 1990) to callings (Bunderson & Thompson, 2009) with the broad goal of understanding the meanings individuals attribute to their work and the domain of work more generally. A specific focus of this body of research is to understand the processes and consequences of individuals perceiving meaningfulness in their work – that their work in some way has purpose and/or is significant (Pratt & Ashforth, 2003; Rosso et al., 2010[11]).

Scholarship focused on issues of meaningfulness and purpose have focused most attention to the ways jobs can be design or crafted to increase the amount of purpose individuals experience (Hackman & Oldham, 1980). For example, the job characteristics model suggests jobs with higher degrees of task significance – defined as the degree to which the job has a substantial impact on the lives or work of other people – task identity – defined as the degree to which the job requires completion of a "whole" and identifiable piece of work – and skill variety – defined as the degree to which a job requires a variety of different activities in carrying out the work – increase individuals perceptions of job meaningfulness. While job-design focuses on managers formal attempts to structure jobs, research on job-crafting illuminates how workers

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[11] The relationship between purpose and meaningfulness (or meaningful work) is ambiguous in the meaning of work literature. For instance, some define meaningfulness in terms of purpose (Pratt & Ashforth, 2003) whereas others construe purpose as one pathway to meaningfulness (see Rosso et al., 2010). Others use the terms interchangeably (Wrzesniewski & Dutton, 2001). My goal is not to adjudicate or parse these differences, but provide a general review. Therefore, I use the terms interchangeably.

alter the cognitive, relational, and task boundaries which can in turn alter their perceptions of the purpose of their work (Wrzesniewski & Dutton, 2001).

Research on job design and job crafting has shed important light regarding the ways individuals can derive a sense of purpose in their work. However, these two theories generally overlooks if and how job design and job crafting can explain the ways individuals come to embrace their *organization's* purpose. This oversight appears to derive from two issues. First, research on job design and job crafting is concerned with explaining the *amount* of personal purpose individuals' experience. As a result, it is unclear if these perceptions of higher degrees of purpose are at all related to embracing the organization's broader purpose. To illustrate, individuals who experience autonomy might see their work as more purposeful, but it is unclear if this has any relationship to the degree individuals embrace their organization's purpose as their own.

Second, scholarship on meaningful work has suggested, but failed to examine, how individuals may come to see their jobs as purposeful because they somehow connect with the organization's purpose. To illustrate, a small amount of research – primarily theoretical – suggests individuals' relationship with organizational purpose can foster meaningful work (Pratt & Ashforth, 2003). Indeed, scholars have noted this area is ripe for further investigation: "organizational missions and reputations on the meaning of work is due for much more research attention than it has previously received" (Rosso et al., 2010: 106). In a comprehensive review, Rosso and colleagues (2010: 111) suggest organizational missions and purposes can enable individuals to experience purpose in their work by promoting a system of values to justify the value of their work: "Acting in accordance with these value systems contributes to the meaningfulness of the work by emphasizing the virtue of one's behavior and providing a sense

of assurance that one is acting in accordance with fundamental value bases." As a result, this theoretical work suggests an important linkage can occur between individuals and their organization's purpose, but how exactly this linkage is forged remains unclear.

Exploring how individuals come to embrace organizational purpose and the role organizations play in this process may extend theory in this area in two ways. First, scholars often discuss meaningfulness in process terms such as "searching" (Frankl, 1959; Steger et al. 2006), "find" (Rosso et al. 2010), and "seek" (Pratt & Ashforth, 2003) implying purpose is a function of construction or discovery. Indeed, extant theory suggests meaningful work is "dynamic and negotiated" and "ongoing" and "may involve changes in how meaning seekers view their identities, memberships, roles, and purposes" (Pratt & Ashforth, 2003: 312-313). Yet, much of the literature has yet to unpack the process dynamics it tends to presuppose.

Second, research in this area has predominately focused on psychological mechanisms underlying the creation of meaningful work. As Rosso and colleagues (2010: 118) note, research has focused on "micro-level and intrapersonal mechanisms while downplaying social or contextual sources of meaning and, therefore, inhibit more comprehensive understandings of the meaning of work." By investigating the role organizations play in this process, I may provide fresh insights regarding new social or contextual mechanisms that shape the development of meaningful work in organizations, especially as it relates to organizational purpose.

Summary

Several fields of inquiry seem to allude to a phenomenon where organizational members somehow come to embrace organizational purpose. But stepping back, what exactly does this phenomenon entail? These various perspectives appear to share at least three points of overlap in their description of this phenomenon. First, perspectives generally characterize this phenomenon

as a type of process, employing verbs such as "cultivate," "convert," "inbuilding," "inculcate" "infuse," "become," and "transforming." Second, the nature of these verbs seem to suggest this process entails members somehow accepting, embracing, or generally adopt organizational purpose. In this way, members seem to "accept" the organization's purpose as subjectively important or relevant. Third, these perspectives tend to implicate some "agent" responsible for this cultivation. In both institutional and charismatic-transformational leadership literatures it tends to be organizational leaders who are important drivers of this process. Therefore, this phenomenon does not appear to be a process involving isolated individuals and their experiences, but one informed by others or the surrounding context. Although general, these common features may help inform my empirical investigation of how this process unfolds.

Taken together, this literature review suggests explaining this phenomenon – how members come to embrace organizational purpose – is timely, relevant, and holds practical and theoretical significance. In light of this review and the potential theoretical and practical implications of this study, I propose the broad research question:

> **Research Question 2:** *How, if at all, do members come to accept organizational purpose?*

SECTION TWO:
EXPLORING THEORETICAL LENSES

In this section, I briefly review several related perspectives – strong cultures, identification management, conversion theory, charismatic leadership, and routinization of charisma – that may provide more general theoretical lenses to facilitate data collection and theorizing. I selected these perspectives because they generally capture processes by which members come to accept, embrace, or generally adopt organizational meanings.

The perspectives I reviewed reference a range of practices that appear to cluster around three general types of mechanisms: communication and information control, behavior/enactment, and intra-organizational bonds (see Table 3). Although I present these in isolation, scholars do not typically examine the independent effects of these practices, but rather how their interplay affects members. Thus, I considered a range of potential practices, as well as how they may jointly influence members' acceptance of organizational purpose. I conclude this section by briefly noting these perspectives tendency to privilege contextual factors and organizational practices compared to individual agency.

Communication and Information Control. Amongst practices and processes that influence members' relations with organizational meanings, those that focus on communication and information control are perhaps the most widely noted (see also Cheney, 1983). In some ways, these practices echo to social information processing perspectives that highlight how "the social environment provides cues which individuals use to construct and interpret events. It also provides information about what a person's attitudes and opinions should be" (Salancik & Pfeffer, 1978: 226). These practices work to influence members through the availability, type, and intensity of social information surrounding members. For example, practices such as encapsulation focus on restricting exposure to information from those outside the organization – either physically or socially separating them and preventing members from coming into contact with external ideological influences (Greil & Rudy, 1984). In doing so, this constrains the available information to organizationally sanctioned information and prevents outside information that may discredit, disparage, or generally undermine organizational meanings. Other practices such as codification and communication – either through formal documents or leaders communications – shape members understanding and interpretation via sensegiving: the

attempt "to influence the sensemaking and meaning construction of others toward a preferred redefinition of organizational reality" (Gioia & Chittipeddi, 1991: 442). Scholarship on charismatic-transformational leaders refers to sensegiving in terms of framing (Shamir et al., 1993), research on strong cultures highlight the role of codifying and disseminating organizational meanings (e.g., Kunda, 1992; O'Reilly & Chatman, 1996), and identification management discusses this in terms of sensegiving and encapsulated sensemaking (Pratt, 2000).

Myths and stories in particular have been alluded to as a means to instill a sense of organizational purpose into members. For instance, Selznick (1957) suggested that the promotion and dissemination of "myths" as one "technique" for instilling a sense of organizational purpose amongst members. Myths, according to Selznick, appear to work by shaping the moral significance and distinctiveness of the organization's purpose. Although these myths can be disseminated by formal means, Selznick suggests they may more often be communicated "indirectly" through other means: "Sometimes, a fairly explicit institutional philosophy is worked out; more often, a sense of mission is communicated in more indirect but not less significant ways…The specific ways of projecting a myth are as various as communication itself" (Selznick, 1957: 151-152). Likewise, research on the routinization of charisma have highlighted how sharing stories provide a means through which members can connect more strongly with their organization and the values it stands for (Chen, 2012).

Behavior and Enactment. Another set of practices work by influencing member's behaviors or enactments (see also O'Reilly & Chatman, 1996). Underlying these practices is the mechanism of behavioral commitment. By providing occasions for individuals to act that are public, irrevocable, and based on choice, organizations create conditions to produce greater

commitment and positive attitudes toward the organization (Keisler, 1971; Salancik, 1977). In doing so, they are predisposed to accept organizational meanings.

Studies of conversion and identification management find organizations couple these behavioral practices with social information processes to lead individuals to make sense of their actions in organizationally defined terms. Other practices such as mortification – when individual publically judge themselves in regards to the organizations value system, often leading to feelings of shame and humilation (Greil & Rudy, 1983; Kanter, 1972) – can lead individuals to adopt organizational meanings because these actions are typically public and voluntary and subjugate the individual to a set of shared rules and norms.

The second underlying mechanism of these behavior practices broadly focuses on identity enactment. Here organizations provide opportunities for individuals to enact roles, which, in turn, leads members to develop corresponding identities. As Pratt (2000: 474) finds in his study of Amway distributors, "the more I behave as a distributor, the more I start to think of myself as one." Likewise, Kunda (1992: 106) drawing from Goffman finds the importance of "role embracement" – where "participants publically embrace the ideologically defined member role as an authentic expression of their experience as members." In adopting these organizationally defined roles, members are more likely to take on the corresponding values and beliefs associated with the organization.

Intra-Organizational Bonds. Research on conversion theory, identification management, routinization of charisma, and strong cultures all call attention to the importance of emotional bonds in generating members' acceptance of organizational meanings. For example, research on strong cultures calls attention to the use of terms like "family" to characterize members relationships with others (Kunda, 1992) and suggests the promotion of bonds and social ties to

lead members to adopt organizational meanings (O'Reilly & Chatman, 1996). Rather than operate via social information, the underlying mechanism of these practices appear to be positive, and at times familial, emotions. For example, theories of conversion highlight the development of "cult affective bonds" (Lofland & Stark, 1965) and theories of identification management point to the role of positive emotions in mentor-protegee relationships (Pratt, 2000). Relationships characterized by positive emotion may operate by generating feelings of interconnectedness and openness (Dutton, Roberts, & Bednar, 2010), making individuals more receptive to organizational meanings.

Role of Agency. It is worth noting that much of this research tends to emphasize the active role of organizations in these processes, but downplay somewhat the agentic activities of members. That is, members are more often treated as passive agent that travels through a series of conditions or stages. This focus is illustrated in research on strong cultures that frames its exploration in terms of "social control." This is not to say models ignore individual actions and cognitions. Rather, the predominant focus has been the active role of organizations rather than the interplay between active organizations and more passive individuals. Despite this, some have suggested this is perhaps more dynamic. For example, Kunda (1992: 21) suggests, "Members are active participants in the shaping of themselves and of others. They may – at various times – accept, deny, react, reshape, rethink, acquiesce, rebel, conform, and define and redefine the demands and their responses." This echoes recent research that examines recipients of changing organizational meanings and their agentic role in reinterpreting and acting during organizational change (e.g., Sonenshein, 2010; Sonenshein & Dholakai, 2011). In light of this, I sought to remain open exploring the active role of both organizations and members in this process.

Summary

Taken together, the review of this literature on how individuals accept organizational meanings highlight several broad factors and underlying mechanisms that sensitized my data collection in this study. This includes 1) the ways in which organizations influence and attempt to control how members consume organizational communication and information, 2) opportunities for member to engage in certain kinds of behaviors that promote commitment, 3) strong interpersonal bonds between members that generate positive emotions, and 4) potential responses of members that more closely examine variety and agency in their interpretations and sensemaking.

CHAPTER SIX:
STUDY TWO METHODOLOGY

I adopted an inductive, qualitative approach to examine my research questions. Such an approach is appropriate because qualitative methods are helpful in examining how individuals "make sense of, or interpret, phenomena in terms of the meanings people bring to them" (Denzin & Lincoln, 2008: 4). In addition, given my interest in the role of organizational contexts and their potential influence on individual-level processes, qualitative methods can provide insight onto "situational details" (Gephart, 2004: 455) and the importance of understanding the phenomenon at hand in the "natural setting" in which it occurs (Creswell, 1998: 17).

In particular I employed grounded theory techniques (Locke, 2001). Grounded theory techniques aligns with my substantive focus on how individuals come to embrace or accept organizational purpose. Indeed, this approach is "most suited to efforts to understand the process by which actors construct meaning out of intersubjective experience" (Suddaby, 2006: 634). In addition, grounded theory techniques facilitate a theory elaboration approach, which occurs when "preexisting conceptual ideas or a preliminary model drives the study's design" (Lee et al., 1999: 164).

Case Selection

FitCo offered an ideal setting to examine my research questions. As outlined in the case summary in Chapter 1, beginning in late Spring of 2014 and most heavily in the Fall of 2014 and into the Winter of 2015, FitCo heavily engaged in both internal and external communications aimed at altering stakeholders interpretations of core aspects of FitCo. As summarized in the case summary in Chapter 1 and empirical findings of Study 2 in Chapter 4, a central component of these communications involved claims about why FitCo existed – in short, FitCo claimed it existed to make people better people through fitness. To illustrate, as I reviewed in Chapter 1,

FitCo launched large new brand campaign during this time period, which prior scholarship suggests can be important occasions for sensegiving (e.g., Corley & Gioia, 2004). Since FitCo engaged in a period of sensegiving during this time period it provided an excellent opportunity to closely examine how members were subsequently interpreted and potentially came to adopt or accept claims regarding organizational purpose. Thus, the events at FitCo were "transparently observable" (Eisenhardt, 1989; Yin, 2003) making this case appropriate to meet by goal of theory elaboration.

Data

        I collected data from three sources: non-participant observations, archival documents, and semi-structured interviews. A summary of data collection can be seen in Table 4.

        Non-Participant Observations. The first source of data I collected was non-participant, semi-overt observation (Whyte, 1984). Due to my ongoing ethnographic research in the context I was given an unusual degree of access, enabling me to attend sensegiving occasions such as employee events and conduct interviews with members at multiple time points. My observations focused on two areas: company wide events and relevant meetings, and shadowing members throughout their day. The bulk of these observations occurred over a six-month period during which time I observed several hours a day, several times a week. This resulted in a total of 86 hours of observations. During this time period I had desks in two different departments at FitCo in order to better integrate into the field.

        Early during my time in the field, I learned company-wide events were important occasions during which FitCo communicated new information regarding key aspects of itself, including its strategy and priorities, new advertising campaigns, and new products. Thus, these occasions were important events where sensegiving to employees occured. In addition, during these occasions senior leaders would often begin the meeting by providing overarching

commentary on FitCo and its current direction. To illustrate, an informant said during an early interview: "You sat through brand day. They do a great job of messaging internally that we are establishing ourselves as a fitness brand…All of that is executed fairly well internally" [D1-54]. During these events, I would record short notes on my phone and then record more extensive field notes within 24 hours of attending an event. In total I attended 15 events totaling 30 hours, including all-company presentations by senior leaders, FitCo's seasonal brand days, all employee fitness events, all-company Q&A with celebrity endorsers, and senior leader meetings

I also shadowed members to better understand relevant messages they were exposed to, informal discussion and interpretations they may have regarding FitCo. Observations provide insight onto contextual dynamics and situational influences (Whyte, 1984) and offer means of assessing findings and themes from interviews. In this way, they can corroborate or provide means to triangulate on the emergent theory (Eisenhardt, 1989). Often I accompanied members to and from company events and would gather their interpretations of the events immediately following. During my shadowing I followed a certain member throughout their day, which often included meetings, lunch, working out in group classes, and informal discussion.

Archival Documents. I also collected various archival documents in order to capture FitCo new claims. As prior research suggests, external communications can provide an important source of information that internal members use to interpret the organization (e.g., Corley & Gioia, 2006; Howard Grenville, Metzger, & Meyer, 2013; Ravasi & Schultz, 2006). The primary internal archival document I analyzed was FitCo's finalized brand book that was distributed to employees containing core meanings associated with FitCo. I also collected external communications from and about FitCo. This primarily included reports in the popular press and

FitCo's advertising. Additionally, I followed FitCo's YouTube, Instagram, and Twitter accounts to sensitize me to ongoing communications that members might be exposed to.

Semi-Structured Interviews. Finally, semi-structured interviews are a helpful source of data in examining individuals' attitudes and beliefs in organizational settings. Semi-structured interviews provide both structure and flexibility in collecting informants views of the social world: they are "open-ended yet directed, shaped yet emergent, and paced yet unrestricted" (Charmaz, 2006: 28). In particular, semi-structured interviews provide opportunities to both understand informant's interpretations, feelings, and desires (Pugh, 2012) and how these were formed. As Whyte (1984: 102) notes, "If we want to determine how particular individuals arrived at the attitudes they hold, then we need to conduct semi-structure interviewing." In this way, interviews can provide understanding of the process of how members think and feel in relation to organizational purpose.

To examine members' interpretations of FitCo's new claims, I conducted interviews with members at two points – early summer of 2014 and winter 2015 – resulting in a total of 92 interviews. These two time periods enabled me to capture members' interpretations prior to FitCo's intensive sensegiving as well as immediately after the period of intensive sensegiving that occur in the late Fall of 2014 into early Winter of 2015. By capturing members' interpretations at two time points I was able to examine potential changes in members interpretations overtime, in line with prior research that suggests temporal dynamics can influence recipients interpretations of organizational meanings (Sonenshein, 2010). In addition, follow-up interviews offered the opportunity to further explore, validate, and refine themes and findings generated from interviews.

My selection of informants was based upon a maximum variation (Miles & Huberman, 1994). This strategy involves selecting informants based on a wide range of differences on dimensions of interest, in order to identify common themes that cut across informants (Patton, 1990). My sample was diverse in regards to tenure – ranging from 3 days to 29 years – participation in company activities – highly involved to not involved at all – and functional area – product development, marketing, go to market, design, finance, legal, and HR. I selected this strategy to remain open to potential sources of difference and prior research offered limited guidance on dimensions that were centrally important. I worked with a key informant to help identify potential participants that systematically varied across these different dimensions.

Appendix II contains my final interview protocol. I structured my questions to capture the voice of my informant and refrain from leading questions. In the initial interview, I began by asking descriptive questions (Spradley, 1979) about the informants' background, general perceptions of the organization, and general attitudes toward their work. These questions provided important background information, allowed me to build rapport (Seidman, 2005; Whyte, 1984), and identify their salient impressions about their work and FitCo. My questions then shifted to explore my research interests more directly. I asked informants how they defined core meanings associated with FitCo, including how they construed "who FitCo was" and "why FitCo existed." In addition, I asked questions about how they personally related to FitCo's purpose – for instance, the degree to which FitCo's purpose overlapped with why they worked at FitCo, how important it was to them in their work, and examples of when they felt particularly close and particularly far away from FitCo's purpose. Based on members' initial responses, I drew upon research on psychological contracts (Thompson & Bunderson, 2003) developed a task

to help them explain the type of relationship they had with FitCo, based either on economic, socioemotional, or ideological currency (see Appendix III).

Finally, I asked various questions that assessed how they interpreted FitCo's new claims – what they thought about them, did they like them or not and why, and did they connect with them or not. During my follow-up interviews I asked similar questions, as well as if and how they saw FitCo's claims changed – becoming clearer or unclear and changing or not changing. In line with theoretical sampling (Locke, 2001) I modified my follow-up interview protocol to better capture an emergent theme of some members perceiving FitCo's claims in terms of FitCo's authenticity. In addition, based on emergent themes I asked how they assessed FitCo's claims in regards whether or not they construed the claims as marketing and advertising or defining of FitCo. Thus, I modified and refined my protocol throughout data collection to best capture emergent themes in line with grounded theory techniques (Locke, 2001). Both preliminary and follow-up interviews averaged 60 minutes each and were conducted in person, recorded, and transcribed.

Data Analysis

I analyzed my data following grounded theory techniques that involve iteration between data collection, coding, and analysis following the logic of constant comparison (Locke, 2001). My coding began by staying close to the data and using the words from my informants. An emergent insight that helped orient my coding focused on the observation that some members interpreted FitCo's claims as existing to "help people become better people through fitness" as if they were more symbolic or "marketing spin." Others, in contrast, construed FitCo's claims as genuinely why FitCo existed. This observation helped focus my coding on comparing the factors that explained these varying understandings. I began by examining how these different

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interpretations varied across different dimensions between employees. Here I discovered

systematic differences that were associated with tenure, such that longer tenured members

appeared to have skepticism regarding FitCo's claims. In addition, members who more strongly

participated in fitness activities at FitCo were more likely to interpret FitCo's claims as

substantive rather than marketing spin. This finding was reinforced as I compared how members

own interpretations varied between my preliminary interview and follow-up interview. Here

more or less participation was associated with seeing FitCo's claims as either more substantive

or symbolic respectively. At this point in my coding, I shifted my coding to better illuminate the

potential interpretive mechanisms that corresponded to these differences between participants.

For instance, an emergent theme associated with longer tenure members was construing FitCo's

claims in light of its history of previous actions and claims.

After identifying interpretive mechanisms linked to these differences, I engaged in axial

coding (Locke, 2001) and looked to identify more abstract dimensions of members'

interpretations of FitCo's claims. To illustrate, one set of interpretations focused on FitCo itself. I

originally labeled these interpretations "Credibility of Messenger" as they implicated factors that

influenced whether or not they perceived FitCo itself to be credible or believable in the claims it

made. A second factor seemed to focus on whether or not member's construed FitCo's claims to

"make people better through fitness" were actually plausible or feasible. Here members appeared

to look to the claim rather than FitCo. This assessment of plausibility appeared influenced by

whether or not member's participated in fitness activities themselves. Members who participated

in activities appeared to see linkages between what they saw FitCo doing – the products and

services it produced – and how these produces and services enabled the ends it espoused it

existed for. The resulting theoretical model can be seen in Figure 4.

CHAPTER SEVEN:
STUDY TWO FINDINGS
MEMBERS' RESPONSES TO NEW CLAIMS OF ORGANIZATIONAL PURPOSE

> It's not like we always said that this was where we were, this is what we're doing [speaking of new claims]. And I think a lot of times we catch a lot of flak for that 'cause we go through waves of 'this is what we stand for.' We are standing for this and are doing this. Then we wanna be a different kind of brand that does that. Now, we wanna be this kind of brand.
> –Interview with FitCo Member

> I think its been great [GWC] because it has shook FitCo up. It made FitCo stand for something bigger than just your everyday pair of shoes that people wear and discount. I think its been great for the company. For me, it's about feeling like I'm a part of something that is really valuable to the world and to people.
> –Interview with FitCo Member

The previous study examined processes by which value-laden understandings of why FitCo existed emerged and ultimately were claimed by FitCo. In this chapter, I examine the next phase in the change process at FitCo – FitCo's claim-making activity about "why we exist" to internal and external audiences and members' subsequent responses to these claims. As I reviewed in Chapter 5, the process by which members come to members come to accept, embrace, or generally adopt an organization's purpose underlies several theoretical areas including Selznick's institutional theory, charismatic-transformational leadership, and meaning of work. Although this process is theoretically implied in these literatures, scholars have tended to overlook how this process actually occurs. Thus, in this chapter I examined the research questions – *How, if at all, do members come to accept organizational purpose?*

FINDINGS

The central emergent finding from this study focuses on explaining puzzling differences in how members construed FitCo's claims of "why we exist." As the epigraph to this chapter illustrates, some saw FitCo's claims as "marketing spin" noting FitCo's tendency to "go through

waves of this is what we stand for." In contrast, others broadly accepted these claims as substantive. As the contrasting quote in the epigraph illustrates, seeing FitCo as "standing for something bigger" and "feeling like I'm apart of something that is really valuable to the world and to people." Thus, at its core, my findings unpack factors that explain whether or not members' broadly rejected FitCo's claims – construing claims as somehow manufactured, dubious, and lacking conviction – or broadly accepting FitCo's claims – construing claims as real, valid, and implicating of FitCo itself.

Figure 4 illustrates these emergent findings and serves as a guide for this chapter. At the far left of the model are the core sensesegiving activities FitCo employed to make claims about "why we exist." This included various communication channels – both internal and external – that provided members information regarding FitCo's claims. The right side of the model captures members' various interpretations of FitCo's claims. When members broadly reject FitCo's claims of why we exist, construing claims as somehow a desired projected image rather than implicating core aspects of FitCo, I label these perceptions of FitCo's claims as *symbolic*. When members broadly accept FitCo's claims of why we exist, construing claims as implicating of core aspects of FitCo, I label these perceptions of FitCo's claims as *substantive*.

I focus my discussion at the center of the model unpacking various factors that explained whether members construed claims as symbolic or substantive. In brief, I found two general factors explained members different interpretations of FitCo's claims of why we exist. First, members appeared to assess FitCo's *credibility* – perceptions about whether or not FitCo itself as an entity could be believed in. Members' perceptions of FitCo's *credibility* appeared to be shaped by three general perceptions of FitCo: 1) perceptions of FitCo's history of actions – what I label *perceived organizational character*; 2) perceptions of the degree of coupling or alignment

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between FitCo's claims and members collective participation internally – what I label *perceived organizational authenticity*; and 3) perceptions of FitCo's conformity to broader trends for organizations to make similar kinds of claims – what I label *perceived institutional conformity*. Second, members appeared to assess whether or not FitCo's claims about why we exist were possible or feasible – what I label *plausibility*. Members perceptions of the plausibility of FitCo's claims appeared to be influenced by whether or not members could make linkages between claims about why FitCo existed and the products and services they saw FitCo producing. Below I unpack these findings in detail beginning at the far left of the model.

FINDINGS

Sensegiving – Dissemination of New Claims about Why We Exist

At the far left of the model are the constellation of activities that FitCo engaged in to disseminate claims regarding why it exists. I label these activities *sensegiving* that I define following Gioia and Chittipeddi (1991: 442) as "the process of attempting to influence the sensemaking and meaning construction of others toward a preferred redefinition of organizational reality." Beginning in late 2013 and continuing into 2015 marked a period of time during which FitCo intensely engaged in a number of activities to shape internal and external understandings of FitCo. Senior leaders offered a variety of accounts for why they engaged in this activity. For instance, some spoke of attempting to resolve what they saw as conflicting interpretations of how external stakeholders perceived their organization, misunderstanding and confusion by internal members regarding the defining characteristics of the organization, a desire to share the transformation that occurred internally amongst members as a result of participating in GWC (see Study 1), and strategic interest in competing via their brand rather than individual products.

One central claim FitCo made during this time period was that it possessed an important "purpose" – what was described as FitCo's "reason for being" or "why it existed." For instance, this theme of a higher purpose came through in several conversations I had with the CEO where he claimed to me they had a "strong personal belief that FitCo is here for a higher purpose, not just selling shoes and t-shirts" and that "I think there is a small group that have loaded this path we are on with purpose and mission. And we know what we are trying to accomplish and it's bigger than selling shoes and apparel." FitCo communicated variants of this theme including included helping customers "realize their potential," "be the best versions of themselves," and "overcome complacency." Therefore, claims about FitCo centered around a common theme regarding claims about why it existed – that FitCo's existed to enable people to become the best version of themselves through fitness. Below I describe the internal and external sensegiving efforts FitCo engaged in to communicate claims about why it existed.

Internal Efforts. Internally, FitCo communicated new claims about why they existed to employees through several means. One formal avenue was via distribution of FitCo's newly developed "Brand Book." As discussed in Study One, my informants described this as an internal facing document, generated by a team of senior members that explicated key meanings about FitCo. This included sections about FitCo's history, core customer – described as "the center of everything we do" – purpose, mission, and vision – collectively described as "our focus and what we're about" – and brand beliefs – described as "our character and who we are." A core claim in this document was that FitCo's exited for a "higher purpose." To illustrate, the brand book stated that FitCo does "More than providing the equipment athletes rely on, we have a greater purpose."

It is important to note that within FitCo this document appeared to take on a degree of significance amongst senior leaders. This suggested the brand book was not a tangential "exercise" but rather contained meanings and interpretations they saw as vitally relevant for members. To illustrate, a key architect of the brand book said during an interview,

> It's weird. This document has really taken on a life of its own. You know when we first set off to do this, you know it was going to be as poked and prodded and criticized and nuanced. At first, it was, hey, we just need something, let's move quickly and develop into something. Let's get the right people around the table. Get clarity on where we're trying to go. Obviously having a direct line to the CEO to make sure that he/she is really good about where we're taking it and how we're interpreting it and describing things to the greater community (employees). Fantastic, but let's move fast. And then, now it's taken on this sort life where every page, every word, every paragraph, every design element is scrutinized…When I was thinking about who – who needs this the most? It was for not – not the agency that I work with or my team or senior leaders. It's for our employees around the world to get on board to understand where we're headed, why we're headed there.

This notion of "taking on a life of its own" and the intended audience of "employees around the world" suggested the meanings and claims contained in the document were considered by leaders to be important and relevant for employees understanding of FitCo. This heightened scrutiny and emotional investment was also illustrated in my observation of two senior leaders arguing about how to disseminate the document to employees. One leader scheduled an all-employee meeting to distribute to employees on rather short notice drawing a heated discussion from another senior leader.

> While sitting in a senior leader's office today, I saw what seemed liked an argument between two senior leaders. He came into their office with a raised voice saying the brand book should not be rolled out this way. He said he had been very vocal about it and that he stated his position. He thought the way it was to be rolled-out to employees would be poorly done and that this should be done the "right way." He said not enough copies were printed, the CEO should be prepared, the timing was not right [late in the day on a Friday]. My interpretation was this event had taken on greater importance than simply another employee meeting. [Field Notes]

Discussion of doing this the "right way" and intensive debate into the details of the meeting suggested that the rollout of this document had taken on a greater degree of significance.

I was able to attend the subsequent meeting where the brand book was rolled out to employees. Standing in front of approximately 200 employees, the CEO took the stage and talked through each page of the brand book – describing what each section of the brand book was about, the individual attributes, and backstories and interpretations of key information. He led off the meeting by stating:

> The brand book has been a work in process to really articulate for our internal audiences and colleagues around the world who are working on the FitCo brand, what we really want to say and do as it relates to FitCo going forward...This isn't something we will send to customers or have consumer facing, but its for us to digest the strategy, positioning, and ultimately our purpose as brand evangelist.

One central claim the CEO emphasized to employees involved FitCo's purpose, that he described as involving "changing lives:"

> Our purpose is to inspire everywhere to be their absolute best. That's what we do. We are in the business of inspiring people to be their absolute best…In some ways, even as I am telling you about it I feel like its somewhat trivializing that we are in the basement of our building and I'm sharing this really important message of our brand. But it really is, deeply important that we are just not about making products and marketing that we are creating, but the lives we are changing.

After walking through the document employees were given hard copies. Electronic copies were also formally distributed to all employees.

A second formal means of communication came during "Brand Days" that occurred twice a year, "Directors and Above Meetings" that occurred monthly, and other all-employee events. Brand Days were presentations focused on key business activities and information about FitCo for the upcoming season, including strategy, products, advertising and marketing, and the "state of the business." I attended both brand days during my time at FitCo and noted sizable discussion about FitCo's "purpose." For instance, senior executives discussed how FitCo's new

business efforts involved "building a story built on our purpose and mission" and that "We are all going to end up in the same place. And that place is where this brand is a symbol. A beacon that stands for living a fit, full, and meaningful life" [Field Notes]. In another brand day, senior leaders said to employees "And our important message of changing lives through a fit and active life...If you go back a few years before we had much more than idea that we wanted to be a fitness brand, it was pretty hard to envision. But today it's pretty easy to see" [Field Notes].

"Directors and Above Meetings" were meetings lead by senior executives that including only senior level managers. These meetings covered a variety of topics, including communications about the brand, advertising, strategy, and financial performance. These meetings were intended to provide senior managers with more detailed information, and provide a forum to ask questions and gain clarity about key business activities. Subsequently, it was hoped that senior managers would provide more detailed information to lower-level employees. I attended two of these meetings during my time at FitCo. During one meeting, the CEO lead off with slides focused on FitCo's purpose saying to everyone in the room, "I wanted to start with our mission and purpose because sometimes we forget what we are about and the importance of our work together. But it's extremely important" [Field Notes].

Finally, approximately two times a month FitCo would have all employee meetings. These meetings often included a visit from celebrity endorsers and spokespeople, talks from senior leaders, or fitness related activities. Often during these meeting senior leaders would lead off the event talking about the state of FitCo and where it was headed. To illustrate, when two spokesmen came in for an all employee event the CEO asked the following question: "We recently launched our new brand campaign and it's really all about all the things we have been inspired by internally [meaning GWC]. Not only by working out do you become stronger and

look good when you take your shirt off. But you are better in the rest of your life...Can you [spokesman] talk about what that idea means to you?" [Field Notes].

Finally, I noticed how some of the claims about why FitCo existed were physically manifest within organization. Primarily these included taking pages from the brand book as well as images from the subsequent brand campaign and displaying them in key areas of the building including the company cafeteria and elevator bays. For instance, a larger poster in the cafeteria focused on "realizing your potential" that reflected claims in FitCo's brand book that it existed to "enable people to be the best version of themselves." As noted in Study One, employee testimonials were symbolically presented at FitCo in key locations. Intriguingly, I noted during my observations that these testimonials were subsequently replaced by images from the brand book and FitCo's brand campaign once it launched. This transition seemed symbolic. What once were images of internal, employee transformation was replaced by similar messages to the external world.

External Efforts. At the same time, FitCo also engaged in communications externally that sought to alter perceptions of FitCo. This included the execution of their first major brand campaign in several years and the public launch of a new brand logo. These efforts provided an important source of information for members to make sense of FitCo. Indeed, there appeared to be a fluidness between the images contained in the brand book and the display of these images within FitCo. For instance, as noted above, images from the brand campaign appeared in big poster displays within FitCo. Additionally, I attended an all employee event that celebrated the launch of the new brand campaign. Leaders described this as a "seminal moment in FitCo's history" and that "the world will finally see what we stand for" [Field Notes]. Finally, an external

facing video focused on the launch of FitCo's new brand logo also was circulated internally

providing additional information to members.

Some informants noted that these external facing efforts provided relevant information

for them to come to better understand key meanings associated with FitCo. For instance, one

described a recently advertised shoe as a key reference point in determining whether or not "we

are a fitness company:" "That is a casual shoe [shoe in commercial]. It is not a fitness shoe. So

why is our advertising dollars being spent on that casual shoe if we are a fitness company?" [D1-

32]. Another remarked about how a recently launched external video helped offer "clarity"

regarding FitCo: "The first one was right around Christmas I think. Maybe January. [Senior

Leader] did like a two-minute video on the new branding… I got clarity around the brand" [D1-

23].

Members' Responses – Perceptions of FitCo's Credibility

In this section, I unpack members' responses to FitCo's sensegiving regarding "why it

existed" – to help people realize their potential and become the best versions of themselves. As I

described in the introduction to this chapter, members variously construed FitCo's claims as

either *substantive* –broadly accepting FitCo's claims about why we exist and perceiving them as

implicating core aspects of FitCo – or *symbolic* – broadly rejecting FitCo's claims and perceiving

them as more of a projected image. My findings suggested one core explanation for these

differences came from members perceptions of FitCo's *credibility* – that is, how believable or

sincere they saw FitCo itself to be. Below, I unpack three points of reference through which

members interpreted FitCo's credibility: 1) perceptions of FitCo's history of actions – what I

label *perceived organizational character*; 2) perceptions of FitCo's conformity to broader trends

for organizations to make similar kinds of claims – what I label *perceived institutional*

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conformity; and 3) perceptions of the degree of coupling or alignment between FitCo's claims

and members collective participation – what I label *perceived organizational authenticity* (see

Figure 4).

Perceived Organizational Character

I think that we worry more about a tag line and what our marketing concept is going to be than we do about what do we want to stand for in 5-10 years. I think that's a missing component because we go by like here's our tag line this year. Okay then we're going to change it, a different tagline next year and next year we're going to stand for this statement versus what is our brand's statement that lives and breathes for decades…So if you think about it to me, if we are this confused as a brand, the consumers will be 10 times more confused. What do we stand for? You know, it's like we launch this new brand mark, we never said what this means. We never said like this is why we've done this. It's like oh FitCo's putting another logo out there. Well that's nothing new. Versus we've chosen a mark that is standing for our brand for the test of time. Do you know what I mean? Something that shows that we have a commitment…*We struggle with committing to something. Commitment is something that we don't do. And it's hard because we always feel that we have the one up what we're doing versus saying we are consistent*. [D1-62]

The first factor that appeared to shape members perceptions of FitCo's credibility was

through their impression of FitCo's pattern of historical actions. Drawing upon Birnholtz, Cohen,

and Hoch (2007: 317), I label this general interpretation *perceived organizational character*.

Brinholtz and colleagues define organizational character as "coherent content of the ensemble of

dispositions that generates the distinctive actions of the organization…this ensemble of

dispositions resides in the individual procedural memories of organizational participants… we

label 'characteristic' those specific actions that most powerfully suggest the distinctive broader

pattern of a person's behavior." I use the term perceived organizational character because this

concept emphasizes perceptions of *actions dispositions* of the *entity as a whole*. That is, the

focus is on "recognizability of actions patterns" (Birnholtz et al., 2007: 320) that leads someone

to be perceived as "in character" or "out of character." As I will unpack below, members

construed FitCo's historical actions as amounting to a general pattern – as the epigraph above

suggests, "we struggle with committing to something." Due to this particular pattern of behavior, some members tended to construe FitCo as less credible and therefore to perceive FitCo's claims about why we exist as symbolic as opposed to substantive.

It is important to note that my data suggest members with longer tenure at FitCo – particularly greater than 4 years – were especially likely to judge FitCo's credibility in light of what they saw as its pattern of historical actions (see Figure 4). This finding is perhaps not surprising given members with more limited tenure do have not accumulated historical experience with the organization from which to construe its tendencies to act. That said, some lower-tenured members did tell me they heard stories from others regarding FitCo's historical pattern of behavior. As one member with nine months experience explained, "So I think FitCo, historically, what I've heard, is that we don't have a lot of discipline. We make a lot of changes all the time" [D1-14]. However, my findings suggested lower tenured members often failed to interpret FitCo's claims through perceptions of its pattern of historical actions.

Longer tenured members had a predominant impression that FitCo's historical actions exhibited several qualities that coalesced around a theme of "economic opportunism" – engaging in business activities with the exclusive motivation of financial success. As discussed in Study 1, informants commonly used phrases such as "chasing sales," "transactional," "flavor of the month" and "opportunistic" to characterize FitCo's prior actions. These sentiments about FitCo's behavior were often associated with characteristics of its founder, who many saw as an "opportunist" and focused on sales:

> I think it was more of a long standing issue because basically after this period of time I guess I would say that we lost our way, essentially. Like we moved away from, we took all of our iconic sports models and sort of like basterdized them. Essentially we just sort of whored them out and just like – gave them to the highest bidder, allowed them to get sold. We allowed the brand to get discounted just to make a quick profit. *And that's what that CEO at the time wanted* [D1-18.2].

Another said the founder liked to "Sell the shit out of anything and willing to make bold moves in like developing some products or throwing money at – to create innovations or whatever it is" [D1-21.3]. Taking FitCo's historical actions together, a gestalt pattern formed in member's eyes, particularly those with longer tenure. As one summarized, "the only constant at FitCo is change" [D2-29].

More specifically, members interpreted FitCo's economic opportunism leading to a random collection of activities, but also fostering a sense that FitCo's "core" had morphed several times over the years. To illustrate, a member with a 23-year tenure said in response to a question about what describes or defines FitCo, "I feel like I've had three or four lives here [D1-23]. Members saw FitCo's various incarnations as symbolically represented by changes in its brand mark, leading some to say "our core is always changing:"

> *Our core is always changing* [laughing]. It's the only good thing to say at all. But even something you would think would be a standard. I have been here for almost 10 years. Our logo has changed, something that would be the staple of the company. I think I have seen, entirely different logos…*So it's like, even something that should be our core, is always changing it seem like. FitCo is always changing* [D1-46].

Another said, "*We do not have this core that always stays* and that is actually maybe the identity." [D1-40]. Others with longer tenure imagined FitCo might not be who they claim to be within six months "We never stay same and like maybe if you come in six months and we will not be in fitness anymore" [D1-32]. Taken together, longer tenured members seemed to perceive FitCo as not just opportunistically engaging in business activities. Rather, they perceived this opportunistic behavior as fostering a more basic impression that there was nothing at FitCo's "core."

As the introductory quote to this section illustrates, members' perceptions of FitCo's pattern of behavior provided one lens through which they interpreted FitCo's new claims about

"why we exist." Thus, it was not only did they construe FitCo has possessing opportunistic behavior, but they evaluated claims in light of this fact. To illustrate, a member of 17 years said, "When it was first kind of rolled out you know, being a skeptic, I wondered how long this will be the marketing or the 'idea du jour'" [D1-37]. Another member with 12 years of experience in response to my question about their thoughts on FitCo's claimed purpose appeared to interpret the claims as characteristic of FitCo's past behavior to opportunistically pursue financial performance:

> I think what happened was we were like our sales was going down so we had to do something differently, radically different, let's come up with this big idea and let's hope the people buy into this idea. And I'm not sure that they have [D2-54].

Finally, when I asked a member in product development about whether or not they liked FitCo's claimed purpose they responded: "I don't know because we change our mission statements so often that sometimes you just like, 'Okay, what's the next one?' [D1-60]. Taken together, longer tenure members appeared to interpret FitCo's claims in light of its pattern historical actions, predisposing them to perceive FitCo's claims as symbolic and a projected image, rather that claims that are substantive and somehow a fundamentally real part of FitCo.

Perceived Organizational Authenticity

> I think right now we want to make great fitness footwear and apparel. And we authentically want to, in an authentic way, we want to represent ourselves as empowering people to be become better people. I think we're doing a good job for that and I think because of the culture that we're breathing inside this building, there is an air of authenticity. [D1-17]

A second factor that appeared to shape members perceptions of FitCo's credibility was through their perception of the genuineness or "authenticity" of FitCo's message. Indeed, some members used the terms "authentic" and "authenticity" to describe FitCo in regards to its claims. To my informants, authentic and authenticity primarily meant the degree of fidelity between

FitCo's claims about why it existed – both messages directed exclusively at members as well as messages intended primarily for outside audiences – and the collective participation by members internally. Their interpretations of the genuineness, sincerity, or authenticity of FitCo were bound up with the perception that members themselves were collectively "living and breathing" FitCo's claims internally. Perceptions of collective participation were often associated with the idea of "we" – that is, "*we're* living and breathing." As the epigraph suggests, "*because of the culture that we're breathing inside this building*, there is an air of authenticity."

Thus, authenticity did not stem from general perceptions of "we do what we say." For instance, FitCo engaging in external activities such as volunteering or community outreach that somehow linked to its claims that it existed to enable people to realize their potential. Rather, it was perceptions of collective internal participation (e.g., "we're breathing inside this building") that seemed linked to perceptions of authenticity. In this light, FitCo was perceived as more credible, thereby facilitating the interpretation that FitCo's claims about why it existed were more substantive and real, as opposed to symbolic and a projected image.

Echoing the opening quote to this section, members often used similar phrases as "employees live it" and "we are doing it here" as evidence that FitCo's claims regarding why it existed were in fact substantive claims. To illustrate, an employee in sales support said,

> So it seems like people are actually living it and doing it. And then it does seem like the global teams like, you know, it's not just marketing. It does seem like that's kind of like what goes on here like there's a belief that like everyone should kind of better themselves and do what's right for them and kind of like just kind of struck towards something all the time. It does not to be like crazy. It just has to be something that you work into it… So, they're looking at in their campaign and kind of like— It's more than a campaign. It's kind of like what, you know— It's kind to me they [members at FitCo] live it like FitCo…Like a healthy, balanced like you, like better person. [D2-33]

Note in this member's view, FitCo's brand campaign – a campaign that centered in the notion that FitCo existed to help people become better versions of themselves – was "not just

marketing" and is "more than a campaign" which is closely linked to their impression that many of FitCo's own members "are actually living it and doing it" internally. In turn, this perceived alignment facilitates this members' impression there is a collective "belief that everyone should better themselves." Others members made similar linkages, "We live it and breathe it everyday and we see the benefits of it. So, I think we're trying to promote that message…I think we do ultimately believe in it in our core" [D1-76]. Again, the notion of "live it and breath it" is connected to the notion of "believing it in our core." Finally, a designer perceived how employees' recent internal participation in fitness activities – the fact "we're living it and breathing it" – helped overcome previous feelings that FitCo was "faking it:"

> We're not saying one thing and doing something else. We're saying it and we're doing it. And that's where the brand was. I think it was, you could see through that. If you sat down in front of people, you thought you knew what they wanted to hear and you talked about it that way. I think it was very fake. It was disingenuous. I don't feel like we've been there in the long time. To get in front of people now and now we're living it and breathing it. We're talking about it and expressing. I think people are appreciating it. They understand it. [D1-78]

Finally, this notion of FitCo's authenticity, as linked to collective internal participation by members, appeared to be bolstered by leaders actions. To illustrate, one informant vividly recalled an all employee event where the CEO along with another senior executive described their shared experiences participating together with members:

> We had the gym up and running for working out. But they both got up and they talked about what this transformation means to them personally and that was one of the best meetings we ever had. It doesn't always happen but I will never forget it…He just talked about enjoying that feeling of connection by working out together and, you know, having the gym. I think he said something along the lines of this concept of FitCo helping people live longer and healthier lives and it's exactly the way I was thinking about it. I remember I got goosebumps and I went up to him after and just said, you know, that was one of the best meetings we had. It was awesome. [D1-10]

Leaders reflections on members' collective participation and experiences with others generated fidelity with FitCo's claim to "helping people live longer and healthier lives" and in turn this

members feeling of "goosebumps" and alignment with her own understanding of what FitCo was about.

Perceived Institutional Conformity. A third factor that appeared to shape members perceptions of FitCo's credibility involved the degree to which they saw FitCo's claims as instantiations of a broader "trend" in the business world toward organization's claiming a "higher purpose." When members perceived a similarity between FitCo's claims it existed to help people "realize their potential and become the best version of themselves" and other organizations making claims to a "higher purpose," they tended to construe FitCo as less credible and merely following a popular "trend" or "fad." In turn, this lead to the impression that FitCo's claims were symbolic and a projected image as opposed to substantive a implicating core aspects of FitCo.

To illustrate, a senior member made a connection between trends towards companies contributing to improving society and the specific version of that trend at FitCo:

> It's going to be these companies that do things that you know, people can look at and say okay. So they're contributing to the betterment of the world. They're good at it and it's okay to make money doing it. You could look at different trends in the world right? It might be smaller cars or more economic, you know, cars, gas mileage etc. These are trends right? Our's happens to be fitness. [D1-20]

In making connections between FitCo's claims and the claims of other organizations, members tended to perceive FitCo's claims for existence as conforming to a fad going on in many organizations today. As one said, "I mean to be a purpose driven or a mission driven company is not a new thing. It's been a fad for the past decade right? Companies are trying to go beyond and more philanthropic and give whatever. It's essentially what that is" [D1-21]. Another interpreted what FitCo was claiming as being "part of the formula" for what brands do today:

> Every brand in the world, you know, the modern day corporate cultures that we all have a a good charity that we are all associated with…To be a good corporate citizen you have

to have a meaningful purpose or charity you are affiliate with. That's part of the formula now. Do we do it because it the right thing to do or because it helps the bottom line? No. But it's the right formula today in this capitalist society that we "do good" but when you look under the hood…[D1-50]

An alternative way this theme emerged revolved around seeing the content of FitCo's claims as reflections of broader trends in marketing and advertising. In doing so, members associated FitCo's external claims as more symbolic than substantive. To illustrate,

I do think maybe speaking to the brand idea that is to some extent a trend in marketing just in general right now. I mean having just come from another company we had a lot of pitches. We were a Travel Company so literally someone pitches almost the exact same brand idea as FitCo…I think a lot of brands are looking for that right now. So I don't think it is just us [D1-71].

Another member in a separate department echoed this notion, suggesting the content of FitCo's claims to help people become their best self simply followed a more macro trend in how companies advertise. In turn, they perceived FitCo's claims more symbolically like a projected image, or in their words, a "marketing tagline to drive sales:" "Like we use purpose as a marketing tagline to drive sales [laughter]. The only reason that I think that it worked right now that we did this is because it's more mainstream now. Everyone's talking about this stuff right now in their ads. You know what I mean?" [D2-18.2]

Members' Responses – Perceptions of Plausibility of FitCo's Claims

In the above section, I described several factors that influenced members' perceptions of FitCo's credibility. In turn, perceptions of FitCo's credibility explained whether or not they construed FitCo's claims as symbolic or substantive. In this section, I present an additional general factor that explained whether members construed FitCo's claims as symbolic or substantive – namely, the degree to which members construed FitCo's claims as *plausible* (see Figure 4). By plausible I mean the degree to which claims are construed as conceivable, imaginable, and realistic. Whereas perceptions of FitCo's credibility seemed to center on notions

of sincerity and whether or not FitCo could be believed, plausibility seemed to focus more on if what FitCo claimed to exist for was actually possible, realistic, feasible, or imaginable. In this way, they also centered more on FitCo's message, rather than perceptions of FitCo itself or how its message made statements about the qualities of FitCo's (e.g., FitCo's message is a fad, therefore FitCo is not genuine).

In brief, my findings suggest members construed the plausibility of FitCo's claims regarding "why it existed" by examining the ways in which FitCo's products and services were connected to these claims. In other words, members assessed whether or not what FitCo did as a company was somehow linked to FitCo's claims it existed to help people realize their potential and their best self. Whereas perceptions of authenticity appeared to focus on the alignment between claims and members internal participation and in turn perceptions of credibility, perceptions of plausibility centered more on whether or not FitCo's claims regarding why they exist were feasible in light of the products and services they produced. For instance, are claims that "we exist to help people realize their best self" plausible – that is, realistic and feasible – in light of the fact that FitCo "makes shoes and shirts?"

My findings suggested members' interpretations of this varied. Some members did not see connections between FitCo's claims and FitCo's products and services. Here some members appeared to interpret "what we do" in terms of the products FitCo sells – that is shoes and apparel – and did not see connections with how "making shoes and shirts" is connected with FitCo's claims of "helping people realize their potential." As a woman in product development explained to me in response to my question about her thoughts on the recently released brand and brand campaign:

> We don't make people realize their potential. Well that is why the whole brand campaign offends me. It is shoes and shirts. We are not out there saving lives. We are not doctors

and nurses you know going to work and making things better. We are not making people realize their potential… So to me that is what it is. I don't think it increases my potential because I ran today. It doesn't make me a better human being. It doesn't make me do more for the world. [D2-56]

In her view, FitCo's products were fundamentally disconnected from the notion that FitCo existed to help people realize their potential. The upshot was that FitCo's claims were simply not plausible – in her words, "we are not out there saving lives." Another in business development interpreted FitCo's claims in a similar fashion, "I don't feel that making sneakers and shoes is the way to make the world a better place" [D1-50]. Interpreted in this light, FitCo's claims that it existed to enable people to realize their potential rang hollow and appeared implausible or unrealistic, leading claims to be construed symbolically as opposed to substantive.

In contrast, other members appeared to see connections between FitCo's products and services and its claims regarding why it existed. In particular, members that construed FitCo's claims as plausible were able to see interlinking connections between what FitCo did and the chain of benefits their products and services can provide. For instance, a finance manager saw a connection between what FitCo did and the benefits it can provide. In their words, FitCo made "shoes and t-shirts that work for those athletes to perform" [D2-24] that in turn help athletes perform at their best. Similarly, a product manager explained what he enjoyed about his work as connecting to the kinds of benefits FitCo can provide:

> We remind ourselves all the time, I do and my wife does, when we second guess about what we are doing…You are still about, you are still making, and you are still doing stuff or creating products and working in environment where it is a positive effect in people's [customer's] lives. So sometimes we forget about it in our daily life that is the fun part… Well I just mean, I mean it in the context of the output of what we do whether it is a product or a program that we create. It is an empowering thing for people to work for. [D1-66]

During a follow-up interview with this manager, he spoke in terms of "what FitCo does" in terms of the kinds of benefits it provides. In doing so, he perceived the notion that FitCo exists to help

people realize their potential as plausible: "We make stuff that enables people to go out and be fit, and have fun, and realize their potential. And through that, you connect with other people. So is there any direct correlation? Yes." [D2-66]. In these cases, FitCo's claims regarding why it existed were considered plausible and more substantive and implicating of FitCo.

Taken together, members appeared to vary in regards to whether they saw connections between FitCo's claims and FitCo's organizational outputs. My findings suggest these varying interpretations can be explained in part by the degree to which members personally participated in fitness – a central business focus for FitCo. These fitness activities included those who participated in GWC and those who participated in other kinds of activities such as yoga, running, and weight lifting. Those members who actively participated were more likely to perceive FitCo's products and services as connected with its claims about why it existed, and therefore found FitCo's claims to be more plausible. For instance, one member explained how they "resonated" with FitCo's claims through their own participation and thought others would understand it through their participation: "I think they're going to get it because they're going to understand, oh, okay. It just means I do this stuff daily and it's just apart of me. It's part of my life. It's part of everything. I think you resonate with the company's purpose when you do it yourself [D2-39].

One salient example of this came from temporal changes I observed between interviews, such that increases or decreases in members fitness participation were associated with perceptions of alignment. To illustrate, I asked one woman during our initial interview about FitCo's core purpose and if she had any sense of FitCo's activities being linked to "some bigger cause." She described it to me this way "We are not. I don't believe we are. Just selling. You are just selling shoes. That is really what we do. We are selling shoes. It is a shoe company" [D1-

32]. In our follow-up interviews she described FitCo's mission this way "To make people healthier through fitness. It's to make people healthier by doing all the pieces and parts" [D2-32]. She went on to explain that the most important factor for her explaining her changing perception of FitCo's purpose was her new found participation in fitness activities at FitCo. She described her motivation to stem from her desire to be more involved in her grandchildren's lives: "I wanna be a better person. I wanna be physically fit to take care of those, to be part of their lives, that kind of thing. So, for me, I wanna really buy into that. I wanna be part of that." Another member in an initial interview recounted a time when she was heavily involved with fitness activities at FitCo, "So when GWC came in and it was transforming lives in a positive way, it was something I could totally grasp, totally understand, totally apply to my own life as well as to people who I know" [D1-29]. In my subsequent follow-up interviews with this member, they described how they no longer really participated due to increased work demands. In this interview, they construed FitCo this way "We're just training and fitness right now. We're not more than that. We're not a brand of character that meets like an emotional connection with our consumer" [D2-29].

A GROUNDED MODEL EXPLAINING MEMBERS RESPONSES TO ORGANIZATIONAL PURPOSE CLAIMS

I opened this chapter with the puzzling finding that members varied greatly regarding whether they broadly accepted or broadly rejected FitCo's claims regarding why it existed. The emergent findings from this study led me to examine a particular way members accepted or rejected claims – namely, whether they construed FitCo's claims as more symbolic, akin to a projected image or as more substantive, akin to a claim that appeared real and fundamentally implicating of what FitCo was truly about. I subsequently unpacked several factors that

explained whether members construed FitCo's claims as symbolic or substantive. I now discuss these findings more generally and blend my findings with extant theory.

Figure 4 integrates and summarizes the findings from this chapter into a general model that explains different interpretations of FitCo's purpose claims. At the left of the model are the various sensegiving efforts (e.g., external communications, dissemination of brand book, etc.) that FitCo engaged in to claim why it existed. In this regard, many of the efforts FitCo engaged replicated findings in several literatures – including conversion theory, theories of identification management, charismatic or transformation literature, and organizational change – that demonstrate that organizations attempt to influence members understandings and acceptance of organizational meanings through discourse and social information. At the right of the model are differences in how members construed these claims as either symbolic or substantive. And at the center of the model are the various factors that explain differences in whether members construed claims as symbolic or substantive.

At its most basic level, the model I develop here proposes that perceiving claims of "why we exist" as either symbolic or substantive are primarily a function of members' interpretations. Specifically, my findings suggested two primary interpretations that explained whether claims were considered symbolic or substantive. The first broadly involved interpretations of the credibility of the entity making these claims. I found that members primarily targeted these interpretations not on individual leaders, but on the organization itself. Thus, members examined various signs that FitCo *itself* was credible. In doing so, it was as if members anthropomorphized the organization. They treated FitCo as if it was a person possessing behavioral traits, motivations, and intentions. In particular, I found members interpreted claims about "why we exist" in light of what they construed as the credibility of FitCo – that is, the veracity, reliability,

or truthfulness of FitCo – that in turn was influenced by perceptions of character, authenticity, and institutional conformity.

In regards to organizational character, FitCo's perceived pattern of actions provided a historical point of reference through which members construed the credibility of FitCo, and as a result, whether claims were construed as substantive or symbolic. Given its perceived opportunistic past, this led members – particularly those with longer tenure – to construe FitCo as less credible, and as a result, to consider FitCo's claims as symbolic. An additional factor that proved to undermine FitCo's credibility were perceptions of its institutional conformity. My findings suggest some members interpreted FitCo's claims as reflections or instantiations of broader fads, fashions, and trends in how organizations in wider society tend to act in order to appeal to audiences. In doing so, members' awareness of these broader trends rendered FitCo's claims as both mimetic of broader trends – that is, their claims exhibited appropriate conformity – but also appeared to generate perceptions that FitCo lacked conviction or genuineness, thereby diminishing perceptions FitCo itself possessed credibility. These members appeared to construe FitCo's claims more cynically – as a kind of bandwagon behavior that exhibited opportunism rather than inherent commitment – leading them to construe claims as symbolic as opposed to substantive. A final factor that positively influenced perception of FitCo's credibility involved members' perceptions of its authenticity. Here members perceived an alignment or coupling between FitCo's claims – directed at internal and external audiences – and member's collective internal participation in FitCo's message. This coupling generated an impression of authenticity, positive impressions of FitCo's credibility, and a tendency to construe FitCo's claims as substantive and valid.

Taken these findings together, the central insight that emerges is that members not only evaluate claims in and of themselves, but they also anthropomorphize their organizations – that is, attribute human-like qualities to organizations – and in doing so, perceive claims through evidence of the organization's traits, motives, and intentions. This finding reflects recent suggestions that organizations can be perceived as possessing "intentions" and traits, as if they were a human being (King et al., 2010; Love & Kraatz, 2009; Whetten & Mackey, 2002). As Love and Kraatz (2009) argue, "people tend to anthropomorphize organizations…that is, they view organizations as coherent and purposive social entities (i.e., as conscious actors or 'wholes')." This is not to say members are accurate in their perceptions of an organization's "essential" traits or that these perceptions are optimal. Rather, it suggests members are still prone to construe organizations as if they possessed them.

One theoretical grounding for this finding comes from Kraatz and Block's (2008) suggestions that members and other constituents may make what they label "second-order" evaluations of organizations. Drawing from Frankfurt (1971), they refer to "second-order evaluations" as focusing on perceptions of the organization as a "whole" entity onto itself, including perceptions of its motivations, evidence of the arbitrariness of its actions, and cross-temporal consistency. In particular, Kraatz and Block (2008) speculate stakeholders desire signals of commitment from organizations to the claims they profess – signals the organizations actions are non-arbitrary, trustworthy, and demonstrate conviction. These evaluations are labeled "second order" because they look not only at displayed features of the claim, action, or entity, but holistic perceptions of the entities intentions and motivations. To illustrate at the individual level, as Jennifer Aniston's character in the movie The Break-Up says in a moment of anger to her boyfriend, "That's not what I want. I want you to want to do the dishes." The perceptions

about her boyfriend's desire to not just do the dishes, but *to want to do dishes* is a second order

evaluation. She examines the motives behind her boyfriend's action to do the dishes, wishing

them to be voluntary, genuine, and lacking coercion. This notion of second-order evaluation is

also reflected in examples of how outside audiences examine organizations. To illustrate,

Professor Jerry Davis during an ICOS lecture discussed how two organizations can ostensively

look the same, but that their "souls" are different.

> In the pharmaceutical industry, every pharmaceutical company is going to say we exist to help bring health and goodness to the world. But there is this one pharmaceutical company, we can call 'PF'…They basically are a giant marketing company…They are really good at getting drugs through the pipeline and FDA and marketing them well by sending these 'dealers' out to physicians and getting them prescribe unnecessary drugs of various sorts. So that's one version of it, which they really do exist to create shareholder value, and all that other stuff seems more like a front. Then there is Novo Nordisk, which is owned by a foundation and really does seem to exist to conquer diabetes. At some level, they both have headquarters and CEOs and so on. But they really do feel different at some level…*In some sense they look the same, but their souls are different.*
> -Professor Jerry Davis, ICOS Lecture, October 3, 2014

Notice how perceptions of organization's claims regarding why they exist are bound up

judgments of "souls." In light of this prior research I label the collection of these impressions

that influence perceptions of FitCo's credibility as "second-order evaluations."

In addition to perceptions of FitCo itself and its credibility, members also assessed the

plausibility of FitCo's claims – whether or not FitCo's products and services actually supported

claims regarding why it existed. Here members appeared to focus on the content of FitCo's

claims – whether claims regarding why it existed were plausible, realistic, or imaginable in light

of the products and services FitCo produced. When members perceived "what we do" – that is

the products and services Fitco produced – as enabling, supporting, or helping to realize "why

we exist" then claims are judged as plausible and therefore more real or substantive. In contrast,

when members perceive "what we do" as an insufficient means to realize "why we exist" then claims are judged as less plausible and therefore more symbolic.

Additionally, I found members varied regarding whether or not they perceived alignment between "what we do" and "why we exist," which was influenced by their own personal participation in fitness and training – FitCo's core business focus. In particular, members who personally participated tended to perceive greater plausibility of FitCo's claims by seeing connections between FitCo claims for existence – making people realize their potential – and FitCo's products and services. Although the exact mechanism for this relationship is difficult to disentangle, one potential explanation is that by personally participating and experiencing FitCo's business focus, members gained vivid and proximate information that gave claims reality. Recent research suggests that a shared sense of purpose can be better facilitated through communications that are rich imagery (Carton, Murphy, and Clark, forthcoming). Perhaps even more than communication, members' first-hand embodied experience can provide tangible evidence to perceive connections between "what we do" and "why we exist." Indeed, I found some of these members could seemingly make connections between "making shoes" and the benefits it could provide: "realizing potential." As one member memorably put it to me, "It was, you know, the shoe on that wall could change a life. It just – it related differently for me. But for me, it just felt like there was a connection" [D1-29]. It is perhaps not surprising that this member at the time participated heavily in fitness activities – particularly, GWC. Taken together, I label these collections of perceptions regarding the plausibility of FitCo's claims as "evaluations of message" (see Figure 4).

DISCUSSION

In Chapter 5, I reviewed several theories – Selznick's institutionalism, charismatic-transformational leadership, and meaning of work – that suggested, but failed to examine, how members somehow come to accept organizational purpose. In this chapter I explored this process and developed a model that identifies relevant factors that explain variations in members interpretations of organizational purpose regarding whether claims are construed as substantive or symbolic. Below I elaborate upon these findings and discuss implications for practice.

General Discoveries

Most generally, an emergent finding from this research is the relevance of members' interpretations to explaining variation in members' acceptance of claimed organizational purpose. This general finding echoes prior research on identification management (Pratt, 2000), conversion theory (Greil & Rudy, 1983), and charismatic leadership (Shamir et al., 1993) that suggest communication and information control are important factors in explaining members connections with organizational meanings. In particular, this research highlights how factors of discourse, and more importantly, the practices organizations engage in to control and shape interpretation are paramount to explaining members' connections with organizational meanings. In contrast to some of this research, however, my findings echo recent research on recipients of changing organizational meanings (e.g., Bartunek et al., 2006; Sonenshein, 2009, 2010; Sonenshein & Dholakia, 2012) that suggests members actively and agentically interpret meanings claimed by the organization. My findings align with this recent research and builds upon the observation by Kunda (1992: 21) years ago regarding members responses to organizational meanings: "Members are active participants in the shaping of themselves and of

others. They may – at various times – accept, deny, react, reshape, rethink, acquiesce, rebel, conform, and define and redefine the demands and their responses."

In addition, my findings expand understanding of the relevant interpretive mechanisms and influences that explain whether members "accept or deny" organizational claims. In doing so, I answer calls to examine the ways in which members construe organizational claims. For instance, research on organizational identity – a literature focused on particular claims organizations make – has called for more attention to explain whether or not members "buy-in:" "Leaders must allow members to make sense of the new identity on their own to a certain extent if they are to 'buy in' to the new organization. This is an intriguing question for future research to explore further" (Gioia et al., 2013: 164).

Perhaps most centrally, my findings calls attention to the importance of how members construe the motivations, intentions, and ultimately the credibility of organizations themselves as a critical explanation for whether or not they accept or reject claims of organizational purpose. Prior research has tended to examine the ways in which members accept or reject organizational meanings based on the nature of the meanings themselves. To illustrate, research on identification postulates members broadly accept organizational meanings and become identified when there are opportunities for them to fulfill psychological needs for continuity, distinctiveness, and self-worth (Dutton, Durkerich, & Harquail, 1994). Other research highlights the importance of particular practices such as "sensebreaking", that when successful, promote acceptance of meanings (e.g., Pratt, 2000). My findings that focus on interpretations of organizational credibility are perhaps theoretically significant because they situate evaluations of organizational claims into context. In particular, perceptions of organizational character embed evaluations of claims into history and time and perceptions of institutional conformity embed

evaluations of claims into the broader institutional environment. In doing so, my findings answers calls by Kraatz and Block's (2008) to further situate evaluations stakeholders and audiences make of organizations.

An intriguing question related to this set of findings is why did members judge FitCo's claims in light of the various factors that influenced in credibility? In other words, why was it so pronounced in my findings that members cued into FitCo itself – its character, authenticity, and institutional conformity – to assess its claims? One potential explanation for this is the nature of organizational purpose itself. When an organization makes claims regarding "why we exist" it implicitly offers a rationale that focuses on the organization's motive. To say, "we exist to help people realize their potential" suggests something about the organization's intentions, motivations, or grounds for action. In doing so, it may invite additional scrutiny about the validity of the organization's motives. This is perhaps one reason why members I found members highly attuned to factors that influence perceptions of FitCo's credibility.

Meaning of Work

As noted in Chapter 5, scholars in the meaning of work literature have called for more investigations of how members connection with organizational missions: "organizational missions and reputations on the meaning of work is due for much more research attention than it has previously received" (Rosso et al., 2010: 106). My findings offer an answer to this call. My findings add to this literature by documenting important interpretive mechanisms that explain whether or not members are likely to accept claims about purpose as substantive or symbolic. This enriches theorizing in the meaning of work literature in two ways. First, it challenges the assumption in the meaning of work literature that has predominately cast members as passive recipients in their construction of meaningfulness: "much of the literature employs the

assumption that individuals are fairly passive recipients of their environments" (Rosso et al., 2010: 117). I demonstrate that members do not take accept claims of organizational purpose at face value, but examine them in light of the organization's credibility and the plausibility of the claim. Second, research in this area has tended to examine underlying psychological needs – for instance, autonomy or self-efficacy – as the primary mechanisms by which members derive meaning and meaningfulness in their work. My findings extend theorizing in this area by documenting important interpretive factors that can explain whether or not members derive connection with organizational mission and purposes. In particular, perceptions of organizational credibility, as shaped by perceptions of organizational character, authenticity, and institutional conformity, and perceptions of the plausibility of the organization's claims, as shaped by perceptions of the linkages between claims and an organization's product and services, collectively explain whether claims are construed as substantive or symbolic.

Selznick's Institutionalism

Finally, the research findings presented here also hold implications for Selznick's institutional theory. To begin, my findings answers recent calls for to understand "close up, studied over time, and viewed from an 'internal perspective" (Kraatz & Flores, 2015: 19) how purpose is embodied into organizations and their members. Selznick's original theorizing suggested that organizations through social processes can become "receptacles of group idealism" and implored institutional leaders to "embody purpose" into the organization and its members. As Selznick (1957) noted, it denotes individual "transformation" and a "sensitive awareness" on the part of members to accept and effectively pursue the organization's purpose.

My findings suggest a critical hurdle for institutional leaders to overcome in this process is member cynicism derived from their perceptions of the organization's credibility, as well as

perceptions of plausibility of the organization's claims. As Selznick noted years ago, organizations can be a "hostage to [its] own history" (Selznick, 1992: 232). For some, FitCo became a hostage to its own history, largely due to its broader pattern of behavior – its perceived character – that threatened its credibility, leading members to construe claims as symbolic as opposed to substantive. Thus, FitCo appeared to be a "hostage" in a particular manner. It was not so much that prior claims became enduring thereby introducing rigidity and prevented members' from accepting new claims. Rather, it was hostage to its history due to its pattern of action that exhibited opportunism. If, as Selznick (1957: 17) suggests, organizations are "expendable tools" before they are "institutionalized" then it is this very expendability and endless adaptation that can set in place conditions to make members – particularly those with longer tenure – reluctant to accept broader purposes as substantive and defining.

Implications for Practice

This research offers several implications for leaders and managers who make claims regarding why their organization exists. Most generally, it suggests leaders and managers be attentive to the ways in which members construe the organization's credibility and the plausibility of the message. I have documented several challenges that FitCo faced in gaining members acceptance of its claims due to negative perceptions of its character and conformity to trends that undermined its credibility, leading members to construe claims symbolically. That said, one potential resource to navigating this challenge comes from members internal participation in the claims organizations make regarding why they exist. This appeared to facilitate acceptance in two ways. First, members universally attributed credibility to FitCo's through their perceptions that FitCo's claims aligned with collective internal participation of members. In this way, members perceived a coupling between FitCo's claims – directed at

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internal and external audiences – and internal participation. This coupling generated an

impression of authenticity and in turn positive impressions of FitCo's credibility. Second, when

members were able to participate internally in FitCo's business focus on fitness and training,

they were more likely to perceive FitCo's message as plausible, thereby leading them to construe

claims as substantive. Taken together, one core recommendation for practice is not only

demonstrating integrity – alignment between word and deed – but more specifically focusing on

internal member participation.

CHAPTER EIGHT:
CONCLUSION

There is currently substantial discussion and interest in the notion of organizations possessing a "purpose." This includes recent calls in leading management journals, to profession-wide themes of academic conferences, to discussion from leaders and practitioners. In addition, despite its occurrence during critical moments in organizational life and wide relevance to theories of organizational behavior, the processes whereby new understandings regarding an organization's purpose – what appear to be value-laden collective understandings about why the organization exists – forms and if and how members subsequently respond and accept these understandings have yet to be systematically explored. This dissertation takes a step toward answering these calls through in-depth, up-close, longitudinal examination of one organization where such processes were especially salient. In doing so, I contribute empirical insights regarding the phenomenon of organizational purpose and contributions to theory. Below I elaborate on my central discoveries and how each study relates to the broader dissertation.

Central Discoveries

Inductive, qualitative studies are guided by a logic of "discovery" (Locke, 2011). This dissertation yielded several discoveries, beginning with my early days in the field. Perhaps the most central discovery of this dissertation was that organizational purpose can emerge unintentionally as the result of the shared experiences that have a powerful impact on members themselves. I was initially attracted to FitCo due to reports in the popular press of some fitness practices that had been instituted at FitCo – what I came to see as the effects of GWC – and the positive responses from some members. I was anticipating my dissertation would focus on FitCo's deliberate attempts at influencing members, how these practices influenced members themselves, their relationship with FitCo, and their constructions of their meaning of their work.

However, what became apparent during my early interviews with senior leaders was that they were seemingly grappling with a feeling that FitCo had a "greater purpose" in part due to the shared experiences of their members, but had difficulty articulating what it was. Discussions of organizational purpose by practitioners and scholars such as Selznick have suggested it emerges from a deliberate, even strategic action on the part of senior leaders, in many ways similar to the deliberate, strategic action of leaders to form and change organizational identity. Yet, I found that leaders interpretation and subsequent sensegiving trailed the shared experiences of members, and in many ways, sought to brings words to and articulate what had occurred within FitCo.

A related discovery was the importance of interaction rituals (Collins, 2004) in generating emotional energy amongst members, which in turn, provided the impetus for and foundation from which understandings of "why we exist" emerged. As reviewed in Chapter 1, when scholars and practitioners discuss organizational purpose, they often discuss it alongside notions of morals, significance, worth, and other value-laden terms. In doing so, they seem to imply the notion of purpose fundamentally matters to organizational members – it is not simply a preference, interest, understanding, or discourse. As Sayer (2011) suggests, social science at times has difficulty fully accounting for the *evaluative force* behind people's perceptions and understandings of concepts such as purpose.

> We are beings whose relation to the world is one of concern. Yet social science often ignores this relation and hence fails to acknowledge what is most important to people. Concepts such as 'preferences,' 'self-interest' or 'values' fail to do justice to such matters, particularly with regard to their social character and connection to events and social relations, *and their emotional force…*[this] can easily allows us to miss people's first person evaluative relation to the world and the *force* of their evaluations. When social science disregards this concern, as if it were merely an incidental, subjective accompaniments to what happens, it can produce an alienated and alienating view of social life.

The finding that emotional, moral energy amongst members became the raw material for subsequent interpretive processes by leaders about why FitCo existed may get us closer to the heart of what organizational purpose is and what it can means to members. Organizational purpose is bound up with energy, emotion, and moral feelings.

A final core discovery of this dissertation was the challenges of bringing about organizational purpose in an established organization. Although a series of events came together to precipitate new organizational claims about why FitCo existed, a subsequent challenge to further establishing these claims at FitCo came from members' interpretations of these claims. Research on organizational change has long documented members as "resistors" when leaders attempt to implement new organizational meanings. At FitCo, I found some members construed FitCo's claims about why it existed as symbolic as opposed to substantive for two reasons 1) that FitCo lacked credibility due to its historical actions and resulting schizophrenic "character" and 2) that some perceived FitCo's claims as "trend-following" and therefore opportunistic and lacking commitment.

This discovery suggests two general barriers to fully realizing organizational purpose in established organizations: history and institutional environments. In regards to the former, during the early stages of this dissertation I was unclear whether and how examining organizational purpose in a new versus established organization would yield different kinds of processes. The finding about organizational character suggests that one unique barrier that established organizations face that new organizations do not are perceptions of their histories. Corporations that are governed by utilitarian thinking, with associated concerns for economic rationality, efficiency, and maximization of profit– akin to what March (2003) characterizes as a "logic of consequence" – may develop characters that inhibit members' beliefs in subsequent claims.

Indeed, it is not difficult to imagine that established corporations can develop histories that exhibit some qualities of FitCo – opportunism, transactional behavior, and perhaps even *becoming* different things in order to achieve economic rationality. In doing so, they instill within their longer tenure members a sense of "character" that ultimately undermines the organizations credibility to claim a purpose as substantive or real as opposed to symbolic.

In regards to the latter, I did not anticipate members perceiving a connection between broader organizational trends toward claiming a "higher purpose" and FitCo's claims. What was especially surprising was how these perceptions served to undermine the credibility of FitCo and its claims, leading members to perceive them as symbolic as opposed to substantive. More generally, this finding may help answer recent calls to connect Selznickian and neo-institutional perspectives on how stakeholders perceive organizations. In particular, scholars have lamented the "clear need for new theory that clarifies values' relationship to the macro-institutional context" and the "largely unexplored tension – between values and some of the imperatives that emanates from the macro-societal context (e.g., those which promote rationalization, commodification, and homogenization) (Kraatz & Flores, 2015: page)." My findings begin to illustrate a fundamental tension and relationship between Selznickian and neo-institutional perspectives.

In particular, this general finding harkens to what some have called the "politician's dilemma." Kraatz and Block (2008) drawing upon both neo and old institutional perspectives argue organizations face a "conformity problem" – symbolizing their behavior as adhering to prevailing cultural beliefs and expectations in order to be legitimate (DiMaggio & Powell, 1983) – and a "commitment problem" – the need for organizational claim and actions to demonstrate conviction, consistency, and appear non-arbitrary. Evaluations of conformity and commitment

collectively explain an organization's legitimacy in the eyes of stakeholders, including internal members. As noted in the description of the model in Study Two, Kraatz and Block (2008) suggest evaluations of commitment are a kind of "second-order" evaluation. Drawing again from Frankfurt (1971), they refer to evaluations of organizational conformity as a kind of "first order" evaluation. First order evaluations focus on an observers perceptions and evaluations of the desirability, appropriateness, or adequacy of an entity and its claims based on basic features they exhibit. For instance, studies highlight how organizations that claim membership in a certain category in which audiences find them not to conform are considered less desirable (Zuckerman, 1999). In sum, this posses a basic paradox of what is required to be both socially legitimate and conforming, while also appearing non-arbitrary, authentic, and committed (Kraatz & Block, 2008).

My findings may extend theory on these evaluation processes by highlighting how they can be intertwined. On the one hand, FitCo appropriately aligns with cultural norms. Indeed, members at FitCo appeared to judge FitCo's claims as conforming to broader cultural expectations that organizations espouse they exist for "higher purpose" beyond their own self-interest or financial performance. By consequence, however, *members' recognition of that very conformity undermines perceptions of its commitment and credibility.* If, as Kraatz and Block (2008) suggest, both conformity and commitment compose legitimacy, then the implication of my findings is a basic paradox: perceived symbolic conformity is both necessary and potentially destructive of legitimacy. The upshot of this line of argument is that organizations need to paradoxically *conform authentically* in order for new claims to be considered credible and therefore substantive rather than simply symbolic.

Connecting Studies

Taken holistically, the two studies composing this dissertation begin to advance perspectives that suggest organizational meanings form and change through a complex mixture of sensegiving and sensemaking. Prior research suggests the claims organizations make, and the understandings recipients make, are "mutually constitutive" and have a "intertwined relationship" (Gioia et al., 2010; Gioia et al., 2013). Despite this observation, many studies either privilege the perspective of top management (Corley & Gioia, 2004; Gioia & Thomas, 1996; Gioia, Thomas, Clark, & Chittipeddi, 1994; Ravais & Schultz, 2006) or stop short of collecting data on how members subsequently receive new or revised organizational claims.

Relatedly, although distinct, others have recently forwarded that these collective meanings may result from a "claiming and granting" process between organizations and their constituents (Pratt, 2012). In contrast to the former, the latter perspective on claiming and granting focuses more attention on when and why audiences' accept or reject organizational claims, rather then how their understanding might be influenced by sensegiving. By shifting from "giving" and "making" to "claiming" and "granting" the latter perspective places greater emphasis on the agency of audiences, as well as the approval or disapproval audiences rather than their general understanding. In other words, it suggests all claims might not be equal in the eyes of "granters" suggesting greater exploration of when and why claims succeed versus fail in gaining acceptance.

My research more aligns with this latter perspective and advances it by documenting the emergence of organizational claims. First, prior research has tended to privilege organizational leaders and elites and initiators of organizational claims (Gioia et al., 2010). Even notions of "claiming and granting" begin with the assumptions that claims happen first and then subsequent

granting and sensemaking by audiences. In contrast, my research documents the organic

emergence of these claims at FitCo that were triggered by the shared experiences and emotional

energy of members. In doing so, I advance understanding of potential enabling conditions that

influence when organizational leaders take action to recraft organizational claims. Related

research on accidental organizational change has documented how a destabilized context and

amplifying actions by leaders precipitated organizational change (Plowman et al., 2007). My

research echoes and builds upon this research to document alternative mechanisms that appear to

play a motivating role in this process – namely effective interaction rituals – and the interpretive

processes leaders go through to provide labels and meanings to collective emotional energy.

Perhaps most generally, it highlights the overlooked importance of emotional energy as triggers

for the formation of organizational claims, rather than strategic concerns (Ravasi & Schultz,

2006), threats (Elsbach & Kramer, 1996), or concerns for legitimacy (Clegg, Rhodes, &

Kornberger, 2007).

CONCLUSION

This dissertation answered a flurry of calls to explore the phenomenon of organizational

purpose. I examined how powerful shared experiences amongst members precipitated a chain of

events that ultimately lead to new value-laden claims about "why FitCo existed" and how

members received these claims. Through these events I was able to examine up-close from my

informants perspective how organizations can become, according to some members, "vehicles

for human purposes" and "infused with value beyond the technical requirements at hand"

(Selznick, 1957). Drawing upon a diverse array of theoretical lens – but perhaps most central

organizational identity and Selznick's theory of institutionalization – I conceptualized this

phenomenon of the formation of a normative organizational identity or what Selznick would

refer to as the "defining and institutional embodiment of purpose." The result of these two studies is several contributions to several theories in which these processes are alluded to, but not examined directly. To conclude, Podolny and colleagues (2005: 1) argue that examination of how meaning and purpose are built in organizations "should arguably be one of the most important questions for organizational scholarship." I hope this dissertation advances our understanding of this critical question.

TABLE 1
Definitions of Organizational Purpose

Source	Definition of Organizational Purpose
Bartlett & Ghoshal (1994: 88)	"Purpose is the embodiment of an organization's recognition that its relationship with its diverse stakeholders are interdependent. In short, purpose is the statement of a company's moral response to its broadly defined responsibilities, not an amoral plan for exploiting commercial opportunity" Purpose – not strategy – is the reason an organization exists.
Mourkogiannis (2007: 38)	Set of reasons for conducting business that resonates with people's ideas about what is right or worthwhile
Collins & Porras (1996: 68)	The organization's reason for being (68)
Collier (1998: 638)	a sense of corporate purpose can only be fully developed by corporate reflection on what the company is 'for' in an existential as opposed to a merely instrumental sense…[C]orporate purpose is about doing what the company is there to do in the first place as well as it can possibly be done
Mackey & Sisodia (2013: 33-34)	Purpose is the reason a company exists…Purposeful companies ask questions such as these: Why does our business exist? Why does it need to exist?"
Barnard (1938: 154)	In an industrial organization the purpose is the production of material goods, or services.
Parsons (1956: 65)	all organizations there is something analogous to a 'market' for the output which constitutes the attainment of its goal (what Chester Barnard calls 'organizational purpose').
Simon, Smithburg, & Thompson, 1950: 3, emphasis in original)	"[W]hen two men cooperate to roll a stone that neither could have rolled alone…this simple act has the two basic characteristics of what has come to be called administration. There is a *purpose* – moving the stone – and there is *cooperative action*."
Duffy (1989: 164)	The first element of the management planning process is in defining or recognizing the *purpose* of the organization. Although the *purpose* is frequently formalized, it is often inadvertently confused with the *mission* of the organization. The *purpose* is more correctly the real, often unstated, aims of an organization. For this reason the *purpose* may differ from the *mission* or mission statement, which is a formalized document.
March & Sutton (1997: 698)	Organizations are commonly defined as instruments of purpose. They are seen as coordinated by intentions and goals.

TABLE 2
Data Collected for Study 1

Data Type	Data Collected		Use in Analysis
Semi-Structured Interviews		Number of Interviews	• Insight onto senior leaders evolving interpretations of why FitCo existed
	President	2	
	Past President	1	• Development of key timeline of events at FitCo
	Past President	1	
	Senior Vice President	4	• Insight onto historical development of fitness activities at FitCo and resulting impact on members
	Senior Vice President	1	
	Senior Vice President	2	
	Senior Vice President	2	• Insight onto experiences of members participating in fitness practices
	Vice President	2	
	Vice President	2	
	General Counsel	1	
	Brand Director	2	
	Brand Director	1	
	Director	3	
	Director	2	
	Director	5	
	Director	5	
	Director	1	
	Manager	5	
	Manager	2	
	Manager	1	
	Manager	1	
	Manager	1	
	Manager	1	
	Trainer	2	
	Trainer	1	
	Industry Analyst	1	
	Ad Agency Account Executive	1	
	Total Interviews	*55*	
Archival	Iterations of internal brand book (25) Popular press reports (38) External videos (47) Annual reports (2006-present) Internal brand videos (2) Company history book (1) *Total Documents = 121*		• Iterations of internal brand book provided insight onto senior leaders evolving interpretations of why FitCo existed • Contextualize FitCo's current claims within its history • Insight onto key meanings associated with FitCo • Insight onto evolving symbols associated with FitCo

Participant and Non-Participant Observation	Observation of fitness classes (5h) Observation of communal areas (3h per week over 5 months) Participation in fitness classes (2h per week for 6 weeks) Participation in regular classes (3h) Observed presentation for key accounts (3h) Led tour for visitors of outside company (3h) *Total Time = 72h*	• Yielded insight onto certain fitness activities as effective interaction rituals • Participation provided first-hand experience of feelings, emotions, and energy generated through participation • Observations of communal areas and presentation yielded insight onto evolving symbols associated with FitCo

TABLE 3
Mechanisms Explaining Acceptance of Organizational Meanings

General Mechanism	Practice	Specific Mechanism	Perspective	Representative Studies
Communication and Information Control	First Stepping	*Selection* – organization seeks out and provides information for potential members during "recruitment."	Conversion Theory	Greil & Rudy (1983)
	Encapsulation	*Social Information Restriction* – strengthen view of organization by limiting discrediting information from outsiders.	Conversion Theory	Greil & Rudy (1983) Loftland (1978) Lofland & Stark (1965) Pratt (2000)
	Intensive Interaction	*Deepen Understanding* – Frequent, close, intensive interaction with others reinforces and strengthens cognitive understanding of organizational meanings. Interaction enables others to reinterpret meaning of mundane events to converts, thereby entrenching organizational meanings into the everyday.	Conversion Theory Strong Cultures	Lofland & Stark (1965) O'Reilly & Chatman (1996) Kunda (1992)
	Leader's Symbolic Actions	*Strengthen Organizational meanings* – Leaders serve as embodiments of organizational meanings and symbolically reinforce through visible, vivid, and consistent words and deeds.	Strong Cultures Charismatic Leadership	O'Reilly & Chatman (1996) Shamir et al. (1993)
	Storytelling and Myths	*Reinforces Organizational meanings* – contextualizes current action with past actions thereby providing a sense of consistency and reinforcement of organizational meanings. *Invites Reflexivity* – provides occasions for listeners to consider how their actions link to collective, thereby promoting openness to organizational meanings. *Fosters Intersubjectivity* – Stories translate intra-	Routinization of Charisma	Chen (2010) Selznick (1957)

General Mechanism	Practice	Specific Mechanism	Perspective	Representative Studies
		subjective experiences to inter-subjective experiences. By doing so, individuals see themselves as apart of a collective thereby increasing the salience of collective meanings. *Proxy for Transformative Experiences* – Stories provide listeners with 2nd hand experiences of transformation. This provides a proxy for individual transformation.		
	Codifying and Communicating Collective Meanings	*Social Information Processing* – Promotes knowledge and familiarity of organization's organizational meanings. *Sensegiving* – Shapes members' sensemaking toward organizationally defined realities through the use of discourse.	Strong Cultures Charismatic Leadership Identification Management	Kunda (1992) Shamir et al. (1993) Pratt (2000)
Behavior and Enactment	Making a Commitment	*Behavioral Commitment* – organization encourages behaviors that increase members commitment through cognitive dissonance.	Conversion Theory Commitment Theory Strong Cultures	Greil & Rudy (1983) Pratt (2000) O'Reilly & Caldwell (1981) O'Reilly & Chatman (1996)
	Mortification	*Public Assessment of Personal Morals* – Demonstrate individuals ability and willingness to judge themselves and others in light of organizational values.	Conversion Theory	Greil & Rudy (1983) Kanter (1972)
	Proselytizing	*Identity Enactment* – strengthens individuals sense of identity as members through enactments. *Behavioral Commitment* – additional public, voluntary, irrevocable behaviors increase commitment via cognitive dissonance.	Conversion Theory	Greil & Rudy (1983) Pratt (2000) Kunda (1992)
	Telling Personal	*Symbolic/Ritual*	Conversion	Greil & Rudy (1983)

General Mechanism	Practice	Specific Mechanism	Perspective	Representative Studies
	Story	*Commitment Act* – Public conformity to accepted ritual serves as passage event to symbolize adherence to organization's organizational meanings.	Theory	
Intra-Organizational Bonds	Cult Affective Bonds	*Emotional Attachment with Others* – Positive emotions experienced toward others generates feelings of interconnectedness and openness to information.	Conversion Theory	Lofland & Stark (1965) Pratt (2000) O'Reilly & Chatman (1996) Kunda (1992)

TABLE 4
Summary of Data Collected for Study 2

Data Type	Data Collected	Use in Analysis
Semi-Structured Interviews	*Number of Participants = 52* *Number of Interviews = 92*	• Insight onto member interpretation and adoption of FitCo's purpose claims
Archival	FitCo Brand Book (1) FitCo Instagram and Twitter Posts (many) Popular press reports (38) External videos (47) *Total Number of Documents = 86+*	• Identification of formal purpose claims made by FitCo directed toward internal and external audiences • Tracking changing messaging overtime
Non-Participant Observation	Brand Book Rollout (1h) Fitness Event with Outside Company (3h) Senior Leader Presentation (1.5h) Senior Leader Presentation (1.5h) Senior Leader Presentation (2h) Brand Campaign Launch Party (1h) Fitness Event (2h) Fitness Event with Outside Company (2h) Brand Day - Spring (4h) Brand Day - Fall (4h) Senior Member Meetings (4h) All Employee Q&A with Celebrity Endorsers (4h) Employee Shadowing (56h) *Total Time = 86h*	• Identify key content of sensegiving during events made by senior leaders • Insight onto members focus on events as key occasions to learn core meanings about FitCo • Shadowing and employee events provide evidence of member interpretation that triangulates with semi-structured interviews

FIGURE 1
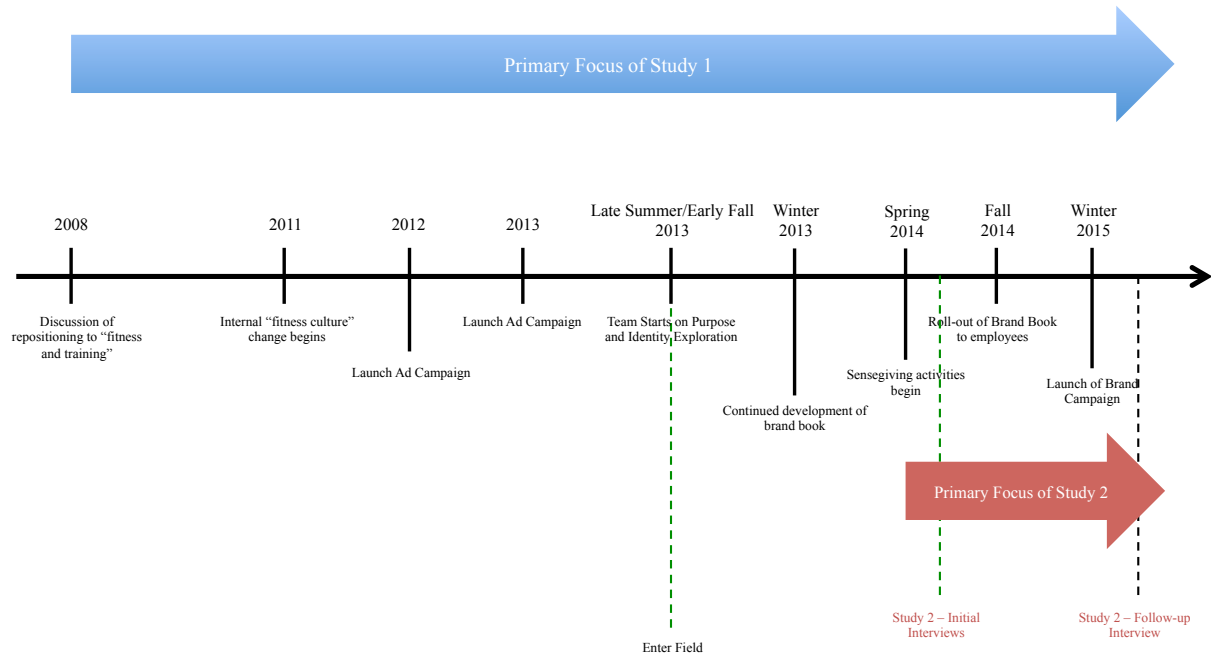## Timeline of Case and Data Collection

FIGURE 2
Evolving Interpretations of FitCo's Purpose

Obesity
-Interview, *June 2013*

Fandom
-Brand Book, *August 2013*

Sedentary Behavior
-Brand Book, *October 2013*

Modern Amenities
-Brand Book, *April 2014*

"Human value of fitness lies not simply in changing, but in being turned on to the process of continual change. "
-Brand Book, *June 2013*

"those who are fit will be greatest contributors to our world. "
-Brand Book, *August 2013*

Time

"We get people to move better, be better rewarded by fitness, and turned on to their potential. "
-Brand Book, *July 2013*

"Duty to honor your body. It's what we all train for. To be better mothers, better partners, betters listeners…. "
-Brand Book, *April 2014*

Blue = Answers to "What's the value of what we do?"
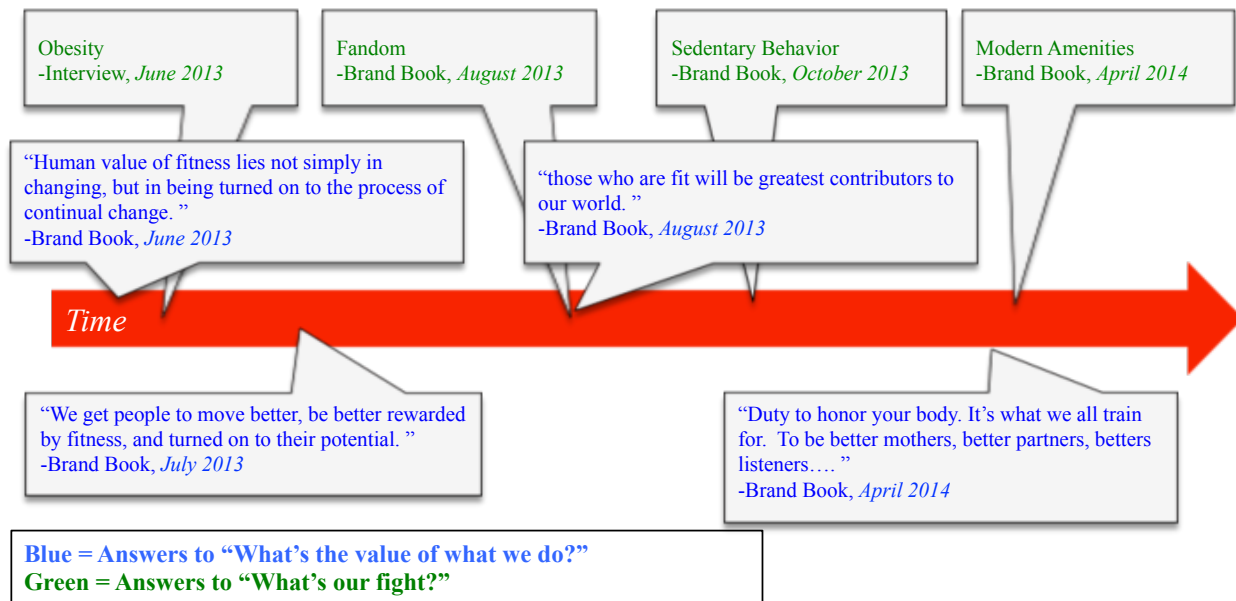Green = Answers to "What's our fight?"

FIGURE 3
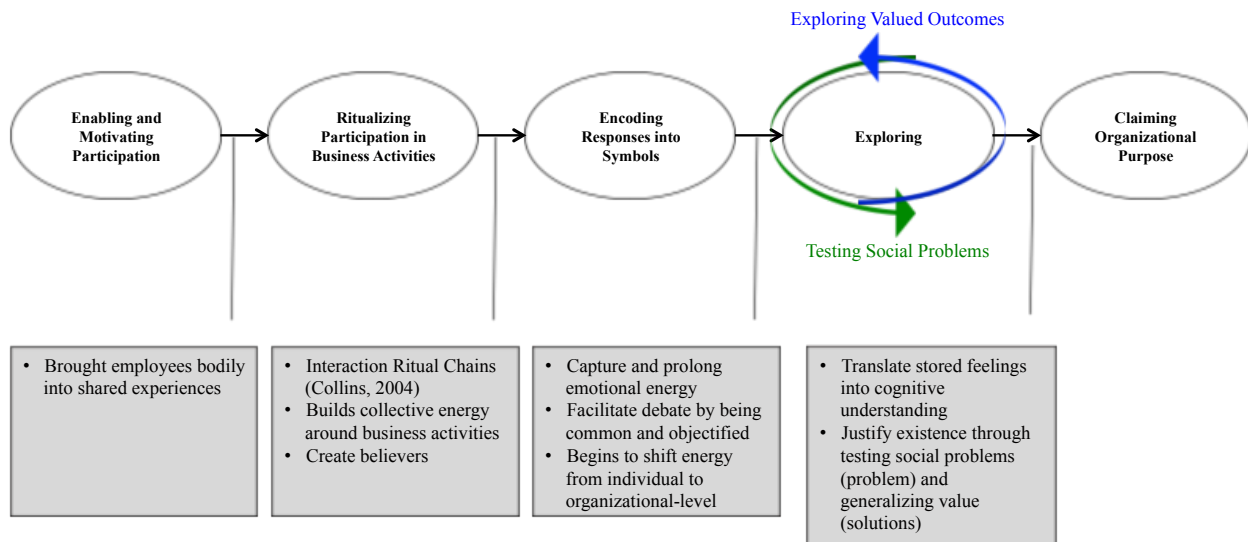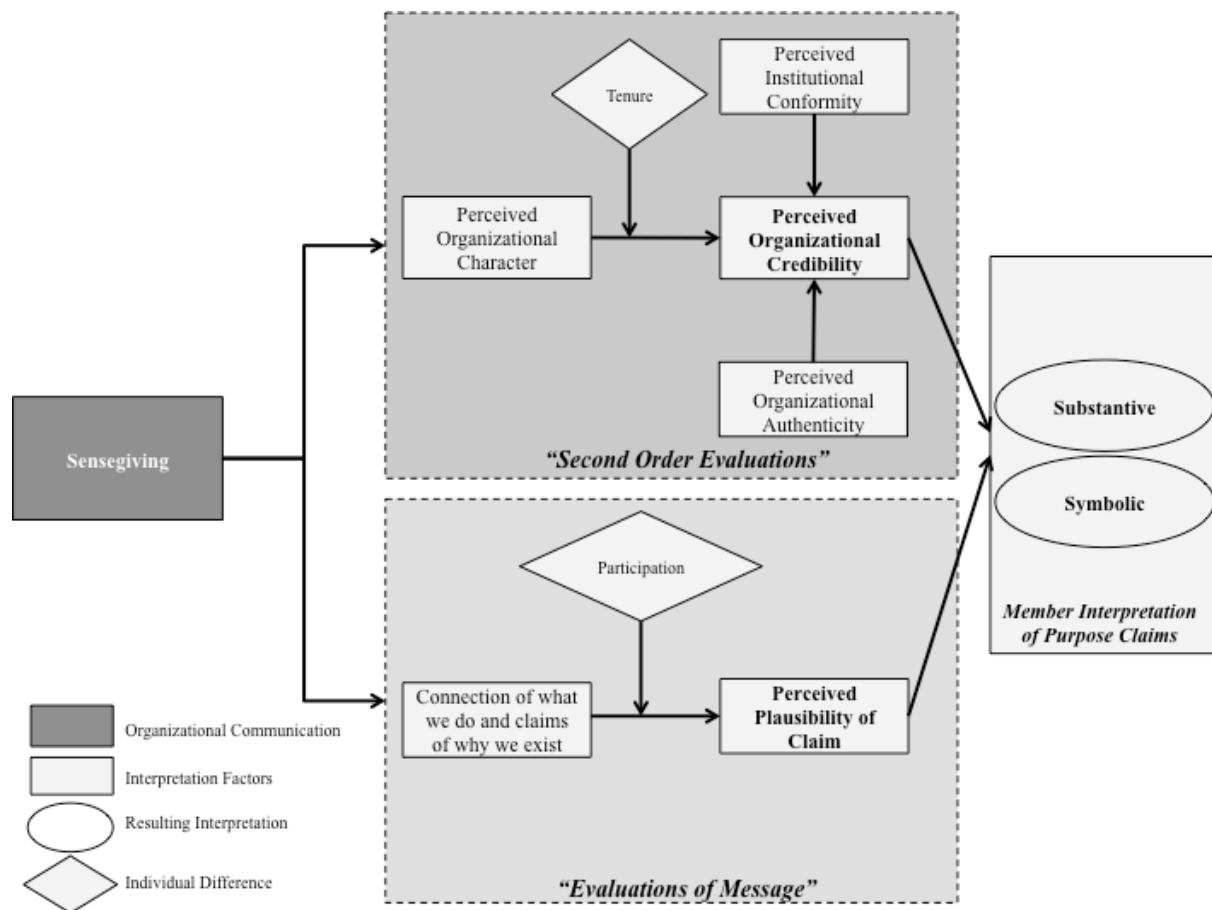## Grounded Process Model of the Formation of Organizational Purpose

FIGURE 4
A Model of Factors Influencing Members Interpretation of Claims of Organizational Purpose

Semi-Structured Interview Protocol (Study 1)
Douglas A. Lepisto
Boston College

Date _____

Note: These are individuals who have been most involved in discussions around FitCo's "purpose."

General Background
Let's start with some basic background questions.
1. How long have you been at FitCo?
2. What is your current role?
3. Please tell me about what you do in your role.
4. During your time at FitCo, what role have you played in regards to how FitCo defines itself as an organization – either in terms of its identity, its brand, or purpose – and communicates it internally or externally?

Timeline
It seems FitCo has experienced a number of changes over the last several years (and if I'm wrong let me know). In this interview I'm interested in getting your perspective on how FitCo has thought about itself as an organization over the last several years.

I'm interested in the important events that have influenced how FitCo thinks about itself, challenges you and others have faced, how these challenges were addressed, and with what outcomes. So my general interest is understand the evolution of how FitCo sees itself and how things have transpired over time. Bill Holmes suggested it would be a great person to talk to about this.

Before we start, do you have any questions about this general focus?

Based on my preliminary interviews and archival research, this is a timeline of events going back to 2005. These events are placeholders. As we go through, we can add or delete events depending on if you think they are important (or not) to understanding the evolution of how FitCo has thought about itself. You might be more knowledgeable about some events than others. We can target our conversation to where you feel you have the most insight.

Time Period _____

Identity
- During this time, how would you describe how FitCo defined itself?
    - What was core or central to how FitCo defined itself?
    - What was distinctive (what was unique or differentiating) about FitCo compared to others?
    - What about FitCo seemed enduring or consistent with it's past?
- During this time, how did FitCo talk about itself to…
    - It's employees?
    - It's customers?
    - It's competitors?

Purpose

- During my preliminary interviews, some people mentioned FitCo's "purpose." What, if anything, does "purpose" mean to you?
- Companies can have a range of different missions or purposes – to be industry leaders, to provide value for shareholders, to address social issues, or provide benefits to consumers among others? How would you characterize FitCo's mission or purpose?
- To what extent do you think FitCo has a purpose? Please rate this on a scale of 1 (weak purpose) to 5 (strong purpose)?
  - Now, please explain why you gave this rating?
- During this time, how did FitCo describe why it existed as an organization? (*or substitute their definition*)
  - Would you say FitCo had a clear sense of purpose an organization? Why or why not?
  - In your view, were employees aware of FitCo's purpose?
    - Why was this the case?

Key Challenges (What and Why)
- *During this time period, were there any important issues or challenges were people dealing with in regards to either how FitCo defines itself, its purpose, or its brand? If so, what?*
  - When did this issue bubble up?
  - Can you describe what people were talking about? What was said in meetings?
  - Were particular individuals influential in bringing attention this issue? Who?
  - Why did people feel this should be addressed?
  - Was there any disagreement about this being a relevant issue? What did people say?
  - Did you think this was important to address? Why or why not?
- In your view, why did this surface as an issue?
- Are there other business, personnel, or strategic issues surrounding this you feel are important to understanding when, why, or how this issue came up? If so, what are they?

How Issues Were Addressed
- Who was involved in addressing this issue?
- Can you talk me through how you and/or others first started to address this issue?
  - Can you describe the biggest challenge you and others first encountered or discussed with colleagues? When was this?
  - What were you and others looking at to make sense of this issue?
    - *Things to look for*:
      - Others in organization
      - Your own experience
      - Market research
      - Competitive landscape
      - FitCo's history
      - FitCo's brand and identity
      - FitCo's strategy
  - Was there something particularly helpful in making sense of this issue? If so, what?
  - Can you describe an early meeting and what you discussed?
- Were there any paths you or others took that were ultimately abandoned?
  - Can you describe what this was/they were?
  - Why was it or others abandoned?

Outcomes
- Did you arrive at a resolution to this issue?
  - If so…

- - Can you describe what this is?
  - When did this occur?
  - What do you feel was important in resolving this?
  - o If not…
    - What are the outstanding challenges or issues?
    - In your view, what needs to be done to over come this?
- How, if at all, has resolving this issue influenced other business activities, such as branding, strategy, FitCo's culture, or decision-making more generally?

(Time Permitting) Return to Timeline
- As you look back on these events, are there any missing that you think are significant to understanding the evolution of how FitCo defines itself?
- Are there any you would eliminate?
- If you had to break these events into periods or phases, how would you do it?
  - o Why this way?

More Data
- Are there other people you suggest I speak with?
- Are there any documents – PowerPoint decks, memos, reports – that chronicle these events you think I would find interesting?
- *We've had a broad ranging interview, talked about a lot of issues. Are there other dynamics that are relevant or important to understanding these issues we might not have time to get into?*

Those are all the questions I have. Is there anything we talked about that you think I should have asked more about?

Do you have any questions for me?

I really appreciate you taking the time to talk with me. Would it be ok if I followed up with you in case I have other questions?

Semi-Structured Interview Protocol (Study 2, Time 2)
Douglas A. Lepisto
Boston College

Date _____

General Background
- Since we last talked, how has your work been?
- Have there been any significant events since we last spoke that changed your perception or relationship with FitCo?

FitCo's Purpose
- To what extent do you think FitCo has a purpose? Please rate this on a scale of 1 (weak purpose) to 5 (strong purpose)?
  - o Now, please explain why you gave this rating?

- Companies can have a range of different missions or purposes – to be industry leaders, to provide value for shareholders, to address social issues, or provide benefits to consumers among others? If you were to complete the phrase "FitCo exists to" how would you complete it?
  - o FitCo exists to _____
  - o FitCo exists to _____
  - o FitCo exists to _____
  - o FitCo exists to _____
  - o FitCo exists to _____

- Since we last talked, has FitCo's purpose changed in any way?
  - o *Probe: Changed? Clearer? More confusing? Inconsistent?*

- FitCo's offically stated purpose in the "brand book" is: "Inspire people everywhere to be their absolute best – physically, mentally, and socially."
  - o How clearly has this been defined or articulated?

- In your view, is this why FitCo exists or is this marketing or branding?
  - o Is this all about image or is there substance to this message?
  - o What leads you to see it that way?
  - o Does FitCo's advertising strengthen or weaken how real or gunuine this message is?
  - o Do you personally believe in this message?

- Does FitCo exist for something beyond selling footwear and apparel?

Relating to Purpose
- *Circle test*
  - o Since we last talked, have you found yourself becoming more or less connected to FitCo's purpose?
    - ▪ What explains these changes?

- In what ways, if at all, does FitCo's greater purpose overlap with your personal motivation or reason for working at FitCo?
    o Has this degree of overlap changed *since we last talked* – either getting more closely aligned or further away?
    o Has this degree of overlap changed *since GWC first came in the building?*
    o *Probe: Events, situations, process of evolution*

- *Types of Psychological Contract*

- Are there any aspects of who you are that make you personally more or less likely to connect with FitCo's purpose?

- How, if at all, has working out with others on campus influenced your perception of FitCo?

- Can you describe a time since we last spoke when you felt particularly close or connected with FitCo's purpose?
    o What, if anything, has been the outcome of this overlap with FitCo's purpose?

- Can you describe a time since we last spoke when you felt particularly far away or disconnected from FitCo's purpose?
    o What, if anything, has been the outcome of this lack of overlap with FitCo's purpose?

FitCo's Identity
So I would like to next explore how you view FitCo as a company.

- If you think of FitCo as a person, how does FitCo define itself?
- FitCo is _____
- FitCo is _____
- FitCo is _____
- FitCo is _____
- FitCo is _____

- We last talked in _____, how, if at all, has FitCo changed how it defines itself?
    o *Probe: Changed? Clearer? More confusing? Inconsistent?*
    o What has been most critical in changing this?

- Some employees, not all, define FitCo as "always changing." That is, a central part of who FitCo is that it continually changes and sometime people say "schizophrenic."
    o Would you agree or disagree with this statement? Why?
    o What in your view contributes to this quality? Can you give an example?

FitCo's Brand
- What does FitCo stands for as a brand?
    o Since we last talked, have you found yourself moving closer or further away from the brand?
        ▪ Why?
        ▪ What has influenced this movement? Can you give an example?

- Have you had a chance to look through the Brand Book?

- How, if at all, has this influenced how you think about how FitCo defines itself or its mission?

- Have you had a chance to see the brand campaign advertisements? How, if at all, has that affected your perception of FitCo?

Those are all the questions I have. Is there anything we talked about that you think I should have asked more about?

Do you have any questions for me?

Really appreciate you taking the time to talk with me. Would it be ok if I followed up with you in a couple months just to check in?

A. ***"Fair day's pay for a fair day's work"***
   a. Safe working environment
   b. Fair compensation
   c. Stable employment

B. ***"Professional development and sense of community with colleagues"***
   a. Professional development
   b. Promotion opportunities
   c. Close ties to coworkers

C. ***"Pursue cause, purpose, or mission"***
   a. Help FitCo change the world and realize its purpose
   b. Advocate and/or live FitCo's mission outside of work
   c. Participate in work activities that reflect or contribute to FitCo's purpose

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