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## 5.1 Making sense out of projects that facilitate strategic change

Jari Kyrö, Rob Moonen, Sanna Juvonen & Henna Kempainen

**L**AUREA UNIVERSITY OF Applied Sciences' strategy for the next decade, to be an international developer of working life competence and vitality in the Uusimaa region, is supported through drivers that help to facilitate and adopt strategic change. The program called "Critical Change Projects" was launched in fall 2020 to realise the first steps in this journey. This program included five strategic development projects, which in turn consisted of smaller subprojects. One of those strategic development projects focused on scaling up Research, Development and Innovation (RDI) activities to increase the amount of Laurea's externally funded projects and increase the number of initiatives to be furthered in Laurea's innovation process.

This article tells a story, of how Laurea's project team of one of the Critical Change Projects was confronted with discrepancies in our organisation and different views and interpretations on the concrete assignment. It tackles the topic with the help of a concept called *sensemaking*, which, according to Giuliani (2016, 220), is used mostly in managerial fields like strategy, organisation, and change management. The term 'sensemaking' has been used in organisational research since the 1980s (Odden & Russ 2019, 188). According to Brown, Colville, and Pye (2015, 266), there is no single agreed definition of sensemaking, but the emergent consensus is that generally, sensemaking refers to those processes by which people seek to plausibly understand ambiguous, equivocal, or confusing issues or events.

The article describes how the concept of sensemaking supports changes in an organisation's members' RDI-related work. Many taken-for-granted assumptions that we have to build our solutions on were indeed assumptions and not entirely shared by our colleagues. We could detect continuous sensemaking efforts in our organisation, and in this article, we use these lenses in an attempt to make sense of our project to ourselves.

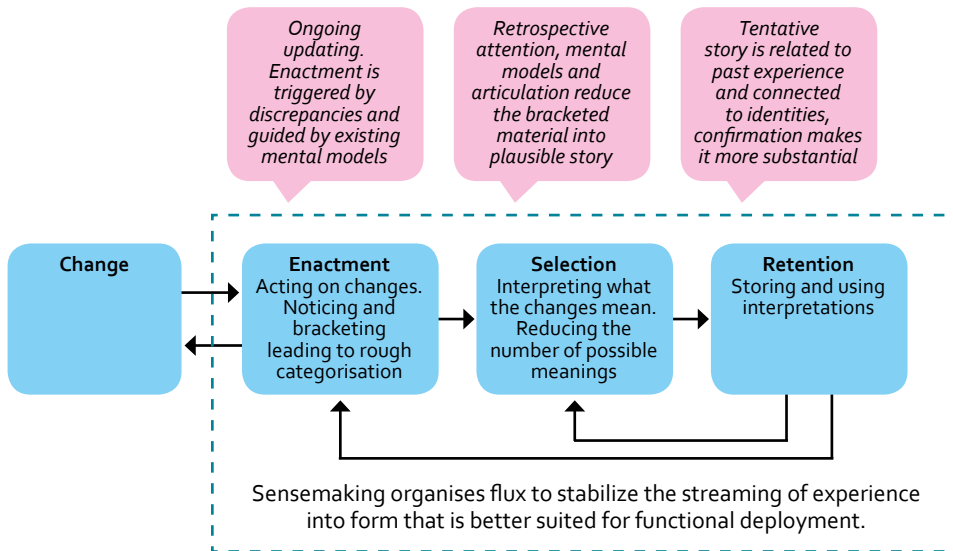
## SENSEMAKING THEORY

Much of organisational life consists of routine situations that do not demand our full attention but of which we make sense of nonetheless (Gioia and Mehra 1996, 1228). In other words, we are “driving on autopilot” and not questioning what we are doing. We are also biased and interpret the world through a dominant perceptual filter that shapes and biases our sensemaking (Abolafia 2010, 363).

Individuals make sense all the time, seeking to comprehend what is going on. That occurs individually but also in teams. Marks, Mathieu and Zaccaro (2001, 357) claim that through team process, members’ interdependent acts convert inputs to outcomes through cognitive, verbal, and behavioural activities that are directed toward organising tasks to achieve collective goals. Sensemaking in a team is thus a process by which a team manages and coordinates its efforts to explain the current situation and to anticipate future situations, typically under uncertain or ambiguous conditions (Klein, Wiggins & Dominguez 2010, 304). When a team can collectively make sense of its problems, it can also effectively solve the problems, shift roles, reorganise routines and reassemble work processes. According to Talat and Riaz (2020, 2009), employees working on interdependent tasks are more likely to solve problems together.

It seems that sometimes there is a need for change agents, who act as prime movers to create the change, or as sensemakers to redirect the change (Weick & Quinn (1999, 366). Especially in times of change, organisation members need to have a clear picture of what is happening in the organisation, and why change is required. Weick, Sutcliffe and Obstfeld (2005, 409) emphasise verbalisation and action: sensemaking involves turning circumstances into a situation that is comprehended explicitly in words, and thus situations, organisations, and environments are talked into existence.

To analyse our observations in this critical change project, we have chosen to use the Enactment, Selection and Retention (ESR) model by Jennings and Greenwood (2003, 202), based on the model created by Weick. In this model, change consists of sensemaking activities in three phases: Enactment, selection, and retention. The enactment phase is updated constantly and triggered by discrepancies. It leads to rough categorisation by noticing and bracketing. In the selection phase, the person interprets the meaning of changes and reduces bracketed material into a plausible story. In the retention phase, the tentative story is related to experiences and confirmed.



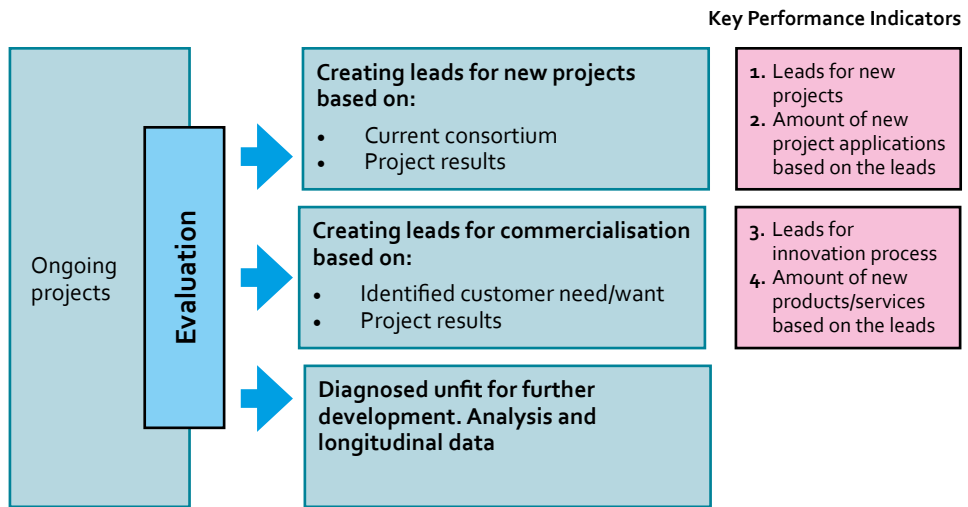
**Figure 1.** Our adaptation of Jennings and Greenwood (2003) ESR model. (Kyrö, Moonen, Juvonen & Kempainen).

## RDI WORK AT THE UAS

Research, Development and Innovation (RDI) has always been one of the core drivers for educational activities at Laurea. Students learn by carrying out RDI related projects in collaboration with working life according to Laurea’s Learning by Developing (LbD) educational model. Besides LbD, structural change in how the Finnish Ministry of Education and Culture distributes funds to Laurea for educational activities has resulted in an increased focus on and importance of generating additional RDI-related funding.

Laurea has developed an application strategy to increase our project application-success rate and scale up the successful project applications. Part of this application strategy is to evaluate ongoing projects to identify the promising leads for new projects (figure 2) and finding prospects for commercialisation. Scaling up the number of high-quality proposals is one important pillar of the application strategy. Within this “Critical Change Project”, we searched through methods and developed a service to encourage project managers to create high-quality applications in collaboration with their existing project consortium, in the form of “continuation projects”.

Globalisation, digitalisation, and knowledge-intensive and fast-developing operational environment set requirements for Higher Education Institutions (HEI). They have to be active players in society, as well as customer-oriented, responsive, and competitive. HEIs act like any other organisations, requiring strategic management and leadership as well. They implement strategies and visions and carry out organisational transformations. When they can respond to the ever-changing environment, they can benefit students, staff, and the regional or national economy (Degn 2015, 901–902). These call for organisational change and sensemaking.

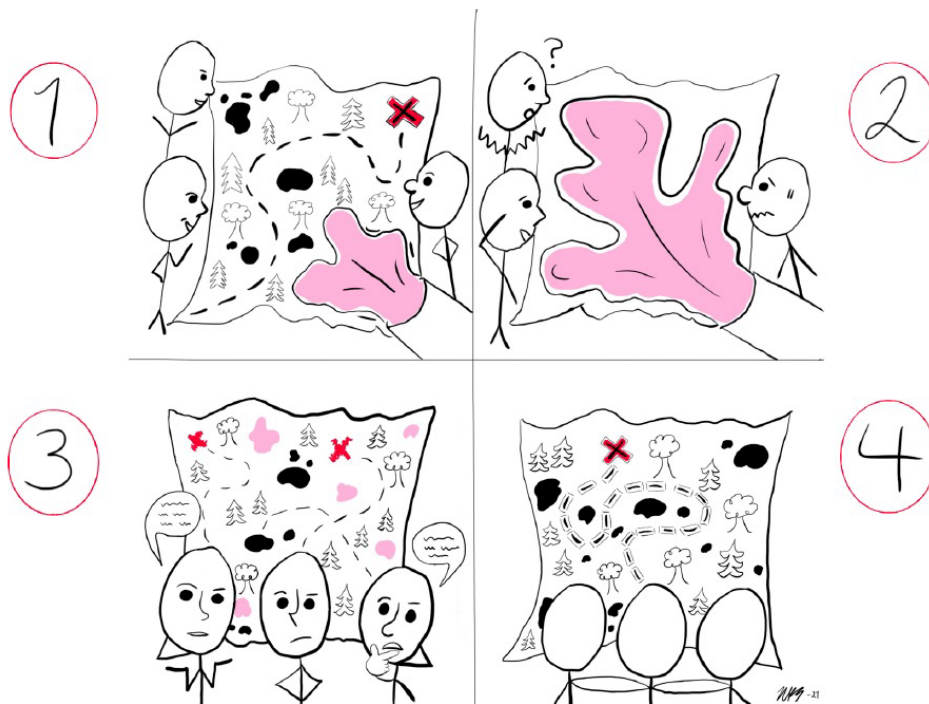


**Figure 2.** Critical change project: Scaling up Research, Development and Innovation (RDI) activities (Kyrö & Moonen 2020).

## THE PROJECT

The strategic project advanced guided by an initial fuzzy goal. Gradual clarification concerning project goal and deliverables, continuous discovery and feedback loops throughout the project were the project's distinctive features. We followed a rough initial plan for achieving its results: setting goals and defining the requirements, creating a checklist for identifying and analysing the new project and its commercialisation potential, experimentation by end-users, feedback collection, creating an information package to inform end-users about the possibilities, and technically integrating the checklist into e-form for actual data collection. End-user feedback was collected in the different phases of the project's development.

The concrete service in this project was co-created with a variety of stakeholders according to a user-centred approach. At the beginning, the project developed a first conceptual model of the service, which was based on available insights and knowledge of the creators. The co-creational process described is strongly linked to the sensemaking concept. Especially in times of change, an organisation's members lose sight of their previously taken-for-granted approach to performing their daily tasks. Employees need to have a clear picture of what is happening in the organisation, why change is required, and what they are supposed to do.



**Figure 3.** From clarity to clarity through the confusion (Henna Kyrö, CC BY-SA 4.0).

Before any change, there is a sense of clarity. People know their goals, and they have created the necessary competencies to perform the required tasks. Besides that, they have an understanding of how individual work is related to the team’s overall goals and processes. Individuals in a team are interdependent; they have a good reason to solve problems together because their individual tasks overlap with the work of other team members (ref. figure 3; 1).

Sensemaking is an individual’s attempt to understand the past, the present, and the future. In the sensemaking process, people combine their knowledge, values, beliefs, and experience with events in the environment, i.e., understand reality. Sensemaking is a social process too, where other people are present either directly or through the organisation’s rules, routines and symbols. By connecting the personal and organisational factors, sensemaking is figuring out the situation or knowing where the organisation is going. After understanding the circumstances (making sense), it is possible to act, in other words, make changes. (Giuliani 2016, 218, 220; Degn 2015, 904).

The need for change was presented to the core project team by assigning them to implement a project that they did not themselves understand; what is this sub-project, why is it deemed important enough to us to use our time, etc. This triggered the enactment, which included interpreting the cues such as how this subproject was linked to the previously mentioned larger “Critical Change Projects” (ref. figure 3; 2).

These cues translated into rough mental categories of meaning that served our initial sensemaking. The core project team shared similar general ideas and mental models about RDI and commercialisation. Similar mental models enabled the core team to reach a shared understanding quite quickly. We were able to define

what is to be achieved in this sub-project, how this translates into a more defined concrete project goal and what seem to be relevant concrete deliverables. The concrete project goal “create conditions to improve lead generation” was confirmed by the unit leader.

Through discussions and documentation, we were able to talk this assignment “into existence”. Initial confusion was turned into a situation that is comprehended explicitly in words. We had performed selection in our minds and created an “initial story”. Nevertheless, as it turned out, other people that had not been involved in the process before but were now subjects to our inquiries and testing lacked this sensemaking and saw only the initial deliverables. These deliverables presented them with change triggering their sensemaking efforts. Our story was not their story.

Instead of welcoming our “brilliant” questions on how to identify leads and how to use the upcoming tool, they asked why they should be interested in the subject at all. We were forced to return to the first steps of the sensemaking process, creating context to help other people to enact, label, and categorise their experiences. Instead of *how*, we tried to enable people to see *why*. Goals and ways to reach the goal were open to discussion (ref. figure 3; 3).

Although it was clear for the core team that this process and tools will help the target group project managers (PM), they might have translated this into yet another questionnaire that is designed for the benefit of the RDI team to produce statistics, and then these findings are buried. This demonstrates that one of the main aspects we forgot to address is to evaluate more about why we are introducing such a new service and how we will process the collected data. Through stakeholders’ feedback, we discovered that they would like to receive more information on the purpose of the service.

Clear communication had a crucial role in our strategic project and related service development. Most of the feedback came from this sub-dimension and included, for example, the following points: several users would wish for more free comment sections to express themselves while other users raised concerns on the terminology used. For instance, one end-user mentioned that “the term “commercialisation opportunities” raises doubts since a broader usability aspect, e.g., social innovation is missing if the term *commercialisation* is used”. Another end-user mentioned: “some jargon (“validated”, “generic”) has been used in the options -> these should be tested with a few more project managers”. Both examples indicate that it is essential to test, in particular data-based service, to identify, address and modify terms that arouse mental resistance. In services based on collecting and analysing data, we need to ensure that the used language is clear and transparent.

Since the success level of the service is highly dependent on its end-users’ contribution and involvement, e.g., their response level towards our questionnaire to identify high-quality projects, it was, therefore, crucial to address this main sensemaking element.

After people were able to create a shared explanation and plausible story, things moved on to a discussion on the process, tools, and details of *how* to perform the task at hand. This seemed to focus the new participants, and their questions and feedback were much more specific, e.g., concerning the tangible deliverable of the questionnaire to be used by a PM. As one of the stakeholders mentioned, “In addition to the info part of the form, i.e., explaining why and when the form is filled in, it would be important to tell in more detail what will be done to *the answers*”. Other remarks included issues such as how to make sure that all the units involved in the project are credited, how to clarify some drop-down choices, and so forth. These were clear indications that larger intra-organisational sensemaking was taking place, and the plausible story was becoming somewhat shared and confirmed.

Retention was reached when the tangible questionnaire tool, documentation, and supporting tools were finalised and the systematic evaluation process was staffed and agreed upon and the monthly procedures were set into continuous motion. Some level of clarity was reached again (ref. figure 3; 4).

## CONCLUSION

*The sensemaking process works on multiple levels simultaneously. It contains feedback loops just as the ESR model predicted. Throughout the project, we configured this subproject's goals to support the larger project, gathered opinions of different stakeholders on goals, concrete deliverables, and details of the tools, documentation, and working procedures. Initial fuzziness gradually made its way to a clearer state.*

*Our primary discoveries analysing this project through the sensemaking-theory lenses were that:*

- *Action before comprehension (people can begin sensemaking when confronted with concrete initial deliverables) – sensemaking is retrospective in nature. Increasing communication at the beginning would perhaps not have helped at all*
- *Sensemaking and problem-solving in a team is encouraged by interdependencies (if there are no dependencies, there is no motivation to take interest or solve problems). If tasks are dependent on other people, you take an interest.*

*To comprehend what is to be changed, people seem to need something concrete. Sensemaking is partly retrospective in nature, so while informing upcoming changes is important, mere information does not suffice to make sense of what is going on. That would lead us to believe that action and rapid prototyping are relevant ways of introducing changes. Sensemaking is also a social process. Sensemaking in a team is easier said than done, but it seems that if a team has interrelated tasks and some dependencies with each other, it promotes the chances that they solve upcoming problems together. Solving problems together will enable team members to adjust individual tasks to form functioning team processes – as has happened to the writers while writing this article.*

*Based on concrete results, it seems that this particular sub-project has been effective in supporting strategic change within Laurea. We have been able to build a process and tools to support the process and functioning practices. We have created sensemaking with our colleagues who have committed to the process. During the last eight months we have reviewed 24 ongoing projects that are closing within 6 months. Of those, 20 have been identified as having potential to apply new funding and 10 as having commercialisation potential.*

*Larger concrete results can be recognised and assessed after a couple of years. But at this point, the commitment at Laurea and initial results seem to have a positive impact.*



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