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# 4

# It comes back to bite you
## The unintended consequences of symbolic adoption

ABSTRACT

This chapter investigates how actions of concealing non-conformity behind the façade of symbolic adoption influence the process of institutionalization, and what unintended consequences arise for the actors who perform them. We performed a longitudinal qualitative study in the sales department of a telecommunications organization and studied the introduction of an analytics tool for model-based customer management. Our analysis showed that the actions of concealing non-conformity, performed by the account managers in their effort to deal with the pressure to use the new tool, unintendedly helped institutionalize it. We suggest that symbolic adoption comes back to bite the actors who enact it, with perverse effects that not only affect the institutions, but also bring about substantive outcomes that the actors have to face in their everyday life. Our insights contribute to the literature on symbolic adoption by unpacking the mechanisms through which it emerges, analyzing its unintended consequences, and tracing its role in the process of institutionalization.

## 4.1  Introduction

We often come across situations where we use an easy way to avoid dealing with something and then get trapped into it. For example, pretending to agree with a decision to avoid conflict temporarily could result in having to live with the consequences of that decision. Similar incidents happen in organizations, e.g. when entrepreneurs paint a too rosy picture in their investor's pitch and later have to manage the fallout (Rutherford, Buller, & Stebbins, 2009), when employees add false data in their time-recording sheets or performance measurement systems (Roberts, 2009), or when organizations adopt budgeting systems for external reporting that are decoupled from those used for internal reasons (Moll & Hoque, 2011). While such 'symbolic adoption' –adopting rationalized myths for ceremonial or symbolic reasons, while not implementing them in practice (Meyer & Rowan, 1977; Oliver, 1991)– is considered quite common, it still has not been sufficiently theorized. In particular, we still know little about how actors influence institutional orders by concealing their non-conformity behind the façade of symbolic adoption (Oliver, 1991), and about the unintended consequences of symbolic adoption on the organization and its members (Boxenbaum & Jonsson, 2008). In this study we investigate how the institutionalization process, i.e. the process through which "components of formal structure become widely accepted as both appropriate and necessary, and serve to legitimate organizations" (Tolbert & Zucker, 1983: 25), is influenced when organizational members adopt a new practice only symbolically and what unintended consequences occur.

Symbolic adoption refers to the formal adoption of a practice primarily for legitimacy reasons, without believing its real value (Collings & Dick, 2011; Kostova & Roth, 2002; Meyer & Rowan, 1977). While institutional theorists have performed extensive studies on adoption patterns, the notions of symbolic adoption (Fiss & Zajac, 2004; Westphal & Zajac, 1998), and closely related, the concealment of non-conformity (Oliver, 1991) and decoupling (Boxenbaum & Jonsson, 2008), have often been black-boxed and taken-for-granted. We argue that the role of agency[3] in practices of ceremonial conformity and the mechanisms underlying it merit further investigation. We thereby align with the recent efforts to further investigate the unanticipated effects of symbolic adoption (Boxenbaum & Jonsson, 2008). Thus, we try to answer the following research question: *How do actions of symbolic adoption influence the process of institutionalization and what unintended consequences arise for the actors who perform them?*

Our interest in the phenomenon was drawn while we performed a longitudinal study in a telecommunications organization to study the introduction of an analytics tool for model-based customer management in the Sales department. We noticed that while the

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[3]  Agency refers to the capability that people have to act in a manner of their choice (Giddens, 1984).

account managers were not willing to use the new tool, in order to deal with the pressure to use it, they concealed their non-conformity behind a series of symbolic actions, through which it seemed as if they were using it to generate sales opportunities. Unexpectedly for the account managers, this led to the model becoming institutionalized in the Sales department, which only increased the pressure for them to continue concealing their non-conformity. Later on, an organizational change that led to serious redundancies among the account managers, served as an occasion for the model to expand to more sales channels. The series of unintended consequences that emerged from the symbolic adoption triggered us to theorize about the phenomenon. We suggest that the actions of concealing non-conformity come back to bite the actors who perform them, with perverse effects that not only affect the institutions, but also bring about substantive outcomes that they have to face in their everyday life.

In the next section, we review past literature on symbolic adoption and look at the structurational approach on institutionalization, in order to reflect on the unintended consequences of symbolic actions of concealment and their role in the institutionalization process. We continue by describing the setting where we performed our study and the methods that we followed. Next, we present our case and continue with building our process model and analyzing our findings. Finally, we discuss the implications of our study for research and practice.

## 4.2 Theoretical Background

### 4.2.1 Symbolic adoption in institutional theory

The concept of ceremonial conformity originates from Meyer and Rowan (1977), who suggested that organizations, in their effort to gain and maintain legitimacy in the institutional environment, ceremonially conform to institutional rules by loosely coupling their formal structures and their actual work activities. In order to be more favorable to external parties (e.g. to obtain loans or investments), organizations incorporate structures with high ceremonial value, such as structures that are considered to be prestigious or in line with the latest expert thinking (Meyer & Rowan, 1977). More specifically, Scott (2003) distinguishes four types of institutional conformity: categorical conformity (following rules in the form of typifications on how to pattern an organization's structures); structural conformity (adopting specific structural elements such as organization charts and departments); procedural conformity (carrying out certain activities in specified ways); and personnel conformity (hiring people with specific qualifications, education and certification to fill in specialized roles). Formal structures often come into conflict with the logic of efficiency. They do not have significance because of their concrete effects, but

because they entail activities of ritual significance (e.g. a bus company servicing required routes irrespective of the number of passengers), which make things look right and ensure legitimacy for the organization (Meyer & Rowan, 1977). To preserve efficiency, organizations decouple the formal structures from technical activities and from each other (Boxenbaum & Jonsson, 2008; Meyer & Rowan, 1977). They avoid implementation and integration of the structural elements in their everyday processes and ceremonialize their inspection and validation. Nevertheless, they maintain their legitimacy due to the "logic of confidence and good faith" (Meyer & Rowan, 1977: 358) –the more the organizations' formal structure is derived from institutionalized myths, the more faith and confidence they gain from their internal participants and their external constituents.

We approach symbolic adoption as the mechanism through which organizations accomplish ceremonial conformity. This phenomenon could be observed when organizations maintain symbolic displays, i.e. elements of structure and practices that exist symbolically to display conformance to the institutional pressures. The symbolic displays do not influence the technical core of the organization, which includes instrumental work processes that are performed to accomplish substantive outcomes (Basu, Dirsmith, & Gupta, 1999; Dirsmith, Fogarty, & Gupta, 2000; Pfeffer, 1981). The term symbolic adoption has been often used interchangeably with ceremonial adoption, to describe the process through which a practice is formally adopted by the organization (high implementation) for legitimacy reasons, while its employees do not find it valuable for the organization (low internalization) (Kostova & Roth, 2002). This can be expected when the institutional environment imposes strong pressure to adopt the practice, while organizational members are uncertain or unconvinced about its value and relevance (Boiral, 2007; Kennedy & Fiss, 2009). Thus, symbolic adoption emerges when organizations comply with institutional pressures only superficially, and adopt new structural elements often without engaging in the associated practices in the realm of everyday activity (Boxenbaum & Jonsson, 2008; Collings & Dick, 2011; Westphal & Zajac, 2001). This may be manifested through concealment tactics such as ritualism, "window dressing", ceremonial disguise or symbolic gestures of compliance with institutional rules and norms, which help cover up nonconformity with a façade of acceptance; or through buffering techniques, such as decoupling internal work activities from formal structure and validation by external constituents (Bromley & Powell, 2012; Oliver, 1991). Such concealment tactics can take different forms, such as rhetoric (Zbaracki, 1998), discourses and language games (Boiral, 2007), documentation, administrative rules, or decisions about changes and actions that do not get implemented (Brunsson, 2002).

We argue that symbolic adoption has been often black-boxed in the vast academic literature on institutional theory. The ritualistic and symbolic aspects of rational myths have mostly been studied through functionalist perspectives, focusing on macro scale phenomena such as total quality management or corporate social responsibility (Boiral,

2007; Scheid-Cook, 1992). Symbolic adoption has been mostly approached as a possible outcome (Bromley & Powell, 2012; Collings & Dick, 2011; Kostova & Roth, 2002; Tolbert & Zucker, 1983; Westphal & Zajac, 2001), depending on the state of the institutional pressure, the motives of the organization, the degree to which the new practice contradicts with other organizational practices or activities, the organizational members' perception of the new practice, and so on. Few studies so far have studied the mechanisms through which organizations and their members enact ceremonial conformity (Berente & Yoo, 2012; Boiral, 2007; Tilcsik, 2010). For example, Berente and Yoo (2012) illustrated how organizational members ceremonially used the elements of an enterprise system that were inconsistent with their local practices and the institutional logics that guided them. We suggest that more research is needed in this direction to better understand the role of symbolic adoption in the institutionalization process.

As the process of symbolic adoption remains underexplored, the role of agency in it is also under-theorized. Neo-institutional theory approached ceremonial conformity as irrational, mindless action, especially concerning the later adopters of institutionalized myths (Boxenbaum & Jonsson, 2008; Lounsbury, 2008). In this respect, a stream of research emerged (Dacin et al., 2002; Hallett & Ventresca, 2006; Lawrence, 1999; Oliver, 1991) that started incorporating agency into institutional theory as actors respond differently to institutional pressures while pursuing their interests. Organizational members can be viewed as active carriers of institutions (Zilber, 2002), who develop interpretations about institutions, and subsequently make choices and perform actions infused with the meaning that they have created through their interpretations (Dacin et al., 2002). From such an agentic perspective, symbolic adoption can be seen as a strategy (Oliver, 1991), that requires a "conscious effort" (Kostova, Roth, & Dacin, 2008) of the organization to conceal their non-compliance with institutionalized rules. Organizational members exercise their agency when they respond to institutional scripts, while being informed by their ideologies, values, interests, background knowledge and local meanings (Berente & Yoo, 2012; Binder, 2007; Tilcsik, 2010). In our quest to further understand the practice of symbolic adoption and its effects on institutionalization, we need to concentrate our focus more on how individual and collective actors, as mindful agents (Lawrence & Suddaby, 2006), perform acts of concealment in their effort to deal with the institutional pressures.

So far, most attention with regard to the act of symbolic adoption has been paid to the factors that predict or mediate it. For example, the large studies of isomorphism within organizational fields (DiMaggio & Powell, 1983; Tolbert & Zucker, 1983) demonstrate that late adopters often conform to institutionalized myths only symbolically (Boxenbaum & Jonsson, 2008; Lounsbury, 2008). However, literature has often overlooked the consequences of symbolic adoption, i.e. how it influences the organizations and their members who enact it (Boxenbaum & Jonsson, 2008; MacLean & Behnam, 2010). Although

symbolic practices of conformity are believed to take place in organizations because they help protect the technical core of organizations from external pressures while maintaining legitimacy, they can also unintentionally trigger reactions that have other effects (Bromley & Powell, 2012). The way organizations execute their responses to institutional pressures (Oliver, 1991) is important, as it can have severe organizational consequences (Tilcsik, 2010). Recent studies show that the symbolic adoption of formal structures can eventually disrupt daily routines (Boxenbaum & Jonsson, 2008). For example, Tilcsik's (2010) study illustrated how members of a post-Communist government agency initially adopted an algorithmic budgeting system only symbolically, while after a series of stages they eventually aligned their practices with the new algorithmic approach. Hallett (2010) demonstrated how decoupling between accountability as a formal policy and the classroom practices at an elementary school eventually led to tight links between them, through "recoupling" processes. Thus, symbolic adoption can eventually disrupt established organizational orders. We suggest that scholars need to further investigate the unintended consequences of symbolic adoption on the organizations and the people who engage in it.

### 4.2.2 Taking a structurational approach in the process of institutionalization

In order to better understand the mechanism of symbolic adoption, its role in the institutionalization process and its unanticipated effects, we return to the structurational approach in institutionalization, as it has been developed by Barley and Tolbert (1997). The structurational approach helps us investigate the interplay between actions and institutions, and enables us to study how each action reproduces or revises an institution. In the seminal work on institutional theory by Meyer and Rowan (1977) and Tolbert and Zucker (1983), institutions are considered to be socially constructed (Berger & Luckmann, 1966) templates for action (e.g. rules and typifications) that both arise from and constrain social action (Barley & Tolbert, 1997: 94-95). In other words, while the institutions guide everyday interactions, it is through those ongoing interactions that those institutions are generated and maintained. This conceptualization, known as the "duality of structure", is inherent in Giddens' (1984) structuration theory, which describes the process through which structure (i.e. the institutions) both constrains and is produced by human action. In his model of structuration, Giddens suggests that the actors act on the realm of action, while being influenced by and reproducing rules and typifications on the realm of structure (i.e. the institutional realm), through different "modalities", such as interpretive schemes, resources and norms.

Barley and Tolbert (1997) developed a sequential model of the institutionalization process, which incorporates the social constructionist approach on institutionalization by

Berger and Luckmann (1966) and the structurational approach by Giddens (1984). The model suggests that institutionalization is a continuous process that can be observed through time only. It constitutes a continuous flow between the institutional realm and the realm of action, which can be accomplished through scripts, i.e. "observable, recurrent activities of interaction characteristic of a particular setting" (Barley & Tolbert, 1997: 98). The process starts with the encoding of institutional rules in scripts, which are later enacted by actors. Because the actors mindfully choose to enact or ignore the scripts, modification is possible. The third step includes revising or replicating the scripts that informed the previous action. Finally, the reproduced or revised patterned behavior is objectified and externalized; it acquires a normative quality, which entails influencing the realm of institution. This social change emerges iteratively. Such an approach recognizes the role of agency and practices in the institutionalization process, and may help us understand better the role of actions related to symbolic adoption in influencing the institutional realm.

Furthermore, structuration theory recognizes the emergence of unintended consequences and their role in the institutionalization process. Giddens (1984) suggests that the durée of day-to-day life occurs through a continuous flow of intended action. However, the acts that actors perform often have unintended consequences, which later become the unacknowledged conditions of new action. Giddens emphasizes the distinction of the intentionality of the actor from the agency, in the sense that agency constitutes the potential for action, what the actor can do whether intendedly or unintendedly. The consequences of the actor's doings – which can be intentional or unintentional - are the events which would have not been brought about had the actor not performed those doings. Irrespective of the agent's intentions, these events are not brought about through the agent's power (Giddens, 1984). In this way, unintentional doings are also separated from the unintended consequences of doings (which could be intentional or unintentional). Giddens distinguishes three ways in which unintended consequences of actions are interesting to study: One single event could cause a series of unintended consequences. An aggregate of intentional acts could have a perverse effect. Repetitive activities can have regularized consequences, which are unintended by those who (reflexively) perform them. The third way constitutes the mechanism of reproduction of institutionalized practices. In this mechanism, the regularized consequences of repetitive activities later become the unacknowledged conditions of further action in the form of causal loops.

In sum, taking a structurational approach on the process of institutionalization will help us trace the actions related to symbolic adoption, how they interrelate, how they affect the realm of institution, and what unintended consequences they induce.

### 4.2.3 Symbolic actions in institutionalization

Symbolic actions are actions "to which meaning is attributed beyond their substantive impact, and which may be deliberately employed in order to direct attention away from certain facts and towards others, in order to protect sectional interests, gain resources and maintain or restructure institutional patterns of power and deference" (Brown, 1994:862). They have been previously considered to be means through which individuals and organizations seek to achieve and maintain the legitimacy of their activities and ensure their successful existence. Symbolic actions have been one of the central foci of the field of symbolic management (Alvesson & Berg, 1992), which studies how managers construct and manage meaning in their organizations, by assigning significance to activities and events through the use of symbols (Alvesson & Berg, 1992; Pfeffer, 1981). Symbols can range from artifacts to events, or even phenomena, and provide collective frames of reference through which organizational members make sense of the social fabric of the organization (Brown, 1994). From this perspective, managers perform symbolic acts such as organizational restructuring, rhetoric, and ceremonies, to affect the images of their organizations to their external constituents (Elsbach, 1994; Pfeffer, 1981).

While linking symbolic management to institutional theory, Ashforth and Gibbs (1990) distinguish substantive management from symbolic management as two different ways through which organizations gain, maintain or defend their legitimacy. Whereas substantive management concerns performing real, material changes in organizational goals, structures and processes, symbolic management is defined as changing the meaning of acts to make them appear consistent with social values and expectations (Ashforth & Gibbs, 1990). One of the ways to perform symbolic management is impression management (Elsbach, 1994). For example, Elsbach's (1994) study showed how individuals can use impression management to communicate, reinforce, or change institutional practices. Furthermore, symbolic management can also be performed through symbolic adoption of structures and policies (Westphal & Zajac, 1998). For example, Westphal and Zajac (1998) suggest that the symbolic adoption of long-term incentive plans for top executives leads to positive stock market reactions.

By considering the acts of concealment (Oliver, 1991) as symbolic actions (Brown, 1994), we can see symbolic adopters as actors who try to maintain the legitimacy of their activities by pretending to conform to the institutional pressures. However, the symbolic adopters are not alone. In a process of institutional change (Barley & Tolbert, 1997; Kellogg, 2009), there are several actors who try to gain legitimacy for the new practice or to maintain the legitimacy of their current activities. From the symbolic management perspective, we would expect those actors to perform different symbolic actions (Brown, 1994) as they strive for legitimacy. Thus, in order to better understand the role of symbolic adoption in the process of institutional change (Barley & Tolbert, 1997), we need

to study the acts of concealment in relation to the symbolic acts that are performed by other actors, such as institutional entrepreneurs (Garud, Hardy, & Maguire, 2007), and understand how they influence the institutional order.

## 4.3  Research Methods

We followed a process research approach (Langley, 1999) and performed an inductive longitudinal study with the goal to elaborate theory (Locke, 2001; Vaughan, 1992) on the role of actions of symbolic adoption in creating and maintaining institutions. Taking a practice-based perspective (Feldman & Orlikowski, 2011), we focused on micro-activities related to symbolic adoption.

### 4.3.1  Research Setting

TelCo is a large telecommunications provider offering telecom services to both end-consumers and businesses. Our research took place in the Marketing & Sales department of the business division. We studied the process of institutionalization of the CLM model, a tool representing a data-based way for customer management, introduced by the analysts of Customer Intelligence to the account managers of Sales Medium.

The customers are served through different channels depending on their size and turnover: freelancers and small enterprises constitute the "mass market" and are served through direct marketing activities, such as telephone campaigns, e-mail and direct mail. Medium enterprises (50-250 FTEs) and Large enterprises (>250 FTEs) are served by the Sales department, which includes account managers coupled to specific customers.

When we started our research in TelCo (March 2013), Sales Medium consisted of ten teams of account managers divided into three regions, including one team specializing in healthcare. Account managers would work in couples of one internal and one external account manager, managing ~300 customers. They focused on sustaining the relationship with the customers and they were responsible for generating leads, i.e. finding sales opportunities and making the customers interested in receiving an offer. The internal account manager contacted the customers on the phone while the external account manager visited the customers at their offices. In order to find sales opportunities, the account managers would use their own knowledge of the customers, about their needs and preferences, as well as their plans for the future. They would often use information from databases about the expiry dates of existing contracts, as the renewal of a contract would ensure maintaining the revenues from the customers. They also received additional information from marketers, about specific campaigns that were running in each quarter. After every contact with each customer, the account managers would use a system for customer relationship management (CRM system) to store information as well as to register the sales opportunities and the leads they might have created. As soon as a lead

was generated, the account manager would contact a representative from a business partner organization to prepare the offer to the customer and close the deal. (Since 2011, TelCo had outsourced the process of closing the deal to business partner organizations.)

The Customer Intelligence department is part of Marketing and Sales and consists of analysts, database marketers and data consultants, who perform analytics such as statistical analysis and predictive modeling with customer data. Since 2006, the analysts of Customer Intelligence have been helping marketers and campaign managers by providing them with data insights. In January 2012 they expanded their activities to Sales by designing the CLM model for the Sales Medium department. The acronym CLM stands for Customer Lifecycle Management, a way of working that suggests the management of customers through customer-related metrics, which was advocated by Customer Intelligence to Marketing and Sales.

The CLM model consists of a collection of data models that indicate how each customer should be approached. More specifically, the 'Customer Segment' categorizes the customers into those with high revenues and high potential for the future, high revenues and low potential, low revenues and high potential, and low revenues and low potential. The information 'CLM phase per product' indicates in which phase of the lifecycle a customer is for a specific portfolio. For example, if a customer is in the phase "Sell" for the portfolio "Mobile data", this means that the customer should be contacted now because there is high potential for sale. This information is provided to the account managers on a spreadsheet, which contains all the analytics insights for the customers of each account managers. Next to this information, the CLM model eventually got enriched with information from several databases that the account managers already had access to, such as expiry dates of contracts. Overall, the analysts argue that "the CLM model helps contact the right customer, at the right time, and with the right offer."

When we initiated our study in March 2013, we first got in touch with the head of Customer Intelligence in order to learn more about their analytics activities. He informed us that the analysts had experienced a lot of resistance from the account managers during 2012 after they introduced the CLM model. It was then that we decided to focus our research on the CLM model and its use by account managers. As we will explain later on, during the two years that we spent at TelCo, we studied how the CLM model, from an artifact that most account managers resisted to use, was symbolically adopted and eventually became a standard way of serving the customers in Sales Medium.

### 4.3.2    Data Collection

In March 2013, after three exploratory meetings, we initiated our qualitative study and started collecting longitudinal data (retrospective and real-time) around the development of the CLM model and its use by account managers. After the first three months, we started noticing the differences between how the analysts and higher management

expected the account managers to use the CLM model and what the account managers actually did with it. While iterating between data collection and analysis, we started digging into those differences and exploring the symbolic actions with which most account managers disguised their resistance to use the CLM tool, in order to cope with the pressure from their managers and the analysts. A few months later, events took an interesting turn: In February 2014, higher management announced a simplification program that would decrease a significant number of employees and included the reorganization of Sales Medium. All internal account managers were fired and the medium customers would be divided into the external account managers, 2 call centers, and the business partner organizations. In order to see how these developments related to the use of analytics in Sales Medium, we continued our data collection and expanded it to incorporate the new sales channels that would receive the CLM model. In December 2014, a second re-organization was announced that entailed outsourcing all activities of the Sales Medium to the business partner organizations, while the CLM model would be used to communicate customer insights to the business partners. As access to those external companies was difficult for privacy reasons, we decided that that was a good moment to end our study. We remained in touch with Customer Intelligence for a few more months in order to stay updated on the developments around the CLM model.

*Interviews.* Our main source of data was formal semi-structured interviews (Weiss, 1995) conducted by the first author. At the end of each interview the first author would e-mail the two co-authors to share impressions about the interview, while they would meet on a bi-weekly basis to discuss the insights and find emerging themes. The co-authors would also listen to the recorded interviews later on, in order to engage in the collective thinking process. All interviews were recorded and transcribed verbatim. From the total 78 interviews, 58 were transcribed by the first author herself and the remaining 20 were transcribed by a research assistant.

At the start of our study, we focused on interviewing analysts, account managers, sales managers, and the campaign manager who collaborated with the analysts. Our interviews often contained retrospective elements in order to learn more about the events when the CLM model was first introduced in Sales Medium. We often asked the account managers to describe their everyday activities and routines to understand further how they worked, how they used the CLM tool, and so on. We asked both analysts and account managers about concrete events relevant to the introduction and implementation of the CLM model, in order to compare their different views and interpretations of those events. When the reorganization became effective in May 2014, we approached informants from other sales channels that started being involved with the CLM model, such as account managers from Sales Large, from the Hunting team (a new team that was created in May 2014 to create relationships with new large customers), and people who worked at the call center (which was initiated with the reorganization). Two interviews with the directors were useful to get

the involvement of higher management in decisions about the CLM model and the structure of the Sales organization.

Next to the formal semi-structured interviews, the first author, often together with one of the co-authors, would also have informal meetings with the Head of Customer Intelligence and/or the analysts in order to stay informed on the unfolding of events. Those meetings (15) were not recorded, but extensive notes were written down by the first author after the completion of each meeting.

***Observations.*** In order to better understand the activities performed by analysts and account managers, we complemented the interview data with ethnographic observations conducted mostly by the first author as a passive participant observer (Spradley, 1980). We observed analysts and account managers while they were working by shadowing one individual for a number of hours. Whenever the first author was in the field and the Customer Intelligence team would have a team meeting, she would attend and keep extensive notes. Finally, the first author together with one of the co-authors attended a number of kick-off meetings, during which the analysts would present the CLM model to the account managers' teams. Both authors kept extensive notes during those meetings and compared them afterwards to discuss their interpretations. Overall, we conducted 85 hours of observation, which have been documented in 182 single-spaced pages of typed notes.

***Documents.*** Documents were used to verify retrospective information from the interviews, as well as to collect additional information. We used 43 internal documents such as PowerPoint presentations and Excel sheets, 23 public documents (mostly press releases and annual reports of TelCo) and nine news items extracted from online media discussing the developments in TelCo.

An overview of our collected data can be found in table 4.1, where we also structure our interviews and observations into the phases of the process that we analyzed in the study. (Data about phases 1 and 2 were collected retrospectively throughout the study.)

**Table 4.1 Overview of collected data**

| Phase | Type of data | Type of informants | Number | Total time |
|---|---|---|---|---|
| March 2013-January 2014 (Phase 3) | Interviews | Account managers from Sales Medium | 18 interviews | 15.6 hours |
| | Observations | Account managers from Sales Medium | 5 observations, 42 single-spaced pages of notes | 8 hours |
| | Interviews | Analysts | 6 interviews | 5.75 hours |
| | Interviews | Sales managers from Sales Medium | 4 interviews | 4.1 hours |
| | Interviews | Campaign manager | 1 interview | 1 hour |
| | Interviews | Marketer | 1 interview | 0.8 hour |
| February 2014-April 2014 (Phase 4) | Interviews | Account managers from Sales Medium | 4 interviews | 4.25 hours |
| | Observations | Account managers from Sales Medium | 2 observations, 10 single-spaced pages of notes | 19.75 hours |
| | Interviews | Analysts | 2 interviews | 1.5 hours |
| | Observations | Analysts | 12 observations, 59 single-spaced pages of notes | 45.5 hours |
| | Interviews | Sales managers from Sales Medium | 1 interview | 1.1 hour |
| | Interviews | Campaign manager | 1 interview | 1 hour |
| May 2014-December 2014 (Phase 5) | Interviews | External account managers from Sales Medium | 8 interviews | 8.5 hours |
| | Interviews | Former account managers from Sales Medium | 2 interviews | 1.5 hours |
| | Interviews | Account managers from Sales Large | 10 interviews | 10 hours |
| | Interviews | Account managers from Hunting team | 5 interviews | 5.5 hours |
| | Interviews | Call center Agent | 1 interview | 0.5 hour |
| | Interviews | Analysts | 9 interviews | 7.25 hours |
| | Observations | Analysts | 2 observations, 7 single-spaced pages of notes | 12 hours |
| | Interviews | Sales directors | 2 interviews | 1.1 hour |
| | Interviews | Marketers | 1 interview | 1.5 hour |
| February 2015 (After Phase 5) | Interviews | Account manager from Sales Large | 1 interview | 1.35 hours |
| | Interviews | Former account managers from Sales Medium | 1 interview | 0.75hours |
| All | Unofficial meetings | Analysts | 15 meetings | 15 hours |
| All | Personal notes | All | 62 single-spaced pages of notes | - |
| All | Documents | Internal documents | 43 documents | - |
| All | Documents | Public documents | 23 documents | - |
| All | Documents | News | 9 documents | - |
| Total number of interviews: 78 Total recorded time: 73h | | | | |
| Total number of observations: 21 Total time of observing: 85h | | | | |
| Total number of notes pages: 182 | | | | |
| Total number of documents: 76 | | | | |

### 4.3.3    Data Analysis

We followed qualitative methods to analyze the data from the interviews, field notes and documents. The longitudinal nature of our data required us to analyze how things unfolded over time and why they unfolded in this way (Langley, 1999). More specifically, we aimed to look for the sequence of events that led to the CLM model becoming an institutionalized practice in the Sales department of TelCo, and the dynamics among those events. We therefore chose to use sensemaking strategies that are aligned with the process research approach (Langley, 1999). Due to the complexity of the data and the variability of their temporal embeddedness, we had to combine a multitude of strategies, namely a narrative strategy, a temporal bracketing strategy, a visual mapping strategy and a grounded theory strategy. An event list (Poole et al., 2000) was used as a scaffold in order to maintain the chain of evidence, identify patterns and iterate through the different strategies and the literature.

   *Inductive coding and Event list.* We performed open coding in parallel with the fieldwork, looking for aspects that would help us understand better how the analysts worked, how they developed and strived to institutionalize the CLM model, how the account managers worked and why they resisted to use the CLM tool, how the developments in TelCo influenced the CLM model, and so on. In time and by iterating from interview transcripts to field notes and to documents, we would enrich our understanding and triangulate the events. After a round of open coding, we selected all codes that represented events relevant to the institutionalization of the CLM model. These events included: decisions, outcomes, or facts that indicated the institutionalization of the model; actions, practices, behavior and background trends that were directly or indirectly related to the institutionalization; and facts or actions that –based on the understanding that we had developed– were consequences of the institutionalization. This step was done in parallel with building the case narrative, as both processes were informing each other, and it resulted in a list of 219 events labeled with the time that they emerged. Whereas facts and decisions were clearly identifiable in time, other types of events such as actions, practices and behaviors would recur throughout timespans whose limits were not always clearly appointed. For example, our informants would often refer to a specific quarter or year to locate an event in time. This often complicated our analysis (Langley, 1999) and required extra attention and more iterations of closely studying the data sources while arranging the final sequence of events.

   *Case narrative.* While creating the event list, we started constructing a detailed story from the raw data (Langley, 1999). This strategy not only helped us in preparing the chronology of events, but more importantly, it played a substantial role in identifying the linkages and patterns between different types of events, and establishing analytical themes (Pettigrew, 1990: 280). The contextual details of the narrative captured the

richness and complexity of the setting, which was fundamental to accomplish a rich understanding of the phenomenon (Langley, 1999). Our narrative voiced the different perspectives of analysts, account managers and sales managers, by drawing on their quotes from the interview transcripts, and enriching with the authors' observations from their field notes and analysis of the documentation. Fictional names were used where necessary, in order to enhance the readability of the story without compromising anonymity of the employees. Using a temporal bracketing strategy (Langley, 1999), we structured our narrative in five phases: The first phase (January 2012-May 2012) represented the first months of the introduction of the CLM model in Sales Medium, when most account managers and their sales managers expressed their resistance to use the CLM model. Our documentation and input from the analysts indicated that all account managers started registering that they used the CLM at the end of the second quarter of 2012. This signaled the start of the second phase (June 2012-December 2012), during which the symbolic adoption of the CLM model was unfolding. The decision of the Sales director to support the CLM model and his official request to the sales teams indicated the dawn of the third phase (January 2013-January 2014), during which the CLM model became an institutionalized practice. The announcement of higher management to reorganize the Sales Medium department and fire all internal account managers indicated an important turn of events. The fourth phase (February 2014-April 2014) represented the period in which the re-organization was on its way, the account managers were under ambiguity and the analysts were looking for ways to expand the CLM model to more sales channels. In the final phase (May 2014-December 2014) the re-organization had become effective and the CLM model had expanded to more sales channels. The announcement of a new re-organization indicated the end of the period and of our study, as this indicated how the CLM model would remain an established way of working for sales processes that regarded the medium-sized customers, despite all functional changes.

*Thematic coding.* Through the narrative we started seeing emerging themes that reflected the role of symbolic actions in the process of institutionalization. Before proceeding with the second-order coding, we further refined our list of events and condensed it into a list of 35 categories of events, which were still close to the raw data. By zooming in and out of the event sequence, and going back and forth between the coding and the case narrative, we assigned these event categories to eight second-order themes (Strauss & Corbin, 1990). These themes were then further aggregated in three aggregate dimensions. The "pragmatic actions" dimension consisted of the constructs that represented actions that had substantive outcomes and events that had real, material changes for the organization. The "symbolic actions" dimension consisted of the constructs that represented actions performed to manage the meaning of acts to make them appear consistent with social values and expectations and thus gain or maintain

legitimacy. The "institution" dimension included events that represent changes in the institutional order.

*Visual mapping.* The visual mapping strategy helped us create a visual graphical representation of the process of the institutionalization of the CLM model, which can be viewed in figure 2 in section 5. We positioned the events from the condensed event sequence on three different realms: the realm of pragmatic action, the realm of symbolic action and the institutional realm. Drawing from the event sequence and the case narrative, we modeled the temporal sequence of events with arrows. By looking at the graph, we could start noticing the relation between many pragmatic actions and symbolic actions. We could see that several actions that took place on the realm of pragmatic actions were assigned with different meaning through the symbolic actions. We went back to our data and to the case narrative to verify these relations and we modeled them on the visual map using dashed lines. In sum, the visual mapping strategy helped us understand better the underlying dynamics of the phenomenon.

In section 4 we provide a descriptive first-order narrative of the TelCo case, while remaining close to the data. In section 5 we continue with a second-order analysis to conceptualize the pragmatic and symbolic actions, and the dynamics between them and the institutional order.

## 4.4   The case of institutionalizing the CLM model in TelCo

### 4.4.1   Phase 1: Introduction of the CLM model

The analysts from Customer Intelligence had been developing analytical models for Marketing since 2006, in order to help marketers manage their campaigns. In 2011, when TelCo decided to improve the structure of Sales Medium, the head of Customer Intelligence decided to support the work of account managers by introducing the concept of customer lifecycle management (CLM) and providing them with an analytical model that would bring efficiency in the sales process. After meeting with some account managers and their sales managers, two analysts, Kelly and Claire, started developing the CLM model. The model represented a data-based way of working, through which the account managers could contact "the right customer, at the right time, and with the right offer". As they needed help from someone who would work closely with the sales teams, they approached Mike, the newly appointed campaign manager whose responsibility was to manage the campaigns run at Sales Medium. Together with a database marketer who was going to extract data from the sales databases, the four of them formed the "CLM team".

In the start of 2012, the CLM team organized a kick-off presentation in which they invited all account managers and their sales managers from the 9 Sales Medium teams and

presented the CLM model. Although they tried to explain how it could help them in contacting their customers, they experienced a lot of resistance:

> *"Yeah, last year… A year ago I went to a presentation of the model with Mike, and they were sitting there just like… 'Oh, I know my customer myself, and why do I have to use the model… And it only takes a lot of time for me…' So it wasn't a nice presentation! (Chuckles) […] So in the first half year also the sales managers weren't that positive about the model."*
>
> *(Kelly-analyst).*

The campaign manager spent a lot of time with the sales teams to explain the benefits of the model, while the analysts also tried to explain to the account managers how they calculated the potential of the customers. They also arranged extra evaluation sessions in which they asked the account managers to give them feedback on the CLM model.

The analysts believed that they needed to prove that the model was effective, in order to get the support from higher management and continue developing the CLM model. Therefore, they asked the account managers to register the use of the model in the CRM system that they used for customer relationship management. More specifically, every time the account managers stored a lead in the CRM system (which indicated that a customer is interested in receiving an offer for a portfolio), they had the opportunity to fill in a field named "campaign code", with a code of a specific campaign. This was a common way for TelCo to measure the effectiveness of campaigns. The CLM team asked the account managers to register the code "MCLM2012" every time they created a lead with the help of the CLM model. In this way, they could track how many leads are created with the model.

Most account managers and their sales managers were not inclined to use the CLM model, as they were used to a different way of working, according to which they decided which customers were important to call or visit and when, based on their intuition and by using their own administration. Therefore, they doubted about the effectiveness of the CLM tool:

> *"I think they really wanted to help us do our jobs, but on the other hand, the feeling I personally got, is that they were like 'look how great of a model we have made, look this is the best model you could possibly get'. I had my doubts with that… So maybe there was a little bit of resistance from my side."*
>
> *(External account manager)*

They did not want to add the CLM code when they were registering leads in the CRM system, as they believed that their way of working was better:

> *"And at first –and I can really understand that– It was some sort of insult. Because whenever I give you a list and say that you have to call this list, with that move I neglect the fact that you have so much in your head, or in your CRM system, or an excel list –a lot of people work with Excel list. Then first you're going to prove to me that my list is wrong, and your list is perfect…"*
>
> *(External account manager)*

Only one sales manager got enthusiastic with the model: Kate had recently started working as the sales manager in one of the teams in the South region, after having spent several years in the Marketing department of TelCo. She was very ambitious and already looked for a way to bring more structure in the often intuitive and messy way of working that her account managers followed. She found the customer segmentation of the CLM model useful to plan which types of customers should be targeted at which time of the year. Therefore, she encouraged her account managers to register the CLM code even when they did not use the model, in order to prove that the model is working and thus to establish this more structured way of working in Sales:

> *"No, she tells us to use it…. But the code we always… Because when a business partner calls me and says "We have a client" and it's my client too, then I have the opportunity from him. And not from CLM. But still, I have to use the CLM code. Even if it's not from the CLM."*
>
> *(Internal account manager)*

The CLM team was happy to see that Kate and her team were positive about the model. They thought that they could use Kate as an ambassador to promote the CLM model to the other sales managers.

In the second quarter of 2012, the CLM team organized a routine that they would continue following every quarter: At the start of the quarter they would visit each team separately to present the model and new information that they added. In every presentation they would also emphasize the need to register the "MCLM 2012" code when storing leads created by using the CLM tool. Furthermore, they would show the results from the registration of the previous quarter and benchmark how each team was performing. In the second month of the quarter, they would visit each team again for the evaluation session, in order to ask for feedback. Most account managers would attend those kick-offs symbolically, without finding them insightful for their work:

> *"I've seen these presentations for four-five times… So, after two times I told R [his manager] "very nice to be there, but it has no added value for us to be at the presentation". Because we get the input… And the presentations are pretty much the same: We've changed this, we've changed that, blah blah blah blah… This is it. But it's politically good to be there. For R., to have his complete team there, and for us to be there, and show presence. So we go…"*
>
> *(External account manager)*

The registration numbers from the first quarter clearly showed the resistance of most teams to use and register the CLM mode. Except for Kate's team, the rest of the teams had extremely few to zero leads registered. In the second quarter, one more team had started registering a few leads, while the remaining teams had minimal to zero registration. The numbers of leads registered per quarter can be seen in table 4.2.

**Table 4.2 Number of leads registered with the CLM code in the CRM system**

| Sales team | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 |
|---|---|---|---|---|---|---|---|---|
| Healthcare | 3 | 0 | 176 | 46 | N/A | N/A | N/A | N/A |
| East 1 | 9 | 24 | 122 | 56 | N/A | N/A | N/A | N/A |
| East 2 | 0 | 28 | 95 | 116 | N/A | N/A | N/A | N/A |
| East 3 | 4 | 7 | 111 | 30 | N/A | N/A | N/A | N/A |
| West 1 | 4 | 0 | 269 | 63 | N/A | N/A | N/A | N/A |
| West 2 | 0 | 0 | 167 | 69 | N/A | N/A | N/A | N/A |
| West 3 | 0 | 100 | 106 | 148 | N/A | N/A | N/A | N/A |
| South 1 (Kate) | 286 | 637 | 1455 | 1396 | N/A | N/A | N/A | N/A |
| South 2 | 6 | 22 | 393 | 127 | N/A | N/A | N/A | N/A |
| South 3 | 9 | 5 | 1085 | 360 | N/A | N/A | N/A | N/A |
| Total | 321 | 823 | 3979 | 2411 | 13180 | 11418 | 24306 | 15955 |

## 4.4.2 Phase 2: The symbolic adoption expands

In the third quarter of 2012, the registration of the CLM model had started increasing for all sales teams. The benchmarking of the registration numbers at the kick-off meetings had some influence in that:

"*If you would take, with all due respect, [someone non-educated], and you would give him the model, and he would outperform me, not using the model, then… I would be, you know, without a job, and I would feel kind of stupid. So I'd rather use the model, and have the [non-educated person] use the model, and show the difference between what I can do with the model and what a non-educated person can…*"

*(External account manager)*

In the meantime, the analysts tried to change their approach towards the account managers, in order to avoid the expressions of resistance during the meetings. As they said, they started following a "massage" approach:

"*But we don't say 'you have to work with it', because the sales managers are allergic to that. Because then they say 'we know, we are familiar with our customers', and 'you don't have to tell me how I work with my customers'. So we say 'ok, this is a tool that you can use to contact my customers in the right way'.*"

*(Kelly-analyst)*

Although most account managers still resisted to use the CLM model and preferred working in their own way, they would still register several leads using the CLM code in the CRM system. In this way, they thought that they would get rid of the pressure coming from the analysts and the campaign manager to use the model:

"*Because not all account managers, but parts of the account managers don't want to use the CLM. They think 'eh, I know it for myself…' And the data analysts want them to use the CLM. So what has happened…The CLM people said 'when you have a sales opportunity in the CRM system just sign the CLM code'. So everybody did it. So now it looks that all the sales opportunities came from CLM, but in the real world, that's not true. So everybody did it because we thought [we do it] for now, and then we get rid of them… (chuckles)[…] Everybody thought,*

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*when we sign the CLM code, we get rid of them, because otherwise then we don't have the pressure."*

*(External account manager)*

The analysts interpreted the increase in the registration numbers as an increase in the use of the CLM model, which would indicate that their tool was effective:

*"It's positive, and we can see that in the reports –every week we have a report– that it contributes to the business."*

*(Mike-campaign manager)*

### 4.4.3   Phase 3: The CLM model becomes an institutionalized practice

In January 2013, the analysts and the campaign manager met with the Sales director and the director of Marketing & Sales to ask for their support in the CLM model:

*"For me, it is most important that the sales director and the marketing director say 'it is good'… […] Because if I say to Sales 'it works so do it', in that way they get bored, or they get other priorities. And when the director says 'it's ok', which he's saying to the whole Marketing and Sales, then we make sure that it's being done, and we get the reports from it, so it's a success…"*

*(Head of Customer Intelligence)*

The analysts used the registration numbers that indicated how many leads had been created in 2012 with the help of the CLM model. Then, higher management started formally supporting the CLM model. In a meeting with all sales teams, the director announced that this should be a standard way of working for the Sales Medium:

*"They organized a workshop, with all the sales managers and general managers, and the director of sales. We organized that last February, and then we made a deal that that's the way of working that we do, and the Director of Sales said to the sales managers 'No discussion, you must work with that'. On the other way, we also had the sales managers with the benchmark of the year before, and showed them that…."*

*(Mike-campaign manager)*

In an effort to further establish the CLM model as a standard practice, the analysts, with the support of the director, put more pressure on the sales managers to commit that they would motivate their team members to use the CLM model:

*"Then I organized all the sales managers. We had a big meeting in [city], they came to it, and there we explained it. And they gave their commitment. They said ok, we do it. And we were asking them if they commit, and they would say 'yes, I do'. It was a little joke of me, but we meant it seriously. And since that time –I talk about January 2013– […] then we saw the progress of using the model, as a standard way of working, but also the right registration in CRM. And that [helped take] the resistance away, and make it a way of working. So the sales management adopted it, and gave direction in the teams to it. During the reviews, the sales manager would talk about the CLM with his account manager."*

*(Mike-campaign manager)*

Indeed, as Mike (the campaign manager) mentioned in the quote above, after that moment the registration of the (now "MCLM 2013") code started increasing significantly.

Many account managers would register the code even if they didn't use the CLM model, as now it was considered to be an established way of working and higher management expected them to use it:

> "For every sales chance we had to put MCLM2013 in there. […] People did not use CLM, but put the code in there. […] Yeah… Excel management from the management. They don't want to hear at the headquarters, that in Region East, nobody used the CLM. […] It is political: Somebody takes a lot of time to make the CLM model. Yeah, that's a lot of money. (Chuckles.) Yeah, then you have to show that it works…"
>
> *(External account manager)*

The pressure on the account managers to use the model had been increasing as the model was becoming institutionalized. This would lead to more registration of the code largely for symbolic reasons, in order to disguise the limited or non-use of the model:

> "Maybe at the beginning of 2013, eh… A big rumble in the jungle… 'Why don't you use that?' And not only to me, also my other colleagues… And 'can you tell me why?' You can go in conversation with your sales manager, but he has another way of thinking. […] He had to make people quiet, and he said 'I can get to my people, they have to fill that code in and I get no more questions'."
>
> *(Internal account manager)*

In August 2013, the training of account managers at the TelCo Sales Academy incorporated a module about the CLM model. This strengthened the establishment of the CLM model as a standard way of working, since all new account managers would be introduced with the tool from the start of their work. However, both new and old account managers would use limited information from the CLM model. Most times that they would open the spreadsheet they would check information about expiry dates of contracts, which they would otherwise have to look up into other databases. This information had been added by the analysts in response to the feedback that they would get from the account managers at the evaluation sessions. The few times in which the account managers might use the analytical insights of the model (such as the customer segment or the customer's potential to buy a specific portfolio) would be when they had no knowledge of a specific customer, or when they had to organize focus days to accomplish quick orders for one portfolio.

Although the registration of the CLM code was largely done for symbolic reasons, the analysts interpreted the notable increase in the registration numbers as a success. They had stopped benchmarking every team's registration numbers at the kick-offs. Instead, they presented the total sum of leads registered with the CLM code every quarter, to present the revenues gained through the model. As Mike told us in one of the interviews:

> "CLM is commercial success, we get a lot of that business that we do with the model, and we see that in the reports."
>
> *(Mike-campaign manager)*

### 4.4.4 Phase 4: Organizational change as an occasion for the CLM model to expand

The situation at the Sales Medium changed utterly in February 2014, when higher management announced its re-organization. For the past 5 years the telecom industry had undergone a lot of changes, with rates becoming flattened, customers changing their expectations, and telecommunications becoming almost a commodity. TelCo had to respond to these changes by simplifying its processes and reducing its costs. This led to the decision to change the Sales Medium. In February 2014, all sales teams were invited to a meeting in which the Sales director announced that the function of internal account managers would be discontinued as of 1ˢᵗ May 2014. The management of most medium accounts would be handled either by two newly-formed call centers, or by the business partner organizations (that were already responsible for closing the deal after a lead was generated), or by the external account managers. The external account managers would remain in TelCo, but in a new function, which would entail less nurturing of the relationship with the customers and more creation of business opportunities.

As the analysts were already thinking of expanding the CLM model to more sales channels (e.g. they had performed a pilot with Sales Large in the 3ʳᵈ quarter of 2013), they saw the opportunity to proceed with this faster, together with the re-organization. Thus, they started planning the expansion of the CLM model. The support from higher management assisted in the expansion of the CLM model to multiple sales channels. The directors presented the changes in the Sales Medium as the move towards efficiency and simplification. Since the CLM way of working aligned with efficiency, it was presented as part of the new plan:

*"In February we had this meeting, and there was this presentation by the Marketing and Sales director. And most of the slides contained 'CLM model', 'CLM way of working', because he saw it as 'the way'; which, you can ask if he's completely right, -I don't think so-, but he told 'this is the way we are doing it, and this is going to make it all more efficient and effective'. But it's, for them, it's… -and I'm very honest- it's like something they can hang, you know, hook these things on. If they say 'CLM model', people believe it… you know? But still, it's just a strategic step to less costs, and more IT oriented, and I think it's the way to do a decision, but it's not all because of this CLM way of working."*

*(Head of Customer Intelligence)*

As the CLM model was considered to be a standard way of working for sales, the analysts did not need the registration numbers anymore, although the code was still used for administrative reasons, to extract data from the CRM system.

### 4.4.5 Phase 5: The CLM model expands

After the re-organization, the CLM model expanded to the following sales streams: the external account managers, the two call centers, six major business partners who

undertook a part of the medium accounts, the Sales Large, and the hunting team – a new team that would search for new business opportunities with large customers.

In the hunting team, the business developers used the CLM model to rank a large set of old large customers who were creating little to no revenues for TelCo, in order to start approaching them for new opportunities. However, after this one-time processing they did not wish to continue using the CLM model, as the data that was available for these customers required a different approach. In Sales Large, the account managers did not find any use of the CLM model, as they had a small set of customers with whom they had frequent contact, thus the information included in the model was redundant. The analysts aimed to promote this model for use by the sales managers of the Sales Large teams, in order to challenge their account managers on portfolios on which they were underperforming but which appeared to have potential according to the model. The analysts organized kick-offs and provided the CLM model to Sales Large in the 3$^{rd}$ quarter of 2014. Due to ongoing changes in the structure of Sales Large, which required the attention of the sales managers on other issues, the plans of the analysts ceased temporarily.

However, the CLM model was maintained as a standard practice for the new call centers, the six business partners and the external account managers. In the call centers, the model helped select in an automated way which customers the call center agents would contact. The business partners were enthusiastic to receive the CLM model, because they had less information about the customers compared to TelCo, and the CLM model would provide them with additional information to find more opportunities and successfully close their deals.

The analysts considered this positive reaction as a success, and in November 2014 they made a plan to start providing the CLM model to many more business partners. Considering all these developments, they also started automating the development of the CLM model in order to deal with the multiple demands of all channels.

The external account managers were struggling with the changes in their function. They were required to perform more and shorter visits to their customers and their main goal was to find new opportunities for sale. They were not allowed to interfere with the closing of the deal anymore (which they often did in the past), and they could not spend time on maintaining the relationship with their customers. They were frustrated with the layoffs of the internal account managers and were afraid that their function was also going to be temporary. Although they understood that the main reason of the re-organization was eliminating costs, they were wondering what would have happened if the CLM model had not been proved to be an efficient way of estimating sales opportunities, and TelCo still depended only on the work of the account managers; would it still be so easy to replace them?

*"And in the end, like with the restructuring, it sort of showed that what everybody was afraid of, it was sort of coming through. [...] So, with the restructuring, they said 'ok, we're going to throw the internal account managers out. And then we're going to have people from an internal and an external call center make calls based upon the CLM list.' I don't want to be disrespectful, but the people on the internal account management, are either highly trained or have a lot of experience, so they are not like the random street guy you could just put on the phone and just call, yeah? So to me, it seemed like 'ok we're just going to get random street guys, and they're going to make phone calls based upon the CLM model, and because the CLM model already proved itself, it's going to be very successful!' That's how it came across to me. I don't know if I'm right on it, but that's just how it felt back then..."*

*(External account manager)*

In December 2014, a second re-organization was announced that entailed the cease of function for both the call centers and the external account managers. All medium customers would be outsourced to the business partners for the whole sales process. The team of managers who planned the changes for the new format decided to continue using the CLM tool, in order to manage the sales process with the business partner organizations. Thus, while the function of account managers ceased to exist in Sales Medium, the CLM model prevailed as an institutionalized practice.

## 4.5 The role of symbolic actions in the institutionalization process

We analyzed our data to identify the dynamics between the realm of action and the institutional realm (Barley & Tolbert, 1997). Through our thematic coding we distinguished two types of action: pragmatic actions, which are performed to accomplish substantive outcomes and have a real, material change in organizational structures and processes; and symbolic actions, which are performed to manage the meaning of acts and make them appear consistent with social values and expectations, in order to direct the attention to different facts and gain or maintain legitimacy. Those symbolic actions represent a cover with which we often disguise the pragmatic actions in order to manage impressions. Symbolic actions were performed by account managers to conceal their non-conformity through the façade of symbolic adoption. For example, although the account managers did not change their way of working and ignored the insights of the CLM model, they would register the CLM code in the CRM system, to create the impression that they used the model and thus get rid of the pressure from the analysts. Symbolic actions were also performed by the analysts, to create the impression that the CLM model was useful and effective (first to the account managers and later to higher management), and thus accomplish its institutionalization. We assigned the different actions and events that we observed in three aggregate categories: pragmatic actions, symbolic actions and institution. Table 4.3 contains our coding scheme:

Table 4.3 Data structure

| Category | Theoretical observations | Empirical observations |
|---|---|---|
| Pragmatic actions | Actions performed for substantive reasons | Analysts develop the CLM model |
| | | Account managers ignore the CLM model insights |
| | | Limited use of the CLM model |
| | | Analysts develop the CLM model for more sales channels |
| | | Reorganization of Sales Medium |
| | | Internal account managers are laid off |
| | | Changes for external account managers |
| | | New reorganization |
| | | External account managers and call center agents are laid off |
| | Substantive consequences from the institutionalization | Analysts think that the CLM model is a success |
| | | Analysts do not need to prove the effectiveness of the CLM model anymore |
| | | The CLM model is used to plan the sales process with the business partners |
| | | The development of the CLM model becomes automated |
| Symbolic actions | Impression management | Using early adopters as ambassadors |
| | | Promoting the CLM model |
| | | Analysts benchmark the registration numbers |
| | | Analysts change to a "massage approach" |
| | | Analysts show registration numbers to higher management |
| | Concealing non-conformity | Kate's team starts registering |
| | | Attending the kick-offs to show conformity |
| | | Account managers register the CLM code symbolically |
| | | Sales managers commit to support the CLM model |
| | | Registration of the CLM code increases |
| | Framing | Higher management uses CLM to explain the changes towards efficiency |
| Institution | Events indicating that the practice has been institutionalized | Higher management supports the CLM model[4] |
| | | The CLM model becomes the established way of working |
| | | The CLM model becomes part of the training |
| | | The CLM model expands to more sales channels |
| | | CLM model becomes standard for the business partners |

Our study in TelCo highlighted the role of symbolic actions in the process of institutionalization of a newly introduced practice. All actors would often perform actions for symbolic reasons, in order to deal with the pragmatic circumstances at hand, to disguise their pragmatic actions, and finally manage impressions. The study showed that it was through the symbolic actions performed by the different actors, that the institutional realm could be changed. Interestingly, although for the analysts these

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[4] Irrespective of whether the higher management believed in the real value of the CLM model or whether they supported it symbolically, the fact that they formally announced in January 2013 that account managers should work with the CLM model contributed to establishing the CLM way of working as a rationalized myth (Meyer & Rowan, 1977) in TelCo.

symbolic actions were performed with the intention to prove the CLM model's value and institutionalize it, the symbolic actions performed by the account managers were driven by quite different motives, namely to disguise nonconformity (Oliver, 1991) and to avoid having pressure from the analysts in the start, or to deal with the pressure from management later. However, without these actions of symbolic adoption by the account managers, it would not have been easy or even possible for the analysts to make CLM an established way of working at Sales. Thus, we see that the interplay of those symbolic actions from different actors influenced the institutional order.

The account managers did not expect how their symbolic actions would interplay with those of the analysts. To avoid pressures, the account managers symbolically registered the CLM code every time they stored a lead in the CRM system. The increasing number of leads seemingly produced with the help of the CLM model, was used by the analysts to create the image of an effective way of working to the higher management, who decided and announced that this should be a standard way of working. This was the start of a series of (for the account managers) unintended consequences, namely changes on the institutional realm (e.g. new rules, the CLM gaining importance in more sales channels, and so on). These institutional changes started feeding the realm of symbolic action: as the account managers received more pressure to use the model, they registered even more leads with the CLM code, which again influenced more the institutionalization of the CLM model. This eventually incurred substantive consequences on the pragmatic realm (such as getting fired). Thus, we get to see that symbolic actions intendedly performed to disguise nonconformity (Oliver, 1991), unintendedly create and strengthen the institution. Drawing on our analysis, and following the structurational approach on institutionalization (Barley & Tolbert, 1997; Giddens, 1984), in figure 4.1 we develop a process model to illustrate the effect of symbolic actions on the institutionalization process.

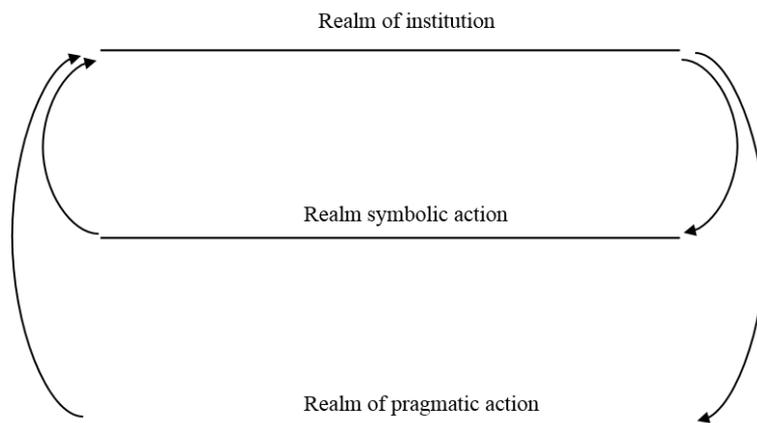**Figure 4.1 The role of symbolic action in the institutionalization process**

Figure 4.1 shows that events and actions emerging on the pragmatic realm are often covered with different actions on the symbolic realm, which (often unintendedly) influence the institutional order. This is modeled with the arrow from the realm of symbolic action to the realm of institution. The changes on the institutional realm first feed back to the symbolic realm triggering more symbolic action, while later on they become more influential and cause substantive consequences on the pragmatic realm, which are often unintended by the actors. A direct arrow from the realm of pragmatic action to the realm of institution has also been modeled, although it was not observed in the TelCo case, but it has been illustrated through past research institutions (Garud et al., 2007; Lawrence, Leca, & Zilber, 2013; Lok & De Rond, 2013).

In figure 4.2, we apply this conceptual model to the case of institutionalizing the CLM model at TelCo. We illustrate the actions (rounded rectangle), consequences (rectangle), and conditions (punched tape) that emerge on the pragmatic, symbolic and institutional realm. The arrows indicate the temporal sequence, while the dashed lines show a direct relationship between pragmatic actions and the symbolic actions that disguise them.

Figure 4.2 The process of institutionalization of the CLM model
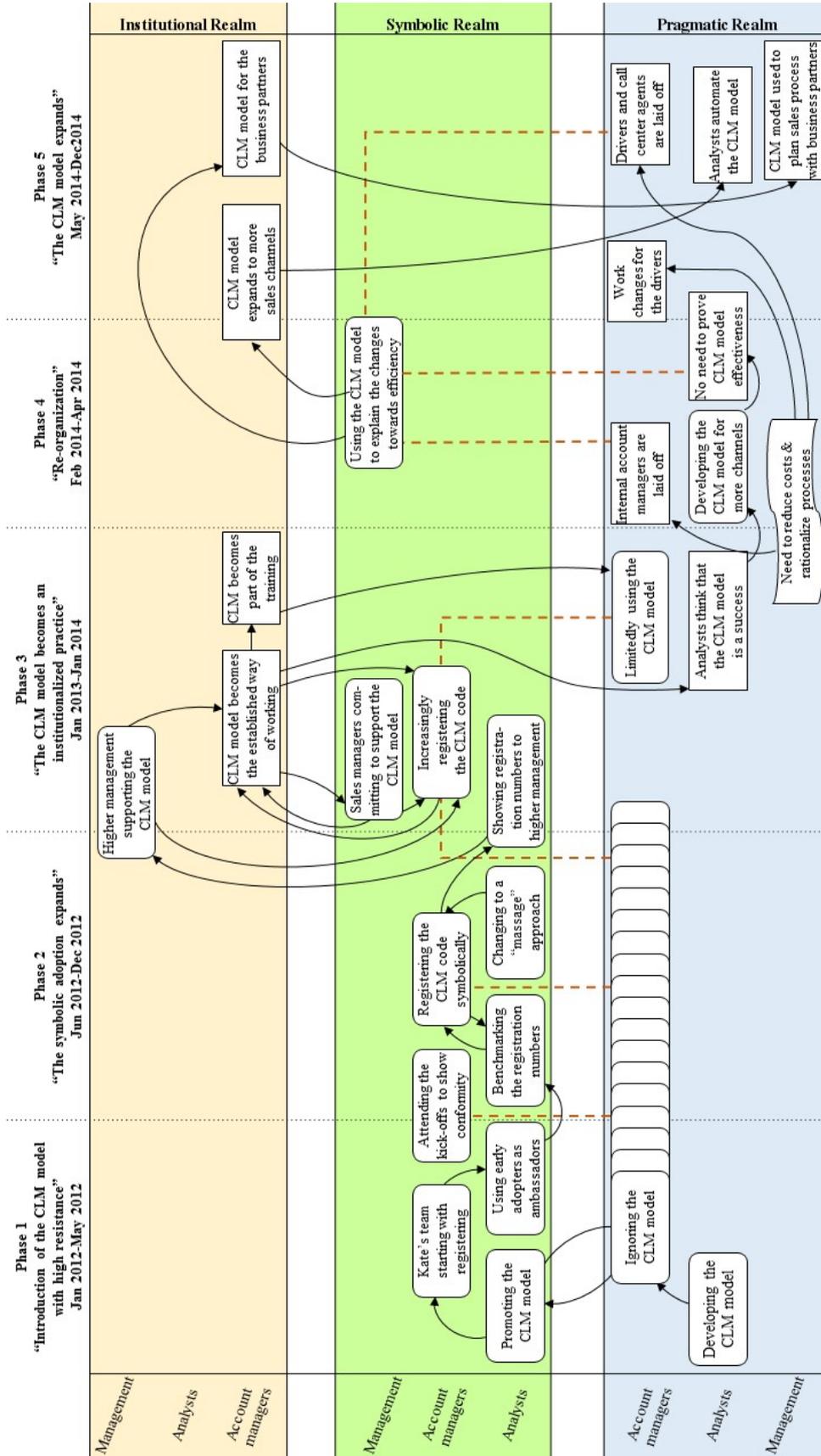
### 4.5.1    Symbolic actions influencing the institutionalization process

During our study at TelCo we found three types of symbolic actions that influenced the process of institutionalizing the CLM model: impression management actions performed with the intention to institutionalize the new practice; actions performed to conceal non-conformity with the new practice (i.e. symbolic adoption); and framing the organizational changes. These symbolic actions were performed to provide a different meaning for certain acts to other actors and divert their attention, in order to gain or maintain legitimacy. For example, the account managers were performing concealment actions in order to cover the fact that they did not use the CLM model and make the analysts and management believe that they did. The analysts were performing actions of impression management so that higher management would see that the account managers used the model and that it was effective. It was the interplay of those different types of symbolic action that would eventually trigger changes on the institutional order.

*Impression management actions to institutionalize the new practice*

Actors who intend to accomplish institutional change often perform impression management, with the intention to create positive impressions about the new practice subject to institutionalization and gain the support from other actors in order to support the practice and thus help establish it in the social context. In the case of TelCo, the analysts, who wanted their CLM model to become a standard tool for customer management in Sales Medium, performed five different actions of impression management to show that the CLM model was an effective tool and eventually have it institutionalized: *Using early adopters as ambassadors* was especially useful when they first introduced the CLM model, as they believed that the early adopters (i.e. Kate and her team), who were very successful in sales, would influence the rest of the teams in starting to use the model if they showed them how they used it. For example, they would often refer to how Kate's team used the CLM model to perform well on sales. During the first year of the introduction of the CLM tool, the analysts, together with the help of the campaign manager, were performing a lot of meetings and presentations to *promote the CLM model*, by providing arguments on why and how it could be useful to the account managers. Through this action, they expected that the account managers would be persuaded by the value of the model and that they would start using it. As they believed in data-driven ways of acting, the analysts thought that the numbers of registered leads in the CRM system indicated how useful the CLM tool was for managing accounts. They believed that by *benchmarking the registration numbers*, they would show the success of the teams who registered to the other teams, and thus motivate them to also start using the CLM and registering the code in the CRM system. After the first year that all teams started registering systematically, the analysts stopped benchmarking and only presented

the total number of leads generated with the CLM code from all teams in Sales Medium, as they did not need to persuade them to register anymore, but they still wanted to show the "success" of their model. A few months after introducing the tool, the analysts started understanding that the account managers were "allergic to being told what to do" (as Kelly mentioned during an interview). Therefore, they decided to *change to a "massage approach"*, which entailed presenting their model as something useful at their disposal that could support the account managers in their work to reach their sales targets. This was effort to appear less imposing and thus eliminate the resistant behavior that they had been experiencing during the kick-off presentations. Finally, in order to substantiate their efforts to establish the CLM way of working in Sales Medium, they *showed the registration numbers to higher management*, to persuade them about the effectiveness of the CLM model, and asked for their support in getting the account managers to use the tool. Table 4.4 provides supplementary evidence of the aforementioned actions performed to institutionalize the CLM model in Sales Medium.

**Table 4.4 Supplementary evidence: Impression management to institutionalize the new practice**

| Impression management | Time | Exemplary Quotes |
|---|---|---|
| Using early adopters as ambassadors | 2012-Q1 | It's a lot of work, but on the other hand it's something that proves itself, so we can show results and this and this and this… And like the pilots are proven things, but also creating some enthusiastic people, who started working as an ambassador for this thing…(Mike-campaign manager) |
| Promoting the CLM model | 2012-Q1-2013-Q1 | Well not really authorization, but like selling the thing. This is how it happens in a company like ours. We start talking with people on the sales floor, with account managers, asking what do you need, and how can we help you… We bring that together, and then we build the prototype. […] And if it works and people get enthusiastic, I know I have to expand this project to a bigger project, and I know I have to get money for this project and to get people involved, who start working, like M [the campaign manager], who have to promote it. And at some point in time M started thinking that it was his project, which is ok, you know, because they know it came from customer intelligence…(Head of Customer Intelligence) |
| Analysts benchmark the registration numbers | 2012-Q1-2013-Q1 | So we've got this report from the CRM system. And we do a benchmark for the different teams. So you see Kate's team, and per week how many orders they put in the funnel, in the system, and they made it with the CLM model. And then you see that Kate is doing it very good. So she's got 2800 orders in the system and she said she did the orders with CLM. And the other teams like this one, the team of [name of another sales manager], they did only 140 in the whole year. […] These are leads that are put in the system by using the correct code. […] Two quarters ago we looked at the percentage [leads with the CLM over total leads] once, and then we saw that there was another team that was having just the biggest Order InTake and Kate was not the one with the biggest. So we said ok, the model helps you, but you can also have… If you just have 4 big customers that want to get all their mobile phone contracts with TelCo, you didn't use the model but you're just lucky, like I said, then you can have a very high Order InTake. So we do it [checking the percentage], but we don't want to get it known, that's all. (Kelly-analyst) |
| Analysts change to a "massage approach" | 2012-Q4-2013-Q4 | So that's why we've got the model, but also a lot of massage, and trying just to get the acceptance of the model. (Kelly-analyst) |
| Analysts show registration numbers to higher management | 2013-Q1 | She also showed me a slide she has specifically about the CLM model. She said that she and Claire put such a slide every month to show to management and to higher management that the model is really working. |

| | | The slide had 4 parts. First (top left) it had the new items the model contains this month (the new calculation of the potential) and the special items (the campaigns). On the top right there was a graph showing the number of leads and value of leads that have been registered in the funnel with the MCLM code, for all months of 2013. It was an increasing line, which proved that the model has been used a lot. In fact, she said that the value for 2013 is almost double than the value for 2012. On the bottom left there was another graph showing the value of orders (OIT) that were done in 2013 with the use of the code. She told me that they couldn't track which of the leads were transferred into orders. On the bottom right corner there was a table with their ambitions for 2014. (Observing analyst while she was preparing a presentation for higher management) |
|---|---|---|

### Concealing non-conformity

Actors often adopt new practices only symbolically (Zajac & Westphal, 1995) and engage in concealment practices to disguise their non-conformity (Oliver, 1991). While the account managers resisted changing their way of working towards a data-based one with the use of the CLM model, they soon (most of them in the second or third quarter in 2012) started to conceal their non-conformity in order to manage with the pressure they experienced, first from the analysts only and later from the management. *Kate's team started registering leads with the CLM code* almost as soon as it was introduced. Because Kate wanted sales to work in a better-structured and more systematic way, she believed that this could be accomplished with the CLM model, without necessarily using all analytics insights such as the CLM phase of customers at each portfolio. Hence, she asked her account managers to register the code anyway, even if they did not use the model. Although most account managers did not find the presentations useful in terms of learning new insights, they would *attend the kick-offs regularly* because "it was politically good to be there", to avoid having pressure from the management. As of the third quarter 2012 most teams had started *registering leads with the CLM code symbolically*, i.e. without necessarily having used the CLM tool to create those leads, because they thought that in this way the analysts would stop pressuring them to use the tool and they would get rid of them. However, after the Marketing & Sales director announced in the start of 2013 that everyone should be using the CLM model at Sales Medium, the pressure increased even more. The *sales managers had to commit that they would support the CLM model*, and that they would motivate their teams to use it, even though most of them did not believe in the real value of the analytics model. As they had to fulfill the expectations from higher management, and since their sales managers were also asking them to comply, the account managers had to continue concealing its limited (or even non) use by assigning the CLM code when storing leads in the CRM system. This explains how *the registration of the CLM code increased significantly* (as can be seen in table 2) in 2013. Table 4.5 includes supplementary evidence of the symbolic actions performed for concealing non-conformity by the account managers and their sales managers.

Table 4.5 Symbolic actions to conceal non-conformity

| Concealing non-conformity | Time | Exemplary quote |
|---|---|---|
| Kate's team starts registering | 2012-Q1 | I think Kate is more about using the information you get, and just use it and it always can get better…. So I think she had pressed enough to work more with it…(Internal account manager) |
| Attending the kick-offs to show conformity | 2012-Q2-2014-Q1 | I've seen these presentations for 4-5 times… So, after two times I told R [his manager] "very nice to be there, but it has no added value for us to be at the presentation". Because we get the input… And the presentations are pretty much the same: 'We've changed this, we've changed that, blah blah blah…' This is it. But it's politically good to be there. For R, to have his complete team there, and for us to be there, and show presence. So we go…(External account manager) |
| Account managers register the CLM code symbolically | 2012-Q3-2014-Q1 | There's always pressure from management. TelCo is pretty political, and the director of Marketing and Sales, he is completely blue, he lives from lists. So we have to put in a list with how many appointments we make, and in how many days… All input is from lists… So a CLM list is his heaven! (*laughs*) And then it's politically good to use it… Or to let them think you use it! (External account manager) |
| Sales managers commit to support the CLM model | 2013-Q1 | Then I organized all the sales managers. We had a big meeting in [city], they came to it, and there we explained it. And they gave their commitment. They said ok, we do it. And that's eh… that's asking, and 'yes, I do'. It was a little joke of me, but we meant it seriously. And eh… since that time –I talk about January 2013 […] Then we saw the progress of using the model, as a standard way of working, but also the right registration in CRM. And that [helped take] the resistance away, and make it a way of working. So the sales management adopted it, and gave direction in the teams to it. During the reviews, the sales manager would talk about CLM with his account manager. (Mike-campaign manager) |
| Registration of the CLM code increases | 2013-Q1-2014-Q1 | At least we see that they have a growth of using the code and there's a growth in sales, in this funnel where they have to put the code. So now, what we now should do, and what we're going to do, is validate the codes to the model… Meaning if there's a lot of push to use this code for the sales funnel based on the CLM model, we should validate if this code is used this way, meaning that they're not using it by "Oh let's say it's the campaign code so I can say to my manager that I've been using the model." So we want to validate that at a later stage. (Head of Customer Intelligence) |

### *Framing the organizational changes*

Another interesting type of symbolic actions that we observed in the TelCo case included framing the organizational changes. (Supplementary evidence can be found in table 4.6.) More specifically, the need to reduce costs and rationalize processes led the higher management to announce the reorganization of the Sales Medium in February 2014, which entailed laying off all the internal account managers. However, as the CLM model had become an established way of working, and it had been proven (through the registration) to foster efficiency, *the higher management included it in their explanation to the Marketing & Sales employees, to symbolize the change towards efficiency and rationality*. With this symbolic action the higher management aimed to paint the picture that the re-organization was a necessary move to ameliorate their sales process by making

it more efficient, instead of presenting the pragmatic need to reduce costs, which entailed the problems that TelCo was facing. However, this action had an influence on the institutional realm, as it legitimized the intentions of the analysts to expand the CLM model to more sales channels.

Table 4.6 Supplementary evidence – Framing the changes

| Framing the changes | Time | Exemplary quote |
|---|---|---|
| Higher management uses CLM to explain the changes towards efficiency | 2014-Q1 | In February we had this meeting, and there was this presentation by the Marketing and Sales director. And most of the slides contained 'CLM model', 'CLM way of working', because he saw it as 'the way'; which, you can ask, if he's completely right, -I don't think so-, but he told 'this is the way we are doing it, and this is going to make it all more efficient and effective'. But it's, for them, it's… -and I'm very honest- it's like something they can hang, you know, hook these things on. If they say 'CLM model', people believe it. But still, it's just a strategic step in less costs, and more IT oriented, and I think it's the way to do a decision, but it's not all because of this CLM way of working. (Head of Customer Intelligence) |

## 4.5.2 Consequences of the symbolic actions

As we explained earlier with our process model in figure 2, the symbolic actions often have consequences for the institutional order, while those institutional changes later feed the pragmatic realm with new pragmatic conditions. We have conceptualized these two types of consequences as consequences for the institutional realm (table 4.7 illustrates supplementary evidence) and substantive consequences from the institutionalization (table 4.8).

The account managers had not realized that their symbolic actions would trigger other symbolic actions from the analysts and higher management. Their action of registering the CLM code symbolically helped the analysts in presenting the registration numbers to higher management to prove the effectiveness of the CLM model. This had an effect on the institutional realm, since *higher management started supporting the CLM model* in the start of 2013 and the pressure to use the CLM model increased. This was not expected by the account managers, who initially thought that they would register and get rid of the pressure from the analysts, but now had to continue registering and concealing their non-conformity to deal with the pressure not only from the analysts, but also from the higher management and their sales managers (who also received pressure to motivate their teams to use the model):

*"When you have a CLM just for a reminder, why is it useful to pump money at the department of maybe four, five people -wise guys, thinking about marketing strategy and that kind of stuff- for just a reminder for the account managers? (Chuckles.) The marketing people, they are very spoiled, and they thought 'we have to show our management that account managers, they are very glad about using the CLM, and with the data we use, and the pipeline they cross with our*

*opportunities, they sell the opportunities when they use the CLM'. In CRM, I have to click MCLM2013, and the management sees that I did use the CLM to close the deal."*

*(Internal account manager)*

Consequently, the increasing registration from the account managers and the commitment from their sales managers influenced the institutionalization of the CLM model, as it *became an established way of working in Sales Medium* in the start of 2013. A few months later the CLM model also *became part of the training* for new account managers, which reinforced its institutionalization. These consequences led to *more account managers starting to use the CLM model, but in a limited way*. Some account managers had started using some information included in the spreadsheet, such as expiry dates of contracts, or used the analytics insights at exceptional occasions such as when they did not know a customer or when they organized a focus day with quick calls.

As the CLM model became an established way of working on the institutional realm, this triggered *the analysts to consider that the CLM model was a success*, and thus start making plans to develop the CLM model for more channels on the pragmatic realm, while it also indicated that *it was not needed anymore to prove its effectiveness*. After deciding to re-organize the Sales Medium and implement plans for simplification and elimination of costs in February 2014, the higher management saw the CLM aligned with the changes for efficiency and thus supported the analysts to *expand the CLM model to more sales channels*, an event that indicated how important the CLM model had become in TelCo. The account managers were now realizing that their symbolic registration had unexpectedly assisted the CLM model to become a powerful tool in Sales:

*"They're changing. It's changing. Because eh… Why do we have to use common sense, when a product like CLM does the thinking for you? Because we make the mistake to fill in every lead, with the code, MCLM2013. And then, they use the database and they say 'look at how TelCo and account managers are successful with using this model'… When you are successful, you have to expand it for all the channels…And the call centers, and Large, because it's very successful! 'Look at how much money I've saved with CLM!' That's the politics, eh?"*

*(Internal account manager)*

The second re-organization that was announced at the end of 2014 meant the end for the external account managers in Sales Medium, as all their work would be outsourced to the business partners. However, by then the *CLM model had become a standard tool for the business partners.* This indicated that despite the radical changes in Sales Medium, the CLM model was a part of the institutional order in TelCo and it would remain as a tool for data-based account management while all account managers were fired. Indeed, on the pragmatic realm, we saw that the team planning the transition to the new format was *using the CLM model to plan the sales process with the business partners.*

In sum, we see that the interplay of the symbolic actions of analysts and account managers had helped accomplish the intentions of the analysts to establish the data-based way of managing customers in Sales, while it had several unintended consequences for the account managers, manifesting on both the institutional and the pragmatic realm. Not

only did the account managers trap themselves in the act of symbolic registration, but also later on many of them even felt that the CLM model was replacing them:

*"The thing that is going to be replaced it's us, that's for sure... You know? We would be stupid if we think that our function will stand for very long time, for years after this. Because they wanted to put us out already. And it's, eh... Like you said, I think, the chance is also big, that they chose for it, to make it needed, that you always have to put the CLM code in it, to get the lead through to the business partner. Because... what they want, is to get rid of us as externals as well."*

*(External account manager)*

Consequently, as we previously described and illustrated in figure 4.2, concealing non-conformity can have unintended consequences (Giddens, 1984) for the symbolic adopters, initially on the institutional order, while later also on their practices in the pragmatic realm.

### Table 4.7 Supplementary evidence: Consequences on the institutional order

| Consequences on the institutional order | Time | Exemplary quote |
|---|---|---|
| Higher management supports the CLM model | 2013-Q1 | They organized a workshop, with all the sales managers and general managers, and the director of sales. We organized that last February, and then we made a deal that that's the way of working that we do, and the Director of Sales said to the sales managers "No discussion, you must work with that". On the other way, we also had the sales managers with the benchmark of the year before, and showed them that.... (Mike-campaign manager) |
| The CLM model becomes the established way of working | 2013-Q1 | We don't discuss it on the work floor. We don't discuss it, because we've got the meeting once in the quarter. It is not for the first time, we are working with it for two years now, everybody knows how to work with the CLM list and everybody is just working his own way. |
| The CLM model becomes part of the training | 2013-Q3 | And also, maybe to mention, we have a sales academy... All the new account managers, sales people, go through that academy, and CLM is a module in the sales academy. And there, with new people, new account managers, new sales managers, I give them the explanation about the program, how to use it, and that makes it... |
| The CLM model expands to more sales channels | 2014-Q2-2014-Q4 | And also because it's now... Because of all the success (*chuckles*) of the CLM... We've got now CLM Large, CLM Medium, CLM Business Partner, and the... yeah.... It's a big success now, so we've got a lot of questions, and a lot of demands, and they want to expand it, and that's ok [...] At this moment, for me, it's my full time job, to run the model, to do all the presentations, the kick-offs, all the questions, the preparation for a new model... So it takes my whole (*chuckles*) 32 hours per week! |
| CLM model becomes standard for the business partners | 2014-Q3-today | And because this is now a success... They want to enlarge the group of business partners. So we decided now to enlarge it with 7 partners every quarter. [...] Till 40 at the end of next year... |

Table 4.8 Supplementary evidence: Substantive consequences from the institutionalization

| Substantive consequences from the institutionalization | Time | Exemplary quote |
|---|---|---|
| Analysts think that the CLM model is a success | 2013-Q2-2014-Q1 | If you have a commercial success, and CLM is commercial success, we get a lot of business we do with the model, we see that in the reports, I give that… that's not only my success, but it's a success of the team. And the team is Kelly, Claire [the analysts], Thomas [database marketer], and myself. We are the team, and that makes a success. |
| No need to prove the effectiveness of the CLM model anymore | 2014-Q2 | So we need the code for administration, and the code is not meant to measure the success of the CLM campaign. |
| The development of the CLM model becomes automated | 2014-Q4 | So it's too much… And that's why we [the analysts] decided to make some optimization steps. So that then we can focus on the part of what is really our job. Because our job is not to make lists. That's really not our job. We want to distribute insights, customer insights. And now we are really distributing also customer insights, but in the form of a customer list. So we decided together, that we will automate the process, and we can just focus really on the improvement of the model, and do the presentations, and think about the model, and make it more intelligent… |
| The CLM model is used to plan the sales process with the business partners | 2015-Q1-today | On the other hand, the Sales Medium is changing its formula and everything will be outsourced to the business partners. So these people are now exploring how to apply the changes and they want to use the CLM for that so they want more from Customer Intelligence (Notes from the meeting with the head of Customer Intelligence in March 2015) |

## 4.6 Conclusions and Discussion

In the introduction of this chapter we formulated the research question about how actions of symbolic adoption influence the process of institutionalization and what unintended consequences arise for the actors who perform them. In our analysis, we conceptualized the actions of symbolic adoption as symbolic actions to conceal non-conformity with the institutional pressure. We showed that these actions were used by the account managers to cover the pragmatic actions (ignoring the CLM model insights in the start, limitedly using the CLM model later) in order to create the impression that they were using the model, and thus cope with the pressure that was exercised on them. However, the account managers did not expect that their concealment actions would interplay with the impression management actions of the analysts, who intended to institutionalize the CLM model. Because of this dynamic, concealing their non-conformity influenced the institutional order: As the analysts presented the registration numbers (that had been generated by the account managers to conceal their non-conformity) to the higher management, the CLM model got the support of the directors and was thought of as an established way of working; so the pressure to use it increased, and thus reinforced its symbolic use (through the act of registering the leads). In this process, as we have

modeled it in figure 1, we can see that the concealment of non-conformity with the new practice (i.e. the symbolic adoption) can have high impact on its institutionalization, especially because it can enable mindful actors who try to institutionalize the new practice to accomplish this, through their impression management actions. This influence is experienced as an unintended consequence for the symbolic adopters, and it reinforces their symbolic actions of concealment. But also, as the practice becomes institutionalized, the symbolic adopters can also experience substantive consequences from this, and they have to deal with them in the realm of pragmatic action.

Our research contributes to the literature on institutionalization (Barley & Tolbert, 1997; Tolbert & Zucker, 1983) and institutional change (Dacin et al., 2002; Kellogg, 2009). By distinguishing the realm of pragmatic actions (performed to accomplish substantive outcomes and have a real, material change in organizational structures and processes) from the realm of symbolic actions (performed to manage the meaning of acts and make them appear consistent with social values and expectations, in order to direct the attention to different facts and gain or maintain legitimacy), we could specify the role of symbolic actions in influencing institutions. More specifically, while literature has already suggested how pragmatic actions can influence institutions (Lawrence et al., 2013; Lok & De Rond, 2013; Sminia, 2011), our study showed that concealment actions can also influence the institutional order. But this emerges through the interplay with the symbolic actions of others: the symbolic adopters are not alone, but other actors (Garud et al., 2007) also exercise their agency and perform symbolic actions such as impression management, to gain legitimacy for the new practice. In this way, the symbolic adoption is part of the institutionalization process (Tolbert & Zucker, 1983). It is not only influenced by the institutional order (Bromley & Powell, 2012; Kostova & Roth, 2002), but it is also influencing it. This reinforces past findings on the effects of ceremonies and symbolic actions on the creation and maintenance of institutions. For example, Zbaracki (1998) found that the success stories that managers used to display the adoption of TQM by their organizations influenced the institutionalization of TQM within and outside the organization. Similarly, Boiral (2007) suggested that rational myths are not solely enforced by the institutional environment; instead, the ritual integration practices followed by organizations, such as documentation and rhetoric of justification, also afford the creation and reproduction of those rational myths. Our study illustrates the process through which the duality (Barley & Tolbert, 1997) between the institution and the symbolic actions emerges: as the account managers registered the CLM code in the CRM system without necessarily using it in practice, they strengthened the institutionalization of the CLM model and thus the pressure to prove that they used it, which in turn led them to continue concealing their nonconformity.

Furthermore, our study contributes to the discussion on ceremonial conformity and symbolic adoption, by unpacking the often black-boxed process of concealing non-

conformity, which cannot be easily traced through the organizational sector approaches on institutional isomorphism (Boxenbaum & Jonsson, 2008; Scheid-Cook, 1992). Our process study in TelCo sheds more light on the actions through which organizational members conceal their non-conformity (Berente & Yoo, 2012; Boiral, 2007), while it emphasizes the fact that such actions are reinforced through the unintended consequences that they induce. In this endogenous process, agency plays an important role: the symbolic adopters consciously choose to perform the acts of concealment to deal with the institutional pressure (Oliver, 1991). They mindfully and intentionally choose to cynically adopt the new practice. However, later their cynical adoption triggers actions from other actors, and induces unintended consequences (Giddens, 1984), which not only force the symbolic adopters to continue their acts of symbolic use, but also prompt hard changes in their everyday life.

Finally, our findings contradict with the idea that symbolic adoption is becoming less prevalent due to the development of audit cultures and the extensive use of surveillance mechanisms such as monitoring and reporting procedures (Bromley & Powell, 2012; Dick, 2015; Wijen, 2014). Instead, our study shows that people come up with ways to bypass the evaluation implicated in surveillance mechanisms in order to perform actions that conceal their non-conformity. This triggers further reflection on the new epistemic ways through which organizational members use analytics and big data to make choices and guide their actions, and how these influence the emergence of new institutions: By looking at the thousands of leads that were registered with the CLM code, the analysts and higher management fell in the trap of superstitiously believing that the CLM model was being used and constituted an effective and efficient way of serving customers. With the account managers gone from the Sales Medium as of the start of 2015, the new situation included the use of the CLM model in order to manage the sales process with the business partners. However, the management had not really learned yet how this could happen, as the CLM model insights were not actually used by the account managers. On the other hand, the account managers also fell into another trap as they registered leads with the CLM code for symbolic reasons. They hadn't estimated that this would evolve into the accumulation of information that would prove the effectiveness of the model and thus change their sales practices for good. Consequently, in an era where information is more than ever used as a symbol of commitment to rational choice (Feldman & March, 1981), the conspicuous over-consumption of information can influence the institutional order in perverse ways for the different actors who produce and/or use this information.

Our study was performed under a few limitations. First, the data on the first 14 months of the study was collected retrospectively. We tried to overcome this limitation by triangulating the data between multiple sources (interviews and documentation) and between multiple respondents (account managers, sales managers, analysts and directors). Second, during the time that we performed our study, TelCo was in a very dynamic state

due to the several reorganizations taking place, and thus there were several changes that needed to be traced in parallel. However, these organizational changes were also advantageous, as they helped us track how they offered an occasion for the CLM model to expand and become a stronger institution. Furthermore, although we have had the opportunity to observe the symbolic use while it emerged, we lack a long-term view of how things will develop later. Especially concerning the consequences of the symbolic adoption on the organization, it would be interesting to see in the future how the superstitious use of the data-based practices influences the sales processes in the long run. In addition, due to confidentiality reasons we were not able to study how the employees at the business partner organizations used the insights of the CLM model. This prevented us from investigating whether they actually used the CLM model, or whether they also adopted it symbolically. Future research could be performed to investigate other unintended consequences of symbolic adoption, such as how it affects the culture of the organization. Researchers could also try exploring the power dynamics between the symbolic adopters and the actors who try to institutionalize the new practice, and how the actions of symbolic adoption influence these dynamics. Finally, our study highlighted the role of symbolic adoption in the institutionalization process on the micro-level. More research is needed to study the mechanisms of symbolic adoption and its consequences on institutionalization in larger contexts.