

Capitalizing on Paradox: The Role of Language in Transforming Organizational Identities

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Abstract

A strongly identified workforce presents a paradox during times of radical organizational change. Though it may bind people together behind the change initiative, strong organizationwide identification often blinds and potentially blocks the view of new possibilities. Prior research on identity change has tended to either ignore the paradox or resolve it by advocating some middle ground such as hybrid organizational identities or group-level identifications. This paper presents an identity transformation model that capitalizes on the paradoxical tensions over time by unpacking the processes by which individual and organizational levels of identity interact. It operationalizes the model by suggesting linguistic markers that describe the different stages of the process and rhetorical techniques that leaders can use to guide people through the process. To illustrate the model and its application, the paper highlights moments across a 10-year period at Tech-Co, a high-technology company undergoing a significant identity transformation.

(Identity; Language; Paradox; Transformation)

Redefining “who we are” as an organization is about transforming its identity (Marshak 1993). Such transformations affect both who the organization as a collective is perceived to be and individual members’ sense of their own identities in relation to the organization. Although identities do, and sometimes must, change, they are highly resistant to change at the level of both individuals (Swann 1996) and organizations (Bouchikhi and Kimberly 1996). Some researchers have argued that individual identities are more resistant to change than organizational identities (Gioia 1998), while others have suggested that the reverse may be true (Pratt and Foreman 2000). Rather than focusing on either of the two levels of analysis in isolation, this paper dissects the processes by which they reciprocally influence each other during times of change. It builds on what we know about the nature of both individual members’ social identities (beliefs about who we

are as defined by our membership in the organization) and organizational identities (beliefs about who we are as an organization), and models a process of intentionally transforming them through managing the intermediate processes of identification (processes through which we gain a sense of belonging in the organization).

Individual and organizational identities may both support and undermine one another, so their interactions are critical, especially during times of radical change. An organization’s identity creates a context for individual self-conceptions (or the breaking down of those self-conceptions), and individual-level identity beliefs are the building blocks of (or the source of resistance to changes in) collective organizational identities. Identification processes are the critical linking pins that bind these interdependent levels of identity. Through identification processes, individual members come to understand who they are as reflected in their organizational identity (Hogg and Terry 2000). As more people see themselves mirrored in their organization, the organization’s identity becomes more salient. And as the organization’s identity becomes more salient, member identification is enhanced (Ashforth 1998). On the one hand, this reinforcing cycle provides a sense of unity that is useful for binding people together in collective change efforts. On the other hand, less identification may be needed to generate the possibilities for change outside the bounds of the organization’s current reality (Fiol 1991, 2001). This paradoxical need for both greater and less identification complicates identity transformation processes, but it also provides opportunities for effectively managing them.

While recognition of the paradox is not new, we know very little about how to use it to advantage in effecting identity change. Research on identity change has tended to focus on a unitary organizational identity (assuming broad and stable organizational identifications) (e.g., Reger et al. 1994), thereby ignoring the tensions caused by members’ changing identifications. Focusing on either

side of the paradox does not resolve it, and choosing some middle ground (e.g., subgroup-level identifications) may resolve but does not capitalize on it. Both strong and weak organizational identifications may be needed for successful organizational identity transformations.

Drawing on social identity theory, I propose a multi-phase and multilevel model of identity transformation that begins to encompass the paradoxical requirement of both a highly identified and a less highly identified workforce. The paper unpacks and traces the dynamic processes by which individual and organizational identities interact over time to generate identity renewal. It highlights the role of rhetoric in marking phases of the process and as a tool for guiding changing identifications.

The paper adds value in three ways. First, it contributes to our understanding of intentional identity change management strategies that have to date remained underspecified. The model developed in this paper holds a number of counterintuitive implications that are related to practice at the end of the paper. Second, it draws from individual and organizational identity theories to depict cross-level dynamics as identity changes unfold. And finally, it builds on theories of rhetoric to illustrate the role of language in both describing and shaping organizational identifications.

Boundary Conditions

Several boundary conditions delineate the generalizability of the model developed in this paper. First, the focus is on identity transformations; that is, transformations of organizational members' beliefs about *who we are*. Such transformations may or may not coincide with major strategy changes. Strategy changes can occur within the same identity frame if "who we are" is defined broadly enough up front. At Southwest Airlines, for example, numerous strategy changes over the years have not fundamentally altered the company's identity: The company "exists to make flying affordable for more people" (Freiberg and Freiberg 1996, p. 48). In contrast, if a company's identity is defined by its products or markets (which is often the case), then a major shift in strategy probably necessitates a concomitant shift in identity.

Second, the focus of this paper is on *intentional* identity changes; that is, changes that leaders or other change agents are consciously attempting to implement. Effective change leaders in this context are those who are able to successfully transform an organization's identity and reestablish member identification with the new identity. Specifically, the paper addresses the challenging context of intentional identity change when, on the one hand, there is no immediate crisis that unambiguously motivates people to change because of the pain of the present.

On the other hand, organizational leaders perceive external indicators of the need for fundamental change to remain competitive in the long run. Third, the paper assumes that the *current workforce is a valuable asset* that leaders wish to retain, rather than simply cutting people out and starting over. And fourth, it assumes that the leaders or change agents have the *authority to influence resource flows* or other aspects of organizational members' contexts that support the required changes. Together, these boundary conditions point to the relevance of this paper's identity change model to organizations that have a historically valued work force that must undergo significant identity changes to remain valuable to the organization.

I refer throughout the paper to Tech-Co, an *extreme instance* of a company with a highly salient and stable organizational identity, and more specifically to a Tech-Co employee, Thom, an engineer who strongly identified with the company. During the 1970s and 1980s, Tech-Co had a salient and historically stable organizational identity as an engineering-driven data storage company. This overriding identity defined the company externally for clients and competitors, as well as internally for employees. During the 1990s, the computer storage industry as a whole was undergoing a fundamental transformation from a primarily hardware, engineering mind-set to a mind-set of information management and storage solutions. Tech-Co's leadership recognized that this transformation at the industry level needed to be translated and incorporated into the company through redefining who Tech-Co considered itself to be, beyond merely changing its products and market positions.

I was present at Tech-Co (as an external trainer not directly involved in the change efforts) during the relevant time period, and as a result heard many stories similar to Thom's about members' changing conceptions of self and the organization. I use this extreme instance to illustrate the leadership challenges of effecting an identity transformation that represents a painful shift away from a relatively monolithic, certain, and safe organizational environment. Extreme events and instances encourage us to look beyond the average and the normal to observe the intricate and the unusual, which may hold more important lessons than the norm (Starbuck 1993).

Paradox of a Highly Identified Workforce

Salient and attractive organizational identities promote strong member identifications, which in turn enhance the salience and attractiveness of the organization's identity. Both individuals and organizations may benefit from the

effects of this self-reinforcing cycle. Individuals identify with organizations to address their need for belonging, prestige, and attractiveness (Ashforth and Mael 1989), to reduce uncertainty (Hogg and Terry 2000), and to satisfy the need for inclusion as well as for differentiation through distinctions between ingroups and outgroups (Brewer and Pickett 1999). Social identity fulfills people's need for order, structure, simplification, and predictability (Hogg and Terry 2000). At the organizational level, leaders seek to strengthen member identification because it is thought to facilitate a firm's adaptation to change through its retention of a loyal workforce despite disruptions of work conditions (Pfeffer 1994). It spurs members to seek solutions to issues that threaten the shared identity (Dutton and Dukerich 1991) and creates a sense of unity that can be a driving force behind a firm's performance (Castanias and Helfat 1991).

Over time, such a strong identity, continually reinforced through stable identifications, can become a liability. Environmental conditions may dictate that the identity itself must change. In the mid-1990s, for example, as the computer revolution took hold, it became apparent that the old, product-oriented ways were no longer competitive in Tech-Co's industry. Not only a new market position, but an entirely new approach to doing business was required, one centered on total information management. The uncertainties could no longer be resolved by redoubling the focus on an old identity. In fact, Tech-Co's strong identity became a barrier, constraining organizational interpretations, actions, and potential for change (Dutton and Dukerich 1991, Pratt and Foreman 2000, Reger et al. 1994). What had once been a positive force that led to early organizational success became an impediment to change.

That is the paradox of a highly identified work force. Organizational success depends on the creation of an identity that pulls together the multiple divergent aspects of an organization (Aldrich and Fiol 1994). Over time, this integrating force can become a barrier to success, particularly if the identity itself must change. The effective management of identity changes would seem to paradoxically require both strong ties that connect people to their organization and loose ties that prevent them from getting too attached to the status quo.

Capitalizing on the Paradox

Capitalizing on a paradox means utilizing the inherent tensions to one's advantage rather than ignoring or resolving them. As researchers, we tend to avoid or try to resolve paradoxes. They violate logic, and as Van de Ven and Poole (1988) pointed out, they also violate our quest for coherent and consistent theories. Instead of embracing

and capitalizing on paradoxes that exist in the world, we tend to engage in intricate processes of "deparadoxification" ("Entparadoxierung," Luhmann 1991) to resolve them. The tendency for prior research to focus on *either* strong or weak identifications or to resolve the tensions by focusing on some middle ground exemplifies such deparadoxification. In fact, identity change may require strong *as well as weak* identifications.

Paradoxes constitute an organization's dynamics and account for its transformations (Czarniawska 1997). However, the simple existence of paradox does not automatically bring about change. Paradoxes may paralyze and lead to inaction; they may be co-opted into the existing order, leading to no change in action, or they may enable actions that subvert existing meaning systems and transform the status quo (Czarniawska 1997). It depends on how they are managed, and identifications can be managed despite the fact that they represent a complex process (Barker 1998).

Language is an important tool for change agents attempting to manage the paradox of a highly identified work force. "The *process* of identification is conducted primarily with language, and the *product* of identification is expressed primarily with language (Cheney and Thompkins 1987, p. 11). Language thus plays a critical role in not only reflecting the product of identification, but also in shaping the processes of identification. Understanding the dual roles of language is important for leaders engaged in purposefully changing their organization's identity. As Churchill said, "Words are the arsenal of leadership" (Mansfield 1998, p. 228).

Certainly more than language is required to effect identity changes. Words must be consistent with resource allocations and other leadership behaviors. However, behaviors themselves do not have meaning without the language we assign to them. It is through rhetoric that leaders make a series of powerful change tools more powerful—selection systems, budgets, and the like. Language gives them all specific meaning.

The Model

Following the lead of other organizational identity researchers (e.g., Ashforth 1998, Pratt and Barnett 1997), I build on Lewin's (1951) theory of unfreezing, moving, and refreezing collective beliefs to begin to describe and unpack the processes that allow change agents to capitalize on the paradoxical requirements of both greater and less organizational identification. Figure 1 summarizes the discussion that follows. The top of the figure depicts the individual (left side) and organizational (right side) starting conditions when an organization is defined by

strong and unified member identifications. The lower part of Figure 1 summarizes the three phases of the model developed in this paper. The loosening of individual ties to an organization's old identity in Phase 1 leads to likely consequences at both individual and organizational levels. At the individual level, it is likely to break the trust that was both the cause and the result of prior identification. At the organizational level, it is likely to lead to disruption of operations, requiring swift reidentification. If successful, the situated identifications that are the result of Phase 2 will likely lead to temporary connections to numerous experimental contexts at the individual level with likely fragmentation at the organizational level, calling for unifying action. Rather than resolving the uncertainties and fragmentation by reestablishing strong and stable identification with a new organizational identity in the final phase, the model proposes identification with a much broader frame of meaning that can encompass multiple and changing identities. The loop back to Phase 2 suggests that new identities can emerge over time without the painful disruption and trust breaking of Phase 1.

The remainder of this paper develops the three phases of the change model depicted in Figure 1. It describes the action steps recommended in each phase, as well as the likely consequences for organizational members and for the organization as a whole, thereby constantly moving back and forth between individual and organizational levels. It also discusses the role of rhetoric in understanding existing identifications and in purposefully changing those identifications. I begin by describing the starting conditions of strong identification depicted at the top of Figure 1.

Starting Conditions: How Strong Identification Develops

Identification is based on trust (Kramer and Wei 1999). Trust is a psychological state of positive expectation about another's motives and future actions (Sitkin and Roth 1993). Without trust, identification is not possible. When founding a new organization, founders must find ways of gaining the trust of potential new members (Aldrich and Fiol 1994). They often cannot base initial trust-building activities on an existing social category because organizations do not usually emerge with a ready-made identity at the time of their founding. Founders must symbolically include early members in a relatively narrow identity frame that is meaningful to them and, over time, enlarge that frame to include others (Aldrich and Fiol 1994). To the extent that members begin to identify with that larger frame of meaning, an organizational identity emerges.

Rousseau (1998) suggested that identification, which

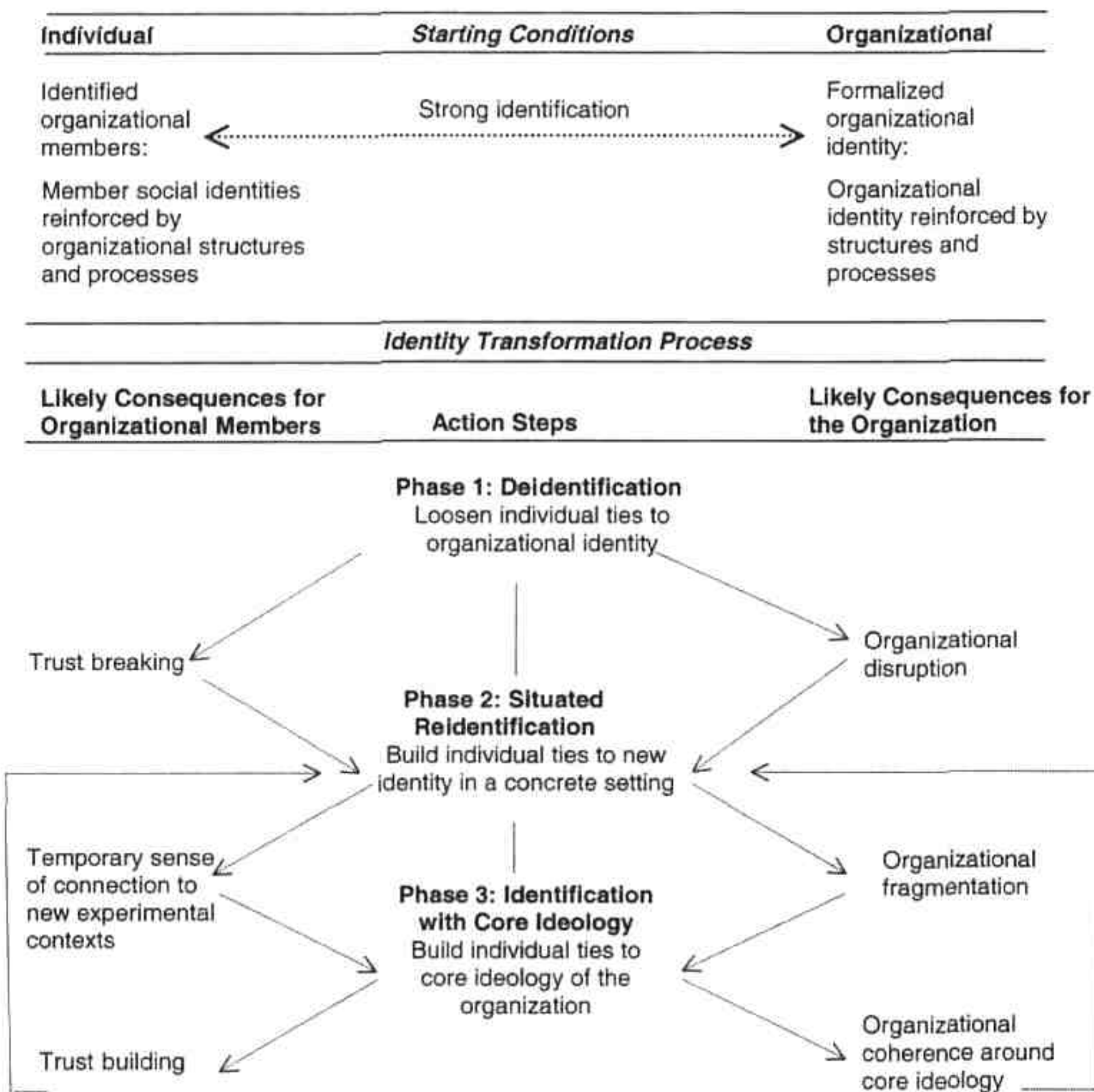
she refers to as a cognitive expansion of self to the level of the organization, begins with situated identification in relation to a discrete work setting. It is created by situational cues signaling shared interests that are maintained as long as the cues persist. Situated identification occurs when there is perceived benefit in banding together for a specific targeted outcome. So, for example, a deadline for a team to complete a project that has consequences for all members of the team might be the situational cue that has members cognitively expand to the level of the team.

According to Rousseau (1998), the second form of identification, deep-structure identification, exists in relation to settings across roles, over time, and across situations. Once situated identification occurs, continued interactions over time can reinforce the sense of belonging and cause the deeper level of identification to emerge (Rousseau 1998). This point refines the more general argument of Dutton et al. (1994), that one of the likely consequences of organizational identification is increased involvement and cooperation among members of a collective, leading to ever-greater levels of identification over time.

Rousseau's arguments about situated identification leading to deep-structure identification if socially reinforced over time suggest an evolution from personally internalized to socially institutionalized identifications. Situated identification entails a new (if temporary) basis of a person's social identity, which must be internalized for it to have self-defining properties. Internalization refers to the process by which the new understanding becomes part of people's internal world (Aronson 1992). Institutionalization, by contrast, refers to the process of making the new self-understanding a formal part of one's external social world. Czarniawska and Wolff (1998) suggested that new identities are tentative until it is confirmed that they are congruent with institutional social structures. Similarly, members' new self-understanding based on situated identification may remain tentative until it is taken for granted as socially legitimate and normal (Aldrich and Fiol 1994).

Internalization and institutionalization of identifications refer to individual and collective processes respectively. They are mutually reinforcing and, some would say, "hopelessly intertwined" (anonymous reviewer). As new behaviors and understanding become part of who we know ourselves to be, they also become more taken for granted by those around us. And as our new behaviors and understanding are more taken for granted by those around us, they become part of our own sense of self. A positive feedback loop can form. External validation of situated identification occurs through making tentative identity claims salient with various forms of "identity markers" that socially demonstrate the sense of belonging

Figure 1 A Model of Identity Transformation in Organizations



(Ashforth 1998, p. 220). These markers are often linguistic, such as the collective “we” discussed below.

Linguistic identity markers are further reinforced and institutionalized through role structures and reward systems that are consistent with the new situated identities. As a result, members become increasingly concerned with the broader interests of the organization, which in turn generates collective activities that foster ever-deeper levels of identification (Rousseau 1998) and an ever stronger and more salient identity for the organization (Dutton et al. 1994). The process described above leads organizational members toward a clear sense of self and an understanding of how they fit within the overall organization. Thom, an engineer at Tech-Co, put it this way:

I’ve worked at Tech-Co as an engineer for about 20 years, and I enjoy it very much. I came into a product-oriented company

that created storage products for the computer industry, and I knew exactly what I was about. My job was to be innovative and to design the fastest, most reliable high-capacity tape drives possible. I knew that our customers depended on me to come up with state-of-the-art technologies for their data storage needs, and it was very clear what I needed to do to achieve that.

Organizational identities can be both the result of and subsequent reinforcers of members’ deep-structure identifications. Once an organizational identity is formed, its perceived attractiveness (Dutton et al. 1994), prestige, distinctiveness (Mael and Ashforth 1992), and desirability, as well as the degree of uncertainty in people’s organizational lives (Hogg and Terry 2000) influence the extent of continued member identification with that identity. For example, Thom’s belief that Tech-Co’s attributes were distinctive, unique, and prestigious, as well as the

uncertainty in his workplace in the mid-1990s, all led to strong identification with the company.

Identity beliefs are often further strengthened in times of crisis that generate increased interorganizational competition and uncertainty (Hogg and Terry 2000). In the late 1980s, Tech-Co was in financial trouble. The company's leadership decided that the best way to regain a foothold in the marketplace was to redouble their focus on who they were and what they were good at, and to provide a hierarchy of the best products possible, from high-performance tape drives to cutting-edge, solid-state storage devices, all custom tailored to meet their customers' needs. They temporarily succeeded in meeting market demands and reducing the uncertainty of their future. The crisis and their collective response strengthened an already salient dominant identity.

In sum, strong and stable identification with an organization develops through an iterative and interactive process, with individual members' social identities and the organization's identity reinforcing each other. Such strong member identification is the starting condition of the change model developed in this paper. As noted in the discussion that follows, lower levels of member identification are likely to lead to less resistance to change, making early phases of the change model less relevant. Therefore, before embarking on an identity change process, leaders must understand their starting conditions of existing identifications. What techniques are available for assessing levels of identification?

Rhetorical Techniques for Assessing Levels of Identification

To capitalize on the paradoxical need for both strong and weak identification during an identity change process, organizational leaders must first be able to assess the level of identification that characterizes the starting conditions. Unfortunately, research has remained largely silent on how identification is revealed before its positive or negative behavioral consequences appear. Dutton et al. (1994) began to address this gap when they suggested ways to operationalize the strength of organizational identification: (1) directly ask people about their level of identification, (2) give them sets of social identities and ask which ones accurately define them as individuals, or (3) assess overlap between attributes members use to define self and attributes that typify their organization. Asking people directly about their level of identification is problematic because it assumes cognitive awareness, when we know that identifications may exist with a latent or not consciously held organizational identity (Pratt and Foreman 2000). The last two approaches are limited in that while they allow one to uncover information about a

person's beliefs about his or her organization, they offer little opportunity for understanding the dynamics of the individual-organization relationship (Cheney 1983a).

Theories of rhetoric provide insight into the language markers that convey identifications, whether conscious or not. For example, Cheney (1983b) demonstrated the role of language in his linguistic analysis of periodicals that businesses distribute to their employees. He found that one important linguistic marker used in his sample was what he referred to as the "assumed or transcendent 'we'" (Cheney 1983b, p. 148), when the communicator assumes a sharing of interests through the use of an inclusive referent. Fiol (1989) similarly assessed perceived linkages among organizational units by examining their leaders' use of inclusive vs. exclusive referents. Finally, Robert Reich used the same technique (he called it his "pronoun test") for evaluating the nature of the employment relationship in the companies he visited as U.S. Secretary of Labor during the first Clinton administration (cited in Rousseau 1998, p. 217): "I'd say, 'Tell me about the company.' If the person said we or us, I knew people were strongly attached to the organization. If it was they or them, I knew there was less of a sense of linkage."

Armed with an understanding of the starting conditions of existing identifications, change agents are in a better position to gauge the need for the first step of the identity change process described in this paper—deidentification.

Phase 1: Deidentification

Lewin (1951) argued that an effective social change strategy begins by unfreezing current beliefs. In the present context, this means weakening members' identification with the old organizational identity, which has been referred to as deidentification (Ashforth 1998, p. 218). As noted below, deidentification is particularly important if strong and stable identifications characterize the starting conditions of an identity change process. There is a need to break down prior attachments before new definitions of self are possible.

A deidentification approach appears to run counter to, but actually complements, change models based on expectancy theories of motivation and research on the role of positive visions in organizations (Ford and Ford 1994, Kouzes and Posner 1988, Senge 1990). These vision-based change models suggest that organizational change occurs through attraction to something new rather than through destruction of the old. If applied to organizational identity changes, this implies that people are capable of attraction to a new frame of reference that challenges their identity as they know it. However, the current frame of reference is often the very means by which people make

sense of their identity (Westenholz 1993). The greater the level of identification with their organization, the lower people's level of receptivity to changes that in any way threaten the organization's current identity (Huy 1999). It follows that decreasing the level of identification with the current identity would lead to greater receptivity to changing it. Reframing perceptions of identity must thus begin with events that signal that the present framework for understanding no longer works (Bartunek 1988), and must involve some "felt pain and disequilibrium" (Pratt and Barnett 1997, p. 81). The result is deidentification.

Deidentification leads to a temporary loss of meaning that spells ambiguity and uncertainty and opens the space for new possibilities. The loss is similar to that of Kubler-Ross's (1969) dying patients, who must first work through their anguish and anxieties before they are able to achieve acceptance and peace. The model developed in this paper thus complements prior research by describing a change phase that precedes positive visioning. It submits that the old must die before one can embrace the new (Harquail 1998, p. 223), at least if the two are in conflict.

To effect deidentification, leaders must reduce the strength of the value that individuals place on the old identity (Lewin 1951). Again, similar to Kubler-Ross's (1969) arguments, leaders can only set the stage for deidentification to occur; they cannot do it for people. At Tech-Co, this entailed questioning the fundamental and historically stable belief that engineering the best set of products was the essence of the company. The challenge revolved around reducing the certainty that engineering represented the single most important key to the company's success in the marketplace.

PROPOSITION 1. *The greater members' deidentification with a previously valued organizational identity, the lower their resistance to a radical identity shift.*

Rhetorical Techniques That Facilitate Deidentification

As noted above, to bring about identity changes, a rupture from prior self-conceptions is often necessary before new identification is possible. Negation is a rhetorical technique that leaders can use in purposeful ways to destroy or neutralize old meanings. The *American Heritage Dictionary* (1985) defines negation as "the opposite or absence of something." Deidentification processes are designed to create such absence. They define what something is "not," rather than what it is. It follows that leaders may loosen individual ties to an existing organizational identity by rhetorically negating the value those individuals place on the old identity.

Fiol et al. (1999) found evidence of systematic patterns

of negation in speeches of charismatic U.S. presidents. Their study proposed a theoretical justification for the empirical finding that charismatic presidents use the word "not" more frequently than their noncharismatic counterparts. The study found that the use of "not" was one component of a systematic rhetorical strategy for creating ruptures in followers' beliefs during early phases of a change process. A similar technique has been referred to as invoking an "anti-identity" (Barney et al. 1998, p. 151) that communicates what the organization is *not*. This, too, may reflect a revolutionary subtraction of an old identity that is no longer acceptable or desirable.

Deidentification of a highly identified work force entails breaking personal ties to a current organizational identity. The focus is on weakening the relationship between individuals and their organization. In addition to the use of negation, one would expect an effective leader to use relatively few associative referent terms such as *we*, *us*, or *our organization* in this early phase of an identity change process. Less association with the current organization is the aim.

At Tech-Co, negation seemed apparent to employees early in the change process. Thom experienced negation this way:

The leadership keeps telling us that the high-performance disk and tape markets are no longer growing. In fact, I can see that the mainframe market, overall, is static and shrinking. Given that the majority of our revenues (my salary) are currently from this market, this is a bit scary.

The rhetoric at Tech-Co reflected what was *not* meaningful, *not* growing, and *not* profitable. The following proposition summarizes the critical role of negative rhetoric for effecting deidentification during the first phase of an identity change process.

PROPOSITION 2. *The greater leaders' use of negation and noninclusive referents during the first phase of an identity transformation process, the more likely is members' deidentification with the organization's current identity.*

Individual and Organizational Consequences of Deidentification

Though identification is essential for self-awareness and self-validation, it becomes problematic during radical change in that it creates vulnerability (Kramer and Wei 1999). People's willingness to identify with a social group is predicated on trust, that itself is based on the common or shared identity. Without trust, identification would not occur (Kramer and Wei 1999), but once people trust, identity changes can be seen as violations of that trust. Violations of trust arise when expectations are not

met, especially when there is a perception that the unmet expectations are part of a generalized difference in beliefs, e.g., identity beliefs (Sitkin and Roth 1993).

Deidentification brings about social uncertainty (lack of clarity about one's place in the social order) and the assumed trust appears violated. Under these circumstances, people tend to experience a heightened self-consciousness, which increases the tendency to make overly personalistic attributions about others' motives (Kramer 1994) as well as the tendency to overattribute coherence to others' actions (Pruitt 1987). Leaders' efforts to resolve the uncertainty thus often lead to defensive, self-protective, and avoidant behaviors that cement the escalating pattern of distrust and suspicion (Kramer and Wei 1999).

Perceived violations of trust tend to loom larger than do confirmations of trust, especially for those in positions of low power or control (Kramer and Wei 1999). Leaders must thus redouble their trust-building efforts in the face of deidentification by reinforcing the value of organizational members. There is a need to value individuals without validating their old organizational roles. Here is how Thom described it:

My boss has discontinued my bonuses that have always been based on superior product output. But my overall compensation is going up—even though we're spending time on lots of useless stuff like meetings with our marketing and sales people. It's a bit confusing. It seems like I'm being valued, but for reasons other than contributing to the engineering prowess of this company. I'm pretty unsure about what's important around here these days.

In other words, Thom felt valued, even if he felt that his old role was no longer valued.

Deidentification processes are also likely to lead to disruptions at the organizational level. As noted earlier, organizational identification tends to be associated with member commitment to the organization (Pfeffer 1994). Moreover, if members are committed to a unitary and salient organizational identity, the commitment tends to be focused toward a common end. As a result, the organization works like a well-oiled machine, much like Thom described Tech-Co in the past. Deidentification would likely disrupt such efficiency, making reidentification a crucial next step.

Phase 2: Situated Reidentification

Deidentification threatens people's need for belonging. When inclusion needs are threatened, people can restore their social identity either by discarding the threatened identity and invoking other group identities that are more

secure, or by enhancing aspects of the self that fit the new identity (Brewer and Pickett 1999). Invoking other group identities at Tech-Co might mean identifying with being an engineer in another company, something the leadership was trying to avoid. Given the instability and ambiguity induced in the first phase, identity change leaders must regenerate relations of trust with followers in which parties believe that things will work out (Gambetta 1988, Gartner and Low 1990).

To remotivate individuals and regenerate trusting relations, leaders must rebuild ties to a new desired future state (Lewin 1951), a process I refer to as reidentification. One can make a desired future identity more attractive through active promotion of "possible selves" (Markus and Nurius 1986). There is evidence that individuals can, in fact, reflect on possible selves and that these are different than descriptions of current selves. Possible future selves represent specific, significant hopes, fears, and fantasies of what a person could be (Markus and Nurius 1986). Possible selves are important because they provide new means-ends patterns (e.g., a clear articulation of a different role for engineers in the new organization) that can bring about situated reidentification (Rousseau 1998). Situated reidentification may result from a process of engaging people in active experimentation in projects that are consistent with a new desired organizational direction. The aim is identification with a new identity in concrete ways (Gustafson 1995) that do not threaten people's entire self-conception and that restore temporary equilibrium.

Encouraging experimentation is one way to make it safe for people to adopt or enact roles that lead to a new understanding of self, especially when the new is very different from the old (McGrath 2001). For example, Thom's manager began to talk to him about a specific project that encouraged a new way of seeing his role. His *renewed definition of "who we are"* was articulated in narrow role-based terms, rather than referring to the company as a whole. Thom put it this way:

In one of those useless meetings with marketing last month, I met representatives of one of our largest customers, BetaCorp. I became interested in their dilemma—how to reduce costs and improve efficiencies by sharing as a common pool all existing storage in their company from different vendors; disk, tape, mainframe, and desktop; virtualized into any size and shape; with data collected, moved, stored, and shared according to company policies. What a concept! I love puzzles like this.

Thom's enthusiasm about a concrete project opened the possibility for him to internalize a different self-conception in relation to Tech-Co, if only temporarily.

PROPOSITION 3. The greater members' experimentation during an identity change process, the more likely is their discovery of opportunities for reidentification.

Rhetorical Techniques That Facilitate Situated Reidentification

Again, specific rhetorical techniques can help regenerate trusting relationships. Leaders can include nonbelievers within the new collective identity frame (Goffman 1974) they wish to generate by deliberately managing their use of inclusive and exclusive referents (Cheney 1983b, Fiol 1989). As noted above, encouraging broad experimentation is a way to make it relatively safe for people to enact new and different understandings of self. The felt safety is, in part, the result of identification with experimental projects, rather than any painful association with the organization as a whole that is seen as having violated the assumed trust.

The purpose of rhetoric during this phase is to generate concrete, situation-specific reidentification of members with a new role or possible self. It is likely to continue to include less inclusive referents (e.g., I, you) in relation to the organization as a whole, consistent with the ruptures from the prior organizational identity in the first change phase. By contrast, it should include more inclusive referents (e.g., we, us) in relation to specific projects, signifying association and belongingness within a very specific context. Inclusive language in relation to the projects can begin to signify a sense of belonging to the new view of self.

PROPOSITION 4. The greater leaders' use of inclusive referents in relation to experimental settings and events during initial reidentification processes, the more likely is members' situated reidentification with specific organizational projects.

Individual and Organizational Consequences of Situated Reidentification

Though the new experimental context may influence how people consciously think about themselves, implicit and overlearned self-conceptions often persist even in the face of explicit change (Pelham and Hetts 1999). People may not feel any deep connections to the new contexts of experimentation. Implicit decision rules based on prior self-conception may still dominate despite explicit statements of the new situated identity. That is, people may endorse explicit new self-conceptions without behaving in a manner consistent with them. During times of uncertainty, people typically fall back on overlearned and relatively automatic decision rules; they tend to rely on implicit rather than explicit beliefs about appropriate behaviors (Pelham and Hetts 1999). Leaders must find social and

symbolic ways to help people solidify the new self-understanding into changed behaviors.

The likely consequences of situated reidentification at the organizational level suggest this as a phase of disequilibrium. Experimentation is likely to lead to organizational fragmentation, as each experimental project becomes the focus of different project groups. Though situated identifications with individual projects may result, these may be disparate and removed from one another, leading to the need for greater organizational coherence, the focus of the third phase.

Phase 3: Identification with Core Ideology

Lewin (1951) referred to the third phase of the change process as refreezing new beliefs—in this case, individual beliefs in line with the new desired organizational identity, similar to the end state Rousseau (1998) referred to as deep-structure identification. Refreezing and deep-structure identification bring stability and coherence to the fragmented experimentation that is the likely result of the earlier change phase. This would seem to resolve the identification paradox by returning to a state of equilibrium.

Resolving the paradox in this way may not be a viable solution in today's environment of constant change. If the institutionalized deep-structure identification is built around organizational attributes that later become outdated, dysfunctional core rigidities are likely to result (Leonard-Barton 1992). No matter how superior and inimitable the organizational identity as a core competency was at one time, it is likely to become a liability under these conditions. For example, many members of Tech-Co continued to define themselves as a "storage company" long after their leaders attempted to remake the company into a total solutions and software company. The deep-structure identification of the workforce with an old identity led to blinding core rigidities that prevented the company from easily adapting to changing market conditions.

Organizations may need to continuously capitalize on the deidentification and reidentification tensions as a way of being (Fiol 2001). Members may internalize the new situated identities without them ever being fully institutionalized at the organizational level. Instead of gaining stability and coherence by institutionalizing situated identities into a new stable organizational identity, an organization may derive coherence from member identification with a more abstract sense of who we are—the organization's core ideology (Collins and Porras 1994). Core ideology consists of an organization's unchanging

values and purpose that transcend identity beliefs derived from multiple and changing situated identifications. Members may identify deeply with such an abstract set of values, while identifying only temporarily with changing organizational identities (Barker 1998, Pratt and Foreman 2000). The tensions of building up and breaking down situated identifications continue without ever fully resolving themselves. Within such a framework, situated identities are variable manifestations of a single core ideology. The manifestations must be open for change and evolution while the core remains stable.

PROPOSITION 5. *The greater members' identification with the organization's core ideology, the more likely is leaders' success in implementing continuous organizational identity changes.*

Rhetorical Techniques that Facilitate Identification with a Core Ideology

As noted above, change agents can manage the boundaries of their discourse through the use of higher or lower levels of abstraction. While concrete messages are effective in reengaging people in initial change projects (Gustafson 1995), higher levels of abstraction are needed in the final phase of forging identification with a core ideology. Eisenberg (1984) argued that the ambiguity associated with values at a high level of abstraction allows consensus building around those values without necessarily achieving consensus around their concrete meanings. Abstract language can carry many meanings. Its ambiguity can aid leaders in building coherence in the face of continuous identity changes.

In this phase, the focus is on consensus building around a broad vision of why we exist and what we value as a collective. One would expect greater use of abstract language during this phase. For Tech-Co employees, for example, the new focus on "providing solutions" was abstract and ambiguous enough to encompass multiple and changing self-conceptions over time. The emerging language on the part of Thom and others like him seemed to transcend any concrete formalization of a new organizational identity: "Words such as 'industry leadership,' 'customer focus,' and 'provider of solutions' began to replace the prior language filled with words like 'data storage' and 'high-capacity tape drives.'" That is, the words that described "who we are" were becoming increasingly abstract. Growing passion around the belief that the purpose of Tech-Co's existence was to provide "solutions" was broad and abstract enough to encompass different and changing organizational identities.

During this change phase, people at Tech-Co also began to use noticeably more inclusive rhetoric when referring to the company's future. In Thom's words:

We have been successful in putting together the pieces of the open architecture vision. What fun! We really are succeeding in our vision to design, implement, and manage solutions that enable our customers to create value by actively employing knowledge. And the best part is that I can see my role in implementing this grand vision!

His words indicate a "we are all in this together" attitude toward the new broad purpose of the company.

PROPOSITION 6. *The greater leaders' use of inclusive referents in relation to abstract organizational values, the more likely is members' identification with the organization's core ideology.*

Individual and Organizational Consequences of Identification with Core Ideology

Lack of deep-structure identification with any particular organizational identity means that new identities never become fully formalized or institutionalized through organizational structures and procedures. Situated organizational identities come and go over time and may become internalized without being institutionalized. Deep-structure identification with a core ideology, rather than with any particular identity, lends coherence to the changing identities.

At the individual level, a likely consequence of this phase is that the sense of belonging that is predicated on trust is no longer dependent on any particular organizational identity belief. Rather, the trust derives from a belief that different identities remain consistent with and are true to a fundamental core ideology. At the organizational level, a likely consequence is that multiple and fragmented situated identities become a way of being, rather than a temporary condition that requires resolution. A critical implication is the need to continuously clarify and redefine the links between people's temporary possible selves and the underlying ideology of the organization.

Summing Up

Both Thom's individual and Tech-Co's organizational movement through the identity changes were made possible first through neutralizing his individual passion for the way we were as a company; second, he became engaged in a new exciting project of limited scope; and finally, he could see the links between the project and a broad frame of meaning that could encompass multiple situated identities. The strength of this multiphase model of identity transformation lies in its sensitivity to and use of the opposing tensions between the need for both strong and weak member identifications. Deidentification and reidentification processes allow organizational identity

transformations to occur in a phased approach that incorporates and capitalizes on the opposing tensions. The possibility of continuous reidentification maintains those tensions.

Effective leaders can and do facilitate such transitions by *capitalizing on the inherent tensions of the process*. Leaders can first reduce the value of the current organizational identity by helping members loosen or negate their ties to it. They may then facilitate a change in individuals' sense of their working selves within a new set of defining parameters that are limited, concrete, and role based, leading to situated reidentification with possible selves. In other words, they give people something new in which to believe. That something new, rather than being an entirely new organizational identity (outside of current acceptance zones), consists of concrete and specific projects that can begin to define possible selves. To lend coherence to the change and support the possibility of future change, leaders must encourage identification with a core ideology that is abstract enough to encompass multiple possible selves.

The model suggests the need for distinct strategies in each of the three phases: (1) negate individual ties to the current organizational identity, (2) affirm individual ties to a new concrete setting, and (3) build trust through identification with something higher than what we do and how. Lewin's (1951) framework encompasses the paradoxical need for both strong and weak identifications to a point, in that unfreezing loosens prior strong identification ties. Lewin's framework then suggests resolution of the paradox, however, in the final refreezing phase, through reestablishing a stable state of strong identification. Breaking down or unfreezing members' identification serves to reduce the attractiveness of the organizational identity in the eyes of individual members. Reestablishing or refreezing member identification to a new identity leads to a new stable state that no longer encompasses the paradox. To succeed over time in today's environment, such a stable state may be a liability. Leaders may need to continuously engage their people in the tensions of building up and breaking down organizational identifications.

Discussion and Conclusions

Individuals and organizations alike move through a series of relatively predictable phases when confronted with organizational identity changes. This paper has described three such phases and has identified rhetorical tools that leaders can employ to help people progress through them. The ultimate aim of such a process is to match individual self-conceptions with a leader's vision of who we can

become as a collective. There are at least three paths to achieving this. One is a radical approach of removing the current workforce and substituting one that matches the leader's vision of the future. Another is to engage in actions and behaviors that very incrementally shift self-conceptions over time. When the current workforce is too valuable to discard and there is no time to move incrementally, the challenge is to radically transform the current individual and collective identities. The latter challenge has been the focus of this paper.

Strong collective identification is likely to generate shared enthusiasm for a leader's change initiatives; yet when the change is about who we are, lower levels of identification are likely to lead to less resistance to the change. Historically, research on identity transformations has tended to avoid the paradox by focusing at the level of the organization, ignoring the important relationship between individual and organizational identities in the change process (Dutton and Dukerich 1991, Reger et al. 1994). The challenge for both researchers and organizational change agents is to adopt a cross-level and multi-phase approach that highlights and builds on, rather than hides or resolves, the paradox.

This paper has described identification as a mediating process by which leaders can capitalize on the tensions rather than ignoring or resolving them. Language plays a critical role both in articulating identifications and in strengthening or weakening them. Identities form and change as a result of prior beliefs, ongoing actions and interactions, and feedback to those actions and interactions over time (Schneider et al. 1995). The way these actions and interactions take on the form of identity beliefs is through putting them into language. For example, a high-technology company such as Tech-Co is likely to attract people who already define themselves as "techie." Their actions and interactions within the company over time serve to reinforce these self-conceptions. However, they cannot become part of people's individual or collective belief systems without the form that language brings to them. For both organizational leaders and researchers, language can thus be a powerful tool for revealing levels of identification, whether or not they are consciously held. Language can reflect the strength of relationship between individuals and their social group, not simply attitudes about the group.

Beyond signaling levels of identification, language may serve as an important tool for guiding the process of changing identifications. The rhetorical techniques I have proposed build on the premise that the process of constructing and changing self-conceptions relies heavily on the use of labels. Gioia et al. (2000) argued that new identity attributes could emerge through the use of old labels

that support prior self-conceptions while adding new meanings. Though stretching old labels to mean new things upholds organizational unity, thereby leading to less painful transitions (Albert 1992), such an additive approach may work only for very incremental identity shifts. As Latour (1993) noted, old dualisms cannot often be stretched enough to give names to radically new conceptions. A whole new vocabulary may be needed. This paper has described aspects of that changing vocabulary across phases of the change process.

The changes in vocabulary do not happen automatically. Identities are socially negotiated products (Swann 1987), so people are likely to argue about labels as a way of trying to legitimate a specific self-conception (Reicher et al. 1997). Intergroup conflict often emerges as claims and counterclaims battle over changing identities so as to define the organization in ways that benefit a particular group (Glynn 2000). The type of organizational issue each group claims as legitimate is likely to be one that legitimates and lends prestige to their social identity. The organization-wide situated identities that leaders wish to see are not likely to automatically emerge from this process. They develop out of deliberate leadership language and action.

This paper has developed a process model of identity change in the extreme instance of a highly salient and monolithic organizational identity that needed to radically change for the organization to remain competitive. How far can one relax these boundary conditions and still apply the model? In the case of a less salient and monolithic organizational identity, one would expect lower levels of identification as a starting condition (Ashforth 1998), suggesting less need for the deidentification phase of the process. In such cases, it is possible to focus on identity additions as extensions of multiple existing identities, instead of the subtraction of one dominant sense of who we are (Ashforth 1998, p. 218). If the identity changes deemed necessary were less radical, once again the deidentification phase would be less critical and less painful. Incremental change is more likely to occur through the addition of meanings to old labels of identity than is revolutionary identity change because there would be fewer subtractions and more additions to the old identity (Albert 1992).

Whether reidentification requires that one go through the early and relatively painful stages of deidentification, then, depends on the importance and the malleability of both prior selves and possible future selves (Markus and Nurius 1986). Deidentification, arguably the most difficult and challenging aspect of the change model proposed in this paper, becomes less important as the old identities are less salient and more diverse, and as the required

change is less radical. This is why the paper has argued against fully restabilizing identities, given today's turbulent environment and need for continuous change.

The model developed in this paper suggests practical strategies for leaders attempting to change their organization's identity. Some of the propositions in this paper appear counterintuitive. They are based on the premise that organizations are complex and dynamic, not structured and static; and that effective leaders often appear to act in paradoxical ways (Quinn 1988). An example of counterintuitive implications of this paper is the relative negativity proposed for the early phase of the transformation effort. One might intuitively believe that positive images are needed to engage people from the start. Research based on appreciative inquiry (e.g., Ford and Ford 1994) has, in fact, argued for such a positive approach. Similarly, the proposed use of noninclusive and concrete language in the early phases may appear counterintuitive when it might seem that one should make people feel like "we're all in this together." Other researchers have suggested that ambiguous rather than concrete language is a useful tool for change agents to engage their followers (Eisenberg 1984). If empirical evidence supports the proposed model, its value lies in prescribing nonintuitive but critically important rhetorical strategies of negation, non-inclusion, and nonambiguity during early phases of organizational identity transformations. Underlying these strategies is the premise that people must individually pull away from an old dream before they can collectively see the benefits of a new one.

Finally, this paper has argued that effective leaders take advantage of the generative qualities of language by guiding identity change processes linguistically. Language alone is clearly insufficient for bringing about such transformations. Behaviors must support the language that a leader employs. However, behaviors alone are also not likely to bring about the kinds of changes described in this paper. The same behaviors can take on very different meanings, depending on how they are framed through language. Given that identity transformations are first and foremost about changes of meaning, language represents an important and often underestimated tool for effecting such transformations.

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