Cooperation in head wind - A longitudinal case study of sensemaking, sensegiving, and middle managers’ role in implementing a coopetition strategy

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Abstract
Although a coopetition strategy is agreed to entail tensions and challenges for individuals involved, few studies have approached activities at the individual level. We apply an interpretative lens to coopetition in order to unravel how managers deal with the complexities of coopetitive strategizing activities. By empirically approaching coopetition through a longitudinal case study, we define a number of implementation issues contributing to inertia in developing a coopetition strategy. Based on the case study, we present different types of sensemaking that middle managers engage in, in order to cope with the experienced issues and inertia. An interpretative lens to coopetition unravels that different types of sensegiving activities that top managers engage in throughout the strategy process to a great extent influence coopetitive sensemaking at middle managerial levels. The study presents a framework for understanding changes in coopetitive dynamics as stemming from interrelated interpretative activities at top and middle managerial levels.

Key words: coopetition strategy, strategic change, inertia, middle managers, sensemaking, sensegiving, emotional dynamics
INTRODUCTION

Change can be seen as a natural and necessary state for upholding organizational reality (Tsoukas and Chia, 2002). It can moreover be approached as a contrasting force to stability inside organizations, occurring in conjunction with environmental changes (Gioia and Chittipeddi, 1991), a view adopted by strategic change studies. Strategic changes give rise to a multitude of issues in organizational members day-to-day activities, including new roles, responsibilities, and structures (Balogun and Johnson 2004, 2005). The strategic change stream can be derived from the strategy-as-practice field, which embodies the general shift in the strategy research field towards the micro-level. Practice research shows a particular interest in routines and practices as the raw material for emergence and development of strategies (Vaara and Whittington, 2012). Daily activities performed by individuals related to strategy making are hence increasingly being recognized as strategic, and as a path into understanding the origins, developments and outcomes of strategies.

The practice approach to strategy has also gained ground in business network research (Baraldi, Brennan, Harrison, Tunisini and Zoljkiewski, 2007; Harrison and Prenkert, 2009; Harrison, Holmen and Pedersen, 2010). Particularly, the coopetitive research field, focusing on simultaneously occurring cooperation and competition between organizations (Bengtsson and Kock 1999, 2000; Ritala and Tidström, 2014), has experienced an increased interest towards the individual level (Fernandez, Le Roy and, Gnyawali, 2014; Raza-Ullah, Bengtsson and Kock, 2014; Tidström, 2014). Coopetition is defined as a paradoxical relationship between actors at any level of analysis (Bengtsson and Kock, 2014), stemming from the opposing logics of cooperative and competitive actions. From a strategy-as-practice point of view, activities contributing to coopetitive strategy formulation and implementation occur both at the intra and inter-organizational levels (Dahl, Kock and Lundgren, 2016, forthcoming).

Recently, the strategy-as-practice field has shown an increased interest in managers’ experiences from, and coping with, paradoxes in strategizing (Jarzabkowski, Lê and Van de Ven, 2013; see also Lüscher and Lewis, 2008). This coincides with the increased focus on tensions in coopetition strategy research stemming from the paradoxical nature (Fernandez et al., 2014; Tidström, 2014), recently connected to emotions (Raza-Ullah et al., 2014). Following the trend in the strategy-as-practice literature concerning emotional dynamics and strategizing (Cornelissen, Mantere and Vaara, 2014; Liu and, Maitlis 2014), we apply a sensemaking lens to coopetition. Sensemaking has commonly been applied in studies of strategic change, focusing on individual and collective activities of meaning production (Brown, Colville and Pye 2015).

The aim of this paper is consequently to scrutinize how managers cope with, i.e. make sense of, implementation issues when implementing a coopetition strategy. In this manner we respond to calls made concerning more research on how tensions stemming from coopetition are coped with by managers (Park, Srivastava, and Gnyawali, 2014). In addition, few empirical studies have searched for an explanation of the balancing of cooperation and competition between organizations (Park et al., 2014) at the individual level. Also, at least to our knowledge, few studies have moved downed to lower levels in the organization to investigate the daily activities of middle managers under coopetition. We therefore bridge these gaps by approach the following research questions: What are the origins of strategy implementation issues and how do managers cope with inertia and emotional response stemming from these? How do micro-level activities contribute to the balancing of coopetitive dynamics?
We intend to contribute both theoretically and empirically to the coopetitive research field. The novelty of the study lies in the intersection of sensemaking, sensegiving, and coopetition, and we therefore increase the theoretical understanding of the micro-level by conceptualizing coopetitive sensemaking and sensegiving, as well as their interrelatedness. Specifically, we show how interrelated sensemaking and sensegiving activities at multiple organizational actor levels contribute to inertia of a coopetition strategy. These interpretative dynamics are empirically illustrated through a longitudinal case study, which follows coopetition from the beginning, contributing to an in-depth understanding of the origins of implementations issues, as well as middle managers’ coping strategies. Based on our case study we propose that top and middle managers both have an important role when it comes to the coopetitive strategy process, yet that middle managers to a great extent determines the success through their activities related to implementing the strategy.

The paper is structured as follows. Below, a brief introduction and overview is offered into the sensemaking and sensegiving literature, as well as how the coopetitive literature traditionally has approached managers’ strategic roles and activities. This is followed by an empirical illustration of the coopetitive strategy process that leads to a model of managerial strategizing activities, as well as the interrelatedness with coopetitive dynamics. The paper ends with managerial implications and suggestions for further research.

THEORETICAL BACKGROUND

The role of sensemaking and sensegiving in the strategic change process

In times of strategic change, sensemaking and sensegiving have been argued as decisive strategic activities (Gioia and Chittipeddi, 1991; Sharma and Good, 2013). A strategic change is commonly referred to as a fundamental reformulation of routines and practices, stemming from changes in an organization’s structures and processes in order to meet new environmental demands (Gioia, Thomas, Clark and Chittipeddi, 1994; Gioia and Chittipeddi, 1991). This implies that not only top managers but also operational employees must enact the imposed changes, and engage in interpretative activities (Stensaker and Falkenberg, 2007; Daft and Weick, 1984). Sensemaking is triggered when individuals are faced with new experiences or situations that are unexpected or uncertain (Maitlis and Sonenshein, 2010; Weick, 1995). Through sensemaking, where individuals engage individually and collectively in social processes of interpretation, new understandings and logics of action are created (Weick, 1995). These processes therefore dictate both individual and collective actions when it comes to strategic change (Balogun and Johnson, 2004; Weick, Sutcliffe and Obstfeld, 2005). Collective views created through continuous sensemaking (Weick 1995), have even been argued to be the main source of inertia and resistance to change, since these become tightly integrated in established routines and practice that are difficult to transform (Mezias, Grinyer and Guth 2001).

Organization and management of strategic change requires communicative efforts by top managers (Sharma and Good, 2013; Gioia and Chittipeddi 1991; Whittington, Molloy, Mayer and Smith, 2006). Activities related to the influencing of others’ views in a preferred manner therefore become intertwined with sensemaking processes (Gioia and Chittipeddi, 1991; Maitlis and Lawrence, 2007). These activities have been illustrated to range from expressing opinions, defending a certain view, to involving rumors and gossiping (Maitlis 2005). Gioia and Chittipeddi (1991) illustrate sensemaking and sensegiving as iterative processes of cognition and action, where managers engage in sensegiving after creating a new understanding for themselves. From this point of view, sensegiving becomes an activity...
assigned to top managers, as a tool for instigating and managing change. Moreover, sensegiving efforts have often been associated with the discursive abilities and language use by managers (Rouleau and Balogun, 2011), which indicate the importance of visualizing change throughout the strategy process. Failure in legitimizing change, intentional or unintentional, in organizations’ has even been noted as a contributing factor to resistance to change (Ford, Ford and D’Amelio, 2008). Sensemaking and sensegiving across the organization are therefore assumed to become the main activities leading change and accordingly influencing how strategies are implemented (Maitlis and Sonenshein, 2010).

In this paper we build on our earlier conceptualization of coopetition as a strategic change (Lundgren-Henriksson and Kock, 2014). Drawing on sensemaking scholars (e.g. Brown et al., 2015; Gioia and Chittipeddi, 1991; Weick 1995), in a coopetitive context, we define sensemaking as including the individual and collective interpretative activities that managers engage in, in order to enact the changes in routines and practices coopetition brings (Bonel and Rocco, 2009), including working out new ways of thinking and acting with competitors (Lundgren-Henriksson and Kock, 2014). We define sensegiving as managers’, deliberate or unintentional, discursive utterances or statements concerning issues related to a coopetition strategy, which have a noticeable effect on others’ view of the strategy.

**Middle managers’ role in implementing a coopetition strategy**

The change literature has assigned the responsible role for managing and implementing change to middle managers (Huy, 2001; 2002). Individually, these managers have to deal with the balancing of continuity and change (Huy, 2001), at the same time as they receive the role of communicating and envisioning change to others throughout the organization (Huy, 2001; Rouleau, 2005).

Middle managers have also frequently been approached as prime change agents in the practice literature (Balogun and Johnson, 2004; 2005; Balogun, 2006; Maitlis and Sonenshein, 2010; Rouleau, 2005; Rouleau and Balogun, 2011). Their influencing role on strategy development can be seen in both formal and informal activities, where the emergence of the latter type has received increased attention. When it comes to strategic change, middle managers engage in informal collective sensemaking activities in order to develop a shared understanding of the change (Balogun and Johnson, 2004; 2005), which might be different from the intentions of top managers (Balogun, 2006; Stensaker and Falkenberg, 2007). The strategic importance of these activities comes into light through the assumption that middle managers create legitimacy of the change throughout the organization, as well as influence others’ view (Maitlis and Lawrence, 2010; Rouleau, 2005; Rouleau and Balogun, 2011).

From a strategic point of view, coopetition builds on two interrelated yet inherently different interaction processes. Cooperation allows for resources to be accessed and mutual value creation to take place, at the same time, competition becomes the driving force, utilized internally by organizations to leverage the benefits derived from the strategy (Gnyawali and Park, 2009, 2011). In terms of strategic actors, middle managers have gained attention in the coopetitive literature (Bengtsson and Kock, 2000; Dahl et al., 2016, forthcoming), despite the fact that studies have generally enacted a rather traditional view on top managers as the prime strategist. Although top managers receive the role of formulating, as well as communicating the benefits of coopetition across the organization (Bengtsson and Kock, 2000; Tidström, 2009), middle managers are the ones that in practice deal with the duality of simultaneous cooperation and competition (Hamel, Doz and Prahalad, 1989; Hamel 1991).
Recently, the role of emotional dynamics in sensemaking (Maitlis, Vogus and Lawrence, 2013), and in strategizing (Liu and Maitlis, 2014) has been highlighted. This indicates that managers’ sensemaking activities and emotions serve as an important point of departure for understanding their role in implementing strategies, as well as strategic outcomes (Bartunek, Rousseau, Rudolph and DePalma, 2006; Conway and Monks, 2010; Huy, 2002). Since middle managers have to cope with the complexity of simultaneous cooperation and competition on a daily basis, such as sharing and protecting knowledge (Bengtsson and Kock, 1999; Hamel et al. 1989; Hamel 1991; Tidström and Hagberg-Andersson, 2012; Ritala and Hurmelinna-Laukkanen, 2013), and resulting emotions (Raza-Ullah et al., 2014.), it could be assumed that their emotional response becomes an influencing factor on their sensemaking (Lundgren-Henriksson and Kock, 2014), as well as engagement in implementation activities. We therefore argue that the sensemaking perspective is useful in shedding light on the complexities of implementing coopetition inside organizations, particularly when coopetition is approached as a paradoxical change (Conway and Monks, 2010). This reasoning acts as a base for the discussion in the remainder of this paper.

**METHODOLOGY**

**Case study approach**

We adopt a qualitative interpretative research approach in this paper (Gephart, 2004) by drawing on a longitudinal in-depth case study (Eisenhardt, 1989). Longitudinal research became a natural choice, as it gives the opportunity to follow how change unfolds in organizations (Isabella, 1990). Also, the opportunity was given to one of the researchers to follow a coopetition strategy from the beginning and throughout the implementation phase. The data collection was carried out in two phases during 2013 and 2014. In the first phase, the aim was to gain knowledge on the background of the strategy, its scope, and how the respondents viewed the strategy as well as future developments. The second phase of data collection was initiated around one year later, focusing on the development of the strategy, changes and events, and how the respondents experienced the implementation stage. A snowball sampling technique (Patton, 1990) was used in order to find respondents at multiple organizational levels who had insights into, as well as roles in, both formulating and implementing the strategy. By integrating multiple actor levels into the data collection a more nuanced picture of the strategy could therefore be argued to be obtained (Miles and Huberman, 1994).

In total, the data collection covers 28 interviews with senior and middle managers from three organizations included in the case. The interviews were all transcribed in full detail. As far as possible, the same respondents were interviewed twice in order to grasp changes between the two phases of data collection. One of the researchers also participated in an inter-organizational meeting including representatives from the three organizations. Notes were taken when observing this meeting, which were later transcribed and used in the data analysis. Moreover, we also covered what was written about the case in the media during this two-year period. In this manner, a triangulated research design was adopted.

**Case study description**

The case utilized to investigate coopetition as a strategic change is suitable for a number of reasons. It covers a joint collaboration between three organizations publishing local newspapers in the Finnish media industry, which is currently undergoing radical change.
Actors operating in this specific industry are experiencing decreasing revenues due to a shift in both consumer and advertiser behavior. The digitalization of news has dramatically shifted the search for news towards the web, changing competitive boundaries as well as the traditional ways of conducting journalism.

Stemming from the paradigm shift facing media actors, a coopetition strategy was initiated between the three organizations in 2013. The coopetitive strategy is organized around a joint material exchange between the organizations, where the parties individually decide what material to offer to the exchange, as well as what external material to utilize. The strategy was articulated as a way for the organizations’ member newspapers to save resources that could be directly applied to their individual core competitive areas, in order to increase chances of surviving in the industry. The organizations have a history of strong competition, which is currently undergoing fundamental changes due to the entrance of new competitors in the industry. The organizations are still competing when it comes to specific news and scoops, but are cooperating around more general journalistic material. The material exchange is organized through a computerized system provided by a member association in the industry, where the newspapers can continuously upload or extract material from.

The cognitive re-orientation that the strategic change brings (Gioia and Chittipeddi, 1991) is thus not only present in changing competition on the market, but also at an operational level, since no formal exchange of journalistic material has existed before. Moreover, before the exchange was initiated, there has not been any frequent contact, discussions, or meetings between the organizations. Managers are therefore faced with a new situation of thinking and acting with the other organizations.

Analyzing the data

When all the material had been gathered, a chronological case history was created in order to grasp how and why the coopetitive strategy was initiated, as well as how it progressed between the two phases of data collection (Isabella, 1990; Langley, 1990). As the amount of transcribed material was rather immense, the NVivo software was used as a tool in processing the material (Bazeley and Jackson, 2013).

After a chronological story had been made, the analysis shifted to breaking down the material into smaller units. We hence followed a qualitative content analysis technique as proposed by Miles and Huberman (1994), with the aim of generating first and second order themes derived from the material (see Table 1 and 2). The derived themes could be argued to stem from the respondents own discursive illustrations (Van Maanen, 1979), which were matched with emergent themes in the literature as the analysis proceeded. The analysis became therefore highly abductive, something characteristic to process research (Langley, 1990).

The analysis focused on spotting how the strategy was spoken off at different managerial levels (e.g. Eriksson and Kovalainen, 2008; Hendry, 2000). For example the media coverage became a source for grasping top managerial sensegiving at a public level, whereas sayings in the inter-organizational meeting became a source for inter-organizational sensegiving. In order to approach sensemaking activities, specific focus was given to expressions of difficulties, ambiguities, and emotions that had arisen during the implementation stage, as well as how managers by themselves or in group coped with these issues. This generated for example the division between levels of sensemaking in Figure 1.

<table>
<thead>
<tr>
<th>Example quote</th>
<th>First-order theme</th>
<th>Second-order theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>“There was a bit of a dilemma,”</td>
<td>Sharing material</td>
<td>Material related issues</td>
</tr>
<tr>
<td>Quotes</td>
<td>Relevant Issues</td>
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<tr>
<td>how should we write that text? First of all you need to write it so it works in our newspaper [...] it is tricky with cooperation, it sounds great but then in practice it is not always that easy.”</td>
<td>Evaluating the fit between internal and external material</td>
<td></td>
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<tr>
<td>“We are discussing how much material to take in, at the same time as you reduce own local material.”</td>
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</table>
| “You rarely find interesting things there [article pool] [...] we fill pages well by ourselves so there is no need to search for material.” | Comparing efforts  
Reciprocity related issues |
| ”You have a bad conscience if you notice that others have uploaded more material.” | |
| “It feels like we don’t give the material exchange that much of attention as needed to call it a successful project, all of us.” | Technical threshold  
Technology related issues |
| “Certain technical things do not work yet, which makes it less attractive.” | |
| “There is no planning at all in the article pool, neither direct communication in the computer system.” | Call for elaborations of the system |
| ”There is an expression of one’s will, but then in practice we have not realized it.” | Mental adjustment  
Routine related issues |
| “Sometimes I forget to look there [article pool], we have not acquired the habit to use it as I maybe thought we would.” | |
| “It is a question of routines also, that you get used to remembering that material.” | |
| “No one has time for anything else than the daily rush.” | The nature of day-to-day activities |
| “You have your hands full with tomorrow’s newspaper.” | |
| “For me it means more (emphasis) work. Because it is yet another channel to keep track on.” | |
| ”When others are producing the | Lack of planning and  
Coordination related issues |
Table 1. Example quotes and derived first- and second-order themes for implementation issues.

<table>
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<th>Second-order theme</th>
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</thead>
<tbody>
<tr>
<td>“It is difficult when you have your own planning, and then there is another planner.”</td>
<td>Normalizing inertia</td>
<td>Justifying stagnation</td>
</tr>
<tr>
<td>“It improves over time. We are learning (emphasis), that’s the way it is.”</td>
<td>Generalizing change in competition</td>
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<tr>
<td>“You don’t talk about competition that much today. It is more about cooperation.”</td>
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<td></td>
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<tr>
<td>“Changing ways of working, that takes time.”</td>
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<tr>
<td>“These things take time, it is a cultural change.”</td>
<td></td>
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<tr>
<td>“If you have uploaded material three days in a row and no one shows interest in them, then it goes straight to the bottom of the list of priorities.”</td>
<td>Ranking of priorities</td>
<td>Questioning value</td>
</tr>
<tr>
<td>“We have too much to do so then you do not give priority to things that do not contribute with anything.”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“It does not matter what type of material we give out, because no one ever buys it anyway.”</td>
<td>Blaming others</td>
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</table>

material and then there is another person uploading it, then there are possibilities for it falling between the cracks.”

“It is difficult when you have your own planning, and then there is another planner.”

“If (emphasis) we will have more cooperation it has to be systemized, we can’t have a smorgasbord that we lay everyday with stuff we don’t know if anyone wants.”
“There is not that much good stuff that makes you throw yourself over it [article pool] in the morning, to see what is offered.”

“Nobody speaks about competition anymore.”

“I believe we will see more of cooperation in the future, and it has been announced in interviews with top managers one has read, it is the way it will go.”

“If we start to upload articles, I think everyone else will also start doing it after a while, because then they see.”

“If you take in external material you ease the day. Then you have more resource for our main task, which is local journalism. So it is easy to motivate.”

“The only thing needed is external material in the newspaper and then you will see [...] I would not see attitudes as a problem anymore, we have talked so much about these things.”

“Of course as an individual reporter it is easy to think that now if we cooperate more, I (emphasis) will be replaced.”

“They said that now that we have this material exchange, there is a need for fewer journalists.”

“It is not only about the daily practicalities, it also requires a comprehensive view that must stem from top management, like ‘this is what we should do’.”

“It has to originate from top management, some kind of declaration of principle that it is important that we cooperate, we shall (emphasis) cooperate.”

“In some way I feel that we have not demonstrated enough that this opportunity exists, and that an article pool exists.”

<table>
<thead>
<tr>
<th>Reference</th>
<th>Change in Competition</th>
<th>Sensegiving</th>
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<tbody>
<tr>
<td>References to changes in competition on the market</td>
<td></td>
<td>Affirmative sensegiving</td>
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<tr>
<td>Illustrating benefits of cooperation</td>
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<tr>
<td>Connecting cooperation to “bad” internal changes</td>
<td></td>
<td>Disadvantageous sensegiving</td>
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<tr>
<td>Failed sensegiving</td>
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“I actually think that...in some way, this [collaboration] is what one has always wished for.”

Symbol of inter-organizational commitment

“I think it is really good that it [collaboration] became something concretized [...] that it has been realized.”

Security of material

“It was a good way of obtaining longer articles during the Holidays.”

Guilt, stress, confusion, fear

“You know that there is an extra (emphasis) pool of material if we have a shortage of own material in the newspaper.”

Negative emotional response

“But I have a bit of a bad conscience, we have talked about it that we should get better at getting our articles out.”

“Concerning my job, I feel that it is pretty arduous to cooperate [...] it has been quite confusing many times with cooperation, you don’t really know how they want it.”

“For me it is a constant bad conscience. I don’t really feel that I have the time (emphasis) to check it [article pool] as often as I should.”

“I am afraid that increased cooperation will call for more administration.”

| Table 2. Example quotes and derived first- and second-order themes for top managerial sensegiving, middle managerial sensemaking and emotional response. |

**PRESENTATION OF FINDINGS**

**Formulation, implementation, and development of a coopetition strategy**

The coopetitive strategy was jointly initiated by the three parties stemming from severed financial conditions and changes in competition in the industry. Top managers participated in inter-organizational discussions, where the collaborative project emerged. After agreed upon, the joint material exchange was informed to employees in the respective organizations, as well as to the public across newspapers.

When the strategy was initiated and informed about in the respective parties, discussions arose at operational levels. It became clear from the findings that in the early phase of the strategy, some degree of skepticism and fear of the implications of coopetition...
existed at operational levels. As the implementation phase progressed, these discussions diminished, and shifted to issues of more practical nature. Across managerial levels, anxious feelings, nervousness, and frustration were common, originating in the slow progress of the inter-organizational strategy.

During the period when the data collection was carried out, the financial situation for the three parties respectively severed and layoffs occurred. Despite this deterioration, overall, managers characterized the development of the material exchange as suffering from inertia and stagnation. The articulated benefits made by top management in the early stages of the strategy were neither as fulfilled; at the same time as a number of implementation issues arose. Particularly, these aggregated issues experienced by middle managers from implementing the strategy could be viewed as a source of the strategic inertia (see Figure 1). These will be explored more in-depth below.

**Strategy implementation issues**

Strategy implementation issues pertain to how middle managers experience and assess the functions and utility of the material exchange in terms of how it is organized, managed and utilized, internally in the organization but also at an inter-organizational level. Also, experiences from day-to-day activities and roles in implementing the material exchange in the organizations are included. The issues experienced by middle managers can be seen in various areas, which are shared across the parties. It should moreover be noted that the implementation issues overlap. Experienced frustration could for example be derived from a problem in one or across areas, or, a problem in one area could also influence the view and/or experience of the utility of the material exchange in another domain. The implementation issues are in the following discussed.

**Material.** The majority of middle managers expressed some sort of positive response and gains from the material exchange, including a possibility for increased planning of article series in the future between the parties, as well as a safety of articles in times of shortage of news. However, a majority of the managers also experienced difficulties in integrating the external material into the newspaper, as well as justifying the external material in the own newspaper. Articles from the material exchange are to a great extent experienced as ‘filling’ and not of particular interest for the newspaper, giving rise to a concern of negative implications and responses from readers. Difficulties in knowing what material to produce and share were also experienced by some managers.

**Reciprocity.** A clear inter-organizational issue particularly experienced in one of the parties is reciprocity. This refers to views on other parties’ participation in the joint collaboration, and specific actions in terms of sharing or utilizing external material. Some managers experienced negative feelings stemming from actions of others that were perceived as a symbol of lack of interest in the newspapers’ material and in inter-organizational exchange. This contributes with reluctance towards continuing uploading and sharing material. Also, difficulties in gaining a balance between the newspapers in terms of the amount of articles uploaded in the material exchange resulted in feelings of guilt for certain managers.

**Technology.** Implementation issues related to technology could be traced to an incompatibility with the newspapers internal systems and the external data system, which holds the material exchange. This incompatibility contributes with a threshold for middle managers in engaging with the system, and consequently in developing a routine using it. In terms of technicalities, the system was referred to as intricate, and experienced technical problems seemed to make the material exchange less attractive to use. In addition, many of
the middle managers called for an alert system, which could serve as a reminder for extracting or uploading material to the pool, as well as a forum for communicating about new material between managers of the different parties.

**Routine.** Issues of a more routine nature seemed to be the number one difficulty experienced across all the parties. Routine issues could be characterized in two senses, routines at the intra-organizational level, as well as not yet existing routines between the organizations connected to the material exchange. These could be argued to contribute equally to the fact that the material exchange fell into oblivion on a daily basis. Owing to the hectic tempo that characterizes a news desk, middle managers generally found it hard to integrate the material exchange into the daily activities. Consequently, the own newspaper was continuously prioritized and the external material exchange experienced as a burden placed upon already stressful workdays. This contributed to some managers having a bad conscience about not finding the time or routine for utilizing the material exchange.

**Coordination.** Closely related to routine issues discussed above are uncertainties and confusion stemming from a perceived lack of coordination of the material exchange, both internally and between the parties. Internally in the parties, generally, a small group of individuals had been informed about the exchange, and consequently taken on the responsibility and assignment to utilize the material exchange. A lack of communication and explicit appointment of responsible managers could therefore be noted. Calls were also made for more planning and organized structures in the inter-organizational exchange. This was also noticed in the shared positive response across the parties from planned series of articles that was organized, where a structure and timetable of contributing newspapers existed.

**Interpretative activities related to coopetitive strategizing**

By coopetitive strategizing, we refer to activities related to both formulation and implementation (Jarzabkowski, Balogun and Seidl 2007; Whittington, 2006) of coopetition (Dahl et al. 2016, forthcoming). Activities related to formulation pertain broadly to top managers taking part in inter-organizational discussions, and implementation to activities at lower managerial levels inside the boundaries of the organization.

**Sensemaking activities**

Sensemaking activities occurred at multiple interrelated levels throughout the strategy process (see Figure 1). The sensemaking activities during the formulation and implementation phases where moreover inherently different in terms of process and content between top and middle managerial levels. Inter-organizational meetings where held at both levels, however with different frequency. As the crisis in the industry escalated, naturally, discussions at higher managerial levels increased.

Different issues were also handled in the meetings. At operational levels, the meetings were characterized by discussions on operational issues and evaluations of the practical nature of the material exchange, such as the integration of internal and external material. At higher levels, strategic issues were debated, such as the separation of cooperation and competition between the parties. Insights into the complexity of the crisis and possibilities for future cooperative projects therefore differed to a great extent between levels. As a final theme, managers also individually struggled to make sense of the future of the industry as a whole, what increased cooperation would imply for the individual journalist and for the identity of newspapers, as well as why the strategy progressed so slowly.
Meetings could therefore be seen as a formal collective sensemaking device, whereas intra-organizational discussions concerning the material exchange can be defined as informal collective sensemaking devices. The intra-organizational discussions concerning the industry crisis and inter-organizational cooperation seemed to influence the general view of coopetition at operational levels to a greater extent than the formal inter-organizational meetings.

**Sensegiving activities**

In terms of communication about coopetition, including sensegiving efforts, the analysis reveals that these activities were perceived by middle managers as incomplete, and even lacking internally in the organizations. Sensegiving efforts throughout the implementation phase can be noted, however these efforts seemed tied to specific individuals holding a strong positive focus towards coopetition, which also is the case in inter-organizational meetings at operational levels. Here, sensegiving encompasses the effort of managers to influence others view on coopetition and on the material exchange, in order to speed up implementation activities, as well as to get more managers enthusiastic about proposed future collaborations. This is for example done through depicting future scenarios, at the same time as potential benefits are assured.

Discussions in the media also increased during the two years as the crisis escalated. News concerning lay-offs in the respective parties, as well as interviews with experts, consultants, and managers were frequently published. The nature of the discussions shifted in later stages to strong emphases on competition as not existing between the parties, as well as cooperation as the only way for survival. This can be regarded as public sensegiving in the sense that managers deliberately conveyed a preferred view of the collaboration, its scope, and future benefits, to the public including subscribers.

Sensegiving became an important activity related to the implementation phase of coopetition since these activities, or lack of them, seemed to strongly influence the sensemaking of middle managers, and their subsequent actions in implementing the strategy. This proposed relationship will be discussed more in depth below.
DISCUSSION

Different types of sensemaking and sensegiving

Middle managers coped differently with the issues and inertia arising from implementing the strategy. These can be subcategorized into two closely related types of sensemaking (see Figure 2). Managers justified stagnation, by defending why the activities related to the material exchange had not been realized as intended in the strategy progress. In this sense, coopetition was experienced as something positive. Managers were however also questioning the value of the exchange, including commitment in implementation activities. These sensemaking types were moreover closely related to both internal and public sensegiving activities as illustrated in Figure 2.

Justifying stagnation

Two types of themes can be distinguished when managers create a plausible account for coopetition and engagement in the strategy. At the same time, drawing on these notions serve as a tool for justifying the stagnation of the strategy process, including implementation issues, as well as illustrating it as a phase that will pass.

Normalizing inertia. When stagnation and inertia were referred to as natural elements of an inter-organizational process, the implementation issues occurring were normalized by middle managers. Managers were reassuring themselves and others that it will take time before new routines are created, that they are learning to use the system, as well as getting to know and building trust with the other parties. It was therefore assumed that it takes time for managers to adjust to the new mindset, as well as unlearn the old ways of producing a newspaper without cooperative partners.

Generalizing change in competition. Some managers relied on the stories of external actors and top management to cope with implementation issues and inertia. References to a changing macro discourse, from competition between the parties towards cooperation, colored the views of other parties’ intentions and perceptions on coopetition. In this manner, the time taken to enact this new way of thinking about each other was justified.

Questioning value

Another type of coping with implementation issues noted through the analysis is questioning of the actual value from coopeting, and accordingly justifications of a lack of commitment, and utilizations of the material exchange, from the perspective of the individual manager.

Ranking of priorities. Managers were making excuses for not utilizing the material exchange more frequently, by defending the own newspaper’s responsibilities and routines.
The own newspaper was accordingly justified as a number one priority for creating tomorrow’s newspaper. In light of this, material coming from the material exchange became lower ranked, and approached as a burden upon the news desk and individual managers’ daily activities.

Blaming others. Some managers coped with the experienced stagnation of coopetition by blaming others. These managers were struggling with trying to understand why the stagnation was occurring, when it seemed as if consensus prevailed across the parties concerning the strategy. The fact that other parties were not giving the material exchange enough attention was referred to as symbols of lack of commitment and a low interest in other newspapers’ material. This in turn justified managers’ lack of attention and commitment to the material exchange.

Sensegiving

When turning the attention to managers’ efforts in trying to influence the general view on, and acceptance of, coopetition, one can distinguish between sensegiving characterized as more affirmative, gaining positive responses, and sensegiving that was perceived in a less positive manner. Sensegiving efforts internally in the organizations seemed to be inherently different from external activities.

Affirmative sensegiving corresponds to sensegiving efforts taking place in the public sphere, as well as in inter-organizational contact between the parties. In the public sphere, sensegiving revolved around a changing macro discourse, from competitive to cooperative. References to changes in competition between the parties were widespread, as well as the benefits that could be derived from an increase in cooperation between the parties. This reassurance of benefits was also occurring in a more informal tone in the contact at lower operational levels between the parties.

Disadvantageous sensegiving generally refers to when sensegiving was experienced as inadequate or even lacking. This could in turn explain why the material exchange was not widely known at lower levels, and frequently forgotten or unnoticed. However, the low motivational level of middle managers could be argued to most likely stem from top managers informing about, and referring to, the material exchange in combination with the industry crisis and subsequent layoffs. By making this connection, the material exchange, and coopetition in general, was illustrated as a threat to places of work, and received with fear and anxiety at lower organizational levels. This relationship will be further explored below.

Interpretative dynamics and middle managers’ emotional responses

Stemming from different implementation issues and the general inertia facing the coopeting parties, middle managers experienced positive or more negatively oriented feelings towards coopetition (see Figure 2). The emotional responses can moreover be associated with different sensemaking and sensegiving activities at the inter- and intra-organizational levels. As illustrated in Figure 2, managers drawing on perceptions of a changing macro discourse as well as normalizing inertia, were also more frequently influenced by public sensegiving efforts by top managers. By relying on changes in competition between the parties, the stagnation was viewed as surmountable and as a natural state, proving beneficial in the future.

A majority of the managers felt on the other hand also defeated stemming from implementation issues specifically related to reciprocity and routines, as well as disadvantageous sensegiving. In this sense, coopetition was equal to a threat, and viewed as possibly bringing negative implications for the organizations, and the individual manager, in
the future. This gave rise to managers feeling stressed by the imposed activities (Conway and Monks, 2010), as well as anxious of the future, something that also was discussed between managers. These feelings and low motivational levels (Huy, 2002) could be argued to overtake the articulated benefits of the strategy, giving rise to tensions for middle managers (Raza-Ullah et al., 2014). In order to cope with this duality, the own organization and routines was prioritized on a daily basis, in this manner justifying low commitment to the material exchange. Similarly, blaming others for holding on to “old” views of competition also became a way for explaining low commitment from the perspective of the own organization, as well as the negative emotions felt.

**Figure 2.** The interplay of sensemaking, sensegiving, and emotional response during implementation of coopetition.

**Implications for the dynamics of cooperation and competition**

The different types of sensemaking and sensegiving dynamics also imply different managerial perceptions of cooperative and competitive dynamics (see Table 3). Generally, perceptions of the potential benefits of coopetition prevail at all actor levels; however the views of the extent to which these can be realized differ. One can therefore argue that the shared view required for implementing coopetition successfully throughout the organization (Bonel, Pellizzari and Rocco, 2008), as well as change in collective interpretation in order to enact change (Balogun and Johnson, 2004), were not accomplished.
The value of coopetition was approached differently depending on the definitions of competition between the organizations. For managers justifying stagnation and inertia, competition became a decreasing force both from the perspective of the own organization, as well as concerning the other parties. Stagnation was thus not perceived to be linked with competitive forces and the future value and development of coopetitive activities was visualized. This positive attitude towards change can be seen as a developing force, since envisioning change to others has been outlined as an important middle managerial activity when it comes to implementing change in organizations (Huy, 2001).

This developing force may on the other hand be contrasted with middle managers questioning the value of coopetition, and calling for continuity. Existence of moderate levels of competition was referred to both from the perspective of the own organization, as well as from the other parties, when coping with inertia. Despite the fact that moderate levels of competition have been approached as most beneficial to coopetition (Bengtsson et al., 2010; Park et al., 2014), the existence of moderate competition is in the case not necessarily connected to a stimulating force. Competition was here used as a way of explaining stagnation, both internally in the organization and at a relational level, and why future coopetition might be challenging. By drawing on competition as a characteristic of the journalistic profession (Oliver, 2004), reluctance from others towards coopetition was not believed to diminish in the near future.

Since managers were balancing this need for continuity, at the same time as coping with the imposed changes (Huy, 2001) from coopetition (Bonel and Rocco, 2009), negative emotions were experienced (Raza-Ullah et al., 2014). Since the activities associated with the material exchange were only assigned to a small group of managers in the organizations, the occurrence of this emotional response could be assumed to become a counterbalancing force, amplifying non-actions and lack of engagement in implementing the strategy. This implies that the different sensemaking activities taking place and low emotional responses also have implications for the dynamics of cooperation and competition between parties at the macro level, by contributing to inertia (Huy, 2002).

<table>
<thead>
<tr>
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<th>From strong to low competition – Proponents of change</th>
<th>From strong to moderate competition – Proponents of continuity</th>
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<tbody>
<tr>
<td>Intra-organizational level</td>
<td>Normalizing inertia</td>
<td>Ranking of priorities</td>
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<tr>
<td>Inter-organizational level</td>
<td>Generalizing change in competition</td>
<td>Blaming others</td>
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*Table 3. Middle managers’ perceptions of coopetitive dynamics.*

**CONCLUSIONS**

This paper has discussed sensemaking and sensegiving as strategic activities underlying the coopetitive strategy process, and particularly emphasized emergent nature of the activities as decisive for the development of a coopetition strategy. Based on a longitudinal case study of the formulation and implementation stage of a joint collaboration between three parties, a number of implementation issues connected to different levels were identified. By going in
depth into how these issues were dealt with by middle managers, and their associated emotional responses, we were able to derive different types of sensemaking. These were in turn linked to different types of sensegiving activities performed by managers at higher levels, both internally in the organization, as well as externally. Grounded in the case study, we are able to argue that sensemaking and sensegiving constitutes micro-level practices that give rise to specific dynamics of cooperation and competition between organizations at a macro-level.

**Theoretical implications**

By applying a sensemaking lens to the day-to-day micro-level activities stemming from implementing a coopetition strategy in organizations, we show the complexity of this particular type of strategy when it comes to operational levels. The issues facing managers become inherently different at strategic and operational levels, giving rise to different sensemaking activities and coping strategies for middle managers.

Through the analysis we were able to distinguish a number of implementation issues that middle managers were facing, which at an aggregate level can be argued to contribute to strategic inertia. Generally, these issues originated from an incompatibility of externally imposed routines from cooperation with internal practices and routines (Bonel and Rocco, 2009). This incompatibility cognitively poses challenges for middle managers, and could accordingly be illustrated as a hindering force when it comes to enacting the changes coopetition implies (Mezias et al., 2001).

In this paper we highlight the important role of framing and sensegiving activities connected to a coopetition strategy. How top managers, deliberately or not, decide to speak and communicate about coopetition, to a great extent dictates how coopetition is received at lower organizational levels. For example, as illustrated in the case, referring to internal “bad” changes at the same time as coopetition was promoted gave rise to skepticism and reluctance to realizing the strategy at lower managerial levels. Sensegiving activities of this kind, intentional or not, seem to have a larger impact on middle managerial sensemaking, than the official sensegiving efforts portraying benefits of coopetition. We also confirm and extend previous insights in showing that the relationship between sensemaking and sensegiving and emotional dynamics (Lundgren-Henriksson and Kock, 2014).

When it comes to the strategic role of middle managers, our discussion clearly indicates that middle managers experience the negative sides of coopetition, such as anxiety, stress, and frustration. We therefore confirm that tensions related to coopetition are differently occurring across managerial levels (Park et al., 2014). Moreover, how middle managers cope with implementation issues, and consequently make sense of the stagnation, seem to have an influencing role on the development of coopetition. Drawing on Vaara and Whittington (2012), middle managers and their interpretative activities are hence included into the definition of who constitutes a coopetitive strategic actor, and what activities are strategic.

Finally, when it comes to the balancing of cooperation and competition between coopeting parties, we show that at a micro-level, this refers to middle managers balancing change and stability (Huy, 2001), and the emotional responses associated with these (Huy, 2002; Raza-Ullah et al., 2014). In the particular case, competition was associated with stability internally in the organization, and continued competitive acts from partners. As these views to a great extent influence middle managers engagement in implementing coopetition on a daily basis, these can be argued to stand in the way for continuing and developing coopetition at the inter-organizational level. This assumption is grounded in the fact that experienced inertia also gave rise to frustration at top managerial levels. We therefore
propose a relationship between interpretative activities at different managerial levels, and developments of a coopetition strategy.

Managerial implications

The importance of approaching a coopetition strategy through the day-to-day activities at lower actor levels is emphasized through our case study. Individual level interpretative practices could hence be argued to become the building blocks of a coopetition strategy, as these dictate actions and interactions (Weick et al., 2005). These emergent activities therefore deserve attention from top managers when formulating coopetitive strategies, owing to their influencing roles, which often pass unnoticed (Huy, 2001).

In addition, not only middle managers’ sensemaking are consequential for the development of a coopetition strategy, but also the interplay with sensemaking and sensegiving at top managerial levels, as these to a great extent influence sensemaking at operational levels. Following this line, managers should be mindful of their own as well as others sensegiving activities especially in early stages of the strategy, since these might have unexpected consequences for later stages of implementation. In addition, when it comes to coopetition as a strategic change, managers should focus on developing an interpretation for themselves before engaging in sensegiving activities, at the same time as being aware of continuous re-interpretations along the way (Gioia and Chittipeddi, 1991).

Our findings also indicate that a coopetition strategy requires unlearning of established routines (Mezias et al., 2001) internally in organizations in order for coopetitive routines to be enacted, and a cognitive re-orientation to take place (Gioia and Chittipeddi, 1991). We therefore urge managers to not underestimate the importance of communicating benefits of coopetition (Tidström, 2009) through continuous sensegiving activities throughout the strategy process, and to give a lead in the adoption of new coopetitive practices.

Limitations and future research directions

One clear limitation stems from the case specific nature of the study. There are hence future research opportunities to explore the proposed framework in other industry contexts. Our discussion of the dynamics of sensemaking and sensegiving in this paper also calls for future discussions and in-depth studies on the interpretative nature of coopetitive interactions and the implications for the dynamics of cooperation and competition.

The practice approach to strategy also calls for a methodological shift in the coopetitive research field. In order to further define actors and activities that prove influential for the emergence, developments, or outcomes of coopetitive strategies, the chosen research methods should aim to approach the micro-level through the use of for example observations, diaries, and conversation analysis (Vaara and Whittington, 2012).
REFERENCES


