The CEO in post-merger situations : an emerging theory on the management of multiple realities
Fendt, Jacqueline

6 An Emerging Theory on the Management of Polychotomies

6.1   Of Mergers and Men

Pooh began to be a little more comfortable, because when you are a Bear of Very Little Brain, and you Think of Things, you find sometimes that a Thing which seemed very Thingish inside you is quite different when it gets out in the open and has other people looking at it.
Alan A. Milne in *The House at Pooh Corner*, 1928

From two make one. The drive to merge independent units into larger conglomerates is a phenomenon of our time that reaches well beyond the business world. The world, or the diversity that it is composed of, is shrinking. Paradoxically, from this atrophic process, bigger and more uniformed lumps emerge. Cities mushroom and reach their neighbouring cities' proliferation and thus grow together to single agglomerations, masses; continua of sorts. In nuclear energy, fusion takes over from fission and Stephen Hawking[1] is searching for the great unifying theory, the coalescence of the theory of relativity and the quantum theory, these two conflicting conceptions of the natural sciences. Whether he will succeed is written in the stars, but as a cosmologist he might just have preferred access to them. Not so long ago, perhaps until the fall of the Berlin wall, the world was structured according to a dualist principle: light and darkness, good and evil, the USA and the Soviet Union, mind and matter, man and woman… Today we are experiencing our environment as a hybrid, bi-sexual entity, neither one nor the other or perhaps both the one and the other; something new, an in-between that is hard to define. In this new obscurity[i] everything becomes possible.

With all these dichotomies, paradoxes, contradictions and ambiguities, critical reasoning appears to have a difficult stance. Critical reasoning relies on a method by which concepts are dismantled so as to understand them and their relationships to each other and to their environment. Speed rules. And the society of the spectacle[2] reigns. Heroes are called upon to cut Gordian knots and clean out stables. Dialectic and the ability to differentiate concepts are not frequent in the business world that is giving way to simplification, often over-simplification and a reduction to sometimes rather fundamentalist creeds. Instead of a diversity of views and opinions we tend to seek one construct: the only one, the dominating, the all-deciding construct, valid for all and short enough to fit on the title page of a glossy management magazine. In reflection, too, consolidation is going strong. This emerging tendency does not favour the vindication of diversity, but seeks to impose oneness. As in cloning, the objective is not the greatest possible variety but the replication and repetition of the one and only pattern, in an endless indistin-

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1.   Hawking (2003)
2.   Debord (1967)

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guishable sequence. This principle of fusion is going strong. In spiritualism it is called 'unio mystica', in psychology Freud speaks of the 'oceanic feeling'[3]. Man's fear of separation has always motivated him to converge and often for the best of reasons. But not to be alone in one's hut might also be an escape from a state of personal concentration that would permit to discover what more there is to discover. It can be a flight into the safe haven of thoughtlessness, of the big global family of 'united colors'[4], 'Oneworld'[5] and 'the real thing'[6]. The tendency to consolidate, to merge, to fuse and to unify is continuing and leading to increasingly gigantic homogenous formations. But the oneness of these conglomerates is an illusion: they are packed with logical inconsistencies, complexities and a multitude of perceptions. How much of this will result in efficiency, in value creation and in an improved deployment of the world's natural resources, and how much is some kind of bulimia, a senseless usuriousness of bureaucratic cells is difficult to evaluate. It is to a certain extent in our hands. But a good many times the spectacle drives it. And critical density, critical mass is what rules today. Few are those who still believe that "small is beautiful"[7] even though not many of those who are still in their senses seriously believe that beauty lies in bigness itself. And whilst economies of scale and efficiency might be wisely applied to the finite resources of this world, such as coal or gas, it is a commonplace that one of the most decisive resources for value creation, namely knowledge, is not finite. Knowledge increases when deployed.[ii]

CEOs can influence the world around them to a certain extent. Sometimes it is in their hands to choose between growth by acquisition or by organic means or between a spectacular quick win and a more sustained and holistic creation of value and it is a fact that this choice is not always alimented by entrepreneurial considerations alone. Perceived pressure and personal interests, but also lack of guts, imagination or innovation often motivate such decisions. Moreover, CEOs are also players in a game that is bigger than them. They are subjected to board, analyst and shareholder pressures to produce unreasonable growth[iii] and their shelf life is getting briefer.

Within the theoretical and popular literature on management there is a tendency towards a focus on unity and a rejection of the logically inconsistent. Management literature proposes shared vision, focus, cohesion, clear objective setting, homogenous teams, unifying leadership, etc. and other approaches embracing uniform interpretation and meaning. In the rare cases where pluralist approaches are addressed, they are often conceived as dichotomous and incompatible. Quick, pragmatic answers are sought that lead to fast and efficient performance. But complexity and logical inconsistencies are matters of fact and what is dressed up as a pragmatic approach to problem solving might just turn out to be the emperor's clothes. Pragmatism may lie in the adoption of complexity and diversity rather than its rejection.

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3. Parsons (1999)
4. 'united colors ' (of Benetton): an advertising slogan
5. 'Oneworld': name of a global airline alliance
6. '(It's the) real thing': Coca-Cola advertising slogan
7. Schumacher (1989)

6.2   Emerging Theory

The only possible conclusion the social sciences can draw is: some do, some don't.
Ernest Rutherford

Two journeys have been undertaken to explore how executives learn and cope in particularly complex and transitional situations, an ethnographic loop and a grounded theory loop. During these travels the researcher has ruminated huge mountains of data, fearing more than once that Ernest Rutherford[8] may be right after all. But after a while the dust began to settle and hypotheses, concepts, properties and dimensions that inform executive learning behaviour could be identified. In a further abstraction process, three behavioural patterns and or learning and coping types, three *core categories* have emerged:

–   The Cartel Executive Learner
–   The Aesthetic Executive Learner
–   The Videogame Executive Learner.

Each of these core categories is presented along the identified *critical success factors of management*:

–   *Personal Value System – how the executive feels*: e. g. achievement, results and commercial orientation; initiative, decisiveness and self-confidence, personal values. This is relevant because "...knowledge (...) is about beliefs and commitment[9]" and values and beliefs are "...integral to knowledge, determining in large part what the observer sees, absorbs and concludes from his observations.[10]"
–   *Cognitive Style – how the executive thinks*: e. g. vision, strategic thinking, information search, capacity of abstraction, use of concepts, judgment and decision-making; imagination and creativity
–   *Interpersonal Style – how the executive relates*: leadership; sensitivity and listening, impact and powers of persuasion, planning, organisation, teambuilding, public speaking, communication and bonding.
–   *Coping Strategies – how the executive copes*: crisis management, adaptability, perception and culture management, success and failure management, personal health and well-being, life management and relative success of the category in post-merger situations.
–   *Effectiveness/results of the learning type in general and in the particular setting of post-merger organisations*: adaptability to the environment, performance, complexity management.

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8.   cf. above quote
9.   Nonaka and Takeuchi (1995)
10. Davenport and Prusak (1998)

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6.2.1 Category 1: The Cartel Executive Learner

> *Competition is a sin.*
> John D. Rockefeller

> *Tradition is only an illusion of permanence.*
> Woody Allen in *Deconstructing Harry*, 1997

The label 'cartel' has been chosen as a conceptual umbrella to explain the nature of learning and coping patterns indicated by this core category. While the term cartel has a precise meaning in industrial economics[11] it is used here in a broader sense given it in the popular culture[iv]. These individuals' basic similarity lies in their general beliefs and attitudes toward their environment, their *personal value system*, which is dominated by a strong desire of control and power maximisation. Just as explained in game theory[12] or certain branches of military theory[13], to control their field of action and limit competition they strive for monopoly or, if impossible, on oligopoly and collaborate or collude with a close circle of peers[14], organised in formal or informal incentive structures. While there were differences in the way they exerted power, always autocratic but ranging from patriarchal (with sternness but benevolence for their subordinates) to dictatorial (with disregard and disrespect for their subordinates), there were similarities that transcended these individual differences, namely the fact that power was perceived as their due, that the rules were somewhat different for them and, for some, that ethics was limited to working within legal confinements– or not getting caught. They considered themselves by and large as 'apart' from the system, standing outside[15] and directing it: someone had to organise the world and that they were that 'someone'.

> *"I'm convinced that anyone in a leading position wants to lead, to have power. Even those who come along all 'soft'… If you really look closely, they like the power, too. You simply can't do your job otherwise."*

> *"Fact is, in my experience, that there is no merger of equals. One organisation will always take over the other. The question is how you do this."*

> *"I'm impatient. Very impatient. I hate slow people and processes. I'm an impossible chap in that respect. I want things to get done."*

> *"I don't need to be liked by my people. I want to be respected. I'm not afraid to be disagreeable when things don't go the way I planned them."*

> *"I mean, hey, it's we who have the responsibility. So it's a fact that as a CEO you're 'more equal than others': I mean you won't see me queue up to get cards for the jazz festival or pass at the dry cleaner's after work. But we work harder, too, don't we?"*

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11. cartel (noun): a group of independent companies who collaborate to fix prices, to limit supply and to limit competition.
12. Von Neumann and Morgenstein (1940)
13. Von Clausewitz (1932)
14. Kolko (1967)
15. Jaspers (1957)

> *"[If] you yourself believe in the opportunity it's simple: you just do it. You can't debate forever, you know, you have to act fast. I mean, that's why I'm the boss. I seize opportunities."*

They have a low tolerance for ambiguity[16] and have grown up in protected markets, in a world organised in classes, trade organisations and barriers, where there were 'those on top and those below' and where cooperation was sought and pressure was exerted, sometimes also on public administration[v], to maintain this power structure and enhance the personal position and wealth accumulation within it. Their environment of reference is not society as a whole but rather their economic environment for which they seek to develop rational strategies to overcome the fact that their success not only depends on their own business potency, products and markets but also on the strategies chosen by other players with possibly conflicting objectives.

> *"Business has always been my turf. I loved the commercial side of life and I showed early that I could lead a team rather well. So I decided to become a manager. I was ambitious, driven, energetic and hard working but, most important, quite often lucky."*

> *"Our CEO is a one-track mind. Figures. Results. At least you know where you're at."*

> *"I'm a results guy, in the end. That's what gets measured."*

> *"In the Swiss banking landscape a further consolidation was long overdue and you can't expect the small players to do this, it has to be the big banks. And so we did."*

While cartels are prohibited by antitrust law and are usually confined to informal existence, the personal, individual cartel-type behaviour, and this is what is addressed here, is still going strong.

> *"So I called some of my colleagues CEOs and we decided that that's what we were going to do. I know that this kind of thing is sneered at these days, but that's how we have always functioned and it has served us well and made our companies great."*

> *"Sure, I made that phone call to the telecom minister. That's my job, to protect my company. Is that indecent? Then I've been indecent all my business life."*

This category's *cognitive style* is instrumental[17], utilitarian, pedagogically-motivated and focused on the conservation of power. Knowledge is seen as a possession and a means to an end, an accumulation of facts, of competencies and actions that yield solutions[18]. Knowledge comes from an authority – theirs – that informs the environment on which skills, facts and actions are needed to produce the desired results. It is perceived as tool used to meet one's own needs and obtain instrumental outcomes: the purpose of learn-

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16. Rowe and Boulgarides (1998)
17. Kegan (1982, 1994)
18. Portnow and Popp (1998)

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ing is to obtain something[19]. Information 'from below' (within the organisation) is distrusted because it is expected to be based on the same utilitarian motives.

> "Do I sometimes doubt? Well (long pause), I should say the answer is no. No (another long pause), not really, I don't doubt much. The background for my naïveté is my track record. I pulled through the most spectacular cases and deals (...) I brought in hundreds of millions for the company. So, drugged by this success I said to myself: I guess I know what I'm doing."

> "'Synergies' equals firing people, it's as simple as that. Of course you have to do this as socially reconcilable as possible, but in the end you have to cut."

> "Part of the post-merger game is to find out: who has the power in the new organisation? And then, for example to play chairman against CEO or vice versa…"

The cartel executive learner's *interpersonal style* is directive[20], tactical, secretive and power-focused. There is hierarchy and rational thought is at the head of the pyramid that sets rules for others to follow. To gain and maintain power and control, their leadership is based on 'divide et impera,[21]' on handing down exactly and exclusively the portion of information necessary for narrow goal achievement and on playing one adversary against another. Tactical collaboration is sometimes used among the leaders of one industry to maintain certain protective measures that are prone to deregulatory measures and among all business leaders to influence and organise trade associations and lobbyists with regard to certain public ballots, referenda, etc. Within their organisations, their leadership is concise and authoritarian and they are essentially solitary, by choice and by circumstances: 'a conversation with the boss is never a causal chat' as one direct report remarked.

> "Basically I'm alone. But not lonely. That's an important difference. The feeling of loneliness is a very negative feeling. But to be alone, and when it is a consequence of accepting a particular role, is not necessarily. It's inherent in the role of the CEO."

> "In the end you're alone. You're never really a part of the team."

> "Even when I'm together with peers for a few days, which is rare, no true common reflection happens."

Toward the outside world these individuals are protective of themselves; they shun the media and other stakeholders and hardly appear in the public arena.

> "I'm not a good motivator, really. If I have nothing specific to say to people I don't go to see them."

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19. Weathersby (1976)
20. Rowe and Boulgarides (1998)
21. 'divide et impera' (Lat.), Engl. transl.: 'divide and rule' or 'divide and conquer'

> *„You know, I don't need to be on the cover of 'Businessweek' for my virility. I leave this to my friend ‹name of highly mediated peer› (laughs). Anyway, it's a known fact that by being on the cover you're one step away from the fall. Check it out, verify: they all came down, every one of them. No, no, the less they bother us, the better.“*

This does not mean that they are not recognised by the public as powerful economic figures of society, but they principally deal with the media reactively and let others, for example their company's head of communications or representatives from their trade association speak up for them whenever possible. Their motivation does not come from being famous nor from being liked but from controlling things, often through secret conventions that may be at the limit of legality. They are well aware that cartels are economically unstable constructs and that if one member is perceived to be particularly successful this can generate jealousy and covetousness within the cartel and lead to its collapse. They dispose of a confined and solid network in the highest echelons of business, the administration and the army. When they interact it is in these circles and in secrecy, sometimes in semi-secretive fraternities and with carefully chosen peers, much as Smith has described: "People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices.[22]" Even within their organisations, they do not follow the recent call for 'communication' in the sense of explanation and empowerment by giving meaning[23], as their worldview is by and large Taylorist[24]: it stems from a time well before empowerment, when 'head and hand were separated' and managers controlled those who unquestioningly supplied labour power[25].

> *"There's those above and those below, it's always been like that. As long as you treat people well, there's nothing wrong with that."*

Whilst there was no intention to categorise behaviour on the basis of age, the data suggests that those most likely to fall into this category tend to be the seasoned executives, although there is some age overlap with the other categories. They do not conform to the profile of an elite in the sense of the American Ivy-League moneyed aristocracy of the mid 19th century[26]. They often have a modest educational and even social background, sometimes because of their eagerness for the practical side of business, sometimes due to lack of opportunity during their war- and post-war adolescence.

> *"I have personally chosen an atypical way to the top. I started with an apprenticeship in a small broker company. (…) My dream was to become head of trading in one of those large banks. I found that cool (…) I hated school and was not so good at it. My dad said, either you now make it to college or you do an apprenticeship. And I thought: more school? No, apprenticeship sounds better."*

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22. Smith (1776)
23. Von Wartburg (1999, 2004)
24. Taylor (1911)
25. Braverman (1974)
26. Quigley (1966)

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> *"How do you academics say? You know, I didn't study. I made an apprenticeship but then I had to earn money, I couldn't go on to university like my friends, we didn't have the means."*

Individuals from the cartel core category display a *coping* behaviour based on hard work and a keen instinct for power. They 'smell the bacon' as one respondent put it. Yet, the effectiveness of these instincts seems to be confined to the relatively stable post-war environment with little signs of adaptability to more recent needs. Their model has worked for decades and brought them affluence and success and although the environmental changes are stark, many do not seem to have the cognitive capacity to read them. The cartel individuals' worldview remains simple and binary[27] and basically restricted to equations of power and control, in the sense of 'you're with us or with the terrorists' as one respondent explained with a wink to US President Bush's 2002 State of the Union speech.

> *"A merger is no picnic. If it were, our predecessors would have merged long ago. The need for this consolidation step had been obvious for some time. So we did it and yes, it was rough. It was us or them, so I made it us."*

> *"It is my experience that there is no such thing as a natural 'mixing of cultures', that you first have A and B and then, gradually, something resembling AB. (…) It's all bullocks, unfortunately. In the end it's one culture that takes over the other, it's almost a law of nature. So now I do it from the start. I define the culture, which is neither A nor B nor AB but C and I select the executives accordingly. Then, they're up or out."*

Their playing field is the economic world, which they intend to divide in such a way as to obtain the largest possible piece of it. And yet it is also naturally confined to a very small and homogenous circle of individuals and bears the ignorance of the incestuous nature of this confinement.

> *"I like to work with people who are different from me. But in our company it's quite extreme, homogeneity is almost a credo [with our CEO]… there's a sort of 'sample type' and they want him cloned by the dozen if possible…No diversity culture at all."*

> *"My boss tends to choose his alter ego when he fills a new post. As his HR manager I can apply gentle pressure toward the employment of people who think differently."*

> *"Our boss is too isolated. One of the great dangers of positions of power is isolation, it's almost a law of nature. You get into the situation where people around you are either intimidated and afraid or tactical and calculating or simply blindly in awe, and they speak only to please you and no longer say what they truly think. In this way you are bound to lose touch with reality. You begin to believe that you are truly and exceptionally great and infallible… You know, the 'admiration society', where everyone applauds the other…the window to the world closes easily for an executive."*

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27. Becker (1966); Higham (1970)

"I really don't' understand how this executive compensate debate became so violent. I mean it's the same everywhere, isn't it? We were just behind the US in this respect and now we're catching up. If Switzerland wants to remain competitive with regard to executive excellence it had to do it. Anyway, these days [this executive was just facing a fierce and personalised media campaign about his compensation package] you could even say it's pretium doloris [compensation for pain and suffering]... (wry smile)."

Possible coping tools and ideas can therefore come only from a very limited source. Especially in the past decade these individuals' world has changed fundamentally in several ways, for example regarding:

– *Technology*: The cartel concept stems from a time when information access could by and large be controlled. Information was in the hands of the powerful and it was given down selectively in order to achieve desired results. Today's immediate and unlimited access to information is seriously undermining this control. The cartel individuals' personal use of technology is limited, many do not use internet and still revert to personal assistants to organise their information gathering and exchange.
– *Media*: For many decades the media were not particularly interested in the executive as a public figure. Public protagonists were politicians, athletes and people from show business. Today's CEO has become, nolens volens, a public figure. Irrespective of whether the executive is willing to play this role, he or she is pulled into the public light. This is a role the cartel executive does not appreciate and is unused to. His rhetoric is not trained for the general public and is perceived as martial and cynical as many such individuals have come to learn in recent years[vi].
– *Mobility*: The cartel strategy builds on the utilitarian but stable relationship of few over a long period of time. It stems from a time when leaders basically worked during their entire lives in one same company and mostly stayed in one place. The relationships between the leading individuals could therefore be monitored and controlled to a certain extent and the reciprocity of favours was possible because the cartel members stayed around long enough to be able to reasonably expect to be paid back. They had a common capital of successes and common 'skeletons in their closet' and could, with a mix of pressure and common interest, manage competitive situations. In the present world this is no longer possible, as actors are more mobile and the reference persons in the cartel change frequently.

The cartel behavioural patterns have yielded mixed *results* with respect to the mergers that were managed under this style. In some few mergers of hierarchical, command-and-control-type companies and where the relative strength was clear (i.e. there was a dominating merging partner) this behaviour worked rather well from a performance point of view. The post-merger phase was 'bloody' and many key people left the companies but the desired business results were achieved with little delay. Used to a command-and-control climate, the collaborators in these traditionally rationalist and unparadoxical environments did not "feel that they [had] been unjustly manipulated of inhumanely treated. There [was] something taken-for-granted about how this type of intended change of behavioural patterns affecting tens of thousands of people can be undertaken on the assumption that there is tacit consent...[28]" In mergers of equals and in mergers

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28. Griffin (2002), p. 35

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from industries that mainly employ knowledge workers and creative staff, the behaviour was not productive and did not lead to the desired result. As stated, the cartel executive considers the merger completed once the contracts are signed and the new company is structured on paper[29]. This does not mean that substantial integration efforts are not made, but such efforts are delegated to subordinates and external consultants. From this approach and with reference to the polychotomous nature of the post-merger organisation outlined in Figure 2-1 it can be deduced that this category focuses primarily on the new organisation 'C', ignoring any organisational needs that may be arising from the organisations 'A' and 'B' and the temporary project organisation, thus leading to the 'bloody' process described by the respondents.

In summary, the main relative strengths to merger management of this group lie in its:

– *unflinching determination*
– *excellent network among top level political and economic decision makers*
– *power-based decision making*
– *vision, action and relationship-building based on long-term considerations*
– *instinct.*

However, in general it can be said that this group is anachronistic to today' business world and while it is still powerful in some industries it appears reasonable from the data to consider it an end-of-range model. It has a "…tendency to overlook context, an overly simplistic conception of power as property (…), a lack of reflexivity[30]" and is reaching the 'limitations of the possible[31]' as it does not have the capacity to adapt to the changing environment. These "…executives [find] themselves in new situations, which they [do] not understand.[32]" Their behaviour is strongly embedded in the notion of control of existing competitors in a business environment with high entry barriers[vii], whereas entry barriers are in fact sinking as the business offering gets more service-oriented, intangible and internet-based.

> *"You know, it's good that I retire soon. I'm a dinosaur, I've had my time."*

> *"I have a need to structure things, to plan them – to be prepared. Whereas nowadays many things are done, you know, just like that, improvised, in a kind of surfing or zapping style, in and out. And they do work; I'm not saying that. But I have trouble following this method. Perhaps it's time to retire or do something completely different."*

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29. Greenwood et al (1994)
30. Gore (1992)
31. Braudel (1979)
32. Griffin (2002), p. 39

6.2.2 The Aesthetic Executive Learner

The medium is the message.
Marshall McLuhan, 1964

In the future everyone will be famous for fifteen minutes.
Andy Warhol, 1965

...my predictions from the sixties finally came true: "in the future everyone will be famous for fifteen minutes." I'm bored with that line. I never use it anymore. My new line is, "in fifteen minutes everybody will be famous."
Andy Warhol in Exposures, 1979

I'm a deeply superficial person.
Andy Warhol

I wish I were who I was when I wished I were who I am.
Graffito

The label 'aesthetic' has been chosen to summarise the nature of executive learning and coping behaviour indicated by this core category. Another label under consideration during the abstraction process was 'existential', because although this behavioural group grew up in the social and material comfort of the 50s and 60s, described moments of depression, anxiety, alienation and a certain disaffection with the business society as they experienced it[33]. This was not related to material things but rather to an emotional void. Although they were active participants in the issues at stake[34] some experienced a feeling of impotence to control or influence the insecurities of their business environment or life in general[35], issues such as the global consolidation process and the related layoffs, environmental questions and the increasing individualisation of the society were commented upon with sorrow.

> *"For me (…) the emotionally most difficult aspect is to renounce having colleagues. You know, to have a beer, to relax, to have fun, laugh, to make fun at each other amiably… That's gone. This does not exist. Full stop. It's not accepted. In the beginning I did not realise this, but people don't want it. As a CEO, you don't belong."*

> *"I wasn't happy in my career. Not really. I would gladly start again, with all I know now. Because sometimes I feel what we did at that time [which led to the bankruptcy of the company] was wantonly negligent. If I had a second chance I would lead much more, structure more, control more, build up risk management – which we didn't have at all. We were always taken by surprise when something happened."*

> *"I have often doubted if I have done the right thing with my life. I still do, periodically. I ask myself what we live for."*

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33. May (1953)
34. Giddens and Pierson (1998)
35. Beck et al (1994)

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However, combined with and transcending these phenomena was a set of more homogenous behaviours involving communication and appearance, but also a strong interest in the arts and in design that Goulding attributes to a 'reaction to post-modern uniformity'[36]. This led to the decision to label the category 'aesthetic'. To a certain extent, the 'medium has become the message' and the 'how' has sometimes replaced the 'what' and the 'why'[37].

> *"Why did I want to be a boss? I guess all these big bosses impressed me in my early years (...). I wanted to be one of them. Make the cover of Bilanz[38] as man of the month...(laughs)."*

The aesthetic executive learner searches for meaning, control and security in his life through the acts of exhibition and diversion, which are hoped will construct identity and are an expression of self[39]. Aesthetic also applies in its sense of illumination, as the antonym of anaesthetic: these executives, other than the cartel executives, go through great pains to explain their action to their stakeholders. In the context of a general societal tendency toward personalisation, the aesthetic executive celebrates his role as a business leader: the staging of his annual conference resembles a political party's presidential election convention, his annual reports are works of art and his own personal image is continuously and carefully branded.

> *"As the CEO in a merger I must have considerable cultural agility, know how to deal with other mentalities, have the antennae to understand cultural subtleness... But I also have to use my charisma, show leadership, show the direction. People must want to work for me, they must feel: yes, this guy can pull this thing through! In a sense I must symbolise the future, or even just signal that there will be a future..."*

> *"Our CEO is extremely sought after, everyone wants something from him. He is the highest offering the company can make to a stakeholder. He's 'the pope'. So this resource must be dealt with smartly, it must be dosed sensibly."*

> *"I don't read enough, I don't have time. My favourite books are biographies or autobiographies of outstanding leaders from business or politics."*

The Aesthetic executive learners (and the cartel executive learners also) have adopted a perspective that Griffin calls 'systemic self-organisation.'[40] This perspective posits a dualism with the leaders on one side, understood as autonomous individuals who define visions, values and a corporate culture that are to be applied to the organisation and on the other side the organisation. In this systems view the organisation is understood "...in terms of some transcendent or idealised whole, which provides leadership, and participation is taken to be participation of individuals in this whole.[41]" In this perspective the system itself is reified and ascribed intention or characteristics such as 'harmonious', 'cooperative' or 'spirit', or also 'organisational hypocrisy'[42]. There is substantial

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36. Goulding (2002), p. 138
37. McLuhan (1964)
38. Bilanz: a Swiss bimonthly business magazine
39. Portnow and Popp (1998)
40. Griffin (2002)
41. Hunt and Scanlon (1999); Griffin (2002), p. 25

manipulative potential in this notion of leading systems through values[43]. There is an underlying implication that work organisation could take on the role of managing the spiritual, or as Durkheim calls it, the 'sacred' dimension of social life[44]. Collaborators so participating are good, the others are 'negative' or 'egoistic'. In such a logic leadership and ethics become matters of "…explicating the rules or qualities of the harmonious whole and of individuals conforming to it", which Griffin calls "…the direct application of cult values.[45]" The theory of cult values was introduced by Mead who argued that by individualising a collective as if it had overriding motives or values, the collective would develop into a cult and the members of such a cult found their behaviours driven by the cult's values. The outcome is a series of dualistic fractures, such as between the extrinsic leader and the abstract leadership provided by the whole and between the compliant and the non-compliant individuals. This dualistic thought eliminates paradox and mystifies leadership. Mead took the example of the justification of war when claimed that it was the "…feeling of enlarged personality, of the national *amour propre*, a feeling not so much of what people have or want as of what they are, that militarism supports in natural life[46]" and argued that cult values such as self-defence and the glorification of combat, reflected as an idealisation of the collective, imagined as an enlarged personality that justified the terrible actions people took. The data suggests that a transposition of this war example into the business context is not digressive.

Again, age seems to be a differentiating factor: these executives are mainly baby-boomers and in some cases from the 68 generation. They are very well educated, usually with a professional background such as engineering completed by a business degree. There are some differences in the group's *personal value system* in that some are more pronouncedly materialistic, believing that most issues can be solved with money, others have a more humanist animus but there is stark similarity in their extraversion and their care for appearances. Care is taken that the merger be 'user-friendly' as one respondent termed it. There is some distrust of and disillusionment with management practices and for many ethics transcends the legal constraints. Some have implemented 'codes of conduct' in their companies stipulating fairness in negotiations, equal opportunity recommendations and so on.

> "I did some borderline deals for my chairman in my previous job. Some were really not nice and I began to be under quite some stress. But I swamped it out most of the time because I was up there; I was one of the masters of the universe. Then a really ugly story was demanded of me and I said: sorry, this I will not do. (…)He said, do you want more money, or what is it? And I told him: look, in the end I have to remain true to myself. This I cannot do."

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42. Brunsson (1998); Vaara (2003)
43. Watson (1994),
44. cf. also Durkheim (1893)
45. Griffin (2002), p. 116.
46. Mead (1915), p. 607 (original emphasis)

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> *"We have implemented a document of over 40 pages in which each employee commits him or herself to a code of ethics on a large number of issues, such as sexual harassment, contract assignment, you know, corruption; but also physical integrity and so on."*

A communication perspective informs their action and many have excellent communication competencies and an affinity for the public scene.

> *"Communication is management, just as management is communication. I mean to say I manage through communication."*

> *"Mergers are often very public matters. Work places are at stake, but also long-standing companies that have a history in a particular country, that people are proud of, lose their identity. That's a shock and generates lots of media attention. But once you are bashed by the media it gets very difficult… You have an agenda to deal with the merger and you need an agenda to deal with the media and often they're not the same…"*

> *"There are some basic prerequisites for a CEO in a merger environment. He must emanate a dynamic, he must be able to sweep people along, motivate them. Communication is an all-embracing word, it has to do with charisma, with building up trust, with creating meaning… in the end it's all about communication."*

Their successful public appearances bring them to take their perceptions for realities and the curtain over the stark realities of the post-merger shambles often remains closed[47]. Paradoxically, at the same time that they live the aesthetics of management to the full, including 'home stories' in the media and other private pictures of them playing golf or riding their exclusive motorcycle, they display a stronger capacity for self-reflection than the other categories and question the meaning of life as they live it[48].

> *"The half-life of CEOs has shortened tremendously, so we tend to go for the quick fix, the quick win. But CEOs need to question themselves permanently, not just their own position, but their strategic direction. We would need more auto-criticism: what am I good at, where can I improve, which tasks are simply not for me? Many of us don't possess this faculty anymore."*

In this sense they are, as Warhol put it in the above quote, 'deeply superficial persons'. And while they actively shape and encourage the world to peep through the keyhole of their personality and to intrude into their private spheres, they at the same time regret and denounce the personalisation and individualisation of management.

> *"You know how the media personalise everything, how they hero-worship, how they love rise-and-fall stories, how one lady or one gentleman is responsible for all the good or bad. Well, reality, my reality – behind the scene – is not at all like this. We have always been partnership oriented and we discuss things intensively among peers and colleagues."*

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47. Yalom (1980)
48. Giddens (1990)

> *"This whole media aggression is simply unwarranted. I mean what do they know about a top executive's job? We have global companies to manage… we are in competition with countries where people earn less than 20 Euros per month and work 60 or more hours a week. That's the reality. I have to increase the investment of my shareholders, that's my job. And I work hard to do it. Of course it's not a pleasure to delocalise a plant to the Far East or to Bulgaria but I have to and I will if it's for the good of the company as a whole."*

Another paradox is that they are characterised by a self that is outwardly self-confident but bears at the same time serious doubts about a great many things, including their role as an executive, life choices, the ecology, etc. This manifests itself for example in frequent job changes, even in and outside of the business world, in side activities and in low risk-taking and a safety thinking manifested by the adherence to technological and administrative systems, structures, checklists and best practices and the frequent use of consultants of all kinds.

> *"I have a poster in my office: 'no risk, no fun' (laughs). (Pause) But it's not entirely true. I'm in fact quite cautious. I like to plan – and to have a safe plan B."*

> *"My leadership in the merger is quite formal. But not cold. Not hostile or isolated. It's a formalism that is more patriarchal. I pay attention to the human side of things but it's not the kind of first names IKEA-type atmosphere. It's very structured."*

> *"We have excellent measuring tools in place such as customer satisfaction, employee satisfaction, etc. which we monitor with particular attention during the post-merger phase."*

> *"After all, [post-merger management is] just like any management assignment, you have to analyse and then synthesise and then do it."*

This almost technocratic belief in systems and procedures comes along with moments of doubt, nostalgia and alienation, the nostalgia being not necessarily personal nor related to a romanticised past[49], but rather to an ideal, utopic, hypothetic present, i.e. to what they had once imagined the executive reality to be.

> *"I explicitly wanted to become a manager. I was about 30 then. I liked it. In the beginning I thought it was a terribly noble task…(laughs out loudly)."*

> *"Do I like my work? (Pause) If I hesitate it's because there's a part that I hate – politics, administration, laying off people – and this part is becoming bigger with this merger. What I really love is the contact with customers. But for the bureaucracy, the people management, the fights etc., I have to force myself. It does happen that I think I should have done something completely different with my life. Carpentry, perhaps. A manual trade. To shape the things that I imagine into real, tangible objects. You see, I'm not really an intellectual. I'm a hybrid, manual and intellectual."*

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49. Davis (1979)

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> *"I never decided to become a leader. Honestly, I never thought of that. My desire was always... the theatre. You know, there at 08.05 pm the curtains go up and the opening night begins... and all the hysterical fits, the sore throats and the other crises are overcome. The play begins. And that's my great satisfaction."*

The aesthetic executive learner's *cognitive style* is essentially andragogic and communicative. Knowledge is a consumer product, a good that one should acquire to conform with one's desired social roles and to meet expectations of stakeholders[50]. Knowledge is often seen as technological and equated with objective truth; its sources are authorities, 'gurus', knowledge management systems and sometimes the media that hand down more or less informed opinions. The purpose of learning is to be somebody: to gain acceptance and entry into social roles, to meet social and media expectations and to reach a sense of belonging. The group is usually fairly computer literate and uses internet, the mobile phone and SMS as communication tools to interact directly with stakeholders. Safety and security thinking are typical for this group that relies on best practice manuals and certified and accredited processes. When intuition is applied it is the type of intuition Miller and Ireland describe as 'automated expertise', rather than the 'holistic hunch' type of intuition[viii]. They have learned to accept paradox and apply an 'it-and-the-contrary-of-it' logic to problems rather than the binary 'either-or' approach of the cartel category.

> *"I constantly need to manage paradoxes, this is how I see and experience it. I'm not saying you need to be schizophrenic to be a good manager, but you do have to be capable of dealing with opposites. Unilateral judgment is not good enough."*

Intuition a "...capacity for attaining direct knowledge or understanding without the apparent intrusion of rational thought or logical interference[51]" is clearly applied by many executives but not answered for by many. Some even seem to excuse themselves for this behaviour in order to fit the norm of the 'rational' and 'logical' executive.

The individuals display different *interpersonal behaviours*, some more hierarchical, some more team oriented. Despite the fact that their behaviour is one of high accessibility vis-à-vis their colleagues and other stakeholders, this accessibility is primarily a communication task and does not necessarily imply social closeness.

> *"We go for a hike once a year with the management crew. You know, they need this sort of thing to be able to operate as a team."*

> *"I needed to be both empathic and perfectly callous, impassible. It's paradox: on the one hand, regarding the individual fate, you must show understanding and empathy but when the whole organism is concerned you have to proceed in a perfectly cold and rational manner."*

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50. Gouldner (1957)
51. Sadler-Smith and Shefy (2004)

> *"Charisma is useful. I use it. It's a positive winning shine that can get the customer to bring us more of his money, the employee to work harder, the authorities less bureaucratic."*

They are essentially individualists and define themselves primarily in terms of their individual characteristics and attainments rather than in terms of the groups they belong to or of the relationships with significant others[52]. They are, despite their focus on communication, essentially alone and receive little direct and differentiated feedback.

The principal *coping strategy* is communication, whereby communication here is 'telling' rather than a two-way process.

> *"My role can be subsumed in one word: communications. I tell people what will happen, why it will happen and, also, what is happening right now, immediately."*

To them, the merger is accomplished as far as their role and personal involvement is concerned once it is communicated and the integration processes are defined and beginning to be implemented. They take great care to 'look the part', 'act the part' and make themselves known[53]. Many have a personal communication adviser and all work most closely with their heads of communications. While acknowledging the positive and negative outcomes of charismatic leadership[54], they describe themselves as charismatic[55], whereby the charisma they refer to is that which Howell and Shamir describe as 'personalised charisma' rather than 'socialised charisma'[56]. Especially in times of high media attention their day's work begins with a scan of the professional and popular media and their actions and priorities are to a certain extent influenced by these media reports. This group also travels extensively, partly because its tasks are truly global and its leadership scope ranges around the world. To a certain extent, travel is also a coping strategy: a means to evade a world that has 'come too close'. Evasion is also manifest in the fact that these individuals often have many other assignments and vocations besides their job as a CEO, be it as board members of other companies, but also heads of cultural foundations or charity organisations.

> *"Our CEO is not around enough. We're always short of time with him, for decision-making but also for explaining the foundations of an issue that he needs to decide on. There were times in the merger aftermath that he spoke to me through the media more than in person."*

As a consequence, they feel that 'they are everywhere' whereas their collaborators regret that they are 'never around'. Self-concepts are powerful determinants of stakeholders' behaviour and reactions to leaders[57]. For charismatic behaviour to be effective it must arise from a self-concept of self-worth, self-esteem, self-consistency and self-efficacy[58].

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52. Brewer and Gardner (1996)
53. Conarroe (1981)
54. O'Connor et al (1995); Conger and Kanungo (1998); Howell and Shamir (2005)
55. House (1977); Conger and Kanungo (1998)
56. Howell and Shamir (2005)
57. Shamir et al (1993); Lord et al (1999)
58. Sosik and Dworakivsky (1998); Howell and Shamir (2005)

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Some inconsistencies were observed due to the above described occasional doubts and self-doubts. Moreover, since such self-concepts are to a considerable extent dependent on the reflected appraisal of others[59] and such feedback is not easily available to CEOs, stakeholders' approval and support is also inconsistent.

The aesthetic behavioural patterns have again yielded mixed *results* with respect to the success of mergers. In fact, they stood and fell with the quality of the communication produced. In those cases where the 'promise of a better future' and the hardship on the way there were convincingly portrayed and the subsequent reality concurred more or less with the expectations raised, only where the top-level communications were permanent and coherent to all stakeholders and at the same time authentic and credible, this behaviour had worked reasonably well from a performance point of view, especially when accompanied by systematic integration programmes.

> *"What took me by surprise was how every word I said was put on an assay balance. This really dumbfounded me. And how wrong the interpretations were between what I said and what some understood! Things people would understand perfectly under normal circumstances but under this tremendous pressure they don't."*

> *"People stuck with [the CEO] because he told the blunt truth. He clearly said what would come our way. And I can tell you they were tough times. We were already under pressure – the market had virtually collapsed after 9/11… But he didn't' cheat, he didn't spin the message, he told us all and not by step-by-step salami tactics, no. All at once. People were shocked but at the same time reassured. Here's a guy who takes us seriously. Anyway, people aren't stupid and can arrive at conclusions themselves. Yet, I've never seen it done that an executive was so blunt about the 'state of the union' and all I can say is that it worked. We all stayed on and fought our way through."*

> *"We never focused on figures. Our conviction was that if the basic idea is right then the figures will follow."*

> *"Why was our merger successful? Because we were well prepared. We had perfect systems and processes in place. Nothing was left to chance, even though some changes were made. Then we worked incredibly fast. After only six months all decisions were made, no uncertainties were left."*

> *"Our systems are still insufficient or let's say they're not used appropriately, I guess. Anyway, it's a mess. I mean we have adopted this MIS [Management Information System] from our merging partner… But everyone complains about having to fill in endless computer forms and many don't comply. And the data we get is, frankly, unusable. Now is it unusable because it's poorly fed or is it poorly fed because it's unusable? Probably both."*

> *"The market pressure is increasing. We should reach objectives more quickly but we're still too preoccupied with ourselves and our merger. I'm a far way from my leadership philosophy, which is to get colleagues to achieve things by intrinsic motivation. Today*

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59. Cooley (1902); Miyamoto and Dornbusch (1956); Marsh et al (1985)

I have to push, to threaten, to manage by 'it's up or out' and 'you're with us or against us' messages... that was the leadership style in the merging partner. I truly believe that innovation gets lost this way, when people are afraid. But it's not about innovation nowadays, it's about next week's bookings!"

From this approach and with reference to the polychotomous nature of the post-merger organisation outlined in Figure 2-1 it can be deduced that this category focuses primarily on the 'project organisation, ignoring any organisational needs that may be arising from the organisations 'A' and 'B' and the newly emerging organisation 'C', thus generating enormous resistance described by the respondents, despite having an excellent set of integration measures in place. In many cases the communication started well and the merger was at first well received but ambiguities in the communication – trying to be everything to everybody – debunked the communication as tactical somewhere on the road and perturbed the leader-follower relationship which thereby lost its efficiency[60]. As a result, trust was gambled away, resistance came up, trench battles erupted and many key people left the companies. Also, the media turned sometimes violently against the companies and their leaders. Still, the main relative strengths to merger management of this group are its:

- *strong communications with the various stakeholders*
- *systematic planning of the post-merger integration process*
- *media-based decision making*
- *intuition (automated expertise)*
- *charisma.*

The capacity to adapt of this group is mixed. In two cases the self-reflection, the implementation of formalised 360° feedback exercises, the use of personal consultants and/ or the arrival of new management team members led to behavioural change that was beneficial to the merger success. In many other cases the failure of the behaviour to produce the desired results resulted in the reinforcement of the same behaviour and consequently to a more unsatisfactory outcome.

6.2.3   The Videogame Executive Learner

Trinity: "No one has ever done anything like this."
Neo: "That's why it's going to work."
In the film *Matrix*, 1999

What is real? How do you define real? If you're talking about what you can feel, what you can smell, what you can taste and see...then real is simply ... electrical signals interpreted by your brain.
Morpheus to Neo in the film *Matrix*, 1999

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60. Burns (1978); Bass (1985); Kuhnert and Lewis (1987); House et al (1991); Conger and Kanungo (1998)

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> *Bart: "I am through with working. Working is for chumps."*
> *Homer: "Son, I'm proud of you! I was twice your age when I figured that out."*
> In the TV-Cartoon Series *The Simpsons*
>
> *Es tost ein Volk: 'Die Revolution!*
> *Wir wollen die Freiheit gewinnen!*
> *Wir wollten es seit Jahrhunderten schon – Lasst Herzblut strömen und rinnen!' Es*
> *dröhnt die Szene. Es dröhnt das Haus.*
> *Um Neune ist alles aus. (…)*
> *Es war nicht viel. Ein Spiel. Ein Spiel.*[61]
> Kurt Tucholsky, Excerpt from the poem *Dantons Tod*, 1920

This grouping of behavioural patterns has been labelled 'videogame' because this meta-phor subsumes with some accuracy the aspects of the value system, cognitive strategies and social behaviour of the individuals regrouped in this category[ix]. The individuals pooled in this category do not think much of the business world they live in which they consider by and large an undelivered promise.

> *"Being a leader is not a dream to me – just look at our leaders, frankly: do they make you dream…? Nor is it a question of power, of having a large number of people under my command. It's just a means to reach certain goals I have. I want to serve society, that's my satisfaction."*
>
> *"C'mon, you don't really believe this synergy crap, do you? When I look at some of the recent mergers (…) quite a few are strongly ego-driven by the CEOs and many so-called synergies are constructed to convince the board and then everybody gets rich… Then when you come to implementation, you realise that the consolidations that were made with a generous stroke of the highly paid consultant's pen don't work…"*

They are acutely lucid, generally very well informed and particularly unsparing with the protagonists of the two previous categories, which they consider mediocre, cynical and mendacious. They grew up in the paradox of a life of personal abundance and unlimited consumption surrounded by dialectics, rhetorics and imagery of increasing hypocrisy, but also anxiety and insecurity about society 'going down the drain': a stagnating econ-omy, job losses, clandestine immigration, drugs, AIDS, organised crime, ethnic wars and so on. However, this pitiless analysis of the world they are a part of has not led these in-dividuals into a state of general refusal, isolation and autism as reports suggested some years ago[62]. They distrust authority in any shape or form and believe in nothing much except in themselves and that they intend to 'make this world a better place'.

> *"I keep updated alone, by trying out new things. Or in the team, with colleagues, with peers. I hate authority, I don't believe in management gurus. I'm not good at being taught. I like to try out things, again and again, improvise. Alone or with colleagues."*

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61. "Revolution! The people howls and cries, Freedom, that's what we're needing! We've needed it for centu-ries, our arteries are bleeding. The stage is shaking, the audience rock. The whole thing is over by nine o'clock. (…) Just that, in fact. An act. An act."
62. Cf. Euro-RSCG Survey *Generations and Gaps*, 2002

"I don't expect loyalty from my colleagues. I expect honesty. I want them to say, I don't agree with you. I want them to say I won't stay with you for another two years. That's worth a lot to me, much more than loyalty. Yes men make you blind."

"Our team was a real bunch of friends, the camaraderie was exceptional. Nobody was ducking, every one took turns to do the lousy jobs too, those you couldn't get credit for but needed to be done. We had a way of seeing setbacks and hurdles as opportunities, challenges. You know we all came from computer programming and were totally multimedia. We were 'interactive', you could say. At the origin of every creative solution there was once a problem, we used to say."

"My closest colleague is my boss, the CEO. We have a great relationship. We have a very informal set up, perhaps it's because our CEO is Swiss because I'd never experienced anything like that in Germany or elsewhere."

"I like to 'ping pong' ideas to my colleagues and back: I give them a cue, they come back with something, we spin it further… We like to develop a number of ideas; we always have more options than needed. We also try out things, when they fail we try out something else. We foam over with ideas… it's our culture. The new colleagues took some time to get used to it. They came from a company where failing was a capital crime, so obviously they were hesitating in the beginning."

"You must not be blinded by all these fantastic synergy figures on the colourful consultants' overhead presentations. It's the people that do the work. So you have to focus on the people to get to the results, not vice versa."

Videogame executive learners also want 'to have fun'. But it is not a 'free of charge' type of fun that they're looking for. Rather they believe that doing a good job at work and being a good citizen does not have to come at the price of cynicism and sacrifice of the family or general quality of life.

"I take breaks and I want the team to take them, too. Sure, we all work long hours, sometimes it's insane, and we like it, too. But then, you know, you can also get into a frenzy where it's not about work at all but some sort of competition about who leaves the last. Anyway, the team can get by without me for some time, no sweat. Nobody is irreplaceable. Much of it is pure hype, or do you really believe that success comes at the price of broken marriages and heart attacks? I don't think so."

"Let's face it, to work in many of these companies is simply not fun! But you can have fun, even in tough times. We do."

"The thrill [of becoming a CEO] was that I was the captain of the ship! And all were dependent on my judgment. I had to see where we would navigate that we would survive storms, fend off pirates and reach safe shores with our cargo… and avoid a mutiny on the way. Great fun! I like my job. Although sometimes I think it would be great to run my own ship again."

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These individuals display a perspective of 'participative networking', contrary to the systemic self-organisation perspective of the two previous categories[63]. In this perspective organisations are understood as "...complex responsive process of relating in the ordinary social interaction of people in their local situations in the movement of the living present.[64]" This perspective is essentially paradoxical in that the individuals shape social interaction while being shaped at the same time[x] in a process characterised "by the known and the unknown." To these individuals, ethics is a concept that is neither related to the law nor to any 'codes of conduct' but a matter of identity. It has to do with persons and "...the notion of persons combines two opposite aspects, namely changeability and stability[65]". It is the interpretation in action to be found in the action itself. It is something intrinsic, more basic, a personal need to act and negotiate action in a way to add value to society.

> *"Integrity is important to me, it's perhaps the number one success factor. Sure, there are plenty of guys out there who have no integrity at all and they're often bloody successful. But for how long? Where will they be in a few years' time, in prison? What were their objectives, their vision? Personal wealth and prestige – or to lead a company professionally? I truly believe that the substance behind a leader, his manners, his behaviour, and his ethics are very important. These qualities are necessary to achieve a top performance. In the long run in any case, in the short-term perhaps not."*

> *"Yes, power corrupts, no doubt. Since I am in the top executive league I catch myself squinting across to my peers to see where I stand in relation to them, or being tempted to make executive decisions for the simple reason of increasing my power. Also money. I never thought about money when I earned less and I never thought more about money than since I'm earning a real lot of it. You can get into a dangerous spiral if you are not constantly vigilant."*

Although they are in CEO or top executive positions themselves, they do not define success hierarchically as 'climbing up the ladder'. They prefer to multiply experiences, to hop from project to project, as they get generally bored rather quickly as soon as a task takes on a repetitive characteristic.

> *"Once [a problem is] solved, I wanted to move on, to continue changing things. It's in my nature to always move forward. As soon as things are stable, I think of the next step."*

This group's *cognitive behaviour* is basically andragogic and self-authoring[66]. Knowledge is understood as a construction and truth a matter of context. Knowledge is sought, processed and transmitted in the shape of images and models that help to interpret and analyse experiences:

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63. Griffin (2002),
64. Griffin (2002), p. 26
65. Griffin (2002), p. 214
66. Kegan (1982, 1994)

"You know, to tell a story sometimes gives more meaning to a situation than just to explain things in terms of shareholder value or competitiveness or return on investment... The new boss was great at that; he could clothe his messages in stories. You know, not pedagogic or anything, more as if he told the rules of a new videogame. There were the good ones – us –, there were the evil forces... a princess that we had to free, the jungles, deserts and mountains we had to overcome... People understood it, the pictures, the adventure, the hope, the bravery..., the hardship that was before us was filled with some meaning. It now felt more like a tele-reality show, you know. You'd be expected to live through demanding things, but really it would all be happening in a protected space and the ambulance was just yards away behind those three false palm trees."

Learning comes from the actors' interpretation and personal evaluation standards, values, perceptions, predictions and deductions, which is performed by the use of images rather than the verb. Since images store large amounts of data in a state of low entropy, the cognitive process is fast, but possibly to a certain extent superficial. Also, a film, advertisement or videogame quote may represent pure knowledge, as it sometimes contains a complete value system, contextual information and expert insight as in Davenport and Prusak's definition of knowledge[67]. Such knowledge can be assimilated and socialised extremely quickly but only among the informed, those who dispose of the key to decipher it, i.e. those who have seen the film, the advertisement or the cartoon or played the videogame. This phenomenon has not been researched in the management literature and classical rhetorics and semiotic studies are limited to text and language, i.e. single media. The cognitive behaviour is described by the individuals in a form that reminded the researcher of someone zapping television channels to get an overview and a grasp of the whole offering, rather than surrendering to and concentrating on one programme. Also, the category members get bored quickly and do not stick with a job or a task for long.

"(...) after a while you don't get challenged intellectually anymore, and by that your motivation sinks."

"When it began to be the same everyday I left. I need a challenge, otherwise I'm no good."

However, when these individuals are involved in a particular problem-solving process, their commitment is absolute and undivided attention is attributed to it. This reminds again of the behaviour required in videogame playing. Also, what was observed is that information assimilation, transmission and socialisation are very close, sometimes almost simultaneous. Some recent studies on design have found evidence that certain forms of design can amplify cognition, but the body of research on image, design and cognition is still very modest[68].

"A traditional way of doing things is to reflect thoroughly, then plan and then implement. We had changed this around completely: we decided to act first, then – or in fact during action – we would reflect and then correct what needs to be corrected if any-

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67. Davenport and Prusak (1998)
68. Devlin (1999); Card et al (1999); Willinsky (1999)

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thing. This simultaneousness of otherwise sequential steps made us gain enormous time! Of course, nothing we did was totally unreflected, it's more of a mind set: act-re-flect-correct, rather than reflect-act-correct."

"Speed was the most important success factor. We had used totally new standards with regard to speed. We set deadlines that people claimed were simply not possible! And we said, not possible? Great, that's exactly why we'll do it anyway. And I experienced this many times that people were totally despairing and convinced that you could not merge 200 subsidiaries spread over the whole world in just two weeks. They said: it can't be done. And we said: it will be done. And it was done. But we allowed for a large error margin. We said, you can make mistakes but you have to be fast. And with this incredible tempo we rolled over people with a steamroller… Things were always 'already done' when issues were raised… And those who couldn't keep up with this fell off the wagon, one by one."

This may be the result of hours spent on videogames, which are interactive, contrary to other adolescent entertainment forms such as watching television, reading or watching sports games. Instruction manuals and best practice codes are by and large ignored and 'own ways[69]', developed in widely participatory processes are sought.

"I'm a trial-and-error person, I don't plan much. Let's face it: circumstances change so quickly in our business, any plan is by definition an anachronism. I'm faster with improvisation, even if I have to try three times before it's bingo, I'm still faster than with a plan."

"Best practice manuals? I don't believe in them. By the time a manual about the problems I'm facing is written, my problems will have changed. The goal is to reach the goal. Nobody has ever done what we did before. Not exactly. So we just go for it, and if we see that our approach is leading nowhere, we correct it."

"I'm a trial-and-error guy. I hardly plan. I'm not afraid of making mistakes. It's much quicker to have a few trials than to endlessly plan your one and only approach. The context changes so quickly, the only way to be sure to be wrong is probably to plan."

They are clearly explorers and have some problems with exploitation tasks, which they tend to pall on. This group also works with intuition, but rather with the type of intuition Miller and Ireland label 'holistic hunch'[70].

"I believe in intuition. My dad made himself a millionaire using his excellent business instincts, his intuition… even despite a poor education."

"Often I just know what to do. In the midst of the maze, of the 'Matrix[71]' (laughs)… I'm sure this knowledge comes from somewhere, but I can't explain it."

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69. Usher and Edwards (1996)
70. Miller and Ireland (2005)
71. this is a reference to the film 'Matrix' 1999

Generally, there is a self-generated curiosity about acquiring knowledge but also a sense of responsibility vis-à-vis its acquisition. Knowledge enhancement is also seen as 'fun'. Rather than a means to an extrinsic end as in the two previous categories, it is sought in order to enhance one's own competencies according to one's own standards. There is also an altruistic component in that knowledge is meant to serve to understand the self and to contribute to the improvement of society. Another interesting observation lies in their perception of uncertainty. While cartel and aesthetic executives perceive uncertainty as a transitional state to do with exceptional extrinsic (for example a new law or the 9/11 terrorist attack) or intrinsic situations (for example a change of CEO or a merger), videogame executives consider uncertainty as 'here to stay', as a fact of life.

> *"We shall never stabilise again. People who think the inherent uncertainty has to do with the merger better think again. Uncertainty is here to stay, welcome to the real world. That's why I so insist on basic values, I spend so much time and effort on developing a community spirit. That's why I try to make the ride fun. That's the only way people can stand the uncertainty and still perform. If they're rooted. Not if they're given retention boni…"*

> *"The difference in mergers is that you don't really have things under control. So many things are happening at the same time, many unexpected, and the messages you need to communicate to appease different stakeholder groups are bound to be conflicting. You would have to reassure people by giving strong signals and tell them clearly what is happening but in fact you often don't know all of it yourself, especially in global mergers! But then, come to think of it, do we really have things under control at other times?"*

> *"The competition we need to address is not <major competitor>. Competition can come from anywhere: companies in a different type of business, companies that don't exist yet or even our customers… The entry barriers to our business are extremely low. It's not a company we have to beware of, but an ever changing environment… that's why we have to reinvent ourselves every day, even – or especially – when the going is good."*

Interpersonally, the videogame category of individuals displays family and team-oriented behaviour. This is interesting since videogame playing is commonly reported to be an individual activity, preventing young adults from reading, socialising and reflection and prone to leading to isolation and alienation. This has not been noticed here. These individuals seem 'nourished socially'[72], embedded in emotional acceptance, reflexive and genuinely interested in making a societal contribution – *and* good profits for their companies at the same time. This category's individuals are family and team-oriented actors that have a strong need for affinity from their entourage.

> *"You know, the crux is to combine individualism and the whole. It's a contradiction, I know, but it can be done. Just look at the internet communities of practice, where perfect strangers – not even necessarily employees! – work together toward a common goal. If you can make a common vision emerge so strongly that people want it to succeed – that they consider it worthwhile, that they adopt it for themselves, as their personal*

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72. Erikson (1968)

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goal... not because someone says so. If you can manage that you can generate tremendous energy and become virtually unbeatable. And it's a good feeling."

"You can have your cake and eat it. You can be a good businessman and a good citizen. You can work in the system and question it. You can be free and accountable. That's what I believe in."

They are antiauthoritarian, highly self-organised[73] and out to 'beat the system from within' as one respondent explained. This aversion for authority and their lack of fear about 'making mistakes' enables them to work in peer groups but also multi-hierarchical groups. They have no mind about losing face before their colleagues and easily volunteer unfinished bits and pieces of solutions in their management team meetings which often resemble brainstorming sessions. Any group they find themselves in – and they are often in groups, because of their accessibility and their desire to 'have fun' – is automatically a learning group. Regarding their competition they do not think in 'us against them' terms, but rather 'what can we do together'. However, the togetherness is not aimed at controlling markets and prices, but rather to enhance products, learning and quality of life in general. Their alliances are multiple, temporary, alternating and project-related. As a consequence, decisions to merge often arise from previously temporary and well-working relationships and are therefore among partners that already know and appreciate each other.

The videogame behavioural patterns have again yielded mixed *results* with respect to the mergers that were managed under this style. Merges in knowledge industries with a relatively low average age of the management and the staff reacted very well to this behavioural set. A large number of cultural differences, primarily those based on language (in the sense of German, French, English, etc), countries, educational and social backgrounds and even professional origin do not appear to be an inhibiting factor with this behavioural category. They seem in fact be a relic of bygone times[74] and classic recommendations on how to deal with cliché differences in the style of the 'engineers versus the finance people' or the 'pragmatic Americans versus the cerebral Germans' seem out of phase with this category of cultural hybrids that has travelled the world from childhood, really thanks to low-cost air travel and virtually due to 500 and more television channels from all over the world that they had grown up with. On the contrary, cultural diversity is understood as a precious resource and as a competitive advantage as a growing recent body of literature is beginning to confirm[75]. Problems occurred in mergers where top management displayed big cultural differences based on age, or rather on cognitive habits. Here, a different type of language problem appeared, because there are many contemporary codes and references the videogame individuals use in their language (e.g. SMS abbreviations; quotes or expressions related to videogames, film quotes, cartoons, advertisements or references to sports slogans such as skateboarding) that are not easily accessible to the cartel or the aesthetic category of behaviours. Also, cartel and aesthetic executives have a different notion of work and sometimes consider the videogame behaviour as 'not serious'.

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73. Giddens (1998)
74. Holden (2002)
75. Jackson (1992); Sessa et al (1995); Viney (1997); Schneider and Barsoux (1997); Søderberg (1999); Dupriez and Simons (2000); Jackson and Schuler (2002); Holden (2002)

"I'm telling you, it was 'Houston, we have a problem'… I mean there we had all the best practices and plans in place that you can imagine, and it felt like 'game over'. It was eerie! That's when I decided to take things in hand my way. You know just try something. The truth? I had not idea if it would work."

"It was the big wave…"

"Hey, [as a CEO] you're the guy with the joystick in his hand! (…) That's a good feeling!"

"Many of the older executives didn't even use internet yet, they had their secretaries print their e-mails out for them and type their answers… And from one day to the other, after the merger, everything happened by mail, SMS or on the web! Top down, bottom up, at midnight or four a.m. or whatever. It was 'viral'. Anyway, it was uncontrollable to them: if you don't check your mails for a day you get left behind."

Some of the videogame individuals have entrepreneurial experience, often failed, during the internet boom at the beginning of the century. Due to their trial-and-error mentality such experiences did not diminish their self-confidence or their entrepreneurial attitude. In their logic it has helped them to progress.

"I came to the top by starting there. I founded my own company with some colleagues from university. We didn't make it, but it was a great experience."

However, such a track record appears to render the collaboration difficult with the individuals from cartel and the aesthetic category. In their notion of failure such an experience is regarded as negative and deprecative.

"I don't quite see how these flighty cartoon figures and carefree surf boys who had brought the internet bubble onto us will rise to lead our companies of tomorrow… They may be creative but how many of them can read a balance sheet? And how many of them stick it out when it gets tough?"

The role of the media was favourable to such ventures and personalities receiving them as innovative and even paradigmatic and accompanied such ventures with enthusiasm as the 'new way' of management. However, when these individuals' trial-and-error based approach resulted in the occasional 'error' this could be sanctioned by the media and the reporting would turn around. The videogame executive learner used the media to communicate but did not bank on them altogether, owing to their general distrust of all established power. Generally, the main relative strengths to merger management of this group lie in its:

– *visual, symbolic communications with the various stakeholders* thus raising the project to a level of a worthwhile human adventure rather than an astute business deal in the perception of the stakeholders and permit a cohesion that transcends classical culture differences
– *insouciance vis-à-vis the making of mistakes*
– *capacity to enthuse, sense of adventure*
– *high internet literacy*

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- *spatial visualised competencies*
- *multivalence decision-making*
- *trial-and-error, mistake making as a resource*
- *intuition (holistic hunch)*
- *diversity as a resource*
- *balance work and play.*

With reference to the polychotomous nature of the post-merger organisation outlined in Figure 2-1 it can be said that this category of executives focuses on all four organisational elements that the post-merger organisation entails, namely the new organisation 'C', the previous organisations 'A' and 'B' and the temporary project organisation. In fact, their picture-ridden, adventure-focused approach seems to transcend the differences in these organisations and homogenise the communications. The main shortcoming of the videogame executive learner in post-merger situations lies in the fact that these executives often leave the job within one or two years after the merger, in other words before the task is really accomplished. This lack of endurance is basically the biggest question mark in the evaluation of the effectiveness of the videogame executive learner in a post-merger environment – or in any leading position for that matter.

6.2.4 Comments on the Categories

> *There was only one catch and that was Catch-22, which specified that a concern for one's safety in the face of dangers that were real and immediate was the process of a rational mind. Orr was crazy and could be grounded. All he had to do was ask; and as soon as he did, he would no longer be crazy and would have to fly more missions. Orr would be crazy to fly more missions and sane if he didn't, but if he was sane he had to fly them.*
> Joseph Heller in *Catch-22*, 1961

Although these three categories have been identified as the basis for differentiation regarding the identified managerial success factors they are neither mutually inclusive nor mutually exclusive. They are not meant to be fixed labels applied to individuals but should be considered in the context of pertinent circumstances. Also, they relate only to the aspects of the self bound by the context of the analysis, the andragogic self and the post-merger resource. Within the categories there are also degrees of behavioural and motivational intensity. For example within the cartel category the extreme of the spectrum would include individuals experiencing extreme isolation and, in one case, severe depression. Whereas the cartel category is clearly internet-illiterate and the videogame category totally literate, also with regard to the ever-changing facets of the internet and multimedia world, the aesthetic category displayed the complete range of internet behaviour. Some similarities transcended some categories. For example the rhetoric regarding change was quite similar in the cartel and aesthetic categories both in terms of an active, extraordinary effort to change being called for and also with regard to who had to make it; namely 'they', the 'others'; the other managers, employees, or society in general. They parted from the stance that they had 'made the step' into the 21st century and that it was their duty to lead others to make it. The videogame learner did not speak much about change because his expectation was not based on stability, 'change is with

us' as one respondent illustrated it, using a perverted quote from the film 'Star Wars.[76]' Another similarity common to the cartel and aesthetic categories was the use of the first personal pronoun singular, 'I', whereas the individuals from the videogame category tended toward using the plural form 'we', even when asked a personal question. Similarities between the aesthetic and videogame categories include the desire to inform and to involve people in their decisions although the manner in which this was done differed considerable, in that it tended to be top down in the aesthetic group and interactive and reciprocal in the videogame category.

6.2.5 Hypothetic 'Ideal' Category: The Polychotomous Executive Learner

Float like a butterfly, sting like a bee.
Muhammad Ali

How is education supposed to make me feel smarter? Besides, every time I learn something new, it pushes some old stuff out of my brain. Remember when I took that home winemaking course, and I forgot how to drive?
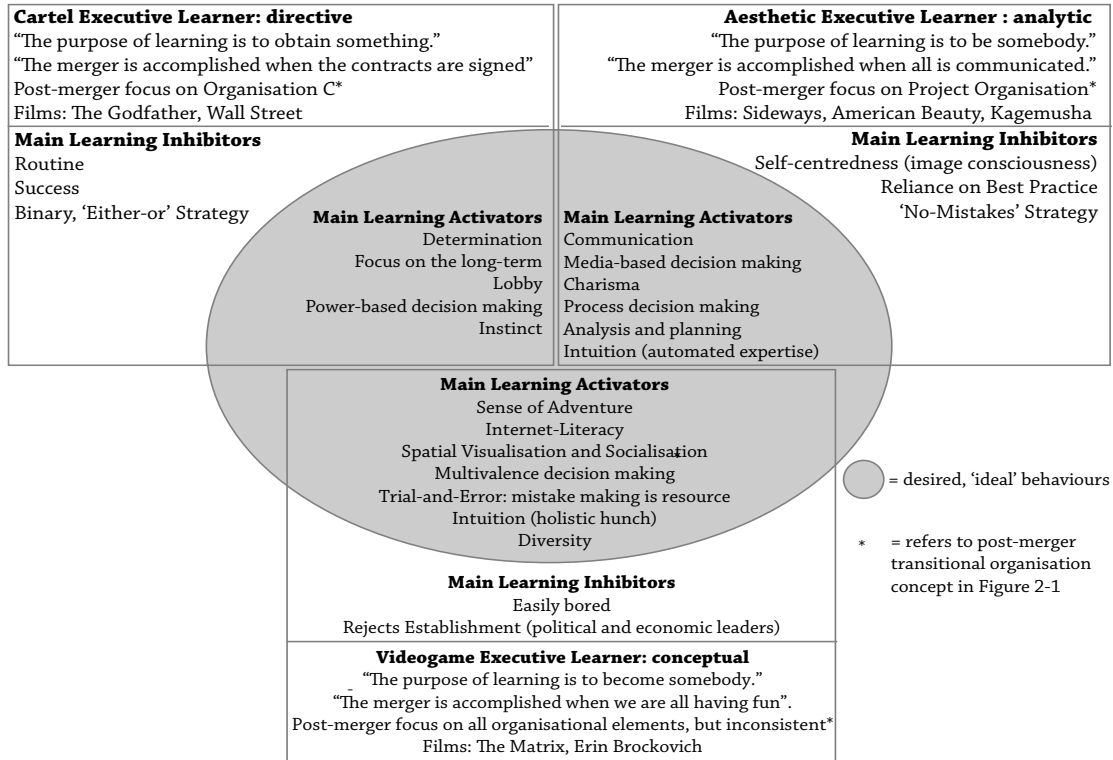Homer in the Cartoon Series *Simpsons*

Do I contradict myself?
Very well then I contradict myself,
(I am large, I contain multitudes).
Walt Whitman

A man gains awareness of what he is through his selfhood in a world in which he plays an active part. He is one who has learned that he completely loses insight into the general course of affairs if he tries to stand outside as a mere spectator aspiring towards a knowledge of the whole.
Karl Jaspers in *Man in the Modern Age*, 1931

Far from wishing to establish a post-merger learning taxonomy the researcher cannot help but speculate what could become possible if the diverse explicit cognitive and behavioural strengths of the three described categories could be assembled to one, ideal set of behaviours. What if the post-merger CEO could 'float like a butterfly and sting like a bee'? What if the tenacity and long-term focus of the cartel executive could be combined with the communication and explanatory skills of the aesthetic category and again with the multivalence decision-making, the sense of value-adding adventure and the trial-and-error competencies of he videogame executive learners? Of course it could be argued that these are sets of behaviours that are highly personal and that individuals cannot change their attitudes and behaviours easily to match them with an ideal 'way of doing things.' But then these behavioural orientations have been detected as being common to groups of individuals, individuals that are furthermore active in a same type of assignment, in a same linguistic environment under similarly complex contextual conditions. Furthermore the data has suggested that certain types of behaviours within each category were particularly favourable to post-merger management. Behaviours that inhibit or activate learning in post merger situations are summarised in Figure 6-1.

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76. 'Star Wars', film trilogy of the 90s. The quote referred to is 'may the force be with you'.

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Figure 6-1:

Cartel Executive Learner: directive	Aesthetic Executive Learner : analytic
"The purpose of learning is to obtain something."	"The purpose of learning is to be somebody."
"The merger is accomplished when the contracts are signed"	"The merger is accomplished when all is communicated."
Post-merger focus on Organisation C*	Post-merger focus on Project Organisation*
Films: The Godfather, Wall Street	Films: Sideways, American Beauty, Kagemusha

Main Learning Inhibitors
Routine
Success
Binary, 'Either-or' Strategy

Main Learning Inhibitors
Self-centredness (image consciousness)
Reliance on Best Practice
'No-Mistakes' Strategy

Main Learning Activators
Determination
Focus on the long-term
Lobby
Power-based decision making
Instinct

Main Learning Activators
Communication
Media-based decision making
Charisma
Process decision making
Analysis and planning
Intuition (automated expertise)

Main Learning Activators
Sense of Adventure
Internet-Literacy
Spatial Visualisation and Socialisation
Multivalence decision making
Trial-and-Error: mistake making is resource
Intuition (holistic hunch)
Diversity

= desired, 'ideal' behaviours

* = refers to post-merger transitional organisation concept in Figure 2-1

Main Learning Inhibitors
Easily bored
Rejects Establishment (political and economic leaders)

Videogame Executive Learner: conceptual
"The purpose of learning is to become somebody."
"The merger is accomplished when we are all having fun".
Post-merger focus on all organisational elements, but inconsistent*
Films: The Matrix, Erin Brockovich

A tentative and highly hypothetic 'ideal' category of learning and coping behaviours has therefore been established, with all the reservations that must clearly be made vis-à-vis such an approach. However, andragogic behaviour has incremental potential contrary to what Homer Simpson in the above quote stipulates, otherwise we would not be able to cope with the stimuli of an increasingly ambiguous and polychotomous business world and come forward with pretty reasonable solutions to most challenges most of the time. And the increased complexity of today's world cannot be faced by simplification, but rather with an increase of our own internal capacity for complexity and polychotomy management. It appears therefore reasonable to outline a set of hypotheses on a possible behaviour of increased internal complexity, which shall be attempted under the label 'polychotomous executive learner'.

The polychotomous executive learner is lucid and technology savvy, highly informed; media saturated and has a certain reserve vis-à-vis authority in general. His or her *values and beliefs* are embedded in an existential logic namely that man is free to be anything and by this freedom entirely responsible for his acts[77]. He is driven by a sense of societal purpose and responsibility, but not in a missionary way. Life is a multiple, it is power (as in cartel), beauty (as in aesthetic) and sometimes just a game (as in videogame), but this multiple is not motivated by perverted postmodernist 'anything goes' logic. Rather the

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77. Sartre (1946)

sum of the multiple is embedded in a respect for the other and with an overall goal to add value to society. Value is not exclusively defined in immediate material terms, which gives a long-term perspective to his or her action. Simultaneously, this long road to sustainability is paved with regular short-term goals to be achieved. The polychotomous learners are both individualists and communitarians and choose strategies that permit the enhancement of value to both themselves and their community. They adopt a systemic perspective of coactive self-organisation in terms of the emergence of personal identity, freedom and innovative change in social interaction. Since this is not always easy and the competitive pressures are high, they permanently struggle with the contradictions, paradoxes and ambiguities they are faced with and question themselves on risk and conflict, spontaneity and motivation. As they are honestly bound by the commitment to balance conflicting interests their self-questioning is not done in a spirit of guilt but of constant seeking and development[78]. Rather than as mercenaries they perceive themselves as entrepreneurs and are prepared to be compensated for their labours by participations in the long-term success of their actions. The role of CEO is not the only 'possible self' the polychotomous executive learner imagines and not an end in itself and the personal development is not regarded as hierarchical, it is likely that he or she would assume quite different roles and tasks in his or her life[79].

The polychotomous executive learner's *cognitive behaviour* is andragogic and self-authoring. Knowledge is constructed. Learning is above all a permanent need and a source of enjoyment. It comes from the individual's interpretation and personal evaluation standards, values, perceptions, predictions and deductions which is performed both by the use of the verb and images. For this knowledge assimilation the individual can draw from a varied and diverse cultural background including several languages, including the 'language of design and imagery' and many classical as well as post-modern and contemporary cultural agars. For this calling up of knowledge he also relies on intuition, both in the form of automated expertise as also of the holistic hunch[80]. This facilitates and speeds up his or her knowledge socialisation which can be adapted and thereby made understandable to the receiver's cultural and value systems and does not remain confined to a particular generation or elite. To be literate in spatial visualisation permits the polychotomous learner to gain a faster understanding of and familiarity with image-based cultures. These include contemporary cultural groups such as the Generation Y[81] that has grown up under the permanent and intense stimulus of still and moving images, i.e. large amounts of data in a state of low entropy and have, to survive in such an environment of permanent hyper-stimulation, developed highly efficient conscious and subconscious assimilation strategies[xi]. But also ancient cultures, namely Asian cultures are built on a language of images rather than words composed of letters. In general, the polychotomous learner has grown up under the influence of many cultures and the classic cultural conflicts as they are known today are not a major problem to him. He is a citizen of the world and at ease in the most diverse environments, which he treats with respect and from which he assembles elements that become part of his multicultural self. At the same time his or her roots are important and he cherishes his long-term and

78. Jarvis (1987); Mezirow et al (1990); Mintzberg (1990)
79. Markus and Nurius (1986); Frazier et al (2000)
80. Miller and Ireland (2005)
81. Generation Y: generation born after 1978

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immediate origins. The polychotomous learner is also highly skilled in the use of information systems, having mentally separated the information flow from the workflow. The executive's 'work place' is no longer a physical place such as an office but wherever the executive is, since he or she has easy access to all stored data from anywhere. The polychotomous executive views organisational change as a given and permanent 'process of becoming[82]' and consequently his or her organisational focus is not on 'organisation', i.e. on the shaping of a new definitive organigram, but on 'organising[83]' the dynamic and ongoing process of transformation[84]. Improvisation, in the sense of Weick's 'just-in-time-strategy[85]' therefore plays a key role in his or her leadership and management[86]. Rather than trying to anticipate everything that will or might happen these executives bank on general knowledge, on their ability to do a quick synthesis and on their intuition. This concurs with their attitude vis-à-vis mistake making and their consequent ability to cut losses with established ideas.

The span of concentration and commitment of the polychotomous category is large but accompanied by an acute multitasking ability[87], a permanent vigilance in the shape of a second, parallel stream of attention about what happens outside the confinement of the task one is concentrating on[88]. This parallel processing state can be compared with a child doing his or her homework with loud music playing at the same time. The concentration built up by the homework permits to experience the music more intensely and the music motivates and inspires the individual in its primary task. The polychotomous individuals also have sophisticated computer and internet literacy, including such new skills as 'interruption management[xii]'. Paradoxically, the fact that environmental complexity, uncertainty and transitionality are understood as permanent therefore a life in a state of imbalance and incontinuity and multiple, shifting tasks[89] is accepted permits the polychotomous executive learner a certain degree of control over his or her life. Interruptions such as intrusions, breaks, distractions and discrepancies are not experienced as the "…plague of managerial work[90]" or as leading to a "time famine[91]". Rather the cognitive interference is basically experienced as a stimulus[92] and a means to promote adaptation[93] and they have a clear strategy as to their management. They appreciate the informal feedback and information sharing, the increased stimuli of action and for change and the "…opportunities for incubation of ideas and creative tasks[94]" that such interruptions can bear. However, they are sensitive to their own idiosyncratic needs for breaks[95] and incubation moments[96] and regularly take extended, isolated

82. Tsoukas and Chia (2002)
83. Weick (1998)
84. Hardy et al (2005)
85. Weick (1998), p. 352
86. Crossan et al (2005)
87. Rasmussen (1983); Kieras et al (2000)
88. Anderson and Lebiere (1998)
89. Cellier and Eyrolle (1992); Jett and George (2003)
90. Grove (1983), p. 67
91. Perlow (1999)
92. Wickens and Hollands (2000); Jett and George (2003)
93. Okhuysen (2001)
94. Jett and George (2003), p. 497
95. Csikszentmilhalyi (1975)
96. Leonard and Swap (1999)

time outs for reflection and self-reflection.[97] His or her natural reservation against authority makes that the polychotomous learner relativises his or her position of power and does not take him or herself too seriously. While there is an interest in and knowledge of complex and sophisticated philosophical or technological works, and avant-garde art is enjoyed, there are no fears of contact with the popular arts and a barbecue with some good friends from various backgrounds is perceived as just as worthwhile than an opera première at Bayreuth. Coevally, these individuals take themselves very seriously in that they are persons in their own right and family people and take great care to balance their lives. The culture problem as described in the post-merger literature is not acute in mergers led by the polychotomous learner who has by and large enjoyed a very multicultural career. Already at age 30 he or she is likely to have accumulated work experience on several continents and consequently feels rather comfortable in a diverse environment, being familiar with a wide array of values, symbols and codes from different cultures. Furthermore, functional cultural differences (e.g. as between finance, engineering and marketing) are also macerated as education is more general and inter-functional job changes are frequent. For all this cultural and functional breadth the polychotomous learner will sacrifice some depth.

Interpersonally these individuals give a high priority to their family, not only as a safe haven from corporate stress and a source of energy and recovery but in a give-and-take way of mutual development. Their significant others are similarly engaged in professional projects and the task of developing and educating their offspring is shared. At work, they are essentially team-oriented and non-hierarchical. Since they are highly self-organised they have, however, also solitary moments and are also capable and ready to work in elite environments[98]. Their relationships with stakeholders are based on two-way communication and negotiation and their networks combine both stable and long-term partners and momentary alternating, project-based alliances.

The polychotomous executive learner's *coping strategies* include first of all a much more critical perspective vis-à-vis the tool of M&A for performance and prosperity to begin with. In their logic, size and power are not absolute values nor ends in themselves, be it for the company or for the self. The market needs for consolidation, permanent innovation and proliferation can be addressed in other ways, with other forms of networks and alliances than with mergers[99]. So far, mergers have mainly proven worthwhile for the actors involved, the banks, the consultants and the corporate leaders and less for the merging companies. Since the polychotomous learners do not define themselves in terms of compensation package, momentary stock price, size of balance sheet or number of employees under their command, they have many more strategic options to cope with the challenging demands of an ever-changing marketplace. Also, their insight of complexity suggest a transformation toward a leadership behaviour of sometimes choosing apparently hesitant and inefficient behaviour, following passions to say stop even when there seems no explicit (or normed) reason for it, declining for example proposals to merge with a competitor even if that decision may provisionally make the stock price go down. If and when a merger decision is made, these individuals display a

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97. Grove (1983); Mintzberg (1990); Thomas and Ayres (1998)
98. Giddens (1998)
99. Brass et al (2004)

substantial degree of anticipation and planning for the sake of subsequent fast action and a high degree of freedom of improvisation. They show strong determination and personal commitment to the task at hand, which they consider their personal responsibility throughout the merger process. During this process they display their known positive attitude toward mistakes, which they consider, similarly to the videogame learner, a source and resource for improvement. These individuals' primary task dimension is exploration but they are well aware that quantum leaps are rare and that the journey to good performance is more often made up of many small steps and that the exploitation of these steps is necessary. Their notion of the competitor is similar to that of the videogame learner in that there is awareness that the main competitor is probably the one that does not yet exist and that the known competitor can be a resource for performance improvement. Since permanent reinvention is needed in order to keep a step ahead, any resource, competitive or not, that can contribute to this reinvention is welcome.

For better differentiation the three emerging categories and the hypothetical polychotomous category are summarised with their characteristics and dimensions in the table 6-1 below. As the terms 'ideal' and 'hypothetical' stipulate such a set of behavioural patterns as is proposed in this section based on 'what worked' and 'what did not work' in post-merger management cannot but appear ambitious. Nevertheless, some of these behavioural patterns have shown to work in the data collected and have led to a substantially improved learning and coping behaviour in transitional situations and thereby to better entrepreneurial performance. Time and practice will be the judges of whether any of the proposed hypotheses will be sustained.

Table 6-1:   Categories with Their Characteristics and Dimensions

Characteristic, Dimension	Cartel Category	Aesthetic Category	Videogame Category	Polychotomous Category
Value system	Life is power and control	Life is beauty	Life is a game	Life is all of the above, and respect
Ethics	Within the law	Code of conduct	Add value	Add value, respect
Social embeddedness	Solitary	Elitist	Unselective	Diverse, selective
Purpose of learning	To obtain something	To be someone	To become someone	
Knowledge	Is a possession, a means to an end	Is a product to be acquired	Is constructed	
Leadership	Directive	Analytic	Conceptual	Integrated
CEOs personal merger involvement	Until closing of deal	Until communication and integration/plan.	Until boredom	Permanent: M&A mgmt. = management

Table 6-1:   (Continued) Categories with Their Characteristics and Dimensions

Characteristic, Dimension	Cartel Category	Aesthetic Category	Videogame Category	Polychotomous Category
Organisational merger Focus	On new organisation	On integration team	On all elements	
Organisational perspective	Systemic organisation	Systemic self-organisation	Systemic networking	Coactive self-organisation
Communication	By head of comm.	By CEO		
Communication means	Formal verbal statements	Multiple personal appearances	By images, symbolic acts	Mixture of verb and image
Main entrepreneurial focus	Degree of control	Degree of media support	Degree of excitement	Integrated
Time dimension	Decades	Next quarter	The time of a game	Long and short term
Subconscious learning mode	Instinct	Intuition (automated expertise)	Intuition (holistic hunch)	Both types of intuition
Human diversity	Little diversity	Diversity		High diversity
Medium diversity	Single medium (verb)	Reduced media (verb, some images)	Multimedia	
Degree of planning	High		Low	High to permit improvisation
Vision	Long term dominance	Short term results	Adventure	Integrated
Determination	High, permanent	High	High, until boredom	High, sustained
Internet literacy	Low	Medium	High	
Rhetoric	Poor	Excellent, universal	Excellent but addresses only the 'young'	Excellent, diverse
Attitude toward mistakes	No mistakes		Mistake making as a resource	
Networking	Stable, long-term, confined to few peers	Reduced, homogenous network	Intense, multiple partners, alternating, temporary	Both long-term and alternating networking

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Table 6-1:   (Continued) Categories with Their Characteristics and Dimensions

Characteristic, Dimension	Cartel Category	Aesthetic Category	Videogame Category	Polychotomous Category
Perception of uncertainty	Is an inhibitor and must be reduced	Is related to some temporary factor and must be managed	Is a fact of life and must be integrated in the game tactics	Is a fact or life
Relationship with external stakeholders	Lobby	Communication, negotiation	Invited to join the game or ignored	Communication, negotiation, cooperation
Notion of complexity	Reduce	Communicate, explain	Discover, enjoy, drop when bored	Discover, communicate, explain
Task dimension	Exploitation and exploration (sequential)		Exploration	Exploration and exploitation (simultaneous)
Films	The Godfather Trilogy, Wall Street	Sideways, American Beauty, Kagemusha	Matrix, Erin Brockovich	All types
Videogames	None	Chess, flight simulator	All types	All types

6.3   Tying up Loose Ends

6.3.1   The Post-Merger Exception

The post-merger situation was originally chosen as field of observation primarily because it was obviously a situation of high complexity and pressure and of disappointing entrepreneurial performance and therefore an auspicious environment in which to study top executive learning and coping behaviour[100]. However, as this work progressed, and despite large differences in the various case studies, the post-merger situation began to take a distinct shape and unique intrinsic characteristics that transcended the differences and that had not, to this researcher's knowledge, been researched and described in this way before. According to management and andragogic theorists, learning and leading is guided by a consistent set of behaviours displayed by a leader over time. As was discussed in chapter 2, researchers have found that different sets of behaviours are particularly apt to coping with different situations and have made recommendations associating particular leadership and learning styles, tactics or even traits to specific internal and/or external economic situations (e.g. recession, boom), competitive opportunities or constraints (e.g. technology, legislation) company life cycle stages (e.g. start-up, growth, transition, consolidation, succession, adaptation) and

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100.cf. section 1.2.1

so on[101]. For example Greiner recommends analytic behaviour in transitional situations, creative behaviour in start-up companies, conceptual behaviour in adaptation situations, 'production' behaviour in growing companies and behavioural style in consolidation phases. Furthermore, difficulties in post-merger management are often and perhaps overhastily attributed to 'cultural incompatibilities', a term the researcher proposes to call an amoeba-term in an attempt to explain that it tends to take all possible shapes and entail all possible meanings and thereby none. However, the post-merger organisation seems to transcend these reflections by its complex and variegated nature:

– Multitude of organisational structures: As was explained, a post-merger organisation is really a juxtaposition of different organisations that have to co-exist and be managed simultaneously for a period of time: the two organisations of the merging partners, the integration or project organisation that has the mission to lead these organisations together and, step by step, the emerging new organisation. This is a transitional stage but these various organisations sometimes co-exist over considerable periods of time, usually not less than one year and often longer. This means that the total structure to be led displays at the same time characteristics of a start-up company, of maturing companies (sometimes one or both in distress), of a consolidation situation, of a project organisation, of a transitional arrangement and of an adaptation situation. By following Greiner from the above example, the CEO would therefore need to simultaneously be analytic, conceptual, behavioural, production-focused and creative!
– Multitude of economic situations: global mergers are made up of many small mergers in different economic environments all over the world. Some are booming, some are in distress. Again, one leadership style and one learning behaviour do not 'fit all'.

This analysis confirms the need for CEOs to display a high tolerance for paradox and to understand, absorb, transmit and manage highly polychotomous situations.

6.3.2 Temporality

A two-loop strategy has been chosen with an ethnographic phase of several years followed by a grounded theory approach, based principally on longitudinal in-depth interviews held over a period of time. The temporality was chosen in order to observe phenomena throughout a variety of contextual situations and thereby permit a more solid confirmation of their existence and a clearer understanding of their nature, both in terms of the researcher's observations as also in terms of the respondents' inputs. This research is therefore the result of work done over five years. The look at the field during this time can be described as a multitude of snapshots assembled into a picture from which a portrait emerges. Generally, the phenomena observed were stable and in many cases enhanced over time. The most salient difference in the second interviews was a more immediate candour of the informants. Whereas in the first interviews some questions were at first answered in a 'politically correct' manner and with care as to 'look good' both personally and as a company and further digging was necessary to arrive at more personal and reflected information, the degree of confidence and intimacy was high from the onset in the second

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101. *cf.* Chapter 2, especially the sections on Leadership (2.2), Change Management (2.6) and Knowledge and Learning (2.8).

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conversations. Also, the respondents seemed to perceive the conversations as useful and/ or pleasurable judging by their generously offered availability for further queries. Furthermore, an external influencing factor, namely the increasingly insistent public debate taking on serious anti-capitalistic traits toward the end of the research phase[102], has somewhat increased the respondents self-reflecting activities and accentuated their contention with ethical concerns in the second interview round.

6.3.3 Switzerland and Germany

With this research a contribution to the observation and study of executives in Switzerland and Germany could be made. Essentially, the learning and coping behaviour of these executives concurs by and large with those from regions on which more abundant data is available. However, since the study is not comparative between the USA and Switzerland/Germany but entirely dedicated to Swiss and German executives, i.e. executives from multinational companies operating from a Swiss/German home base, such a comparison is not possible. There was, however, a difference in the German and Swiss management styles in that German executives were notably more formal and relied more on hierarchy for enforcement while the Swiss executives were more consensus-driven and had a higher competency in the management of diversity[xiii]. What could also be observed were certain linguistic and organisational particularities: the respondents' language and actions were precise, organised, timely, tidy and correct. With regard to the modes of the language of management as proposed by Holden[103], the following features could be observed:

– *language as a descriptor of management tasks*[104]: this mode seems to be largely globalised and there were few differences in the formal description of the informants management tasks and activities. The vocabulary was by and large adopted and more or less consistently translated from the US business environment
– *language as a networking facilitator*: This language was more personal, more Germanic and also more company-specific. There was little of the short, pragmatic business slang packed with codes confined to the 'initiated few' as one can observe in US environments, perhaps with the exception of the banking case where the US influence on language, organisation and collaboration was quite strong. Otherwise the rhetoric was generally 'not economical, but … less susceptible of misunderstanding,[105]' except for the trend toward the use of pop and post-pop cultural references described in the videogame executive category. Especially in the cartel and aesthetic categories there was little risk-taking. Statements were rather formal and usually the result of intensive antecedent lobby work. In companies where English was the corporate language the findings of Schneider and Barsoux were confirmed in that "…Anglophones (…) tend[ed] to dominate group discussion, ignoring [the fact] that the differences in ability to speak English create an unequal playing field.[106]"

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102. cf. Appendix W
103. Holden (2002), p. 232
104. Beer (1966)
105. Pinchuk (1977)
106. Schneider and Barsoux (1997)

– *language as a repository of company knowledge and vision*: this mode is the "subjective language in which the company describes itself to create or confirm an image or impression pertaining to its overall way of doing business.[107]" Here again, the US influence was stark. Many companies had highly americanised slogans in place and executives used these in their discourse and expected their colleagues and employees to adopt them, too in order to manifest affiliation, purpose and 'collegiality.[108]'

6.4   Implications for Theory and Practice

This study examines the learning and coping behaviour of top executives in Switzerland and Germany in a transitional post-merger context.

6.4.1   Implications for Theory

The study endeavours to break new theoretical grounds by proposing:

– A first-time inquiry into the learning and coping behaviours of top executives in post merger situations
– A first-time inquiry into the learning and coping behaviours of Swiss and German top executives in multinational organisations
– A study of the particularities of the post-merger organisational arrangement and a proposition of a theoretical framework of the post-merger organisation
– A theory emerging from a grounded theory process on the key learning and coping behaviours of executives in the stated contexts
– The development and proposition of a hypothetical 'ideal' set of performance-enhancing behaviours, called 'the management of polychotomies' in the stated contexts.

In addition, in the highly interdisciplinary course of the above inquiries and abstractions, a multitude of influencing factors on post-merger performance have been identified and discussed in depth, using theoretical contributions from a large variety of relevant fields, such as business studies, pedagogy and andragogy, leadership theory, change management, knowledge management and organisational psychology and sociology. These complementary factors are summarised in Table 6-2.

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107. Holden (2002), p. 234
108. Barham and Heimer (1998)

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Table 6-2:   Discussed Key Factors That Influence Post-Merger Performance

> • The nature and scope of managerial discretion in a post-merger context
> • The factors that make promising and successful individuals and teams fail in
>   a post-merger context
> • Post-merger acculturation through discourse and metaphor
> • The CEO and his or her self in a post-merger context
> • Post-merger management versus leadership
> • The characteristics of the 'global mindset'
> • Dichotomy, paradox, ambiguity and conflict in post-merger situations
> • Trust and distrust in a post-merger context
> • Executive learning inhibitors in a post-merger context.

These complementary factors, examined with an interdisciplinary approach for its explanatory power in this essentially behavioural research, contribute to the existing bodies of theory of interdisciplinary management studies as well as of a variety of academic fields such as management science, pedagogy and andragogy, organisational theory, change management, rhetorics, paradox management and organisational psychology and sociology.

Finally, with this research an inductive approach using the methodologies of ethnography and grounded theory has for the first time been applied to the field of top executive behaviour, thus contributing to the application of an established methodology to a new field.

6.4.2   Implications for Practice

A set of behavioural patterns have emerged from this research and built into a theory on the management of polychotomies that seems particularly adapted to post-merger management and the management of similar transitional, multicultural and highly complex business environments. Although most informants were convinced that little of what was needed in the post-merger context could be learned other than in the field, and even generalisations from practical experience were not always appropriate, it would be interesting to challenge this conviction. Granted, a binary "do's and don'ts list" for CEOs in merger situations is not in sight nor likely to be forthcoming given the fast-changing global business environment and the extrinsic and intrinsic framework conditions of each merger. In this sense the data confirmed current research[109] that the impact on performance of direct generalisation of M&A experience onto new M&A situations is limited. Yet the data also suggests that CEOs and other top executives can influence their personal experience spill-over if typical executive learning inhibitors, as summarised in Appendix V are neutralised and a non-linear, polychotomous approach to post-merger leadership is applied. The thorough bottom-up abstraction, conceptualisation and categorisation provide at least some indications as to which type of behaviour has proven more or less favourable in a number of specific post-merger contexts. These behavioural patterns propitious to positive post-merger performance are described in the

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109. e. g. Zollo and Leshchinskii (1999); Zollo and Harbir (1999); Zollo and Reuer (2001); Srikanth (2005)

ideal category labelled "polychotomous executive learner" and summarised in Table 6-1. Although generalisation is not a claim this research makes, it can be assumed to a certain extent that executives in other but similar contexts to those observed and negotiated here are likely to find the proposed behaviours to positively influence post-merger performance. This has as much relevance with regard to CEO's own leadership behaviour as with regard to their selection of executive team members. Furthermore the data suggests that CEOs may wish to rethink their own role and that of their Human Resources manager. Human resources management is clearly a key success factor in post-merger performance and the data suggests that the role and the potential of the HR manager are often not optimally exploited by CEOs.

From this research emerges also a new perspective on the post-merger organisation as a transitional juxtaposition of several organisations requiring different types of executive attention. It appears that in order to achieve optimal post-merger performance these different sub-organisations, namely the two original merging organisations, the temporary project organisation (usually called the integration team) and the newly emerging combined organisation have different agendas and requirements that need to be explicitly addressed.

Beyond these direct practical implications there is the question of the formal usability of some of the andragogic cognisances of this research in the training of executives. How can business schools better prepare their students for transition? Some evidence suggests that this could be done by a closer, more intense and 'real life[xiv]' collaboration with the business itself, in the form of real time project work assigned to business students as is increasingly practiced by leading business schools. There seems, however, also an underlying ethical note related to the observed change in executive perspective from a dualist, systemic self-organisation view to a participative self-organisation view[110]. The shift from a focus on individual leaders to the emergence of personal identity in social interaction has implications for the andragogic field of business ethics, which may need to be considerably reviewed. Rather than the mechanistic teaching of ethical best practices and codes of conduct it may be contingent for business tutors to reflect with their executive students on a more general moral precept, less related to the large strategic questions of the 'do's and don'ts' of contemporary corporate life and more a question of ethics in the smallest details of executives' lives, much in the way of Adorno's aphorisms in his *Minima Moralia*[111]. In a context where the local interaction is often …"alienated from a genuine living present because it is in the service of a whole that is not part of the experience of the present[112]" the andragogic focus of the ethics discussion may perhaps best be set explicitly on this local interaction. Another implication this research has is that the executives frequently struggle with the alignment of personal values and corporate values and that they do not have a forum in which to address these questions. Business schools may want to offer such a forum of debate both at their operational and executive levels of tuition in the shape of interdisciplinary discussion groups.

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110. Griffin (2002)
111. Adorno (1969)
112. Griffin (2002), p. 165

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Furthermore, a multitude of influencing factors on post-merger performance have been identified and discussed in considerable depth, which, in addition to their theoretical contribution, can bring practical insight to executives faced with post-merger issues. These influencing factors are summarised in Table 6-2.

6.5   Recommendations for Further Research

An interdisciplinary approach to studying CEOs' learning and coping behaviour in post-merger situations has been overdue and the findings of this research display the considerable potential of this approach. Clearly, there are opportunities for further research. For one, the present study warrants replication, using other methodologies and/or forms of measurement such as survey approaches, expanded samples and samples containing German-speaking as well as other European or US-based or Asian-based mergers. Regarding the latter, different behaviours of the CEOs and top management teams of the combining firms can be expected, which may attenuate or accentuate the findings of this research and which may permit a comparison between a German/Swiss 'way of doing things' researched here and other philosophies.

Replication studies could also study whether there are differences in the andragogic behaviour of male and female executives, which was not possible here due to the infinitely small sample of female executives among the respondents and the potential lack of objectivity on the subject due to the personal involvement and gender of the author.

We are presented with some emerging evidence that the image has replaced the verb to some extent in knowledge assimilation and socialisation. This new use of multimedia competencies in general and at top management level deserves further research. Is it just a new kind of management rhetoric as there were many in the past decades or is a whole new cognitive culture in the making here? As studies in rhetoric and semiotic are text- and language-focused, i.e. single media, the information and perhaps even the tools for analysing and understanding the special and visual aspects of this multimedia cognitive phenomenon are rudimentary or even lacking altogether. Some researchers may just want to dedicate their time, curiosity and wisdom to this area.

A further research opportunity involves the study of the role and viability of M&A as one of the principal remedies to the challenges of globalisation. For the sake of this research this was not questioned but rather used as an environment in which to study executive learning and coping. However, some findings suggest that while the general need for consolidation prevails at least in some industries, other more ephemeral types and forms of alliances may be more adapted to a future business environment where entry barriers get lower and permanent self-reinvention of business purposes, models and organisations may be needed for which the merger tool may be too encumbering. M&A may just be no less and no more than the 'worst way to grow quickly except all others that have been tried', to speak with Churchill[xv]. In the same context the rationales for mergers and their influence on merger success may be a worthwhile relationship to delve into.

Other research projects could be directed towards the deeper understanding of the influence of executive compensation on individual and organisational learning than this study could provide. Irrespective of the much-mediated and heatedly debated isolated cases of excessive compensation, the data of this research suggests that many of the prevailing compensation systems encourage a short-term behaviour, which may not be beneficial to the companies. Also, through the increasing publicity of their action and due to the recent changes in legislation demanding increased transparency regarding executive pay, executives are increasingly becoming public, and to a certain extent political figures. The issue is therefore on the table. According to Rapaport (1982) environments communicate meanings that trigger appropriate behaviours. Trust is an important driver of culture both in their relationship with internal and external stakeholders. The perception of fairness in the spread of executive compensation, especially in the light of simultaneous belt-tightening measures and layoffs at the employee level, is an important influencing factor of trust[113]. Moreover, many employees are also shareholders of their companies, either directly or via the companies' pension funds. The injustice they resent in relation to the large compensation packages is therefore both emotional and rational.

The phenomena of trust plays an essential part in this research. The particularity of the post-merger organisational arrangement with its complex and multiple internal organisational layers and characteristics and its aggressive external contexts enhances the importance of trust and renders it more precarious. Depending on whether regular calibrations of expectations are performed[114], the implications of trust can be negative or positive. It would therefore be interesting to contribute to the emerging discussion on trust in relation to organisational forms[115] by examining in what way, if any, new and more intangible and temporary forms of organisation and collaboration as they are described in the videogame and polychotomous categories generate new forms of trust.

Another unexplored subject of pertinence proved to be the role and responsibilities of the human resources executive in post-merger management. The data suggests that there is a discrepancy between the theory that, since most post-merger challenges are human, attributes a key role to the human resources manager in the integral post-merger process and the practice of most cases examined, namely that the human resources manager was not equitably integrated in the top management team and often called upon late in the merger process when human problems began to take the scene. Many HR managers were frustrated in their task and quite a number threw the towel in the course of this research, estimating that they were 'second class citizens' of the executive floor. As has been argued, 'human resources management' is to a certain extent leadership itself and therefore undelegable. On the other hand the data suggests that there is much to be gained by an early and integral involvement of the HR manager, since so much depends on the retention and attraction of key human resources.

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113. Goudsmit (2005), p. 336
114. Hubschmid (2002), p. 273
115. e. g. Sabel (1993); Weick (1988, 1995); Hubschmid (2002)

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6.6   Concluding Remark

For compassion for the reader and also motivated by a strong desire to finalise this oeuvre one day, the researcher thus concludes her journey. The price to pay is the consciousness that nowhere nearly all the pathways that the formidable data at hand had to offer have been exploited, let alone explored. At every crossing, at every roundabout and even in the thicket at the sides of the road that was chosen many more cognisances lie quiet and wait for someone curious to come along. Still, a good deal of ground has been covered and no effort has been spared to do at least partial justice to the data so generously offered to the researcher. In narrating, balancing, conceptualising, mediating and otherwise negotiating this "tale of two cultures[116]" it has been attempted to "avoid solipsism on the one hand and positivism on the other[117]" It is hoped that the odd practical and theoretical insight into the nature of top executive learning and coping for 'excellence' amid dramatic change and increasingly global competitive pressure can be drawn from it and spun further. As could be anticipated, no shortcuts nor any foolproof plan or checklist could and did spring from this journey: the best CEO has not yet been born, the most successful merger has not yet begun, the wisdom is still being assembled.

Endnotes to Chapter 6

i   Habermas (1985): The original German term 'neue Unübersichtlichkeit' (lit. transl.: 'new inability to oversee things') seems to capture the concept even better than the English translation 'new obscurity'.

ii   This text is inspired by an essay by the writer Aurel Schmidt (1999)

iii   Example: on January 20th Novartis (global life sciences corporation) announced a record result for the ninth consecutive year, both in operative growth (+11%) and in net profit (+14%). Upon this announcement, and the comments by leading financial analysts that this result did not meet their expectations, the share price fell substantially.

iv   Here the term cartel is used in its sense from the popular culture, to describe a set of behaviours resembling cartel mechanisms. Companies portrayed in TV series such as 'Dallas' or 'Dynasty' may be referred to as 'conglomerates'. In the 19th century the anti-capitalist movements used terms such as 'trust' or 'concern' that would also be appropriate to denote the mechanisms and behavioural sets in this category.

v   Nader (1973) militantly describes this tactic in the USA as follows: "... it is so much easier and, above all, more stable to seize the legal and administrative apparatus than to fight it, turning government agencies into licensors of private monopolies and co-conspirators against the people...".

vi   A typical example of the lack of experience, training and sensitivity of top executives in public appearances is the public statement by UBS President Robert Studer in February 1996 in connection with the dispute on the restitution by Swiss banks of monies (deposited mostly by persecuted Jews) on nameless bank accounts during the World War II. President Studer publicly taxed the sum due as 'peanuts'. This statement made him overnight the symbol of the lack of sensitivity of Switzerland and its banks to the issue in the whole world. Another example was the nonchalant victory sign Joe Ackermann, President of

116. a tale of two cultures: that of the researcher and the informants' (Van Maanen, 1988)
117. Manning (1979), p. 660

Deutsche Bank, made to the waiting media as he entered the court building at the onset of his corruption trial in the 2004 Mannesmann affair, from which he was later acquitted.

vii   Entry barriers are characteristics of the market or of the company that gives incumbent competitors a cost or other advantage over potential entrants. The level of the entry barrier can be measured by the extent of cost or other disadvantage an entrant must bear to establish itself in the market.

viii   Miller and Ireland, referring partly to Crossan et al (1999) and to Mintzberg (1994), differentiate between two types of intuition, namely the 'holistic hunch' by which "...judgment is made through a subconscious process involves synthesis of diverse experiences, novel combinations of information and strong feelings of being right", and the 'automated expertise' by which "...judgment is made through a partially subconscious process involving steps borne of past situation-specific experiences, a replay of past learning and a feeling of familiarity" , suggesting that the former is more adept to exploration needs and the latter to exploitative situations (Miller and Ireland, 2005, p. 22).

ix   Videogames exist since the early seventies but have become a popular computing activity since the mid 80s (Miura, 1984; Lieberman et al, 1988), when some respondents of this research were in their 20s and 30s. Videogame playing requires spatial and visual skills, quick reaction, eye-hand coordination and the ability to process information coming from several sources simultaneously. It is, contrary to other leisure activities such as reading, watching television or sports events, a highly interactive information intake that demands undivided attention (Lieberman and Linn, 1991). They necessitate spatial visualisation competencies, for example the ability to mentally rotate objects and to interpret pictorial representations of spatial relationships (Gagnon 1985). A videogame offers a challenge to reach a goal and endless opportunities and numerous strategies to arrive at your goal, which supports a trial-and-error behaviour. Such games are reported to improve cognitive flexibility, awareness of relationships among symbol systems and self-monitoring skills (Dickson, 1985). Socially, video games are reported to bring people together for collaborative and competitive play (Mitchell, 1985). Such games stimulate curiosity, control over the action and fantasy themes (Malone and Lepper, 1987).

x   see also Prigogine (1996) and his questioning of the validity of the elimination of paradox. To Prigogine, the nature of self-organisation is naturally paradoxical as there is presence of order and disorder *at the same time* in far from equilibrium conditions. In his view, nature is to be understood as perpetually constructing a future that is not known before it evolves, as opposed to Kant's view in which the scientist is hypothesising and feeding the self-organisation into a *system*, *as if* the system were itself intending its final state (Kant, 1785).

xi   Regarding subconscious assimilation strategies there is evidence in some recent studies by the National Academy of Sciences in Paris that many cognitive processes are not conscious and that it is possible to assimilate the emotional value of words and images presented in subliminal manner, i.e. for less than 30 milliseconds (Naccache et al, 2005).

xii   Interruption management is a term coined by the researcher, but the term interruption comes from the literature on human-computer interaction (e.g. McFarlane and Latorella, 2002). It may seem absurd that people in positions of responsibility should want to be interrupted. However, the data suggests that interruption is an important influencing factor in a CEO's life. Successful job performance also depends on executives' high accessibility and availability to a large number of not always programmable stakeholders and/or events, on the ability to constantly monitor a fast-changing environment and a need to collaborate and communicate with people via such systems as the computer (e-mail, forums) and the mobile phone (phone calls, SMS). Since interruption seems inevitable it be-

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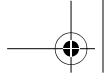
comes necessary to manage it effectively. This can be done by selection, multitasking, mixed-initiative interaction, delegation and, as far as information systems are concerned, by an increasing number of interrupting technologies.

xiii   One explanation may be the nature of the Swiss political structure, which is confederate and made up of a number of diverse cultural and linguistic regions. C.f. also the Expo tale (section 4.7.1) and the comment on the 'Willensnation' (endnote to chapter 4, xvi).

xiv   By 'real life' is meant that rather than working on theoretical situations or past cases, the assignments corporations give to business school students concern real and actual issues of their corporate reality. The executive student teams are made to work directly and real time on the companies' actual problems and issues, as external consultants, and their proposed solutions are, if viable, adopted by the companies and feedback is given, after some time, to the students and the business school. While many schools work with 'real' corporate issues, very few work 'real time'. Usually the CEOs are invited to talk about a problem they had in the past, then the students work out solutions to these problems and then the CEO is invited back to explain how he had dealt with the issue at the time. The business students' proposed solutions therefore remain hypothetical and there is no feedback of whether it worked in practice.

xv   The original Winston Churchill quote refers to democracy: "Many forms of Government have been tried, and will be tried in this world of sin and woe. No one pretends that democracy is perfect or all-wise. Indeed, it has been said that democracy is the worst form of Government except all those others that have been tried from time to time" (undated).