
Unfolding the dynamics of emotions: how emotion drives or counteracts strategising

Ethel Brundin* and Leif Melin

Jönköping International Business School
P.O. Box 1026, SE 551 11 Jönköping, Sweden
Fax: + 46 36 16 10 69
E-mail: ethel.brundin@jibs.hj.se
E-mail: leif.melin@jibs.hj.se
*Corresponding author

Abstract: This article sets out to unfold the dynamics of emotions in strategising. Drawing on evidence from two in-depth field studies, each of which followed the work of a strategist over a period of 20 months, we illustrate the decisive role of the display and interpretation of emotions in strategising. We conclude that depending on the way they are experienced, displayed and interpreted, emotions act as a driving or restraining force engendering a low or high level of emotional energy. This in turn either drives or counteracts strategising. The article contributes by conceptualising the dynamics of emotions in strategising, whereby strategising is regarded as an ongoing stream of emotional activity related to strategic outcome.

Keywords: strategising; emotional display; emotional dissonance; emotional experience; emotional energy; interpretation of emotions; confidence; frustration.

Reference to this paper should be made as follows: Brundin, E. and Melin, L. (2006) 'Unfolding the dynamics of emotions: how emotion drives or counteracts strategising', *Int. J. Work Organisation and Emotion*, Vol. 1, No. 3, pp.277–302.

Biographical notes: Ethel Brundin is an Assistant Professor in the Department of Entrepreneurship, Marketing and Management at Jönköping International Business School. The prime focus of her research lies in micro-processes in new business ventures, family businesses and various arenas of strategic leadership. She is currently involved in a set of projects focusing on emotions including experiments on the escalation of commitment in decision-making, how managers' display of emotion impacts entrepreneurial orientation and strategy formation, and the role of emotions in the family business logic. She is Project Manager for a joint Swedish and South African research project about entrepreneurial learning and sustainability. She has published in international journals and in edited books. Prior to completing her PhD, she worked as a Strategy and OD consultant and Human Resources Manager in Sweden and the UK in businesses she had launched herself.

Leif Melin is a Professor of Strategy and Organisation and the founding Director of CeFEO, the Centre for Family Enterprise and Ownership at Jönköping International Business School (JIBS). In the academic year 2000–2001, he served as Dean and Managing Director of JIBS. His research interests are about micro-strategising, organising, the role of strategic leadership and ownership in strategic change, as well as strategising and organising in continuously growing business firms. Melin has published widely

in international book volumes and journals, including *Strategic Management Journal* and *Journal of Management Studies*. He is currently serving on the editorial board for several international journals, such as *Organisation Studies*, *Strategic Organisation*, *European Management Review*, *Journal of World Business*, and *Long-Range Planning*.

1 Introduction

Strategy process research is moving increasingly towards an interest in micro-processes and day-to-day activities (Johnson *et al.*, 2003; Whittington and Melin, 2003). It has been suggested that this trend has arisen from the need to supplement the dominating macro perspective on strategy, which in turn reflects the emerging situation whereby strategy is moulded by a variety of people of different levels and in different functions. Another influence has been the increasing pressure among the strategic actors themselves to develop the processual aspect of their roles (Johnson *et al.*, 2003). Expressions such as 'strategising' and 'strategy-as-practice' are entering an increasingly accepted vocabulary for denoting this activity-based approach. The focus on day-to-day activities in the micro-processes of strategy has a number of important implications. First, the individual comes into focus as being central to strategising. Second, since individuals are socio-culturally situated, their actions are dependent on present or imagined others, which means regarding the individual as an essentially interactive actor. Third, the resulting interactions depend on mutually reinforced relationships embracing a variety of forces, of which emotions are a highly important example.

Given this micro-processual approach to individuals as key actors in strategising, emotions thus become a natural and integral element as a whole with potential importance in most day-to-day activities possessing strategic implications. In the micro-strategising stream of strategy research, we need to apply new theoretical perspectives that are able to contribute to the development of the micro strategising theory. Emotions represent such a perspective. Thus, in this article, we argue that emotions can be a "sustainable advantage [that] must lie in micro assets that are hard to discern and awkward to trade" (Johnson *et al.*, 2003, p.4), and which may make a difference in strategising.

Our purpose is to conceptualise the dynamics of emotions as an important part of strategising. Strategising is defined as "the detailed processes and practices which constitute the day-to-day activities of organisational life *and* which relate to strategic outcomes" (Johnson *et al.*, 2003, p.3). The talking, thinking and acting relating to strategic issues occurring in micro-processes are viewed here as strategising. Within this process, we identify and analyse emotions and their implications in strategising. Drawing on empirical accounts from two in-depth field studies of strategists in action, we argue that the way emotions are displayed by strategic leaders and how this display is interpreted by those in the immediate surroundings of the strategist concerned, will determine the role that emotions will play in the change process. This article looks particularly on the various implications of dissonant and authentic emotions.

In the following sections, we first present a theoretical background to emotions including emotions related to strategising; emotions as socially constructed; the display and dissonance of emotions; emotional energy; the classifications of emotions; and finally, the two categories of emotions focused in this paper, namely confidence and

frustration. The research strategy for case studies in theory building is presented in the methodological section, followed by the findings of our two field studies. Thereafter, we show the consequences of emotions in strategising, whereby frustration acts as a driving force and confidence as a counteracting force. We propose that high or low levels of emotional energy are created in strategising, depending on the conformity or discrepancy of the displayed emotions and on their interpretation by the environment. Finally, we claim that the communication and interpretation of emotions over time have implications for strategising, where the dissonance and authenticity of emotions are of decisive importance. The contribution of this article is fourfold:

- 1 We provide empirical support for the new stream of micro-strategising, implying that much of what is actually going on, and that matters to strategising is to be found in micro-processes.
- 2 We provide empirical evidence regarding emotional dissonance with particular reference to strategists, thus supplementing the overwhelming volume of studies building on customer encounters and service providers.
- 3 We propose that the display and interpretation of emotions may yield contradictory effects when strategists communicate their emotions.
- 4 We provide a theoretical contribution regarding emotions as driving and/or counteracting forces in strategising.

2 Theoretical perspectives on emotions

2.1 Emotions and strategising

Taking into account that emotion has long been a widely studied phenomenon in various disciplines, and that organisations are acknowledged as emotional arenas (Fineman, 1993), surprisingly little research has addressed this topic in the strategy field. The study of the emotive side of strategising is still in its infancy. However, the few studies that do exist clearly indicate that emotions matter when it comes to strategy formation. Sjöstrand (1997), for instance, counts emotion among the rationalities of strategic leadership, and contends that emotions have an impact on the decision-making process among top managers in times of strategic change. He concludes that status, prestige and identity influence this process emotionally. Huy (1999) claims that the emotional capability of an organisation is important to its progress during processes of radical change, emphasising the organisational ability to acknowledge, recognise, monitor, discriminate and attend to emotions at both the individual and the collective levels. Furthermore, Huy (2002) emphasises the need for emotional balancing in strategic change processes, when the actors leading the change need to strike a balance between their own emotional commitment to the change and the necessity to attend to the emotions of its recipients. The combination of these two will lead to an emotional position in the organisation, whereby a 'bad' mix between the two factors will lead to inertia or 'chaos', while an 'optimal' mix will lead to adaptation and change. Hall (2003) points out emotions as a decisive element in genuine relationships between strategising actors, affecting processes of strategy formation in the context of family firms.

2.2 *Emotions as socially constructed*

The plethora of emotion literature addresses a range of perspectives and approaches to emotions. For our present purpose, we will limit ourselves to viewing emotions as socially constructed and situational (Cornelius, 1996; Parkinson, 1995; Averill, 1980; 1984; Denzin, 1984; 1990), depending on relationships and social interaction. A social-constructionist approach implies that emotions are enacted, *i.e.*, that through their actions, individuals actively take part in the construction of emotions related to their interpretations of the environment (cf. Weick (1979), Smircich and Stubbart (1985), Frijda (1986) and Lazarus (1999) with their appraisal theories as well as Dasborough and Ashkanasy (2002) with their attribution theory). A social-constructionist view on emotions includes cognitive processes as an element in emotions (Fineman, 2000). Both when emotions are unintentional and when we control or manage them, we are influenced consciously or unconsciously by societal norms, values, traditions and morality. The social interaction process is an evolving process, fluid and constantly changing, where relationships are relative rather than fixed. It creates opportunities for those with the ability to form and exploit relationships (Morgan and Smircich, 1980). In such processes, the discourse of emotions, and the management of emotions are vital elements.

In line with a social constructionist approach, we also follow a performative view on emotions (cf. Latour on power, 1998). A performative approach suggests that emotion is not something a person has, but is rather the result of other people's interpretations and is an effect rather than a means. Accordingly, a person who screams is regarded as being angry when people in the environment have interpreted the scream as anger. Emotion becomes the consequence of the energy that is put into it.

2.3 *Display of emotions and emotional dissonance*

In her classical study of flight attendants, Hochschild (1983) offers a set of epithets, such as feeling rules, display rules, surface acting, and deep acting. These are part of emotion work, *i.e.*, the display and managing of emotions as an adaptation to social and cultural norms, and emotion labour, *i.e.*, emotions displayed or managed in order to comply with professional rules. To display organisationally 'correct' emotions is considered as part of occupational appropriateness (Morris and Feldman, 1996a), and thus also of managerial duties. The display of emotion is understood as observable changes in face, voice, body and activity level that are accompanied by emotional states (Lewis, 1998). Emotional states are a combination of maturation, socialisation and cognition that also involve neuro-physiological and hormonal responses as well as facial, bodily and vocal changes. A person's emotional display is a function of several components, such as values, culture, age, and societal norms. Displayed emotions may reflect emotional experience defined as "the interpretation and evaluation by individuals of their perceived emotional state and expression" (Lewis, 1993, p.226), but do not necessarily do so.

Humphrey (2002) suggests that the display of emotions has a greater effect on employees' performance than verbal messages. Employees will take the leaders' emotional displays as "key indicators of leaders' intentions and sincerity" (Humphrey, 2002, p.500), implying that the display of emotions can make managers more effective (Ekman, 2003). A range of advice has accordingly been offered on how to manage emotions, mainly within the service sector (*e.g.*, Hochschild, 1983; Gordon, 1990;

Fineman, 1993; Rafaeli and Sutton, 1987; 1989; Sutton and Rafaeli, 1988). Individuals do not necessarily display emotions that are consistent with their authentic feelings (Ekman and Oster, 1979; Hochschild, 1983) since emotions can be masked, hidden, controlled or displayed without being experienced. To display emotions that are not in accordance with one's genuinely experienced emotions over a longer period of time may lead to emotional dissonance (Middleton, 1989) resulting in stress, emotional exhaustion and less job satisfaction (Abraham, 1998; 1999; Grandey, 2003; Grandey *et al.*, 2005a; 2005b). Morris and Feldman (1996a) argue that emotional dissonance is not a consequence, but a dimension, of emotional labour in its own right. The mismatch between the experienced and displayed emotions that are required by organisational norms also makes heavy demands on professionals in the way of control, skills and attentive actions. It is a mismatch that not necessarily leads to emotional exhaustion (Wharton, 1993) or emotional stamina as suggested by Hochschild (1983). Rather, when role expectations and role demands are internalised to a higher degree, it follows that job satisfaction and well-being are higher as well (Morris and Feldman, 1996b; 1997). Thus, it is not the required displayed emotion in the organisation that leads to psychological ill-being, but rather the fact that the person is displaying a dishonest emotion. Grandey *et al.* (2004) argue in a similar way when they conclude from a survey among call centre employees that those with a low level of stress tolerance tend to engage in surface acting, *i.e.*, faking their emotional displays. Those with a high level of stress tolerance tend to take an active part in deep acting, *i.e.*, they cognitively adapt and experience their emotions. The opposite of dissonance is emotional authenticity, referring to "the congruence of inner, subjective experience of emotion and outer behavioural displays and expressed emotion" (Waddington, 2005, p.37).

2.4 Emotional energy

The prevailing opinion tends to be that emotions are short-term in character, following Parkinson's (1995) common sense definition of emotions as evaluative, affective, intentional and short-term. However, emotions may also linger over time, constituting the 'glue' and 'flow' of human interaction on the micro-level. Seen in this way, emotions appear as mainly undramatic and long-lasting. In the long run, they create emotional energy that can be characterised along a continuum from high to low in all social face-to-face encounters with a shared focus (Collins, 1990; 2004). High emotional energy typically involves so-called positive emotions, such as enthusiasm, solidarity, confidence and commitment. Low emotional energy typically involves so-called negative emotions, such as alienation, strain, stress and depression. High as well as low degrees of emotional energy are contagious within a group, *i.e.*, people become increasingly more aware of emotional undertones, facial, bodily and vocal gestures and rhythms, thus getting more caught up in the main group feeling (Hatfield *et al.*, 1992; Bartel and Saavedra, 2000; Barsade, 2002; Collins, 2004). Emotional contagion is a strong force within individuals in a group, where the display of emotions can lead to constructive or destructive end results (Mann *et al.*, 2000).

Shared emotional energy leads to power rituals, whereby some people are order-givers and others are order-takers (Collins, 1990; 2004). Power, in Collin's view, stands for people being more resourceful (order-givers) or less resourceful (order-takers). Order-givers are those at the centre of things; those who are in charge and take the

initiative; those who appear successful in their argumentation – in short, those who are filled with high emotional energy. Order-takers, on the other hand, often feel weak and less energised.

In situations lacking any obvious order-giver or order-taker form, emotional energy can be connected with status rituals (Collins, 1990; 2004), involving the notion of belonging or not belonging, *i.e.*, of inclusion or exclusion. An individual may be at the ‘epicentre’ of the interaction and driven by high emotional energy, while another may be peripheral to the interaction remaining a member of the group but lacking emotional energy.

2.5 Classification of emotions

In this study, we particularly look at the communication of displayed and experienced emotions in dialogues and other micro-processes. In order to identify regularities in this flow of emotions, it is helpful to classify them as part of the methodological development for an emotion account. The emotions sought for here need to be merged according to similar emotion words, or categories. The choice of a suitable classification scheme is not obvious since none of the more evident ones are inclusive, thus suffering from the shortcomings connected with incompleteness (see *e.g.*, Parkinson, 1995; Ortony and Turner, 1990; Russell, 1980; Plutchik, 1984). Nor can we be satisfied with classifications geared to the basic emotions (see Ekman, 1992; Frijda, 1986; Izard, 1977) since they do not fit the context of strategising. For the purpose of the present study, the emotion classification made by Shaver *et al.* (1987) has been chosen as a point of departure. Shaver *et al.* (1987) begin by presenting an extensive list of emotion words that resulted in 213 emotion types. Statistical revision and cluster analysis yielded six clusters (including the basic emotions suggested by Ekman *et al.*) with the following labels, and a total of 135 emotion words: love words, joy words, surprise words, anger words, sadness words and fear words. Together with the semantic atlas of ‘emotion concepts’ presented by Averill (1975) these provide a solid basis for the classification of displayed and experienced emotions.

2.6 Confidence and frustration

Confidence is an emotion that is not included in any of the basic emotion groupings but is listed by Averill (1975). In the literature, confidence is variously regarded as being functional in reducing complexity and uncertainty within an economy (Pixley, 2002), as a sign of (a high) social position (Brookhiser, 2003), and as a caring management style (Poder, 2004). Confidence represents an emotion of assured expectation, and can thus be classified as a future-oriented emotion that introduces a sense of certainty and, thereby, “the emotional basis of social action and agency” (Barbalet, 1996, p.91). In the present article, confidence means that the strategist is sure that everything is or will be fine, and that the situation is or will be under control, and therefore does not worry about it or give it much thought, but simply looks forward to events as they unfold.

Frustration stems from the basic emotion of anger (Ekman, 1992) and is included in the classification system in Shaver *et al.* (1987). Anger has been widely investigated in psychology (Averill, 1983; Tavris, 1989; Lazarus, 1991; Braithwaite, 2001; Poder, 2004; Booth and Mann, 2005), whereas the few articles that do exist on frustration tend to regard this as a dysfunctional emotion, often leading to stress (Fineman, 2003;

Hutri and Lindeman, 2002; Levinson, 1996); or as having a bad influence on performance (McCull-Kennedy and Anderson, 2002); or as an important factor when it comes to managing employees (Humphrey, 2002); and as being related to counter-productive behavioural responses (Fox and Spector, 1999). Frustration thus includes an object-defined wish that is not fulfilled. Here, frustration is defined as a feeling that something is hindering the strategist and disturbing his or her plans. Strategists thus recognise a need to get rid of such an obstacle as soon as possible in order to achieve their purpose.

3 Methodology

The methodology adopted in this paper stems from the tradition of theory-building case research (Eisenhardt, 1989a). The eight-step roadmap proposed by Eisenhardt (1989a) has helped us to structure the design of the study and the research process. Starting with a focused research question, we selected two cases for in-depth case analyses. Two cases perhaps provide a rather narrow base for a cross-case analysis, but this possible drawback is balanced by the embedded design of the two cases (Yin, 1994), whereby we study multiple strategic issues in each case. The cases were selected from among a specified population of privately held, manufacturing SMEs. The size of the SMEs is motivated by our interest in studying CEOs who are heavily involved in actual strategy processes. Two cases were selected that differed regarding industry, governance and the type of change involved, providing a broader base for the analytical generalisation of our findings.

The next step in our study, designated by Eisenhardt (1989a, p.533) as 'Crafting Instruments and Protocols' involved methods of multiple data collection that combined interviews, observations, and the co-production of data from the diaries written by the two CEOs. Initially, various interviews and personal conversations were held with the two CEOs in order to establish trust. Gradually, once the conversations with the CEOs became increasingly intimate, they found the move towards including emotions in the dialogues quite natural. Every now and then during the period, the researcher concerned would spend two or three days with the company (including a couple of time-outs from the field), arriving without any notice apart from making sure that the CEOs were 'at home'. Dialogues were held with members of the management team and the board. During the meetings, the researcher observed the communication that took place, noting such things as intonations, body language and so on. Immediately after such meetings, conversations were held with the CEOs and other participants to reflect upon the meeting and to establish the emotions that were displayed and experienced there and in connection with what issues. The two CEOs also gave voice to their emotions in diaries that were systematically kept: one CEO kept his on a more or less daily basis for about two months, while the other CEO wrote once a month throughout the period of the study. The diaries followed our instructions to focus on the writers' reflections on what was happening in the change process. Each diary entry ran to 1–4 printed pages. In both cases, the field study lasted for a period of 20 months.

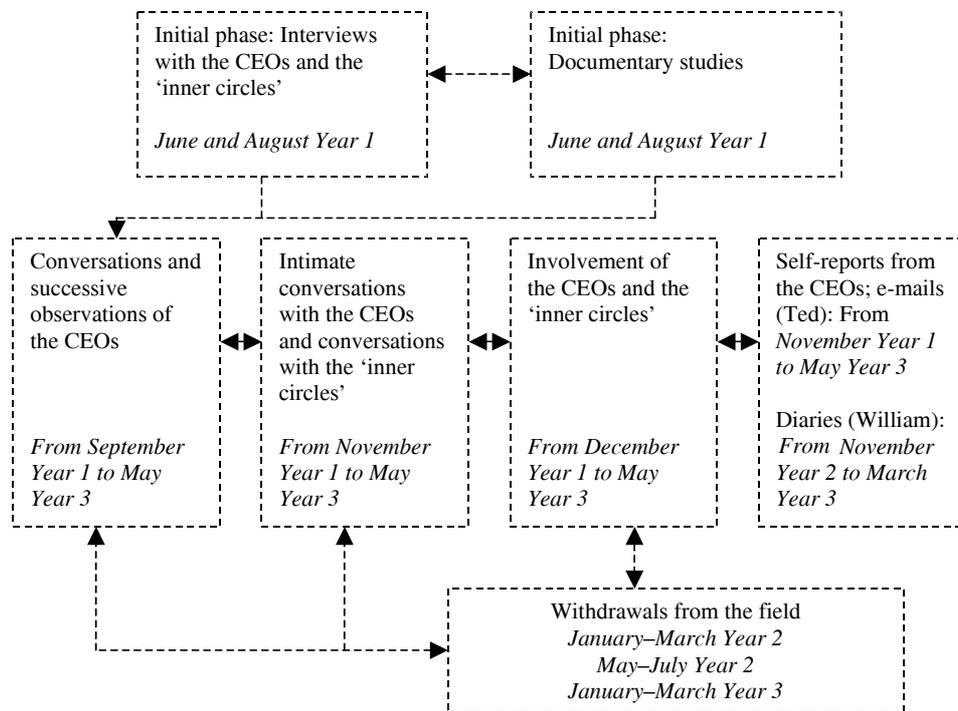
The research process was characterised by a considerable amount of iteration implying a good deal of overlap between the fieldwork and the analysis, starting with the interpretations of collected data and subsequent field notes. Two strategists – one CEO in a traditional manufacturing company and one in a high-tech company, both of whom were leading actors in strategy processes – were the key informants. In addition, the inner

circles around the CEOs, *i.e.*, members of the management teams and/or board members, added their own interpretations of the emotions. If we are to view emotions as socially constructed and as prominent in interpersonal interaction, we need to establish their relevance in micro-processes (Balogun *et al.*, 2003). It was vital to observe these activities in different strategic arenas (Ericson *et al.*, 2001), since it can be reasonably assumed that strategy formation occurs in other arenas outside the scheduled board and management meetings. Our interest thus spanned a broader theatre and it was recognised that strategising also takes place in the ‘small talk’ context (Sandberg, 1999). We took part in the continual course of strategic dialogue at events such as business lunches or dinners, informal breaks, shared journeys or social events. Finally, emotions were interpreted in the course of the change processes during more than 70 conversations with the CEOs and others in their immediate surroundings and from observing real-time methodologies in various arenas, all of which require that:

- the researcher be on site
- the researcher collects material as it appears
- the strategist reports on and in connection with events as they occur (cf. Brundin, 2006).

In Figure 1, we have summarised the fieldwork and the collection of data.

Figure 1 A summary of the study process and its content



All conversations and meetings were taped, transcribed, listened to and subjected to manual content analysis. In order to preserve confidentiality, the two case companies have been renamed Woodmill and Techman, and their CEOs William and Ted.

When it comes to analysis and conceptualisation, we have combined within-case analysis with cross-case analysis (Eisenhardt, 1989a). First, each case story was summarised. A detailed analysis of the emotions displayed by each CEO was then made. After sorting the identified emotions into existing classifications, we developed our own categorisation. Both cases provided especially interesting findings regarding the roles of confidence and frustration in the ongoing strategising processes, thus motivating our focus on these two emotions in the comparative analysis of the two cases. Finally, we turned to the literature on leadership and strategy as well as on emotions in organisations in order to compare our constructs with the existing theory on emotions and strategic change.

Two investigators have been involved in this research process (the authors of this paper), such that one has conducted all the fieldwork as well as the iterative process of data collection and within-case analyses. Then, in the final stages of analysis, after the fieldwork had reached a saturation point, the second investigator became active in the cross-case analysis and comparison with literature.

To a great extent, the research process followed the eight steps proposed by Eisenhardt (1989a), but with one major difference: Eisenhardt's (1989a, p.546) process for theory building from cases adopts a positivist view, while our study follows an interpretive approach in line with the view that emotions are socially constructed. In our study, the point of departure is the conviction that meaning is created from ongoing processes (cf. Burrell and Morgan, 1979). We have remained aware of the challenge to translate the interpretations into practice, whereby the trust created and the high level of intimacy between the strategists, their inner circles and the researcher, vouch for analytic sensitivity (Fineman, 2005).

4 Findings from two case studies

4.1 Field cases: Woodmill and Techman

The first case report concerns the in-depth case study of Woodmill and its CEO, William. Woodmill is a manufacturing company that has decided to introduce a totally new product into its ordinary range of products and to make an aggressive effort in a segmented niche. The key ratios for Woodmill show that on the whole, the company has a negative trend. The capital revenue rate is very low. Usually such figures are found in capital-intensive industries, such as the forest and steel industries, where the manufacturing processes are long and where there is a need for heavy, expensive equipment and many and large stocks-in-hand of various kinds. The low capital revenue rate has to be compensated by a much higher gross margin of at least 8%–10%. Woodmill's solidity figures have remained high, partly because of a yearly intra-group transfer, but are nevertheless declining. At the beginning of the study Woodmill had around 45 employees, at the beginning of the study Woodmill had around 45 employees, a figure that was reduced by about ten during the three years of the study.

Table 1 Key ratios for Woodmill

	<i>Year -3</i>	<i>Year -2</i>	<i>Year -1</i>	<i>Year 1 Study Year 1</i>	<i>Year 2 Study Year 2</i>	<i>Average</i>
Solidity ¹	55.2%	54.0%	43.6%	42.0%	38.0%	46.6%
Return on employed capital ²	11.2%	Negative	Negative	Negative	Negative	..
Gross margin ³	6.4%	Negative	Negative	Negative	Negative	..
Capital revenue rate ⁴	1.4	1.1	1.6	1.2	1.4	1.3

Notes: ¹Percentage of capital including minority share of total capital employed
²Percentage of gross profit after net interest income/expense plus financial costs of average operational capital employed
³Percentage of gross profit after depreciations of total revenue
⁴Total revenue by totally capital employed

The second case report concerns the in-depth case study of Techman and its CEO, Ted. Techman is a high-tech company, which is about to develop a third generation of quality assurance equipment. The key ratios of Techman show that the company has enjoyed a rapid, steady – albeit sometimes – interrupted, upward trend. Solidity has been high over the past five years. This has been the case even though Techman has increased the number of its employees and has made strategic investments in new advanced machinery, as well as in new production lines and new markets. The low and sometimes negative figures regarding return on employed capital and the gross margin are explained by these investments. The capital turnover rate is at the same time very good, given these circumstances. During the initial phase of the study, Techman has around 45 employees, a figure that rose to more than 100 in Year 3.

Table 2 Key ratios for Techman

	<i>Year -3</i>	<i>Year -2</i>	<i>Year -1</i>	<i>Year 1 Study Year 1</i>	<i>Year 2 Study Year 2</i>	<i>Average</i>
Solidity	24.3%	15.0%	25.0%	27.3%	58.6%	30.0%
Return on employed capital	26.9%	0.02%	41.0%	Negative	57.5%	..
Gross margin	12.2%	Negative	17.0%	Negative	28.6%	..
Capital revenue rate	4.2	2.22	2.9	1.8	2.4	2.7

4.2 *A first-level interpretation of emotions in the strategising of the two CEOs*

Concentrating on the two CEOs, the study of the first case revealed 68 different emotions occurring a total of 174 times. The second case yielded 40 different emotions occurring 179 times (see Appendices A and B). In order to understand how emotions relate to strategising, the process itself was divided into strategic issues, such as: the change process as such (*i.e.*, a totally new product and a new generation of quality assurance equipment); the board; the management team, sales, market, financial issues, production, employees, organisation, company spirit and private life. These issues reflect what the

strategists were dealing with on an almost daily basis, and they represent typical situations and/or strategic affairs that concern most strategists in their day-to-day-work. The emotion words were then classified in a two-step process. First, the emotion words were labelled according to the parties involved, including the researcher. The total of 379 emotion words appeared with varying frequency and intensity. This called for further abstraction to allow for an analysis of the occurrence of certain emotions in relation to specific strategic issues. Using the original six basic emotion categories in Shaver *et al.*'s (1987), 'anger words' and 'sadness words' were divided into a milder and a stronger version (Frustration versus Anger and Concern versus Strain). The category 'surprise words' was exchanged for Bewilderment, and the labelling of 'love words' was excluded since no references were made to 'feeling love' or 'attraction'. Joy words were categorised under Satisfaction, and Fear words mainly under Strain. There were also some situations where the strategists expressed or showed emotions that were prominent but have yet not been categorised by Shaver *et al.* (1987) For this reason, the three new categories of Abandonment, Confidence and Resignation have been added. This yielded a final classification consisting of nine groups of emotions: Abandonment, Anger, Bewilderment, Concern, Confidence, Frustration, Resignation, Satisfaction and Strain. With this classification it was possible to start building a theory about the impact of emotions on strategising.

Consideration of the course of events in the two companies clearly reveals interplay between emotions experienced and emotions displayed during strategising. An interpretation of the tables in Appendices A and B suggests the growing distress of Woodmill with emotions such as concern, frustration, resignation, strain and abandonment and not much satisfaction. At Techman, a more varied pattern can be sensed with a mix of emotions: a lot of satisfaction, concern, frustration and confidence, and less resignation and strain. There may be manifold explanations for this. The two CEOs have different personalities; the two companies are operating in different contexts, with different organisational cultures, and experiencing different financial developments. However, we sought a supplementary explanation elsewhere, namely in the communication and interpretation of emotions. We turned to our performative view on emotions and to our conversations with the CEO's inner circles and other employees, all the time viewing emotion as dependent on other people's interpretation of the emotion displayed. In the present paper, we focus on two emotions, Confidence and Frustration, and on how they were displayed by the dominant strategist and interpreted by others.

4.3 Findings at Woodmill: how emotion counteracts strategising

In the case of Woodmill, our analysis reveals discrepancy regarding William's experienced and displayed emotions and shows how emotions are interpreted by people in his inner circle. Let us exemplify this with a couple of illustrations.

At an information meeting for production personnel, William presents the figures for the first three months. At this point, William conveys to the researcher his irritation, frustration and worry regarding the result for the third quarter of the year. However, at the meeting, he displays confidence, reassuring the employees that the company's liquidity is OK, that the parent company has been supporting them financially so far and that the board firmly believes in the new strategy. Those present confirm that William, as they interpret it, was displaying confidence.

Later, William experiences worry and frustration about the attitude of the employees. Many of them have been at Woodmill all their working lives, and William sees this as putting a damper on the strategy process.

“Then there is another thing that is important which I am looking into right now. I have a feeling that there is something wrong in the organisation, either that something is missing or there is discontentment in the organisation – I have a feeling that people in the organisation do not work well together, I cannot give you an explanation of what is wrong. But I have that feeling ...the organisation does not work smoothly, people watch each other ... Sometimes it is all so frustrating ... Probably there are some people who do not fit in. This way we do not get the creative and dynamic organisation we so badly need.”

These are thoughts that are not communicated to the employees. At the staff meeting, representatives of his personnel hear the following: “We have good workers, when it comes to production personnel, you work fine and we have good products and so on. There are many positive things, and the owner believes in us”.

This is interpreted by the employees as confidence.

In these two examples that are but a few examples, William displays an emotion to his employees that is interpreted as confidence. However, in private he says that he experiences worry and frustration. The reason for displaying confidence is, he explains, that he does not want his people to worry. They need to believe in the product they are developing. As events move on, we come to see later that this is not the case. Rather, the employees become worried when they read the financial reports. The result of William’s contradictory ‘emotion behaviour’ seems to be that his employees get confused and do not really know where the company stands. William on his part starts to distrust the board, and is even unclear himself about where he stands. This has implications for strategising in the company. Since William does not display his worry and frustration openly, but communicates confidence instead, the employees cannot interpret his message: rather they interpret what they hear and see in William’s body language and his lame efforts to be persuasive. In his body language and intonation, William does not display emotional peaks, either to encourage the employees or to emphasise the seriousness of the situation. His audience becomes bewildered, not knowing how to act or what to prioritise. On many occasions they lack assurance and make their own decisions about what to do – and this is often counteractive to the strategic intents or they decide to do nothing. Our interpretation of the empirical findings at Woodmill leads us to suggest that confidence plays a major part in the strategising of this company. We suggest that the interpretation of William’s displayed emotion of confidence does not have the effect he hoped for. The displayed emotion of confidence can have a contradictory effect in strategising.

A question we need to raise at this stage is whether a displayed emotion that is not felt counteracts change activities. If we turn to an illustration in which William actually displays and experiences the same emotion at a board meeting, the answer is not a straightforward ‘yes’. William expresses his strain in the following words:

“It has been, and still is, a *tremendously burdensome year* for Woodmill. Orders on toys from April are still not ready; we are still working on them. Unfortunately this is, this is – I would like to be able to put it into words – that what has happened during the last year – but it is impossible. I cannot convey to you the reasons that have put us in this situation. ... OK, let me tell you – as part of the explanation – that Woodmill and its organisation has had a *tremendously burdensome and laborious year* because of the toys. Everyone has been up to their ears in work in order to meet the demands of Pinewood ...”

Here, his emotional state and displayed emotions are obviously the same, *i.e.*, worry and strain. The interpreted effect they have on the board, however, is not that this drives change. William offers the following reflection after the board meeting:

“Yes, I am tired. There are a number of issues that might make the board lose their trust in me. I know that is the case. Or rather, it is important for me to be clear-sighted enough to realise that what has happened so far is actually enough for the board to come and say; no, now we do not believe in you any more, now we will replace you...”

In his interpretation after the meeting, one of the board members comments as follows:

“Yes, in that sense [the delay of the system of calculation] I am disappointed with William. He has been forced to take on many roles, but it does not make sense, I do not understand why it is not ready. He has always been punctual. It should have been ready, even if it had been made manually.”

William is a strategic leader who seems to be ‘caught’ between his own inner emotions and those that he displays to his staff and the board members.

At the beginning of the process, William conveys feelings of confidence in the board, in Woodmill’s new strategic direction and in its employees – even if he foresees hard work. However, as his confidence gradually changes into worry about the quarterly result, he does not display this worry, but reassures everyone instead that the financial strength of the company is guaranteed by the holding company. At a later stage, as he becomes frustrated about the attitudes of some of his staff and is confused about the organisational set-up, he again chooses, to display his confidence in his people, and again, emphasises the owner’s belief in the company. In line with his own loyalties, which appear to lie with the board, he does not display his emotional state of frustration, doubt and worry in front of his employees. Here, instead, he displays confidence, stressing his own arguments by referring to the board. Even towards the end of the process, when William can sense some doubt on the part of the board, he chooses not to display this doubt to the employees. The message he communicates to his employees is not in line with what he actually feels. In this case, confidence seems to work as a rhetorical device, or as a kind of lifebelt in a difficult situation. Whether it is a rhetorical tool for infusing confidence in the employees or in William himself, remains unclear.

In his closing comments, William gives voice to a mix of emotions in his diary notes:

“...the meeting on Wednesday will not take place this time, either. And it worries me... With the present problems, at Woodmill as well as at Pinewood, it is somewhat troublesome. Right now I feel a bit – I don’t know how to put it – vulnerable, or lonely – or whatever. The position per se is lonely, but now I feel that it’s all in the air. I don’t know where we stand. For instance, I tried to get hold of the chairman of the board today, and he was busy. He promised to call me back within a few minutes, and he hasn’t called yet, and now it’s ten past six. It doesn’t make me feel good, you see ... so right now, without being negative, and without having lost the spirit in any way, I feel that I’m not up to this right now.”

We interpret this as loneliness, disappointment and even abandonment, which lead us to claim that William’s emotional energy ends up on a low level. William seems less resourceful and more peripheral to the interaction, leading to a low level of commitment and a sense of being out of control.

4.4 *Findings at Techman: how emotion drives strategising*

In the case of Ted at Techman, our analysis suggests certain conformity between Ted's emotional experiences and his emotional displays.

On his usual morning round, Ted realises that the forecast is not going to be fulfilled, and that products will be delayed for a further three months, which means over a year altogether compared with the original plan. Ted communicates clearly to everyone that they have to speed things up and that the most important priority is to meet the delivery dates in order to increase sales – all of which his employees interpret as frustration. Ted's frustration about the speed of introducing the new products is confirmed in his diary notes in the following comment: "Our biggest problems are in development. The number of new products is far lower than we had planned ... We must solve the slow development problem in the coming year. There is no leadership. We must increase production".

Immediately before a meeting of the management team some months later, where the forecast for the coming year was to be discussed, Ted puts it as follows: "[My role today is] to get things moving. Development is too slow. The actual forecasting process is of minor importance. The important thing is to get the right products out at the right time. Costs are not that important".

During the meeting he says:

"I mean, if we are to be dynamic about this, we need not have bothered about asking the agents, and just made everything up ourselves. ... I can't believe this. No, I don't think this is good. It's far from good. It's just a summary of what a bunch of agents have told you without your own standpoint coming into it."

That frustration is the emotion Ted is experiencing is confirmed in a conversation directly after the meeting:

"It was a waste of time, because there were none of the dynamics there should have been. It has not given us any direction for the future. The discussion put no emphasis on the products we should develop and prioritise. ... They are all technocrats. They make calculations and file up. So it was an utter fiasco. As I see it, anyone can make a forecast like this. The risk is that there is little dynamic behind it."

That Ted's experienced and displayed emotion of frustration was interpreted as being just that is confirmed by a comment made by the Logistics and Marketing director after the meeting:

"I can understand Ted's frustration, because he'd expected a particularly good result, and now he has got it into his head that this forecast should be spectacularly dynamic, putting pressure on the R&D department. That's what was on his mind, and what was most important to him. So of course he got irritated. What he had decided in his own mind did not happen."

Later on, in a diary note, Ted expresses his satisfaction with sales:

"The year ended very well. We achieved a turnover of 158 Million SEK despite our software problems. The order intake is rising, which means that we book deliveries for five months ahead which is too far off to be satisfactory ... Our success in China is particularly satisfactory."

Ted's satisfaction also comes over during the following staff meeting when he displays feelings of joy and pride in his staff and expresses his own great personal pleasure.

Ted displays a lot of frustration, impatience and irritation along the way. In our illustration, Ted refers constantly to hindrances that will have to be overcome if the company is to finalise the development of the new product, to deliver in time, to keep ahead of its competitors and to make aggressive marketing and sales efforts (the dynamics of the forecast). His frustration and irritation prompt everyone to speed up the developmental work. He pushes and pushes, and everyone can recognise his impatience. Ted does not seem afraid of displaying his frustration or showing the emotional peaks that belong to the every day life of running Techman. Ted clearly demonstrates his own – and the company's – goals. Furthermore, Ted seems to put his experienced emotions on display; what we hear in public, we also hear in our private conversations with him, and read in his diary notes. The result of Ted's open way of displaying his experienced emotions has implications for the change activities of the company. For example, his employees can easily interpret his emotion of frustration and can understand what it is that he prioritises. This means that the people around him can make their own decisions about what to do, which facilitates their planning of short-term activities in order to counteract his frustration. The message is clear and the decision to act in a certain way is easy and obvious. The displayed emotion of frustration works in a positive way in strategising.

In our last conversation with him, and in his last diary notes, Ted expresses satisfaction, self-fulfilment, pride, joy and expectations but also disappointment, worry, concern and impatience. Looking at the process as a whole, it is evident that Ted's emotional energy is at a high level throughout the strategic change process. He appears as a strategist who is driven and energised by being at the epicentre of events, by being in control and acting resourcefully.

5 Discussion

On the basis of our iterative interpretations of emotions in this study, we argue that the display of emotions plays a vital role in strategising. The emotion processes at Woodmill and Techman differ not only in an idiosyncratic way connected with the nature of the two cases but also in a more generisable way (Yin, 1994; Eisenhardt, 1989a; 1989b). This has been illustrated here by the display of confidence and frustration, and the way the actors immediately surrounding the focal figure have interpreted these. A persistent discrepancy between displayed and experienced emotions on the part of the dominant strategist leaves those close to the strategist bewildered and confused, whereas a persistent congruency makes it easy for people to interpret and act on the emotions involved. At the beginning of this article we referred to Humphrey (2002) and Ekman (2003) both of whom suggest that the display of emotions by managers has a major impact on followers, and makes the managers themselves more effective. When there is concordance between the emotions displayed and those experienced we fully agree with this claim, but when there is no such concordance as in our case, the strategist is less effective. At Woodmill, this kind of discrepancy generates a low level of emotional energy in the strategist, William, thus triggering a circular process that seems to strengthen once it has started, leading ultimately to emotions of abandonment, distress and strain. A strategist with a low level

of emotional energy seems unable to present messages of strategic importance and becomes alienated from the centre of events. Along the way such a strategist becomes increasingly isolated, and suffers a loss of legitimacy and control over the strategic issue at hand and, in the long run, over the strategising itself. Furthermore, in the group setting, William appears lacking in resourcefulness. Neither the board members nor the organisational members act upon his intentions, or think it worthwhile to do so. William's low level of emotional energy obviously has a contagious effect on the organisational members when they interpret these displays. They get 'caught' in the low level of energy and the strategising activities suffer. William is not empowered, and ultimately seems to be peripheral to the organisation – and in the end, even to the board. This leads us to the following conclusion regarding the role of emotions in strategising:

“A persistent discrepancy between displayed emotions and emotional experiences creates a low level of emotional energy in the strategist, and in those around him or her, thus making a contradictory impact on the strategic intent of the strategizing. Emotional dissonance thus counteracts strategizing.”

At Techman, an emotion process differing from that at Woodmill can be observed here. The emotion dynamics that are generated as part of the strategising process seem to give Ted considerable satisfaction. Further, Ted's displayed emotions instil energy both in and among the organisational members, despite the fact that frustration is a very commonly displayed emotion. This in turn empowers Ted as a strategic leader, since in a group setting he is regarded as being resourceful. As a result of the display and expression of his emotions, Ted is seen by those around him as offering a vision of a successful company, which in turn gives him high power status. His displayed and interpreted emotions combine to produce the driving force behind the strategic intent. When an emotional display closely reflects emotional experience, a high level of emotional energy is generated: the strategist is energised by satisfaction, self-fulfilment, pride and joy, all of which in the long run facilitate strategising. Alongside low emotional energy, a high level of emotional energy also has a contagious effect on the members of the organisation and the management team members as they interpret the meaning of the displayed emotions. They, too, become energised and the strategising benefits. This leads us to the following conclusion about the role of emotions in strategising:

“Persistent conformity between emotions displayed and experienced generates a high level of emotional energy in the strategist and those around him or her, thus contributing positively to the successful realisation of the strategic intent. Authenticity of emotion thus drives strategizing.”

According to Collins (1990; 2004), a high level of emotional energy is generated by what are dubbed 'positive' emotions, such as satisfaction and solidarity. We argue, on the contrary, that all emotions, including frustration, disappointment, worry, concern and impatience, may constitute or generate a high level of emotional energy. The crucial point is whether conformity between emotional experiences and emotional displays actually exists. Emotions signal commitment when they are authentic.

Our interpretation of the two field cases leads us to the overall conclusion that emotions can work either as driving or as counteracting forces in strategising, depending on how the emotions are displayed and interpreted over time. This is summarised in Table 3 below, where the arrows suggest the direction of effect. However, since we adopt a performative view on emotions and focus on the way emotions are interpreted, it

should be noted that when we refer to emotion as having an effect in one direction or the other, this does not mean that the emotion *per se* is the effect, but rather that the emotion is being interpreted and translated in a certain way and therefore has a certain effect.

Table 3 The role of emotions in strategising and their implications

<i>Emotion process</i>	<i>Process within strategising</i>	<i>Suggested effect on strategising</i>
Emotion as driving forces	⇒ High emotional energy	⇒ Progress
Emotion as counteracting forces	⇒ Low emotional energy	⇒ Restraint

Those surrounding the dominant strategist interpret the emotions that this dominant person displays. Displayed emotions become either driving or counteracting forces. They are also acted upon. Depending on whether the emotions generate a high or a low level of emotional energy, they either help to empower the intended strategising or they have the opposite effect. Looked at in this light, emotions can be said to have an impact on strategising since they help to create energy and meaning and thus have a facilitating or inhibiting effect. Emotions as driving and/or counteracting forces co-produce a high or low level of emotional energy within the process. A high level of collective emotional energy endows the strategic leadership with power, whereas a low level undermines the strategic leadership. The former provides support for the intended strategising while the latter represents a restraint. The conclusion is that strategising is promoted or restricted by emotions, depending on how these are displayed and interpreted in the course of the strategising.

At the organisational level, our results have several implications. First, it is obvious that dominant strategists, generally managers at executive levels, affect strategising. Emotional dissonance and the authenticity of emotions are matters of decisive importance in this process. It is therefore important that executives are aware of their emotional displays, recognising that surface acting could jeopardise their strategising. Secondly, we are inclined to agree with Morris and Feldman (1996a; 1996b) that emotional dissonance is a dimension of emotional labour arising not from organisational demands. Emotional authenticity lies in the strategist’s choice to be committed to strategising. If executives are not convinced about the company’s goal or its way of achieving the goal, this could lead to surface acting as could also low tolerance of stress (cf. Grandey *et al.*, 2004). In the end, this situation would have implications for the whole organisation. Thirdly, strategising is not only a ‘one-man-show’; it is a group effort. The experience and display of emotions affect the group as a whole, generating a low or high level of emotional energy. Thus, it is crucial to be aware of the dissonance and of the authenticity of the emotions involved. Fourthly, by engaging in surface acting or in faking emotions, individual strategists may become victims of their own acting, leading to dysfunctional emotions with implications at a personal level.

On an organisational level, there are other implications as well. Drawing from the literature of organisational culture and discussions as to whether it is possible to shift culture from a top-down direction, this case supports those theories that see organisations as cultures in which it is more or less impossible for any single change agent to change the culture deliberately in a specific direction (Smircich, 1983). William acts as a cultural engineer, trying to change attitudes and values by displaying confidence. However, towards the end of the studied process, he starts making everything difficult for himself

by beginning to see problems instead of possibilities. Eventually, he even gets into a position where he finds it necessary to defend himself and his actions. He ends up embedded, and stuck, in the culture he is trying to change. This is a clear example of the doubtful ambition of trying to engineer emotions in order to change a culture. A comparison of William's more or less deliberate effort to influence through emotions with Ted's manner reveals the latter to be more natural and honest in its emotional openness. Ted's emotions are embedded in the type of organisational culture where it is a matter of managing one's own emotions as well as handling those of others (Poder, 2004). According to Poder (2004), the co-producing of group emotion is a basic necessity if people are to cooperate in times of change, and that the management style is a decisive element in this process. Poder focuses especially on trust, loyalty, and confidence as engendered group emotions, suggesting that a management style built on openness (cf. our authentic emotions) is decisive in creating confidence. Likewise, an open attitude and trustworthiness on the part of the manager open the way for trust, while loyalty builds on honesty and integrity. These concepts often appear in company visions or among core values and so on, but idle words that are not conformed to probably have the same result as a dishonest display, *i.e.*, surface acting and dissonance of emotions that are here likely to counteract change.

Drawing parallels between our two companies, Woodmill and Techman, necessarily raises some questions: Would it have been easier for William to express his frustration and worry, and would Woodmill then have made more progress in its strategic intentions? Is it possible, or worthwhile to express emotions for rhetorical ends? We hear quite often of cases where this has worked and terms such as 'charismatic leadership' (Ashkanasy and Tse, 2000; Bryman, 1992) are brandished around. However, the conclusion drawn from our empirical accounts is that the engineering of emotions is a highly doubtful endeavour and one that could counteract the purpose of the rhetoric itself.

6 Conclusions

In this article, we have presented some empirical evidence that micro-processes are important in order to come close to strategising and that emotions among the key actors play a crucial role in strategising. On the empirical side, we have extended the concept of emotional dissonance beyond the service sector. Further, from our findings we have demonstrated that displays of emotions may trigger contradictory effects on frustration and confidence. On the theoretical side, we have described how emotion drives or counteracts strategising. It is not so much a question of what emotion is being displayed or experienced, but rather of people's willingness and readiness to display their experienced emotions that determines the role and impact of emotions. Finally, according to our performative view of emotions in strategising, the consequences of the strategists' displayed emotions (verbally or non-verbally) are defined by those who interpret them.

The conceptualisation of emotions as driving and counteracting forces involves an analytical generalisation (Yin, 1994; Eisenhardt, 1989b) of the theoretically informed interpretations of the idiosyncratic observations from two in-depth field studies in line with the 'theory-building from case' approach (Eisenhardt, 1989a). Here we have linked the role of emotions in strategising to strategic outcome, and demonstrated that emotions act as a force in ongoing strategising activities and that they influence the degree to which strategic development makes progress or not. These findings represent a

contribution to the strategy field that would be useful for further studies, both as separate case studies to increase our understanding of displayed emotions in relation to emotional dissonance and authenticity, and in broader surveys to test related hypotheses.

The strategising activities reported in this study have consisted mainly of conversations between different strategic actors in different arenas. The strategic conversations are certainly important, but by emphasising this aspect we may have paid too little attention to the cognitive side of strategising and the role of emotions in the socio-cognitive processes that are important to the strategic outcome. Although emotional experiences have of course been part of this study, further studies should seek to capture this aspect more fully as well.

Finally, the observation that strategists may seek to engineer emotions in social interaction while the meaning of the communicated emotions is defined by others is a topic for further studies of the emotional side of strategising.

References

- Abraham, R. (1998) 'Emotional dissonance in organizations: a conceptualization of consequences, mediators and moderators', *Leadership and Organization Development Journal*, Vol. 19, No. 3, pp.137–147.
- Abraham, R. (1999) 'Emotional dissonance in organizations: conceptualizing the roles of self-esteem and job-induced tension', *Leadership and Organization Development Journal*, Vol. 20, No. 1, pp.18–25.
- Ashkanasy, N.M. and Tse, B. (2000) 'Transformational leadership as management of emotion: a conceptual review', in Ashkanasy, Härtel and Zerbe (Eds.) *Emotions in the Workplace*, Quorum Books, pp.221–235.
- Averill, J.R. (1975) 'A semantic atlas of emotional concepts', *JSAS Catalog of Selected Documents in Psychology*, University of Massachusetts, Amherst, USA, Vol. 5, No. 330, pp.1–64 (Ms No. 1103).
- Averill, J.R. (1980) 'A constructivist view of emotion', in R. Plutchik and H. Kellerman (Eds.) *Emotion*, New York: Academic Press.
- Averill, J.R. (1983) 'Studies on anger and aggression: implications for theories of emotion', *American Psychologist*, Vol. 38, pp.1145–1160.
- Averill, J.R. (1984) 'The acquisition of emotions during adulthood', in C. Zander Malatesta and C. Izard (Eds.) *Emotion in Adult Development*, Beverly Hills: Sage.
- Balogun, J., Huff, A.S. and Johnson, P. (2003) 'Three responses to the methodological challenges of studying strategizing', *Journal of Management Studies*, Vol. 40, No. 1, pp.197–221.
- Barbalet, J.M. (1996) 'Social emotions: confidence, trust and loyalty', *The International Journal of Sociology and Social Policy*, Vol. 16, Nos. 9–10, pp.75–96.
- Barsade, S.G. (2002) 'The ripple effect: emotional contagion and its influence on group behaviour', *Administrative Science Quarterly*, Vol. 47, pp.644–675.
- Bartel, C.A. and Saavedra, R. (2000) 'The collective construction of work group moods', *Administrative Science Quarterly*, Vol. 45, pp.197–231.
- Booth, J. and Mann, S. (2005) 'The experience of workplace anger', *Leadership and Organization Development Journal*, Vol. 26, Nos. 3–4, pp.250–262.
- Braithwaite, R. (2001) *Managing Aggression*, London and New York: Routledge.
- Brookhiser, R. (2003) 'The cutting edge', *National Review*, 7 April, Vol. 55, No. 6.
- Brundin, E. (2006) 'Catching it as it happens: using real-time methodologies in entrepreneurship', in H. Nergaard and J.P. Ulhoj (Eds.) *Handbook for Qualitative Methods in Entrepreneurship Research*, Camberley: Edward Elgar.

- Bryman, A. (1992) *Charisma and Leadership in Organisations*, London: Sage.
- Collins, R. (1990) 'Stratification, emotional energy and the transient emotions', in T.D. Kemper (Ed.) *Research Agendas in the Sociology of Emotions*, Albany: State University of New York Press.
- Collins, R. (2004) *Interaction Ritual Chains*, Princeton: Princeton University Press.
- Cornelius, R.R. (1996) *The Science of Emotion. Research and Tradition in the Psychology of Emotion*, New Jersey: Prentice-Hall, Inc.
- Dasborough, M.T. and Ashkanasy, N.M. (2002) 'Emotion and attribution of intentionality in leader-member relationships', *The Leadership Quarterly*, Vol. 13, pp.615–634.
- Denzin, N.K. (1984) *On Understanding Emotion*, San Francisco: Joey-Bass Inc.
- Denzin N.K. (1990) 'On understanding emotion: the interpretive-cultural agenda', in T. Kemper (Ed.) *Research Agendas in the Sociology of Emotions*, Albany: State University of New York Press.
- Eisenhardt, K. (1989a) 'Building theories from case study research', *Academy of Management Review*, Vol. 14, No. 4, pp.532–550.
- Eisenhardt, K. (1989b) 'Making fast strategic decisions in high-velocity environments', *Academy of Management Journal*, Vol. 32, No. 3, pp.543–576.
- Ekman, P. (1992) 'Are there basic emotions?', *Psychological Review*, Vol. 99, No. 3, pp.550–553.
- Ekman, P. (2003) *Emotions Revealed: Recognizing Faces and Feelings to Improve Communication and Emotional Life*, London: Weidenfeld & Nicolson.
- Ekman, P. and Oster, H. (1979) 'Facial expression of emotion', *Annual Review of Psychology*, No. 30, pp.527–554.
- Ericson, T., Melander, A. and Melin, L. (2001) 'The role of the strategist', in H. Volberda and T. Elfring (Eds.) *Rethinking Strategy*, Sage Publications.
- Fineman, S. (1993) *Emotion in Organizations*, London: Sage Publications.
- Fineman, S. (2000) 'Emotional arenas revisited', in S. Fineman (Ed.) *Emotion in Organizations*, 2nd ed., Sage Publications.
- Fineman, S. (2003) *Understanding Emotion at Work*, London: Sage.
- Fineman, S. (2005) 'Appreciating emotion at work: paradigm tensions', *International Journal of Work Organisation and Emotion*, Vol. 1, No. 1, pp.4–19.
- Fox, S. and Spector, P.E. (1999) 'A model of work frustration-aggression', *Journal of Organisational Behavior*, No. 20, pp.915–931.
- Frijda, N. (1986) *The Emotions*, Cambridge: Cambridge University Press.
- Gordon, S.L. (1990) 'Social structural effects on emotions', in T. Kemper (Ed.) *Research Agendas in the Sociology of Emotions*, Albany: State University of New York Press.
- Grandey, A. (2003) 'When "the show must go on": surface acting and deep acting as determinants of emotional exhaustion and peer-rated service delivery', *Academy of Management Journal*, Vol. 46, No. 1, pp.86–96.
- Grandey, A.A., Dickter, D.N. and Sin, H-P. (2004) 'The customer is not always right: customer aggression and emotion regulation of service employees', *Journal of Organizational Behavior*, May, Vol. 25, No. 3, pp.397–410.
- Grandey, A.A., Fisk, G.M., Mattila, A.S., Jansen, K.J. and Sideman, L.A. (2005a) 'Is "service with a smile" enough? Authenticity of positive displays during service encounters', *Organizational Behavior and Human Decision Processes*, Vol. 96, No. 1, pp.38–55.
- Grandey, A.A., Fisk, G.M. and Steiner, D.D. (2005b) 'Must "service with a smile" be stressful? The moderating role of personal control for American and French employees', *Journal of Applied Psychology*, Vol. 90, No. 5, pp.893–904.
- Hall, A. (2003) *Strategizing in the Context of Genuine Relations: An Interpretative Study of Strategy Formation in the Family Business*, Dissertation, Jönköping: Jönköping International Business School.

- Hatfield, E., Cacioppo, J. and Rapson, R.L. (1992) 'Primitive emotional contagion', in M.S. Clark, (Ed.) *Review of Personality and Social Psychology*, Vol. 14, Newbury Park, CA: Sage, pp.151–177.
- Hochschild, A.R. (1983) *The Managed Heart. Commercialization of Human Feeling*, University of California Press.
- Humphrey, R.H. (2002) 'The many faces of emotional leadership', *Leadership Quarterly*, Vol. 13, pp.493–504.
- Hutri, M. and Lindeman, M. (2002) 'The role of stress and negative emotions in an occupational crisis', *Journal of Career Development*, Vol. 29, No. 1, pp.19–36.
- Huy, Q.N. (1999) 'Emotional capability, emotional intelligence and radical change', *Academy of Management Review*, Vol. 24, No. 2, pp.325–345.
- Huy, Q.N. (2002) 'Emotional balancing of organisational continuity and radical change: the contribution of middle managers', *Administrative Science Quarterly*, Vol. 47, No. 1, pp.31–69.
- Izard, C.E. (1977) *Human Emotions*, New York: Plenum Press.
- Johnson, G., Melin, L. and Whittington, R. (2003) 'Micro strategy and strategizing: towards and activity-based view', *Journal of Management Studies*, Vol. 40, No. 1, pp.3–22.
- Latour, B. (1998) *Artefaktens Återkomst. Ett Möte Mellan Organisationsteori och Tingens Sociologi*, Stockholm: Nerenius och Santérus Förlag.
- Lazarus, R.S. (1991) *Emotion and Adaptation*, New York: Oxford University Press.
- Lazarus, R.S. (1999) *Stress and Emotion: A New Synthesis*, London: Free Association Books.
- Levinson, H. (1996) 'When executives burn out', *Harvard Business Review*, July–August.
- Lewis, M. (1993) 'The emergence of human emotions', in M. Lewis and J. Haviland (Eds.) *Handbook of Emotions*, New York: The Guilford Press.
- Lewis, M. (1998) 'The development and structure of emotions', in M.F. Mascolo and S. Griffin (Eds.) *What Develops in Emotional Development?*, New York, London: Plenum Press.
- Mann, S., Varey, R. and Button, W. (2000) 'An exploration of the emotional impact of tele-working via computer-mediated communication', *Journal of Managerial Psychology*, Vol. 15, No. 7, pp.668–680.
- McColl-Kennedy, J.R. and Anderson, R.D. (2002) 'Impact of leadership style and emotions on subordinate performance', *Leadership Quarterly*, Vol. 13, pp.545–559.
- Middleton, D.R. (1989) 'Emotional style: the cultural ordering of emotions', *Ethos*, Vol. 17, No. 2, pp.187–201.
- Morgan, G. and Smircich, L. (1980) 'The case for qualitative research', *Academy of Management, The Academy of Management Review*, Vol. 5, No. 4, pp.451–500.
- Morris, J.A. and Feldman, D.C. (1996a) 'The dimension, antecedents and consequences of emotional labor', *Academy of Management, The Academy of Management Review*, Vol. 21, No. 4, pp.986–1010.
- Morris, J.A. and Feldman, D.C. (1996b) 'The impact of emotional dissonance on psychological well-being: the importance of role internalisation as a mediating variable', *Management Research News*, Vol. 19, No. 8, pp.19–28.
- Morris, J.A. and Feldman, D.C. (1997) 'Managing emotions in the workplace', *Journal of Managerial Issues*, Vol. 9, No. 3, pp.257–274.
- Ortony, A. and Turner, T.J. (1990) 'What's basic about basic emotions?', *Psychological Review*, No. 97, pp.315–331.
- Parkinson, B. (1995) *Ideas and Realities of Emotion*, London: Routledge.
- Pixley, J. (2002) 'Finance organisations, decisions and emotions', *British Journal of Sociology*, Vol. 53, No. 1, pp.41–65.

- Plutchik, R. (1984) 'Emotions: a general psychoevolutionary theory', in K.R. Scherer and P. Ekman (Eds.) *Approaches to Emotion*, Hillsdale, NJ: Erlbaum, pp.197–219.
- Poder, P. (2004) *Feelings of Power and the Power of Feeling: Handling Emotion in Organisational Change*, Copenhagen University, Sociological Institute: Dissertation
- Rafaeli, A. and Sutton, R.I. (1987) 'Expression of emotion as part of the work role', *Academy of Management Review*, Vol. 12, No. 1, pp.23–37.
- Rafaeli, A. and Sutton, R.I. (1989) 'The expression of emotion in organisational life', in L.L. Cummings and B.M. Staw (Eds.) *Research in Organisational Behaviour*, JIA Press Inc., Vol. 11.
- Russell, J.A. (1980) 'A circumplex model of affect', *Journal of Personality and Social Psychology*, Vol. 6, No. 39, pp.1161–1178.
- Sandberg J. (1999) 'Konstruktioner av socialkonstruktionism', in S-E. Sjöstrand, J. Sandberg and M. Tyrstrup, *Osynlig Företagsledning*, Lund: Studentlitteratur.
- Shaver, P., Schwartz, J., Kirson, D. and O'Connor, C. (1987) 'Emotion knowledge. Further exploration of a prototype approach', *Journal of Personality and Social Psychology*, Vol. 52, pp.1061–1086.
- Sjöstrand, S-E. (1997) *The Two Faces of Management. The Janus Factor*, International Thomson Business Press.
- Smircich, L. (1983) 'Studying organisations as cultures', in G. Morgan (Ed.) *Beyond Methods*, Beverly Hills, CA: Sage Publications.
- Smircich, L. and Stubbart, C. (1985) 'Strategic management in an enacted world', *Academy of Management Review*, Vol. 10, pp.724–736.
- Sutton, R.I. and Rafaeli, A. (1988) 'Untangling the relationship between displayed emotions and organisational sales', *Academy of Management Journal*, Vol. 31, pp.461–487.
- Tavris, C. (1989) *Anger, The Misunderstood Emotion*, 2nd ed., Licht & Licht Agency.
- Waddington, K. (2005) 'Behind closed doors – the role of gossip in the emotional labour of nursing work', *International Journal of Work Organisation and Emotion*, Vol. 1, No. 1, pp.35–46.
- Weick, K. (1979) *The Social Psychology of Organizing*, Ca, MA: Addison Wesley.
- Wharton, A.S. (1993) 'The affective consequences of service work', *Work and Occupations*, Vol. 20, No. 2, pp.205–232.
- Whittington, R. and Melin, L. (2003) 'The challenge of organizing/strategizing', in A. Pettigrew, et al. (Eds.) *Innovative Forms of Organizing*, London: Sage.
- Yin, R.K. (1994) *Case Study Research: Design and Methods*, Thousand Oaks, CA: Sage Corporation.

Appendix A Emotions in Woodmill from the perspective of William and in relation to strategic issues

	September Year 1	October Year 1	December Year 1	April Year 2	September Year 2	October Year 2	November Year 2	December/January Year 3	April Year 3	May Year 3
Change process	Confidence Self-assurance Impatience Commitment	Confidence Self-assurance Restlessness Doubt	Doubt Confidence	Uncertainty Distrust Doubt Concern Persistence	Concern Dissatisfaction	Concern Hopelessness Helplessness	Pain Cautious optimism Disharmonious Inadequacy Strain	Strain	A sense of wanting to give up	Disappointment Guilt
The Board	Security Easy strain Self-assurance	Tension Defensiveness Loyalty	Defensiveness	Dependence Trust Frustration Feeling shut-in	Strain Stress Inadequacy	Hope Expectation Dependence Helplessness A sense of emptiness Disappointment Defensiveness Irritation	Expectation Abandonment Helplessness Inadequacy Defensiveness Inability to express feelings Regret Pressure Uncertainty Reassurance	Worry Disappointment Vulnerability Abandonment	Bewilderment Abandonment Betrayal Indignation Rage	Abandonment Loneliness Disappointment Frustration Unfair treatment Rage
Sister company		Dissatisfaction Frustration Irritation Helplessness		Grief Frustration Irritation Tiredness Resignation	Frustration Anger	Indignation		Frustration Disappointment Resignation	Indignation	
Market			Relief Hope Expectation	Distrust Hope	Hope					
Sales		Disappointment Surprise Shock Uncertainty	Hope Confidence Uncertainty	Disappointment Concern Dissatisfaction Hope	Shock Disappointment Frustration		Resignation Concern Hope	Pessimism Cautious optimism		

Appendix A Emotions in Woodmill from the perspective of William and in relation to strategic issues (continued)

	September Year 1	October Year 1	December Year 1	April Year 2	September Year 2	October Year 2	November Year 2	December/January Year 3	April Year 3	May Year 3
Financial issues		Disappointment			Worry	Worry		Pressure	Rage	
Production	Impatience		Worry			Indignation Pride Worry				
Employees	Frustration Empathy	Irritation Annoyance		Empathy Satisfaction		Suspicion Hope Relief Frustration Empathy	Empathy Hardship Frustration Doubt Cautious optimism	Concern	Hardship Empathy	
Organisation		Concern		Expectation	Annoyance Irritation	Relief	Hope Happiness Relief Satisfaction Aggressiveness Bewilderment	Pressure Strain Concern Bewilderment Frustration		
Company spirit		Frustration Tiredness	Worry Irritation			Inadequacy Bewilderment Irritation				
Private life	Pressure			Fatigue Lack of motivation				Strain		Listlessness

Appendix B Emotions in Techman from the perspective of Ted and in relation to strategic issues

	August Year 1	September Year 1	November Year 1	December Year 1	April Year 2	September Year 2	October Year 2	November Year 2	December Year 3	May Year 3
Change process	Confidence Expectation	Shock Impatience Indignation Disappointment Worry	Satisfaction Irritation Impatience Indignation Reluctance Resignation	Satisfaction Excitement Optimism Impatience Concern Worry	Confidence Self-assurance Impatience	Disappointment Shock Impatience	Hesitation Reluctance Impatience Dissatisfaction	Impatience	Satisfaction Joy Disappointment Worry Concern Threat Relief Satisfaction Joy	Conviction Confidence
The Board						Excitement Expectation	Satisfaction			
Management team		Disappointment Joy Pride	Irritation Joy Impatience	Amusement			Satisfaction Joy	Disappointment Frustration Anger Indignation Impatience Irritation	Resignation Joy Satisfaction Irritation Regret	
Market	Expectation Challenge Concern	Worry Relief		Self-assurance Concern Confidence	Pride Cockiness	Joy Satisfaction	Pride	Excitement Expectation Satisfaction Concern	Threat Worry Expectation	
Sales	Concern	Optimism	Excitement Joy Satisfaction	Concern	Happiness	Concern	Joy	Joy Pride	Joy Pride Concern	Satisfaction Joy Dissatisfaction

Appendix B Emotions in Techman from the perspective of Ted and in relation to strategic issues (continued)

	August Year 1	September Year 1	November Year 1	December Year 1	April Year 2	September Year 2	October Year 2	November Year 2	December Year 3	May Year 3
Financial issues			Expectation	Calmness			Concern	Calmness		
Production/Service		Concern	Irritation Satisfaction	Irritation Concern	Joy	Satisfaction		Strain	Dissatisfaction Concern	Concern Worry Impatience Satisfaction
Employees		Empathy/ Sympathy Joy Pride Disappointment		Reluctance Irritation Joy Amusement Tiredness	Empathy/ Sympathy Satisfaction	Indignation Concern Irritation	Satisfaction Joy Pride Reluctance	Frustration Irritation	Impatience Joy	Empathy/ Sympathy
Organisation			Uneasiness	Disappointment Uneasiness Concern	Reluctance Satisfaction Concern Cowardliness	Concern Satisfaction Relief	Concern		Tiredness Concern Doubt Uncertainty	
Company spirit		Relief Resignation Satisfaction				Bewilderment	Confidence Self-assurance Impatience		Concern Disappointment	
Private life		Uneasiness Relief		Self-fulfilment		Hesitation Reluctance	Concern		Pride Joy Self-fulfilment Confidence Concern	