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# The Work of Middle Managers: Sensemaking and Sensegiving for Creating Positive Social Change

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## Abstract

Corporate social initiatives are well positioned to generate virtuousness through and within organizations. Yet they are embedded in multiple and potentially contradictory institutional demands of profit and social logics, which must be addressed to sustain the initiative. Generatively addressing this perceived contradiction requires intentional and purposeful work by institutional actors. In this article, we posit that middle managers are crucial actors in performing this work and maintaining the hybridity of logics. We build on theories of institutional work and on sensemaking–sensegiving to describe the middle manager’s process of meeting competing demands of the initiative. We then propose a conceptual model and illustrate the posited relationships with data from the field. This describes how middle managers act on behalf of the organization and create virtuous human systems through sustenance of corporate social initiatives. We highlight various capacities required for this work and propose ways in which organizations can enable these capacities.

## Keywords

corporate social initiatives, institutional logics, sensemaking and sensegiving, middle managers

Corporate initiatives targeted at creating positive social change are not uncommon anymore.<sup>1</sup> For-profit companies are increasingly engaging in such initiatives designed

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to “improve the well-being of communities on local and global levels in such areas as health, race relations, the environment, or economic development” (Bies, Bartunek, Fort, & Zald, 2007, p. 788). By focusing on social change, these initiatives hinge on the ethos of virtuousness as they aim to create positive human impact, moral goodness, and unconditional social betterment (Bright, Cameron, & Caza, 2006) through and within organizations.

For external stakeholders these initiatives can create a direct positive impact; for business they can generate many direct and indirect benefits such as cost savings and legitimacy (Laszlo & Zhexembayeva, 2011). They may also create spirals of virtuousness within organizations to positively influence organizational resiliency, individual cognitive functioning, interpersonal relationships, and organizational performance (Cameron, Bright, & Caza, 2004).

Thus, the value of engaging in such initiatives is well accepted in the extant research. What are less discussed are the underlying processes to sustain such initiatives over time. At the most basic level, corporate social initiatives aim to create social benefit while being embedded in a context that also promotes achievement of profit goals. As such, social and profit (S & P) goals may hold a fundamental tension between purpose of the firm and “legitimacy and value of corporate responses to social misery” (Margolis & Walsh, 2003, p. 271). Even if compatibility is found in the goals of the initiative, as reflected in phrases such as the “business case for social responsibility” (Carroll & Shabana, 2010), it is in the practices of “doing” the initiative that the organizational actors may experience contradiction (Pache & Santos, 2011). This perceived incompatibility has been addressed in the context of social enterprises (Battilana & Dorado, 2010; Pache & Santos, 2011), but there is a noticeable gap in the management of similar tension within for-profit organizations. Since, unlike social enterprises, many for-profit organizations still hold profit maximization as the dominant goal (Wilson & Post, 2011), the challenges that social enterprises and for-profit organizations face in marrying S & P demands are different. In a for-profit organization, if the organizational actors consistently choose to meet social demands over profit the initiative may be decoupled from the core of the organization, making it vulnerable to discontinuation in challenging times. On the other hand, if they consistently place profit demands over social, the initiative may become merely symbolic and irrelevant in terms of creating a positive change. Therefore, if the tension experienced between S & P demands remains unaddressed or if one side of the perceived contradiction (S or P) is consistently chosen over the other, it can threaten the sustenance of the initiative (Battilana & Dorado, 2010). But when engaged productively, this tension can be generative (Lewis, 2000) and may lead to spirals of positive outcomes for all stakeholders.

Akin to social entrepreneurs, we posit that it is the agentic work of middle managers<sup>2</sup> within for-profit organizations that is one of the critical factors for the continuation of social initiatives. Yet the role of middle managers in organizations is often seen as nebulous (Wooldridge, Schmid, & Floyd, 2008) and unjustifiably undermined (Huy, 2001). Often unheralded organizational actors, we focus on them as one of the crucial figures in transcending the contradiction of S & P demands through intentional work

and having the capacity for creating virtuous systems. At a time when business's role in solving social issues is being acknowledged and expected (Fry, 2008), understanding the underlying processes that sustain corporate social initiatives, through the work of middle managers, has become an increasingly important question.

Thus, this article seeks to answer the following questions: (a) What are the underlying processes through which middle managers can sustain a social initiative in a for-profit organization? (b) What are the individual capacities required for such work? (c) How can organizations create enabling conditions and opportunities for managers to develop these capacities?

We address these questions by proposing a theoretical framework that delineates how middle managers navigate the perceived tension between S & P demands, assuming that corporate social initiatives are embedded in these multiple demands and the continuity of the initiative hinges on meeting both S & P demands. We assert that it is through the practices<sup>3</sup> or in the "doing" of the initiative that the tension is experienced and a response can be constituted (Battilana & Dorado, 2010; Pache & Santos, 2011). Using the theory of paradox (W. K. Smith & Lewis, 2011) and drawing from the research on institutional work (Lawrence, Suddaby & Leca, 2011) to address demands of multiple institutional logics<sup>4</sup> (Thornton & Ocasio, 2008), the proposed framework posits that there is a form of "work" that middle managers, in particular, execute to enable the continual navigation of the perceived tension between S & P demands. We argue that this work is characterized by the individual and relational processes of sensemaking and sensegiving (Maitlis, 2005) and leads to the ongoing reconfiguration of the practices of the initiative to sustain both demands. We also identify the underlying capacities required to engage in such work, and suggest ways that organizations can support in the enabling of these capacities.

Our contribution lies in intersecting the lens of sensemaking and sensegiving with institutional work. Thus, we respond to the call from scholars of institutional theory to "get back 'inside' organizations" (Suddaby, Elsbach, Greenwood, Meyer, & Zilber, 2010, p. 1234) and focus on actors, actions, and their interpretations of institutional demands (Pache & Santos, 2010; Zilber, 2002). Also, by positioning corporate social initiatives as manifestations of the underlying processes of sensemaking and sensegiving, we connect to the burgeoning research in corporate social responsibility that advocates for understanding these processes and how they guide organizational relationships with internal stakeholders and the world at large (Basu & Palazzo, 2008). Moreover, by illustrating how the ongoing perception and engagement of the tension between S & P demands is what creates the conditions for generative outcomes, we delineate the much required "how" of social responsibility beyond exploring "whether" the relationship between social responsibility and firm performance exists, as well as research that focuses on "when" (or moderators) of this relationship (e.g., Dixon-Fowler, Slater, Johnson, Ellstrand, & Romi, 2012). Finally, our arguments inform the practice of corporate social responsibility. By focusing on what and how organizations develop middle managers so that they work to balance S & P demands, we provide concrete suggestions for the business' role in creating virtuous systems.

Ours is a conceptual exploration and we bring to life our arguments by using examples and interview quotes from data collected in a larger study.<sup>5</sup> Please refer to Note 5 for details of the study.

## Work of Middle Managers in Sustaining Social and Profit Logics

Meeting the demands of both profit and social logics requires intentional effort by organizational actors. In this section, we describe how middle managers are one of the crucial actors in performing this work. We provide a brief description of the theory of institutional work (e.g., Lawrence & Suddaby, 2006) in order to connect it to the existing literature on the work of middle managers (e.g., Wooldridge et al., 2008) and establish the relevance of middle managers to the sustenance of corporate social initiatives.

Social initiatives carried out in for-profit organizations pose a unique challenge. Directed toward creating positive impact, they embrace the requirements of social logics while also facing the demands of profit logics because of being embedded in a for-profit organization. This institutional pluralism (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011) may be perceived as contradictory by organizational actors, especially as these actors get involved in the *practices* of the initiative. An example is provided by Battilana and Dorado (2010), who described the tension between banking (profit) and development (social) logics in microfinance organizations in fulfilling fiduciary obligations while providing finance for the poor.

Here, we underscore the point that the perceived contradiction between S & P logics may not always emerge in the stated goals of the initiative. For example, a power company undertaking a rural electrification project can describe the goal as providing power to the poor (social) while establishing new markets (profit). Yet, regardless of the goal, it is in the “doing” of initiatives that the tension is experienced. Continuing the example of the rural electrification project, the tension can be felt in the practice of pricing the service (ensuring affordability for the poor and a decent profit) and in the choice of where to locate the project (remote location for maximum social impact conflicts with accessibility for deployment and maintenance). These S & P paradoxes arise since both demands are conflicting but necessary for the success of the initiative (Lewis, 2000). The initiative can only survive and thrive when the tension is generatively engaged to simultaneously meet both demands.

Extant work on institutional theory describes such intentional effort toward affecting the demands of multiple logics as “institutional work.” Specifically, institutional work describes the “practical actions through which institutions are created, maintained, and disrupted” (Lawrence et al., 2011, p. 1). Scholars of institutional work describe it as day-to-day adjustments or adaptations of actors to affect the legitimacy of practices and the boundaries between insiders and outsiders (Zietsma & Lawrence, 2010). An important aspect of this “work” is the concept of agency—where institutions provide templates to the actor while his or her actions also influence those templates. Especially in the context of multiple logics, such as S & P, the perceived

contradiction between the demands, as emergent in everyday practices, provides the opportunity for actors to engage in institutional work to meet (or not) these demands.

Middle managers can exert this agency to “do” the institutional work while simultaneously meeting S & P logics. Research in the broader realm of social responsibility acknowledges the role of middle managers in initiating and implementing corporate social initiatives. For example, Cramer, Jonker, and van der Heijden (2004, 2006) describe the role of change agents who actively make sense of the ambiguous and uncertain idea of corporate social responsibility and create shared meaning through interactions with other organizational members. Similarly, Kuratko and Goldsby (2004) describe the challenges middle managers face in acting as institutional entrepreneurs while maintaining managerial ethics. Finally, Morsing and Schultz (2006) describe how managers engage in sensemaking and sensegiving through strategies of stakeholder response, stakeholder information, and stakeholder involvement. In a similar vein, we suggest that middle managers qualify as relevant actors for doing the institutional work of addressing both logics. Battilana, Leca, and Boxenbaum (2009) describe the characteristics of such institutional actors as (a) initiating divergent change and (b) actively participating in the implementation of such change. Much work in the middle management research has emphasized the role of middle managers in implementation of often divergent strategic change through actions such as translating, mediating, negotiating, planning, and monitoring (Stensaker, Falkenberg, & Gronhaug, 2008), as well as initiating the change through influencing, issue selling (Dutton & Ashford, 1993), knowledge creation, and development of core competence (Wooldridge et al., 2008). By contributing through initiation or implementation to the change called for by corporate social initiatives, middle managers can act as crucial institutional actors for maintaining the hybridity of logics.

Second, middle managers have been positioned in the extant work to balance competing roles such as champions of strategy as well as recipients of change (Bryant & Stensaker, 2011), balancing change and continuity (Huy, 2001), and balancing emotions of self and others associated with change and stability (Huy, 2002). Such balancing acts indicate that they may be predisposed to the balancing of opposites required to navigate the perceived tension between S & P logics.

Finally, since they are located between top-managers and above first-level supervision in the organizational hierarchy (Dutton & Ashford, 1993; Wooldridge et al., 2008), middle managers are uniquely positioned to reflect on as well as operate within the constraints of both logics. They are close enough to the top management to participate in strategy making and hence understand the rationale of multiple logics inherent in social initiatives. At the same time, they are also proximal to the frontlines in order to understand and interpret for them (Nielsen, 2009) the ostensible contradictions experienced in “doing” the initiative. In other words, experiencing the demands of competing logics in the overarching strategies as well as holding the agency in their role to craft a response, middle managers can engage in intentional and purposeful work (Beckert, 1999), as well as facilitate and aggregate the “work” of others to sustain both logics.

We describe this making sense for self (see Balogun & Johnson, 2004) and providing meaning to others (see Beck & Plowman, 2009) in order to engage in navigating the perceived tension between S & P logics as middle management work.

Despite the possibilities, not all middle managers will perform this work. Even though both S & P logics may be present all actors will not equally experience their contradictory demands. Given each actor's individual filters (Greenwood et al., 2011) such as values and identification with their role, they may infuse either or both demands with saliency. Thus, a prerequisite for performing this work is to experience the tension and engage it generatively. We propose a path whereby middle managers perceive and engage this tension emerging in the practices of the initiative (see Figure 1). We postulate that engaging the tension is an affective and cognitive challenge that requires active sensemaking, including scanning and interpretation (Thomas, Clark, & Gioia, 1993). Leveraging the tension is a unique behavioral challenge that requires sensegiving in which managers diffuse their integrative frames to other stakeholders in order to influence their scanning, interpretation, and action. This allows for reconfiguring the practices of the initiative to meet the demands of both logics and hence sustain the initiative. We elaborate this path to identify the capacities required for such work.

### **Perceived Tension Between Logics: Capacity for Reflexivity**

The tension between contradictory demands of S & P logics can remain latent until specific triggers such as resource scarcity or plurality (W. K. Smith & Lewis, 2011) of stakeholder demand increase the demands of one logic over the other. Despite the external triggers and implicit contradictions between S & P logics, the tension may still not be experienced by the middle manager. Most individuals espouse a primary logic, guiding the degree to which they adhere to and promote an institutional demand (Pache & Santos, 2010). For the tension to move from latency to saliency, the manager has to recognize the demands of his or her espoused logic as well as the alternate logic. In other words, tensions are only experienced if the manager juxtaposes the demands of both logics and infuses them with dual saliency.

The inability to perceive the competition between logics is found in the extant work on institutional entrepreneurship as the paradox of embedded agency (Battilana et al., 2009; Hardy & Maguire, 2008; Mutch, 2007), where the actor cannot change the existing institution by virtue of being embedded in it. It is related to the actor's willingness and ability<sup>6</sup> (Battilana et al., 2009) in order to identify alternate arrangements and therefore create, maintain, or disrupt the demands of the existing institution. The willingness stems from reflexivity or "the capability to take a reflective position toward institutionalized practices and envision alternative modes of getting things done" (Beckert, 1999, p. 786). It is this capability to understand the saliency of both logics that is the precursor for experiencing the tension between them. Reflexivity can stem from two sources (a) embeddedness of a manager in contexts and networks that represent both S & P logics (Battilana et al., 2009) and (b) individual characteristics that



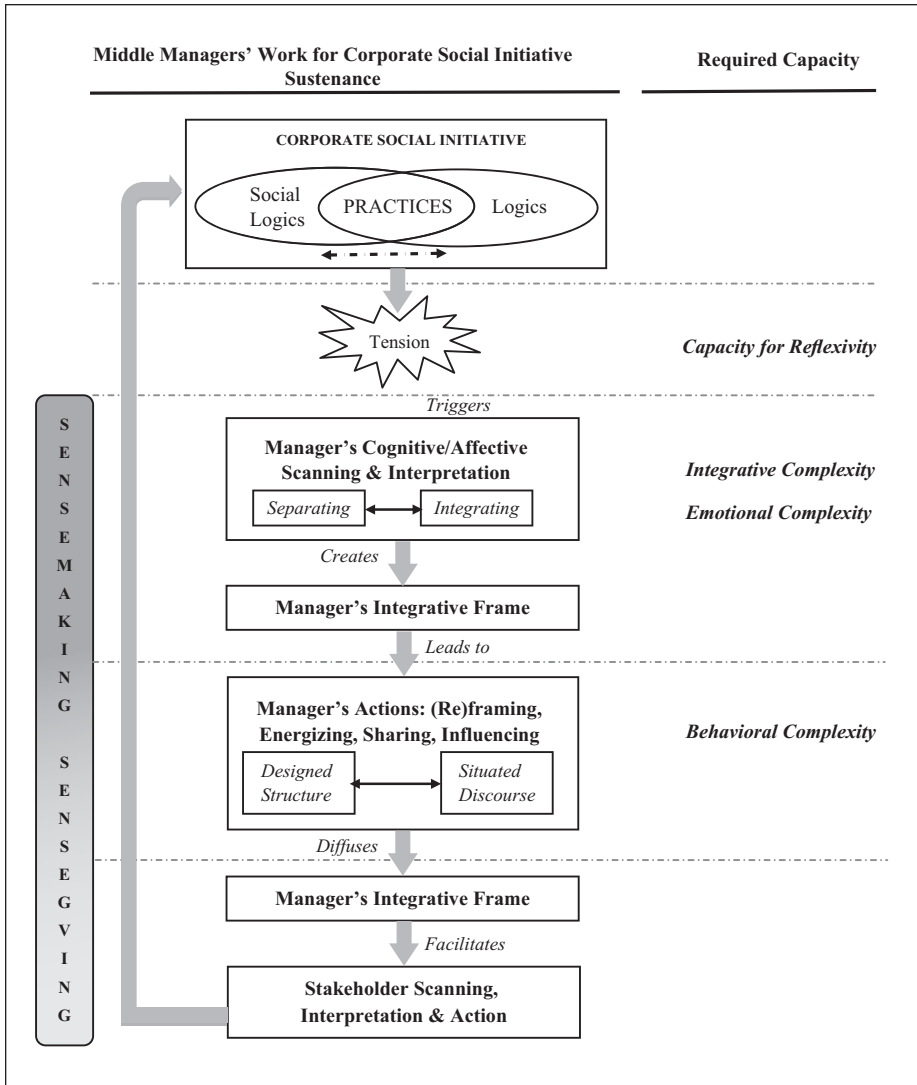


Figure 1. Middle management work and required capacities.

make both logics salient. Embeddness in multiple contexts and networks can provide exposure to conflicting demands and encourage consideration of diverse sets of stakeholders. For example, a manager may be actively involved in an industry association focused on improving business performance as well as in a voluntary organization working for the disadvantaged.

Additionally, possessing individual characteristics that align with opposing logics can enable reflexivity. Specifically, the manager's formal role in a for-profit organization typically exposes him or her to the demands of profit logics. In most organizations, when the manager identifies strongly with his or her role (Ashforth & Mael, 1989), it can influence him or her to espouse the demands of profit logics. On other hand, personal values, such as environmental stewardship, can position the manager to recognize the demands of social logics. Values "shape levels of selectivity and intensity through their influence on what dominates an individual's perceptual field and demand mental focus" (Agle, Mitchell, & Sonnenfeld, 1999, p. 511). Managers are able to enact their personal values through the discretion that their role allows (Hemingway & Maclagan, 2004). It can encourage them to consider how current practices can be modified to achieve collective benefit. Thus, for managers in most for-profit organizations whose roles hold profit-related responsibilities, when high identification with the formal role (related to the saliency of profit logic) exists simultaneously with strong values of stewardship (related to the saliency of social logic), he or she can experience the tension between S & P logics.

Hence, we propose the following:

*Proposition 1:* For the tension to move from latency to saliency, managers must acknowledge the saliency of both S & P demands by moving beyond their preference for either one. Capacity for reflexivity, through social positions (diverse contexts and networks) and/or individual characteristics (high identification with formal role and personal value of stewardship toward stakeholders), can enable them to experience the tension between S & P logics.

The following quote from our fieldwork illustrates this argument where the manager acknowledges the tension and hence exhibits the capacity for reflexivity by juxtaposing the demands of both profit (financially driven decision) and social (driver to do right work right every time) logics:

It may not always be the most professional and it has changed for me . . . 15 years ago when I worked at [company's name where he worked last], it would have been easy to make a very financially driven decision. It is lot more difficult for me [now] to make it based purely on financials knowing what I know and how much time I have spent in understanding sustainability and environment, social responsibility. And finding a more and more heavy driver to do the right work right every time. And sometimes that conflicts with the financial part of being responsible for the supply chain.

This tension, when experienced, creates a gap in the managers' understanding and introduces uncertainty in the outcomes of their decisions. We posit that this gap serves as the trigger for sensemaking (see Figure 1) to construct interpretations and resolve the perceived contradictions (Maitlis & Lawrence, 2007).

## **Sensemaking–Sensegiving for Middle Management Work**

Tension experienced in the demands of S & P logics can be generative (Lewis, 2000) if engaged through sensemaking and sensegiving (Luscher & Lewis, 2008). Sensemaking involves “ongoing retrospective development of plausible images that rationalize what people are doing” (Weick, Sutcliffe, & Obstfeld, 2005, p. 409). Managers actively engage in sensemaking at times of uncertainty to “interpret and create an order for occurrences” (Luscher & Lewis 2008, p. 221). It includes the processes of scanning, interpretation, and associated actions (Thomas et al., 1993). In addition to being a cognitive process, sensemaking is also affective where the emotions elicited from the tension influence the manager’s interpretations.

The tensions experienced by the manager are also likely to be present for the internal and external stakeholders involved in the initiative. Attentive managers engage in “sensegiving” where they address the ambiguity experienced by others and provide a renewed clarity for further action (Corley & Gioia, 2004). The process of sensemaking–sensegiving has been related to outcomes such as instigating a strategic change (Gioia & Chittipeddi, 1991), identity change (Corley & Gioia, 2004), cognitive shifts (Foldy, Goldman, & Ospina, 2008), and drawing people into the change process (Rouleau & Balogun, 2011). It is this work of middle managers, which we describe as scanning, interpreting, and defining changes in practices (sensemaking) and providing meaning to implement these changes through others (sensegiving), that can navigate the perceived tension between S & P logics to sustain the initiative.

### *Sensemaking: Scanning and Interpreting Using Emotional and Integrative Complexity*

*Scanning for sensemaking.* Scanning involves information gathering and identifying important elements that bear on the sustenance of the initiative, whereas interpretation is about fitting the information into a framework for understanding (Thomas et al., 1993). Therefore, navigating contradictory demands begins with gathering information on divergent perspectives and juxtaposing them to understand their practice implications, which lead to managerial actions for sensegiving.

Scanning is both a cognitive and an affective process (Maitlis & Sonenshein, 2010). Aforementioned reflexivity implies that the manager “coolly” adopts a reflective distance to gather information from conflicting cues in the environment. Yet tension tends to be anxiety provoking, indicating that the role of affect is also important in making sense of the tensions. The role of emotions is increasingly acknowledged in studies on institutional change (e.g., Creed, DeJordy, & Lok, 2010) where demands are maintained (or not) based on the actor’s emotional investment in the institutional logic (Voronov & Vince, 2012).

Affect related to S & P logics is present in the aforementioned individual characteristics of personal values and identification with the role. The personal values of the

manager can elicit negative affect if the demands of social logics are challenged. Additionally, if the manager identifies strongly with his or her role, challenges to the demands of profit logics can trigger negative emotions. Negative emotions can not only interrupt the meaning-making activity by narrowing the information search but can also provide additional information (e.g., “how I feel”) that can facilitate sense-making (Maitlis & Sonenshein, 2010). On the other hand, if the contextual saliency of demands aligns with the manager’s espoused logic, it can generate positive emotions. These can broaden the manager’s thought–action repertoire (Frederickson, 2004) but can be equally hindering through mechanisms of overoptimism or misinterpretation of threat (Maitlis & Sonenshein, 2010). Thus, the tension between S & P logics can trigger an emotional response depending on the manager’s “distance” from the logic indicated by espoused values and identification with the role. This implies that for making sense of the demands of both logics, the manager will have to address the emotions he or she elicits.

Addressing and managing a wide range of emotions requires the capacity for emotional complexity. The experience of moderately intense emotions facilitates sense-making without interrupting or overwhelming the actor (Maitlis & Sonenshein, 2010). Thus, managers can incorporate requirements of both logics by differentiating between felt emotions while allowing themselves to experience a range of emotions. This capacity for emotional complexity (Ong, Bergeman, Bisconti, & Wallace, 2006) has been related to individuals being more aware of their feelings and staying open to ongoing emotional experience (Kang & Shaver, 2004). It can allow the manager to understand and manage his or her emotional investment in the logic, in turn facilitating scanning or information gathering that includes multiple points of view. Hence, we propose the following:

*Proposition 2:* By addressing both positive and negative emotions elicited by S & P logics, managers engage in scanning for sensemaking. Capacity for emotional complexity can enable the manager to hold positive and negative emotions simultaneously for sensemaking in order to meet demands of both logics.

The following quote illustrates how the manager engages in negative (when he says that this battle is politically charged) and positive emotions (when he sees an opportunity to help the planet), and then goes back to negative emotions (where the arguments to maintain PVC [polyvinyl chloride] still occur) to include divergent perspectives in his sensemaking:

You know I can’t say it like you know a light bulb switch went on. It was more evolutionary in my mind that okay I can see where [environmental team members] are coming from. You know I can’t fight this battle because it is too politically charged and I can see some sensibility to it. Then I started to see more practicality to it but then it started internalizing and resonating with oh gee I

actually can help the planet in a way. And so it was something intrinsically good that went beyond the paycheck in my job and it was kind of like it sounds silly but it was kind of a warm fuzzy feeling, knowing you are able to do the right thing for a change and now it's become a part of how do you keep doing right thing. And . . . you know I still was worried about cost savings and how it would impact me and you know occasionally today we still have the argument because sometimes we have to have PVC in our product because it is so expensive that puts us back in our market competitiveness.

*Interpretation for sensemaking.* Interpretation follows this affective and cognitive process of scanning. The outcomes of interpretation are new mental frameworks “in which managers recognize and accept the simultaneous existence of contradictory forces” (W. K. Smith & Tushman, 2005, p. 526). Paradoxical frames can help alleviate the anxieties stemming from contradiction and encourage the manager to think beyond the trade-offs (Wong, Ormiston, & Tetlock, 2011).

Such framing begins with separating the demands followed by integrating both to address the contradiction (Creed et al., 2010). Separation allows emergence of unique features of each demand, whereas integration highlights the synergies of the whole (Besharov & Smith, 2011); hence both are needed for sustenance of contradictory logics. Extant work describes many ways of separating the demands such as across time (Poole & Van de Ven, 1989), across product offerings (W. K. Smith & Tushman, 2005), or by continually meeting the demands of one logic while incrementally meeting that of the other.

Whether done across time, across products, or in increments, separation of demands can threaten the sustenance of the initiative if not integrated to move beyond simple trade-offs where the middle manager understands the demands not as black and white but as shades of gray (Guttieri, Wallace, & Suedfeld, 1995). The capacity for integrative complexity allows the movement between separation and integration and has been found to relate to corporate social performance (Wong et al., 2011). Such integrative framing enables the manager to acknowledge that “reality is in a constant state of flux and that conflicting forces underlie the dynamic nature of both reality and human thinking” (Bledow, Frese, Anderson, Erez, & Farr, 2009, p. 310). Thus, we propose the following:

*Proposition 3:* By cognitively separating and integrating the demands of S & P logics, managers engage in interpretation for sensemaking. Capacity for integrative complexity can enable the manager to move beyond perceived trade-offs and engage in sensemaking that creates integrated frames in order to meet demands of both logics.

The following quote illustrates such integrative framing in which the speaker is discussing his company's social initiative to engage a women's cooperative as a supplier:

I think what has changed in me is I have been able to professionally understand this partnership between [name of the firm] and the [name of the cooperative]. Earlier I was looking at it very, very clinically, or you know, as a business interest I would say that what is this kind of partnership in which supplier, which vendor you know you would kind of handle with such kids gloves, so to say, but now, I am more informed and more understanding, and I see that there is a lot of give and take, there are a lot of areas where the [name of the cooperative] is benefiting, but more than that, [name of the firm] is also benefiting . . . there are many hidden things which you fail to see and you get to see them once you are part of them.

In summary, by engaging cognition and emotions, managers can gather information on the requirements of both logics (scanning) and bracket it in a paradoxical frame that simultaneously separates and integrates both demands (interpreting). The capacities for emotional and integrative complexity enable the manager to engage in this process. This sets the stage for sensegiving actions critical for the initiative's sustenance. Sensegiving involves facilitating the stakeholders' sensemaking—or scanning, interpretation, and action (see Figure 1).

### *Sensegiving: Actions Supported by Behavioral Complexity*

Social initiatives often involve internal and external stakeholders. The contradictions manifested in practices, experienced by managers, may also be present for the stakeholders. This requires that managers actively engage in facilitating the stakeholders' scanning and interpretation such that they can make sense of the contradictory demands and act accordingly. Such facilitation is a form of sensegiving (Gioia & Chittipeddi, 1991). Maitlis and Lawrence (2007) provide a review of the sensegiving strategies, which include informing and energizing stakeholders through frequent interactions, framing change to align with the stakeholders' values, providing new meaning to existing labels, and sharing narratives of progress. The intended outcome of such strategies is to create a cognitive shift (Foldy et al., 2008) that becomes the springboard for action to sustain both logics. In other words, the sensegiving directed toward internal and external stakeholders is not simply an exercise to alleviate the tension that the stakeholders may be experiencing. Instead, managers engage in this sensegiving with the objective of diffusing their integrative frames as well as involving the stakeholders to implement practices (Hardy & Maguire, 2008) that actively maintain both logics.

The middle manager can facilitate appreciation of divergent concerns for S & P logics structurally or discursively (see Figure 1). This is echoed in descriptions by Hardy and Maguire (2008) and Battilana et al. (2009) where institutional actors have to provide interpretations as well as engage in strategic interventions to mobilize and motivate others for creating, sustaining, or disrupting institutional demands. Below we describe these as two separate processes but acknowledge their interaction.

*Sensegiving through situated discourses.* Managers engage in sensegiving through situated discourses occurring in reference to specific practices and decisions (A. D. Smith, Plowman, & Duchon, 2010). By actively sharing the rationales behind their decisions, they can diffuse their integrative frameworks. Such diffusion of frames is deliberate, and to be accepted, the frame has to align with the existing cognitive templates of the stakeholders (Snow, Rochford, Worden, & Benford, 1986). Sensegiving actions are thus “directed toward affecting the other’s attention and understanding of the issue” (Dutton & Ashford, 1993, p. 398).

Through deliberate rhetorical strategies that meet contradictory demands, managers infuse legitimacy to both logics and provide a language that the team members can use to interpret the contradictions. This can happen in two ways. They can provide different (*either S or P*) rationalizations to different practices; or they can provide an integrated (*both S and P*) rationalization to the same practice. Differentiated rationalizations across practices can range from “this is the right thing to do” to framing it as a strategic priority for business. Differentiated interpretations can address the diversity of existing interpretive frames of the stakeholders such that those espousing social logics as well as those adhering to profit logics can be mobilized for action. Second, differentiated framing separates the contradictions between practices so that demands for both logics do not compete with each other but are still addressed across practices.

Additionally, integrated framings allow for hybrid interpretations such that both demands are synthesized within the same practice (Chen & O’Mahony, 2009). This is reflected in rationalizations of practices marked by the use of *both/and*, such that the same practice is posited to meet demands of *both S & P* logics. Hence, we propose the following:

*Proposition 4:* Through situated discourses, managers separate (across practices) or integrate (within the same practice) the demands of S & P logics to meet both demands.

Such a hybrid discourse can be seen in the following quote. Here, an employee is describing the intervening questioning (Luscher & Lewis, 2008) done by his manager and how that facilitated integration of the demands of both profit and social logics. Specifically, for a single practice of material selection, he explains how the manager’s discourse facilitates consideration of profit logics through cost consciousness and value to the customer; while that of social logics focuses on benefit to the environment:

If we want to replace this [environmentally unfriendly material], what is it going to cost? And then once we determine that cost, looking at that cost in terms of the overall effect on the product, right! What [benefit] does it do to the environment, to the firm’s margin, and then what does the replacement look like? Is it transparent to the customer? Is it enhancement over the current product? How



can you package that and sell that and what is the perceived value to the customer? And that is how our team, I don't know if there is a better way to describe, but we are kicking around to answer all these questions.

*Sensegiving by designing structures.* Sensegiving can also occur structurally where the manager defines expectations to facilitate the appreciation of both logics. This can be done by creating roles and clear time lines to achieve the goals of the initiative. The efficiency and accountability, similar to that expected in other projects, can keep the saliency of profit logics alive while striving to meet social goals can maintain the saliency of social logics.

For external stakeholders, continual (re)configuration of the initiative can provide structures for their involvement to address competing demands. External stakeholders are critical to the initiative and can help the organization navigate the tension by sharing resources and expertise and providing legitimacy (Webb, Kistruck, Ireland, & Ketchen, 2010). This requires a clear definition of their roles and continual reconfiguration of their involvement to "give sense" and facilitate their involvement.

In summary, to address and maintain divergent demands, managers must employ discourse and structures. This requires that they "react to a wide range of situations that may in fact require contrary or opposing behaviors" (Denison, Hooijberg, & Quinn, 1995, p. 526). This capacity of executing opposing behaviors is referred to in the existing research as behavioral complexity. For example, W. K. Smith and Lewis (2011) identify behavioral complexity as critical for navigating paradoxical tensions. Hence, behavioral complexity may be a necessary capacity to enable the manager to engage in rhetoric and arrange structure for stakeholders. This leads us to the following proposition:

*Proposition 5:* Through formal structures managers can engage in sensegiving by facilitating interpretation and facilitating internal and external stakeholders' actions. Capacity for behavioral complexity can enable the managers to engage in sensegiving actions in order to meet the demands of both S & P logics.

This is illustrated in the following quote in which the manager of the environmental team of a packaging company describes the evolution in the stakeholder's role in its recycling initiative. Lacking an existing conduit for collecting and recycling the company's packages in India, it had built NGO (nongovernmental organization) partnerships for collection and had supported a recycler to recycle these. The manager explains the structural reconfigurations and associated discourse for sensegiving:

What we did in the past was to support the NGO [serving as collectors of used packages] and support [recycler's name]. So we really ended up you can say I don't want to use the word bleeding because it is a really nasty word but we ended up spending a lot of money and we weren't really getting results commensurate with the scale of investment. And at some point [recycler's name]



and you know we got together and we said why are we doing this? [recycler's name] you are the buyer and he said "yes, I mean I should be the one setting the rate and you don't have to come in and discount that or discount me or, you know to offer me any sort of subsidy. Let me do that." So that's the way it is now. We support him through consumer awareness programs that help collecting packs for recycling while he takes care of the day to day transactions with the NGOs.

In this way, through practice reconfiguration and associated frames for the recycler to understand his role, the manager could set up a self-sustaining system for collection and recycling, addressing demands of both profit and social logics.

In delineating the path from experiencing the tension to engaging in sensemaking and sensegiving, we identified the capacities for reflexivity, emotional complexity, integrative complexity, and behavioral complexity. We now turn to how organizations can create formal and informal opportunities that enable the development of these facilities.

## Discussion and Implications

Corporate social initiatives hold great promise in being able to improve societal conditions while meeting the business demands faced by a for-profit organization. Although compatibility and even complementarity of profit and social goals have been expressed in statements such as "business case for social responsibility" (Carroll & Shabana, 2010), we still argue that it is through the practices of the initiative that fundamental tensions are often observed and experienced. We place the often-unheralded middle manager at the center of this effort as one of the key figures in acknowledging and navigating the demands of both logics.

We began this article with the question on the underlying processes that define the work of middle managers in sustaining corporate social initiatives. In response to this we have proposed a conceptual model in which the work of middle managers is characterized by experiencing tension, sensemaking and sensegiving to (re)configure the practices of corporate social initiatives, and navigating the perceived tension. Our second research question revolved around the capacities required to engage in this work. Thus, we identify specific individual capacities that facilitate progression at each step.<sup>7</sup>

Our final research question addresses the ways in which organizations can nurture these identified capacities. In response, we use the scheme of processes and associated capacities to describe below the implications for research and especially for practice.

### *Implications for Research*

The proposed conceptual model describes the processes through which the agentic behavior of middle managers can spiral upward to have an impact on virtuousness in human organizing. In other words, it suggests that individual virtuousness, represented

in the proactive sensemaking of middle managers, can expand to become organizational virtuousness (Cameron et al., 2004) through sensegiving actions and subsequent changes in practice configurations of corporate social initiatives. By meeting demands of social logics, while being embedded in a for-profit context, the proposed processes contribute to the extant work on virtuousness. Theoretical arguments suggest an absence of instrumental gains as a qualification for virtuousness (Bright, 2006) to the extent that corporate social responsibility with its assumed instrumental focus is beyond its purview (Bright et al., 2006). On the other hand, some studies also assert that virtuousness leads to improved organizational performance, an instrumental gain necessary for gaining traction with practitioners (Cameron et al., 2004). By intersecting it with the theoretical lens of institutional logics, one can highlight the place of ever-burgeoning corporate social initiatives in the theoretical realm of virtuousness. Our basic assertion that demands of both S & P logics need to be met to sustain the initiative takes the scholarly attention from instrumental gains of such initiatives to how businesses can create a positive social change while navigating the probable contradictions with profit logics experienced along the way. This processual view of corporate social responsibility can contribute to the scholarly questions that speak to how virtuous systems can be created through and within organizations (e.g., Kanter, 2008).

The model also contributes to the increasing focus on multiple institutional logics and the role that actors play in sustaining or displacing logics present in organizations. Our arguments implicitly assume that both S & P logics hold equal strength. This may not be true for all businesses where profit logics may be stronger than social, whereas social logics are integral to the initiative but secondary in the exertion of their demands. The proposed processual view of corporate social initiatives motivates questions regarding middle managers as institutional actors who can sustain a constellation of logics (Goodrick & Reay, 2011) over time, instead of the dominant logic replacing the secondary. For example, such questions may explore how by engaging in issue selling, framing, and other sensegiving actions, middle managers can use the discourse of the dominant logic (say profit) to sustain the secondary (say social), in turn creating a positive impact for different stakeholders. Additionally, by intersecting the lens of sensemaking-sensegiving with institutional logics, our proposed model provides a multilevel view that begins with field level logics but drills these down to the level of social initiatives and work of individual middle managers. This can inform the growing scholarly focus on microfoundations of institutional theory.

Finally, this article offers implications for the research on middle managers by clarifying their role in creation of virtuous systems. By underscoring the critical role of middle managers in sustaining corporate social initiatives and identifying the associated capacities, we respond to the call for research on middle managers' agentic roles and psychological foundations of their behavior (Wooldridge et al., 2008). We describe how through sensemaking and sensegiving, they can remain within the structure (of strategy) but act agentially to reconfigure the practices associated with strategic change. Future research can explore such recursivity between strategy and practice configurations to shed further light on how middle managers contribute to the creation of

virtuous systems. Additionally, the identified capacities provide a useful starting point for further investigation of the psychological underpinnings of middle management behavior. This can be empirically tested to understand if certain capacities play a more significant role in the navigation of perceived contradictions between S & P logics.

### *Implications for Practice*

Our arguments identify the process and set of individual capacities in the ongoing management of social initiatives in for-profit organizations. Middle managers are required to engage in experiencing the tension, sensemaking, and sensegiving in order to navigate the perceived tension between S & P logics. Below we describe how organizations can create enabling conditions that develop the individual capacities associated with these processes. Consistent with theory on managing paradox, developing each of these capacities suggests taking a *both/and* approach to S & P logics (Lewis, 2000; W. K. Smith & Lewis, 2011) to overcome limitations of *either/or* thinking (Poole & Van de Ven, 1989) and move toward more creative solutions (Cameron & Quinn, 1988).

Table 1 delineates multiple possible organizational strategies for developing these capacities under the categories of selection, training, top management team's role, and socialization. In the following section, we highlight some of the strategies for developing these capacities, with a focus on what the extant research has found to be significant ways in which organizations can nurture these.

**Experiencing tension.** The process of experiencing the tension requires that managers recognize the demands of both S & P logics. We identified reflexivity as the underlying capacity for executing this process. Organizations can promote this reflexivity through various means. For example, during selection, the organization can focus on the middle manager's diversity of experience, including a history of managing dual roles (Gibson & Birkinshaw, 2004). Training and developing middle managers to enhance diversity of experience can include targeted externships, sabbaticals, and/or community service. Each of these opportunities must be carefully designed to expose middle managers to the demands of competing S & P logics. Additionally, to inculcate reflexivity, organizations can highlight the manager's profit responsibilities through inclusion in strategic planning while simultaneously nurture stewardship values through role modeling and organizational communication. Previous research has found that intellectually stimulating CEOs who encourage their employees to question their assumptions showed a positive relationship with strategic corporate social responsibility (Waldman et al., 2006, as cited by Wong et al., 2011). Such deliberate questioning can make the managers aware of the taken-for-granted nature of their espoused logic, while allowing them to consider alternate logics.

**Sensemaking.** Sensemaking requires that managers separate the demands of both logics and recursively integrate these to create cognitive frames that incorporate both S & P logics. As described, this is a cognitive as well as affective process. Organizations can be intentional in facilitating the emotional and integrative complexity

**Table 1.** Enabling Individual Capacities for Middle Management Work.

	Experiencing tension		Sensemaking		Sensegiving	
	Reflexivity	Emotional complexity	Integrative complexity	Behavioral complexity		
Selection	Objective: Focus on middle manager's diversity of experience Example: History of managing dual roles and cross-sector experience Gibson and Birkinshaw (2004)	Objective: Select for the capacity to differentiate emotions Example: Range and Differentiation of Emotional Experience Scale Kang and Shaver (2004), Barrett, Gross, Christensen, and Bervenuto (2001)	Objective: Select for capacity to conceptually differentiate and integrate Example: Picture story exercise Baker-Brown et al. (1992), Tetlock, Peterson, and Berry (1993)	Objective: Select for capacity to hold multiple competing roles Example: Competing Values Framework to assess behavioral complexity Denison, Hooijberg, and Quinn (1995)		
Training	Objective: Build diversity of experience Examples: Targeted externships, sabbaticals, community service such as PricewaterhouseCoopers' Ulysses Program Hempel (2004)	Objective: Build the capacity to make contact with felt emotions and deal with them more fully Example: Acceptance of emotion through mindfulness-based acceptance therapy Hayes, Bond, Barnes-Holmes, and Austin (2007)	Objective: Build the capacity to understand the upside/downside and ongoing trade-offs of competing logics Example: Navigating tension through use of polarity management Johnson (1992)	Objective: Build the capacity to exhibit behaviors related to contradictory roles Example: Competing Values Framework such as used by the Ford Motor Company in a long-term training program Hooijberg and Quinn (1992), Sendelbach (1993)		
Selected references management team	Objective: Increase role identification and values of stewardship	Objective: Proactively delimit tensions to alleviate excess emotional burdens on the middle manager	Objective: Facilitate moderate availability of new information for integrative complexity to reach its inflexion	Objective: Encourage discourse that meets interests of multiple stakeholders		

(continued)

**Table 1. (continued)**

	Experiencing tension		Sensemaking		Sensegiving	
	Reflexivity	Emotional complexity	Integrative complexity	Behavioral complexity		
Selected references	<p><i>Example:</i> Inclusive strategic planning such as appreciative inquiry summits</p> <p>Powley, Fry, Barrett, and Bright (2004)</p> <p><i>Objective:</i> Facilitate internal and external discourse to integrate social aims with core business principles</p> <p><i>Example:</i> Communicate through paradoxical frames such as the Sustainable Values Framework, for example, employed by China Mobile</p>	<p><i>Example:</i> Hold tension at the top with the hub and speaking team structures</p> <p>Tushman, Smith, and Binns (2011)</p> <p><i>Objective:</i> Establish a climate to freely express a wide range of emotions</p> <p><i>Example:</i> Encourage bounded emotionality for experience of both positive and negative emotions, for example, practiced at the Body Shop</p>	<p><i>Example:</i> Decentralize decision making for adequate exposure to information</p> <p>Schroder, Driver, and Streufert (1967)</p> <p><i>Objective:</i> Nurture hybrid individual identities that differentiate and integrate new information</p> <p><i>Example:</i> Encourage differentiation by espousal of distinct profit and social roles across differing phases of initiative, and integration by meta-identity labels such as "compassionate capitalist"</p>	<p><i>Example:</i> Employ Competing Values Framework to encourage behavior related to opposing roles</p> <p>Cameron and Quinn (2006)</p> <p><i>Objective:</i> Create ambidextrous context that combines discipline, stretch, trust, and support</p> <p><i>Example:</i> Performance management systems to reinforce profit objectives, and support systems to allow experimentation to achieve social objectives</p>		
Selected references	Hart and Milstrein (2003)	Basch and Fisher (2000), Martin, Knopoff, and Beckman (1998)	Gotsi, Andriopolous, Lewis, and Ingram (2010), Andriopolous and Lewis (2009)	Gibson and Birkinshaw (2004)		

required for executing this process. For example, for developing emotional complexity, adapted mindfulness-based acceptance therapy (Hayes, Bond, Barnes-Holmes, & Austin, 2007) can be applied as a tool to train managers in the acceptance of varying emotions. Widely used in organizations, this intervention acknowledges that individuals often avoid “contact” with their emotions and sensations of the present moment. Emotions are most helpful when experienced more fully and therefore do not need to be eliminated in order to be effective. Such training can enhance the capacity to experience difficult situations, make contact with felt emotions, and deal with them more fully: processes relevant for managing the emotional investment in competing logics. Emotional complexity can also be achieved through organization design by creating decision making structures that do not push down the anxiety stemming from competing demands and hence delimit the experience of intense emotions. Tushman, Smith, and Binns (2011) suggest “hub and spoke” and “ring” teams as two alternate structures that, by holding some of the conflict and tension at the top, can allow managers to acknowledge both positive and negative emotions and hence help in developing emotional complexity.

Equally critical to sensemaking, integrative complexity can be developed through training exercises rooted in polarity management (Johnson, 1992). Polarity management differentiates the demands of S & P logics by asking the middle managers to describe, using a polarity map, the upside and downside of each “pole” with tangible indicators. This facilitates integrative mental frameworks where the upside of one pole is the transition from the downside of the other and vice versa. In other words, tension cannot be navigated without moving between positive and negative indicators of both poles, hence enabling an understanding that is beyond trade-offs. In the same vein, organizational structures can facilitate integrative complexity. By decentralizing the decision-making structures just enough so that managers can be exposed to adequate but diverse information can help them consider varied and opposing claims. Such decentralized structures have been found to show a positive relationship with corporate social performance (Wong et al., 2011). Thus, through organizational structures that adequately expose managers to a diversity of information but still buffer them from extreme emotions, organizations can facilitate the required integrative complexity essential for sensemaking.

**Sensegiving.** The sensegiving process not only facilitates actions that are essential for sustaining the initiative but is also critical for virtuousness to expand from the individual manager’s actions to be an intraorganizational- or interorganizational-level capacity. One of the ways to nurture behavioral complexity associated with sensegiving is through the use of the Competing Values Framework in selection and training (Denison et al., 1995). Selecting and training on this framework build on eight contradictory managerial roles (Project LEAD; Hooijberg & Quinn, 1992). The framework can be used to evaluate the skills of managers for exhibiting behaviors related to contradictory roles required for sensegiving. For example, when diffusing frames the manager will need to espouse roles that balance the needs of the organization and needs of other stakeholders. Assessing the ease with which the manager can move

between the roles and facilitating the awareness of such movement can ensure that middle managers hold the capacity for behavioral complexity.

Additionally, behavioral complexity can be enhanced through behavior-based performance management systems. Such performance management systems will reward the actions related to both S & P logics, while also creating developmental plans based on underemphasized or overemphasized sensegiving actions. Similarly, organizational culture, built on an overarching vision that addresses diverse stakeholders (W. K. Smith, Besharov, Wessels, & Chertok, 2012), can encourage middle management behavior that hinges on both S & P logics.

## Conclusion

In this article, we described the work of middle managers as sensemaking and sensegiving to navigate the perceived tension between S & P logics. Focusing on the context of corporate social initiatives, we elaborated and illustrated how middle managers can separate and integrate the contradictions in the practices of the initiative to make sense and create integrated mental frameworks. Moreover, they can facilitate similar interpretation and action in stakeholders by diffusing their integrative frameworks through discourse and structures. Such work can be pivotal for the sustenance of the initiative, and hence for creating the intended social benefit through virtuous systems within and outside organizations. We also identified capacities required for this work and proposed examples of how organizations can enable these.

By intersecting institutional theory with sensemaking and sensegiving, and grounding these in the lens of paradox, we highlight the microprocesses for the macro-level phenomenon of maintaining competing logics. Moreover, by delineating how organizations can nurture such individual-level capabilities we inform the practice of corporate social responsibility to enable middle management capabilities for positive social change.

Our arguments are circumscribed by the potential for agency in middle managers. This precludes the consideration of organizational identity, or pressures from the external environment that can act as countervailing forces against hybridity, that is, toward either social *or* profit demands. But as we delineate, the focus on practices foregrounds the possible agency of middle managers, where they can find ways to sustain both S & P logics if they have the willingness and ability (Battilana et al., 2009). Additionally, the arguments for sensegiving may suggest that stakeholders mindlessly adopt and act on the frameworks promoted by middle managers, pointing to the exclusion of the possibility that stakeholders may engage in their own agentic sensemaking. We acknowledge the challenge most actors engaging in such work face in diffusing their vision and mobilizing stakeholders with diverse points of view. But it is exactly this uniqueness of capacities—to make meaning for self and speak to divergent interests of others—that requires the deliberate organizational processes identified in our arguments.



It is by enabling the work of middle managers to navigate the perceived tension between S & P that organizations can orchestrate initiatives to embrace their role as agents of positive social change, while meeting the demands inherently faced by a for-profit business.

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### **Notes**

1. We use the word *social* to include initiatives that are for social and/or environmental benefits. The examples we use to illustrate our arguments are drawn from initiatives that range from decreasing the environmental impact of products (environmental benefit) to nurturing a minority supplier (social benefit)
2. We use Dutton and Ashford's (1993) definition for middle managers as those who "occupy intermediate level in the corporate hierarchy, two or three levels below the CEO" (p. 398), such as general managers, business unit heads, or functional managers (e.g., head of supply chain).
3. We define practices from a practice-theory perspective as situated and recurrent activities with interconnected elements (Reckwitz, 2002).
4. Institutional logics are the formal and informal rules of action, as well as interpretations that guide and constrain decision makers (Thornton & Ocasio, 2008). Thus, S & P logics can separately define how the practices of the initiative be constituted and who should benefit/not incur a cost from such configurations.
5. We use the quotations in this study only for illustrative purposes. We do not claim to deduce our arguments based on the data from which these quotations are drawn. Ours is a conceptual exploration *elucidated* by the interviews conducted for a larger study. The larger study investigated the question of how organizations navigate the tension between S & P present in their corporate social initiatives. It focused on interviewing stakeholders associated with a specific corporate social initiative in seven different businesses in India and the United States. An example would be a business initiative to develop a cooperative to serve as vendors for their business activities, where the cooperative members are the spouses of the employees of the business. The cooperative was positioned to provide financial sustainability and empowerment for the women. The sample for the study consisted of organizational members at all levels, external stakeholders such as NGOs, and the targeted beneficiary. Across these seven businesses, we conducted 65 interviews. Of the interviewees, 31 were middle managers, 13 were one level above, 8 were one level



below the managers, and 13 were external stakeholders such as representatives of NGO partnering with the business or members and auditors of cooperative nurtured by the business. The questions focused on mapping the trajectory of the initiative from multiple perspectives. Interviewees were asked to describe their role and respond to how the initiative started, how it evolved, and where do they see it going in the future. Many interviewees also provided company documents to support their narratives. For illustrating our arguments in this article, we have chosen quotations from middle managers and those reporting to them.

6. Organizational theories assume different degrees of agency that individuals exert to influence their environment (Battilana et al., 2009). We acknowledge that organizational-level factors such as identity or structure might constraint proposed managerial actions. In this article, our focus is on individual managers' work to maintain hybridity of logics, despite such constraints.
7. The capacities we identified are present in the diverse literatures on paradox (e.g., W. K. Smith & Lewis, 2011), ambidexterity (e.g., W. K. Smith & Tushman, 2005), and institutional entrepreneurship (Battilana et al., 2009).

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