

“Bring people back into the heart of the company”: a sensemaking reflection on organizational change at France Télécom – Orange

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## **BIOGRAPHY OF THE CANDIDATE**

I've finished a master in Organizational, Social and Work Psychology in 2008 but as I wanted to go deeper in my knowledge about Human Resources, I decided to attend the master in Economics and Human Resources Management after-work, which allowed me to combine studies with my job as a researcher.

In the second year of the master I had the opportunity to do an internship at France Télécom – Orange as a junior project manager. It was this internship that provided me the chance to know more about France Télécom - Orange and the organizational change in the company. This organizational change is the focus of the present project.



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## **ABSTRACT**

France Télécom – Orange passed through several change, such as the end of the monopoly situation and entrance in the competition market, social crisis, layoffs etc., which were characterized both by ambiguity and uncertainty. In fact, these periods are excellent opportunities for sensemaking as they push people to extract cues from their environment to make sense of major events and turn them plausible.

Thus, this project work aims to analyse those periods of change through the lens of Weick (1985) sensemaking theory. Being an exploratory study, both surveys and interviews were used, to increase our understanding of the causes and outcomes of these major changes.

The data showed that top managers and employees interpreted the environmental stimulus through the lens of their different expectations, assumptions and schemata, which triggered different reactions, and thereafter, different meanings. These differences, revealed through participants' interpretations and reactions to change, support Weick (1988) argument that individuals enact their environment, especially in crisis situations. Although this project work leaves unanswered several interesting questions, which can be further explored in future thus contributing to the development of the sensemaking theory itself, it also has practical implications for France Télécom – Orange human resource management; and ultimately for the author, in her efforts of making sense of a complex work environment.





## RESUMO

France Télécom – Orange viveu várias mudanças, tais como o fim do monopólio, a entrada no mercado concorrencial, a crise social, os despedimentos, etc, situações caracterizadas pela ambiguidade e incerteza. Na realidade, esses períodos constituem excelentes oportunidades de *sensemaking* visto que levam as pessoas a extrair pistas do seu meio envolvente para criar sentido dos grandes eventos e torná-los plausíveis.

Assim, este trabalho de projeto tem como objetivo analisar os períodos de mudança através das teorias de Weick (1985) sobre o fazer sentido. Sendo um estudo exploratório, foram usados questionários, mas também entrevistas, de forma a aumentar a compreensão das causas e consequências destas grandes mudanças.

Os dados demonstraram que as chefias de topo e os trabalhadores interpretam os estímulos do seu ambiente usando as lentes das suas diferentes expectativas, assunções e esquemas que desencadearam diferentes reações e, posteriormente, diferentes significados. Estas diferenças, reveladas pelas interpretações e reações à mudança, vêm ao encontro da ideia defendida por Weick (1988) de que o meio que envolve os indivíduos é *enacted* por eles, especialmente em situações de crise.

Embora este projeto deixe várias questões interessantes por responder, que poderão ser exploradas em futuras pesquisas, contribui para o desenvolvimento da teoria do *sensemaking*. O projeto lança também algumas implicações práticas para o departamento de gestão de recursos humanos da France Télécom – Orange e, finalmente, para a autora, nos seus esforços por criar sentido no meio de um complexo ambiente de trabalho.



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## INTRODUCTION

The internship at France Télécom – Orange alerted the author for the rich story of this company. France Télécom – Orange is in a strategic and key sector for the globalization process and probably is the one that knew the fastest technological evolution in the last years (du Roy, 2009).

These factors lead the company through a period of major changes. It made it adapt side-by-side to the latest technological developments as well as to the challenges of the market, including the end of its monopoly situation in communications. This process included the company privatization, the implementation of a more aggressive strategy in terms of market positioning, so that the company could survive among an increased competition by presenting better prices and services. The internationalization plan was slowed down by the company financial crisis that dictated strong measures of costs control and an aggressive marketing strategy.

We decided to explore the organizational change of France Télécom – Orange aiming to describe the changes in the company during the last 20 years, as well as to describe and discuss the perceived role of the internal communication in this change process. To achieve these goals three major research questions were defined:

- What major changes have occurred in the company, during this period?
- What features are perceived to have influenced this company development by the employees?
- How do employees make sense of all these changes?

In fact, the organizational change process, as well as the ways through which organizations adapt and change is a fundamental question for the academics and practitioners in different areas like management, economics, organizational psychology and sociology. To understand organizational change one needs to understand which intended and unintended messages are spread and received, how messages are interpreted and why and how these meanings affect directly and indirectly the attitudes and behaviours of the ones involved (Balogun, 2006).

Increased competition, innovation and economic crises trigger organizational change, which pursues through several ways. To review the literature on the various perspectives and theories of organizational change, the following section presents an overview of two different approaches: ‘big technocratic project’ and ‘day-by-day reformulation’ (Graça, 2011). Along with the second perspective – ‘day-by-day reformulation’, Weick (1993, 1995) sensemaking theory was included and guides this project work. The sensemaking approach was used to understand the change process of France Télécom – Orange, through the eyes of its employees. To do that, first it is presented a summary of the recent company history, as well as an analysis of some of its organizational changes, including their structural and human effects. A documental analysis was followed as well as the conduction of several interviews with France Télécom – Orange employees. In fact, situations like the one of France Télécom – Orange, characterized either by ambiguity (where there were multiple possible interpretations) and/or uncertainty (any possible explanation was seen) are two typical occasions of sensemaking. They allow the actors to create shared awareness and meaning of the situations (Weick, 1995), as is illustrated in this document.

This ‘*picture*’, which is inherently subjective and partial, is herein summarized and reported as a sensemaking exercise. Furthermore, this work can be seen as a roadmap of the sensemaking process of the author herself, who landed in a new company located in a different country, and struggled to adapt to the host country and the company culture. The end result, which is only partially expressed in this document, adds to our own knowledge of the organizational change process by adopting a subjective approach, in which the “*human author*” played a major role in perceiving, interpreting, understanding and, of course, in making sense of this case. Also, this work contributes to the sensemaking theory by discussing the sensemaking process in crisis situations, through the case study of France Télécom – Orange, and by adding to the existing knowledge some reflections and challenges. Finally, practical implications for the management of employees at France Télécom – Orange, are also raised and discussed.

## **ORGANIZATIONAL CHANGE**





Nowadays the companies face several challenges and vicissitudes in the environment and it is imperative to find the right tools to adapt and survive to difficult scenarios. Besides, the evolution of the labour market lead to a productivity growth but also to an increase of stress, fatigue and burnout among employees. The different market demands require the development of new production methods, which require cultural changes, and changes in the human resources management policies and practices (Launis, Kantola & Niemelä, 1998).

The “mystery” on the conditions under which some companies keep their competitive advantage and succeed even when they face environmental transitions led to the development of a relatively large body of literature in different areas and disciplines. Some earlier studies, lead to the development of two approaches to the issue of organizational change: ‘big technocratic project’ or ‘day-by-day reformulation’ (Graça, 2011). These approaches are described below.

### **Organizational change as a ‘big technocratic project’**

The first perspective – ‘big technocratic project’- defends that change has to be very well planned and decided by organizational elites on the top, and implemented top-down. In fact, the planning is the central phase of any change process and has to be transmitted to the employees who are viewed as mere objects or executants. According to this approach, change is sequential and linear and it is based in the rational model of decision making (Graça, 2011). Within this perspective we can find several theories, such as: Kurt Lewin’s model of the three steps (1947), John Kotter’s model of eight steps (1985), congruence model (Nadler & Tushman, 1997), the transition model (Bridges, 1991), among others.

For instance, Kurt Lewin (1947) developed the model of three steps of organizational change: *unfreeze*, *move* and *refreeze*, which conceives change as a transition between different states. According to the author, the first step for change includes questioning the status quo, identifying the problems, as well as assessing the driving and resistance forces. The only way to accelerate the change is to increase driving forces and control resistance forces. The intermediate step corresponds to the

introduction of new ways of thinking and acting. In this model, the key success factor for change is the involvement of people into the change process, which is part of this second step. Finally, the third step – *refreeze* – focuses on the behaviour and the institutionalization of what has been changing. It is very important to stabilize this new state and avoid returning into the old attitudes and behaviours. To reinforce change, the desired results have to be rewarded.

Another model based on steps was later developed by John Kotter (1985) and shares several similarities with Lewin's model (1947). Kotter (1985) presented eight steps to guide the process of change: (1) create urgency, (2) form a powerful coalition, (3) create a vision for change, (4) communicate the vision, (5) remove obstacles, (6) create short-term wins, (7) build on the change, and (8) anchor the changes in the corporate culture. The first phase signals to all in the organization that it is not possible to keep things as they are, and change is imminent. The main goal is to make employees more attentive to the new reality, which is a good strategy to catch their attention and increase their receptivity. To proceed with the change, it is essential to have a powerful coalition with the most powerful people inside the organization. In fact, this is the first condition to go forward. The coalition is then responsible for creating a vision for change, which constitutes the third step. They are responsible to delineate the new scenario and the way to get there. Once planned, the vision should be communicated to everyone inside the organization. It is a top-down communication that aims to disseminate what will happen in the future and the consequences of the change, among all the employees. The next phase - remove obstacles, is defined by the empowerment and involvement of everyone. This leads to an increase in the number of change agents, which in turn is a very favourable way to remove the obstacles that appear on the way. It is also very important to create short-term wins in order to keep people enrolled and motivated, as they are rewarded for each small win. In the long-term, the win is composed by small wins during the way. The next step - build on the change, includes the consolidation of the improvements achieved and the involvement of everyone in a continuous change process. Finally, anchoring the changes on corporate culture allows the institutionalization of the change, which aids the analysis of current needs to solve some problems that appeared during the way, and the planning of future changes.

This perspective conceives change as a continuous process and provides a well-structured guide to implement it. However, this approach disregards the fact that the change process is unpredictable, and change is difficult to occur by strictly following a list of procedures planned by the top management, who often ignore the real conditions in the field. Furthermore, these models have been presented as universal roadmaps, aimed to be used in different companies, which disregards the specificities of each one.

The theory developed by Nadler & Tushman (1997) is slightly different from the two previous models. The congruence model (Nadler & Tushman, 1997) provides a systemic vision of the organization that is divided into four subsystems: work, people, formal organization (structures, politics ...) and informal organization (values, rules ...). To the authors, the change of one (or more) subsystems causes the change of the others, so that all the elements have to be aligned and be congruent to achieve performance. This model emphasizes consistency and congruency above planned actions.

Finally, the last model following a technocratic perspective is a model developed in 1991, by William Bridges, which focuses the transition toward change. According to the author, transition is more complex than the simple planned change. It involves quitting the past and assuming new ways of thinking and behaving. It is composed by three phases (1) ending, which signalizes the end of something, (2) neutral zone, characterized by the creation of the necessary conditions to get ready to start again; and (3) the new beginning, which is the most appropriate phase to present the new scenario. At this stage, people should be aware of details: the plan to get there and the role of each one in the process.

While this research stream typically examines change from the perspective of senior managers, with change recipients often viewed as resistant, foot-dragging saboteurs (Balogun, 2006); the 'day-by-day reformulation' focuses the practices developed by the organization, and not only from the top. Thus, the 'day-by-day' approach highlights the unforeseen consequences of planned change, its different interpretations, and its ambiguities, revealing change as a continuous and unpredictable process, which cannot be anticipated (Graça, 2011).

### **Organizational change as a ‘day-by-day reformulation’**

In line with a “day-by day reformulation” approach we can include the theories of activity systems (Engeström, 1999), the Actor-Network Theory developed by Michel Callon and Bruno Latour (1987) and the sensemaking theory, developed by Karl Weick (1995).

The theory of activity systems settled by Engeström (1999) is based on the activity theory of Vygostky (1934/ 1997). Engeström (1999) analysed the relationship between subject, object, and community, and the mediators of this relations: instruments, rules and division of labour, to assert that the mediators are under different types of tensions and contradictions, which are the starting point for finding a new equilibrium and change (Graça, 2011).

The Actor Network theory (ANT) describes a society of actors that could be both humans and non-humans (Law, 1992). There is no distinction between these two kinds of actors, which are tied together into networks built and maintained with the aim to achieve particular goals. Actor and network are mutually constitutive and constantly redefine each other, being dependent of the other. In fact, the actor is defined by the strength of its network, composed by actors which have different possibilities to influence other members of the same network and produce change. “Networks are processual, built activities, performed by the actants out of which they are composed. Each node and link is semiotically derived, making networks local, variable, and contingent” (Ritzer, 2004, p.1). This approach rests on the idea that change is not the mere transition between stages, but the process that aims to achieve alignment and robustness between the elements that participate in the process: “translation is the process of converting entities, of making similar (such that one entity may be substituted for another) or simplifying (black-boxing or translating network elements into a single block), while retaining difference (translation is not simply transfer)” (Ritzer, 2004, p. 2). Therefore, the process of translation, which is fundamental to ANT, is composed by four phases: (1) problematization, (2) interestment, (3) enrollment and (4) mobilization. During the problematization, the essential is to analyse the situation and formulate a solution to solve the identified problem, as well as the most relevant elements to materialize the formulated scenario. The aim of the phase of interestment is

to involve the relevant actors, showing them how their interests can be achieved by participating in the process. The third phase is characterized by the enrolment of others and roles' distribution. The final phase – mobilization – aims to stabilize the identity achieved (network) and make changes and relations irreversible. This process strengthens the relations and make them lasting. Despite its theoretical contributions to the change process, the ANT has been criticized by its controversial insistence on the agency of nonhumans, also known as the principle of generalized symmetry: humans and nonhumans are seen as equal actors, within a network.

Another “day-by day reformulation” perspective is based on Weick’s work (1993, 1995), as the main precursor of the sensemaking theory. This theory aims to explain the change process through the way people, as cognitive agents, make sense of life events. In the words of Allard-Poesi (2005), sensemaking focuses the “idiosyncratic and intersubjectively created meanings that people attach to their experience” (p. 176), as will be explored further.

### **Sensemaking theory**

“The basic idea of sensemaking is that reality is an ongoing accomplishment that emerges from efforts to create order and make retrospective sense of what occurs” (Weick, 1993, p. 635). It is a process through which individuals try to structure the unknown. Indeed, sensemaking aims to reduce confusion and to make situations seem plausible, by using the signals that we extract from them. Sensemaking involves the construction and bracketing of cues, which are interpreted and related to a previous frame of reference based in past experiences (Weick, 1995). In his book published in 1995, Weick (p.17) identifies seven properties of sensemaking: (1) *grounded in identity construction* (the definition of oneself impacts the definition of one environment); (2) *retrospective* (people uses previous meaningful lived experiences to make sense of the reality); (3) *enacted* (in accordance with constructivism people (re)produce part of their own environment); (4) *social* (according to social cognition individuals are permanently involved in debates and interactions with others); (5) *ongoing* (because sensemaking is a continuous process); (6) *focused* (and based on extracted cues, which work as seeds

for the process of sensemaking); and (7) *plausible* (since accuracy has a secondary role in the sensemaking process).

According to this theory, sensemaking starts with chaos: it occurs among a stream of potential antecedents and consequences (Weick, Sutcliffe & Obstfeld, 2005). In crisis and uncertain situations, people begin a sensemaking process, which starts by noticing and bracketing new inputs, guided by the models acquired during previous life experience. The second phase involves categorization and labelling, in order to stabilize the streaming of experience. Third, sensemaking involves retrospection, which people use to make sense of their actions (Weick *et al.*, 2005). The connection of abstractions with actions constitutes the fourth phase which is all about ‘presumption’ (Weick *et al.*, 2005, p. 412). Fifth, sensemaking is social and systemic: it is influenced by many social factors, for example, the contact with other members of the same organization; which in turn influence further interactions and meanings. Sixth, sensemaking does not see action and talking as a linear sequence, but as cycles, which highlights the iterative feature of action (Weick *et al.*, 2005). Finally, sensemaking “takes place in interactive talk and draws on the resources of language, in order to formulate and exchange through talk... symbolically encoded representations” (Weick *et al.*, 2005, p. 413). This characteristic underlines the central place of communication in the process of sensemaking.

Regarding sensemaking in organizations, Feldman (1989) defends that it is an interpretative process, necessary “for organizational members to understand and to share understanding about such features of the organization as what it is about, what it does well and poorly, what problems it faces are, and how it should resolve them” (Feldman, 1989, cited by Weick, 1995, p. 19). In organizations, ambiguity (people are confused by multiple possible interpretations) and uncertainty (the individuals do not see any possible explanation) are two typical occasions of sensemaking, as it is a collaborative and on-going process through which organizational members create shared awareness and meaning (Weick, 1995). According to Weick (1995), occasions for sensemaking at organizations depend on several factors, such as the availability of news, the facility of access to their sources, the design of the structure to collect the news, the extension of the line of action, the risk tolerance, and the capacity of scanning.

Both, in ambiguity and uncertainty situations, people need to make sense of their environment and make interpretations that guide their future actions (Choo, 1996). In these circumstances, “explicit efforts at sensemaking tend to occur when the current state of the world is perceived to be different from the expected (...) or when there is no obvious way to engage the world” (Weick, *et al.*, 2005, p. 409). In fact, problems identification and interpretation, in organizations, depend on the background of each employee. Thus, the interpretation of the situation either as a threat or as an opportunity can induce the behaviours and the engagement in that specific question (Schneider, 1997).

According to Giroux (2006) Weick brought a new perspective about organization or even a new paradigm by the introduction of some new concepts: such as sensemaking, organizing and enactment. This last one has also a very important role on his work, as it is defined as the cognition that emanates from an action and its outcomes, which leads to subsequent behaviours and thoughts. In fact, “when people act, they bring structures and events into existence and set them in action” (Weick, 1988, p. 306). Therefore, Weick suggests the use of the concept “organizing” instead of “organisation”. The enactment is the creation of one own environment, of one own reality and, by definition, it results in enacted environments where constraints are not only simply objects to which one reacts but are partly of one’s own making (Weick, *et al.*, 2005).

The notion of enactment is also very important in connection with the ideas of commitment, capacity and expectations (Weick, *et al.*, 2005). Being committed, a person tends to build an explanation to justify his/her actions, which became an assumption taken for granted. Also, capacity affects crisis perception and the ability to perform actions during these specific situations. Finally, expectations can lead to a cycle of setting in motion enactments that confirm initial perceptions, which is why expectations are considered an important resource in crisis prevention (Weick, *et al.*, 2005). Enactment has also another very important role in crisis management, has can lower its outcomes: “the analysis of enactment suggests that individual actions involved in sensemaking can cause a crisis but also manage it to lower levels of danger” (Weick, *et al.*, 2005, p. 308).

Among the main limitations of earlier approaches identified by the day-by-day transformation perspective, is the fact of conceiving the change as a recipe. When change is seen as planned and prepared by top management, it disregards how senior management plans are translated down to the line and diffused among employees (Balogun, 2006). According to Giroux (2006), Weick shares this idea of inefficiency, also named *episodic change*, as it is driven by inertia and the inability of organizations to adapt. For Giroux (2006), “the Weickien paradox of change describes a change that emerges continuously generated by the interactions of all the members of the organization, which is different from the classical model of planned change at the top” (p. 37).

In sum, through this section some of the organizational change theories were overviewed by making a distinction between two different approaches: the “big technocratic project” usually associated with a change strategy that is designed by top management and imposed top-down to all the employees; and the “day-by-day transformation” perspective, which highlights the transitional nature of change. For adepts of the first approach, organizational change is no more than a set of stages to attain a target goal and overcome the transition between stages; whereas the second approach emphasizes the efficiency of day-by-day transformation and conceives change as a reformulation of daily life, with a local focus.

For the purpose of this report, the sensemaking theory is adopted to interpret retroactively the organizational change process at France Télécom – Orange, during the privatization period. To our view, this approach is useful to understand how the employees of the company have dealt with the changes during recent years and how do they make sense of all the uncertain situations that characterized this period. As described, the sensemaking theory is based on socio-constructionism (Allard-Poesi, 2005), which involves the adoption of “micro/ interpretivist data gathering techniques that aim to *grasp the meanings*<sup>1</sup> that people attach to themselves, to others, to their experiences and to the situations they encounter” (Allard-Poesi, 2005, p. 177). This kind of methodology usually requires the active enter of the researcher in the world that is being studied in order to see the situation as it is seen by the actors (Allard-Poesi, 2005).

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<sup>1</sup> italic in the original text



Overall, this methodological approach is consistent with our research questions, as with the internship pursued at the company. Therefore, this project work aims to describe and discuss the crisis situation undergone at France Télécom – Orange, through the use of Weick (1995) sensemaking theory, and highlight the fact that it also reveals the author's pathway from chaos to making sense of the daily life at the company.

Studying sensemaking is a paradox as it is not easy to “objective knowledge on sensemaking” (Allard-Poesi, 2005, p.190). In fact “the pragmatist/participative route (...) encourages us to *engage in sensemaking with*<sup>2</sup> the members of the organization under study and so fully recognize the socially constructed aspect of sensemaking activities” (Allard-Poesi, 2005, p. 190). While one can be close to the scenario and have a direct experience of the “meanings and perspectives of the participants” (Gioia, Thomas, Clark, & Chittipeddi, 1994, p. 368), resuming those meanings into a written report is contradictory in itself. To overcome this dilemma, the choice of a study case methodology (Yin, 1993) was the more appropriate approach, as it allows the researcher to simultaneously “goes deeper” and to “knows more” about a specific institution, notwithstanding the fact that this was also an enacted process.

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<sup>2</sup> italic in the original text



**THE CASE STUDY: FRANCE TÉLÉCOM – ORANGE**



As mentioned, the contact with France-Télécom-Orange comes to be convenient, through the internship period, and the opportunity to engage into a sensemaking process with several employees become inevitable. The history of this group that is nowadays one of the biggest telecommunications company in the world will be presented and analysed in detail in the next chapter.

This study is exploratory rather than hypothetical. Thus, that is why, in terms of methodology, it was decided to perform a documental analysis (including journal articles, company documents, books related to France Télécom-Orange and its history etc.), and several semi-structured interviews with company employees. A convenience sample was used, composed mainly by employees who have been working for the company since 1996 or before, because they are the ones who can most vividly talk about the changes undergone by the company. Some participants hired after 1996 were also interviewed, to know from them what measures followed the social crisis, what were their meaning and overall, to understand a specific part of the history of the company.

Participants were invited using a snow-ball procedure. Initially, employees from our entourage were contacted, who were later asked to suggest other colleagues who could participate. In total, eleven participants were contacted, and their information is presented in the table 1.

Table 1 – Participants’ characteristics

Participant code	Gender	Year of entrance in the group	Function in the time of the entrance	Actual function/ department
E1	Male	1973	affaires	union representative
E2	Male	1991	sales	human resources
E3	Male	1989	sales	human resources
E4	Male	1992	finance	human resources
E5	Female	1997	sales	Marketing
E6	Male	1976	technical	human resources
E7	Male	1990	sales	Affaires
E8	Female	2000	sales	Marketing
E9	Female	1998	sales	Marketing
E10	Female	1987	technical	human resources
E11	Female	1998	operator	union representative

## **Data collection**

Because of language and time constraints, two phases of the data collection were followed. In the first stage, the participants were asked to answer a questionnaire (see appendix 1 and 2). The individual answers to this questionnaire were later discussed with each participant, during a personal interview or a phone call conversation, done whenever the interviewer and/or the interlocutor were unable to schedule a meeting. The aim of this second phase was to further clarify and discuss the information provided in the questionnaire. The restriction of collecting information through a questionnaire was overcome by this personal conversation, which allowed the participants to explain or to develop their own views on the company. This stage of data collection took place from middle July 2012 to September 2012. All participants were informed about the study objectives' and were assured of identity confidentiality. The survey included questions regarding: (1) the main changes at the company; (2) the factors that contributed to those changes; (3) the description of the company's culture, goals and relationships between employees in three different periods and (4) the role of human resources and internal communication departments during the periods of change.

The interviews that followed the survey were arranged and scheduled by the researcher, who took some notes during the interviews. All interviews were conducted in French, the mother language of the participants, and only the verbatim included in this report were translated to English. This stage of data collection was needed, because "participants' points of view are essential: it is through the meanings and the symbols they use and create from social interactions and communications that they produce their world and reality" (Weick, 1995, p. 41). Thus, in this report, participants somewhat assume the role of co-researchers and co-authors as it was through their "*experienced eyes*" that we were able to account for company events, to know more, and to understand how France Télécom – Orange become to be as to what it is perceived now.

## **Data analysis**

Data content analysis (both on survey replies and interviews field notes) was conducted following a three steps procedure. The first step involved data preparation to assure all information and cases were included in the analysis. Secondly, an initial reading was made through the transcripts, replies and field notes, to have a global idea of the information collected. Finally a further reading was made to identify and list the different subjects found: main organizational changes, the factors that lead to that changes and the characterization of the company in the different periods. Some verbatim statements were selected from the transcripts to illustrate the description of a specific change or period of change: privatisation/end of the monopoly, social crisis and the new social contract that was adopted.

The outputs of this analysis are described and discussed in the following chapters.





**FRANCE TÉLÉCOM – ORANGE – A COMPANY IN CONTINUOUS CHANGE**



France Télécom – Orange is one of the world's leading telecommunications operators with around 170,000 employees worldwide. The company is present in 35 countries but has activities in more than 220 countries and territories. It is one of the main European operators for mobile and broadband internet services, as well as one of the world leaders in providing telecommunication services to multinational companies.

The group is composed by the following entities: Finance, Information Systems, United Kingdom JV; Orange France; Group General Secretary; France Carriers Division and Group Sourcing and Supply Chain; Group Human Resources; Quality, Corporate Social Responsibility; Events, Cultural and Institutional Partnerships and Philanthropy; Orange Business Services; Orange Labs, Networks and Careers; Marketing and Innovation - News Growth Activities; Communication and Brand; Group Strategy and Development; Operations in Africa, the Middle-East and in Asia; Operations in Europe (excluding France) (see appendix 3). The strategy of the group is defined in Conquests 2015. This strategic program was introduced in July 2010 and is based on four pillars: people, customers, networks and international development.

Despite this information clarity, the company was not always like this. Up to 1988, France Télécom was known as the *Direction Générale des Télécommunications* (Telecommunications General Direction) and it was part of the Ministry of Posts and Telecommunications. An European directive which aimed at making competition mandatory in public services, led to the autonomy of the company in 1990. The law of the 2<sup>nd</sup> of July 1990 on the organisation of the post and telecommunication public services decrees the changes from the status of administration to the one of operator of public law, which took place from the 1<sup>st</sup> January 1991. This was the first step towards the company privatisation.

### **The privatisation and the end of the telecommunications monopoly**

As from the 1<sup>st</sup> January 1997, the law no. 96-660 from 26<sup>th</sup> July 1996 changed the status of France Télécom to a corporation in which the state becomes a major shareholder. In October of that same year the company was quoted on the French stock exchange market. On the 1<sup>st</sup> January 1998, the publication of the Green Paper on the

convergence of the telecommunications, media and information technology sectors and the implications for regulation, decrees the opening of the European telecommunications market designed to manage the transition from monopoly to competition. It was the end of the France Télécom “kingdom” in telecommunications.

To warrant a free concurrence in the market, the government created also in 1996 the “Autorité de Régulation des Télécommunication” (Telecommunications Regulatory Authority) to regulate the telecommunications sector. In 2005, the legislature added the regulation of postal activities and changed its name to the current one “Autorité de Régulation des Communications Electroniques et des Postes” (Regulatory Authority for Electronic Communications and Postal Services).

Thereafter the telecommunications market became fully competitive in France, which lead to a gradual (and difficult) transformation from France Télécom’s business utility supplier monopoly to a competitive provider of services to consumers. France Télécom changed from a company based on public service (with lots of social protection) to a private company (driven by business and numbers).

According to one of the interviewed employees, “*the fundamental change was the change of purpose: we went from a public service company that was designed to serve the public and provide the means of communication throughout the country with a price equalization to a business purpose: to make money to remunerate the shareholders*” (E1). Besides that, the company was also known for its “*engineering culture with the privilege of technical quality*” (E8), as during decades it was known for the development, innovation, and quality of its technical departments. For instance, the Minitel (Médium Interactif par Numérisation d’Information TELéphonique - Interactive Medium by Scanning telephone information), which is a computer terminal for connecting to the service of French Videotex, is considered one of the predecessors of internet, being a great example of that. This kind of achievements made France Télécom “*an emblem of French technology*” (E8).

The privatization led to several reorganisations both in reducing the number of employees and organizational culture changes. In fact, the company, which had worked in stable and long term planning environments, changed to an environment of constant adaptation and instability (de Gaulejac, 2011). In addition, the privatisation led to the

co-presence of two different cultures inside the company: the one of public service (known by the values of public service, such as the quality of the service, customer focus or even the proud to participate in a project that contributes to the common good) and the one of the “empire of the technology market” (du Roy, 2009, p. 239).

More than the privatisation, the end of the monopoly was one of the biggest changes as the company was no longer in a stable position. The onset of the competition forced the company to adapt to new market rules and to innovate to keep its business. This had a strong impact on work organisation because it changed the aims of the company and consequently the priorities which started to be business oriented instead of “public service” oriented. The employees used to the values of a public administration were confronted to the need to be mobile both functionally and regionally. If these principles were not new for the employees working for other companies and subsidiaries, they were insurmountable for those employed the longest: *“new arrivals ‘were taking the train already in motion’ and had the time to process, for those who were ‘already on the train’ things were difficult to support”* (E2). In addition, the fact of being culturally oriented to service helped some of the employees in coping with the difficulties: *“adapting to the change was rather a matter of being culturally oriented to service”* (E6).

### **The internet bubble**

In 2001, France Télécom was the most indebted company in the world due to the payment of UMTS licenses and the acquisitions of other telecommunications companies – Orange, GlobalOne, Equant, Internet Telecom, Freeserve, EresMas, NTL, Mobilcom...

In the following year, the company faced a drop in the share value as a consequence of the bursting of the internet bubble. The share price fell to 6.94€ on the 30<sup>th</sup> September 2002, whereas it was at 219€ on 2<sup>nd</sup> March 2000.

Besides these market changes, France Télécom had to face the technological evolution in its sector. *“The context of ‘disruptive technology’ since the 2000s lead to a*

*rapid succession of changes which upset the global economy, our business and our entire sector: accelerated decline in the prices of materials (PC, mobile, servers, routers ...) for higher and higher performance, prices to lower and lower, ...; generalization of IP development and convergence; operation, efficiency, enterprise development increasingly dependent on shared applications and collaboration tools ...”*  
(E3).

Internally, the consequences were similar to the ones of an economic crisis: closures, massive job cuts, intensification of work (du Roy, 2009). One of the solutions found was the implementation of the Total Operational Performance (TOP) plan which aimed to reduce costs and improve the company operational performance by: (1) reducing and optimizing investments, (2) reducing operating costs, and (3) optimizing capital needs.

### **The NExT plan**

The TOP was not the only plan implemented in France Télécom. The plan NExT (Nouvelle expérience des télécommunications – New experience of Telecommunications), which started in 2005, is described by de Gaulejac (2011) in his book “Travail, les raisons de la colère” (Work, the reasons for the cholera). It aimed to regroup all the activities of France Télécom under the brand Orange, create new products, and also eliminate 22,000 jobs, and reinforce customer service. These actions affected several employees, who had to be flexible and mobile.

Until then, each brand of the company were living independently because different types of access and uses (fixed voice, Internet, mobile) were distinct, in spite of the significant marketing costs. With NExT, the group aimed to offer convergent services that used the resources of the three universes: landline, internet and mobile. The group is still moving towards integration, which also results in a unique brand with a significant reputation, and strong potential in international markets. In fact, the use of Orange as a main brand for the group was, according to one of the participants – E7 – more a marketing strategy than a human resources one, even if Orange, which was previously a British company, had a good reputation in marketing, communication and

human resources. For employees working for other subsidiaries, the move to Orange was not that obvious and some training on “*Orangisation*” have been organized (E11).

The NExT plan started an aggressive management style, as the top priority was to reduce the workforce; so new management techniques were implemented. The leaders imported, without precautions, devices and business private values into a public operator which was for ages subject to close control of the state and of public service obligations (Decèze, 2004).

The program of transforming the group began with the establishment of a new work organization, having strategy into account. To become an integrated operator also meant changing the operating mode to work by projects, creating a matrix organization chart, and establish an overview of its activities (Gonzalez, 2008).

To help reduce the workforce it was created a department to address the mobility of employees both inside the company and to the exterior. In fact, it was difficult for the company to fire the previous “public servants” and have the client in the centre of its activity. To that, employees had to change from a technical approach and from technical jobs to more commercial ones. The human resource department “*had good intentions*” (E9) with this program, but it was not interpreted this way by the employees, who saw this action as a way to licentiate people. It was “*not well foreseen and not well managed*” (E9).

In the Human Resource Department another plan was created in 2008 to achieve NExT’s aims: ACT (Anticipation et competences pour la transformation – anticipation and skills for transformation). This plan had its own objectives: rejuvenate the age pyramid, increase mobility, deploy the jobs toward customers, decrease the number of technical jobs and provide partial replacements for the natural departs, which was also translated into an evolution to more polyvalent jobs (de Gaulejac, 2011).

In addition, the Human Resources Department still face the constraint of having two different types of employees: the public officials, who have a public work contract; and the other employees, who work for the group subsidiaries abroad or who have been hired after 1996, under a private contract. This is still one of the main challenges for the HR of France Télécom – Orange group, because this situation carries two different salary policies, two different status, two different types of career development, etc. As

the last public recruitment took place in 1997, the only way out to this problem seems to be waiting for the retirement of all public officials, so the company will attain a single status workforce.

### **The social crises**

The first tensions were felt from the beginning of the 90s. It was stemmed from the triple movement inside France Télécom which included:

- technological evolutions – man submission to the machine
- multiple work reorganizations (individual increase in accountability to achieve commercial goals and productivity)
- development of a feeling of certainty : *we became useless* (du Roy, 2009)

In fact, many demands were made to the employees during these years of the cost control, which turned the work at France Télécom harder: “*we can support that type of requirements for a year or two but not all that time*” (E6).

The consequences of those acts were reported by the work inspection, which highlighted the pathogenic character of the reorganization and the management implemented between 2006 and 2009 at France Télécom – Orange. These outcomes included suicides, suicidal attempts, discomfort or depression: “*suicide and depression are only the tip face of a much greater iceberg*” (E1). In France Télécom - Orange, more than elsewhere, there were problems of “insomnia, nervousness, emotional reactions, depression, disease, and sometimes suicide. The causes are the undergoing reorganization involving job design changes, hierarchical pressures, bullying, workload, lack of career prospects, harassment” (Decèze, 2004).

In a recent work, du Roy (2009) describes the profile of the employees who have killed themselves as males, 50 years, technicians that have started their career in the public telephone service, prior to privatization and become disoriented by multiple reorganizations. They have faced a career change, which denied the usefulness of the profession they had before. In fact, working in what was one of the companies that was once favoured by the French public seemed to have become a real hassle to some of the



employees (du Roy, 2009) and some of them complaint about the loss of work meaning: *“it didn’t make sense anymore to work like that”* (E1). This feeling was particularly strong among the technicians that were transferred into new positions, related with sales, and totally different from the ones they used to do before. This change drove them to a loss of professional identity. Also, the mind-set of the majority of the public servants had an important role in their maladjustment: *“they didn’t have the idea of changing a company, they were reticent to all kind of changes and they didn’t see the mobility as an opportunity”* (E10).

As de Gaulejac (2011) commented, the case of France Télécom – Orange was a very good example of the difficulties of a large company engaged in a profound restructuration. Under strong competition the company faced a particularly dramatic situation as the ones represented by the employees’ suicides. The media were attracted by the suicides committed at France Telecom - Orange in the summer of 2009. Since February of 2008 a total of 18 employees have committed suicide and some more will join the list after that. This was one of the factors that, according to de Gaulejac (2011), precipitated the departure of Didier Lombard, who was replaced by Stéphane Richard. He assumed the general management of France Télécom – Orange on March 2011 with the promise of *“putting people back in the heart of the company”*.

A stress observatory related to the forced employees’ placements had been created in France Télécom – Orange by the time of the multiple suicides in the company. In fact, it appears in a time where many other French companies or multinationals in France – IBM, Renault, Peugeot, EDF – faced a series of suicides or other pathologies connected to malaise at work (du Roy, 2009).

One suicide in a company is, in fact, a situation that affects the whole working community. Its occurrence reflected a deep degradation of the overall human and social fabric of the work (Dejours & Bégué, 2009) and the mediatisation of all the information wasn’t easy for the company which is still fighting against the negative reputation of those years. All these events and their mediatisation put the company image at risk through the eyes of *“the clients that didn’t want to buy something for a company that is a killing machine”* (E4). At the time, *“Orange wasn’t a leader in price but was leader in quality and the social crises threatened this image of the company”* (E4).

The pressure made both by the press and the mediatisation lead France Télécom – Orange to demand an external assessment of its working conditions, in September 2009. The assessment conducted by Tecnologia included a survey with the employees and concluded that there were three axes of main complaints: difficult working conditions, professional misalignments and downgraded social relationships (du Gaulejac, 2011).

The main downgraded relationships were the ones between management and employees: *“the relationship between managers and employees was not evident and there were problems of trust”* (E9). The employees: *“felt they were not valued by managers”* (E8). In addition, managers were also in the difficult situation of executing strategic plans, without the autonomy and flexibility to do things differently: *“managers have lost all power of initiative, loss of autonomy; they have become descendent ‘transmitters’”* (E1).

This lack of autonomy affected also the HR department, which was focused on numbers. *“They needed to reduce the costs and to reduce the number of employees. The employees weren’t able to understand HR and felt betrayed by them”* (E4). The communications problems were evident and some of the changes *“were transmitted but not explained to the employees. No one was concerned if people had understood”* (E2).

Most interviewees agreed that the social crisis worked as an “alarm button”, showing that the company was compromising social performance to achieve its economic goals. Since then, the company management understood how important people were inside the company and started some changes to *“bring people back into the heart of the company”* and try to *“find a balance between economic and social performance”* (E2). This attempt was a paradox since earlier: *“the company had the reputation of having very good social benefits, which didn’t exist in other companies”* (E9).

### **A new wave of changes – new social contract and Orange People Charter**

While, in similar suicidal situations, the management tries to shirk its responsibility by charging, in general, the suicidal gesture in a land of depression or psychopathology, specific to suicide or emotional conflicts in the private sphere (Dejours & Bègue, 2009); Stéphane Richard who was one of the directors in 2010 and assumed the direction of France Télécom – Orange in March 2011, became more attentive to employees, to understand the reasons that lead to the dissatisfaction and to remobilise all teams in a new company-wide project. In fact, even the labour organizations, the health committees and the safety working conditions committees were facing issues for which they were not sufficiently equipped (Dejours & Bègue, 2009).

One of the first measures introduced by Stéphane Richard was listening the employees. The managers were trained in crisis management and they invited their own teams to meetings where the discussion turned around the things that weren't well in the company. It was the time of the "*assises de la refondation*" (E2, E10), "*foundation for rebuilding*". Around 250 meetings were organized to discuss the needs and the changes in the company. After a long time, the "*idea of co-construction*" (E4) was present, showing the goodwill of the company in having the human back into the company.

The new social contract composed the first priority of the strategic plan Conquests 2015 – people. It was proposed by the company to French employees was the result of an unprecedented process of listening and dialogue, consultation which laid the foundations for a new social model inside the company. It also reassured company commitment to be a responsible employer, which is stated in the strategic plan for Conquests 2015. The outcomes of these discussions were the conclusion of several social agreements, seen as the basis to draft a new social contract issued in France and deployed worldwide. An international working group drafted the principles and commitments aimed at promoting social quality at the group, into a collaborative process that involved around 100 managers and employees from several countries (Complete Report of Corporate Social Responsibility, 2011). In fact, the new social contract is one of the ways chosen to place people at the heart of the company by

supporting employees in their development and meet corporate and societal challenges, particularly in respect of equal opportunity and in the balance between professional and personal life.

The new social contract was personally sent out by Stéphane Richard to the 102,000 employees in France, in September 2010. The document set the conditions and principles for working together and included 158 measures aimed at establishing stronger bonds between economic and social success. It is based on six major themes: jobs; work organisation; management; working conditions; remuneration and human resources (Complete Report of Corporate Social Responsibility, 2011). According to the Complete Report of Corporate Social Responsibility (2011), through the Orange People Charter, “the Group is confirming its willingness to initiate long-lasting, trust-based relationships with its employees. Orange People Charter is based on six key principles: be an ethical and socially responsible employer; offer career and development opportunities; provide a work environment for outstanding customer satisfaction; empower managers and hold them accountable for progress and success; provide a positive quality of life at work; recognize and reward employees for their individual and collective contributions to our success” (p. 71). Each country/subsidiary was then, held accountable for adapting Orange People Charter to its own culture and specific needs, by doing a declination of the original document.

Another important project inside France Télécom – Orange is Conquests 2015. This project expresses some commitments through a new vision of human resources for employees; through the deployment of a network infrastructure upon which the Group will build its future growth; and through the Group's ambition to offer a superior customer experience. This meant improving quality of service and accelerating international development. Its commitment to these stakeholders is expressed through concrete action plans. This new company project, Conquests 2015, places the men and women of France Télécom – Orange firmly at the heart of the Group's thinking by recognizing and supporting its people. In fact, the company aims to be recognized, by 2015, as one of the best places to work in the main countries in which it operates, by rethinking its view of human resources, adopting a new style of management and reasserting common values.

This pillar of the Conquests 2015 strategic program includes, in total, six challenges: developing pride in belonging to the Group; sharing what it means; recognizing performance; strengthening managers' independence; strengthening the management of organizational culture, and increasing well-being in the workplace.

However, the company must be attentive to the new social contract. Orange People Charter and the project Conquests 2015 don't perform changes by themselves. In fact, as it was underlined by the participants: *"business goals remain unchanged to this day, which discredits somewhat the social contract and decentralization"* (E12) and (...) *"the settlement of the crises didn't solve everything, some of the employees still miss the meaning of the work and the crisis can come back"* (E1).

In summary, we were able to describe the main events and changes that took place in France Télécom – Orange during the last two decades, with the help and testimonies of all participants. We have identified the end of the monopoly in the telecommunications market and the social crises as two important periods for the history and evolution of the group. In the next chapter we will explore some of these important events through the lens of sensemaking (Weick, 1995).



**THE CHANGES AT FRANCE TÉLÉCOM - ORANGE THROUGH THE LENS OF  
SENSEMAKING**





Last chapter resumed the rich story of France Télécom – Orange group, full of periods of change and transition, especially in the last twenty years. In this chapter, the events previously described are interpreted and discussed through the lens of sensemaking.

### **Crisis: an opportunity for sensemaking**

Most changes at France Télécom – Orange were seen as ambiguous or uncertain situations, which were experienced as threats. According to Weick (1995), both ambiguity and uncertainty are good occasions for sensemaking. In fact, it was showed how the passage from a monopoly to a situation of competition in the telecommunications market and all the subsequent adaptations were seen by France Télécom – Orange employees as an ambiguous and threatening situation. In this case, the situation “became less comprehensible, more interactively complex and harder to control” (Perrow, 1984, as cited by Weick, 2010, p. 538). Besides that, the alternatives that were presented to overcome the difficulties were not always well explained to employees and many felt as “drifting boats” under a storm.

During this process, most individuals had strong difficulties in understanding or making plausible interpretations of the activities and actions undergone, through their existing experiences and schemas, which mediated dangerous outcomes (Weick, 2010). In fact, they did not have any past experience to help them into the process of creating order, to reduce confusion or to make the situation plausible as some of the signals were missing. *“They didn’t have the idea of changing a company, they were reticent with all kind of changes and they didn’t see the mobility as an opportunity”* (E10).

This lack of information and experience did not provide them the necessary cues to make sense of the situation. During all the change process, especially during the initial strategic change plan, which included the focus on performance and productivity, the policies followed by the top management were not always clear for all the employees, notably those who worked longer in France Télécom – Orange and had a strong public service culture. On the other hand, the top management, responsible for the future of the company, tried to design a strategic plan that assured the future of the

company. In this very specific case, it became visible that the employees enacted a “different change” from the one enacted by top managers. What was aimed to be a major strategic change, for top managers, was perceived by employees as a major unethical, social and emotional threat. This resulted in different meanings, which subsequently enacted divergent actions among managers and employees (Maitlis & Sonenshein, 2010).

In fact, top managers and employees had different perspectives, life experiences, expectations, backgrounds as well as different assumptions on people, business and success that lead them to different enacted sensemaking. Notably in the case of the adaptation of the company to the competition, the top management interpreted the situation and took measures considered necessary, disregarding the fact that the majority of the employees were not able to perceive and understand the cues in a similar way. Having distinct backgrounds, different frameworks and different expectations, each group perceived different cues and interpreted them differently. Also, having different capacities to react, each group enacted their own work environment. Plausibility instead of accuracy was the rule under such sensemaking situation, which enacted different and unshared meanings.

### **The loss of work meaning – sensemaking in crisis conditions**

In face of ambiguity and uncertainty, which were clearly perceived by top managers and employees, people behaved differently. In fact, the initial responses to the crisis determined its trajectory. By the time that some employees had changed jobs from technical to commercial functions, they have lost their professional identity, and some felt worthless: “*it didn’t make sense anymore to work like that*” (E1).

Several employees revealed strong difficulties to adapt to the new positions, facing situations of lack of well-being, distress and burnout. The majority of the public officials had worked in the company for many years, and had a company representation totally different from the one being proposed. They underwent from a public service culture to a culture of profit, which aimed to change the organizational culture and their own professional identities. For many, it was not only a change in the culture, but a

radical change in their jobs and workplaces, due to sites and offices' closures. This in turn, generated feelings of malaise, such as anxiety, insomnia, depression, physical diseases and sometimes suicide.

One can conclude that the working conditions at that time had negatively influenced employees' professional identity and their expectations and beliefs regarding their professional life and consequently their sensemaking process. As was described, employees interpreted the external changes and initial cues under a particular prism: through the outlook of a *successful, sophisticated and technological advanced public servant*, to whom these changes were unintelligible, had no sense, and had no grounded meaning. The perceived impossibility of changing business assumptions and the insurmountable incapacity to cope with job demands and working conditions lead several employees to be trapped into a vicious sensemaking process. In this case, workers enacted their own environment, through the way they perceived, interpreted, socially interacted, and ultimately behaved. The sensemaking process, through which many employees interpreted and made sense of the trigger events contributed to enact the crisis situation. Inside the company, a few cases enacted a larger sensemaking process, through which other company members enrolled. Due to the social characteristics of the sensemaking process, the actions performed by a few actors set the tone to many others, to make sense of the situation inside the company. Finally, these extreme actions set in motion a shared meaning of impotence, which reinforced shared feelings of loss, grief and abandonment, which culminated in more suicides. Outside the company, the awareness raised through the media contributed to extend the crisis environment, amplifying the sensemaking process.

This crisis situation at France Télécom – Orange, especially the social crisis between 2008 and 2010, adds a new meaning to the words of Maitlis and Sonenshein (2010), according to whom “crises in organizations are enacted rather than encountered by those who work in them” (p. 552). Under crisis conditions, sensemaking is made more difficult because action that is instrumental to understanding the crisis often intensifies the crisis. As illustrated, France Télécom – Orange employees became trapped into this process, because “people enact(ed) the environments which constrain(ed) them” (Weick, 1988, p. 305).

In this context, top managers used these events as cues for their own sensemaking process, as most planned changes were meaningful. These “social crisis” events, introduced into top managers sensemaking process unexpected stimulus. The suicides, combined with the information reported by occupational doctors, and health and security committees, on employees’ feelings of loss of work meaning, anxiety and lack of well-being at work, reframed their own sensemaking. Top management understood the hardness of work demands, and acted to a change the planned strategy, which included the stop of the forced mobility and a compromise with employees and their well-being at work. This decision showed up in the form of a new social contract for the employees as well as Orange People Charter. They introduced an unexpected stimulus among employees, which was a way to stop the circle process, showing there was a way out. With this initiative, the employees started to have different clues that help them to enact a distinct sensemaking about their work and working conditions.

Another revealing finding from this crisis analysis, beyond the breach of expectations, is the role of emotions. During the social crisis, while many employees were coping with the job changes, and the loss of work meaning, many were also dealing with the sudden loss of co-workers (and friends?), who had killed themselves. These combined events show that emotional experiences are an opportunity for sensemaking (Weick *et al.*, 2005) having an impact on expectations and commitment, but also illustrate how powerful social enactors’ they can be.

### **The beginning of a new era at France Télécom – Orange**

With the entrance of Stéphane Richard in the company and the actions related to the promise of bringing people back into the heart of the company, the majority of the employees started to felt that, after a long time, they were being listened and considered by the top management of France Télécom – Orange.

The emphasis was put on formal, top-down interventions, mainly addressing the transmission of information. As many recognize, this effort needs to be balanced with senior managers’ actions to engage more actively with employees, especially middle managers. It was crucial, at this stage, to build a shared idea of what needs to be

achieved (Balogun, 2006). After all, lessons learnt from the past, show that sensemaking can both “cause a crisis, but also manage it to lower levels of danger” (Weick, 1988, p. 308).

Overall, the findings discussed in this chapter highlights how the absence of cues and/or their misperception because of different frameworks, expectations and capacities prevents people from “creat(ing) order and mak(ing) retrospective sense of what occurs” (Weick, 1993, p. 635) in their environment. Moreover, a common history and a shared organizational culture is by no means a guarantee of a shared meaning.

Besides that it was also evident that “new language, enriched dialogue and new identity” (Weick & Quinn, 1999) can influence the change process which, according to the same actor never starts because it never stops. Change is a constant and continuous process that is why it is recommendable to think about “changing” instead of “change” (Weick & Quinn, 1999).



## **DISCUSSION AND CONCLUSIONS**





This project work allowed the reader to understand how large companies like France Télécom – Orange face critical challenges triggered by external factors, such as legislation and competitive business changes, and internal factors, such as difficulties to cope with new demands.

What happened at France Télécom – Orange during the privatisation and the end of the monopoly and all their consequences is an interesting example of the critics that are target to a planned change approach: planned by the top and implemented top-down. This step-by-step planning by an elite who does not take into account the local and the specificities of each environment, often underscores people motivation and commitment through the process. By contrary, the day-by-day reformulation contemplates the local and tries to identify the changing needs that emerge from quotidian life. Change starts with the identification of contradictions, moving towards their resolution and it is not a large managerial plan that produces durable results.

In the specific case of France Télécom – Orange, all the changes caused by the end of the monopoly, impacted the enacted sensemaking of top managers and employees differently. In fact, different expectations triggered surprise, uncertainty, ambiguity and different actions from top managers and employees leading to two different (though related) sensemaking processes.

In what regards to employees it is evident that their identity, one of the sensemaking properties, characterized by the loss of work meaning impacted the way they made sense of all the events. Besides that, they attempted to make all the situation seems more plausible with all the effort and demands to face the competition market (plausibility). The cues that they were able to extract always drove them to the increase of the “malaise”, deterioration of work conditions and their preview condition of public servants (cues, ongoing, retrospect). The employees’ perceived lack of capacity to cope with the events drove some to apathy and suicide. The talking about the past and the reasons for the crises enacted the present collective sensemaking and the “new actions” in place (enact).

The fact of working in the same company does not provide the same experiences, backgrounds, expectations to all employees. The example of France Télécom – Orange presented here, showed that both top management and employees of

the same company can have difficulties in sharing meaning and consequently a common sensemaking regarding the same situation. In this specific case, it was the social crisis and the introduction of the new social contract in France, as well as Orange People Charter an unexpected stimulus, that lead to a change in the vicious cycle of the sensemaking process for the actors involved.

### Implications for theory

The conclusions of this project work launch a challenge to the theory by questioning the possibility of co-existence of different sensemaking inside the same organization by different actors. In parallel, it also questions the role of emotions in all the process of enacted sensemaking as they can influence the way the actors see and interpret cues, specially in crisis situations. If we take the example of the France Télécom – Orange employees that dealt directly with the deaths of one of their closest colleagues, it has emotionally a stronger impact that hearing about the event or watching on the news. Also, for the same reasons, the impact for the employees at international was very different of the one of French employees.

The use of this theory faces the difficulty of “objective knowledge on sensemaking” (Allard-Poesi, 2005, p. 190) since it is related with a past lived experience which turns them into a very subjective process. This difficulty challenges the theory to evolve in terms of methodology and methods propose to explore and analyse sensemaking without distort the concrete meaning create by the actors as sensemakers.

### Implications for the practice

On one hand, this work brings also some implications for practice, namely for France Télécom – Orange managers, alerting them for the importance of enacted sensemaking among organizational actors and its impact on their actions. On the other hand, employees, as well, should reflect on how the way they make sense can impact

their future actions and how they can use that to avoid future crises situations by creating an alert mechanism. The company learned through the hardest way that if the employees aren't neither listened nor considered, they'll have no confidence in the speech organization, specially if it is in flagrant contradiction with the professional reality they, daily, face (Plet-Servant, 2012).

Finally it contributes to the author's future sensemaking by providing some experience in this matter, especially in making considerations about the sensemaking process that could be helpful as they alerted for the importance of triggering events and clues in crisis situations.

### Limitations of the work

Organizational change and crisis “are often situations characterized by ambiguity, confusion, and feelings of disorientation” (Maitlis & Sonenshein, 2010, p. 552) and very good opportunities for sensemaking for the actors involved which constitutes the main asset of the use of the sensemaking theory to analyse and understand this specific period (and many others) in the life of an organization.

The use of the sensemaking becomes an “active, purposeful and intersubjective sensemaking process in itself”. (Allard-Poesi, 2005, p. 183). In fact, all the research process was an opportunity, for us as researchers, to understand and make sense of all the change process in France Télécom – Orange, but it was also an opportunity of sensemaking for the participants. For them it was a possibility to debate their ideas regarding the subject of organizational change. But we can't be naïve, “the local participants and the researchers necessarily have different conceptions of the problem to be solved and the situation under study” (Allard-Poesi, 2005, p.188) as the previous frames of the researchers will always influence their thinking and their process of sensemaking.

Some other critics should be identified in what regards the methodology, as no formal and systemic content analysed was performed, over the content of the surveys and interviews. This process would be an added value to this work, as it could point out some other important reflections that escaped the process of deep reading.

### Suggestions for future research

The author's conclusions, possible, due to this exercise of sensemaking were constrained by the possibility of performing an internship at Orange. It is evident that a different person in the same place will enact sensemaking differently and interpretation regarding the history of France Télécom – Orange and how the employees make sense of all the change periods. That is why future research about France Télécom – Orange should also consider the possibility of using another lens to analyse and explore the organizations which could enrich the interpretation.

In future research, it is also advisable to enlarge the number and the representation of the participants in order to get a complete vision of the scenario and better understand the history of the organization that is being studied

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## **APPENDIX**



## APPENDIX 1 – SURVEY IN ITS ORIGINAL VERSION

Étant actuellement en stage dans l'équipe communication interne d'Orange Business Services et préparant ma thèse de master sur les changements organisationnels qui ont eu lieu au sein du groupe Orange – France Telecom, je me permets de vous contacter afin d'obtenir vos avis et connaître vos expériences.

Vos retours me permettront de mieux comprendre les différents changements de ces dernières années et comment le groupe est arrivé à ce qu'il est aujourd'hui.

Votre avis et votre expertise sur le sujet pourront m'aider à connaître et à mieux comprendre ces changements et comment nous sommes arrivés à ce qui est aujourd'hui Orange – France Telecom.

Vos données resteront anonymes.

genre :

En quelle année vous êtes arrivé(e) dans le groupe Orange – France Telecom ?

Pourriez vous décrire votre parcours professionnel chez Orange – France Telecom (années et fonctions) ?

\* Selon vous, quels ont été les plus grands changements pour le groupe?

\* à votre avis quels facteurs ont contribué à ces changements ?

\* Comment décrivez vous France Telecom – Orange (la culture de l'entreprise, les objectifs, les relations entre les salariés):

- avant la privatisation ? (avant 1996)
- entre la privatisation et avant le nouveau contrat social ? (1997-2010)
- maintenant ?

\* Quel a été le rôle du Département de Ressources Humaines dans les périodes de changement ?

- et plus spécifiquement quel a été le rôle de la communication interne ?

\* Autres remarques ou commentaires

Merci !



## APPENDIX 2 – SURVEY TRANSLATED INTO ENGLISH

Doing at the moment an internship at the internal communications department of Orange Business Services and preparing my master thesis about the organizational change in Orange-France Telecom Group, I decided to contact you in order to obtain your opinion and know your experiences.

Your answers will allow me to better understand the different changes that took place in the last years and how Orange-France Telecom group turned in what it is today.

Your answers will be anonymous.

gender :

In which year did you enter in the Orange-France Telecom group?

Can you please describe your professional pathway in Orange – France Telecom (years and functions)?

- \* According to you, which were the biggest changes inside the group?
- \* In your opinion, which factors contributed to all that changes?
- \* How do you describe Orange-France Telecom (organisational culture, goals, and relationships between the employees ...):
  - before the privatisation ? (before 1996)
  - between the privatisation and the new social contract ? (1997-2010)
  - nowadays ?
- \* What was the role of human resources department during all the changes?
  - and more specifically, the role of internal communications?
- \* Others comments or remarks

Thank you!





## **APPENDIX 3 – FRANCE TÉLÉCOM – ORANGE ORGANIGRAM**



 **Stéphane Richard**  
France Télécom

entités managées

