The social practice of co-evolving strategy and structure to realize mandated radical change

Abstract:	This paper draws on a longitudinal interpretive case study to develop a theoretical model of how actions by people across an organization co-evolve strategy and structure in order to realize a mandated radical change. Mandated change, imposed by a powerful external actor, extends understanding of the dynamics of radical change. While other studies examine how unintended consequences shape the way radical change is realized, under mandated change actors focus on bringing about the change in ways that will be, collectively, considered to realize the intended mandate. Our study, grounded in a practice approach to how actions bring about radical change, identifies three different action cycles (performing action cycles, reinforcing action cycles, and reflecting action cycles). Shifts in cycles are triggered by unintended consequences that escalate into breakdowns. Cumulative cycles, arising from the escalation of unintended consequences that lead to breakdowns, are necessary for bringing about a mandated change in strategy and structure. Following breakdown, actors switch to reflecting actions in which they consider the underlying intent of the mandate and how to modify the espoused strategy and structure to bring about that intent.

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The Social Practice of Co-evolving Strategy and Structure to Realize Mandated Radical Change

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THE SOCIAL PRACTICE OF CO-EVOLVING STRATEGY AND STRUCTURE TO REALIZE MANDATED RADICAL CHANGE

ABSTRACT

This paper draws on a longitudinal interpretive case study to develop a theoretical model of how actions by people across an organization co-evolve strategy and structure in order to realize a mandated radical change. Mandated change, imposed by a powerful external actor, extends understanding of the dynamics of radical change. While other studies examine how unintended consequences shape the way radical change is realized, under mandated change actors focus on bringing about the change in ways that will be, collectively, considered to realize the intended mandate. Our study, grounded in a practice approach to how actions bring about radical change, identifies three different action cycles (performing action cycles, reinforcing action cycles, and reflecting action cycles). Shifts in cycles are triggered by unintended consequences that escalate into breakdowns. Cumulative cycles, arising from the escalation of unintended consequences that lead to breakdowns, are necessary for bringing about a mandated change in strategy and structure. Following breakdown, actors switch to reflecting actions in which they consider the underlying intent of the mandate and how to modify the espoused strategy and structure to bring about that intent.

INTRODUCTION

Our paper shows *how* actions by senior, middle and frontline managers co-evolve strategy and structure in order to realize a *mandated* radical change. Alignment between strategy and structure has been considered critical since Chandler's (1962) study showing that a divisional structure enabled firms with a diversification strategy to dominate the competitive environment. Radical change, a rapid and simultaneous, discontinuous shift in the firm's strategic orientation, such as its products, markets, and ways of competing, and in its associated organizational activities (Tushman & Romanelli 1985), is a particularly critical point in the alignment of strategy and structure. It is a time when the two move together rapidly and simultaneously (Mintzberg, 1990), disrupting the existing strategy-structure alignment (e.g. Amis et al, 2004; Tushman & Romanelli, 1985), with potentially damaging implications for organizational performance (Gulati & Puranam, 2009). Yet few studies discuss how strategy and structure change *together* over time (Mintzberg, 1990). Rather, most studies examine the unintended consequences of radical change, such as lags between strategic and structural change (Amburgey & Dacin, 1994; Greenwood & Hinings, 1988),

oscillations of strategy and structure (Amis et al, 2004; Greenwood & Hinings, 1993), and structural reversals of strategic change (Mantere et al, 2012).

We argue that radical change not only presents an appropriate context through which to explore how strategy and structure move together, but that doing so requires us to view radical change as a dynamic process that people enact (Langley et al, 2013; Tsoukas & Chia, 2002). Adopting a practice perspective, we conceptualize construction of change in strategy and structure as a social ordering of organizational arrangements that shape and are shaped by people's actions (Bartunek, 1984; Jarzabkowski, 2008; Orlikowski, 2000; Ranson et al, 1980). This approach directs our attention to how people act within organizations, and facilitates a theoretical understanding of the constitutive role of such actions in constructing the social order of organizations (Feldman & Orlikowski, 2011: 1240). Critically, practice theorizing points to the recursive nature of action and social order (Giddens, 1984), within which actions are guided by the espoused changes in strategy and structure, even as those actions enact the change that is ultimately realized (Rerup & Feldman, 2011).

Our paper examines a simultaneous shift of strategy and structure during a *mandated* radical change, meaning a change, often imposed by a powerful actor, with which an organization must comply or face sanctions (Rodriguez et al, 2007). Under a mandate, espoused changes to strategy and structure are particularly influential in shaping actions (Oakes, Townsend & Cooper, 1988; Rodriguez, Langley, Beland & Denis, 2007; Stiem, 1981), as people consciously endeavor to enact the specific strategy and structure set out in that mandate. In our case, a rapid and radical simultaneous shift in strategy and structure had to be delivered to tight deadlines as part of a mandated, legally-binding regulatory framework that had been strategically negotiated by senior managers of an organization, Telco.

> Telco is in a very unique <u>strategic</u> position. ... We get very heavily regulated around areas where we believe we have a bottleneck and hold the monopoly; that is, the distribution network. A key aspect of that is to set up a <u>structure</u> that we actually work very hard in enabling competition to occur, through the provision

of our bottleneck services and significant market power services to external customers and communications providers, in an equal-handed way [via a separate division, AccessCo], so that competition flourishes in our retail space and then we get deregulated in that space. That's our overall <u>strategy</u>. (Retail Divs Manager, Interview)

We study how people's actions bring about this mandated and radical shift in strategy and structure, tracking the process in real-time from its inception to the strategic review at 28 months when the regulator agreed that the mandate had been met. Our findings reveal how efforts by actors throughout the organization to *perform* the espoused strategy and structure (ESS) had unintended consequences. However, unlike in other studies (e.g. Balogun & Johnson, 2004; 2005; Balogun et al, 2015a; Rerup & Feldman, 2011; Sillince et al, 2012; Sonenshein, 2010), managers could not allow these unintended consequences to shape the change process. Rather, knowing that they had to deliver the mandate, they initially engaged in *reinforcing* cycles of action, thereby exacerbating the unintended consequences until the change process broke down. Such breakdowns triggered a different cycle of *reflecting* actions in which top managers engaged with employees throughout the organization and with the regulator about how to modify the ESS whilst continuing to conform to the mandate. This reflecting action cycle enabled modification of the ESS as actors sought to work out what actions were consistent with the principles or 'spirit' of the mandate.

We draw these findings together in a conceptual framework that highlights breakdowns as enabling triggers in the dynamic process of co-evolving strategy and structure in order to realize a mandated radical change. Initial *performing action cycles* lead to unintended consequences that are further compounded through *reinforcing action cycles*. Escalation of these unintended consequences leads to breakdowns that are critical because they enable managers to shift to *reflecting action cycles* in which the ESS is recognized as imperfectly suited to the mandate and, hence, modified to align more closely with the intent of the mandate. Drawing on our practice lens, we theorize these cycles as different modes of

action (Giddens, 1984; Seidl & Hendry, 2003; Sandberg & Tsoukas, 2011) through which

actors construct the relationships between strategy and structure in producing the radical

change (Feldman & Orlikowski, 2011; Sandberg & Tsoukas, 2011).

Our study makes four contributions. First, we extend understanding of how

breakdowns shape the processual dynamics of radical change. We argue that, in the context

of mandated change, breakdowns (Lok & de Rond, 2013; Sandberg & Tsoukas, 2011) are

necessary triggers for a shift to reflective action, in which actors are able to consider the

intent behind the mandate and how to best realize it (see Giddens, 1979: 24; 1984: 8; Hendry

& Seidl, 2003; Sandberg & Tsoukas, 2011). Second, we show that the unintended

consequences of action do not necessarily lead to deviations from, or reinterpretations and

failures of the change initiative (e.g. Balogun & Johnson, 2004; Mantere et al, 2012; Rerup &

Feldman, 2011). Rather, they can support realizing a change against its higher-level

objectives as intended. Third, our study of managerial actions across levels of the

organization, allows us to build on existing studies of managerial strategizing roles (e.g.

Floyd & Lane, 2000; Rouleau & Balogun, 2011), in particular extending understanding about

top managers as not only designers of change but also change recipients (e.g. Balogun et al,

2015a). Fourth, we go beyond existing studies that examine how people enact strategic

change (e.g. Balogun & Johnson, 2004; Balogun et al, 2015a; 2015b; Wiedner et al, 2017) by

giving equal emphasis to how structural change and strategic change co-evolve within

people's actions (Floyd et al, 2011; Pye & Pettigrew, 2006).

THEORETICAL FRAMING

Radical change in strategy & structure. Alignment between strategy and structure is

critical for organizational performance (e.g. Chandler, 1962; Keats & O'Neill, 2006).

Strategy is defined according to a firm's competitive orientation and associated strategic

objectives at the corporate and business unit levels (Kaplan & Norton, 1996, 2007), while

structure concerns the divisional grouping of roles within organizations (Gulati & Puranam, 2009; March & Simon, 1958; Nadler & Tushman, 1997) and lines of interaction between horizontal and vertical groups (Gulati & Puranam, 2009; Mintzberg, 1993).

The relationship between strategy and structure is brought into particularly sharp relief at times of radical change, when the two are disrupted and move simultaneously (Mintzberg, 1990), with potentially damaging implications for performance if realignment cannot be achieved. Radical change is defined as a rapid, simultaneous and discontinuous shift in the firm's strategic orientation and its associated organizational activities (Tushman & Romanelli 1985). It involves a time-consuming shift in roles, responsibilities, skills, power relationships, control systems, lines of authority through which organizational members interact, and managerial interpretations (Amis, Slack & Hinings, 2004; Balogun & Johnson, 2004; Greenwood & Hinings, 1993; Gulati & Puranam, 2009; Hall & Saias, 1980, Huff, 1982; McKinley & Scherer, 2000; Romanelli & Tushman, 1994). Such rapid and simultaneous shifts are challenging, as the new structure often lags the intended strategic changes (Amburgey & Dacin, 1994), typically because managers remain wedded to existing ways of interacting through known groupings and linkages (Gulati & Puranam, 2009).

Thus it is not enough to merely announce the new strategy. While some studies assume that enacting the new strategy involves a largely non-problematic allocation of particular groups, technologies and tasks in order to enhance efficiency and effectiveness in delivering the strategy (e.g. Chandler, 1962), people's activities within these new structural groupings may not match their intended strategic purposes (Amburgey & Dacin, 1994). As they enact the strategy and structure, managers reinterpret and modify the espoused changes (Balogun & Johnson, 2004; 2005; Rerup & Feldman, 2011; Sonenshein, 2010), or work around them (e.g. Bertels, Howard-Grenville & Pek, 2016; Pollock, 2005; Tyre & Orlikowski, 1994), often accompanied by power struggles (Balogun et al, 2011; Wiedner et

al, 2017) and conflict (Floyd & Lane, 2000; Lê & Jarzabkowski, 2015; Wooldridge & Floyd, 1989) that generate unintended consequences. For example, Wiedner et al (2017) show how doctors used their medical knowledge to control resources in ways that redistributed power, ultimately altering both the health service's strategic change initiative and the structures put in place to enable it. Radical change in strategy and structure is thus difficult (Amburgey & Dacin, 1994; Bartunek et al, 2011; Hoskisson & Johnson, 1992; Tushman & Romanelli, 1985), as the espoused change is often reinterpreted, modified or even reversed in the course of being enacted by people.

Understanding radical change as a process that people enact, rather than a shift from one state to another, involves a particular ontological perspective. Many existing studies have viewed strategy and structure as entities or 'things' that exist outside the practices and processes of those who enact them (Feldman, 2016; Feldman & Orlikowski, 2011; Langley, Smallman, Tsoukas & Van de Ven, 2013). Consequently, much research has sought to understand the changes in these entities between Time 1 and Time 2, focusing on reorientation at T2 as the outcome of change (e.g. Amburgey & Dacin, 1994; Amis et al, 2004; Romanelli & Tushman, 1994; Tushman & Romanelli, 1985). Hence, the way people's actions shape the actual *process of reorienting* are not examined in detail. Even studies that examine the broad processual patterns that accompany such shifts (e.g. Amis et al, 2004; Greenwood & Hinings, 1988; 1993) focus primarily on the outcome at T2, rather than on explaining how the emerging configurations are constructed within the actions of the people implementing them. Intriguingly, these studies show that such changes are non-linear, with oscillations between strategy-structure configurations during which radical change is often not achieved (e.g. Amburgey & Dacin, 1994; Amis et al, 2004; Greenwood & Hinings, 1988). The attempted shift from one state to the next clearly involves much activity. We thus turn to complementary studies that adopt a different ontology, going inside the black box of

what people actually do when a rapid, simultaneous disruption of strategy and structure are proposed.

A number of studies examine, implicitly, how the enactment of structure shapes strategic change. For example, structurally assigned roles and responsibilities demarcate the types of strategizing activities and participation in strategy-making expected from top, middle and operational managers (Floyd & Lane, 2000; Mantere & Vaara, 2008). Such roles may come into conflict at times of strategic change when the control systems, administrative procedures and power relationships through which strategic actions are coordinated are in flux (Floyd & Lane, 2000; Jarzabkowski & Balogun, 2009). Moreover, the specific tasks performed by people with different functional expertise and organizational roles shape the way strategic change unfolds (Mantere, 2008). In the process of realizing strategy, different actors operate from different structural positions: engineers make sense of strategy (Balogun & Johnson, 2004; 2005; Regnér, 2003), sales people narrate it (Rouleau, 2005), frontline workers embody it (Balogun, Best & Lê, 2015), and project workers temporally orient to it (Kaplan & Orlikowski, 2013). While these actors have varying capacity to directly influence the espoused strategy (Balogun et al, 2011; Mantere & Vaara, 2008), their actions, undertaken from their different hierarchical and functional positions within the organization, have important consequences for its enactment. Yet these studies do not explicitly examine how action shapes the co-evolution of strategy and structure, up-down-and-across organizations, as different employees perform change tasks according to their specific roles and responsibilities and, in doing so, enact the new strategy.

This emphasis on action is particularly important in the context of mandated radical change. Much literature examines how people's actions generate unintended consequences as they reinterpret and modify the espoused change (e.g. Balogun & Johnson, 2004; 2005; Balogun et al, 2015a; Mantere et al, 2012; Rerup & Feldman, 2011; Sillince et al, 2012;

Sonenshein, 2010), or engage in workarounds through which they undermine or sidestep the change (Bertels et al, 2016; Pollock, 2005; Tyre & Orlikowski, 1994). Yet in the context of a mandated change, defined as one with which an organization must comply or face sanctions, often because it is imposed by a powerful external actor, such as a government or regulator (Rodriguez et al, 2007), there may be less leeway for modification, reinterpretation, or tolerance of unexpected outcomes (e.g. Rodriguez, et al, 2007; Stiem, 1981; Tolbert & Zucker, 1983), particularly if the mandate is legally-binding. However, while some studies examine externally-imposed change (e.g. Denis et al, 2001; Oakes et al, 1998; Wiedner et al, 2017), little attention has been focused on how a mandated change shapes action or how that action shapes understanding that the mandate has (or has not) been realized. Hence mandated radical change provides an opportunity for theoretical insight into how actors "work out" structure and strategy and deal with the unintended consequences that arise, given that they are constrained in modifying or working around the espoused change.

A practice perspective. The practice turn in strategy and organization theory (see Burgelman et al, 2018; Feldman & Orlikowski, 2011; Jarzabkowski et al, 2016; Orlikowski, 2000; Seidl & Whittington, 2014; Vaara & Whittington, 2012) is informed by various social practice theories that broadly examine interaction between action and social structure (e.g. Bourdieu, 1990; Giddens. 1984; Schatzki, 2002). In order to avoid confusion between the organization theory terms 'strategy' and 'structure' and the practice theoretical term 'social structure', we conceptualize strategy and structure as the unfolding social ordering of organizational arrangements within the actions of organizational members (Feldman & Orlikowski, 2011; Jarzabkowski, 2004; Nicolini, 2013; Whittington, 2006). A practice-theoretical framework seeks to explain the consequentiality of people's actions in three ways; empirically in what they actually do, theoretically in how these actions iteratively shape and are shaped by the social ordering of organizations, and ontologically in the premise that what

we take to be organizational 'reality' – such as the patterns of collective practice that we label strategy or structure – is produced within multiple people's actions distributed across time and space (Feldman & Orlikowski, 2011; Giddens, 1984; Schatzki, 2002). Such an approach, while favoring action in constructing social order, rejects dualisms such as agency and structure or cognition and action, in order to focus on their mutual constitution (Feldman & Orlikowski, 2011: 1240-1243). Thus, actors' actions cannot be separated from the changing social ordering of strategy and structure produced by them. Tsoukas and Chia (2002) refer to this as a process of "becoming," urging scholars not to examine change as a particular state or outcome, but to focus instead on how social order is brought about continuously within people's actions (see also Langley et al, 2013).

From a practice perspective, we need to move beyond the canonical definitions of strategy and structure presented above, to examining the inseparable and mutually constitutive actions involved in strategizing and structuring. Strategizing is defined as the flow of actions and interactions by multiple actors and the practices that they draw upon as they enact the organization's strategic objectives (Floyd & Lane, 2000; Jarzabkowski, 2008; Jarzabkowski et al, 2007; Johnson et al, 2003). Structuring is defined as the ongoing flow of action in which actors construct and reconstruct the specified grouping and linking that comprises the organizational chart (Barley, 1986; Bartunek, 1984; Gulati & Puranam, 2009; Ranson, Greenwood & Hinings, 1980). Such definitions indicate the entanglement of the two concepts as actors enact structure in the enacting of strategy and vice versa: "two interwoven threads, not unlike a double helix, which twist and turn, bringing each to the foreground from time to time, as they work in tandem to bring about change" (Pye & Pettigrew, 2006: 587). Thus, though separate actions may be associated with strategizing and structuring, a single action may also enact strategy *and* structure simultaneously. For instance, the actions of a sales manager in delivering sales targets constitutes strategizing work as it contributes to

enacting core strategic objectives associated with revenue and growth, and simultaneously constitutes structuring work as the sales manager enacts her role within a particular structural function and hierarchical level (e.g. Rouleau, 2005).

While the mutual construction of strategy and structure is a dynamic and unfolding process, practice theorizing also points to the difficulty of change, as actions are recursively guided by social order while also producing it (Giddens, 1984). This recursiveness predisposes stability. Yet action is also generative (Feldman & Orlikowski, 2011; Feldman & Pentland 2003; Jarzabkowski, 2004). That is, action is never so 'over-socialized' that it conforms only to the social ordering instantiated by it (Bucher & Langley, 2016; Howard-Grenville, 2005). Rather, each action is an 'effortful accomplishment' (Pentland & Rueter, 1994) that contains within it the potential for variations that may generate change, particularly as different actors construct and reconstruct the social order according to their own local situations (see, for example, Bucher & Langley, 2016; Feldman & Pentland, 2003; Howard-Grenville, 2005; Kaplan & Orlikowski, 2013; Salvato & Rerup. 2018).

Our study of mandated radical change draws on these practice-theoretical concepts that have informed the study of organizational structures (e.g. Barley, 1986; Bartunek, 1984; Jarzabkowski et al, 2012; Ranson et al, 1980), strategy (e.g. Jarzabkowski, 2008; Kaplan & Orlikowski, 2013; Rouleau, 2005), and routines (e.g. Feldman & Pentland, 2003; Howard-Grenville, 2005; Rerup & Feldman, 2011). For the purposes of this paper, we follow Rerup & Feldman (2011), who distinguish between what is espoused at the start of a change initiative and what is actually enacted within people's shifting performances over time. We suggest that the *espoused strategy and structure* (ESS) articulated at the outset of a mandated radical change, often as a written plan and organizational chart (Spee & Jarzabkowski, 2017), are a guideline that shapes the multiple actions performed by actors around the organization. Such actions in various parts of the organization come together and collectively enact the social

order that is termed the mandated change. Hence the mandate is nothing except what people

enact. And yet, when that mandate is imposed by a powerful external actor, it is also critical

in shaping actions, and in the social ordering of organizational arrangements produced by

those actions (see, for example, Oakes et al, 1998). Mandated change thus provides a critical

context in which to study the mutual constitution of strategy and structure during radical

change. Building from this theoretical framing, we examine: '*How do people's actions bring*

about a mandated radical change of strategy and structure?'.

METHOD

We undertook a longitudinal, real-time case study (Lee, 1999; Miles & Huberman,

1994) of Telco, a communications provider, as it enacted a radical change that had been

mandated by the regulator and was legally binding. This is a theoretically salient case of

radical change in strategy and structure, as defined by Tushman and Romanelli (1985) and

Greenwood and Hinings (1988; 1993), and has four key characteristics. First, the change was

radical not just because of its sheer extent and complexity, but also because – having never

been attempted in this industry or in any other country – there was no template for delivery.

This incredibly complex change would affect all of Telco's key products, services, systems,

and processes and have implications across all levels of the organization. Second, the change

involved a *simultaneous and rapid shift* in the corporate strategy and organizational structure.

Third, it was *mandated;* hundreds of legally binding targets and deadlines were outlined in a

formal change document that specified many elements of the new strategy and structure.

Finally, the change had to be delivered as *intended*, with penalties for failure to deliver on the

various targets. The overall success would be evaluated by the regulator after 28 months. Any

deviations from the radical change would need to be formally negotiated by the most senior

corporate managers, thereby assigning them additional responsibility for articulating strategic

intent and setting strategic direction (e.g. Floyd & Lane, 2000). Yet the Regulator made it

clear that the terms of the change were non-negotiable and alterations would only be

approved in exceptional circumstances. We now provide an overview of the radical change in

strategy and structure at Telco.

Case Overview: Radical Change at Telco. In extended strategic negotiations with the

regulator and key industry stakeholders, Telco committed to a radical change known as *the*

Mandate. The new strategy and the agreed structural activities designed to support it were

documented in great detail in the Mandate guidance document, providing a framework for the

change, which included specific deadlines for key deliveries. The legally-binding nature of

the Mandate meant that failure to deliver would lead to seven figure financial penalties and

possible recommendation to the Competition Commission that Telco be broken up and forced

to sell its profitable distribution assets. The Mandate was signed by top managers at Telco,

who were given responsibility for delivering the new strategy through a set of agreed

structural activities.

The key purpose of the Mandate was to <u>create an independent industry supplier of</u>

<u>equivalent products</u>. This was to be met by a radical, overarching change. Telco, which was a

vertically integrated telecommunications company that used its value chain to create

competitive advantage for all of its business divisions, would separate its distribution network

into a new division (AccessCo), which would supply all of industry on equal terms, without

favoring Telco's downstream retail divisions (RetailDivs). This agreement was quite strategic

by Telco, as the new strategy would thus enable competition throughout the retail part of the

industry, including RetailDivs. RetailDivs were to be free to compete vigorously in the retail

space, while AccessCo was not to compete but rather to be the monopoly supplier of high

quality products to all industry competitors. It was thus a radical change to the firm's own

way of competing strategically, and also to the competitive dynamics of the entire national

telecommunications industry. The specific terms of the mandate contained four key entwined

elements: independence, industry supplier, equivalence, and products, each of which had specific structural and strategic implications.

Independence. Independence between Telco's distribution network, AccessCo, and its RetailDivs, was strategic because it let Telco retain ownership of the valuable distribution network. Independence would be met through strict structural separation of the divisions. The strategy, to ensure that AccessCo would not give competitive advantage nor let its decision-making be influenced by RetailDivs, came with a radical change in structure that separated the distribution network and assets into the new business division. This involved moving 30,000 employees, who had been embedded throughout the different Telco divisions, into the new division with a new brand, logo, and buildings. AccessCo would remain under the corporate Telco structure but operate separately from the RetailDivs.

Industry Supplier. The 'industry supplier' element of the Mandate was a new strategy, as AccessCo would have to supply distribution products and services directly to external industry retailers and their customers, making the competitive requirements of all industry retailers a core part of its new strategy.. This was a radical shift for Telco, as AccessCo had previously been integrated with and supplied to Telco. As an industry supplier. The Mandate meant converting the structure of a vertically integrated company, in which all divisions worked strategically for the competitive advantage of Telco as a whole, to one in which AccessCo would be virtually disintegrated.

Equivalence. Equivalence was Telco's new strategy to provide all of its network assets and services (the distribution side of the industry, of which it was sole owner) on an equal basis to all industry retailers, with no competitive advantage for its own retail businesses, RetailDivs. Structurally this would be implemented by standardizing information and products within AccessCo and providing them in the same way to all retailers, thus ensuring that no advantage was afforded to Telco's RetailDivs.

Products. Under the Mandate, there were three essential products that needed to be supplied strategically as equivalent products and services to all of industry. Each product, which had initially been provided as part of an integrated supply chain and not offered separately, had to be separated completely by specific deadlines so that it could be supplied by AccessCo to any industry retailer on equal terms. To support this change, specific sub-objectives for equivalence and independence were set for each of these products; these concerned developing prototypes of the product/service bundles, piloting them with different industry parties, and transferring specified numbers of customers to the new products. They also included deadlines for full realization (see Figure 1 for a timeline of *key* deadlines relating to Product A, B and C).

This radical change meant that not only the corporate strategy, but also the structure, such as reporting lines, control systems, and distribution of power and responsibility between particular roles, were all radically altered. And these changes had to be enacted as intended; any substantive shift from the espoused strategy and structure might constitute a breach in the Mandate and attract serious penalties. To support the radical change, the signing of the Mandate was prefaced with an extended period of internal and external consultation and communication. Throughout the company people referred to the "spirit" of the Mandate[1] in their actions, as these illustrative data extracts show; "There are two aspects of the Mandate, there's the written details and there's a spirit, and we want to meet the spirit" (Senior manager, interview). As a divisional manager explained during a project meeting, "I was actually quite impressed by everybody I met in terms of their understanding of the Mandate. It's not just how it affected their jobs, but actually how they understood the whole spirit and everything else." Operational employees also considered the spirit in their tasks: "from a

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[1] The 'spirit' referred to the underlying principles that guided the Mandate. People within Telco believed that it was insufficient to simply meet the legal or technical elements of the Mandate, but that their actions also had to be aligned with its underlying principles, which they termed the 'spirit'. This often required going above and beyond the 'legal' requirements of the change.

spirit perspective, given that these services are very much tied into the availability of these

product functionalities, shall we keep them as a package and just do the extra work?"

(Systems engineer, shadowing). Hence, while exogenously imposed, the Mandate was

rapidly absorbed into the social ordering of Telco, as people gave meaning to it in their

actions.

--- Insert Figure 1 here ---

Data Collection. Longitudinal qualitative data were collected over 28 months, tracing

the change in real-time at the Corporate Centre and across all Telco divisions. This extensive

field engagement produced a dataset consisting of 254 audio-recorded meeting observations,

with associated fieldnotes, 130 audio-taped interviews with managers, 16 days of work

shadowing, and over 1,500 documents pertaining to the delivery of the strategy and structure.

In addition, the first author, who had prior research engagement with Telco throughout the

policy formation that lead to the Mandate, underwent internal training to be awarded 'special

status', a particular structural group who were allowed to span divisions. The second author

did the code-of-practice training on the implications of the Mandate undertaken by most

Telco staff. We complemented these data with pre- and post-meeting observations, informal

discussions, feedback sessions, and social functions (see Miles & Huberman, 1994). Our

research question and practice-based ontology required us to track the *unfolding enacting* of

the radical change over time; we thus built our dataset around meeting observations. In

particular, we followed all of the key weekly, fortnightly, and monthly meetings pertaining to

the change, including meetings at the Corporate Centre (Implementation Board Meetings), in

each division (Divisional Meetings), and specific product meetings (Product Meetings).

These meetings allowed us to track people's actions over time, gathering data on any changes

to the ESS as they occurred.

We interviewed key organizational members, particularly senior and middle managers involved in realizing the radical change, as well as some operational employees who were part of their project teams; generally, these people were also central to the meetings we observed. Interviews were used to enrich the storyline and flesh out details about *how* and *why* particular adaptations took place. The documents we collected included program and project updates relating specifically to the change, such as reports, PowerPoint slides, white papers, e-mails, and other communiques. We used these documents to triangulate findings from other sources and ensure that the timeline was accurate (Flick, 1992). These formal data sources were complemented with informal observations and discussions that enabled us to form a well-rounded understanding of the context and ask clarifying questions that facilitated our thinking. See Table 1 for a full breakdown of data sources in each category.

--- Insert Table 1 here ---

In line with publication etiquette, we acknowledge that some subsets of the above dataset have been used in other publications. These papers have addressed specific topics such as the disruption and re-coordination of a single product (Jarzabkowski, Le & Feldman, 2011), the effects of tension (Jarzabkowski, Le & Van de Ven, 2013; Le & Jarzabkowski, 2015) and the role of humour (Jarzabkowski & Le, 2017). The context of a Telco and hence the products and some types of employees, such as engineers, are the same across all papers. However, the current paper is unique, as it draws the entire dataset together for the first time in order to explain the full nature of the radical change across the whole organization. In this process, we have oriented toward a new literature and have developed new concepts, which have not been the subject of any other publication with this dataset. Additionally, this different focus and wider dataset means that there are no overlapping quotes, vignettes or data extracts in this paper and any other publication.

Coding & Analysis. Our analysis followed an iterative approach, moving between

data and theory (Locke, Golden-Biddle & Feldman, 2008; Mantere & Ketokivi, 2013),

applying various process analysis tools to progressively emerge theory from data

(Jarzabkowski, Lê & Spee, 2017). In this section we explain the analytic constructs

developed, which are summarized in Table 2.

--- Insert Table 2 here ---

First, we wrote a rich chronological case story of the mandated radical change

(Geertz, 1973; Langley, 1999), paying particular attention to how the espoused changes in

strategy and structure unfolded. Initially we worked with the data from the group-level

Implementation Board meetings, as these were weekly meetings that oversaw all elements of

the change, allowing us to maintain chronological order and build an overarching story of the

radical change (see Figure 1), which we then expanded to the full dataset. As we examined

the data, we found that strategic and structural elements were entwined in practice (Pye &

Pettigrew, 2006) as people engaged, iteratively, in actions that materialized their

understanding of the strategy and structure that had been espoused. Consistent with our

practice approach, we labelled these iterative actions, which began to enact the strategy and

structure, performing action cycles; people's iterative actions were performative in bringing

about their understanding of the mandated changes in strategy and structure (Feldman &

Orlikowski, 2011; Rerup & Feldman, 2011).

Second, in examining the performative actions of people at various levels of the

organization and how these came together to produce the change, we became aware of

repeated and serious breakdowns in the mandated change process. Iterating with the literature

on breakdowns in people's practice (e.g. Lok & de Rond, 2013; Sandberg & Tsoukas, 2011),

we defined breakdowns in our data as an inability to continue with the radical change

process; people literally could not deliver on a critical goal or meet a deadline. Curious about

the origin and role of breakdowns in the change process, we started to build case stories

around them. We moved backwards and forwards from specific breakdowns as the starting

point in order to better understand how and why they arose and their consequences. Again,

we anchored our work in the meeting data, developing a skeletal chronology of each

breakdown before fleshing it out with additional observation, interview, and documentary

data.

Third, this analysis allowed us to discern a critical theme shared across breakdown

stories. Breakdowns were associated with subtle shifts in the espoused strategy and structure

(ESS). Such shifts essentially constituted modifications in how organizational actors

understood what was being mandated through the change in strategy and structure and how

this might best be achieved in practice. As the ESS had been designed specifically to deliver

the legally-binding Mandate, any reinterpretation and modification was complex. Looking

across our 28-month observation period, we identified four ways in which the ESS shifted,

with these shifts being brought about, subtly, through the responses of actors to the

breakdowns. We detail these shifts in Table 3 and explain them in the findings, where this

table provides a helpful reference guide to the story.

--- Insert Table 3 here ---

Fourth, intrigued by these breakdowns and shifts, we tried to understand how they

were being produced in people's actions. Looking at the within-case dynamics, we noted that

breakdowns arose each time actors' efforts to meet the ESS generated unintended

consequences – often quite micro things, such as not being able to enter houses to do repairs

or not having the necessary information to transfer customers onto a product prototype –that

prevented them from meeting some aspect of the mandated change. Seeking to explain why

this occurred, we revisited our detailed chronological data. We observed that the performing

action cycles through which actors brought about their specific change tasks enacted the

strategy and structure in a particular way that, while aligned to what had been espoused by top managers and embraced by employees throughout the organization as the 'right' way to realize the Mandate, actually obstructed it, thereby preventing them from meeting the legally binding objectives of the Mandate.

Exploring these unintended consequences further, to understand why such micro actions in performing specific change tasks hindered the change process, we noted an additional set of actions. Specifically, organizational actors were aware of these unintended consequences and signaled this by escalating the problems they were experiencing upward. However, as the ESS was perceived to be consistent with the mandated change, the original performing actions were deemed in line with the Mandate and reinforced at multiple levels throughout the organization all the way to the top managers. Reinforcing action cycles thus kept actors performing the same actions and even increasing their effort to enact strategy and structure in this way. Reinforcing actions ultimately exacerbated the unintended consequences until breakdown occurred.

Fifth, understanding the origin of breakdowns, we then sought to better understand how they lead to shifts in the ESS. We found that breakdowns were essential in prompting shifts, as they helped actors realize that the ESS, as currently enacted, was not delivering the change and had to be modified. Yet such modifications were not simple, and could not be allowed to evolve naturally, since this was a legally-binding mandated change. Looking carefully into these moments, we found that breakdowns prompted a reflecting action cycle. Here, people stopped trying to perform the ESS and instead engaged in different actions, such as deep dives and consultations with the regulator, questioning what was espoused and whether it enabled the 'spirit' of the Mandate. Such actions also generated reflection on and deeper understanding of the intent of the Mandate, from which they were able to come up with modifications to the ESS that they could enact to better meet that intent. Specifically,

organizational actors modified either the strategic objectives or the structural arrangements or both in order to address the breakdown and continue enacting the radical change.

Drawing these analytical steps together, our findings demonstrate how the mandated change process unfolded, leading to a radical change that was realized largely as intended, with delivery of the high-level strategy and structure sufficient to gain approval at the 28-month Strategic Review, conducted by the regulator on behalf of industry and government. We explain and illustrate these processual dynamics in the findings, through a detailed case of one specific change task. We remind the reader that, for ease of reference, the key constructs used to tell the story are outlined in Table 2, with an overview of the key shifts in Table 3.

FINDINGS

Using a rich case story, we illustrate the iterative process in which: (1) the everyday actions taken by managers at different levels to **perform** the ESS have unintended consequences; (2) managers **reinforce** these unintended consequences as they confirm with their peers and superiors that existing actions are consistent with the Mandate; (3) the unintended consequences escalate until the change process **breaks down**; whereupon (4) top managers **reflect** on the intent of the Mandate, and engage in new actions with others that **modify** the ESS; and that, hence (5) triggers managers at all levels to engage in further action cycles to **perform** the ESS. This iterative process unfolds over multiple tasks throughout the organization, cumulatively enabling Telco and its managers to ultimately realize the mandated change.

Door-in-the-Face: Illustrative Case of Processual Dynamics

We now explain these processual dynamics through a detailed explanation of a specific change task. While we can only present a single task due to space constraints, additional change tasks are presented in Table 4. Such tasks, occurring across all parts of the

organization, share the same underlying processual dynamics. Cumulatively, these dynamics generate the ESS shifts through which the key aspects of the Mandate are realized (see Table 3).

--- Insert Table 4 here ---

The case we present focuses on AccessCo engineers, a structural group created to deliver the strategy of 'industry supplier', offering 'equivalent' services 'independently' from Telco. As a new functional cluster within the separate AccessCo division, engineers were to supply network-related services such as installations and repairs to all retailers, while operating independently from RetailDivs. Independence was the key to becoming an equivalent industry supplier, since industry would distrust any collaboration as disproportionally advantageous to RetailDivs. Hence, AccessCo engineers' separate reporting structures and information systems ensured that RetailDivs could not gain any direct access that might compromise the engineers' independence.

1) Performing action cycle: Enacting the initial ESS generates unintended consequences. As the ESS of separating AccessCo into an independent business division in order to deliver the new strategy of equivalent industry supply had been explained in significant detail, people felt ready to perform it. At the *corporate level,* top managers articulated independence to internal and external stakeholders, explaining what it meant and why it was important to the success of Telco and the entire telecommunications industry. Such actions, which included taking the top 350 managers in the company away for a "town hall" meeting to discuss the ESS, equated structural separation with the strategy of enabling AccessCo to supply products and services independently to industry. Hence, the actions of top managers aimed to enact the strategic change through structural separation.

At the *divisional level,* managers' actions were producing separation within the multiple projects they were running. For example, in project meetings, divisional managers

consistently explained that people in AccessCo were acting separately from other divisions.

This meant that they should not be asked to work across boundaries or share information, and

all employees should help perform this separation to support the new strategy of independent

industry supply. At the same time, divisional managers developed distinct reporting lines and

separated information systems and work processes, which helped to embed actions that

performed structural separation. Consequently, there was little or no communication across

functional boundaries.

At the *operational* level actions also performed structural separation, including

engineers wearing AccessCo branded uniforms and driving AccessCo vans. This everyday

work of engineers built upon actions at divisional and corporate levels and meant that the

engineers acted separately, not referring to Telco as they provided services. By adhering to

strict separation, Engineers were performing their part of the new strategy of independence

from the competitive requirements of RetailDivs. We now zoom in on this level to better

understand the dynamics of enacting the ESS in this way. Critically, one particular

performative action emerged around how engineers introduced themselves when they were

called to end-users' homes to supply a service for *any* of their retail customers. When end-

users opened the door, engineers announced that they were 'from AccessCo.' Hence they

enacted the ESS by representing an independent AccessCo and supplying an industry service

with no visible ties to Telco.

While consistent with the ESS, this action had unintended consequences. In

particular, end-users, who were unfamiliar with AccessCo, were reluctant to let AccessCo

engineers enter their homes: "It's not just a name change – It impacts everything we do! All

the time people ask us 'what is AccessCo?' We never had these problems with Telco,

because they trust Telco and just let us in. Now with AccessCo, sometimes people won't see

us at all" (Engineer, Shadowing). Hence, enacting the new engineering structure in this way delayed or prevented engineers from supplying services.

2) Reinforcing Action Cycle: Unintended consequences escalate. *Engineers*, struggling to get into homes, verified with their peers that what they were doing was appropriate: "I'd like to just say that I'm from Telco, but I'd get fired for that" (Engineer, shadowing). His colleague agreed, referring to the Mandate: "Our competitors are just waiting for us to mess up. And then they'll push to have Telco ripped apart." They checked training material and decided what they were doing was right, despite the problems: "This is meant to put Telco through as much pain as possible" (Engineer, shadowing). Assuming it would simply take more time for people to get to know the AccessCo brand, engineers continued to explain that they were "from AccessCo," thereby reinforcing structural separation and strategic independence from Telco within their specific actions. However, as they continued to have trouble accessing end-user homes, they realized that they could not resolve the problem and passed the issue upward.

Divisional managers examined their own actions, verifying that the engineering structure was indeed intended to be separate in order to ensure the strategy of an independent supply of engineering services to industry. Believing that engineers simply needed more time and training to perform the ESS effectively, divisional managers reinforced existing actions to underpin separation and working without crossing divisional boundaries:

> "I think that we've still got a long way to go from a spirit [of the Mandate] point of view in translating the theory into a reality that's meaningful for people in the areas that they operate in. Because people only really tend to take notice when it directly affects them. We've done an awful lot of work… right down to the Field Engineers, through paper communications, electronic communications, team meetings, induction programs, etc. And everything has a theme of the Mandate and independence running through it. But even though I think the awareness is quite high now, translating that into what it means for people on a day-to-day basis hasn't happened yet. That takes time. And we're just about to kick off the 'Living the Spirit' program to address this issue" (Senior AccessCo Regulatory Manager, Interview).

For instance, the divisional managers held meetings and designed communications to reiterate the importance of having independent engineers. They provided additional training for engineers to underscore the structural separation of AccessCo. Supported by their divisional managers, engineers thus continued to perform the ESS, explaining that they were 'from AccessCo' and thereby escalating the unintended consequence of problematic access to end-user premises. This dynamic recurred over several months, perpetuating service problems. There were several rounds of engineer training, as divisional managers further reinforced their own actions aimed at helping engineers to "get better" at doing things in the "new AccessCo world" (Division manager, product meeting). Unable to resolve the service supply failure, which became increasingly critical, divisional managers passed the issue up the hierarchy.

Corporate managers also ensured that the strategy of independent industry supply was enacted through structural separation. Indeed, they felt failure to gain access was proof of AccessCo being truly independent from RetailDivs. Their actions thus reinforced the status quo, emphasizing to internal and external stakeholders that separation was important for independent supply. For example, corporate managers explained the engineers' access difficulties at a wider industry meeting to demonstrate to external retailers that AccessCo was indeed acting independently: "We explained [to industry], 'They're [engineers] living it'" (Corporate manager, Meeting). Satisfied that they were performing the ESS and delivering the Mandate, they further underscored separation throughout the organization: "We had a top-level, personalized communication, with Callan putting his authority on it as the Chief Executive of the Group saying 'this is absolutely the right thing to do and this is what we are doing', and those messages were sent to every single person in the organization" (AccessCo senior manager, meeting). In short, their actions reinforced the existing way of performing

the ESS across organizational levels. This escalated the unintended consequences, so that engineers struggled to supply service for some ten months.

3) Breakdown arises from enacting strategy and structure as espoused. While delivering a strategy of independent industry supply, separation of the 'AccessCo' engineering division generated a breakdown. As change tasks are connected throughout an organization, the engineering service issues delayed the wider Telco change progress, forcing *divisional managers* to forgo or fail to implement some of the elements necessary to meet the 'early release' deadline for ProductB and jeopardizing the 'mandatory use' deadline for ProductA (see Figure 1). They were unable to achieve these product elements of the strategy because they could not get services installed because engineers were essentially 'locked out' of their sites of work. Each time an engineer was delayed or unable to complete their work, load accrued in the service schedule, until it became impossible for the engineers to 'catch up' on this workload (despite new hires). Rather than being a supplier that industry wanted to contract with, AccessCo became known as the "supplier of no choice," delivering service "at the lowest common denominator," or simply "bad service" (Discussion, AccessCo meeting). Indeed, engineers being unable to provide services to the customer did not solely generate 'bad service', but also meant that the new provisions of the equivalent product could not be made.

These escalating implications reverberated at the highest level with *corporate managers* unable to keep the agreed terms and conditions of the Mandate. Indeed, they had to negotiate a new mandatory use deadline for ProductA, accompanied by a hefty fine, as they realized that the product they had could not yet be supplied. Something as simple as how engineers introduced themselves to end-users had amplifying effects throughout the organization, as other elements in enacting the ESS were also affected; each of which underwent their own unintended consequences and reinforcing actions cycles that,

cumulatively, created a catastrophic service breakdown. Despite performing and reinforcing

the ESS, Telco could not deliver the intent of the Mandate. As these service effects

accumulated, AccessCo was depicted as a failure in the national media and attracted

significant complaints, publicly highlighting Telco's inability to deliver: "Have you read the

papers? When we said we wanted everyone to know AccessCo, this isn't what we had in

mind!" It was a failure at all levels, with engineers, divisional managers and corporate

managers *all* contributing to the breakdown. Technically, they had performed the ESS of

structural separation in an independent way to supply equivalent service to all of industry.

The service failure, however, was certainly not intended by the Mandate.

The entire change process came to a halt while managers assessed what they could do

to address these issues. The core problem was that performing the ESS was not delivering the

key principles guiding the Mandate: "There is a tension between interpreting what's the spirit

of the Mandate and trying to actually do the – well, the physical tasks of it" (Corporate

Change Manager, interview). This made the managers realize that the espoused structure

must be changed and, potentially, the strategy also modified: "Something has to give"

(Corporate manager, meeting).

4) Reflecting Action Cycle: Modifying the ESS to reflect the intended Mandate. The

breakdown helped show corporate managers that there was a fundamental misalignment

between the ESS and the intended Mandate. A fully separate structure could not deliver the

quality product and service strategy entailed in being the industry supplier. Hence, even if

they were doing exactly as the ESS specified, they were not meeting the intent of the

Mandate. This spurred reflective action, making them consider what was actually intended by

the Mandate – the 'spirit' – and what actions could deliver it:

> Part of what I am looking at is how people interpret the Mandate. The Mandate would
> just have said that you need to deliver this integrated service, but it wouldn't have told
> you how in any real detail. 'Is this your [regulator] way of putting this integrated
> package together and getting rid of some systems?' If this is your way of interpreting

and understanding, then how we can deliver this? Is it the intent of the Mandate or just an operational efficiency? Where are we going wrong and what do we need to do to get it right? (AccessCo Manager, Interview).

Top managers took new action, such as 'deep dives[2]', working with engineers, project teams, and divisional managers to drill down into why problems had escalated into the breakdown. For example, people began to realize that the way engineers introduced themselves to end-users failed to link AccessCo to Telco or to industry retailers. Performing the espoused strategy of independent industry supply through structural separation had severed a critical link to Telco as a trusted supplier, leaving AccessCo on its own as a 'new' division that lacked a reputation with end-users for quality products and services. Thus, engineers could not supply their services for industry retailers, or only deliver them with significant delay, resulting in poor service overall; "These guys are in the real world – you just can't give them something that doesn't work" (Division manager, meeting). This had knock-on effects for other change tasks.

Top managers thus engaged in a series of "deeply intellectual and spiritual arguments on what we are required to do and what not" (Corporate meeting). They accompanied such reflections with new actions, such as internal deep dives on the intent of the Mandate and meetings with the regulator and industry to discuss potential solutions. Here they did not simply specify problems such as how engineers could enter end-user houses but more broadly situated this problem within the intended Mandate; how could AccessCo remain independent within Telco, yet also supply equivalent but high quality services to the industry, including RetailDivs? Through these reflective actions they realized that the ESS would need to shift to accommodate their growing understanding of the Mandate; no-one could change the Mandate, but they could adapt the strategy and structure to better deliver what they

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[2] We observed these deep dives to address specific elements of breakdowns. They were typically teleconferences on Fridays and Sundays between the Group and Divisional CEOs and the different people engaged in specific tasks to discuss and make decisions on even very micro actions, such as which customers to migrate onto a particular element of a new system at what specific time.

understood to be the spirit of that mandate. The purpose of independent and equivalent supply was not to produce separation at any cost. Rather, it was meant to ensure an equal playing field, where RetailDivs garnered no unfair competitive advantage. While separation was meant to be a structural tool to achieve this, it had unintentionally prevented delivery of other elements of the Mandate, specifically supplying industry with high quality products and services. "Industry and the regulator would expect Telco's wholly-owned RetailDivs and its wholly-owned distributor, AccessCo to act within the spirit of the Mandate for the benefit of all our customers who want a competitive offer. And it's getting that balance right" (Corporate manager, interview). Engaging in these reflective actions, managers began to realize that AccessCo and Telco would need some connection, due to their unique relationship. The question was how to convey that relationship in a way that most effectively addressed the Mandate.

Across the organization, managers engaged in further reflective actions to develop solutions. For example, they considered asking for specific regulatory exemptions from service delivery, as long as the products and services were equivalent: "we're looking at ways in which we can add exceptions to the Mandate that help us resolve these issues" (Division manager, meeting). Yet they felt that such exceptions would not be in the 'spirit' of the Mandate, as supplying quality products and services was strategically important: "We are trying to develop an acceptable story to present to the regulator, based around ensuring industry access to high quality products and services, rather than getting regulator deadlines and milestones for specific systems to be changed" (Corporate Manager, meeting). They thus put together a team to work out these issues with the regulator, discussing the technical detail of independence and how to perform this for AccessCo, RetailDivs, Telco, and external retailers. They also gathered 'customer experience' reports about the impact of these issues

on end-users. Through such actions, they reviewed multiple potential solutions until they

arrived at a modified ESS that seemed aligned with the spirit of the Mandate.

Because of their specific roles and responsibilities in signing the Mandate and

ensuring its implementation, corporate managers specified the shift in the ESS, which now

acknowledged that AccessCo had some connection to Telco, even as it supplied both internal

and external retailers. Future performative actions would need to emphasize AccessCo "as

part of Telco," which was known to provide high-quality engineering services. In a series of

high-level meetings held as part of their iterative reflective actions, corporate managers

confirmed with the regulator and industry members that this new ESS was faithful to the

intent behind the Mandate: "Negotiations with the regulator are going well. Bad service is in

no one's best interest" (Corporate manager, interview).

5) Performing Action Cycle: Enacting the Modified ESS. With this shift in the ESS,

a new performing action cycle was triggered. Although corporate managers initially drove the

process with a raft of managerial actions to communicate, articulate and embed modifications

in the ESS, it was brought into being through actions across the organization, as we now

explain, with specific reference to the engineers' service delivery tasks.

Corporate managers emphasized the new structural linkages, in which connections

between groups and divisions, such as co-location of engineering and technical workers or

having specific linking people on projects, were permitted on specific tasks when necessary

to achieve product and service delivery. They explained that these linkages were strategically

important in strengthening their business proposition to supply all industry retailers with high

quality products and services out of AccessCo: "It can only be a good thing for industry

retailers if AccessCo is well respected; after all, they are basing their offering on AccessCo"

(Corporate manager, Product meeting). As part of the modified ESS, explicit changes were

approved to bolster the credibility of AccessCo engineering services and enhance their

supply, including co-location of the Telco and AccessCo brands. These new performances by corporate managers in articulating the strategic proposition to strengthen the quality of industry supply through a separate but connected structure cascaded across all levels in a new cycle of performing the ESS.

Divisional managers engaged in a series of high-level cross-divisional meetings: "This is really about setting up the big things that will tell us how to re-engineer the process to make it work" (Division manager, Interview). This ultimately involved rebranding vans and uniforms, making both Telco and AccessCo logos clearly visible in all customer-facing spaces, and purchasing full page ads in newspapers to explain 'the arrival of AccessCo, a Telco business' and the implications for end-users: "When you see an AccessCo van, you're getting Telco expertise without the Telco baggage" (Division manager, Interview). To complement these actions, divisional managers also worked with their employees to enact the modified ESS. For example, engineers were given scripted responses and training in how to explain the radical change to end-users. The modified structural linkage was communicated through a series of breakfast meetings: "We reminded them that we are 'a part of but apart from' Telco – Telco is in our DNA, but we are AccessCo now" (Division manager, Implementation Board meeting). Conscious of remaining within the 'spirit' of the Mandate, they also clarified that despite these modifications, AccessCo still operated at arm's length from Telco, supplying an independent service to all end-users, irrespective of whether they purchased from RetailDivs or another industry retailer. Structural linkages were important in offering strategically competitive products to all retailers, although they still had to be performed within the guidelines of independent and equivalent industry supply.

Engineers also performed new actions. Critically, they now introduced themselves as "[we're] from AccessCo, a part of Telco Group, here on behalf of [Retailer]." This Retailer was the specific contracted party, which was either an external industry retailer or RetailDivs.

New structural links from AccessCo to the familiar Telco organization were thus performed, whilst emphasizing that strategically, engineers were working for various industry retailers. To enable competition in the 'spirit' of the strategy, they could include *any* retailer, including RetailDivs. With these actions, Engineers could now get into houses to deliver engineering services, thereby achieving the intended service outcomes and reinforcing the new actions: "It's fine. I don't have any problems getting into houses now" (AccessCo engineer, shadowing). These seemingly micro changes in the actions of engineers arose from important modifications to the ESS that constructed new structural links for performing independence so that the strategy of industry supplier could also be delivered to all competitors.

Summary: Reflective Shifts in How to Enact the Mandate. These processual dynamics of shifting action cycles, triggered by escalating unintended consequences and breakdowns, occurred not only in this task, but throughout the organization (see Table 4). This enabled Telco to meet the intent of the Mandate: becoming independent and supplying products to all of industry that were equivalent *and* of high quality, albeit not without modifications to the ESS. These modifications emerged as Telco managers developed their understanding of the intent of the Mandate and how it could be enacted. These processual dynamics, which occurred across multiple tasks (see Table 4), enabled both these managers and their regulatory stakeholders to understand the Mandate as something that had been realized within Telco. Indeed, at the 28-month Strategic Review undertaken by the regulator on behalf of industry and government, Telco was confirmed to have met the Mandate and fulfilled its legal obligations.

Reflective Shifts in Bringing about the Change

Bringing about the change involved reflective shifts in understanding the intention of the Mandate and how to perform its elements strategically and structurally. As these shifts in the ESS were achieved through multiple action cycles around the organization, they were not

temporally discrete episodes or 'phases', but rather emerged cumulatively from reflective

action cycles over a series of breakdowns. We observed subtle shifts in the ESS, morphing

from an 'independent' to a separate but connected 'industry supplier' to all retailers, internal

and external. 'Equivalence' meant 'fair' rather than equal and 'product' high-quality, fit-for-

market products rather than merely available ones. While entwined and co-evolving, for the

sake of simplicity, we now conclude our presentation of the findings by explaining the

strategic and structural shifts involved in each element separately (see also Table 3).

Independence. Throughout the many change tasks, actors struggled with how to

perform 'independence,' which was a key principle of the Mandate. When they enacted it as

espoused, through actions that kept AccessCo and RetailDivs strictly separate, they kept

experiencing unintended consequences that hindered their ability to deliver separate products

and services to industry. Over various breakdowns such as the one described above,

managers engaged in reflective actions that increasingly broadened their scope for

performing independence. Through these small shifts, 'independence' was gradually

espoused as simultaneous separation *and* collaboration, enabling performing action cycles

that enacted functional separation between AccessCo and RetailDivs on corporate and

commercial issues but facilitated working together to support the other elements of the

mandated change. For example, specific actions enabled working together to develop and

supply quality products and services (see Tasks 2 & 3, Table 4). Thus, although actions

initially enacted separate divisions in the name of independence, they were later modified to

both separate and unite the divisions in order to perform a refined understanding of

independence in line with the principles of the Mandate (e.g. see Tasks 1, 2 & 5, Table 4).

Industry Supplier. The 'industry supplier' element of the Mandate was a new strategy,

delivered structurally through the creation of AccessCo to be the supplier to industry. At first,

in line with the independence element of the ESS, managers performed 'industry supplier' by

interacting with external industry retailers at the expense of internal retailers. This had unintended consequences across a range of tasks, as AccessCo employees could not incorporate the expertise of their largest and most experienced customer, RetailDivs, in developing quality products. Ultimately, this also affected their ability to supply. Breakdowns in supply triggered reflective action on the real purpose of independence in the context of being an industry supplier. Reflecting that the Mandate was innately concerned with quality as well, they realized that, from a strategic perspective, they needed to be a 'quality industry supplier' (see tasks, 1,3,5 & 6, Table 4). They supported this shift in the espoused strategy with new structural actions within various change tasks, such as project teams inviting internal retailers to take part in their interaction with external industry retailers. In this way, project managers and employees could access the expertise of RetailDivs and consider how to supply their needs as customers. Yet they could also meet the wider Mandate of independence and equivalence, as RetailDiv managers interacted with AccessCo in the same way as the rest of industry. Thus, while actions around the 'industry supplier' element initially focused solely on external retailers, they were adapted to focus on all retailers, whilst still maintaining a transparent and fair supply to all industry members, in line with the spirit of the Mandate.

Equivalence. Initially, the ESS shaped actions aimed at standardizing information and products to ensure that all retailers were treated equally by AccessCo, with no advantage to RetailDivs. However, performing this 'one-size-fit-all' approach across a range of tasks had unintended consequences. Retailers had divergent business models and unique requirements that were not addressed by the standardized offering. The change process broke down on the various deliverables; a strategy of strictly equal offerings from AccessCo, while technically equivalent, could not deliver the quality products and services that industry wanted to buy. Reflective action broadened the way managers understood this part of the Mandate.

Specifically, equivalence was interpreted over time to entail offering differentiated information and products to industry on a fair basis. All retailers were given access to the same suite of differentiated products, priced transparently according to different quality and service levels, and could choose the option that suited them best. Performing actions to generate and establish pricing for these differentiated products enabled engineers, project managers, and managers across Telco's divisions to enact the fair supply of quality products, priced according to different industry needs. Hence, equivalence did not simply mean being equal, but also being fair (see tasks 3-6, Table 4).

Products. Under the Mandate, three essential products on which the entire industry depended needed to be supplied as equivalent products and services, as shown in the timeline of deliverables (Figure 1). However, performing strict separation and independence in developing the products meant that the technical expertise and knowledge of RetailDivs regarding what industry required could not be incorporated, resulting in poor quality products. In addition, lack of co-working meant Telco as a whole, in its different divisions, could not meet the product deadlines. Hence, on each of these product deliverables there were delays in supplying products that, when released, were not of sufficient quality to be used by industry. The customer experience and service crises on each of the various products and deliverables led to multiple breakdowns in the change process and triggered reflective action. While the products were technically equivalent and had been produced independently, they did not meet industry supply requirements. Strategy for the products shifted increasingly to developing fully functional and fit-for-market products; all of industry could choose differential quality and service levels, transparently priced. This was facilitated by an espoused structure of co-working by relevant technical staff, enabling them to perform change tasks such as product design, and new approaches for project teams in conducting product consultations with all industry retailers (see tasks 2, 3, 5 & 6).

As evident from our explanations, these reflective shifts in understanding how to enact the four key elements of the Mandate were entangled, not discrete and phased structural and strategic shifts. Neither did they emerge from a single breakdown on a single task. Rather, they emerged cumulatively within the multiple reflective actions to resolve specific breakdowns arising from micro actions around the organization to perform the tasks of the change.

DISCUSSION

This paper is theoretically grounded in a practice approach to understanding how actions bring about radical change, in our case with the added complexity that these actions were required to enact a mandated shift in strategy and structure. We draw together our findings on the processual dynamics of three different action cycles into a conceptual framework that highlights how breakdowns trigger modifications to the ESS that better reflect the intent of the mandate and, cumulatively across many action cycles across managerial levels, enable its realization (see Figure 2). We theorize these cycles as different modes of action (Giddens, 1984; Seidl & Hendry, 2003; Sandberg & Tsoukas, 2011) that are critical in bringing about a radical, mandated change in strategy and structure.

--- Insert Figure 2 here ---

A mandated radical change that is externally imposed and contains penalties for failure is particularly influential in the way it shapes peoples' actions (Rodriguez et al, 2007; Oakes et al, 1998; Tolbert & Zucker, 1983). Their actions aim to produce the espoused strategy and structural arrangements as a social order (Feldman & Orlikowski, 2011; Giddens, 1984; Jarzabkowski, 2008) that will be collectively understood to have 'met' the terms of the mandate. This is depicted in Figure 2, where the ESS provides particular meaning in shaping people's actions. As shown in the multiple performing action cycles (Figure 2, A), its effect is powerful; people throughout the organization, from operational

employees to top managers, endeavor to enact the specified ESS as it pertains to their

particular change tasks. When unintended consequences arise from their actions, they do not

simply build such consequences into their reinterpretations and modifications of the change

initiative, as found in other studies (e.g. Balogun & Johnson 2004; 2005; Mantere et al,

2012). Instead, they question their actions, with operational employees and middle managers

referring them up through the organization to check whether they are really performing the

strategy and structure as espoused within the mandate. However, unlike other studies where

people shift their actions in response to unintended consequences as they become aware of

them (e.g. Bucher & Langley, 2016; Dittrich et al, 2016; Rerup & Feldman, 2011), we see the

opposite effect. In our case, unintended consequences actually trigger reinforcing action

cycles (Figure 2, B). As multiple levels of actors, right up to the top of the organization,

question these actions and then confirm their fit with the ESS, actions are reinforced in the

various change tasks, thereby exacerbating the unintended consequences. We suggest that

this recursive reinforcement of action in relation to the social order being constructed (Bucher

& Langley, 2016; Jarzabkowski, 2004) is explained by the legally-binding mandate. Actors

are concerned with producing the mandated strategy and structure, to which they have

committed, and thus assume problems are a matter of simply working harder at achieving that

commitment.

However, as depicted in Figure 2, C, if the unintended consequences of enacting the

strategy and structure in this way inhibit attempts to realize the mandated change, a

breakdown in the change process occurs. Breakdowns are defined as a complete disruption to

practice (Lok & de Rond, 2013; Sandberg & Tsoukas, 2011); in our case at each level of the

organization, actors were unable, despite their conscious efforts, to accomplish the mandated

objectives, bringing the change to a halt. Breakdowns trigger a shift to a new reflecting action

cycle (Figure 2, D) in which actors, particularly top managers, who have responsibility for

meeting the mandate, are no longer enacting the current ESS, but are reflecting instead on the intent of the mandate and how the ESS might be modified to meet it. We argue that breakdowns are critical triggers in a mandated change process precisely because they paralyze the change process, enabling top managers and other organizational members to question what the mandate really means (Sandberg & Tsoukas, 2011). Reflective action permits actors to question, if not the mandate, then whether modifying actions will enable them to enact the mandate more effectively. Importantly, breakdowns enable co-evolution of strategy and structure; designated actors, such as top managers, consider modifications in the ESS to counteract the breakdowns and better reflect their evolving understanding of the underlying intent of the mandate. Indeed, these breakdowns seem key to enabling actors to step back from their everyday practice (Sandberg & Tsoukas, 2011; Seidl & Hendry, 2003) and engage in deliberate reinterpretation and modification of the ESS.

As Figure 2 shows, the process may be repetitive (Figure 2E), as new performing action cycles enact the evolved ESS, from which further unintended consequences may arise and escalate, leading to further breakdowns. As the modifications that arise from subsequent reflecting action cycles trigger multiple new performing action cycles, they cascade throughout the organization from the way top managers articulate the espoused change to the actions performed by middle and operational managers in performing their various tasks. Such actions might be micro-adjustments at an operational level to specific ways, for example, of entering a consumer's house, which subtly modify how the ESS is enacted in each part of the organization. Cumulatively, they effect a bigger shift in understanding the intent of the mandate and how to perform it. Although such small changes in performing, occurring in different parts of the organization, in different tasks, and at different times are not strictly linear or phased, taken together they evolve an overarching understanding of how to enact new strategic and structural arrangements that collectively produce the mandate as a

social reality (Feldman & Orlikowski, 2011; Giddens, 1984). Actors who have been through

such multiple performing, reinforcing and reflecting cycles on different tasks at operational,

middle and senior levels, in our case including external negotiations with those who regulate

the mandated change, produce unfolding change in strategy and structure. Yet, it is important

to note that in our case the *legally-binding* mandate, did not alter. Rather, multiple iterative

action cycles enabled important interpretive understandings to emerge across managerial

levels, and be captured in an evolving ESS, about what actions were in the 'spirit' of the

Mandate. In doing so, they also collectively produce the meaning of the change process as

realizing the mandate.

CONTRIBUTIONS

Our framework makes four contributions. First, we extend understanding of how

breakdowns shape the processual dynamics of radical change. In the context of *mandated*

radical change, breakdowns trigger a switch to a reflective mode in which actors can consider

adapting their actions to their evolving understanding of the intent behind the mandate.

Second, in examining actions across the organization, we extend understanding of how

people's actions produce radical change in the context of unintended consequences and

breakdowns. Third, we build on existing studies of managerial strategizing roles (e.g. Floyd

& Lane, 2000; Rouleau & Balogun, 2011) to show that top managers are active participants

in iteratively working out how to perform the change. Finally, we go beyond existing studies

that examine how people enact strategic change (e.g. Balogun & Johnson, 2004; Balogun et

al, 2015a; 2015b; Wiedner et al, 2017) by giving equal emphasis to strategic and structural

change and how they co-evolve within people's actions (Floyd et al, 2011; Pye & Pettigrew,

2006).

Breakdowns and the processual dynamics of radical change. There is an ongoing

tension between recursive practice, in which action and social order are mutually reinforcing

and persistent, and adaptive practice, in which actions progressively reconstruct social order

in an ongoing state of flux (Bucher & Langley, 2016; Howard-Grenville, 2005;

Jarzabkowski, 2004; Orlikowski, 2000; Tsoukas & Chia, 2002). A few practice-based studies

have theorized blockages as important triggers of the switch from recursive to adaptive

dynamics (e.g. Bucher & Langley, 2016; Hendry & Seidl, 2003; Rerup & Feldman, 2011).

As people struggle to construct a new social order (Jarzabkowski et al, 2012), blockages

enable them to step outside of existing practice (Hendry & Seidl, 2003; Sandberg & Tsoukas,

2011) in order to reflect on alternative ways of acting (Bucher & Langley, 2016; Dittrich et

al, 2016; Rerup & Feldman, 2011). Our case of breakdown during mandated change is a

valuable extreme example that extends understanding of how blockages shape the dynamics

of change. Specifically, others find that 'micro-signals' in blockages prompt actors to

experiment with adaptations that iteratively shape how change is reinterpreted and realized

(e.g. Bucher & Langley, 2016; Dittrich et al, 2016; Rerup & Feldman, 2011). By contrast, in

our study, when actors experienced problems in enacting the ESS, these micro-signals

prompted them to reinforce their actions. Only complete breakdowns (Lok & de Rond, 2013)

in the change process led them to reflect upon alternatives. While most studies are thus based

on an iterative process of reconstructing social order (e.g. Bucher & Langley, 2016; Feldman

& Pentland, 2003; Rerup & Feldman, 2011; Spee & Jarzabkowski, 2011), in our case,

multiple iterations surfaced, further articulated and reinforced the envisioned social order.

We thus extend existing knowledge about the iterative nature of change to encompass

cumulative cycles of action when change is constrained by a mandate. A mandated change

constrains organizational actors from making the iterative micro-adjustments that

progressively enact the shifting social order found in other studies (e.g. Balogun & Johnson,

2004; 2005; Bucher & Langley, 2016; Orlikowski, 2000; Rerup & Feldman, 2011; Spee &

Jarzabkowski, 2011). Instead, multiple iterative cycles of blockages accumulate until they

bring everyday practice to a breakdown in which people are too paralyzed to act (Lok & de

Rond, 2013; Sandberg & Tsoukas, 2011). We argue that such cumulative cycles, witnessed in

the escalation of unintended consequences in our conceptual model, are necessary for a shift

in action during a particularly constrained vision of change. Only when they cannot enact the

mandate because the change process breaks down, do actors switch to a reflective detachment

in which they are able to consider what social order the mandate is intended to realize (see

Dittrich et al, 2016; Giddens, 1979: 24; 1984: 8; Hendry & Seidl, 2003; Sandberg & Tsoukas,

2011). Our conceptual framework thus furthers understanding of the iterative nature of

adaptive action, by showing that cumulative reinforcement of action that escalates into

breakdown is important in generating adaptive action in the context of change constrained by

a mandate.

Unintended consequences and cumulative cycles of action in the delivery of radical

change. The association between cumulative cycles and unintended consequences in Figure 2

extends our understanding of how people's actions produce radical change. The more macro

process studies that find frequent oscillations and failures to change between one strategy-

structure configuration and another (e.g. Amburgey & Dacin, 1994; Amis et al, 2004;

Greenwood & Hinings, 1993), and those studies that examine how people's actions modify

(e.g. Balogun & Johnson, 2004; 2005; Mantere et al, 2012; Rerup & Feldman, 2011;

Sonenshein, 2010), deviate from (e.g. Maitlis & Lawrence, 2003; Mantere et al, 2012;

Wiedner et al, 2017), and workaround (Bertels et al, 2016; Pollock, 2005), planned change

processes (see Bartunek et al, 2011), all show that unintended consequences comprise part of

the realized change. Indeed, many such studies explore the performing cycles in radical

change, seeking to understand how and why particular outcomes are realized. Drawing on

various theoretical lenses such as discursive (e.g. Balogun et al, 2011; Mantere & Vaara,

2008; Mirabeau & Maguire, 2014), interpretive / sensemaking (e.g. Balogun & Johnson 2004

& 2005; Balogun et al, 2015a, b; Mantere et al 2012; Rerup & Feldman, 2011), or managerial

roles (e.g. Floyd & Lane, 2000; Mantere, 2008; Rouleau & Balogun, 2011), they explain how

people perform the unintended consequences that become integral to the change that is

realized. Our extended study of radical change and our focus on action, reveals the

significance of not only performing cycles but also, reinforcing and reflecting cycles in

realizing a change as intended against its higher-level objectives.

     In our context of a mandated change, unintended consequences do not waylay change,

but serve as a means to clarify its intent and, as they escalate to breakdown, to reconfigure

action to better realize that intent, in the process further interpreting what that intent might be.

Thus, the processual dynamics of bringing about a mandated change provide important

insights into how action can be continuously reconfigured towards an evolving understanding

of intent. Unintended consequences occur and are inevitable. The studies cited above, offer

many explanations for why. What they have not shown us is how organizations move

forward from unintended consequences to deliver intended change. Figure 2 provides such an

explanation. Through Figure 2, we suggest that continuous action cycles, both throughout the

organization and in interaction with important external parties such as the regulator, are a

subtle means of reinterpreting the intent, in order to produce a collective understanding that

the changed social order conforms to the mandate (Giddens, 1984).

     Expanding the role of top managers. While other studies emphasize the active work

of change recipients, typically middle managers, in making sense of and giving sense to an

espoused change in ways that reinterpret and modify it (Balogun et al, 2004; Mantere, 2008;

Rerup & Feldman, 2011; Rouleau, 2005; Rouleau & Balogun, 2011), our findings show the

importance of top managers, typically considered change designers (e.g. Balogun et al,

2015a; Burgelman, 1983; Floyd & Lane, 2000; Jarzabkowski, 2008) in this process. Our

findings show the active role of top managers in the reinforcing cycles through which actions

escalate up and cascade down an organization and how their shift to reflecting cycles are

critical in modifying change. We thus extend understanding beyond the typical cognitive

reorientation of middle and operational change recipients (e.g. Balogun et al, 2011; 2015b;

Gioia & Chittipedi, 1999), to also incorporate the actions of top managers who are not only

change givers, but are also actively involved in working out how to perform the change and,

through reflective action, how to reinterpret and modify those performances. Our focus on

action provides granular insights that extend understanding of the strategy work of top

managers in radical change, showing this work to extend beyond design and acting as

"ghosts" in the sensemaking processes of others (Balogun & Johnson 2004: 524). We

incorporate active top manager engagement throughout the organization to identify and

remedy problems via particular sets of actions that form reinforcing and reflecting cycles. In

doing so, we expand on role-based theories of how top managers perform their

responsibilities in articulating and directing strategy (e.g. Floyd & Lane, 2000; Mintzberg,

1983), and setting the strategic and structural context (Burgelman, 1983). We show the

processual dynamics through which actions escalate up and cascade down the organization as

managers at different levels connect in addressing the unintended consequences and

breakdowns emerging from their various actions.

Coevolution of strategy and structure. Our study also contributes to understanding of

how strategy and structure move together during periods of radical change when both are

disrupted (Mintzberg, 1990; Tushman & Romanelli, 1985). In many existing studies, the

radical redesign of structure is simply a "one-off" reconfiguration of structural roles that aim

to deliver a dramatic shift in strategy (Gulati & Puranam, 2009; McKinkey & Scherer, 2000;

Romanelli & Tushman, 1994), albeit a redesign that is often problematic and causes delay in

or failure to change (e.g. Amis et al, 2004; Amburgey & Dacin, 1994; Gulati & Puranam,

2009). Even those studies that examine how people enact strategic change from their

different structural positions in the organization (e.g. Balogun et al, 2015a; 2015b; Mantere &

Vaara, 2008; Wiedner et al, 2017) tend to background how enacting structure is integral to

and entwined with enacting strategy (Floyd et al, 2011; Pye & Pettigrew, 2006), and how the

two, therefore, co-evolve in bringing about radical change. By contrast, we show how actions

simultaneously enact and so co-evolve strategy and structure. Our extreme case of shifting

strategy and structure shows that the two are entangled in a mutually constitutive social

ordering of organizational arrangements (Feldman & Orlikowski, 2011; Pye & Pettgirew,

2006). We thus provide a more dynamic and reciprocal understanding of the relationship

between strategy and structure and their co-evolution during radical change.

CONCLUSION

Our framework, based on a study of a telecommunications company undergoing a

mandated radical change imposed by the regulator that had to be realized largely in line with

intent, or face major penalties, suggests some boundary conditions. While in studies of failed

(e.g. Amis et al, 2004; Greenwood & Hinings, 1988) or aborted (e.g. Mantere et al, 2012)

radical change, there may be more managerial discretion to change or abandon the initial

strategy, this was not an option for our company. Hence, our finding of the shifts in action

triggered by breakdowns may be grounded in the need for managers to find a way to make

the change work, whereas other situations permit managers to resist, reverse or modify the

envisioned change. The constraint of a mandate is thus key to the processual dynamics

explained in our conceptual framework.

In particular, the mandate in our case was externally imposed by a powerful

government actor, was very detailed and specific, and was legally-binding. Many companies

face some form of mandated change, such as regulatory pressure on their strategy and

structure (Jacobides, 2005), from banks that must separate their investment and retail

divisions (e.g. Danthine et al, 1999; Heffernan, 2005) to the majority of utility and critical

infrastructure companies with legacy monopolistic assets that are subject to regulation, such

as those in energy and transport (e.g. York, Hargrave & Pacheco, 2016). Similarly, many

public-sector companies, such as those within the health care sector (e.g. Denis et al, 2001;

Wiedner et al, 2017) or the arts (e.g. Oakes et al, 1998; Abdallah & Langley, 2014), often

face radical changes arising from new government policies. Such externally imposed changes

may be less detailed or less binding than in our case. Future research might examine whether

such mandates that are either less detailed or less binding, are equally prone to reinforcing

action cycles and breakdown, or whether actors more flexibly interpret the unintended

consequences or even alter the mandate.

Mandated change might also stem from internal pressures, such as a particularly

powerful actor's vision of a change, or the pressures of a corporate parent upon a division.

While managers in such situations might feel constrained to comply with the change, the

dynamics may differ because the mandate itself is less specific, less detailed and does not

carry legal consequences or external penalties for failure to comply. In particular, in our

study, top managers were part of the legal negotiation of the mandate, and required to ensure

it was met, so recasting their role as change recipients (Balogun et al, 2015a). A particularly

valuable dynamic arising from this role was their engagement in reflecting action cycles,

within which they could consider the intent behind the change, and modify their actions to

better meet that intent. Such reflecting action cycles provide opportunities for managers at all

levels, particularly top managers who can become remote from change initiatives and their

implementation (Balogun and Johnson, 2004; Floyd & Lane, 2000), to renew their

engagement with the change. This ongoing and renewed engagement might be valuable in

delivering on many change processes (Bartunek et al, 2011), even in the absence of a

mandate. Thus future studies might examine the implications of different types of mandates,

whether externally or internally imposed, the extent to which these mandates are binding,

what levels of manager are assigned responsibility for fulfilling the mandate, and how and

whether the perception of constraint shapes managerial engagement with the change.

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Table 1. Data sources

Data Category	Description	Number
Meeting (N=254)	**Group Implementation Board** Weekly meetings, generally 1 hour long	72
	AccessCo Implementation Board Fortnightly meetings, generally 1 hour long	34
	Wholesale Implementation Board Monthly meetings, generally 1 hour long	14
	Retail Implementation Board Fortnightly meetings, generally 1 hour long	26
	International Retail Implementation Board 2-3 times per month, generally 2 hours long	59
	Additional meetings across divisions, incl. product meetings and briefings, varied length	49
Interviews (N=130)	**Senior managers** Managers at the highest level of the organization with day-to-day responsibilities of managing the organization (including CEOs, Managing Directors, General Managers, Heads of Division)	53
	Middle managers Managers at the intermediate level of the organization with responsibility for at least two lower levels of staff	77
Field observations (N=16)	**Telephony engineers** Work shadowing and interviews with frontline workers about the restructuring and its impact	9
	Service center employees Work shadowing and interviews with frontline call center employees about the restructuring and its impact	7
Documents (N=1,597)	**Company reports** Internal reports, largely offering delivery updates	589
	Internal communications E-mails, notifications, pamphlets, flyers	54
	Organizational meeting notes & presentations Meeting minutes and associated presentations	489
	Press releases Updates about restructuring and product releases	91
	Other docs (internal) Posters, pictures, internal notes, product spec	274
	Industry reports Reports by regulator, government, competitors	68
	Newspaper articles Reporting of restructuring and product releases	32

Table 2. Analytic constructs used in processual analysis and findings

Construct	Definition	Example
Mandate	The framework or guideline for change, imposed by a powerful external actor, with which they must comply or face sanctions (Rodriguez et al, 2007).	Legally-binding policy called 'the Mandate', approved by government, overseen by regulator, and signed by Telco top managers. The document outlined key deliverables, which included specific strategic objectives and structural elements that had to be delivered by set deadlines. Failure to meet deadlines entailed financial penalties and carried the risk of referral to the Competition Commission for breakup.
Espoused Strategy	The internalized strategic objectives of an organization as a whole (Kaplan & Norton, 1996, 2007), which include sources of profitability, profit level, and rates of return, and span across multiple SBUs. Based on understanding of the Mandate and what is required in terms of strategy.	To be an independent supplier of equivalent industry products (See Findings & Table 3)
Espoused Structure	The internalized grouping and linking mechanisms (see Gulati & Puranam, 2009; Thompson 1967). *Grouping*. Structural arrangement that groups roles together in order to optimize coordination by creating structured interactions between relevant organizational members. *Linking*. Structural arrangement that determines how different groups link vertically & horizontally across the organizational. Based on understanding of structural requirements of the Mandate	Grouping example: strategic business units necessarily include separate grouping of different staff into AccessCo and RetailDivs Linking example: develop a cross-divisional working group for ProductC (See Findings)
Performing Action Cycle	Performing actions to enact the existing understanding of the espoused strategy and structure (ESS)	Doing tasks based on existing understanding of ESS: e.g. setting up working groups, changing reporting structures, disseminating strategic goals, undergoing training (see Table 4)
Unintended consequence	Unexpected outcome that deviates from intended strategic change (see Balogun & Johnson, 2005)	Inability to enter houses to provide services (see Findings)
Reinforcing Action Cycle	Intensifying existing ways of enacting ESS in effort to address unintended consequences; confirming objectives and structures as appropriate.	Doing things that confirm the existing understanding of ESS, e.g. checking with peers, referring upwards, cascading down in ways that involved checking, confirming, validating, repeating existing actions
Breakdown	Failure that disrupts the strategic change process (see Lok & de Rond, 2013)	Inability to progress product deliveries leading to failed deadlines and fines (see Table 4)
Reflecting Action Cycle	Engage in actions that reflect on the underlying intent of the Mandate, and that revisit and modify understanding of strategy and structure in ways that conform to the legal requirements and also reflect the intent ('spirit') of the Mandate	Doing things that question the existing way of acting and whether these actions are in the 'spirit' of the mandate, including organizing deep dives throughout the organization with managers and employees at all levels, consulting with regulator & industry
Realized Radical Change	Change that has been brought about at identified point in time, which may incorporate both intended and emergent change (Mintzberg & Waters 1985)	At Strategic Review in month 28, conducted by regulator on behalf of government & industry, Telco approved as meeting Mandated change, despite modifications of ESS throughout change process, as understanding of how to meet intent of Mandate evolves

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Table 3: Reflective Shifts in how to "do" the Mandate

Overarching Mandate	Elements of the Mandate	How to Enact the Mandate	Modifying Enactment of the Mandate
Create independent industry supplier of equivalent products	*Independent* AccessCo offers no undue competitive advantage to Telco RetailDivs, who can thus compete independently in retail space.	'Doing independent' refers to separation; i.e. keeping strict separation between AccessCo and RetailDivs ('separate').	'Doing independent' refers to separation *and* collaboration; i.e. keeping functional separation between AccessCo and RetailDivs but working together when necessary to support strategic goals of Mandate, such as developing separate but quality products
	AccessCo to be direct *industry supplier* with no chain of supply to wider retail industry via Retail Divs or through any collaboration with Retail Divs	'Doing industry supplier' entails interaction with external industry players about supply chain needed, i.e. interacting with external industry retailers while ignoring internal retailers	'Doing industry supplier' entails interaction with external industry players *and* Retail Divs, i.e. interacting with external industry and internal retailers ('all retailers') in the same way in industry forums at through all industry consultations.
	AccessCo supplying *equivalent* (identical) produces & services to ensure no unfair competitive advantage to RetailDivs	'Doing equivalent' means standardizing information, products and services; i.e. all retailers have access to the same products ('equal').	'Doing equivalent' means making standardized *but* differentiated information and products with matching price differentiation; i.e. all retailers have access to the same suite of products and can choose the option that best suits them at a transparent price ('fair').
	Separate and supply 3 main industry *products* out of AccessCo by specific deadlines	'Doing products' refers to making separate and equivalent products and services 'available'	'Doing products' refers to making high quality products and services available ('fit-for-market').

Table 4. Illustrative case stories

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
#1 Door-in-the-Face: Independent engineers	Original ESS: AccessCo engineers were a structural group created to deliver the strategy of 'industry supplier,' offering 'equivalent' services 'independently,' and where - 'independent' was understood as AccessCo being 'separate' from RetailDivs - 'industry supplier' related only to external industry - 'equivalence' was equal treatment of RetailDivs and external industry - 'product' meant making available new products **Illustration Original ESS** "There's a behavioral change right on the front-end engineer, who has to realize when he opens that door, he's working for	**Effort to enact ESS**: Become an independent industry supplier by keeping strict separation from RetailDivs, including engineers introducing themselves as 'from AccessCo.' **Unintended consequences**: Engineers can't get into homes to provide services; undermines the 'industry supplier' objective because the 'from AccessCo' greeting severs a key link to Telco	**Effort to reinforce practice**: Reiterate objectives of 'independence,' 'industry supplier,' and 'equivalence'. Reiterate the importance of independent engineers. Reinforce AccessCo boundaries, redo Code of Conduct training.	**Unintended consequences escalate until change halts:** Engineer service not provided or delayed; Knock on effects as other tasks in other parts of organization cannot be done, including specific products trials and interim deadlines; AccessCo deemed failure in national media; High level complaints from industry.	**Effort to reflect on Mandate**: Consider spirit of Mandate; consult with key stakeholders; do deep dives throughout organization; reconsider definitions and objectives; bring options to regulator; have meetings with other industry players to bring them on board.	**Shift in ESS**: AccessCo engineers were a **structural group** created to deliver the **strategy** of 'industry supplier,' offering 'equivalent' services 'independently,' where - 'independent' was understood to mean 'separate but connected' - 'industry supplier' related to all retailers, internal and external - 'equivalence' was not equal, but fair - 'product' or service meant not just available but also fit-for-market, i.e. high quality **Illustration Evolving ESS** "Yeah, there was an error, a mistake. But it was an open mistake and we discussed it as an open mistake with the regulator and there's a plan to	**Effort to enact evolved ESS through reconfigured practices**: Co-locate AccessCo and Telco brands; hold meetings with engineers; send info about AccessCo to end-users; do training on new Code of Conduct. Includes new intro that links key structural parties (AccessCo & Telco) and key strategic output (independent industry supply (any retailer): "AccessCo, a part of Telco Group, here on behalf of [Retailer]."	AccessCo becomes an independent industry supplier providing various equivalent engineering products and services to industry using re-branded AccessCo engineers; rocky start results in failure of service commitments and penalty payments to external parties.

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
	[an independent] AccessCo. And we're very clear on the wording… we move away from the Telco brand and just be AccessCo" [independent as separate].	as a trusted supplier.				reissue. Now you've got the 'part of Telco' [add-on] and that's important… otherwise customers won't let us through the front door and that could be a real issue" [independent as separate but connected].		
#2 Unequal among Equals: Special Status Employees	**Original ESS**: Special status was a **structural** designation associated with a very small number of employees to exceptionally allow them to access information not available to other employees, so that AccessCo and RetailDivs could stay 'independent' while developing 'equivalent' 'products' (**strategy**). - 'equivalent' meant fair products as a result of no influence from RetailDivs in the	**Effort to enact ESS**: Work in project trams across organization done largely independently to make new equivalent products available; and offer no advantage to RetailDivs; special status seen as exceptional situations only; in the 'spirit' to	**Effort to reinforce practice**: Reiterate the key strategic objective of 'equivalent' 'products' in meetings and communiques; affirm that Special Status can be used to work across divisions; but also emphasize the importance of independence and the risk associated with not acting separately. Get people to redo	**Unintended consequences escalate:** There was no equivalent product available that worked for the market by the deadline. Telco conceded failure on one core product (ProductA). This resulted in a large fine and a loss of credibility with the regulator and industry.	**Effort to reflect on Mandate**: Consider spirit of Mandate; senior manager meetings and deep dives on interworking problem; working group on info-sharing in the context of independence; reconsider how to communicate objectives and Special Status.	Shift in ESS: Special status was a structural designation that allowed people to access information not available to other employees, so that AccessCo and RetailDivs could stay 'independent' while developing 'equivalent' 'products' (strategy). - 'equivalent' meant fair products as a result of no undue influence from RetailDivs in the design process; but people can engage unequally as long as it	**Effort to enact evolved ESS through reconfigured practices**: Clarify ways to engage and explicitly tell people that they can engage unequally as long as it is fair and accords no advantage to RetailDivs; restructure special status list; develop new Code of Conduct and status training to	Telco delivers working equivalent products using refined special status, but does so late and with penalties.

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
	design process; equal engagement for all players - 'product' meant making available new products - 'independent' meant separation; AccessCo not working or sharing information with RetailDivs **Illustration Original ESS** "It doesn't matter if people have status or not. If they don't need to know a piece of information regarding the change, then don't tell them. I don't care who they are or how many statuses they have; they don't get access to it." [Independent: not sharing information]	avoid sharing information, except where proven totally necessary. **Unintended consequences:** Not sharing info across the AccessCo-RetailDivs divide makes it difficult to advance joint equivalent products. Fall behind in product deliveries.	Code of Conduct and status training, so they understand the importance of 'independence' and being separate. Leaders place emphasis on being conservative and acting with caution, "when in doubt, don't do it!"			is fair, according no advantage - 'product' meant not just available but also working, i.e. could be used by all players - 'independent' meant AccessCo working together and sharing info with RetailDivs to build independence. **Illustration Evolving ESS** "We're clarifying this because sometimes workshops have had to be cancelled because people won't share information… That is not the purpose of the mandate. There is a lot of information we can share" [Independent as sharing information for the purpose of fostering independence]	reflect this understanding; and develop explicit info-sharing rules (who can say what to whom and when!), engaging with others.	
#3 Breaking bad: Risking commercial contracts	**Original ESS:** Repair services were an operational task that needed to be provided from AccessCo (**structure**) to RetailDivs and external	**Effort to enact ESS:** Deliver equivalent products and services to *all* industry	**Effort to reinforce practice:** Reiterate objective of delivering equivalent	**Unintended consequences escalate:** Retailers breach commercial contracts, due to the standard	**Effort to reflect on Mandate:** Consider how these issues link to overall Mandate;	**Shift in ESS:** Timely repair services could be delivered from AccessCo (structure) in differentiated ways with different prices (strategy) to meet	**Effort to enact evolved ESS through reconfigured practices:** Disseminate clarified	AccessCo delivers equivalent services, providing various standard and premium

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
	retailers to enable the delivery of 'equivalent' 'products and services' in its role as 'industry supplier' (**strategy**). - 'equivalent' meant the same products/ services for everyone - 'product' meant making new products available - 'industry supplier' meant products were available to all industry players **Illustration Original ESS** "They've determined that what they're going to deliver is the standard terms and conditions, so everybody gets exactly the same… and because their performance is poor that means we can't meet our contractual obligations to customers" [Equivalence as everyone receiving the same service].	through a 'standardized' repair time available to all retailers (default '5-hour' repair) **Unintended consequences:** Default practice of offering '5-hour' repair time from AccessCo (structure) is not matched with need for faster repair times on existing commercial contracts. Obscures supplier objective (strategy) by preventing retailers, including Retail Divs, from meeting existing commitments	products and services; reiterate importance of standard repair times to avoid giving advantage to Retail Divs, who have some of the commercial contracts; encourage AccessCo to continue developing standard options independently and without input from RetailDivs.	five-hour repair time. Unable to uphold past service levels, retailers, esp. premium retailers like RetailDivs, the breach in existing contracts, triggers mandatory end-user payments; customer dissatisfaction; service from not only AccessCo but also RetailDivs seen as 'lowest common denominator.'	while standard repair time is equivalent, what service level is intended in the Mandate; is differentiated service for some retailers in the 'spirit' of the Mandate, even if that might include RetailDivs also getting the differentiation; senior managers work on repair time options with industry and with project teams, considering how they link to other deliverables.	needs of RetailDivs and external retailers to service their customers - 'equivalent' meant *access to* the same products / services for everyone; this includes standard and premium repair *options* - 'product' meant making available new products at *the same or higher quality* - 'industry supplier' meant products were available to all industry, including *RetailDivs* and they had to work with retailers **Illustration Evolving ESS** "With repair, there's now two service offerings. One of them is called 'regular care,' where the fault is fixed within 5 hours and one is called 'premium care,' where the fault is fixed within one hour… Everyone can choose their option.	objective (i.e. to deliver high quality standard and premium equivalent service) to all. Improve standard repair options by including work on AccessCo and retail sides in the 5-hours, thus reducing AccessCo repair time by 2.5hrs. Also introduced new options, including a 1-hour premium repair time. Allowing RetailDivs and other retailers to choose premium at a price.	repair options, albeit initially with delays and complaints prior to redesign

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
						We'll be using 'premium' because that's what our customers are used to" [Equivalence as everyone having same service options].		
#4 RAT in the building: The Restructure Assurance Team (RAT)	**Original ESS:** The RAT Team was an internal group (**structure**) put in place to monitor Telco's efforts to comply with the **strategic objectives** of 'equivalence.' - 'equivalence' meant 'demonstrable equal treatment' of RetailDivs and external industry by both performing equivalence and also providing information to RAT as evidence (share all info on actions for RAT to monitor) **Illustration Original ESS** "We're updating them [RAT] weekly on progress… they rely on	**Effort to enact ESS:** Share as much information as possible with RAT, so they have sufficient details to see that equivalence is being met; frequent reporting; meeting RAT members. **Unintended consequences:** RAT's growing remit and demands placing increasing requirements on implementation board members to	**Effort to reinforce practice:** Reiterate the importance of transparency and evidencing; affirm purpose of RAT as monitors of equivalence; present RAT as key stakeholder; invite to various meetings; senior managers explain legitimacy; assign RAT-liaison; establish regular meetings; and encourage people to share info with them.	**Unintended consequences escalate:** Despite the regulator being happy and prepared to sign off on a delivery, RAT uses info provided by Telco to declare it non-equivalent in a low volume area of little significance. Results in external retailers complaining; regulator forced to scrutinize and penalize Telco; large financial penalty; reduced industry credibility.	**Effort to reflect on Mandate:** Consider the Mandate and why they have been going beyond what is prescribed in effort to inform RAT – have thought it was in the 'spirit' to exceed requirement; Consider intent of Mandate to have monitoring, but not to make Telco vulnerable to excess reporting on finest details; Discuss with	**Shift in ESS:** RAT Team was an internal **structural** group put in place to monitor Telco's efforts to comply with the **strategic objectives** of 'equivalence' - 'equivalence' meant 'demonstrable achievement of *key* objectives' by sharing necessary information but did not mean information overload, or being unduly punitive to demonstrate internal monitoring was even higher than mandated regulatory standard **Illustration Evolving ESS** "There was a bit of a debate about RAT overstepping its mark	**Effort to enact evolved ESS through reconfigured practices:** New ways of explaining the key strategic objective of 'demonstrable' equivalence; set out the purpose of RAT (i.e. to support, not hinder equivalence); teach people how to engage with RAT; instruct employees to share only necessary information on key objectives; bring in new 'compliance champions';	Telco delivers equivalence and products using refined RAT mechanism, and is able to get sign-off on these, but does experience some delay and penalties.

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
	our reports to do the validation, so we share with them openly, so that we can all get on with our jobs" [Equivalence as demonstrable achievement via sharing all information and having it monitored by RAT]	collate and share information; demonstrating equivalence becomes key focus, even at the cost of ignoring deliveries; makes it difficult for people to also advance product deliveries; fall behind in deliveries.			regulator; senior manager meetings about RAT with implementation board, generates ways to structure future engagement.	by asking these types of questions… we agreed what evidence we would submit. And some of the things they're coming and asking for is kind of over and above that. And it is very much around whether the product's fit for purpose rather than from a compliance point of view. We've learnt our lesson. Now we push back. We don't give them information like that anymore" [Equivalence as demonstrable achievement via sharing necessary information]	come up with a single point of contact.	
#5 Working blind: Information system with no information	**Original ESS:** The Equivalence Information System (EIS) was a new ICT system (**structure**) put in place to facilitate the 'independent' 'industry supplier' AccessCo to deliver 'equivalence' (**strategy**) through equal info sharing.	**Effort to enact ESS:** Work to deliver equivalence in access to information by developing an EIS that shares same information with RetailDivs and	**Effort to reinforce practice:** Reiterate key strategic objective of equivalence in access to info; affirm purpose of EIS as sharing same info with all retailers; hire customer service staff to manage	**Unintended consequences escalate:** EIS is insufficient as it does not provide the information that end-users are used to or need; reduced service levels and failed 'industry supplier'	**Effort to reflect on Mandate:** Consider the role of information in overall Mandate; what is the spirit of the Mandate in terms of information quality, even	**Shift in ESS:** The Equivalence Information System (EIS) (**structure**) was put in place to facilitate the 'independent' 'industry supplier' AccessCo to deliver 'equivalence' (**strategy**) through equal info sharing.	**Effort to enact evolved ESS through reconfigured practices:** Explain key strategic objective of equivalence in access to information to mean supplying more info to *all*	Telco delivers equivalence and adequacy in relation to information using refined EIS mechanism, but only after key operational issues, complaints, and risk to reputation.

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
	- 'independent' was understood as AccessCo being 'separate' from RetailDivs and thus restricting access to AccessCo info - 'industry supplier' meant servicing all of industry - 'equivalence' was sharing the same basic information with RetailDivs and industry - 'product' meant making available new products and services, and info **Illustration Original ESS** "We don't have the capacity to provide that information to everyone, so the only fair thing to do is to pull that information and approach this through a limited number of standard KCIs" [Equivalence as sharing the same basic information].	external retailers; involved removing information from RetailDivs' view. Issue three Key Customer Information (KCIs: issue received, engineer dispatched, issue resolved) **Unintended consequence**: Sharing vague info via EIS, which was also less info than previously being shared, made it hard to also provide quality services and adequate info to end-users; end-users angry about lack of info;	interface; improve system around the same set of information, but focus on better delivery of that information; and engage in debriefs and end-user communications to explain changes.	objective by not servicing all of industry well. RetailDivs & end-users complain; media/regulatory scrutiny of issue; inability to coordinate and deliver services; high staff attrition and dissatisfaction.	if not equivalent; working group on systems and information sharing with relevant organizational groups; high-level discussions with regulators and industry to work out what is desirable and feasible; explain to regulator potential industry service crisis and customer dissatisfaction.	- 'independent' was understood as AccessCo being 'separate' and thus restricting access to info *that other industry retailers did not have access to* - 'industry supplier' meant servicing all of industry *well, including RetailDivs* - 'equivalence' was sharing the same *detailed* information with RetailDivs and external industry; i.e. the EIS to share operational info detailed enough to meet needs - 'product' meant making available new products and services, and *high quality* info **Illustration Evolving ESS** "The key issue was RetailDivs needing lots more information and AccessCo not wanting to give more information. The compromise was that	retailers, not less to RetailDivs; explain purpose of EIS to share same *detailed* info; adding functionality; training CS managers on what info to share and how; delivering better info. Adapting info on EIS to consumer needs. Now 5 points of KCIs (issue received, estimated time of dispatch, engineer dispatched, initial diagnosis, issue resolved).	

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
		service staff work blind.				there would be extra standardized messages. This was provided to all industry players" [Equivalence as sharing the same detailed information].		
#6 The Governator: New reporting and governance structure	**Original ESS:** The Governator was a new governance **structure** put in place to facilitate 'equivalence' and new quality 'products' (**strategy**) by coordinating activity across deliveries. - 'equivalence' referred to implementing the change mandate quickly across a number of deliveries simultaneously - 'product' meant developing mandated products and services **Illustration Original ESS** "We want to drive reporting along governance lines. It's a solutions-focused, vertical and business	**Effort to enact ESS**: Deliver 'equivalence' objective and ensure activities are aligned by developing a governing structure, with people and projects, spanning across deliveries. **Unintended consequences:** The Governator activities are not embedded in existing deliverables, made it hard to deliver the 'equivalence'	**Effort to reinforce practice**: Reiterate the key objective of achieving equivalence across a number of deliveries simultaneously; affirm purpose of Governator as coordinating activity across deliveries; release open comms about Governator; hire project leader; visit program and project teams to introduce Governator.	**Unintended consequences escalate:** Governator is insufficient as it does not adequately link to existing programs and projects; hinders goal of 'equivalence', i.e. implement change across deliveries simultaneously. Various parties, incl. RetailDivs, don't understand Governator and complain; lots of double-work taking place; no strong ownership; recurring issues across	**Effort to reflect on Mandate:** Consider whether other strategic, structural and operational streamlining can take place without undermining principles of Mandate; as systems and structures are being revamped already, can this provide opportunities for additional efficiencies; can delivery of Mandate also incorporate improving strategic	**Shift in ESS:** The Governator was the new governance structure put in place to facilitate 'equivalence' and new quality 'products' (**strategy**) by coordinating activity across elaborated deliveries. - 'equivalence' referred to implementing the change mandate quickly *and efficiently* across a number of deliveries simultaneously - 'product' meant developing mandated and *strategic* products and services **Illustration Evolving ESS** "What's different here is that it's not just	**Effort to enact evolved ESS through reconfigured practices:** Explain the key strategic objective of 'equivalence' requiring a quick and efficient delivery to retain focus on commercial goals. Explain purpose as supporting not replacing existing programs; not undermining or eroding existing programs; work with structures and project leads to ensure coordination;	Telco delivers equivalence in a way that meets mandated change, but goes beyond it; but only after some delivery failures, in-fighting, and inefficient double-working.

Case Story	Espoused Strategy and Structure	Performing Action Cycle	Reinforcing Action Cycle	Breakdown	Reflecting Action Cycle	Evolving Espoused Strategy and Structure	Performing Action Cycle	Realized Radical Change
	horizontals matrix approach to the program" [Equivalence as delivering across a number of deliveries]	objective of coordinating across deliveries; Lack of coordinating across portfolio; Project owners not clear; deliveries were delayed; service issues emerged; and work was duplicated.		deliveries; and some deliveries fail.	nature of offerings.	another effort to coordinate the Mandate; we're also trying to use it as an opportunity to highlight new opportunities and become more efficient as a business." [Equivalence as delivering *efficiently* across a number of deliveries]	add clear liaisons and leads; have open forums; assign owners; improve transparency to facilitate coordination and streamlining.	

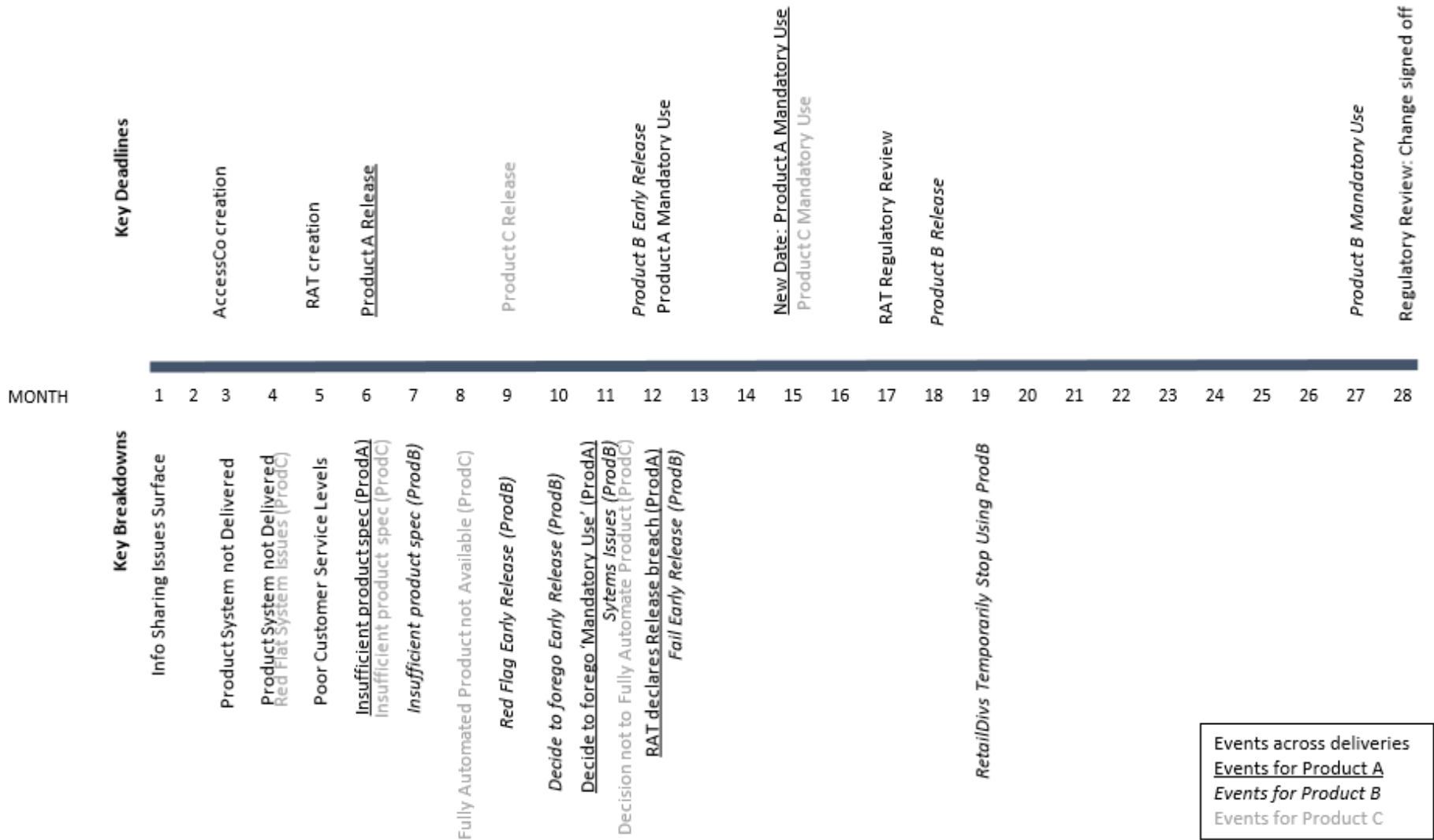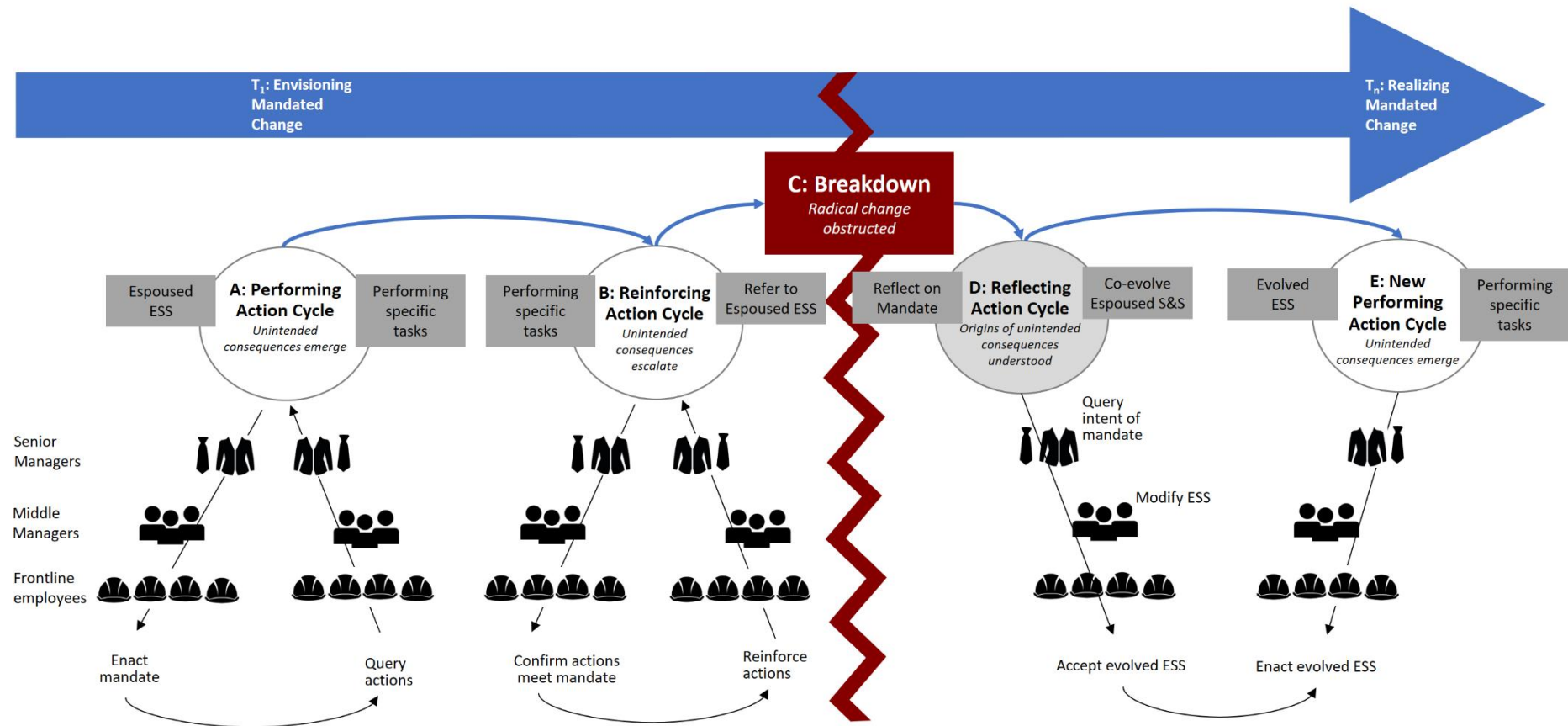**Figure 1.** Overview of radical change: Key deadlines and breakdowns relating to Products A, B and C

Figure 2. Processual dynamics of realizing a mandated radical change across managerial levels

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