

ORGANIZATIONAL IDENTITY AND CULTURE IN THE CONTEXT OF MANAGED CHANGE: TRANSFORMATION IN THE CARLSBERG GROUP, 2009–2013

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This article presents top and middle managers' experiences and understandings of how organizational identity and culture were entangled with transformational change as it unfolded over a 5-year period in Carlsberg Group. Combining ethnography and grounded theory methods with engaged scholarship, our work sits between research and practice, speaking directly to the experience of managers at the same time that it researches both the content and processes of organizational identity and culture. The study shows that engaging in processes of reflecting, questioning, and debating about their organization's identity led middle managers and employees both to support and resist new organizational identity claims made by top management. Within these identity activation processes we found frequent references relating new identity claims to organizational culture. Further analysis of the data revealed tensions of intention, pacing, and focus arising between the "old" culture and new claims, as well as evidence that cultural change mechanisms, including dis-embedding, dis-enchanting, and dis-respecting the "old" culture, had been used. We conclude that organizational identity and culture were related in complex ways that have been overlooked by prior research; and that our approach of focusing on their relationship and the processes through which that relationship evolved opens new territory both to research and practice.

Academics who study organizational identity typically avoid organizational culture and only a few culture researchers concern themselves with organizational identity. Many corporations create similar territorial divisions by assigning responsibility for organizational identity to their Corporate Communication function, while HR handles organizational culture. Dividing these areas of study and practice leads to lack of coordination, as well as inattention to the relationship organizational identity (OI) and organizational culture (OC) share. We see the OI/OC relationship as an important phenomenon to study because the integration of culture and identity research is long overdue, because managed change in organizations always benefits from being more holistically informed and, as we will show in this article, because focusing on the relationship between OI and OC in the context of managed change opens new conceptual and practical territory to exploration.

Our 5-year study of managed change efforts within the Carlsberg Group, known internally as the Transformation Journey and The Group Stand

(the latter an amalgam of corporate philosophy, organizational identity claims, and corporate branding), produced two discoveries about the relationship between OI and OC. Our first discovery indicated that a mix of middle managers and specialists distributed across five subsidiaries, three regional offices, and Carlsberg headquarters activated OI and that OI activation played a complex role. OI activation first led our informants to interpret the Transformation Journey as a new claim about Carlsberg's OI to which they then reacted by reflecting, questioning, and debating Carlsberg's changing OI. Within the data pointing to this first discovery we noted many references to Carlsberg's OC, some articulated by The Stand, that helped to explain how and why the new OI claim was both supported and resisted.

The discovery that OI activation implicated OC led us to conduct additional analysis of OC's role in the unfolding Transformation Journey, which revealed multiple tensions between the "old" Carlsberg culture and the new OI claim as well as three mechanisms of OC change. We found that tensions arose

over top management's intention, pacing, and focus of the Transformation Journey at the same time that OC change mechanisms of dis-embedding, disenchanting, and dis-respecting the "old" culture helped to replace aspects of the "old" culture with elements that supported the new OI claim. The combination of support and resistance embedded in and unleashed by the tensions and culture change mechanisms explained at least some of the outcomes Carlsberg's executives experienced, including a major redefinition of the OI claim within the unfolding Transformation Journey.

The two discoveries presented in this article open new territory for research and practice. They indicate the importance of conducting further inquiry into the OI/OC relationship and suggest interested researchers focus on how middle managers and other employees activate OI, and how OI activation affects, and is affected by managed change efforts and by OC. Exploring OI activation as a counterpoint to OI claims indicates the relevance of balancing management practices focused on the content of OI (related to claims) with the process view adopted here (related to activation). We suggest that the process view revealed complexity in the OI/OC relationship better than a singular focus on content could have, and that process views combine well with engaged scholarship and ethnographic methods, an approach that could be extended to studies of relationships among other key organizational phenomena. Specifically through engaged scholarship, our study offered an example of needed rapprochement between research and practice.

ORGANIZATIONAL IDENTITY AND CULTURE IN THE CONTEXT OF CHANGE

Tracing to early definitions in cultural anthropology and sociology, OC is typically defined as shared beliefs, understandings and/or meanings, expressed through behavior, language, ritual, tradition, and other symbolic artifacts that govern how individuals work together in and as an organization (e.g., Frost, Moore, Lundberg, Louis, & Martin, 1985; Pondy, Frost, Morgan, & Dandridge, 1983; Schein, 1985, 1984, 1981; Smircich, 1983; Van Maanan, 1976). OI is also defined in terms of shared understandings and beliefs, but traces to social psychology and focuses more narrowly on what members believe and understand about who they are as an organization (Albert & Whetten, 1985; Whetten, 2006).

OI and OC researchers each consider their key construct as expressing an organization's uniqueness

(cf., Martin, Feldman, Hatch, & Sitkin, 1983). Ironically, their competing claims challenge the uniqueness of the OI and OC constructs and raise questions about their relationship—the OI/OC relationship being the focus of this study. We first review what the OI literature says about OI in relation to OC, to identity claims, and to OI change; and then review the relatively rare studies that examine the OI/OC relationship directly, something that is almost always done in the context of change.

What OI Researchers Say About OC, Identity Claims, and Change

In the article that launched OI as a theoretical construct, Albert and Whetten (1985) defined the phenomenon as "that which is central, distinctive and enduring about an organization," asserting in regard to enduringness that the construct points to "features that exhibit some degree of sameness or continuity over time" (1985: 265–6). Albert and Whetten (1985: 265–6) had only this to say about the relationship between OI and OC:

Is culture part of organizational identity? The relation of culture or any other aspect of an organization to the concept of identity is both an empirical question (does the organization include it among those things that are central, distinctive and enduring?) and a theoretical one (does the theoretical characterization of the organization in question predict that culture will be a central, distinctive, and an enduring aspect of the organization?).

If OC is theoretically relevant to OI—note that Albert and Whetten called this an empirical question—then OC is merely part of OI. Following their lead, OI researchers by and large chose to ignore OC.

Investigating the flipside of enduringness—OI change—produced a rich literature inaugurated by Dutton and Dukerich's (1991) study of the New York and New Jersey Port Authority. Dutton and Dukerich found that a discrepancy between external images and the organization's perceptions of itself led management to revise their claims about its OI. Elsbach and Kramer (1996) also examined the effects of external images in their study of how universities responded to Business Week rankings. They found that a drop in rank spurred universities to change their OI claims, for example by downplaying characteristics on which they were least highly ranked while emphasizing those that made them appear in a more favorable light. Both studies operationalized OI as OI claims following

which Whetten (2006: 220) expanded Albert and Whetten's (1985) definition of OI to include OI claims:

The concept of organizational identity is specified as the central and enduring attributes of an organization that distinguish it from other organizations. I refer to these as *organizational OI claims*, or referents, signifying an organization's self-determined (and "self"-defining) unique social space and reflected in its unique pattern of binding commitments.

While the majority of empirical research supports the usefulness of Albert and Whetten's OI construct, a few scholars have devoted themselves to removing enduringness from the list of features defining OI (see Gioia, Shubha, Patvardhan, Hamilton, & Corley, 2013, for an exhaustive review). For example, Gioia, Schultz, and Corley (2000) argued that even if OI claims remain the same over time, the meanings of their referential terms can and will change, therefore enduringness does not hold. Empirical studies documented OI change occurring in response to: desired future images (Gioia & Thomas, 1996), conformity to shifting institutional environments (Glynn & Abzug, 2002), identity threats (Ravasi & Schultz, 2006), and changes in ownership (Corley & Gioia, 2004). Gioia et al.'s (2013) review concluded that OI change can be triggered by interventions that involve either redefining or reinterpreting existing OI claims.

The OI literature reviewed suggests two key themes our study will address. First, there is a presumption that OI claims and OI are tightly coupled. If this coupling is not merely a matter of definition, as Whetten (2006) asserted, then the relationship of OI claims to OI requires further study. Second, the growing awareness that OI is at least in part an interpretive phenomenon implies that OI must be related to OC because it is to culture that human beings turn when they seek to interpret their world and its phenomena—including OI.

The OI/OC Relationship in Contexts of Change

There are two ways that change is incorporated into studies that address the OI/OC relationship. One is to look for causal effects, such as changes in OI claims producing OI and/or OC change. The other is to treat OI, OC, and their relationship as constantly changing phenomena, which are better understood by describing their processes than by looking to causes. The studies reviewed below often mix these approaches, but as a whole this literature shows evidence of

increasing sensitivity to process. This article will explore and elaborate the process view while remaining attentive to content.

Among the first to remark on the OI/OC relationship was Gagliardi (1986: 126), who claimed that "organizational cultures usually change in order to remain what they have always been," asserting that "the firm must change in order to preserve its identity" (1986: 127). He concluded that "the maintenance of cultural identity [is] the primary strategy of an organization" (1986: 124), unfortunately conflating OI and OC in the construct of cultural identity.

Fiol (1991) was next to address the OI/OC relationship. She proposed OI as a mediator of the relationship between behavior and the cultural norms that guide and direct it. Fiol claimed that behavior patterns come to reflect a unique OI, and that this allows OI to be separated from OC in the minds of organizational members. The separation allows OI to influence behavior independently of OC, and as new OI influenced behavior stabilizes in new behavior patterns, OC changes.

Similarly to Fiol, Schein (1992) gave identity a mediating role in OC change, but did so in terms of member identification with the organization rather than OI. He argued that the "cultural paradigm" provides a basis for member identification by creating feelings of organizational belonging. In relation to managed change he reasoned that: "Only if I feel that I will retain my identity, my integrity, and my membership in groups that I care about as I learn something new and make a change, will I be able to even contemplate doing so" (1992: 300). Schein concluded that by stabilizing member identifications with the organization, managers help employees embrace OC change. Presumably such stabilizing can be affected by managing OI.

The idea that OC itself is always changing, and that management intervention must therefore involve a change operating within a process that is itself changing, led Hatch (1993; 2004; 2011) to a dynamic reconceptualization of Schein's OC theory. Within her framework Hatch positioned OI as a manifestation of cultural assumptions, and theorized that changes in OI can be interpolated back into those assumptions, thereby constituting culture change. In their theory of the dynamics of OI, Hatch and Schultz (2000, 2002) similarly argued that interpretations of OI are contextualized by OC and that OC thereby provides meaning that can be used to construct both OI and OI claims.

Only two empirical studies have examined the OI/OC relationship in any detail. Ravasi and

Schultz (2006) found that managers of Bang & Olufsen turned to processes of “reflection on cultural practices and artifacts” when making sense of the company’s OI. The managers redefined OI as they scrutinized what made [the company] distinctive from or similar to their competitors (2006: 437). Ravasi and Schultz (2006: 455) concluded that OC “preserv[es] a sense of distinctiveness and continuity as organizational identity is subjected to explicit reevaluation.” By linking the redefinition of its OI to Bang & Olufsen’s cultural heritage, OI served as a platform for OC change.

By analyzing a long period of strategic change at Alessi, Rindova, Dalpiaz, and Ravasi (2011) found two mechanisms by which Alessi’s culture was changed: enrichment and identity redefinition. Framing their study with Swidler’s (1986) theory of culture as a toolkit, they defined enrichment as adding new cultural resources to the cultural repertoire. They defined identity redefinition as making new OI claims, concluding that identity redefinition contributed to cultural enrichment by adding the self-categorizations of “publisher” and “artistic mediator” to Alessi’s cultural repertoire.

While Rindova, Dalpiaz, and Ravasi (2011) presented new OI claims as supporting OC change, and Schein (1992) proposed that stable member identification supports OC change, Ravasi and Schultz (2006) found that stability in OC supports OI change. We conclude from this set of findings that addressing the causal question—“Which comes first, OI or OC?”—is inadequate to the task of revealing the relationship between these phenomena. Particularly when the OI/OC relationship is contextualized by managed change, as the literature suggests it often is, there is great need to investigate the processes by which OI and OC are related, as we do in this study.

Research Questions

In this article we consider OI claims to be claims made at a particular moment in time about the actual and/or desired content of an organization’s identity (OI), while we differentiate OI and organizational culture (OC) by positioning OC as a contextual referent for the always evolving and multifaceted organizational understandings implied by the concept of OI. Based on our definitions and literature review the questions that frame this study are:

- What is the relationship between OI and OC?
- How does the OI/OC relationship evolve within the context of managed change?

METHODS OF DATA COLLECTION AND ANALYSIS

Carlsberg Group’s SVP of Group Communication and CSR provided entry points to the multiple sites in which our study took place. This key informant, Anne-Marie Skov, later became our co-author. Skov influenced how we defined the initial intent of the study: to follow internal implementation of a new corporate brand identity announced in the spring of 2010—The Carlsberg Group Stand (The Stand)—and, if possible, to track its impact on Carlsberg’s organizational culture. This focus expanded as our study moved to lower levels in the organization and around its geographically disbursed territories in Denmark, UK, France, Malaysia, Hong Kong, Russia, and Norway. Early interviews made it clear that the hot topic inside Carlsberg at the time was the Transformation Journey, which involved becoming more like an FMCG company (i.e., a cost focused, substantially centralized, efficiency-oriented maker and/or distributor of *Fast Moving Consumer Goods*, such as P&G, Nestlé, and Coca-Cola).

We are well aware that procuring entry through Skov, a senior executive, influenced how the researchers (Hatch and Schultz) were treated and affected the information with which they were entrusted. However informants showed great willingness to be frank and open about their issues and concerns with the company. Many saw their interview as an avenue to communicate with top managers, and all were assured we would not publish anything without corporate approval (by written agreement with Carlsberg), which explains at least some of their openness. We are also aware that, because of our decision to reveal the company’s name, we might have been overly cautious with sensitive information. However, we were bold in asking permission to reveal data germane to our topic of study, regardless of its sensitivity. Like other Danish companies, Carlsberg may be more trusting than many non-Scandinavian companies due to national cultural values that influence even the most far-flung and newest of Carlsberg’s subsidiaries.

Data for the study were developed using multiple methods including ethnographic interviewing and participant observation (Spradley, 1979, 1980), grounded theory (Glaser & Strauss, 1967), and engaged scholarship (Van de Ven, 2007). The research took place from 2009 to 2013, during which Hatch and Schultz made regular site visits to HQ (Copenhagen) and its subsidiary Carlsberg Danmark, and weeklong visits to subsidiaries in the UK, France, Malaysia, and Russia. Shorter visits were made to Ringnes (Norwegian subsidiary) and the regional offices of Western Europe (Copenhagen), Eastern

Europe (St. Petersburg) and Asia (Hong Kong). The Appendix lists all data sources.

Data Collection: Interviews, Participant Observation, Secondary Sources

From 2009 to 2012 Hatch and Schultz conducted 103 open-ended interviews with 76 employees located in Carlsberg Group headquarters (Copenhagen), and in the administrative offices and breweries of 6 subsidiaries. Interviews lasted on average 1.5 hours and were taped and transcribed.

Sampling was based on three principles. First, we wanted to cover all functions in the company to avoid biases that would be introduced if we only interviewed representatives of the Communication and HR functions, to whom our topics of OI and OC most obviously appealed. Second, we wanted to include different levels of management to gain exposure to the range of interpretations being given to the events under examination. Following from these principles, we created a cross-functional sample that spans four to five organizational levels, depending on the unit or subsidiary in question.

Including subsidiaries with different relationships to Carlsberg Group was our third principle. Skov recommended UK and Malaysia as Carlsberg's oldest subsidiaries, as well as Russia and France, which were the largest of those most recently acquired. We included the Danish subsidiary for reasons of convenience and lastly Ringnes, the Norwegian subsidiary. Norway is a "dark market," meaning advertising of alcoholic brands is not allowed and Ringnes had accordingly used The Stand to position itself externally. This situation gave us insight into how OI claims were used locally.

In addition to formally interviewing co-author Skov (as head of Group Communication and CSR and Executive Committee member), these three principles led us to interview the CEO and CFO of Carlsberg Group and all members of the Executive Committee (the heads of the corporate functions of Sales, Marketing, and Innovation; Supply Chain; and HR; as well as the SVPs of Regions Western Europe, Eastern Europe, and Asia.) In each subsidiary we interviewed the local CEO plus functional heads, including at a minimum the CFO and heads of Marketing, Sales, Communication, Supply Chain, and Human Resources. In the bigger subsidiaries, such as Baltika, where separate functions for Master Brewer, Legal Affairs, Public Affairs, Management Training, and Strategy and Business Development existed, we interviewed these managers as well. Additional interviews were conducted with the management team and select support functions in Regions Asia, Western and Eastern Europe.

The data collected have a strong middle management bias, for which we compensated to some extent by participating in a range of subsidiary activities during our visits. These included brewery tours, employee parties, customer events, and outings with sales teams, which brought us into informal contact with lower level employees who were encouraged by their managers to openly share their views and opinions with us.

Open-ended interviews were customized to individual roles in the company, but all followed a general guideline focused on themes identified to that point in our study. The initial focus—whether The Group Stand figured into their thoughts or activities and if so how, plus what Carlsberg's culture is like—expanded over time to include: what it means to be an FMCG; how FMCG ambitions affected the interviewee's understanding of the company and its strategy; the effects of regionally restructuring the subsidiaries and putting them into a matrix; and whether and how the culture was being influenced by the Transformation Journey and vice versa. Each interview began with a warm up question about how the interviewee had come to be employed by Carlsberg Group (or, in cases where they came to a subsidiary before it was acquired, how they came to be there), followed by a question about what had changed the most since they joined. Interviews concluded by inquiring whether there were any important questions that remained unasked, though it was rare that any were suggested.

Our research included many informal interactions that occurred around lunches and dinners with informants in headquarters and the subsidiaries. For example, on one occasion two master brewers invited Hatch and Schultz into the Carlsberg cellars where they were introduced to the pleasures of drinking a rare 50-year-old Carlsberg Easter Beer. Tours of breweries and informal conversations over meals presented numerous opportunities to discuss observations and emerging findings, which informants were always curious about. Notes made after these informal encounters were treated as additional data. Hatch and Schultz maintained informal dialogue with key informants throughout the study, engaging in conversation with one or more of them every second to third month, and openly discussing observations and interpretations as they evolved. Key informants included Skov; the SVP of Global Sales, Marketing, and Innovation (GSMI); the VP of Corporate Branding; the VP of Marketing; and a master brewer.

Hatch and Schultz practiced participant observation by joining a number of internal workshops and conferences where they played formal roles as presenters of conceptual frameworks based on their

research. These occasions provided additional opportunities for informal conversation. One of the events was hosted by Skov and took place at the Carlsberg Museum where eight faculty researchers from Copenhagen Business School (including Hatch and Schultz) presented the key findings of their research into various aspects of Carlsberg. In attendance at this event were Carlsberg executives and the chairman and members of Carlsberg's Board of Directors. Discussions among those present deepened our understanding of the findings and helped us relate our findings to other aspects of Carlsberg being studied.

Finally, secondary sources proved invaluable, allowing us to follow both the articulation and dissemination of The Group Stand and how top management had developed and communicated the Transformation Journey. Since Carlsberg is a listed company covered regularly in Danish and international newspapers, we analyzed press clippings related to our study, and read annual reports.

Data Analysis: Grounded Theory and Engaged Scholarship

Following Glaser and Strauss (1967) and Golden-Biddle and Locke (2007) we relied on grounded theory methods to identify themes as they emerged during data collection and to guide our analysis (i.e., by using constant comparison). We were influenced by Isabella's (1990) use of grounded theory methods to understand change from the perspective of those involved. Using grounded theory we developed tables of key citations from our interviews from which specific themes emerged, including perceptions about:

1. OI in general,
2. The Group Stand,
3. FMCG and Carlsberg as an FMCG,
4. Organizational culture in general,
5. Cultural issues in Carlsberg Group, and
6. The role, or lack thereof, of Carlsberg's brewing heritage in the Transformation Journey.

These interim tables each contain 20–40 pages of raw citations.

The interim tables gave us a detailed picture of the main themes of our study, including what FMCG meant to our informants and their thoughts on the substance of Carlsberg's brewing culture heritage. In this stage of analysis we bracketed the data by structural/geographical and hierarchical differences to see if these had noticeable effects. This led us to identify key identity and culture themes that

held across the Group (e.g., emotional engagement with The Stand, perceptions of what is special about beer) and to note differing perceptions among subsidiaries in which we conducted interviews.

Due to the attention given FMCG to which grounded theory had alerted us—the OI claim presented by the Transformation Journey—Hatch and Schultz began carefully documenting reactions to the Transformation Journey and its relationship to Carlsberg's OI, including the role The Stand either had played or might yet play. In this they followed Van de Ven's (2007: 74–76) advice to situate a research problem by being aware of both what is in the foreground (the problem as experienced by those being studied) and in the background (the context of the problem). Efforts by Carlsberg executives to manage changes that affected OI and OC were placed in the foreground by our research design, while attention to background sensitized us to the industrial and organizational context of their change efforts.

Van de Ven (2007: 77–79) also suggested conducting studies from both “up close” and “afar.” To study a problem “up close” means focusing on particular questions and answers to the research problem relevant to those under study, while “afar” refers to developing the research problem more broadly by discussing the prevalence of the problem and/or placing it in a broadly relevant context. We engaged in looking “up close” by carefully examining how Carlsberg's managed change efforts (The Group Stand and Transformation Journey) were interpreted by our informants and how the subsidiaries responded to and/or made use of these change initiatives. We looked at the research problem from “afar” by studying how The Stand and the Transformation Journey introduced new OI claims into Carlsberg's internal discourse and what role OC played both in supporting change efforts and resisting them. The “afar” mandate helped to sensitize us to the OI/OC relationship.

During the course of analysis we shifted methodology between what Van de Ven (2007: 27) labeled “basic science with stakeholder advice” and “co-production of knowledge with collaborators,” the latter leading to Skov becoming a co-author near the end of our research period. After each field visit we wrote and shared first drafts of our discoveries with Skov and other key informants, the reports ranging from 3 to 12 pages. In some cases this led to further discussions with the managers of one or another of the subsidiaries. Those with whom we shared the documents reported that they found them revealing, as did those who attended the “Carlsberg Day” conference, providing indications that the ideas were useful and, in their view,

correct. The reactions of Group executives, Skov especially, helped us recognize the need to balance our academic interests in studying the OI/OC relationship with their need to manage these phenomena and led us to new insights concerning how the empirical study of theoretically defined phenomena can be better related to practice.

In conducting this inductive longitudinal study we were guided by the discoveries our analysis provided along the way. To reflect this experience, we will now present findings and the data on which they are based in a more or less chronological order.

DISCOVERY #1: HOW OI ACTIVATION INFLUENCED THE COURSE OF MANAGED CHANGE

Discovery began when we noticed informants treating the idea of the company becoming more like an FMCG as a new claim on Carlsberg's organizational identity (OI). Though a clear definition of FMCG was not presented at the time, the CEO later explained his thinking during an interview in 2012:

For me it was required to put Carlsberg on a journey where it became much more a different type of company, being managed across regions, functions, with one aligned agenda, so to establish one management team, and also to start introducing some of the many good disciplines you have in P&G, or Nestlé, or Unilever . . . we need to start developing great tools for category management, sales tools, again being more like an FMCG company. So basically when I took over I said, "We need to change the mix of capabilities, and upgrade capabilities in Carlsberg," and that [meant] getting more FMCG thinking in, and that would require getting more people in from the outside, and [finding] a better balance between brewing and FMCG. And then I [said] we need to bring more innovation, and centralizing the base agenda into Carlsberg. And then last point . . . was about execution—execution—we really need to be better at executing whatever we decide to do . . . And all of that for me, having had many, many years in global FMCG companies, was bringing more FMCG capability and competency into Carlsberg, because we are, at the end, selling fast moving consumer goods.

From the time our study began we noticed our informants were treating FMCG as a new OI claim even though it was not presented to them in these terms, but rather as the set of organizing principles and management tools indicated by the CEO's comment above. However, by their reflecting,

questioning, and debating about whether Carlsberg ever could or would become an FMCG, the informants had constructed FMCG as a new OI claim to which they responded with both support and resistance. As our analysis will show, their activation of OI (i.e., through reflecting, questioning, and debating that enacted support and resistance) explained, better than the OI claims could, how the trajectory of the Transformation Journey came to be altered during its implementation.

Industrial and Business Contexts of Change at Carlsberg

Consolidation and internationalization of the brewing industry has been ongoing since the 1960s mainly due to increasing economies of scale in production and the desire of the largest companies to compete on a global scale (Carroll & Swaminathan, 2000; Gammelgaard & Dörrenbächer, 2013). Carlsberg was late in responding to these trends, first consolidating regionally in 2001 by acquiring Orkla's brewery assets in Eastern and Western Europe, and then joining the industry's global M&A boom in 2008 via joint acquisition of Scottish & Newcastle (with Heineken, the businesses acquired from S&N were split between them). The S&N acquisition brought Carlsberg majority ownership in Baltika (Russia), full ownership of Brasseries Kronenbourg (France) and the Mythos brewery (Greece), and minority stakes in several Asian breweries, making Carlsberg Group the fourth-largest beer company in the world.

With the S&N acquisitions Carlsberg doubled in size and significantly expanded its geographical reach (see Table 1) creating an array of challenges, among them enormous debt and a mismatch between the then almost completely Danish top management team and the company's international ambitions. The resignation of Carlsberg's CEO just before the S&N deal was finalized complicated the situation. His replacement, a Dane with substantial management experience in a global FMCG company, had worked one year at Carlsberg at the time of his appointment in late 2007.

The economic pressures Carlsberg faced at the time were not only due to heavy investment in acquisitions. Beer consumption in the company's primary Western European markets had plateaued, which the profitable new businesses acquired in Eastern Europe were expected to offset. However, expectations for profits from Baltika Breweries in Russia, the biggest of the new acquisitions, were thwarted mainly by an unanticipated 200 percent increase in Russian taxes on beer along with newly adopted advertising restrictions aimed at reducing Russian beer consumption. Baltika's inability to

TABLE 1
Characteristics of Carlsberg Group Before and After the 2008 Acquisition

Dimension of Transformation	Prior to 2000 (figures from 1998–99)	Post 2008 (figures from 2012)
Company size		
Turnover	31,285M DKK	67.201M DKK
Employees	21,906	41,614
Annual output	Hectoliters Beer/year: 37M Soft drinks 13.8M	Hectoliters Beer/year: 140.9M Soft drinks: 22M
Leadership	Danish/Nordic Executive Board Many top leaders (level 2) with brewery background	4 Danish 7 non-Danish in ExCom (2 Danes in Executive Board) No brewing expertise at top level but lots of FMCG experience
Geographic Reach	Regional Scandinavian brewer with subsidiaries in UK, Malaysia, Italy, and Portugal	International beer company covering Western Europe, Eastern Europe, and Asia
Strategy	Growth through small acquisitions, joint-ventures, and licensing	Growth through significant acquisitions to serve vision to become “the world’s fastest growing global beer company”

immediately compensate for declining profits across Western Europe or to pay off acquisition debt severely affected corporate performance. Rapid growth in Carlsberg’s Asian businesses promised better results in the future, but these markets were not developing fast enough to solve the company’s immediate economic challenge. As a consequence, Carlsberg executives focused intensely on cost containment and efficiency, starting with the stagnating Western European businesses—the genesis of Carlsberg’s Transformation Journey.

Carlsberg’s Transformation Journey

At Carlsberg’s Annual Growth Conference in 2010, CEO Jorgen Buhl Rasmussen defined his strategic vision for the company as becoming the world’s “fastest growing beer company.” He told the audience the way to fulfill that strategy was to “become more like an FMCG company.”

One of Rasmussen’s first acts as CEO had been to establish an Executive Committee into which he placed several recently hired non-Danish executives who, like himself, had significant experience in the well-known FMCG companies he wanted Carlsberg to emulate (e.g., Gillette, Coke, Nestlé, and P&G). Other managers with experience in global FMCGs were appointed at the senior vice president and regional manager levels. Around 20 new recruits helped internationalize Carlsberg’s management, but they also increased the level of internal debate about what it meant to be an FMCG and whether this made sense for Carlsberg. The company-wide reflection, questioning, and debating of Carlsberg’s OI indicated that the FMCG ideal was being treated as an OI claim. Later these activities inspired our process definition of OI activation.

In interviews conducted at the time, informants expressed acceptance of some aspects of FMCG,

but also told us why Carlsberg would never be entirely like the FMCG companies it benchmarked (see Table 2). Analysis revealed that the chief sources of resistance to the FMCG claim included:

1. The uniqueness of beer within the category of FMCG products,
2. The localness of most of Carlsberg’s beer business (80 percent of revenue came from selling local brands), and
3. The grounding of OC and OI in the subsidiaries.

While the FMCG debate played out, the influx of FMCG-experienced managers helped the CEO benchmark Carlsberg’s internal practices against those of global FMCG giants and execute against expectations setup by the Transformation Journey. One of the first changes was reorganization of the company into what Carlsberg calls a matrix structure. The matrix lies between three regional SVPs responsible for Western Europe, Eastern Europe, and Asia; and four centralized functions: GSMI (Group Sales, Marketing, and Innovation), Group HR, Group Communications & CSR, and CSC (Carlsberg Supply Company) with responsibility for procurement, planning, production, logistics, and quality. This structural change contributed to the transformation of organizational identity (OI) and culture (OC) during the Transformation Journey throughout Carlsberg because, not only have subsidiaries “lost power” to centralized functions, but also the centralized functions must agree with regional SVPs on targets and KPIs. Moreover, subsidiary CEOs now report through the regions, instead of directly to the CEO for the Group, reducing their former influence and prestige.

Region Western Europe provided the proving ground for implementation of the Transformation Journey, to be followed later by Eastern Europe and eventually Asia. The plan began with centralizing

TABLE 2
Why Carlsberg is Different from a Global FMCG

Illustrative Quotations	Thematic Concerns with FMCG OI Claim	Categories of Resistance to the FMCG OI Claim
<p>[Beer is] basically water, so you don't want to be sloshing water around. (VP, Corporate)</p> <p>I mean 99.4% of our product is water. It's pretty tough to do a really efficient supply-chain globally. And most of our business is actually local brands. (Denmark, Subsidiary)</p> <p>FMCG is different from beer for a variety of things, beer is essentially local, like water, you don't transport beer too long. You always have local production; the beer market has always been a local market for that reason. Germany still has 1000, 500 breweries. (VP, Corporate)</p> <p>And how far do we take it? Yeah, we're not really a fully-fledged FMCG, but we're getting that way . . . but making sure we retain our identity at the workplace, or the coalface, because beer is not the same as razor blades. People don't really care where razor blades come from as long as they do the job. But they do have a kind of emotional tie to the beer that they drink . . . I think getting a little bit more uniformity and coordination across the Group would be good, but as we said before, being sensitive to the local issues. So again, how far do we take it without damaging the business, or damaging the local cultures as well. (VP, Region)</p> <p>FMCG is good, but has a lot of disadvantages as well. You lose every local attachment to the brands. I mean you go to every FMCG, [and if you ask] is this brand local, everybody would say no. [The] brewing business is local. Carlsberg has a lot of very strong local brands—80% of Carlsberg's business is local brands . . . So it's very much a local business, and we have to pay attention so that people don't lose this part of the local attachment. And currently we're going a little bit too far. (France, Subsidiary)</p> <p>I mean this company is still so different from a global company because . . . of our relationship with customers and because we have the local power brands. And that makes us very different from Gillette and Lipton Tea or whatever. (SVP, Corporate)</p> <p>What's interesting in beer in comparison with many other FMCG categories is that the level of involvement is much higher with our alcohol, because you take a lot more pride in what you drink than what you eat. Whether you have a particular type of recipe sauce with your meat is not that engaging for you [compared with] when you pick your bottle of wine or the specific whiskey that you like, or indeed the brand of beer you drink. (VP, Region)</p> <p>Beer is a living product and it takes time to brew . . . if you just think that everything is the same and it's all about branding, that's not true . . . because there is an element of craftsmanship in the beer, which you don't necessarily have in fast-moving consumer goods companies. (France, Subsidiary)</p> <p>In Germany this culture is much more advanced because they are locally produced beer[s] and of course you can have some niche for crafts beer, but in general I think if it's a high quality product and consistent it is even more beneficial than to say it's an industrial beer. (France, Subsidiary)</p> <p>Well as a brewer I quite like that people are a little bit in touch with the product, and you can smell it a little bit. (UK, Subsidiary)</p> <p>I would also like to spend a lot more time trying to win prizes for the beers and participating in a lot of tastings in the papers and do a lot of all this, which is special for these beers, because the normal beers are not so much in this league. I mean, this world is more like the wine world, while the rest of what we do is more, you know, FMGC stuff. (Denmark, Subsidiary)</p> <p>But I actually prefer the manual operation here, it gives a little bit of craftsmanship still to the process, but also it makes it much easier to control. (Malaysia, Subsidiary)</p> <p>The beer business is in many ways a very local business. Although we try to work as an FMCG . . . it's not like rolling out razor blades. (SVP, Corporate)</p> <p>We're trying to globalize our business too much and not localize it enough. So when you talk about GloCal it's capital letters GLO and small letters cal for me, and I philosophically really believe that this industry, this business, is much more of a local business than a global business and needs to be that and needs to be operated like that and needs to be led like that . . . it doesn't lend itself to being centralized, particularly from the front end perspective of the business—the consumers, the trade, the customers, the local markets, the people, the value systems that need to be integrated into the cultures we're trying to create, and so on. And so I think that it is a philosophical point that we grapple with at the leadership level in the organization a lot. (SVP, Region)</p>	<p><i>Beer is 99% water</i></p> <p><i>People care where the beer comes from</i></p> <p><i>Element of craftsmanship in brewing a beer</i></p> <p><i>What can be centralized and what must remain local?</i></p>	<p>Beer is Distinct From Other FMCG Products</p> <p>Most of the Beer Business is Local</p>

TABLE 2
(Continued)

Illustrative Quotations	Thematic Concerns with FMCG OI Claim	Categories of Resistance to the FMCG OI Claim
<p>It depends what we put behind FMCG to be honest . . . We are not Coca-Cola. We are beer and beer has some moves, which means that in some areas we need to be local. (France, Subsidiary)</p>		
<p>It doesn't lend itself to being centralized, particularly from the front end perspective of the business; the consumers, the trade, the customers, the local markets, the people, the value systems that need to be integrated into the cultures we're trying to create, and so on. (SVP, Region)</p>		
<p>And just being able to get people sitting in our head office, particularly in Copenhagen, to make that mindset shift in terms of what it takes to make the business work is not what it takes to make the business work in Denmark, Sweden, Norway. (SVP, Region)</p>		
<p>The entire approach that every innovation has to come from the center, that the brands are guided from the center—which I think is good for the international brands, [means that] all the systems have to be identical. The way of doing has to be identical. I think you can push it too far. When you have all identical brands like shampoos, yes then you can do it. You have the same category approach; you have the same sales approach. But I think the strength of Carlsberg is the local anchorage. (France, Subsidiary)</p>		
<p>If you look at Carlsberg . . . or the Carlsberg Group . . . it's a lot of local breweries that have been bought out over the years and with a relatively de-centralized structure, compared with other fast-moving consumer goods [companies], where the Carlsberg [brand] [compared to] the international brands has relatively little weight. It's 40 . . . 20%, I think, of the volume versus the local brands . . . (France, Subsidiary)</p>	<p><i>Organizational Structure</i></p>	
<p>I'm not sure that they would like to become an FMCG company [like] Proctor & Gamble or Unilever, I'm not sure they really use the right way to become Unilever or Proctor & Gamble. I had a discussion and I said honestly, when you talk about matrix orientation, I laugh. What is your matrix orientation? It's very funny because you talk about matrix but you have zero experience in matrix orientation. It's not because I'm disagreeing, I don't care, it's very funny. (France, Subsidiary)</p>		
<p>For example, the strategy formulated in average figures in Europe group nowadays is so keen on this Project One [integration of supply-chain] and this FMCG best practice sharing. At the same time I have never heard that this particular model, as Unilever or P&G have all over the world, is absolutely suitable for [the] beer business. (Russia, Subsidiary)</p>		
<p>Inside of the culture the brewmaster is a key person and everybody who is a brew specialist is something very, very valuable. And even when we started to produce other products like water, like soft drinks, it was like what's that? OK, we have to do it for margin, but we're a beer company. That's the main thing . . . And they [are] proud they work in a company that produced beer, this beer, all kind of beer. And I think it's also historical because [names former Baltika brewmaster] used to be brewmaster and of course he built around [the idea] that the beer is the key, the beer is a God. (Russia, Subsidiary)</p>	<p><i>Beer culture</i></p>	<p>Localized Culture and Identity</p>
<p>But the people who were really international and had to make common systems, all that was the Brewers, that was the beer. A Brewer founded the business. It was not only [how it was] perceived by the brewers, but this is how it was. (former SVP, Corporate)</p>		
<p>But if you ask me as a brewer, then I'm extremely proud of the heritage that Carlsberg has. We have basically [provided] some of the biggest landmarks within brewing. Some of the biggest quality improvements within brewing have been done by Carlsberg in the history. So as a brewer I think it's fantastic to represent Carlsberg. I think we have a fantastic heritage within that, but I think the storytelling is dying out a little more. I think this is changing a little bit. (Malaysia, Subsidiary)</p>		
<p>The thing that I think will challenge . . . [us] is the emotions around the local beer, because all local beer today is local recipes and things, and people are very proud. I mean we call it local power brands, but actually locally it's the local pride, and often it's the bread and butter for Carlsberg because [in] most places what creates the most revenue is the local brands, and [also] the most profit. (Malaysia, Subsidiary)</p>		
<p>I think brewers would tend to be a little bit more long term oriented than commercial people would be. [On the] negative side we might also tend to be a little bit more conservative than the commercial guys, if you put this [in] black and white. (Denmark, Subsidiary)</p>		

TABLE 2
(Continued)

Illustrative Quotations	Thematic Concerns with FMCG OI Claim	Categories of Resistance to the FMCG OI Claim
[Carlsberg is] quite a male dominated company, I don't know whether you noticed [that], apart from our HR, so there's a strong relationship between blokes and beer . . . I do think that's a different thing from other FMCG businesses. (UK, Subsidiary)		
I say FMCG—yes, it's good—but then we have to do the right steps toward it, keeping the local heritage, and playing on our strengths . . . you go around into Carlsberg Group and you ask all the countries—Ringnes, Falcon, Feldschlösschen—you ask them who they're working for, they're working for the local company. (France, Subsidiary)	<i>Localized identification</i>	
Maybe not for the sales and marketing vice presidents, but operational and I think even financial director or the vice president are all proud they work in a company like this, in a Brewery Company, not an FMCG company, which sells a lot of stuff. (Russia, Subsidiary)		
People tend to forget that you are working at the local business. Most of the employees are only working locally in their own business, all the time. (VP, Region)		
But, I think The Stand was a lovely way of saying “we have a local identity, you have national pride but you are still part of something bigger.” (UK, Subsidiary)		

the management of key functions, after which management attention would shift to defining and disseminating best practice tools that would extend centralized control beyond the structural changes. However a new business standardization program (BSP), the first tool implemented, was introduced alongside the reorganization. As a formalized financial reporting system for identifying major cost-cutting opportunities, BSP paved the way for the integration of the supply chain into a single centralized function, beginning in Western Europe. As centralization was implemented, resistance was heard in the steady refrain: “But beer will always be local!”

“**Beer will always be local!**” Skov remarked: “The beer business is in many ways a very local business. Although we try to work as an FMCG . . . it's not like rolling out razor blades.” A manager in the French subsidiary explained localness this way:

Beer is a living product and it takes time to brew . . . if you just think that everything is the same and it's all about branding, that's not true . . . because there is an element of craftsmanship in the beer, which you don't necessarily have in fast-moving consumer goods companies.

Others framed the localness issue in terms of loyalties to local brands, as did the then CEO of the Carlsberg Danmark subsidiary:

I mean 99.4 percent of our product is water. It's pretty tough to do a really efficient supply-chain globally. And most of our business is actually local brands.

The CEO of another subsidiary explained further:

FMCG is good, but has a lot of disadvantages as well. You lose every local attachment to the brands. I mean you go to every FMCG, [and if you ask] is this brand local, everybody would say no. [The] brewing business is local. Carlsberg has a lot of very strong local brands—80 percent of Carlsberg's business is local brands . . . So it's very much a local business, and we have to pay attention so that people don't lose this part of the local attachment. And currently we're going a little bit too far.

One regional SVP associated Carlsberg's localness with cultural diversity in the subsidiaries, and linked subsidiary diversity to growing concerns over the centralizing tendencies of Carlsberg's FMCG ambitions:

I philosophically really believe that this industry, this business, is much more of a local business than a global business and needs to be that and needs to be operated like that and needs to be led like that . . . it doesn't lend itself to being centralized, particularly from the front end perspective of the business—the consumers, the trade, the customers, the local markets, the people, the value systems that need to be integrated into the cultures we're trying to create, and so on. And so I think that it is a philosophical point that we grapple with at the leadership level in the organization a lot.

Hoping to clarify the relationship between FMCG and Carlsberg’s localness, we queried the SVP of GSMI who replied: “I think that FMCG means a lot of things to many people, and I think that we don’t necessarily need to clarify everything, and everything cannot be clarified.” We interpreted this reaction as a response to criticism we heard at the time around the company that even top management did not know what FMCG meant. The comment also points to the difficulty of simultaneously managing the globally centralized and locally driven aspects of Carlsberg’s business, recognition of which led to reorienting the Transformation Journey using Carlsberg’s value chain.

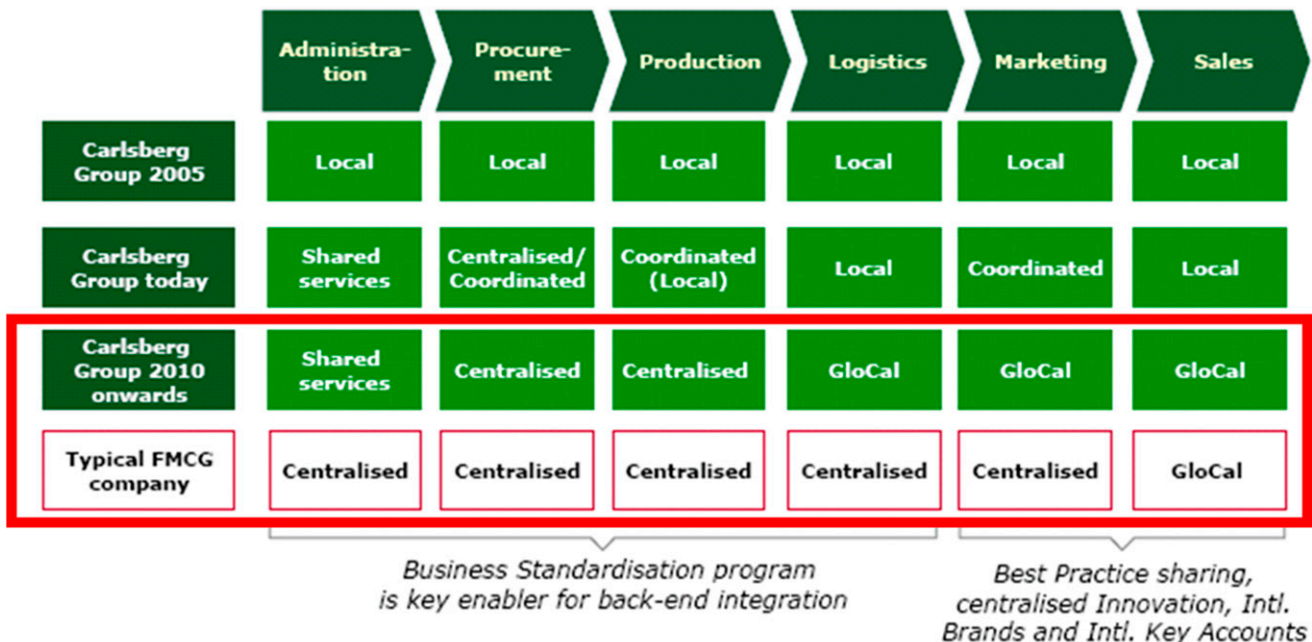
The GloCal value chain split. As debate over FMCG evolved, several informants showed us a widely circulated PowerPoint slide contrasting Carlsberg’s value chain as it was then configured with how it was expected to look after the Transformation Journey was completed (see Figure 1). The diagram split the value chain between back office (centralized “global” functions) and front office (local subsidiaries), showing that the boundary between these responsibilities would shift in the direction of centralization as formerly local responsibility was either centralized or shared with centralized functions (indicated by the “GloCal” label in Figure 1). Regardless of where the division was

drawn, responsibilities of front and back office remained unchanged: subsidiary management was to adapt the company to local markets, while back office functions centrally managed key activities with the goal of increasing efficiency and effectiveness throughout the company while continuing to pursue Carlsberg Group’s growth strategy.

Looking back, in December of 2012 the CEO told us what lay behind the GloCal logic for assigning responsibilities within Carlsberg:

I believe it’s the right decision to have a governance where we want to be GloCal, so where we can centralize, we should centralize, to be either more efficient or more effective, and it could be developing some tools we want to roll out, or it could be taking out costs by doing things differently in the supply chain. If you believe in that philosophy, I cannot see any way around it without having some kind of matrix structure, because then it does mean you develop some tools centrally, and you want them to be applied locally, and there needs to be some connection to make that happen. Of course you could centralize and say everything will be decided at the center. I don’t believe in that for beer at all, because we are back to selling some brands with strong local relevance, and strong history.

FIGURE 1
Internal graphic used to explain the transformation of Carlsberg’s value chain as envisioned by top management



At this point in the Transformation Journey the GloCal value chain split became top management's answer to: what does FMCG mean for Carlsberg? From that point on GloCal became a key feature of the FMCG discourse, as the CFO explained in 2013:

This whole GloCal story is part of the FMCG journey, to me . . . You take Western Europe, which is kind of the sum of these many, many, many smaller markets that has all been built through acquisitions over the last many years . . . Some of [the subsidiaries] are still doing everything themselves . . . So what we're doing in this FMCG journey in Western Europe now has been about two things. It's about reducing complexity in the front end of the business, i.e., defining basically a bigger market, playing on the correlation between market size and margin potential. And in the back end of the business integrating, centralization . . . So everything is different . . . the only thing which is more or less the same, that's actually the liquid.

Worthy of note here is the CFO's use of the term "liquid," a symbolic salute to FMCG thinking according to which all products are commodities, hence liquid rather than beer.

OI and OC issues were at stake as well, and these were often equated with the local side of the business. For example, while explaining Carlsberg's delicate balancing act, one regional VP of Corporate Communication told us in 2011:

And how far do we take it? Yeah, we're not really a fully-fledged FMCG, but we're getting that way . . . but making sure we retain our identity at the workface, or the coalface, because beer is not the same as razor blades. People don't really care where razor blades come from as long as they do the job. But they do have a kind of emotional tie to the beer that they drink . . . I think getting a little bit more uniformity and co-ordination across the Group would be good, but as we said before, being sensitive to the local issues. So again, how far do we take it without damaging the business, or damaging the local cultures as well.

As a manager in Region Western Europe explained, the regional management teams often equated local culture with national cultural differences:

This GloCal concept recognize[es] that the Chinese culture is different, and therefore the Chinese way of leading, way of orchestrating, and way of having success, is going to be different than the Russian, it's going to be different from the Western European region.

As the GloCal concept took hold, local cultural differences, defined by subsidiaries' national differences and delegated to regional management teams by the reorganization, would remain largely out of sight for a top management focused on globalizing and centralizing the Carlsberg Group.

Carlsberg Group Stand (The Stand)

Carlsberg's multiple acquisitions created a need to address OI and OC, as Skov, the SVP of Global Communication and CSR explained in 2009:

The acquisition last year, where we bought a chunk of S&N . . . meant that we acquired companies that are bigger than what Carlsberg used to be. That is Russia, Kazakhstan, Uzbekistan, new countries, it is France, with the old and very traditional Kronenbourg brand, acquisitions that also gave some questions to the identity of the company. So if you think of branding in terms of identity, who are we as a company? . . . Who are we with these new brands and cultures coming in? Who are we now as the new Carlsberg?

Skov's ambition for The Group Stand was to aid post-merger integration using OI as a vehicle to accommodate the cultural diversity of the company's subsidiaries and to help employees integrate into one company. She explained her ambitions for Carlsberg's OI in relation to several practical considerations and efforts to address them:

But there is . . . freedom to chose [whether] to call yourself Carlsberg, like Carlsberg Germany, [or] you can instead call yourself Kronenbourg, part of the Carlsberg Group. So in that way there is flexibility and you open [to] the diversity. I am sure it is unusual. And I was heading up that process, and it was during that process that I found out that if we force this through at this point in time then we will fail big time. Because then I will never ever come to a point where employees and local top managers [i.e., the country CEOs] will do anything to bring us closer together as a group. . . . I reached the conclusion that at this point in time that has to be a group perspective, so the culture [is key], but the key word is that we respect diversity.

At this time Skov noted the autonomy of local managers and what had worked thus far to overcome their resistance to integration:

. . . what are some of the main obstacles for building a stronger company culture? That the company is decentralized, let's deliver profit to HQ but leave us alone. What would make it

FIGURE 2
Carlsberg Group Stand

Thirst for Great

Great people. Great brands. Great moments.

Founded on the motto, *Semper Ardens* – Always Burning – we never settle, but always thirst for the better.

We are stronger together because we share best practices, ideas, and successes. We brand as many, but stand as one.

With the courage to dare, to try, to take risks, we constantly raise the bar. We don't stop at brewing great beer. We brew a greater future – for our consumers and customers, our communities, and our people.

This passion will continue to burn and forever keep us thirsty.



interesting for the local managers? A motivator has been best practice sharing and even doing it in an organized way has been key. Having cross-cultural development has been key. That goes for employees as well, talent development, that you can grow up in one country and then move to another country.

Following this reasoning, Skov and her staff decided to formally declare what Carlsberg Group stands for, hence The Stand. They were aided in their endeavor by US-based consultancy BrightHouse. A BrightHouse consulting team spent several months researching Carlsberg, culminating in two workshops with Carlsberg's full Executive Committee (ExCom) in early 2010. In the workshops executives made decisions about the OI claims The Stand would present as shown by the corporate slide shown in Figure 2. These claims linked historical references taken from the company's brewing heritage and culture (e.g., "*Semper Ardens*—Always Burning") to FMCG practices such as continuous improvement (e.g., "we constantly raise the bar"), at the same time that they offered a rationale for integrating the close to 500 brands behind one Group identity ("we brand as many, but stand as one").

Ultimately, The Stand was not formally implemented as a change protocol at the time of our study, though executives repeated its key ideas on many occasions and some middle managers made use of it in their various subsidiaries and units (an example is reported in Hatch & Schultz, 2013). Reasons given for the lack of formal top-down implementation included:

1. Top management worried that a new program launched so soon after another

- that Skov also led (Winning Behaviors, launched in 2008 in cooperation with HR) would confuse employees,
2. The CEO wanted The Stand to roll out bottom-up rather than top-down, and
3. Budgets for global programs were tight due to the economic factors noted above.

In spite of curtailment of top down implementation plans, an emotionally engaging TVC-quality video presenting The Stand was professionally produced and co-launched with a global repositioning of the Carlsberg Beer brand at an event held in the spring of 2010 (<http://www.youtube.com/watch?v=kRclbnqlvws>). Within a year of its launch, nearly everyone in the company had seen The Stand video at least once, and it was often screened at events for partners and other stakeholders. In addition glossy posters featuring The Stand were provided to all Carlsberg units and The Stand was posted on Carlsberg's intranet.

OI Activation

The left side of Table 3 shows illustrative examples of informants' reported responses to our queries about Carlsberg's OI and OC in the context of ongoing managed change efforts. Content analysis of this data revealed the OI claims that appear in the center column of Table 3, while the column on the far right indicates that informants' activated Carlsberg's OI by reflecting on, questioning, and debating their two fundamental questions about Carlsberg's OI: "Can and will Carlsberg become an FMCG?" and "What makes us Carlsberg?" Comparing the second and third columns in Table 3 shows the difference between content (OI claims) and process (OI activation).

TABLE 3
Data Revealing OI Claims and OI Activation in Carlsberg Group

Illustrative Quotations	OI Claims	OI Activation (Reflecting, Questioning, and Debating):
FMCG . . . and Production Company. It's a difficult combination, FMCG and production in one bottle . . . It's one identity. (Russia, Subsidiary)	Former business model: <ul style="list-style-type: none"> • production centered • localized • undisciplined 	Can and will Carlsberg become an FMCG? (Competing OI Claims)
I think we still have such a mixture of culture between sales, marketing, production . . . We are trying to marry those two cultures. (Russia, Subsidiary)	vs.	
I think you can be great at FMCG and still have an element of localization around what you do. FMCG is much more to me about consumer and customer understanding. (UK, Subsidiary)	New FMCG business model: <ul style="list-style-type: none"> • consumer driven • global • disciplined 	
We are moving toward more of an FMCG, especially in the consolidation of the supply chain, and the back offices, and the IT, and the standards, and the processes. So we're moving toward more and more a disciplined organization. (SVP, Corporate)		
What is an FMCG? Multitude of sins. An FMCG is close to customers and understands its market, it's agile, it has a clear philosophy and it recruits people with a certain mentality and ethos, then fine, we're an FMCG for some of our business, but we're also a delivery company and we're also a manufacturing company, so I have other things I have to be as well. (VP, Region)		
What do we want to be? And this is not clear because GloCal is not an answer. (UK, Subsidiary)	GloCal (as compromise with full FMCG identity)	
There's a long way for us to go. We've got this very interesting mix or blend of local and global, which we talk about [as] 'GloCal'. Actually I'm not sure we really know what that means. (UK, Subsidiary)	vs.	
We have like an introduction where we talk about this Transformation Journey and saying this is not about becoming a new Coca-Cola, because we have this local foundation. So it's a GloCal thing. But what does that mean? (SVP, Corporate)	Global (attribution that FMCG claim = global/centralized solutions, even to local problems)	
I think you can do both. I think you can have a heritage brand with history and everything like that and give the consumers what they want, while having an FMCG driven backbone. (Malaysia, Subsidiary)	Heritage Roots in beer and brewing that predate histories of all beer companies and breweries	What makes us Carlsberg? (Repeated References to Culture)
We are lucky because we have a fantastic heritage, so now the trick for me is just making sure that we bring more clarity around where we come from so we can fuel our FMCG status. So [how] can we fuel our FMCG agenda with being a brewer. (Hong Kong, Subsidiary)		
The big thing is that we're going from a brewer to be an FMCG, and I understand why we want to do this transformation. I think it's important to keep some of the best things from being a brewer and from also being a Danish company, there could be elements from that, especially around being good at working together. (Denmark, Subsidiary)		
We have fantastic heritage, we have founders that did things that could really inspire us today. (SVP, Corporate)		

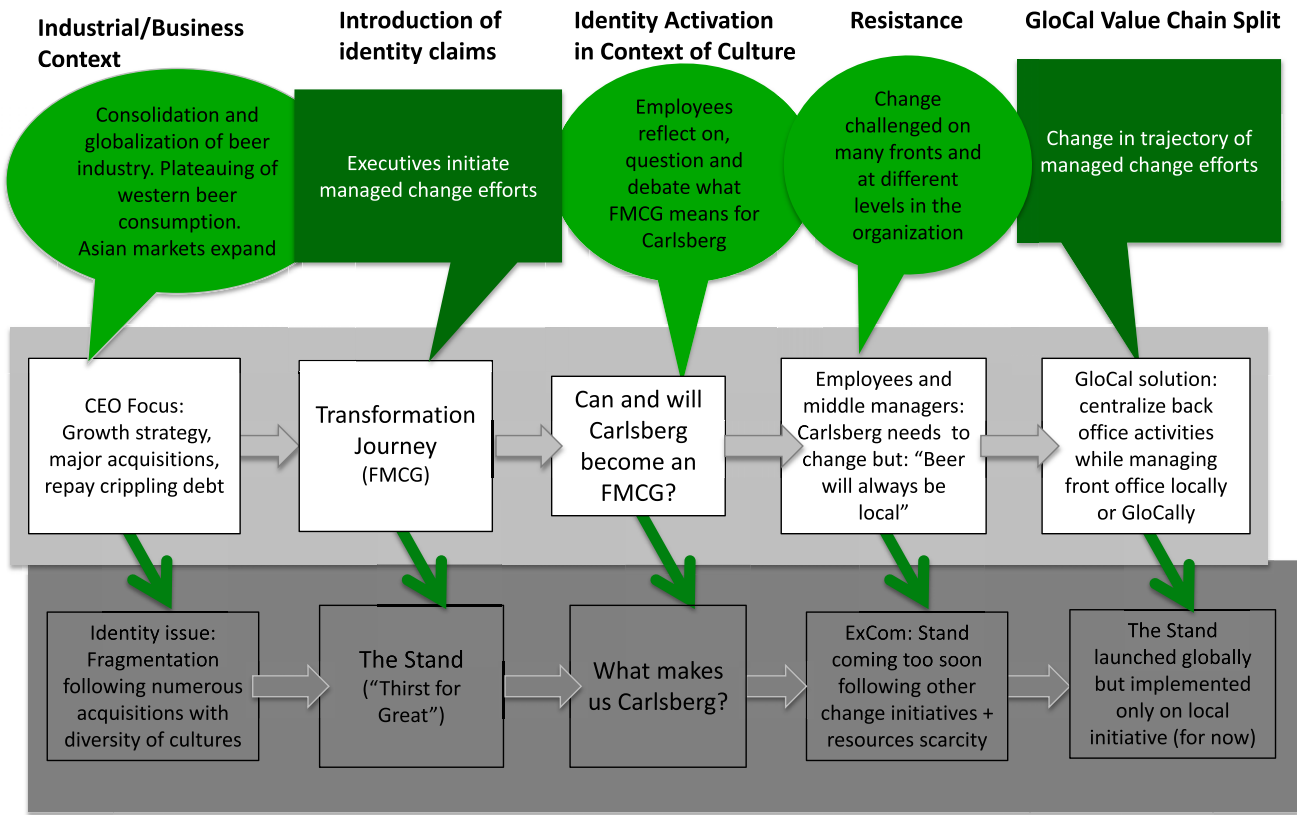
TABLE 3
(Continued)

Illustrative Quotations	OI Claims	OI Activation (Reflecting, Questioning, and Debating):
<p>So the most important thing is that the heritage part of Carlsberg is different from the old company. The heritage part is talking about the generous support to the community by the founder. And this is the brand linking with the people, human being. Linking with the culture. Not only Denmark, but around the world. (VP, Region)</p>	<p>Passion:</p> <ul style="list-style-type: none"> • for beer and beer drinking culture • for working in the beer business • for the company 	
<p>Throughout the years because of the lifestyle, and a lot of them have actually been in the company for so long they become really, really passionate about the business, about the beer, about the way, the lifestyle . . . not, because beer industry is that different from [any] other FMCG company. But part of the job is to really like enjoyment. (Malaysia, Subsidiary)</p>		
<p>You have passion about the brand, you have numbers of employees and stakeholders in the local breweries, which have stayed there for 200 years, and there's been the pride of a town, and they've talked about this for generations. It's just a completely different ballgame. And you don't change it by saying, "We have to become a fast moving consumer goods company," and even if you say it louder it doesn't change, and if you repeat it ten times, it doesn't change [anything]. (former SVP, Corporate)</p>		
<p>I am extremely passionate about this business. I love getting to work, I love talking to people, I love moving the business ahead. I try to spread as much energy and as much passion getting things done in a way where people really say yes, he is burning for this. (SVP, Region)</p>		
<p>I mean the things that are good about the business are, a lot of it is just in the nature of their entrepreneurial people and they are extremely entrepreneurial. There's an awful lot of passion for the businesses they're in. (VP, Region)</p>		
<p>You have to be passionate about what you are doing: I really am a big believer in it. If you are not passionate about your work, about what you're selling, what you're doing, you cannot fool people. (UK, Subsidiary)</p>		
<p>If we can keep this passion and not make the company too professional, so it's, I mean, when I say "too professional" that might be a risk that it's unemotional. I think it's important that people have this passion for what they do, I think that's, I mean the soft side is important. (Denmark, Subsidiary)</p>		
<p>I've very passionate about beer and about our product and about our brands and if you speak to people they wouldn't dare to go out for a dinner and drink wine . . . It's about our hunger, our desire, our passion. You know those sorts of things that come through. (SVP, Region)</p>		

The finding that informants engaged in processes of reflecting, questioning, and debating Carlsberg's OI led us to formulate the construct of OI activation as a counterpoint to OI claims. We were then able to postulate that it was not OI claims but OI activation that brought OI and OC into relationship and altered the course of the Transformation Journey.

Figure 3 summarizes the findings concerning OI claims and OI activation and shows how they appeared in relation to the key events our study examined. Events and findings most closely tied to the Transformation Journey are shown in the light gray bar in the middle of the figure, while those related to The Stand appear below in the dark gray

FIGURE 3
How the Transformation Journey and The Stand unfolded within their industrial and business contexts



bar. Key features of the context that influenced both managed change efforts appear at the left side of the figure.

Oddly, to this point in our analysis we had found answers to our second research question: How does the OI/OC relationship affect and how is it affected by the context of managed change? These answers appeared in the process view that showed the greater importance of OI activation relative to OI claims. But while our first discovery showed that answers to OI questions like "What makes us Carlsberg?" connected OI to OC, we hoped more detail about their relationship would appear if we took a deeper dive into the data. Doing so produced appreciation for the complexity involved, not just in understanding how OI and OC are related, but for managing their relationship in the context of change.

DISCOVERY #2: RESISTANCE TO NEW IDENTITY CLAIMS REVEAL LINKS TO ORGANIZATIONAL CULTURE

Paying closer attention to the role organizational culture (OC) played in our study required a new round of analysis and further discussion with key

informants. In conducting this more fine-grained analysis we discovered multiple tensions and mechanisms of OC change that both supported and resisted different aspects of the Transformation Journey. Moreover, we discovered that uses of The Stand presented points at which the Transformation Journey and OC met.

As the Transformation Journey was presented across Carlsberg Group, Skov and her communications team prodded top managers to incorporate key ideas from The Stand into their presentations, which always included a screening of The Stand video. These activities entangled organizational identity (OI) claims made in The Stand (including passion for Carlsberg's cultural heritage in beer and brewing) with those of the Transformation Journey (FMCG and GloCal). Note also the juxtaposition of Carlsberg's new FMCG claims with a cultural heritage, which it shares with its subsidiaries, in beer and brewing. Thus top management hoped Carlsberg's diverse subsidiaries could be supported with one global identity claim that associated the passion for beer and brewing of their multiple independent pasts with the FMCG-oriented future of a unified Carlsberg Group. What top management had not anticipated

was how the OI/OC relationship would interact with their implementation plans.

Tensions Between OC and OI Claims: Will Carlsberg Become an FMCG Company?

A VP of Region Western Europe noted: “As [Carlsberg Group] goes through a process of centralizing, you’ve got to realize it’s going to create some tensions and somehow [we must not] lose the local feel, the local heritage, the local clarity.” This comment caused us to look for specific tensions reported by our subsidiary and regional team informants, the ones responsible for not losing “the local feel, the local heritage, the local clarity.” This data (see Table 4) provided evidence that tensions surrounding top management’s intent, pacing, and focus were articulated as concerns about OC in relation to the new OI claim that Carlsberg was becoming an FMCG company.

Intent. At the same time he welcomed the Transformation Journey, a middle manager from Baltika summarized a tension others across Carlsberg’s subsidiaries had reported feeling. As he put it: “Are we for beer, or are we for profit?” His support for the FMCG identity claim can be partly explained by local press celebrating Baltika as Russia’s most valuable FMCG brand (e.g., http://eng.baltika.ru/m/6265/baltika_named_most_valuable_fmcg_brand_in_russia_by_interbrand.html). Subsidiary managers believed that emphasizing Baltika’s role as a model for other Russian companies would improve the subsidiary’s reputation among Carlsberg’s FMCG-oriented managers and allow Baltika employees to feel like heroes of the “new” culture. But neither company pride nor the glamorization of FMCG precluded feeling tension between the old (“for beer”) culture and the new (“for profit”) culture.

On the side of beer, a regional SVP stated that, for many of those attracted to Carlsberg, beer is more than a product. While employees identify with the product and their contribution to producing it, they also respond to all that beer stands for in their lives, including some combination of sociability, fun, friendship, and community. The beer vs. profit tension is thus one way at least some subsidiary informants expressed how they felt about the juxtaposition of FMCG as an OI claim and their identification with Carlsberg’s cultural heritage of beer and brewing, referred to variously as the “old culture,” “the culture of beer,” or “our roots in brewing.” The constant referencing of tension between the company’s beer and brewing heritage and top management’s FMCG ambitions summarized unsettling discomfort felt by many subsidiary

informants in the face of OC changes they associated with the Transformation Journey.

Pacing. Brewing is by definition a slow process and its pace was built into the rhythms of Carlsberg’s “old” OC. Thus, whereas FMCG-minded top managers saw speeding up execution of the Transformation Journey as a “no brainer,” the new emphasis on speed made those in tune with the rhythms of the “old” culture uncomfortable.

In the past, the time it took to brew a beer was directly related to its quality. Carlsberg’s founder, J.C. Jacobson even had a falling out with his son Carl when Carl invested in faster production methods. The association of pacing and quality generalized for some into an attitude that the speed of FMCG operations threatened the quality of everything Carlsberg did, including changing its OI. So, while rapid change to new FMCG practices conformed to the expectations of analysts, investors, and FMCG-experienced executives, for many old timers preserving Carlsberg’s OI meant respecting the slower pace set by the traditions of brewing. Because this slower pace was embedded in Carlsberg’s “old” culture, tension around pacing involved OC in the FMCG push.

We note that when change directly targeted the “old” OC itself, a different aspect of the pacing tension appeared. Since significant OC change often takes five or more years, the slow pace of OC change within Carlsberg thwarted top managers’ expectations that everything could and would be done quickly. Thus the pacing tensions induced by FMCG aspirations produced tension for top managers as well as for employees.

Focus of top management attention. As a manager of the French subsidiary explained, intent and pacing do not completely account for the tension associated with the Transformation Journey:

FMCG means lean management, it means speed, it means efficiency, it means a much more stressed company. I don’t think it’s pacing . . . [alone] . . . but I think what is very important is that you move from a product driven company to a consumer oriented company. And that’s a big journey.

His comment referenced the commercial focus of Carlsberg’s new FMCG managers, which undermined the “old” culture’s orientation toward beer. Because top management focused on activities defined by FMCG ambitions to centralize the company and control the pace of change, preserving anything from the “old” Carlsberg was not their priority. The feeling that FMCG-oriented people far removed from the traditions of brewing were making decisions that devalued brewing heritage produced considerable discomfort.

TABLE 4
OC Tensions in the Transformation Journey

Illustrative Quotations	Embedded Tension	Concerns About OC in Relation to FMCG Claim for OI
<p>[The founder, J.C. Jacobsen] just hated lawyers and businessmen with their short term profit thinking . . . he would have really liked to have hopefully smart people, intelligent people, who have high personal integrity, who could . . . make sure that the Carlsberg Brewery was run by a long term investor without thinking about Q1, Q2, and Q3. And furthermore, which is very important, keeping the quality of the beer very high. And that was the other dispute between the son and the father, the son accelerated the fermentation process, the father said, “No son, your beer is not as high quality as mine.” Carl didn’t care, he would just like to earn money. (Chairman, Board of Directors)</p> <p>But at the same time I think the people who were employed, and are employed there still, can relate to Carlsberg, and are actually proud of being part of a company that is about more than just profits, which has a human [face], you know, who understands that we are born with nothing, and we die with nothing. And what matters is actually how you live between those two points. (SVP, Region)</p> <p>Beer is a living product and it takes time to brew. (France, Subsidiary)</p> <p>I will still clearly see us as a brewer, but we’re also an FMCG company. We are also a company that needs to generate cash and make money, make profits, but that’s why we’re here. We’ve got owners that want return as well and that’s pretty new. (Denmark, Subsidiary)</p> <p>. . . We’ve come very much from a family culture, we come very much from a culture where it was about taking good care of the employees, and I mean we still have the foundation, kind of at least. They’re trying to keep some of the Brewer’s ideals, but since [we have] more and more foreign investors . . . it’s more and more about the money, and less and less about the other ideals. (Denmark, Subsidiary)</p> <p>Our position in Russia [is] like a brewery company, but also the largest FMCG company in Russia, the boss. So it’s about production, good quality, good beer, good innovation, etc. And also about Baltika everywhere; everybody sells their product. I think employees are all proud they work in a company like this, in a Brewery Company, not an FMCG company which sells a lot of stuff. (Russia, Subsidiary)</p> <p>It’s [such a] difficult combination, FMCG and production in one bottle. (Russia, Subsidiary)</p> <p>I think FMCG is about pace and fast and standardization and I think our heritage and what Carlsberg as a brand stands for is about the opposite, about differentiating, and taking your time, and quality over quantity. So I think there’s something about beer that takes time, enjoying beer takes time, being Danish having the heritage there’s something there that you don’t want to sacrifice. You want to be different, you don’t want to produce like Budweiser and the Chinese beers and things like that. You want to produce in a different way; you want to have that quality edge. So you don’t want to be like all other brewers and all other FMCGs you want to be something else than what they are. (Malaysia, Subsidiary)</p> <p>What I do see though is that we’ve gone from a very technical-oriented culture to a more consumer-oriented culture. Jørgen Buhl Rasmussen is trying to pull us toward more FMCG thinking, and that is definitely happening. That is definitely happening. (SVP, Region)</p>	<p><i>Beer and profit dilemma goes back to founding fathers</i></p> <p><i>(NB: beer stands for more than Carlsberg’s product, for many it is connected to life itself)</i></p> <p><i>Emphasis on profit and loss of Brewers’ ideals</i></p> <p><i>Baltika as a microcosm of the beer and profit tension because it was run like an FMCG since its 1990 founding</i></p> <p><i>FMCG identity rooted in speed and standardization vs. cultural heritage rooted in local differences and beer quality, which takes time to achieve</i></p>	<p>Intent: “Are we for beer or are we for profit?”</p> <p>Pacing: Do we go fast or do we go slow?</p>

TABLE 4
(Continued)

Illustrative Quotations	Embedded Tension	Concerns About OC in Relation to FMCG Claim for OI
<p>I actually think there's some marvelous things about the brewing industry that I, coming out of what you would class as a more traditional FMCG area, [think] that we shouldn't give up on, and that's the culture. All we needed to do is add if you like that paranoia [FMCG] element as, I call it. (UK, Subsidiary)</p>	<i>Faster, faster</i>	
<p>As a brewer you were always—if you look at the history you were always leading the market, and bringing in market innovations. And it is very important to continue this, especially if you want to become an FMCG Group. Innovation is the pacing of such companies. (France, Subsidiary)</p>		
<p>This company's going through a massive transformation . . . We're going from a single brand company to a portfolio approach and that's putting everyone under huge pressure . . . and that's why I've got to be so damn clear on how we're doing things. (Malaysia, Subsidiary)</p>		
<p>So at the end of the day—I'm sorry for being sarcastic because I like these guys [top management] very much—but for them I think it makes a lot of sense to be an FMCG company. But from a country perspective, with brands that have long, long history and heritage . . . and pride, I mean look at our Employee Survey—we are in Carlsberg so extremely proud. So at the end of the day, why do we want to be something else? So I think that journey's going to take a long time. (Denmark, Subsidiary)</p>	<i>Not so fast</i>	
<p>I am pretty sure for this company it would be step by step as they can move and pick some example to become an FMCG company, but not as P&G or Unilever [but as] Carlsberg, [in order] to keep their roots in brewing because the move would be too destructive from my personal point of view. (France, Subsidiary)</p>		
<p>In terms of change we, I mean it's the same everywhere but it's a long journey for us in the sense that it's not easy to get people to change. So sometimes we have to wait for these people to retire, to really move things quicker. (Malaysia, Subsidiary)</p>		
<p>You cannot ask very good people to spend money, time, energy to develop things, which are not used. But if you look at the way it has been done, [tools have] been developed on a central basis without understanding the local needs. So in the end people, I mean locals feel: "I don't need this." (France, Subsidiary)</p>	<i>Not listening</i>	Focus of Top Management Attention (or lack thereof)
<p>You kind of impose that [Danish history] on others as a country. (UK, Subsidiary)</p>		
<p>You can lose that local identity, and the local kind of culture and ownership, particularly if suddenly you're having an awful lot of initiatives imposed on you that you don't necessarily have ownership of yourself. So I think it may be damaging to staff morale as well—people could feel a little bit directionless, they don't really have control over where that particular kind of company is heading. (VP, Region)</p>		
<p>So the point is if you want to have employee engagement and you really want to identify with these people, what would your first priority be? If you ask someone in Copenhagen, from the way that they would behave, the only thing that is about employee engagement is doing the C15 [HR regulation forms]. I had email after email after email; when are you going to do the C15? You're behind in Asia. But if I took a pile of C15 forms to the guys in India, and I was a little bit flippant to be fair, I think they would literally wipe their backside with it. That's because there is no paper in the toilet so this would have been the most useful thing for them to use it for. (VP, Region)</p>		

TABLE 4
(Continued)

Illustrative Quotations	Embedded Tension	Concerns About OC in Relation to FMCG Claim for OI
<p>I think that the challenge is how to merge Baltika Company, Baltika brand identity, and Carlsberg so that people really believe that the cooperation with [an] international brewery is good for local brands. So, they're saying research would be good for the Baltika brand stating that: "We have a European brewer. How in Baltika do we increase the standards?" (Russia, Subsidiary)</p>	<p><i>Not responding</i></p>	
<p>Show Baltika that Carlsberg is serious about giving some real help. There have to be experts who actually can do something about [this. It] would be great to take the whole Baltika and look through all business processes because it's so heavy, it's so slow . . . and look through all the business processes and make this business international, or FMCG, or real business. (Russia, Subsidiary)</p>		
<p>You only have Danish people and I mean you can say I want to be global. I say its GloCal, but you cannot be global if you have only Danish people. So in terms of culture you know there is no openness. (France, Subsidiary)</p>		
<p>They [headquarters] do ask [for] feedback, but you don't see a response, yeah. Hmm. And sometimes will extend the view we are just trying to defend. I think there's not much of openness to really, or keenness, to really want to listen to the market. I think there's a big gap there. For example we were shouting, "My Carlsberg doesn't work." Nobody went to visit. (Malaysia, Subsidiary)</p>		

Skov delivered an important insight into top management's lack of attention to OC:

He [the CEO] doesn't see a contradiction between thinking very local and thinking FMCG. He wants the local guys to concentrate on the consumers out there, the customers out there, and not worry about the supply chain, not worry about the planning.

It was not that the CEO failed to recognize the importance of local aspects of Carlsberg Group, after all he had used the term GloCal ad nauseam; rather it was that he defined heritage as a local concern and left it (along with local brands and their consumers) to be managed by subsidiaries supervised by regional management teams. By defining heritage as local, he positioned himself as hierarchically once removed from concerns with OC:

. . . most brewing businesses have some strong heritage or history . . . What we are selling is very local—not all of it, but a lot of our brands are extremely local. Ringnes in Norway has a very strong local connection with a lot of local emotions, so we need to be a little more local or a lot more local when we talk about understanding consumers and the brand kind of history. . . . And that's why we need to be

more localized when we talk about what we do towards consumer and customer, at the same time be more FMCG-like . . . the further back into the business we go—supply chain, admin, shared service centers.

While the CEO saw his role as expanding the set of globalizing centralized activities that would move Carlsberg toward becoming an FMCG, he delegated local concerns to subsidiaries and buffered himself from these concerns by asking the new layer of regional management teams to balance subsidiary and HQ interests (and deal with any conflicts between them). Then, because he did not see his FMCG-oriented centralization efforts as contradicting the decentralized local activities of subsidiaries and the regional management teams overseeing them, the CEO could easily ignore OC and its related issues while simultaneously affirming their value by constantly repeating the promise to keep Carlsberg's front office local (or at least GloCal). We claim that the CEO's lack of focus on OC produced a third aspect of the tension that arose between the FMCG identity claim and Carlsberg's OC.

We note that the way the Transformation Journey was implemented meant the CEO did not give much attention to OC, and his lack of attention was then replicated by FMCG-experienced managers and

their subordinates. As these role models of the “new” culture attended to pressing efforts to make Carlsberg Group more like an FMCG, they failed to notice how the “old” culture was reacting. Focusing attention away from OC was interpreted as a lack of concern for OC, an interpretation that was supported by the OC changes taking place at the time.

Mechanisms of OC Change

The tensions of intent, pacing and focus that arose between Carlsberg’s “old” culture and new OI claim intersected with three mechanisms of OC change our informants factored into their interpretations of FMCG as it was implemented within the context of the Transformation Journey. As the “old” OC was weakening via the OC change mechanisms of dis-embedding, dis-enchanting, and dis-respecting the “old” OC, new elements were being introduced by recent hires carrying FMCG culture with them.

Dis-embedding. One effect of supply chain integration was dis-embedding subsidiary OCs from their brewing contexts. Brewery closings and consolidations offer potent examples of dis-embedding. A master brewer told us: “As a brewer I quite like that people are a little bit in touch with the product, and you can smell it.” But when local breweries are closed or relocated this and other aesthetic aspects of brewing are lost from the daily experience of non-brewery employees.

Breweries are typically deeply embedded in local communities. Local beer communities tend to be strong, comprised of master brewers, drinking establishments, and consumers who bond socially over “their” beer. The sociability of beer populates these communities with fiercely loyal fans of locally produced brews and often they become strong supporters of the company that provides their favorite beer. Moreover, brewery grain silos are landmarks in their respective communities and employment is often significant to surrounding locales. When a brewery is closed, its loss is deeply felt. We noted this effect when we visited the Carlsberg UK subsidiary while it was closing Tetley Brewery in Leeds. As one of the UK’s top managers explained:

There are 140 colleagues who are going to lose their job in June and they’ve known that for 2.5 years, yet their performance is higher than it’s ever been and they are determined to go down proud ’til the last moment, because they are a part of Leeds and their heritage is huge. There was a huge outcry in the city and that’s the closure of Tetley, so, there’s real heritage

there and they’re very proud about it and you wouldn’t want it otherwise.

Two examples of the effects of brewery consolidation come from Denmark and France. Dis-embedding happened in Denmark when Danish brewing was consolidated at a plant in Fredericia, a two-hour drive from Copenhagen. The location of Denmark’s Carlsberg brewery means that few working for Carlsberg ever visit it, including quite a few executives. While a small house brewery producing Jacobsen Beer remains on Carlsberg grounds in Copenhagen, this onsite brewery offers the micro-brewery experience to employees and visitors, rather than a taste for the company’s core technology with its massive brewing tanks and automated bottling and packing lines. In contrast, re-embedding occurred at Brasseries Kronenbourg when subsidiary administrative offices were relocated to share their newly consolidated brewery facility in Obernai, France.

Dis-enchanting. Carlsberg, the last to join the top global players in the beer industry, was the first to publicly identify itself as an FMCG, or at least to admit to heading in that direction (beer industry commentator Ina Verstl, private correspondence, 2013; see also Verstl, 2012). The shift to FMCG identity supported by Carlsberg’s reorganization undermined the influence of many master brewers who had been heroes of the “old” OC. Some master brewers left voluntarily due to their disagreement, not with the change, which they often agreed was needed, but with how the change was implemented (i.e., without concern to preserve what was best about the “old” Carlsberg, see dis-respecting below). This study shows that these once influential heroes of local culture became disenchanted with the Transformation Journey and/or their followers became disenchanted with them, allowing new heroes of the Transformation Journey to take their place.

Of the master brewers who remained in the company, many were co-opted as FMCG champions through their acceptance of positions in the centralized supply chain function. As supply chain managers, they were put in charge of finding ways to increase operational efficiency, thus conscripting them into the FMCG cause and giving them the opportunity to become cost-cutting heroes of the “new” culture. A Baltika manager noted the different heroic role that master brewers played in the “old” culture:

Inside of the culture the brewmaster is a key person and everybody who is a brew specialist is something very, very valuable. And even when we started to produce other products like water, like soft drinks, it was like what’s that?

OK, we have to do it for margin, but we're a beer company. That's the main thing . . . Maybe not for the sales and marketing vice presidents, but operational and I think even financial director or the vice president are all proud they work in a company like this, in a brewery company, not an FMCG company, which sells a lot of stuff. And they [are] proud they work in a company that produced beer, this beer, all kind of beer. And I think it's also historical because [names former Baltika brewmaster] used to be brewmaster and of course he built around [the idea] that the beer is the key, the beer is a God.

What is more, the operational core over which many of the remaining master brewers preside continues to shrink as more breweries close to meet targets of efficiency and central control, and as additional automation is introduced into brewing, bottling, packaging, and distribution processes. The continued shrinkage of the "old" operational core of employees at Carlsberg, the ones who remember when the master brewer was "king" and "the beer [was] a God," magnifies the disenchantment of these old cultural heroes. This effect was powerfully symbolized in 2012, when top management replaced the last master brewer to sit on its ExCom with a new executive recruited from Unilever.

Further evidence that dis-enchanting processes contributed to OC change came from worries expressed about the disappearance of Carlsberg's storytellers. Also bemoaning the redefinition of beer as liquid, a middle manager from the Carlsberg Denmark subsidiary explained:

There's not that many people anymore that can tell the stories about what this meant for us, and why we did it like this, and so on. They're going. And I am afraid that in 5 years time from now [there] will hardly be any that are able to tell what it was like 10 years ago. So if it's going to be a 100 percent FMCG company I think we will change a lot more than we do now, to the point where it's a product, it's a liquid.

A manager from Carlsberg Malaysia similarly worried about the loss of storytellers and their ability to link Carlsberg with its brewing heritage:

I'm extremely proud of the heritage that Carlsberg has. We have basically [provided] some of the biggest landmarks within brewing, some of the biggest quality improvements within brewing, so it's fantastic to represent Carlsberg. I think we have a fantastic heritage, but I think the storytelling is dying out a little more. I think this is changing [us] a little bit.

The loss of storytellers indicates that the mechanism of dis-enchanting goes hand-in-hand with that of dis-embedding. When enchantment with "old" stories is challenged by removing (dis-embedding) "old" storytellers, a cultural vacuum is created into which "new" stories about "new" cultural heroes can be pulled into the region of enchantment.

Dis-respecting. Possibly due to our close links to top management, few informants openly acknowledged what was wrong with the "old" culture of Carlsberg, with two culturally important exceptions. The first, Carlsberg's CEO, made no secret of his opinion that the "old" culture needed to change, and had begun changing before he took over:

[The "old" culture was] extremely production driven, in those days also very Union driven, and very much the old kind of Brewery—the Brewer, the Brewmaster, he was king, and if he said you cannot do that to a beer, you could not do it in the old Carlsberg. Of course that changed a lot from '93 until I joined, and so then [the previous CEO] made massive change in that respect. So Carlsberg had changed a lot, but was still, from my point of view, too much the brewing business, and a little the old school when it came to management.

The second, a former master brewer who had transitioned into a key position in the Western European Supply Chain organization, described the problems with the "old" culture: "If you go back to the '70s it was a party to work here. I mean it wasn't fun for the managers, but you know we were at least totally staffed, so half of them were having a party, and half of them were trying to make the brewery run." At the same time he openly worried about preserving aspects of the "old" culture:

. . . about this balance between being an FMCG without losing the best part of coming from the brewing culture and being a brewer, because if you drop all of it—and let's be honest, there's a lot of things from being a brewer that we want to drop because we don't want to be slow, and we don't want to have huge amounts of workers that primarily drink and don't work very hard—and so a lot of the things from the bad old days are really not "the good old days" that some people like to call them, and those we should leave behind us. But we want to bring all the good things about the culture and the heritage, and about [how] the product that we make is special—it's not toothpaste, or shampoo, or whatever—it is beer.

Be sure to note the statuses of the two we found willing to openly engage in disrespecting the "old"

culture. The master brewer was a hero of the “old” culture (albeit co-opted by his new role in supply chain) and Carlsberg’s CEO, being the person who brought FMCG into Carlsberg, was the main hero of the “new” culture. If both old and new cultural heroes saw reasons to disrespect the “old” culture, then we reason it would have been difficult for sympathizers of the “old” culture to argue it had much lasting value.

Summary of Discoveries

What we noticed during our first round of discovery was not only the different roles played by OI claims (i.e., claims about becoming more like an FMCG) and OI activation (i.e., reflecting, questioning, and debating the appropriateness of FMCG as Carlsberg’s OI), but also that the content of the remarks from which we derived the OI activation construct contained many references to Carlsberg’s organizational culture (OC). The support and resistance to FMCG identity claims—expressed through OI activation rooted in Carlsberg’s OC—prompted top management to create a movable boundary between back (Glo) and front (Cal) office responsibilities (see Figure 1). But because top management did not address the ambiguity the GloCal value chain split created, subsidiaries and centralized functions both experienced considerable uncertainty. Thus while the GloCal moniker acknowledged beliefs that “Beer will always be local,” it re-asserted the ambition to make Carlsberg more like an FMCG without addressing the tensions created by the GloCal value chain split. The juxtaposition deflected the trajectory of the Transformation Journey, and the deflection allowed Carlsberg’s heritage and passion for beer and brewing to return to center stage in the ongoing OI debate.

Our second round of discovery revealed that OC was related to OI through a multitude of efforts to balance aspects of Carlsberg’s “old” culture against Carlsberg’s new OI claim and its new FMCG culture. These efforts included responding to tensions lurking under the surface of OI activation as well as three mechanisms by which critical aspects of Carlsberg’s “old” culture were replaced by elements supporting the new OI claims of FMCG and GloCal. These mechanisms—dis-embedding, dis-enchanting and dis-respecting the “old” culture—targeted resistance to new OI claims.

Since the “old” culture was strongly associated with Carlsberg’s heritage and passion for beer and brewing, the workings of the OC change mechanisms helped to explain how informants’ responses to tensions between the “old” OC and the new OI claim deflected the Transformation Journey away

from any more OC change than had already occurred. We tentatively conclude, then, that the Transformation Journey set off in a direction interpreted as a change of Carlsberg’s OI, but that for our informants also implied deep change to Carlsberg’s OC. In our view it was the threatened depth of OC change that ultimately altered the course of the Transformation Journey.

IMPLICATIONS AND NEW RESEARCH TERRITORY

The Stand might have played a more central role than it did in the Transformation Journey had top management recognized its value in aligning Carlsberg’s “old” OC with its “new” OI claim. At the end of the study, Skov—in her role as SVP of Global Communication and CSR—felt The Stand was more relevant than ever to preserving the best of the “old” culture and defining the essence of the new. Had top management been more attuned to the relationship between OI and OC, would they have made better use of The Stand? Would the change process have moved at a faster pace and/or produced less confusion and resistance had more attention been given to the OI/OC relationship? These questions remain to be addressed in future research and by Carlsberg’s managers.

Implications for Managing the OI/OC Relationship

One practical implication our study suggests is that attending to the dynamic OI/OC relationship can inform agents of managed change about how to handle mid-course corrections. Our study reinforced the need to stabilize aspects of this relationship whenever change is sought. By clearly establishing what *won’t* change, employees find firm ground upon which to base their acceptance and support of managed change efforts. Knowing what to retain requires understanding how the OI/OC relationship interacts with change, knowledge that we suggest can be found by following these recommendations:

Understand the difference between OI Activation and OI Claims. Our study indicated that making OI claims does not automatically ensure that OI activation (i.e., reflecting, questioning, and debating OI) will occur. While OI claims lie within the domain of management, OI activation rests with respondents to managed change efforts that produce new OI claims. Our study indicated that middle managers can play an important role in OI activation by role modeling and licensing (see Kreiner & Schultz, 1995, on licensing) the

reflecting, questioning, and debating that constitutes OI activation. However, due to their lack of critical distance from the change being introduced, top managers cannot be effective in generating OI activation. Nonetheless, top managers *can* be mindful of the need for OI activation and make room for criticism and critique, being respectful of and responsive to it. One means of doing this is found in our second recommendation for managers.

Surface tensions within managed change. The key tensions revealed in our study indicated both what middle managers and their employees supported in the managed change effort and what they resisted. For example, the intention to make Carlsberg more like an FMCG created tensions that moderated the course of the Transformation Journey during its implementation. The new FMCG identity claims provoked a mixture of responses—some in favor, some opposed—and often both support and resistance manifested in the same individuals. Being more sensitive to this tension could have aided top managers in adjusting more rapidly and effectively to the issues that arose during implementation. Top managers should not assume they know the meaning of the terms in which acceptance and resistance are expressed. Instead they should seriously inquire, something middle managers can help them with once top managers demonstrate their willingness to listen.

The pacing tension we saw in the Transformation Journey suggests managers need to set a pace that matches that of particular processes involved. As the Carlsberg case showed, changing culture and organizational structure requires more time than does changing strategy or the composition of a top management team. When the pace of change maintained by top managers is not replicated in the rest of the organization, expression of frustration by top managers may even slow the change process further.

Tension surrounding the focus of change implies that what managers do not attend to as they implement change comes back to haunt them. In Carlsberg's case, lack of support for the "old" OC placed debate about the evolving OI/OC relationship outside top management's focus, thereby abandoning it to those who perceived themselves as the only ones who cared. We witnessed an example of this unfold in Carlsberg's IT group when the head of IT authorized using The Stand's affirmation of beer brewing as the basis for building group identity and culture, an effort that was underappreciated by top management (Hatch & Schultz, 2013 describe this effort in detail). The lack of attention to culture by Carlsberg's top managers was also revealed by the decision not to formally rollout The Stand, and hardwiring it to strategy and HR processes. This lacuna was surprising

given it followed the executive committee's unanimous authorization of The Stand and enthusiastic involvement in specifying its content.

While lacunae are particularly hard to use as the basis for recommendations—what is not perceived is hard to act upon—we suggest that surfacing tensions in general is the best recommendation we can make. Surfacing tensions in any change process will engage top managers in debates their employees are having. Such engagement will help managers come to terms, quite literally, with the processes by which change actually occurs, namely the processes constructed and carried out by employees and the middle managers who know them best. It is our belief that had top managers surfaced the tensions this study identified as lying between the newly activated OI claim and the "old" OC, they would have more quickly adjusted their efforts to stabilize key aspects of the OI/OC relationship. By adjusting top management's expectations to accommodate the wisdom contained in resistance to their efforts—wisdom that lay buried within the tensions—employee acceptance of change could have been encouraged.

Handle the mechanisms of OC change with care. Our study discovered that the processes of dis-embedding, dis-enchanting, and dis-respecting the "old" culture each played a role in opening Carlsberg's OC to the influence of the Transformation Journey. This finding makes us question whether the opposing modes of these mechanisms also played a role: embedding, enchanting, and respecting.

Though it went unremarked by our informants, new values, norms, and beliefs were embedded in Carlsberg's OC when organizational members enjoyed success and/or acclaim when they demonstrated conformance with FMCG ideals. Schein (1985, 1992, 2010) made the case for embedding when he claimed that new values become accepted as basic assumptions when their effectiveness is demonstrated to employees. In a related way, the process of embedding new values in an OC creates enchantment by producing new cultural heroes. At Carlsberg this happened through storytelling about FMCG heroes and their accomplishments in a process similar to that which Chen (2012) described as turning dis-enchantment into enchantment at Burning Man. Respecting is implicated by the need to retain some "old" culture elements when "new" elements are being established. At Carlsberg OI activation served the purpose of retaining "old" culture to allow for accommodation of new elements via embedding and enchanting.

We note that the positive modes of the OC change mechanisms our study suggest worked in tandem with the more obvious negative modes.

Interactively embedding/dis-embedding, enchanting/dis-enchanting, and respecting/dis-respecting shaped the trajectory of the Transformation Journey and changed Carlsberg's OI as well as its OC. The implication is that top managers should seek to temper any negative attitudes they bear toward an "old" culture, which can perhaps best be accomplished by greater involvement of middle managers in designing change processes.

Alter power dynamics to include middle managers. Middle managers at Carlsberg were key to understanding tensions within, support for, and resistance to the Transformation Journey. Their insights offered variance and complexity to our observations and descriptions. However, we also observed that middle managers' efforts were frequently dismissed by top managers as power plays, rather than seen as a source of critical information that could change top management's intentions and redirect their efforts in needed ways. This is not unusual. In the case of M&A activity, for instance, middle managers motivations are often questioned and their input discounted.

We suggest reinterpreting resistance to change as a source of needed information concerning what about the organization's OC needs to be retained to facilitate change. Reinterpreting resistance in this way of course alters the power dynamic by opening a channel of communication through which middle managers can influence top management, and hence the intent, pacing, and focus of managed change. We see this as a positive step toward more successfully accommodating organizational knowledge about the OI/OC relationship in the management of change.

Acknowledge the ironies of change. We found it ironic that the same economic pressures that justified the Transformation Journey were used as reasons to refuse funding the rollout of The Stand. This refusal limited The Stand's ability to assist employees in their accommodation of the very FMCG elements of culture top management wanted to embed. Similarly, as noted above, pushing too hard for rapid OC change may have actually reduced the capacity of Carlsberg's OC to accept change. We suspect that ironies like these are present in all managed change efforts. The implication we draw from them is that, when management is choosing a focus for change (e.g., efficiency, cost containment), it should also consider where that focus should not be applied (e.g., to supporting OI and/or OC) and take care to protect this territory from overzealous change agents—including themselves—lest the implementation of change undermine itself.

We note in reference to culture change mechanisms that, from top management's perspective, culture change as enacted through negative mechanisms of

dis-embedding, dis-enchanting, and dis-respecting was somewhat counterproductive in that it called forth the reassertion of "old" culture (e.g., belief that "Beer will always be local") and this altered and slowed the course of the Transformation Journey. The irony we discern here is that the rapid pacing of OC change at Carlsberg made OC look resistant, when in fact the "old" culture could have aided the change effort if only its resistance had been heard and better understood. Such understanding, as noted earlier, might have been facilitated by a formal rollout of The Stand. Of course, our entry point to the study through Skov and her investment in The Stand and co-authorship of this paper could be prompting this conclusion.

More research investigating all the findings of this study is needed to support and/or challenge these practical implications and to push further into the territory defined by this study as the OI/OC relationship in the context of managed change.

Opening New Territory for Research

The value this study offers lies in the richness of detail and dynamic complexity it revealed, but also in new questions it poses. We believe our study created value by:

1. Focusing on *relationships* between OI and OC,
2. Relying on a process perspective, and
3. Using engaged scholarship.

Below, these features of our research design and methodology are used to pose new questions for researchers to explore.

The OI/OC relationship. Weber and Dacin (2011) recently announced that culture is poised to make a comeback in OI research. Their assertion raises an old question: how can OI and OC be defined in ways that recognize their commonalities, yet differentiate these phenomena for the purpose of examining both within one study? Aligning themselves with institutional theory, Weber and Dacin recommended following Swidler (1986) by treating OC as a toolkit from which resources can be drawn to form an OI or make claims about it.

Swidler (1986) explained her toolkit theory by referring to culture as a repertoire of possible actions; this move sidesteps the predominant view of OC as an interpretive context that guides action, by suggesting instead that cultures are institutionalized scripts for taking action. Our findings show that OC can simultaneously appear as both interpretive context and toolkit (or repertoire). In our study OC served as interpretive context when middle managers referenced Carlsberg's OC during processes of reflecting, questioning, and debating its OI.

Carlsberg's OC appeared as repertoire when top managers supported their OI claim with language drawn from Carlsberg's cultural past, such as by featuring *Semper Ardens*, a 100-year-old motto, in The Stand (see Figure 2), while middle managers and employees repeated their shared belief that "beer will always be local" as they resisted aspects of the FMCG identity claim put forward by top management. Were these cultural "resources" used as scripts or as symbols? More research is needed to better understand the role cultural resources play in formulating and responding to OI claims, and in creating OC as a context for interpreting this activity.

A process view. OI researchers have started to reframe OI as identity work. Some of them use social identity theory (Kreiner, Hollensbe, & Sheep, 2006) while others take a critical perspective (Svenningsson & Alvesson, 2003) or a systems view (Watson, 2008); or treat identity work as part of strategy (Phillips & Lawrence, 2012). No matter the position adopted, redefining OI as identity work still begs the question: what is the relationship between identity work (as OI) and organizational culture (OC)?

Addressing questions about how OI, in any formulation, relates to OC becomes particularly important when a process view is taken, as is implied by identity work researchers in their emphasis on *doing* identity work. We saw this when our focus on the processes of OI activation implicated OC; the content of the reflecting, questioning, and debating processes revealed tensions between the "old" OC and the new OI claim, as well as the use of three mechanisms of OC change. If we had not been sensitized by our process view, complexity in the OI/OC relationship (e.g., the difference between OI claims and OI activation; the tensions and mechanisms of OC change) would have been buried in the content OI and OC share. Our process approach revealed that OI and OC did not always move in the same direction at the same time, therefore we conclude these phenomena behave independently, even when their specifications depend upon shared content.

To extend research on the OI/OC relationship further, we recommend linking Hatch (1993, 2011) and Hatch and Schultz's (2002) work on the dynamics of organizational culture and identity with process studies (e.g., Langley, Smallman, Tsoukas, & Van de Ven, 2013; Tsoukas & Chia, 2002). Similarly, insights from studies of identity work could address how and why actors forge connections between OI and OC. Our study suggests framing future studies by asking which processes, in addition to OI activation, explain how and why OI,

OC, and their relationship are dynamic. Researchers might also study how reflecting, questioning, and debating OI interact, and how OC influences their interaction.

Finally, methodological research is needed to address how researchers can best handle the complexity presented by studying changing relationships among dynamic phenomena in the context of managed change. This leads us to one more question: Is the complexity revealed by this study a by-product of engaged scholarship?

Engaged scholarship. The richness concerning tensions and OC change mechanisms in relationship to new OI claims would not have been exposed without the wide access we were given across a substantial portion of Carlsberg Group, including access to multiple levels of management over the course of a five-year study period. Without this access we could not have encountered the complexity revealed in this study, which opened our eyes to what middle managers of large organizations confront on a daily basis. We attribute this access to engaged scholarship and recommend others employ its methods, though we acknowledge the potential for bias it introduces. We believe that on balance, the contributions outweigh the risks and that, with multiple carefully designed studies of phenomena explored through wide organizational access, the risks can be limited and in any case are offset by opening vast new territory to discovery.

CONCLUSION

Data from the study of Carlsberg Group's transformational change (2009–13) showed informants reflecting, questioning, and debating organizational identity (OI) as they considered what a new OI claim meant for the company. Our analysis led us to differentiate OI claims from OI activation, and indicated that OI activation overshadowed OI claims in explaining how change efforts were themselves changed during implementation. But focusing on OI activation also led to a new understanding of the complexity lying within the relationship between OI and organizational culture (OC). By investigating how a wide organizational swath of managers from five subsidiaries and three regional offices in international locations talked about Carlsberg's changing OI, we discovered how tensions between "old" notions of OC and a new OI claim intersected with mechanisms used to change the "old" OC by accommodating elements in support of the new OI claim. Our study focused both on *what* changed and *how* change happened.

Engaged scholarship combined with ethnography and grounded theory showed the OI/OC relationship,

not just as a scholarly puzzle, but one with great practical significance. The rapprochement of academia and practice demonstrated by this study opens the way for researchers to examine bigger chunks of organizational complexity that are revealed when organizational actors engage in and are engaged by the research process.

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APPENDIX: Sources of Data

1. INTERVIEWS

Carlsberg Headquarter & Regions 2009–2013: Informants: 12. Total interviews: 32

- Chairman of Carlsberg Board (2 interviews, 1 hour each)
- CEO (1 interview, 2 hours transcribed)
- CFO (1 interview, 1.5 hours transcribed)
- SVP corp. com (12 interviews, 1.5 hours transcribed)
- SVP global sales, marketing, and innovation (3 interviews, 1.5 hours transcribed)
- SVP region Europe W (1 interview, 1 hour transcribed)
- SVP region Asia (1 interview, 1.5 hours transcribed)
- SVP region Eastern Europe/Russia (2 interviews, 1 hour transcribed)
- VP corp. brand management (6 interviews, 1.5 hours transcribed)
- Bighthouse consultants (2 interviews by phone 0.5 hours, notes taken, 2 follow up e-mails)
- VP Leadership Development/Education (1 interview, 1.5 hours transcribed)
- VP HR Europe N (1 interview, 1 hour transcribed)
- VP Corp.Com. Europe W (2 interviews, 1.5. hours transcribed)

Informal conversations with key informants every second to third month from 2010–2013. (Notes taken.)

Carlsberg Denmark 2011–2013: Informants 15. Total interviews: 21.

- CEO Carlsberg Denmark (1 interview, 1.5. hours transcribed)
- Regional Sales Manager on-trade (1 interview, 1.5. hours transcribed)
- Sales Consultant on-trade (1 interview, 1.5. hours transcribed)
- Brewmaster (1 interview, 1.5 hours transcribed)
- Communication director IT (1 interview, 1 hour transcribed)
- Union Chairman, Carlsberg (1 interview, 1 hour transcribed)
- VP Communications (1 interview, 1 hour transcribed)
- CIO Carlsberg Denmark (2 interviews, 1 hour transcribed)
- Marketing Director (1 interview, 1.5 hours transcribed)
- Sales Director On-Trade (1 interview, 1 hour transcribed/main points in English)
- Learning and Development Manager (1 interview, 1.5 hours transcribed)
- HR Director (1 interview, 1.5 hours transcribed)
- Supply Chain Director (4 interviews, 1.5 hours transcribed)
- Head Of distribution Fredericia Brewery (1 interview, 1.5 hours transcribed)
- Brewery Manager Fredericia Brewery (2 interviews, 1.5 hours transcribed)

Joint interview with brewmasters during guided tour to the old basement of Carlsberg. (2 hours, partly transcribed.)

Several informal conversations and discussions with master brewers

Carlsberg UK 2011: Total number of informants/ interviews:

- CEO (1 interview, 1.5 hours transcribed)
- CFO (1 interview, 1.5 hours transcribed)
- Sales & Distribution Director (1 interview, 1.5 hours transcribed)
- Marketing & Strategy Director (1 interview, 1.5 hours transcribed)
- People Group Supply Chain (1 interview, 1.5 hours transcribed)
- Supply Chain Director (1 interview, 1.5 hours transcribed)
- HR Director (including comm.) & VP, HR Western Europe (1 interview, 1.5 hours transcribed)
- Head of Organizational Development, HR (1 interview, 1.5 hours transcribed)

Brasserie Kronenbourg France 2011: Total number of informants/ interviews: 9

- CEO (1 interview, 1.5 hours transcribed)
- CFO (1 interview, 1 hour transcribed)
- Supply Chain Director (1 interview, 1.5 hours transcribed)
- On-Trade Sales Director (1 interview, 1 hour transcribed)
- Marketing Director (1 interview, 1.5 hours transcribed)
- Com. Director & President Kronenbourg Foundation (1 interview, 1.5. hours transcribed)
- Business Development Director (1 interview, 1.5 hours transcribed)
- Implementation & Optimization Director—R&D (1 interview, 1.5 hours transcribed)
- HR Director (1 interview, 1.5 hours transcribed)

Carlsberg Malaysia 2012: Informants 9. Total number of interviews: 10

- Managing Director (1 interview, 1.5 hours transcribed)
- CFO (1 interview, 1.5 hours transcribed)
- Sr. Corporate Communication Managers (2 interviews, 1.5 hours transcribed)
- Sr. Mgr. Group & Marketing Com. (1 interview, 1.5 hours transcribed)
- Sr. Mgr. Business HR (1 interview, 1.5 hours transcribed)
- Business Development Director (1 interview, 1 hour transcribed)
- HR Director (1 interview, 1.5 hours transcribed)
- Supply Chain Director (1 interview, 1 hour transcribed)
- Marketing Director (1 interview, 1.5 hours transcribed)

Informal conversation through 3 evenings of market visits (a variety of different bars and restaurants serving Carlsberg beer).

Informal conversations during event with local investors.

Carlsberg Hong Kong 2012: Total number of informants/interviews: 5

- Chairman, Carlsberg China (1 interview, 1.5 hours transcribed)
- SVP, Carlsberg Asia (1 interview, 1.5 hours transcribed)
- Vice President, Com. & CSR Asia (1 interview, 1.5 hours transcribed)
- Managing Director (1 interview, 1 hour transcribed)
- Communications Officer (1 interview, 1 hour transcribed)

Informal conversation during two dinners with management team.

Baltika, Russia 2012: Total number of informants/interviews: 15

- Head of Excursion & Exhibition Group (1 interview, 1.5 hours transcribed)
- Corporate PR Senior Manager (1 interview, 1.5 hours transcribed)
- Brand PR Senior Manager (1 interview, 1.5 hours transcribed)
- GR and PR Director (1 interview, 1.5 hours transcribed)
- VP Legal Affairs (1 interview, 1.5 hours transcribed)
- VP Supply Chain (1 interview, 1 hour transcribed)
- Baltika Brand Director (1 interview, 1.5 hours transcribed)
- President Baltika Brewery (1 interview, 1.5 hours transcribed)
- Non-alcoholic, Light and License Brands Director (1 interview, 1.5 hours transcribed)
- Master Brewer (1 interview, 1 hour transcribed)
- Head of Baltika Corporate University (1 interview, 1 hour transcribed)
- VP Strategy and Commercial Efficiency (1 interview, 1.5 hours transcribed)
- VP Information Technologies (1 interview, 1.5 hours transcribed)
- Modern Trade Sales Director (1 interview, 1.5 hours transcribed)
- International HR Director, Eastern Europe (1 interview, 1 hour transcribed)

Informal conversations during 4 evenings of dinners with different members of top management and management teams.

Carlsberg Norway 2012: Informants 3: Total number of interviews: 4.

- Director of Communications and Public Affairs (2 interviews, 1 hour transcribed)
- Communications advisor (1 interview, notes taken)
- Technical Manager Sales at Ringnes (1 interview, notes taken)

2. PARTICIPANT OBSERVATION 2009–2013:**Workshops and Conferences:**

- 2 Internal presentations on the relaunch of Carlsberg Beer brand (2009)
- Full day global corporate communication workshops also presenting (September 2009)
- Consulting company Brighthouse presentation on Stand (January 2010)
- Group Stand internal launch March (Carlsberg 2010)
- Carlsberg Growth Conference (May 2010)
- Full day global corporate communication workshops also presenting (September 2010)
- I.C. Jacobsen 200 Years Anniversary Seminar in collaboration with CBS and Carlsberg Group at CBS. Hosting and presenting (2011)
- Investor relations beer launch in Carlsberg Malaysia (May 2012)
- Internal presentation of employee survey in Baltika (June 2012)

C-day at Carlsberg, where CBS researchers including us presented and discussed findings from Carlsberg studies with top management (November 2013)

Visits to breweries/internal brewery tours:

- Jacobsen Brewhouse, Copenhagen (2010)
- Carlsberg DK, Fredericia, DK (2011)
- Carlsberg UK, Northampton, UK (2010)
- Brasserie Kronenbourg, Obernai, France (2011)
- Carlsberg Malaysia, Kuala Lumpur (2012)
- Baltika, St. Petersburg, Russia (2012)

3. DESK RESEARCH

Corporate Internal Carlsberg presentations & Analysis: 7 plus video

- Employer Branding-Analysis 70 slide Power Point presentation by Carlsberg Group (2008)
- Carlsberg “beer” Brand identity 40 slide presentation on the need for corporate branding by Carlsberg Group by consulting company Brighthouse (Confidential 2009)
- Corporate Branding 20 slide power point presentation by Carlsberg Group (2009)
- Global Activation of Carlsberg beer brand 20 slide power point presentation by Carlsberg Group (2009)
- The Corporate Stand video and its related story-line and on-line presence (2010)
- Stand Deployment Discussion 110 slide power point presentation by Carlsberg Group (2010)
- 30 slide power point presentations on the journey towards FMCG by New Group Development for ExCom (2011)
- Organization Charts 25 slide presentation by Carlsberg Group explaining the new marketing organization (2011)
- We received numerous internal presentations and include those, which we have used in the writing of this paper

External presentations: 5 plus annual reports

- Carlsberg annual reports & related press releases (www.carlsberg.com)
- Capital markets day: FMCG presentation (May 2010)
- Carlsberg 200 years: 3 Presentations by SVP Marketing & Innovation, SVP Corporate Communication & CSR, VP director Carlsberg Brand (CBS 2011)
- Danske Bank Winter Seminar by investor relations 30 slide presentation (2012)
- Innovation in Carlsberg—Involving users in the development process 30 slide presentation by Carlsberg (2013)
- Carlsberg and Competitiveness 25 slide presentation by president and CEO at Carlsberg Group, J. Buhl Rasmussen (2013)

Consulting presentations: 8

Proposal from consulting house Brighthouse/r)evolution on corporate stand.

Internal briefs/feed-back to Brighthouse developed by corporate branding team:

- Three 40 slide power point presentations by Brighthouse for ExCom. Internal notes on development of process.
 - Four final internal iterations on “stand language” (2010)
 - Presentation on possibilities for implementing the Stand
-