Micropolitics of Middle Managers in Influencing Centre-led Change Initiative: Case Study of a Malaysian Based MNC

(Politik Dalaman Pengurusan Pertengahan dalam Mempengaruhi Perubahan Inisiatif yang Diterajui oleh Pusat: Kajian Kes MNC yang Berpangkalan di Malaysia)

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ABSTRACT

The purpose of this article is to explore the micropolitics of middle managers in influencing the development and outcome of a centre-led change initiative. This study was empirically based on a novel context in a Malaysia based multinational company (MNC) and four of its Asian subsidiaries. This qualitative study was conducted through a multiple embedded case study approach. The findings demonstrate that middle managers have within their powers to influence the development and eventually the outcome of change. This was achieved through control of middle managers on resources such as business knowledge and networking in influencing the meaning of change itself. This article allows the authors to investigate an in-depth exploration of how subsidiary managers operate. It contributes to the change literature by expanding the knowledge about the tight coupling between power and politics of organizational sensemaking.

Keywords: Alliances; multinational firms; telecommunications; international business; Asia.

ABSTRAK

Tujuan artikel ini adalah untuk mengenal pasti taktik yang diamalkan oleh pengurus pertengahan syarikat multinational untuk mempengaruhi perkembangan dan hasil daripada inisiatif perubahan yang diterajui oleh pusat. Kajian empirikal ini adalah berdasarkan kepada kajian novel dalam sebuah syarikat multinasional Malaysia dan empat anak syarikatnya yang beroperasi di Asia. Kajian kualitatif ini telah dijalankan melalui pendekatan kajian kes bertindan/embedded. Hasil kajian menunjukkan bahawa pengurusan anak syarikat mempunyai kuasa untuk mempengaruhi inisiatif perubahan di peringkat pembangunan dan akhirnya hasil inisiatif tersebut. Ini dicapai melalui kawalan sumber oleh pengurus anak syarikat seperti pengetahuan perniagaan dan rangkaian untuk mempengaruhi makna perubahan itu sendiri. Artikel ini membolehkan penulis penerokaan bagaimana pengurus anak syarikat beroperasi. Kajian ini menyumbang kepada kesusasteraan perubahan dengan mengembangkan pengetahuan mengenai gandingan rapat antara kuasa dan politik sensemaking organisasi.

Kata kunci: Pakatan; syarikat multinasional; telekomunikasi; perniagaan antarabangsa; Asia.

INTRODUCTION

A considerable amount of literatures has been published on Multinational Company (MNC) parent subsidiary relationship issues that comprised of strategy structure, subsidiary role stream, HQ-subsidiary stream and subsidiary development stream. The issues relating to MNC parent subsidiary relationship has recently gained momentum among others due to the existence of newly complex structure and relationship between the two entities (Balogun, Fahy & Vaara 2019; Ryan et al. 2018). The idea of differentiated network was perhaps among the enabler for the study of MNC parent-subsidiary dynamic relationship (Ghoshal & Nohria 1986; Hedlund 1986). Differentiated network and the later transnational solution finally gave prominence to the subsidiary entity which was previously eclipsed by the MNC itself (Bartlett & Ghoshal 2002). Many studies assumed that traditional power and political struggles between functional and country specific subsidiary unit can be avoided through the development of

shared goals and global learning (Bouquet & Birkinshaw 2008b; Vora & Kostova 2007).

In the International Business literature, there is a dearth of literatures studying the micro aspects of subsidiary management particularly the key actors who are involved in the dynamic relationship between headquarter and subsidiaries. Studies to date has focused on the examination of the MNC headquarter-subsidiary relationship rather than the impact of power and politics within the MNCs. However, there were a few of studies that explore this facet within the MNCs (e.g. Geppert, Becker-Ritterspach & Mudambi 2016; Hong, Snell & Mak 2016). In addition, the study of power, politics and conflicts in the MNC subsidiary largely investigates key actors such as middle managers (Balogun, Bartunek & Do 2015; Lundgren-Henriksson & Kock 2016). The ambiguity and a multitude of divergent interpretations of micro politics and conflicts in MNCs (Dorrenbacher & Geppert 2006), has led the researcher to question 'how' and 'why' key actors 'do' what they 'do' in such situations. Hence, the

aim of this paper is to explore the organisational politics that emerge when middle managers from the subsidiaries faced with competing roles during the implementation of centre-led change initiative. The study draws from several organisational sensemaking/sensegiving theory (Maitlis 2005; Maitlis & Lawrence 2007), middle management literature (Rouleau & Balogun 2011; Teulier & Rouleau 2013) and literature on power and politics (Conroy, Collings & Clancy 2017; Geppert et al. 2016). The paper allows insight on how middle managers employ certain tactics to influence the development and the overall outcome of centre-led change initiative.

LITERATURE REVIEW

MIDDLE MANAGEMENT – SENSEMAKING IN CHANGE

In the general literature, a steady growth of research exists in micro processes that underlie organisational change (e.g. Balogun et al. 2015; Giuliani 2016). One of the primary theoretical lens applied by these scholars is sensemaking. Weick (1988) defines sensemaking as assigning meaning to experience. However, many have advanced the exploration of sensemaking especially in organisational sensemaking (Geppert 2003; Maitlis & Christianson 2014; Maitlis & Sonenshein 2010). Within the sensemaking literature, there appears to be two dominant issues which are mostly being debated namely, i) sensemaking in crisis (Milad Mirbabaie & Elisa Zapatka 2017; Sarkar & Osiyevskyy 2017), and ii) sensemaking in change (Guiette & Vandenbempt 2017). Hence, the obvious focus on sensemaking activities that is relevant to this study is on the actors who were involved in strategic change processes. These individuals have a profound influence on how others adapt the meaning of change and how they react to change. Eventually, this then affects how the overall organisation adapts to those changes.

Organisational members such as leaders, middle managers and stakeholders engage in sensemaking such as in environmental scanning that influences decision making and strategic change (Gioia & Thomas 1996). Maitlis (2005: 21) explains that in organisational sensemaking, members scan their environment through their interactions with others, 'constructing accounts that allow them to comprehend the world and act collectively.' Individuals tend to behave in a routine state of "trance," when the organisation is in a state of stability. However, when change is introduced, individuals' routines are interrupted where they would and should be more alert to their surroundings. They interact with others in making sense of what is going on around and figure out methods to respond (Weick 1995). Individuals engage in conversations, exchanging gossip, stories, rumours and memories about their experience. They take note of symbolic actions and behaviours (Gioia & Chittipeddi 1991; Humphreys & Brown 2002; Isabella 1990). Through these social processes, organisational members develop new understandings and interpretations, thus providing meaning to change.

Middle manager's role has traditionally been to implement what the top management expects them to do. However, not only top managements have the ability in influencing sensemaking to others (Gioia & Chittipeddi 1991), middle managers can also influence the top management through sensegiving, affecting how they see change which eventually affecting the overall change outcome (Dutton & Ashford 1993). What is most interesting in the literature of sensemaking and change is that middle managers are positioned as central to both strategic and frontline managers. This entails middle managers as sensemaking mediators between top management and the rest of the employees (Maitlis & Sonenshein 2010). What many of these studies were beginning to unravel is that middle managers are not merely organisational members, but their role is important in understanding organisational sensemaking activities such as in change. Central to the entire discussion of middle management and change is that sensemaking, as a theoretical lens, helps to unpack various nuances related to power and politics in the organisation.

POWER AND POLITICS

Recently, there seems to be a steady stream of research exploring the power and politics phenomena (Buchanan 2016; Buchanan & Macaulay 2014). A number of studies have found that subsidiary managers acted as key change agents, in strategic change initiatives where they were involved in micropolitical activities (Balogun, Jarzabkowski & Vaara 2011; Clark & Geppert 2011). Buchanan and Badham (1999) point out that the more extensive the implication of change in organisation, the greater the political activities by change agents will be. Subsidiary managers have been used to deploy within their power bases with several tactics to uphold certain self-preservation (Birkinshaw & Ridderstrale 1999; 2008b). Tactics in the form of micro-political behaviours subsidiary managers' enact can involve personal agenda, such as career ambition (Dorrenbacher & Geppert 2009). Hence, the authors argue that managerial practices are rather interactive processes as oppose to downright organisational rationalities. This imposition has great implication towards the approach of this study.

Studies from the inside, exploring key actors and their roles, through an in-depth direct interview can help researchers to better understand some of their "irrational" actions in change processes. Hope (2010) for example, outlines in his study how middle managers deliberately made divergent response to steer the course of change initiatives. He further posits a strong bond between power, politics, sensemaking, and sensegiving. Where there is power there is resistance, while similarly as power is expansive, agentless web, it is unpredictable and is a form restriction but not a focal point of convergence (Hardy & Phillips 2004).

Hardy and Phillips (2004) suggested that actors within the realm of power associated with (i) formal power; (ii) critical resources; (iii) network links; and (iv) discursive legitimacy have the capacity to carry particular meanings and to create specific impacts. Formal power refers to a position that is associated with power such as decision-making power. Actors that occupy subject positions in organisational change are more likely to be able to carry out the meaning of change till the end (Maitlis & Lawrence 2007). Secondly, certain positions are associated with access to critical resources that may include expertise, funds, IT, specific contacts and credibility. Thirdly, an actor may be powerful through network links - internally or externally that allows actors 'to exercise power through constituting alliances, integrating rather than merely dominating subordinate groups, winning their consent, achieving a precarious equilibrium' (Fairclough 1992: 94). Finally, actors in this position are understood to be communicating legitimately in relevant concern areas (Phillips & Brown 1993). These aspirant actors must be seen or validated by the right set of people to be considered having the right to speak (Taylor et al. 1996).

METHODOLOGY

BACKGROUND OF CASE STUDY

The study is designed as a multiple embedded case study (Yin 2003). It is conducted in CenCo a Malaysia based MNC, where a centre-led change initiative was studied over a period of four years. Real-time, longitudinal data were gathered across four subsidiaries in four different countries in Asia. CenCo, one of Asia's largest telecom operator with approximately 320 million subscribers is headquartered in Kuala Lumpur, Malaysia (see Figure 1) with 10 subsidiaries spanning from Iran to Indonesia. Four subsidiaries were picked based on their status as strong contributors to CenCo primarily in terms of monetary profits namely InCo-Indonesia, BaCo-Bangladesh, LaCo-Sri Lanka and MyCo-Malaysia. These subsidiaries were chosen due to its "high power and voice" which according to Mudambi, Pedersen, & Andersson (2014) are unlikely to follow what the headquarter instruct them to do.
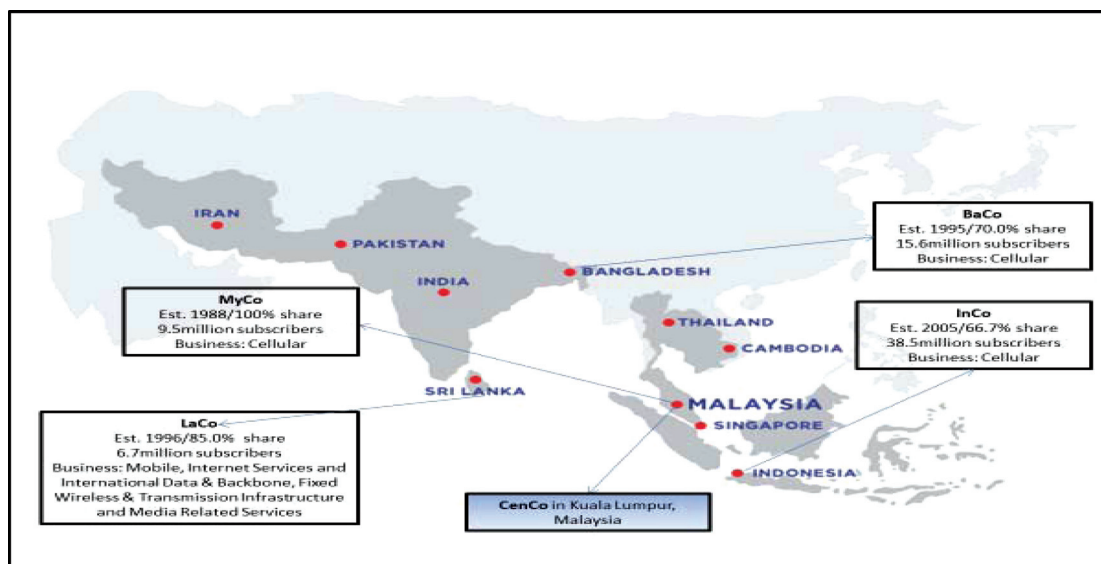

FIGURE 1. CenCo group of companies' profiles

The unit chosen for this study is the business assurance service (BAS) department. This department works as a shared service, with the group department head sitting at the centre, while subsidiary managers in their relevant countries. The primary aim of this department is to achieve operational excellence through uncompromising integrity and exceptional performance. The change initiative was chosen because this new major processes is significant and involved a group wide implementation. Following this, the central electronic management system (CEMS) initiative, an electronic work program and reporting tool was identified. Among the expected benefits of implementing CEMS are structured entity's risk assessment, electronic work papers, systematic and time flexibility (via web) can be maintained.

DATA COLLECTION

The primary aim of this paper is to explore the organisational politics that emerge when middle managers particularly from subsidiaries operate in the development of a change initiative led by the headquarter. Three unstructured questions were posed: (1) Tell me about yourself? How did you get here to doing this job? (2) One of the things that I am particularly interested is on the subject of how strategic initiative unfolds. I need you to share about the history of the CEMS initiative? (3) Who else you think might help me in this matter that we have discussed? The three unstructured questions allow freedom for the interviewees to express matters pertaining to their unique experience and within their own meaning of the constructs.

TABLE 1. Interviewees profiles

	Designation	Unit	Profile Descriptors
(1)	CxO	Centre	A Malaysian who was formerly the finance director of an oil and gas MNE based in Kuala Lumpur. He reports directly to the Group's Board. All subsidiary managers are Head of Department (HOD) they dually report to the CxO and the local board.
(2)	Manager	BaCo	A Bangladeshi with 7 years of experience in the MNE (tobacco industry) at different capacity.
(3)	Manager	InCo	An Indonesian with an engineering background and with 8 years of experience in the local telecommunication industry.
(4)	Manager	LaCo	A Sri Lankan with an engineering degree qualification and several years of experience in a similar role.
(5)	Manager	MyCo	A Malaysian with a solid background in procurement, he reports directly to the CxO.
(6)	Manager	Centre	Specialist, she is in charge the financial aspect of the department. An accountant by profession, she has various certifications under her portfolio.
(7)	Manager	Centre	A senior lead specialist in the department. He specialises in project management and general management. He reports directly to the CxO.
(8)	Deputy Manager	BaCo	A senior specialist in general management, he reports directly to the HOD (Bangladesh) and in charge of the general management of the subsidiary.
(9)	Assistant Manager	BaCo	A specialist in marketing, he reports directly to the HOD (Bangladesh). He has a pool of staffs under him.
(10)	Assistant Manager	BaCo	An IT specialist, he reports directly to the HOD (Bangladesh). He was formerly a local bank's technical manager for IT related works. A pool of team reports to him.
(11)	Senior Analyst	BaCo	An engineer by profession, he reports directly to the HOD (Bangladesh). He joined the company a fresh graduate and rose to the current position
(12)	Senior Analyst	BaCo	A marketing specialist with several regional postings across Bangladesh, he reports directly to the HOD.
(13)	Assistant Manager	LaCo	A qualified accountant, he reports directly to the HOD (Sri Lanka). He is the delegation of authority (DOA) when the HOD is out of the country.
(14)	Assistant Manager	MyCo	An accountant by profession and an IT certified assessor. He was formerly a manager in Qatar and was hired to head the IT unit of the department. He reports to the GM of IT (Malaysia).
(15)	Assistant Manager	InCo	An IT specialist, he reports directly to the HOD (Indonesia). He was formerly the IT development and operations (devops) team of the subsidiary. He is assigned specifically as the subsidiary system administrator.
(16)	Deputy Manager	InCo	An accountant by profession, she reports directly to the HOD (Indonesia). She has a wide span of experience in the subsidiary.
(17)	Deputy Manager	LaCo	An accountant by profession, he reports directly to the HOD (Sri Lanka). His previous experience at a local bank and knowledge in IT were the primary reasons for his hiring.
(18)	Senior Lead Analyst	MyCo	An engineer by profession, he reports directly to the HOD (Malaysia). He is among the most senior within the subsidiary.
(19)	Assistant Manager	MyCo	She is the IT specialist and reports directly to the HOD (Malaysia). She has a pool of team that reports to her directly.
(20)	Assistant Manager	LaCo	An accountant by profession, he reports directly to the DOA (Sri Lanka).
(21)	Senior Analyst	InCo	An IT graduate and in charge of IT related tasks. He reports directly to the IT Manager (Indonesia).
(22)	Senior Lead Analyst	LaCo	A computer science degree holder, he reports directly to the HOD (Sri Lanka). He oversees all general management related issues within the department.

A total of 22 unstructured interviews were conducted between March 2014 and May 2016 with key actors who are involved in the initiative in four different countries. A focus group interview was conducted in Sri Lanka for LaCo that comprised of new and season users that had successfully completed two or more reports via CEMS. The interviewees included one CxO at the centre, four subsidiary managers, a centre manager reporting to the CxO and the remaining are employees of the subsidiaries (see Table 1). The interviews were primarily conducted in English. However, the informants sometime use their native language interchangeably. At the end of each interview, confirmation of the ambiguous meaning was done almost immediately. Each interview ranged from 20 to 100 minutes per session. All interviews were tape recorded except for two hours in which the information was gathered at informal settings such as at tea breaks, they were hand written and transcribed immediately. The transcription work was assisted by two professional transcribers.

DATA ANALYSIS

Data analysis was performed simultaneously with data collection as recommended by Miles and Huberman (1994). The data was examined across various informants, level and sources. This facilitates in going through a data validity process for qualitative study (Saunders, Lewis & Thornhill 2009: 142-143). This is sometimes referred to as a form of triangulation. A two-order analysis (Gioia & Chittipeddi 1991) was performed on the data set. The first order analysis is performed in searching for themes and patterns that were included and perceived to be meaningful. The first order analysis is similar to an ethnographic analytical technique performed in order to identify themes and patterns. This includes meaningful information provided by interviewees in the research. The second order analysis is a more theoretical data analysis where the outcomes of the first order analysis were examined for underlying meanings. Such underlying meanings that may create patterns are not necessarily apparent to the informants but are essential to this study.

FINDINGS AND DISCUSSIONS

FIRST-ORDER ANALYSIS

Two primary phases of CEMS were observed throughout its development starting from *planning to implementation* and later the *Business-As-Usual (BAU)*. The *planning to implementation* phase is where those involved are exposed to situations of uncertainty, confusion and re-enactment as described by Weick (1988). The BAU phase is where individuals involved perform mental schema of sensemaking activities of selection and retention.

The first-order analysis revolves at looking for sensemaking processes involve in the change initiative. It involves scanning all issues that arise between the centre and the subsidiary managers. The issues are then filtered based on the set criteria such as its significance and applicability to all informants. Next, the issues are reconfirmed with all informants before narratives are developed surrounding key issues from interviews, field notes, meetings, reports and other secondary sources. This process is performed at two different layers, namely centre-subsidiary, subsidiary-internal (see Appendix A).

During the *planning to implementation phase*, CenCo adopted a collective approach in introducing the CEMS initiative to its subsidiaries. Subsidiary managers were invited to Kuala Lumpur in 2014 for an awareness session on the CEMS automation process. Participants were solicited for their feedback and expectation on CEMS. Their expectation was high in anticipating that CEMS will transform and improve their work practices both in terms of workload and output deliverables. In that meeting, subsidiary managers raised several concerns

with respect to data security and funding requirement but was assured by the CxO that those issues were trivial. For instance, the data centre in KL is fully secured with a 24/7 protection both logically and physically. Meanwhile, for the funding issue, CenCo promised to fully cover the software license fees for those subsidiaries that cannot afford it. What follows next was that the vendor system integrator team was flown to each subsidiary to conduct a two-day CEMS installation program on each premise. This was followed by a two-day training for users and finally a one-day acceptance test. Except for InCo, other subsidiaries implement the CEMS as per the instruction of the CxO.

During the *BAU phase*, InCo Manager had two concerns about the CEMS: 1) data sovereignty, Indonesian law requires that company information must reside within its territories and 2) data security. During the year 2014, data security practices were at its infancy stage. On these two issues, the InCo Manager and CxO were embroiled in several heated arguments, both stubbornly holding their ground. While InCo in 2014 was among CenCo's strongest subsidiary both in terms of financial and the number of subscriber base, the conflict has led to subsidiary autonomous behaviours, resisting orders and directives from the centre (Mudambi & Navarra 2004; Mudambi, Pedersen & Andersson 2014). The above factor and together with the fact that CenCo's shareholding in InCo (the lowest among other subsidiaries) paved the way for InCo Manager to be disengaged from the CEMS centre-led initiative, after a brief altercation that involved InCo's local shareholders. The CxO recalled:

I engage their Board Members as well […], CEMS is a new system which is a database system that is accepted by the world, except for InCo. For InCo, we have this issue of independence; they don't want to share the information. […]. So, we said "you pay for your own server" while CenCo maintains its own server for the rest (CxO).

CenCo began to incessantly push the subsidiaries to increase CEMS' usage. The subsidiaries were unimpressed with this as many of CEMS problems that were reported was left unresolved, some were trivial issues such as procedural interpretation and drop-down menus, while others were more serious. The issues of network connectivity, lockout and information were serious enough that it is a show-stopper. As a result, CEMS users were left to resolve quite a lot of the problems. Three out of the four subsidiary managers (BaCo Manager, InCo Manager and LaCo Manager), started to discuss informally about CenCo's constant pressure on CEMS deliverables. It is at this juncture that the notion of 'Rebel Alliance' began to emerge. What started out as informal discussions among subsidiary managers, grew into an alliance nicknamed the 'Rebel Alliance' that comprise of the BaCo Manager, InCo Manager and LaCo Manager.

SECOND-ORDER ANALYSIS (SENSEMAKING IN CHANGE)

The second-order analysis involves analysing the centre and subsidiary managers' sensegiving and identifying process characteristics of organisational sensemaking. The steps involve confirm that all individuals are involved in most of the key issues identified earlier, identifying a list of sensegiving activities, matching them to the key issues identified and grouping into 3 categories namely centre, subsidiary and internal sensegiving roles. Finally, each centre-subsidiary, subsidiary-subsidiary, subsidiary-internal interaction is examined for each form to determine their characteristics (see Appendix A).

Within the multitude of sensegiving and sensemaking activities, the authors deduced two patterns of interaction each for the two CEMS phases. In the *planning/implementation phase*, a superficial/abstract pattern of interaction. At this stage, heated exchanges of words between the CxO Manager InCo was quite prevalent. Disagreements stem from as basic of how the initiative should be implemented to more technical issues such as system architecture and data security. Activities are described such as light conversation, low understanding and light discussion. Whereas at the *BAU phase*, an entrenched/specific pattern of interaction is described. Activities are described such as intense and confrontational discussion, and direct and one-on-one directives. These are quite a number of intense and confrontational approach that subsidiary managers were exposed to dealing with CenCo. At a later stage of CEMS, BaCo manager recalled how the CxO enforced that the CEMS usage update be made a permanent agenda for all meetings. He saw this as CenCo's way of using the 'name and shame' approach towards those that do not comply with their instructions. Several other actions were followed such the KPI settings with major CEMS deliverable components.

Finally, the authors identified commonalities in each account associated with each form and performing iterative analysis to build a more abstract description of the sensemaking form. What emerged from this is two sensemaking forms namely communication intensity and resolution to barriers. Communication intensity refers to the intensity of the enacted sensemaking and sensegiving between actors involved throughout the change development. Several layers of communication happening at the same time, namely: (1) the centre with subsidiary managers, (2) subsidiary managers with their internal teams and, (3) peer subsidiary managers. Resolution to barriers refers to the efforts taken to overcome barriers to the change initiative. Anand and Barsoux (2017) defined barriers or blockers as vital components of change that need to be targeted when it happens.

SOURCES OF POWER

This paper has identified how centre-led change initiative encountered divergent actions and perceptions by change recipients (Kostova & Roth 2002). For instance, while the CxO refers CEMS as a 'seamless system' or an 'establish an MNC practice', the subsidiaries carried across a different meaning about CEMS. They mock it as the 'dumping data', 'added burden' or 'repository' system. Due to the non-satisfaction and misunderstanding between the centre and subsidiaries, the subsidiaries have amid their political tactics which they believe had promoted to both their subsidiary and group interest (Buchanan 1999). Hence, these subsidiaries applied tactics based on the sources of power that they have. Based on the work of Hardy and Phillips (2004), this study has identified four forms of power namely formal power, critical resources, network links, and discursive legitimacy that influence the implementation of centre-led change initiative at CenCo.

The alliance members which we term as 'Rebel Alliance' have within their resources subject matter experts such as in information technology, operations and finance (Birkinshaw, Hood & Young 2005; Dorrenbacher & Gammelgaard 2006). In some of their political ploys, they carefully harness the different expertise within their teams to challenge the credibility of the vendor, centre and CEMS system architecture. Hence, it can be seen on how *critical resources* were carefully used by the alliance in realizing their political agenda (see Table 2).

The alliance members challenged the vendor by downplaying their capability, they achieved the combination of critical resource – knowledge of manual process versus the automated CEMS system, network links – knowledge from BaCo and LaCo experience and discursive legitimacy – support from internal staffs and alliance members support in central meetings. The alliance challenged the CEMS system architecture by highlighting the various problems they encountered, especially during peak business hours (KL time). In this, they again pull the same sources of power based on their resources of expertise in BaCo and support from the more advanced InCo. *Discursive legitimacy* was achieved through the various testimonies that the alliance garner from members, local employees and the CEMS vendor.

The alliance next took control of how CEMS is to operate together with its system architecture, this was achieved through the network links where the more experience InCo supported BaCo and LaCo. BaCo Manager had his IT team to 'thrash out' the CEMS system for an entire month, this led to the 'checkout function', '101-checklist' and KPI workaround. InCo Manager restructured his team and dedicated specialist team in managing CEMS while allowing other team members to carry on with their day-to-day work. This allows for a

TABLE 2. Applied tactics and the sources of power

Sources of Power	Applied Tactics	Purpose	Evidence
Critical Resource, Network Links Discursive Legitimacy competence	Challenging and downplaying the vendor's	Taking control over all processes, applications and reporting of the system	The system was taken log, stock and barrel without even trying to customize it in terms of how we use it. For example, everybody was used to the term "Risk Assessment Matrix," it is a table matrix on how we test it, what are the questions to test those risks, unlike the vendor's different definition.
Critical Resource, Network Links, Discursive Legitimacy	Challenging the system architecture	Taking over how to remote access and use the system	In that meeting we discuss the key point which is about the efficiency at that time e.g. VPN Connectivity did not work. The next best option […] is to have it installed locally and there is absolutely no need for us to buy servers because we were doing virtual servers.
Formal Power, Critical Resource, Discursive Legitimacy	Taking control of how the system is to be used e.g. Checkout function	Taking charge of the system application, communication and reporting	In BaCo, […] my team started writing their own manual - how to use the system – and essentially, we did a lot of "trial and error," trying to know how we can use the system. It is a good system, it has a lot of capabilities, but I guess a lot of these capabilities were not really tested or not really developed.
Critical Resource, Discursive Legitimacy	Taking charge of how the system architecture is to be planned	Shaping the perception of stakeholders about internal expertise	So that was the start of the journey and luckily enough, our IT team at that time was very, very strong. I gave them the liberty of playing around with the system, they trashed the system until they know essentially what is the bare minimum that we must provide input into the system […] slowly but surely from that point onwards we started to build on this, started to build our own understanding.
Formal Power, Critical Resource, Network Links, Discursive Legitimacy	Taking charge of how to drive the initiative (Rebel Alliance)	Strengthening and justifying the local drives taken	The end objective of having a system is what we should be focusing on and therefore any behavior which are not supporting that objective should be minimized and that's the thing that we tell everybody. This system that we want to develop will now starts to store all the information, starts to build all the knowledge, starts to build all the capabilities that we want, starts to build all the analytics or all the analysis.
Formal Power, Network Links, Discursive Legitimacy	Making use of the PIR CEMS report (Rebel Alliance)	Forcing the centre to acknowledge the problem and perform corrective actions	We continuously pushed until it is too painful for CenCo to do anything else other than stopped and relooked at what has happened and fix everything once and for all.
			The PIR CEMS report was presented during the divisional meeting, everyone was there, no one challenge the findings at all.
Formal Power, Network Links.	Forcing for the system to be decentralized (Rebel Alliance)	Justifying for the system to be independently built	What the centre wanted to do is very good. It is like centralizing everything but on my side, although we see it as a good initiative but there was some constraint. There were two constraints; one is the technical capabilities of having a centralized database application and the other is the regulatory requirement (data sovereignty).

smooth transition from the manual work process to the full CEMS work process. Taken together, this provides the alliance a sort of *formal power*, but also the discursive legitimacy during central meetings discussing about CEMS development. These several applied tactics allowed the alliance to take control over the process, reporting of CEMS, how to remotely access and use the system. In essence, the alliance was beginning to shape the stakeholders (such as board members) perception about subsidiary expertise on CEMS.

Next, the alliance took charge of how CEMS was to be deployed, they justified several efforts undertaken at subsidiaries such as the 'Go Green' drive, process automation and paperless environment, and analytics drive. All four sources of power were evident, such as driving the campaigns at subsidiary (formal power), learning and deploying internal initiatives across member alliance (critical resources and network links) and presenting in discussion platform as a pact (discursive legitimacy). Up to this, the tactics have allowed the alliance to control the meaning of CEMS, they nicknamed it as the 'dumping data' and 'repository.'

They next concerted push for the centre to commission a post implementation review (PIR) of CEMS due to the incessant unresolved issues. With the *network links* together with the critical resource, they managed to convince CenCo to appoint Manager BaCo to lead the PIR. Post the PIR report presentation where all of the unresolved issues confirmed and most of the CEMS objectives unachieved, the alliance finally achieved their ultimate goal of build their respective standalone CEMS system (decentralise). Alliance members concertedly build upon each other's strength both internally in each subsidiary (subject matter experts) and peer-to-peer subsidiary. The alliance formed, provided a powerful force that tilted the centre power base (Fairclough 1992: 94).

MANAGERIAL IMPLICATION

This study has explored change initiative from inside of the firm looking at why individuals do what they do was examine through the sensemaking lens. The two patterns of sensemaking/sensegiving that emerged from this study offers centre managers a glimpse of how the development of change progresses over a period of time. In this study we see how the centre manager appear to employ the coopetition strategy (Luo 2005). It was implemented through sensegiving the meaning of the initiatives (Maitlis & Lawrence 2007). The centre assigned meaning to the initiative such in the CEMS case, they sensegive to the subsidiary that it was about emulating establish MNEs via office automation. The implementation by InCo have gone beyond just the normal, e.g. CEMS, they are now using CEMS in business intelligence and for data analytics. BaCo and LaCo both came second to InCo, they both showed high level of implementation but lack the adoption of the practise. Hence, we recommend that practitioner

pay close attention to change recipients throughout the development phase of the change, especially change that require extensive resources from subsidiaries.

Taken together, top managers need to pay close attention to change recipients throughout the development phase of the change especially change that require extensive resources from subsidiaries. Any confusion or uncertainties needed to be address as quickly as possible. They also need to address the behavioural aspect of those involve in change by controlling what is being sensegive to change recipients and at the same time monitor what meaning are being sensemake throughout the change development.

CONCLUSION

This study explored middle management political tactics in centre-led change initiative. Recent literatures have confirmed middle managers' significant role in the development of strategic change initiatives (Appelbaum et al. 2017; Bakari, Hunjra & Niazi 2017; Sarkar & Osiyevskyy 2017). Middle management have within their span of resources the power to choose whether to act convergently or divergently towards the imposed change.

This study shows how middle managers through several political tactics deployed both at their individual levels or concertedly via the 'Rebel Alliance' which managed to alter the change outcome of CEMS. Within this array of confusion, they had grouped together in what they call themselves as the 'Rebel Alliance' in deploying political tactics against the centre. The 'Rebel Alliance,' taking a more protagonist role (Maitlis & Christianson 2014), managed to steer the course of the CEMS change initiative through the control of various forms of power. They accomplished this by carefully manipulating the meaning of change at different stages (Balogun 2006; Balogun et al. 2005). Micropolitical behaviours enacted by middle managers harnessing the four power forms (Hardy & Phillips 2004) allows us to better understand how applied tactics are interwoven with purpose and goal.

The specific aim of this paper is to explore the organisational politics of middle managers when faced with competing roles in centre-led change initiatives. We observed that when faced with external and internal factors such as in centre-led change initiatives, change agents or subsidiary managers will not necessarily follow the Centre's instruction (Bouquet & Birkinshaw 2008a, 2008b). Due to this, the CEMS initiative, originally designed as a centralised work and reporting system had evolved overtime and turn into a decentralized system at CenCo today. In this study we see how subsidiary managers' capability and power to do otherwise allows them to shape the course of a change initiative, thus determining the change outcome.

This study is conducted in an Asian setting which puts constraints to generalizability of the findings in other parts

of the world or even in different industries. This study investigates to understand why and how individuals do certain things the way they do in change, in doing so, we managed to scratch only the surface in unearthing few middle managers' micro-political behaviours. Recently there appears to be a strong interest in qualitative study through narratives and discourse analysis (Balogun et al. 2014; Guimarães & Alves 2014). Perhaps future research should consider using some of these theoretical perspective in unravelling the different plots through layers of different discourses that may exist within employees, middle managers and senior managements (Hardy & Maguire 2010).

This study contributes to the current literature on organisational sensemaking by providing insight into rich qualitative accounts from informants involved in political behaviours in change. This enhances the existing change literature by broadening our understanding of how managers enact political behaviours in change, as they manoeuvre along the power corridor.

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APPENDIX A

	Planning to Implementation			Business-As-Usual		
	Sensemaking	Sensegiving	Barriers / show-stoppers	Sensemaking	Sensegiving	Barriers / show-stoppers
Centre → Subsidiary	"Use or explain" approach by HQ directive rather than supportive	Approval at central board and sub to comply	Funding for system	CEMS requires a consistent push from the leadership team at subs as the centre is primarily concerned about the usage	Centre achieved its target to deploy CEMS across subsidiary and comply with the Standards	Users complain about accessibility
	The intention is good, but no understanding at the subsidiary	CEMS as primary agenda in major leadership meetings	Subsidiary local law's requirement – governance of sharing information	Centre very slow or not forth coming at considering concerns/issues raised by subs	CEMS not used at MyCo after 1 year of implementation so up to subs to proceed	Potential information breaches via hacking
	Centre-led initiative pressure	The system must be standardized as per established MNE practices	Lack of awareness at divisional subs	CEMS is a project in the centre not a paradigm shift in new ways to do the work	CEMS to be decentralised via own subs budget	non-secured information on central server
	MS will benefit only the centre	System strong enough to withstand personnel changes		Planning was superb, but implementation was haywire and too far from what centre wanted to achieve		No dedicated CEMS administrator or part timers to manage the system
		No cost to be incurred by subsidiary (FOC), thus just use it		Many CEMS capabilities not achievable due to central CEMS		CEMS PIR results
		CEMS usage by subs performance tracking at leadership meetings (name and shame)		Suppressed CEMS PIR weakened centre position		
Subsidiary (internal)	The team considers the use of CEMS as optional	CEMS will improve the cycle time of performing work	Unfamiliarity of CEMS as an option to do work as usual	Tremendous effort must be put in to ensure CEMS is being used to an optimal level	Go green project (paperless) Behavioural change by the end in mind (not about having a system)	Lockout from system
	Ample time to getting use of CEMS	CEMS will reduce the storage space of files and at the same time reduce of paper (cost)	A dedicated resource to project manage CEMS	Unfair treatment of subs e.g. MyCo lack usage, InCo dedicated resource	Need to support the centre initiative of CEMS	Internet speed too slow
	Behavioural change in adopting CEMS (reward system)	Part of 3 years pillar plans to increase automation		Double work, time waster, dumping data, the added burden (impossible to use CEMS real-time) repository system	Paradigm shifts in how doing work and at par with MNE practices	Very slow learning curve to understand CEMS