**Storytelling in organisations: supporting or subverting corporate strategy?**

**Structured abstract**

**Purpose:** Storytelling is claimed to be an effective way of communicating corporate strategy within organisations. However, previous studies have tended to focus holistically on storytelling in organisations rather than investigating how different groups may use and be influenced by stories. This paper addresses these gaps in the literature by investigating how storytelling in internal communication can either support or subvert corporate strategy.

**Design/methodology/approach**: A qualitative study was conducted into storytelling in two large companies in the UK energy industry. Data was collected through 70 semi-structured interviews, documentary research, and observation research. Impression management theory was used to analyse how stories supported or subverted corporate strategy.

**Findings:** Storytelling by employees in the corporate and customer service areas of the organisations showed the greatest support for corporate strategy. There was more subversive storytelling in the operational areas, particularly by lower level employees. Stories subverted corporate strategy by recounting incidents and encouraging behaviour that contradicted the organisation’s vision/goals and values.

**Originality/value**: The study shows the important contribution of employees to the collective sensemaking process in organisations, by narrating supportive or subversive stories. Engaging employees in storytelling can enhance support for corporate strategy, however managers should also see subversive stories as an opportunity to identify and address problems in the organisation.

**Key words:** Storytelling, Strategy, Internal communication, Employees, Impression management

**Article Classification:** Research paper

**Introduction**

Storytelling has been an integral part of cultures throughout history, both as entertainment and as a means of passing on knowledge, values, and desired behaviours from generation to generation. Whether stories are painted on the walls of caves or posted onto a blog, they can have a powerful influence on members of a social group. Storytelling is common in many organisations, and it is proposed that stories can be a powerful tool in communicating corporate strategy (for example, Marshall and Adamic, 2010; Ohara and Cherniss, 2010; Volker *et al.,* 2011; Chen, 2012; Dolan and Bao, 2012; Auvinen *et al.,* 2013). However, empirical studies have tended to focus holistically on storytelling in organisations (such as Ohara and Cherniss, 2010; Rhodes *et al.,* 2010; Chen, 2012) or by particular groups (such as Maclean *et al.,* 2012 (leaders) and Auvinen *et al.,* 2013 (managers)). There are a lack of studies that compare storytelling between different groups in an organisation, and particularly the differences in storytelling in official versus unofficial internal communication. This is surprising, as authors have found that sub-cultures can exist in organisations which resist official organisational practices and behave dysfunctionally (Kondra and Hurst, 2009; Czarniawska and Kunda, 2010; Strandberg and Vigsø, 2015). Communication amongst employees can oppose management and the organisation (Harris and Ogbonna, 2012) and illustrate conflict between different groups (Strandberg and Vigsø, 2015).

Subsequently, the goal of this paper is to explore how stories are used in internal communication to build support for corporate strategy, but to also investigate their potential to subvert corporate strategy. The paper details research into storytelling in two organisations in the UK energy industry, investigating how stories are used in different areas of the organisations, from the perspective of senior and middle managers, as well as lower level and customer-facing employees. Data was collected through semi-structured interviews, documentary research, and observation research (of buildings and artefacts in the organisations). Impression management (IM) theory was used to analyse stories recounted by interviewees. IM affects audiences’ perceptions and behaviour (Rosenfeld *et al.,* 1995; Hooghiemstra, 2000; Dubrin, 2011; Mishina *et al.,* 2012), and analysing IM activity in stories helped demonstrate how stories supported or subverted corporate strategy.

**Internal communication**

Effective internal communication can contribute to a positive relationship between employees, managers, and the organisation (Kim & Rhee, 2011; Welch, 2012) and help employees make sense of knowledge and information (Mazzei, 2014). Internal communication includes official organisational and management communication to employees, such as their aims for the company (Melewar et al., 2006), as well as informal chat, gossip and rumours amongst employees. The importance of both official and unofficial communication in organisations is recognised in the Communicative Constitution of Organization (CCO) principle (Putnam and Nicotera, 2010). From this perspective, communication amongst all organisation members contributes to the development of the organisation, through a process of collective sensemaking (Christensen & Cornelissen, 2011).

Similarly, Frandsen and Johansen (2011) note the role of employees as both senders and receivers of communication in an organisation. As senders, they can act as positive organisational ambassadors, but can also share negative or dissenting communication. Harris and Ogbonna (2012) investigated employee word-of-mouth (WOM), which ranged from supporting to harming management and customers. They emphasise that managers should be concerned with employees’ negative WOM because of the potential damage to organisational performance. Employees may act as organisational advocates by sharing accomplishments in their interactions with third parties, but can also become organisational adversaries by passing on problems and weaknesses. This can impact an organisation’s relationships and reputation with external groups (Kim & Rhee, 2011).

**Storytelling in internal communication**

This study extends the literature on internal communication by focusing on the use of storytelling within organisations. A challenge for researchers is the lack of an agreed definition of organisational stories in the literature. This study draws upon the broader storytelling literature, as well as studies on organisational stories, to define organisational stories as a coherent series of logically or chronologically related events that are caused or experienced by organisation-related characters, in an organisation-related setting, presented as a unified whole (based upon Forster, 1963; Meyer, 1995; Jameson, 2001; Cunliffe *et al.,* 2004).

It is clear from previous research that multiple stories can be found in many organisations and that stories are used in both planned/controllable and unplanned/uncontrollable communication (such as Boje, 1991; 1995; Boje and Baskin, 2011; Volker *et al.,* 2011; Chen, 2012). Accordingly, this paper differentiates between official and unofficial stories. Official stories are controlled and sanctioned by an organisation, and originate from senior management or the corporate communication department. Unofficial stories are not controlled by an organisation and originate from employees (based on Boje, 1995). Langer and Thorup (2006) use the metaphor of an orchestra to illustrate the challenge for managers in coordinating multiple stories within an organisation to create a “polyphonic harmony”. However this may be difficult in practice. Gaggiotti (2010) found that official stories influenced what was remembered in an organisation, but that employees kept or removed memories from official stories as part of unofficial storytelling. This indicates the potential for unofficial stories to contradict or oppose official stories.

**Corporate strategy and storytelling**

Communicating corporate strategy to employees is critical, in order to guide their behaviour and drive organisational performance. Stories told by managers can enhance employees’ understanding of corporate strategy, particularly an organisation’s vision, goals, and values (Baker and Boyle, 2009; Marshall and Adamic, 2010; Ohara and Cherniss, 2010; Volker *et al.,* 2011; Chen, 2012; Dolan and Bao, 2012; Iglesias and Bonet, 2012; Auvinen *et al.,* 2013). Communicating vision and values in corporate stories can give organisation members a sense of purpose (Baker and Boyle, 2009), and help them to understand their role in achieving the strategy (Marzec, 2007).

Managers need to consistently refer to and act upon values in order for employees to understand which behaviours are desirable in an organisation (Michailova and Minbaeva, 2012). Stories support the execution of corporate strategy by reinforcing behaviour that is in line with the organisation’s values and warning against unacceptable behaviour by employees (Gill, 2011; Marshall and Adamic, 2010; Chen, 2012; Dolan and Bao, 2012; Iglesias and Bonet, 2012). A seminal study by Boje (1995) investigated stories in Walt Disney Enterprises, and found that official stories socialised employees and gave them a clear guide to how they should behave. Ohara and Cherniss (2010) found that leaders’ stories of how the company values had helped them to work through business problems enabled the organisation to build alignment around those values.

Organisation members can also use stories (official and unofficial) to create and share meaning from organisational events (Boje, 1991; Chen, 2012). Chen (2012) investigated storytelling in Black Rock City LLC (the organisation behind the famous annual US Burning Man art and community event, where a city is created in the Nevada desert). The study found that stories helped both the storyteller and the audience to create meaning from organisational activities and experiences, and gained volunteers’ commitment to the organisation’s principles.

A more critical view of official stories acknowledges that they may sometimes be viewed as corporate propaganda (Snowden, 2000; Tyler, 2006), and subsequently have a negligible or even negative impact on employees’ support for corporate strategy. Employees may oppose official stories, repeat stories that an organisation does not want retold, or circulate untruthful information in stories. Unofficial stories may challenge organisational power structures and norms, show how employees have resisted the organisation’s policies and procedures, and encourage resistance from other employees (Dowling, 2006; Dailey and Browning, 2014). It is therefore important for managers to be aware of subversive stories in an organisation and their influence on employees, in order to understand the potential impact on organisational performance. Despite this, Dailey and Browning (2014) note the dearth of studies investigating resistance stories in the literature. This study therefore aims to contribute to understanding this type of story.

**Impression management activity in stories**

The majority of previous studies on organisational stories lack a theoretical underpinning, which limits the insight they bring into storytelling in internal communication. This study therefore advances the area by using IM theory to analyse organisational storytelling. IM is defined as the conscious or unconscious attempts to control the impressions that audiences form of an individual or organisation (Rosenfeld *et al.,* 1995; Dubrin, 2011). Beneficial IM portrays an organisation positively (including particular individuals or events) whereas dysfunctional IM portrays an organisation negatively or incorrectly (Rosenfeld *et al.,* 1995; Dubrin, 2011; Schniederjans *et al.,* 2013). For example, dysfunctional IM can be seen in organisational rumours which describe undesirable outcomes for employees and the organisation (Bordia *et al*., 2006), and can have a detrimental impact on organisation members’ attitudes and behaviors (DiFonzo and Bordia, 2000). Previous studies have identified IM in external corporate communication (such as Stanton *et al.,* 2004; Connolly-Ahern and Broadway, 2007; Schniederjans *et al.,* 2013), and in official stories on organisations’ websites (Spear and Roper, 2013), but not in stories in internal communication.

IM theory was used in this study to interpret how stories supported corporate strategy through beneficial IM, or subverted corporate strategy through dysfunctional IM. The study aimed to illustrate how investigating storytelling in internal communication could bring insight for managers into support for corporate strategy in different areas of an organisation. The rest of this paper presents the empirical study undertaken to address these issues, firstly outlining the methods employed, and then presenting the results and discussion of key issues.

**Methods**

Corporate stories were investigated within two case study organisations, using an interpretivist, qualitative approach. This approach has been advocated by Boje (1991; 1995) to gain an in-depth understanding of storytelling within a particular organisation, and has been adopted in research on corporate stories by authors including Ohara and Cherniss (2010), Volker *et al.* (2011) and Chen (2013). The organisations were selected from the major companies in the UK energy industry, comprising 6 electricity and gas suppliers, and 14 distribution network operators (DNOs), responsible for distributing electricity (“Electricity distribution”, 2007). Agreement was secured to conduct research with 1 supplier and 1 DNO, referred to in this paper as Energy One and PowerOn. Energy companies have received criticism in the media and from the industry regulator, Ofgem, for their pricing strategies, profit margins, and sales tactics (Kavanagh, 2012; Chazan, 2013; Macalister, 2013). It is claimed that there is deep public and consumer mistrust in the industry, and as a result energy companies are investing in improving their image, particularly focusing on customer service (Joseph, 2013; Owens, 2013). Customer experience often depends on employees’ behaviour (Morhart *et al.,* 2009), therefore it is essential to gain employees’ support in delivering corporate strategy. This emphasises the relevance of investigating how stories may encourage support for or resistance to corporate strategy.

*Data collection and analysis*

A case study protocol was developed to detail the procedures for collecting and analysing data in the organisations, and all the data collected was documented in a database. Data was collected through semi-structured interviews, documentary research, and observation research (of buildings and artefacts). The opportunity to use multiple sources of evidence is a major strength of case study research, as it enables data triangulation and improves the validity of the findings (Yin, 2009; Bryman and Bell, 2011).

Interviews were conducted with employees in corporate, customer service, and operational areas of the organisations. Interviewees included senior and middle managers as well as employees at lower levels of the organisation (predominantly in customer facing roles). Interviewees were selected using a judgement sampling technique, in consultation with the internal communication managers of the organisations, to gain a range of perspectives on storytelling in internal communication. An interview guide was used in conducting the interviews, and the validity of the guide was established by obtaining feedback from academic experts in internal communication. All participants received an information sheet and a copy of the interview questions prior to the interview. The lead researcher conducted the interviews, and reiterated to participants that they were from a university and were working independently from the participant’s employing organisation. They also emphasised again that participants would remain anonymous in any reporting of the research. This was critical in order to elicit more open and honest responses to questions and particularly to facilitate discussion of unofficial storytelling. The documentary research included publicly available and internal documents and materials, such as company newspapers/magazines, corporate films, internal communication booklets, briefings, and intranet pages. Observations were recorded at each interview location, of buildings and artefacts within the buildings. A summary of the data collected is presented in Table 1.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Data collection method:** | | **No. of sources of data from Energy One (case study 1):** | **No. of sources of data from PowerOn (case study 2):** | **Total no. of sources of data:** |
| **Semi-structured interviews** | | 51 | 19 | 70 |
| Business area | Customer service | 14 | 9 | 23 |
| Operational | 28 | 7 | 35 |
| Corporate | 9 | 3 | 12 |
| Level in hierarchy | Lower level employees (non-managerial) | 13 | 9 | 22 |
| Middle managers | 19 | 9 | 28 |
| Senior managers | 19 | 1 | 20 |
| **Documents** | | 31 | 14 | 45 |
| **Observation occasions (buildings and artefacts)** | | 11 | 5 | 16 |

**Table 1: Data collected from the organisations**

Energy One is a larger organisation than PowerOn (with nearly four times as many employees as in PowerOn), which meant that more data was required to gain an understanding of the use of stories across Energy One. The data collected from PowerOn also generally supported that from Energy One, and once ongoing analysis indicated that data saturation point was reached, there was no need for further data collection.

Interviewees were asked to recount stories they had told or heard within or about their organisation, including stories about the organisation’s history, people within the organisation, and the organisation’s activities. Interviewees were asked about how stories were used in the organisation and how stories affected them. In order to preserve the anonymity of participants, interviewees were assigned codes, beginning with “E” (for Energy One) or “P” (for PowerOn).

*Data analysis*

Corporate strategy was determined from documentary research in both organisations. Energy One had a set of goals and values and PowerOn had a vision statement and set of values, which were intended to guide the organisations’ activities and the behaviour of organisation members. These vision/goals and values were used in determining whether stories supported or subverted corporate strategy.

The interview transcripts were analysed using thematic analysis, with initial themes drawn from the storytelling and IM literature. Coding was conducted in three stages, firstly to identify official and unofficial stories in the data. The stories were then categorised according to their use of IM in relation to corporate strategy, as supportive (beneficial IM), subversive (dysfunctional IM), or neutral. To bring further insight into how stories supported or subverted corporate strategy, the stories were coded for specific IM behaviours, based on Jones and Pittman (1982) as cited in Bolino and Turnley (2003), Ogden and Clarke (2005), and Bolino *et al.* (2008). Table 2 illustrates the coding with examples of data.

|  |  |  |
| --- | --- | --- |
| **Coding stage** | **Code** | **Example from interview transcript** |
| 1. Type of story | Official | “I told a whole story then to this audience around… a battery storage project” (E23– senior manager, operational area) |
| Unofficial | “one guy has got kind of a reputation…there’s a bit of a story around him as a kind of slightly mad Highlands guy that just does his own thing” (E25 – middle manager, operational area) |
| 2. Use of IM in story (in relation to corporate strategy) | Supportive (beneficial IM) | “there was a woman…she’d called up because she couldn’t get any money for her key meter. And the person who took the call was calling around to lots of different departments to see what they could do to help her” (E12 – lower level employee, customer service area) |
| Subversive (dysfunctional IM) | “I went to the big store to get all the gear out and there were loads of bats…one of the guys…he had his boiler suit on, he went across, put the bat in and zipped up his boiler suit…the bat came out of that, started flying in the power station. I’ve never seen something so funny in my life” (E25 – middle manager, operational area) |
| Neutral | “the hurricane in 87…what happened to the network” (P13 – senior manager, corporate area) |
| 3. IM behaviour in story | Ingratiation | “we had someone who organised hotel rooms for 18 people during a particularly long fault just before Christmas, and she went out of her way stayed extra, really helped those customers, phoned them to make sure they were in their rooms okay, made sure that dinner was ordered for them all and things like that” (P3 – middle manager, customer service area) |
| Self-promotion | “they have a fantastic safety record and they have just won (industry award)…we did quite a big piece on that” (E18 – lower level employee, customer service area) |
| Exemplification | “We used the story about how many hectares of trees we’ve replaced as part of our renewables energy scheme” (E28 – middle manager, operational area) |
| Supplication | “the story is about the fact that our generating stations are effectively losing money at the moment” (E20 – senior manager, operational area) |

\*Other IM behaviours were identified from the literature but these were the only behaviours evident in the data.

**Table 2 : Examples of the codes applied to the interview transcripts**

**Results**

Overall, 271 stories recounted by employees were identified in the interview data. Most of the stories were either supportive (52.4%) or neutral (41.7%). Few were subversive (only 5.9%), although this did vary between different areas of the organisations. Table 3 summarises the stories recounted by employees.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Stories recounted:** | **Total:** | **Energy One:** | **Power**  **On:** | **Lower level employees:** | **Middle managers:** | **Senior managers:** | **Corporate areas:** | **Customer service areas:** | **Opera-tional areas:** |
| **No. of stories** | 271 | 184 | 87 | 84 | 131 | 56 | 54 | 84 | 133 |
| **Official\* %** | 54.2 | 42.9 | 78.2 | 47.6 | 64.1 | 41.1 | 72.2 | 56 | 45.9 |
| **Unofficial \*%** | 41.3 | 51.6 | 19.5 | 48.8 | 29.8 | 57.1 | 24.1 | 41.7 | 48.1 |
| **Official and unofficial\* %** | 2.2 | 2.7 | 1.1 | 2.4 | 2.3 | 1.8 | 1.9 | 1.2 | 3 |
| **Supportive %** | 52.4 | 47.3 | 63.2 | 50.0 | 50.4 | 60.7 | 77.8 | 53.6 | 41.4 |
| **Subversive %** | 5.9 | 6.5 | 4.6 | 8.3 | 4.6 | 5.4 | 1.9 | 2.4 | 9.8 |
| **Neutral %** | 41.7 | 46.2 | 32.2 | 41.7 | 45.0 | 33.9 | 20.4 | 44 | 48.9 |
| **Supportive official %** | 35.1 | 25.5 | 55.2 | 28.6 | 40.5 | 32.1 | 57.4 | 35.7 | 25.6 |
| **Supportive unofficial %** | 15.9 | 19.6 | 8.0 | 20.2 | 7.6 | 28.6 | 16.7 | 16.7 | 15.0 |
| **Subversive official %** | 0.4 | 0 | 1.1 | 0 | 0.8 | 0 | 0 | 0 | 0.8 |
| **Subversive unofficial %** | 4.4 | 5.4 | 2.3 | 7.1 | 2.3 | 5.4 | 1.9 | 2.4 | 6.8 |
| **Neutral official %** | 17.7 | 17.4 | 18.4 | 19.0 | 21.4 | 7.1 | 11.1 | 19.0 | 19.5 |
| **Neutral unofficial %** | 22.1 | 26.6 | 12.6 | 21.4 | 21.4 | 25 | 9.3 | 23.8 | 26.3 |

\*It was not evident for a small number of stories whether they were official or unofficial

**Table 3: Stories recounted by interviewees**

The IM behaviours found in the stories were ingratiation (expressing the benefits that the organisation offers stakeholders), self-promotion (promoting the achievements of the organisation or its employees), exemplification (expressing how the organisation goes beyond its usual business activities to help others), and supplication (showing the organisation’s weaknesses). Table 4 summarises IM activity in the stories recounted by interviewees.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **IM in stories recounted by interviewees:** | **Ingratiation %:** | **Self-promotion %:** | **Exemplifi-cation %:** | **Supplic-ation %:** |
| **Total** | 14.4 | 6.6 | 10.3 | 11.1 |
| **Energy One** | 15.8 | 6.0 | 10.9 | 8.7 |
| **PowerOn** | 11.5 | 8.0 | 9.2 | 16.1 |
| **Lower level employees** | 21.4 | 2.4 | 13.1 | 13.1 |
| **Middle managers** | 8.4 | 10.7 | 9.2 | 9.9 |
| **Senior managers** | 17.9 | 3.6 | 8.9 | 10.7 |
| **Corporate area** | 18.5 | 11.1 | 11.1 | 7.4 |
| **Customer service area** | 21.4 | 1.2 | 14.3 | 9.5 |
| **Operational area** | 8.3 | 8.3 | 7.5 | 13.5 |
| **Official stories** | 15.6 | 10.9 | 11.6 | 10.9 |
| **Unofficial stories** | 14.3 | 0.9 | 7.1 | 12.5 |
| **Supportive stories** | 26.8 | 12 | 19.7 | 6.3 |
| **Subversive stories** | 0.0 | 0.0 | 0.0 | 58.8 |
| **Neutral stories** | 0.9 | 0.9 | 0.0 | 9.8 |

**Table 4: Impression management activity in stories recounted by interviewees**

The results presented in Tables 3 and 4 demonstrate that there are differences in official and unofficial storytelling, as well as between storytelling in different areas of the organisations. This is discussed further in the following sections.

*Overview of storytelling in internal communication*

Internal communication teams in both organisations used storytelling to communicate corporate strategy. In PowerOn, an official story promoting the corporate vision was disseminated as a corporate film to employees across the whole organisation. This story used beneficial IM to portray a positive vision of the future for the organisation and its employees:

Our story... it talked about moving forward; it talked about the people; it talked about vision (P11 – lower level employee, customer service area).

In Energy One, there was no overarching official story about corporate strategy, but stories were routinely used to promote the organisation’s values of safety and service to employees:

Safety stories are absolutely a number one priority so absolutely clear…we do have service stories as well. So two of the values are probably very obvious (E42 – senior manager, customer service area).

Middle managers were urged to use stories to deliver safety messages in Energy One, and to encourage team members to share stories about safety issues at the start of meetings. For example, this quote comes from a booklet given to managers at an internal safety conference:

Storytelling is a powerful influencing tool...Whilst the safety statistics are important, storytelling brings the messages to life and makes it feel more personal. Stories are far more likely to create a change in behavior than a safety policy document ever will (Document 30, Energy One).

Several interviewees in Energy One referred to stories in a corporate film that was initially distributed across the organisation and now shown to new recruits as part of the induction process. These stories used beneficial IM, and specifically ingratiation behaviour, to show that the organisation wanted employees to deliver excellent customer service, and would support and reward them in doing so:

They were telling what they called heart stories and that was where advisors had gone the extra mile for customers (E37 – lower level employee, customer service area).

Another corporate film in PowerOn promoted the organisation’s concern for the safety of employees, by portraying a fictional accident resulting in the death of an employee:

The video was like a real life scenario…he got injured at work and didn’t come home that night (P17 – middle manager, customer service area).

As well as films, official stories were disseminated through corporate newspapers/magazines and the intranet in both organisations. These stories often used beneficial IM to portray the organisation as successful, by using self-promotion behaviour to illustrate performance achievements by the whole organisation or particular areas:

In the newspaper; a (story about a) certain part of the business has won this (E17 – middle manager, operational area).

There were instances though where IM in official stories was dysfunctional. For example, one employee (E30 – lower level employee, operational area) recounted a story on the intranet about a colleague who had been in a road accident. The employee perceived that their colleague was being blamed for the accident, and subsequently saw the organisation as uncaring and critical, rather than concerned about the safety of employees. This indicates the need for internal communication teams to monitor how stories are interpreted and repeated by employees, in order to understand whether stories have the intended effect.

Although stories were generally used effectively to communicate safety and service in both organisations, employees perceived little use of stories in communicating other aspects of the vision/goals and values.

They’re the only ones (safety and service) I ever remember as well because there is more of an emphasis on those ones and those are the stories that you hear about (E12 – lower level employee, customer service area).

*Storytelling in corporate and customer service areas*

Storytelling by employees in the corporate areas of both organisations showed the greatest support for corporate strategy. Employees in the corporate areas recounted a much higher percentage of official stories compared to employees in the customer service and operational areas (72.2% compared to 56% and 45.9%). Their stories were also more likely to use beneficial IM (77.8% supportive stories compared to 53.6% and 41.4%). This is unsurprising as most of the interviewees from the corporate areas were members of the corporate communication departments, and so a key part of their role is reinforcing the corporate strategy through planned communication. However, it also indicates that there is less enthusiasm for official stories outside these head office functions.

The observational research showed that communication materials in the corporate headquarters and large call centres (where customer service employees were based) made extensive use of beneficial IM in supporting corporate strategy. Posters and noticeboards promoted the organisation’s vision/goals and values, and displayed official stories using self-promotion and ingratiation to highlight good performance and customer service in the organisations. Corporate and customer-service employees tended to be office-based, have easy access to the intranet and corporate newspapers, and work in close proximity to team members and managers. This is likely to have influenced the higher repetition of official stories by employees in these areas of both organisations, particularly service stories that had been told in corporate films and newspapers, and on the intranet. In particular, stories that used ingratiation and exemplification to reinforce the organisations’ strategic focus on service (to customers and the wider community) resonated with employees. For example, several stories were repeated about engineers who had gone out their way to help elderly customers:

There was a power cut and there was an old lady living by herself so one of the engineers went round and took her a generator (E12 – lower level employee, customer service area).

These stories made employees feel that the organisation cared about its customers and the wider community, and that their own jobs were worthwhile:

When you then hear stories about what we’ve done…it does make you feel good to be part of a company that cares about the community (E12 – lower level employee, customer service area).

These stories were ultimately perceived to reinforce the service value and improve customer service.

It’s created definitely a sense of pride around what each and every person’s doing, but it’s also created that little sense of competition…’I want to be the person whose story’s shared with the rest of the team’…our quality of calls has skipped forward massively (P3 – middle manager, customer service area).

*Storytelling in the operational areas*

Employees in the operational areas used more dysfunctional IM in their storytelling (9.8% subversive stories compared to 2.4% in the customer service areas and 1.9% in the corporate areas). This was particularly common amongst lower level employees. Stories subverted the corporate strategy by highlighting poor performance, management, service, or safety practices, which conflicted with the vision/goals and values of the organisations. For example, one employee recounted a negative story about the perceived incompetence of management in PowerOn:

In the past the foremen…came up through the trade… they knew the jokes you were going to play or the mischief you were going to get up to maybe, they knew all that and you respected them…a lot of people now don’t come up through the ranks…have you got respect for someone who can't actually do it? (P8 – lower level employee, operational area).

Subversive stories sometimes recounted behaviour by employees which did not follow corporate policies. For example:

There was a great big valve and this is a massive pipe…the game was to run and see how far you could run until you slid back down and came out of the pipe again…there was a lot of mucking about (E25 – middle manager, operational area).

Sharing these stories, particularly when recounted to new employees, sends the message that behaviour which resists corporate strategy is acceptable in some areas of the organisations.

Dysfunctional IM particularly involved supplication behaviour (in 58.8% of subversive stories, and most evident in stories recounted by interviewees in the operational areas). Supplication behaviour conveyed weaknesses in the organisation, for example poor practices or problems:

A lot of the stories where you hear about customers wrong bills and that sort of thing, bad customer experiences (E16 – middle manager, operational area).

The story is about the fact that our generating stations are effectively losing money at the moment (E20 – senior manager, operational area).

This had a detrimental impact on employees’ feelings about the organisations, at both lower and managerial levels:

Negative stories, it certainly affects the way I feel... it can be quite frustrating (E19 – middle manager, operational area).

However, there was a beneficial outcome from supplication in stories, when this was used to raise awareness of safety issues. Safety stories are particularly relevant for employees in the operational areas as they often deal with dangerous equipment and situations in their everyday work. Stories were shared within teams about problems with working practices that had led to, or could potentially lead to, damage and injuries. These stories positively influenced employees’ behaviour in dealing with risks:

The stories that you hear about incidents from a safety point-of-view, that will change your behaviour (E31 – lower level employee, operational area).

The greater presence of subversive stories indicates that there is less support for corporate strategy in the operational areas of Energy One and PowerOn. The observational research found differences between internal communication in the operational and corporate/customer service areas, which could contribute to this discrepancy. Employees in the operational areas were generally based at depots or remote sites, and the buildings themselves were often older and more dilapidated than the corporate headquarters and call centres. Communication materials displayed in the buildings were predominantly functional notices, with no stories, and little or no reinforcement of the organisation’s vision/goals or values.

Employees tended to have less face to face communication with managers and often had little access to digital communication channels (such as email and the intranet), as they mainly worked out in the field. This limited their exposure to official communication which supported corporate strategy.

Combined with the prevalence of subversive stories, these differences in the communication environment appear to adversely affect employees’ support for corporate strategy in the operational areas.

**Discussion**

This study shows the important contribution of employees to the collective sensemaking process in organisations, by narrating supportive or subversive stories. This advances more traditional views of organisations, which sees employees as passive recipients of communication from organisation leaders (Heide & Simonsson, 2011), and where leaders and communication professionals are considered as the key organisational storytellers (as in Boje, 1995; Ohara and Cherniss, 2010; Dolan and Bao, 2012). In contrast, this study shows the relevance of storytelling for all employees, as part of their role as active communicators (Heide & Simonsson, 2011). The study also brings new insight into the variation in the use of stories by different groups in an organisation.

Firstly considering the supportive role of stories, this study builds on previous work by authors such as Ohara and Cherniss (2010), Chen (2012), and Dolan and Bao (2012) in finding that stories can play a key role in communicating corporate strategy internally. Employees felt proud about supportive stories which recounted the organisation’s achievements, customer service, and community engagement. This is important, as having employees who feel proud to work for an organisation is more likely to lead to satisfied customers (Asha and Jyothi, 2013). Employees were motivated to improve their own performance when stories about excellent customer service were celebrated, and to modify their behaviour in light of stories about safety risks. These findings support previous studies by showing how managers can use stories to reinforce desired behaviour (Marshall and Adamic, 2010; Gill, 2011; Volker *et al.,* 2011; Chen, 2012).

In both organisations though, the use of stories in communicating corporate strategy was inconsistent. For example, both organisations stressed environmental and social responsibility and sustainability as part of their strategy, yet this was not supported by storytelling and employees were much less familiar with this as a strategic priority. Sharing safety stories in Energy One made safety issues more relevant to employees in their own work, but was again not encouraged with other areas of strategy. This indicates the need for managers to support active communication by employees in accordance with the organisation’s strategy, as recommended by Mazzei (2010) and Heide and Simonsson (2011), focusing on the use of storytelling.

The study also found that subversive stories in organisations can resist corporate strategy by recounting incidents and encouraging behaviour which contradict the organisation’s vision/goals and values. This is problematic, as employee “mis-behaviours” can be damaging to an organisation (Harris and Ogbonna, 2012). For example, undesirable behaviour by customer-facing employees is likely to adversely impact customers’ experiences with the organisation. Resistance in particular areas of an organisation is likely to lead to inconsistencies in service delivery and performance across the organisation.

The study findings align with those of Rhodes *et al.* (2010) and Dailey and Browning (2014) that resistance stories often come from lower level employees, in order to challenge managerial power or organisational policies. Crucially though, managers should not attempt to control or prevent subversive stories. There are similarities between unofficial stories and organisational rumours, and Bordia et al. (2006) note that trying to ban rumours in organisations is unlikely to work, and may cause resentment from employees. Mazzei and Ravazzani (2011) recommend that managers should instead address the issues highlighted in informal communication amongst employees. Symmetrical communication to build positive relationships with employees, as advocated by Kim and Rhee (2011), can also help to encourage supportive rather than subversive storytelling. This includes establishing two-way communication between managers and employees, welcoming differences of opinion, and ensuring managers are responsive to employees’ problems (Kim and Rhee, 2011).

**Managerial implication and further research**

One of the major managerial implications of the study is that all employees should be considered as organisational storytellers, rather than seeing this as an elite role reserved for leaders and communication professionals. Encouraging supportive storytelling by employees should be part of a broader focus on building positive relationships between employees, managers, and the organisation.

Enabling employees to actively share stories can enhance their support for corporate strategy more effectively than just receiving stories from official sources. This could include face to face storytelling in team meetings or informal gatherings, and digital channels such as blogs, online forums, and online videos offer opportunities to reach employees across the organisation, particularly if accessed through mobile devices. Critically, managers and internal communication teams should not try to prevent or ignore problems being aired through stories, but should show a clear and timely response to the issues that are raised.

Encouraging supportive storytelling in organisations is likely to require communication training for all employees, whereas this is traditionally reserved for managers. Internal communication teams have a key role in coaching and developing employees to improve their communication competences and encouraging a culture of supportive storytelling within the organisation.

This study focused solely on the use and influence of storytelling within organisations. However, in reality, internal communication is likely to “leak out” an organisation and external communication to “leak in” (Frandsen and Johansen, 2011). Employee communication is thought to influence external publics (Kim and Rhee, 2011), whilst employees are also affected by communication about the organisation by third parties (Frandsen and Johansen, 2011). Future research should therefore take a broader approach in considering the overlaps between internal and external storytelling, both from the organisation and its members, and from third parties.

Alongside this, the present study focused on two organisations from the UK energy industry. Investigating storytelling in other industries that frequently attract media and public attention would increase the generalisability of the findings and provide rich data through which to further investigate the role of storytelling in sensemaking within and about organisations.

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