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**ORGANISATIONAL ROUTINES IN PROJECT-BASED
ORGANISATIONS: AN EXPLORATORY STUDY**

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University of Sussex
September 2011**

Acknowledgments

I would like to express my gratitude to the many people that in various ways contributed to make this learning experience possible. First of all, I would like to thank my supervisors. I am very grateful to Professors Mike Hobday and Andrea Prencipe, who have constructively criticized, inspired, supported and encouraged me throughout the process. They forced me to be as curious, and open-minded as possible. They helped me to acquire ability to think critically, and confidence in my self. I cannot forget to thank Doctor Matias Ramirez, who accepted to supervise my work halfway through. He has been very interested in every progress I made.

I am grateful also to the company owner, who let me join his organization, and to all employees for being very patient to answer my many questions. I would particularly like to thank the personnel of the Project Planning, Project Execution, and Graphics Departments, who considered me first as a colleague and then as a friend.

I would like to thank the SPRU community, particularly Professors Ben Martin, Erik Millstone, Ed Steinmueller, and Doctor Paul Nightingale, who gave me invaluable pieces of advice when reading the progress I made year by year. A special thanks goes to Ubanesia Adams, Robert Byrne, Roberto Camerani, Basak Candemir, Maria Del Sorbo, Oliver Johnson, Florian Kern, Elisabetta Marinelli, Shruti Susan Rajan, Josh Siepel, Katie Smallwood, Dagmara Weckowska, and all other friends and colleagues, who helped me to appreciate the more pleasant aspects of being a DPhil student in Brighton.

My learning process has drawn also on the community of CENTRIM (University of Brighton). I would particularly like to thank doctors Tim Brady and Jonathan Sapsed for the inspiring conversations we had and for invaluable references they indicated to me.

I am very grateful to all scholars that gave me precious feedback when presenting either my research proposal, or preliminary results. I would specially like to thank Professors Lars Lindkvist, Fredrik Tell, Jonas Söderlund (BI Norwegian School of Management), and Marie Bengtsson, Karin Bredin, and all other members of the Department of Management and Engineering Business Administration at Linköping University for their warm hospitality and inspiring conversations; Professors Karlos Artto (Helsinki University of Technology), Karen O'Reilly (Loughborough University), Stephen Barley (Stanford University), Beth Bechky (University of California), Robert De Fillippi (Suffolk Business School), Jan van den Ende (Erasmus University Rotterdam), Martha Feldman (University of California), Maurizio Zollo (Bocconi University), Doctors Andrew Davies (Imperial College) and Inkeri Ruuska (Helsinki University of Technology) for their precious pieces of advice on how to approach and go through the fieldwork and the entire research design.

I would like to thank Federica Ceci, who encouraged me, Francesca Masciarelli for reading parts of the chapters, and Daniela Iubatti for her advice on coding. I would like to thank also Irene Beccarini, Paul Behnke, Bruno Cirillo, Stefano Miraglia, Paola De Simone and Roberto Ragazzino for their help.

Last but not least I am grateful to my family, which constantly encouraged and supported me. A special thanks goes Tiziana, my sister, who was always present. This thesis is dedicated to her.

*“No man ever steps in the same river twice, for it is
not the same river, he is not the same man”*

Heraclitus of Ephesus, *On the Universe*,
Fragment 41, quoted in Plato, *Cratylus*.

UNIVERSITY OF SUSSEX

TECHNOLOGY AND INNOVATION MANAGEMENT

**ORGANISATIONAL ROUTINES IN PROJECT-BASED
ORGANISATIONS:
AN EXPLORATORY STUDY**

SUMMARY

This research explores the existence and evolution of organizational routines in small firm Project-Based Organisations (PBOs). To reach this aim, it investigates the interplay between the two aspects making up a routine: ostensive – i.e. the abstract representation – and performative – i.e. actual implementation. PBOs represent an interesting context, because project differences and discontinuities challenge the emergence, development and evolution of routines, yet the requirements of efficiency and co-ordination through repeated, similar actions would suggest the need for routines even in small firm PBOs.

I have adopted an inductive case study research. The empirical setting is a Public Relation and Communication agency, where small firm PBOs are a typical form of organisation. The process nature of the subject of inquiry required a combination of bottom up and top down approaches that enabled me to identify and analyse routines in depth. As per the top-down approach, relying on extant theory, I developed a list of concepts discussed in the literature on organisational routines that in turn provided the basis for a framework within which analyse the empirical evidence. The bottom up approach draws on descriptive narratives, visual mapping, and grounded theory.

The research provides both theoretical and empirical contributions towards a better understanding of the characteristics and evolution of organisational routines in small firm PBOs. Routines exist and are important for coordination and efficiency even in small firm PBOs. They are project procedures not necessarily embedded in any artefact, but perceived as regular processes by project participants. Across projects routines evolve by adapting to the context where they take place. Contexts are in turn shaped by contingencies pertaining to the actors, the project, organisational departments, and the specificities of the customer and the markets they serve. These contingencies define problems and issues that actors involved in the routine face. Facing problems and issues causes the routine to adapt, making the sequence and the content of the actions forming it different across projects. Predictability and recurrence of contingencies and related issues determine how routines adaptation occurs. When contingencies and issues are expected and recur across several projects, adaptation is planned in advance and is supposed to concern both ostensive and performative aspects of the routine. When contingencies and issues are less predictable or occur in just a single project, adaptation concerns only the performative aspect, keeping unchanged the ostensive one. In line with the low level of codification that informs small firm PBO activities, routines' adaptation is not necessarily embedded in any artefact. However, when adaptation is imposed by the owner or senior management, it can be communicated clearly to the interested actors.

For small firm PBOs, the research suggests that adaptation of the routines they implement is fundamental to carrying out project activities effectively. It also implies that when aiming to change the way the organisation operates, entrepreneurs and managers should pay attention to both to the design of the routines themselves and the way actors perceive and implement changes to the routines. In addition, the study suggests that further investigation on how firm size and sector shapes the characteristics and dynamics of routines would be invaluable to the field. Regarding theory, the thesis contributes an articulation of the relationship between the two aspects of routines, performative and ostensive. Further research on the nature and functioning of routines in other types of organisation and sector would address the limitations of extant literature and achieve a more comprehensive understanding of routines.

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CHAPTER 1: INTRODUCTION

1.1 Background

Scholars agree on several roles that routines cover within any organisation. Among other roles, they represent an important mechanism of coordination (1982; Edmondson et al., 2001; Feldman and Rafaeli, 2002; Okhuysen and Bechky, 2009), a means of organisational memory (Nelson and Winter, 1982; Levitt and March, 1988; Paoli and Prencipe, 2003), and the vehicle of organisational behaviour towards both stability and change (Cyert and March, 1963; Nelson and Winter, 1982; Levitt and March, 1988; Cohen et al., 1996). However, very opposing views characterise the literature when we move the focus of attention to the definition and nature of routines.

Becker (2004) identifies at least two broad definitions of routines: some scholars conceive routines as cognitive rules, others as behavioural regularities. There is little agreement in the literature even on the attention that actors pay to what they are doing while executing a routine. Some authors argue that routines are mindless (Simon, 1947; Cyert and March, 1963; Nelson and Winter, 1982); others conceive them as mindful (Pentland and Rueter, 1994; Pentland, 1995; Feldman, 2000). Assuming one or other position has important implications for the dynamics of routines. First, if routines are the vehicle of organisational behaviour, actors involved in their execution are the fuel that makes the vehicle move. If they are merely cognitive rules there is very little room for change: change in routines consists mainly in substitution of one routine with another. If routines are effortful accomplishments, the actors involved in their execution have a more substantive role in determining the way this vehicle of organisational behaviour moves. Recent empirical studies (Pentland and Rueter, 1994; Feldman, 2000) show that actors might identify alternative ways to accomplish the same task, while performing the routine. The extent to which they consider these alternative ways more efficient and effective may lead them to decide to implement them in successive iterations of the same routine. These empirical studies have enabled a new conceptualisation of organisational routines. They highlight the opportunity for change in terms of the evolution of established routines. Feldman (2003) shows that established routines do not evolve when the intended change is not consistent with the way the organisation operates. Similarly, Canato and Brusoni (2009) argue that organisations fail to adopt new routines when the latter are not in line with the organisational culture. Hence, we partly know why established routines do not change and why the organisation fails to adopt new routines. However, how routines evolve over time is still underexplored.

Recent efforts to investigate the internal dynamics of routines allow us to explore the evolution of established routines. These efforts highlight the existence of two interwoven dimensions underlying the concept of organisational routine: abstract representation and actual implementation. Representation refers to the abstract sequence of actions the routine is made of, while actual performance refers to the actions undertaken by actors during a specific iteration of the routine (Feldman and Pentland, 2003). Alternatively named: a) routine representation and routine expression; b) rules ready to use and rules to interpret; and c) ostensive aspect and performative aspect, these two aspects shape the internal dynamics of organisational routines. The more these two aspects differ from each other, the higher are the chances of routines' evolution (Pentland and Feldman, 2005).

The state of art of our understanding of routines draws mainly on research that focuses on large firms, in which routines are more likely to be codified either in manuals or in software and sometimes take the name of standard operating procedures. However, we know very little about the existence and functioning of routines in project-based organisations. The label project-based organisations (PBOs) refers to several organisational forms, which offer products and services through projects (Hobday, 2000; Sydow et al., 2004). Extant literature emphasised the non-repetitive nature of project activities and the opportunity that projects offer to firms to successfully operate in contexts where innovation is the key to survive (Hobday, 2000). Through projects, firms can realise a given product or service relying on new and specific resources and knowledge (Gann and Salter, 2000; Hobday, 2000). On the one hand this confers on the firm the opportunity to participate to very different ventures over time. On the other hand discontinuity between projects in terms of participants, served customers and realised products, reduces the chances to learn from experience (Hobday, 2000; Scarbrough et al., 2004) and, on the face of it, for routines to emerge and evolve.

However, recent empirical contributions suggest that routines characterise PBOs and represent one of the mechanisms through which PBOs capitalise on experience (Davies and Brady, 2000; Brady and Davies, 2004). While formal efforts are made to embed such routines in artefacts at management level, informal ones are made to overcome the inefficacy of these artefacts through personal communications at sub-group level (Prencipe and Tell, 2001; Cacciatori, 2003). Davies and Brady (2000) argue that in one-off projects, established routines are substituted with new routines, as soon as they prove inappropriate. The newly introduced routines are then refined and adapted in successive projects (Davies and Brady, 2000; Brady and Davies, 2004).

Brady and Davies (2004) argued that team stability is instrumental to routines development in project-based organisations. However, Bigley and Roberts (2001) and Bechky (2006) showed that stability and continuity in PBOs may originate from a clear role structure. The latter refers to shared expectations among project participants on the role of an individual holding a given position. Furthermore a clear role structure allows individuals to switch from one role to another across projects (Bigley and Roberts, 2001; Bechky, 2006).

Even though the project-based literature has begun attributing an important role to routines in project-based contexts, we still know very little about them. There is very little empirical research on routines in PBOs and some questions are left open. First, authors do not clarify what they mean by routines. This problem applies to most literature on routines, not just PBO studies. We cannot study routines without providing a definition of them, yet scholars do not agree on what routines are. Second, identifying the moment in which new routines are required does not provide insight into the factors that cause them to emerge and evolve. Third, even though the literature identifies the opportunity for evolution of routines in successive projects, scholars have neglected how evolution occurs, what parts of the routines it regards, and the nature of its causes. Fourth, in several project-based contexts, team stability across projects rarely occurs. However, as mentioned above, clear role structure and interpersonal networks complement team stability in assuring continuity and stability across projects. This might imply that there is room for routines also in those contexts where team stability across projects is missing. Fifth, multiple organisations take part within a project, both when the project requires knowledge and competences held by different organisations and in cases where the customer is highly involved in project activities. When similar projects involve more than one organisation, participants may change from one project to the next. This might imply some routines and sub-routines are discarded, while others may be adopted, across projects.

1.2 Aims and Research Questions

In order to understand the internal dynamics of routines and explore their potential to explain organisational behaviour, organisational routines characterising PBOs (PBO routines) need to be investigated in depth. This is an important area of research because the PBO has been shown to be a widespread and important form of organisation. The present research aims to pursue this in depth investigation. Particularly, it aims to explore whether PBO routines exist, and, if so, what do they consist of and how they evolve. Detecting PBO routines implies the need to grasp ‘what they look like’ in practice and what

actions make them up. It also requires us to understand the antecedents that lead to the emergence of PBO routines and the conditions that make them recur across projects. Once we have identified PBO routines, the research also aims to understand how they evolve. This requires exploring what context peculiarities cause the PBO routine to evolve. It is important also to understand how evolution occurs and whether actors have some discretion in facing the impact of context peculiarities. It is useful also to understand whether evolution is formalised and embedded in artefacts.

In order to address these aims, this research addresses the following main research questions and related sub-questions:

1. *Can we identify the existence of PBO routines?*
 - 1.1. *If so, what do they consist of? If not, how is behaviour replicated, if at all?*
 - 1.2. *What are the antecedents of PBO routines?*
 - 1.3. *What are the conditions that cause PBO routines to emerge?*
2. *How do PBO routines evolve across projects?*
 - 2.1. *How do context peculiarities make routines change?*
 - 2.2. *Do actors have some discretion while performing the routines?*
 - 2.3. *Are these changes embedded in artefacts?*

We apply our study to the case of small firms, given the importance of small and medium enterprise (SME) in the economy and the lack of research on routines in small firms. In 2008, the 99.8% of enterprises active in non-financial business economy in the European Union were SMEs (European Commission, 2011). These firms accounted for the 66.7% of employment and 58.6% of value added.

The non-financial business economy includes also those sectors where PBOs represent the typical organisational form: advertising (Morris and Empson, 1998; Grabher, 2002; 2004), film production (De Fillippi and Arthur, 1998; Lampel and Shamsie, 2003), complex products and services (Hobday, 1998; Davies and Brady, 2000; Gann and Salter, 2000; Prencipe, 2000), television (Starkey et al., 2000; Sydow and Staber, 2002), accountancy (Morris and Empson, 1998), software (Grabher, 2004), consultancy and marketing (Alvesson, 1995; Morris and Empson, 1998), legal profession (Hobday, 2000). Across these industries in the European Union, SMEs represent: 99.9%¹ of firms in the advertising

¹ I have calculated these percentages drawing on 2009 data, from the databases 'Services by employment size classes (NACE Rev.2 H-N and S95)' and 'Construction by employment size classes (NACE Rev.2 F)'. These databases are available at the following link:

industry, 99.42% of the firms active in consultancy, 99.96% of firms active in legal profession, 99.95% of firms operating in accounting, 99.93% of firms operating in the construction sector, 99.82% of firms active in software. In these industries the percentage of SMEs employing less than 50 people is respectively 99.36%, 99.51%, 99.69%, 99.67%, 99.29%, and 99.12%. Although it appears that in project-based SMEs activities are not codified in the form of routines we do not know this for sure and even if this was the case, a lack of formal codification does not necessarily mean an absence of routines, given that routines may be 'informal' in character, meaning that they are not codified in rules and procedures. By contrast, we may expect the existence of routines even in project-based SMEs context due to the need to accumulate experience and achieve efficiency and coordination through repeated action. Therefore, this in depth investigation of the existence and functioning of routines in this unusual type of contexts might highlight some interesting new aspects of routines that might be taken for granted or overlooked in large firms yet might be important and worth considering in small firms.

The thesis aims to answer the above mentioned questions by relying on an exploratory inductive case study research of one small firm carefully chosen. The exploratory nature of the research is due to the fact that we know very little about routines in PBOs. Looking in depth into a single firm will hopefully allow us to inform theory and generate hypotheses on the conditions that cause both the emergence and evolution of routines in small firm PBOs, as well as how routines unfold and evolve, once emerged.

The choice of the inquiry strategy is due to the inductive nature of the study, and to the process nature of the subject under inquiry (Eisenhardt and Graebner, 2007; Canato and Brusoni, 2009). The latter has to be investigated in the setting in which it takes place (Pettigrew, 1990; Yin, 2003). The empirical setting is a PBO operating in the advertising industry. Advertising is an interesting industry to study as it is project based, made up of mostly small firms and, apparently, presents marked discontinuities between projects due to the need to generate original ideas which requires modification of team composition across successive campaigns (Grabher, 2004). Originality and creativity seem to be incompatible with the development of routines, so this context provides an interesting 'test case' for the role of routines in a challenging environment. However, we know that new members for a particular project may be selected among a more stable broader network of partners (Grabher, 2004), which may lead to learning and routine development in a manner

different from large firm routines. Therefore one important aim of the research is to see if the research into new ideas and their implementation may occur through action patterns identifiable as routines across projects (Tranfield et al., 2003). The particular methods adopted for the study are presented in detail in Chapter three, whereas Chapters four, five and six delve into the important comparison between ostensive and performative aspects of routines.

The advertising industry is an interesting one to investigate also because it appears to present a lack of stability in team membership. However, the same kinds of tasks have to be carried out across projects, even if the particular individual or organisation in charge of them might change. This makes a clear role structure and perhaps routines likely to characterise projects.

The firm I have selected is representative of the firms operating in such context. It is a family-owned business employing about 25 people, which runs its business both at national and international level. Over time it has built a network of partners with specific competences to rely on to undertake projects. It has a diversified portfolio of customers, whose projects range from a budget of some thousands of Euros for specific private projects, to several million Euros, for public ones. The firm manages at once a portfolio of about 20 projects, with different deadlines at the same time and project participants feel very intense time pressure. Time pressure is one of the antecedents of organisational routines (Becker, 2005) favouring the emergence of routines. Project managers might need to be aware at the same time of what is going on in each project, what they have to do and within what deadlines. This might imply the development of particular procedures to manage them (Feldman, 2000; Becker, 2005). On the other hand differences between projects, temporary organisation and the difficulties of learning from one project to another possibly challenge the emergence of routines.

The answer to the research questions relies on both in-depth empirical research and appreciative theorising. As Nelson (1995) clarifies, appreciative theorising consists in developing theoretic accounts on the basis of an empirical phenomenon. A theoretic account involves stories illustrating the causal arguments that relate the variables or concepts researchers focus on to develop or extend theories. I combine bottom-up observational analysis and theory guided top-down analysis (Isabella, 1990) to develop theoretic accounts and develop general formal theory (Glaser and Strauss, 1967; Langley, 1999).

In order to answer the first main research question, by detecting the existence of routines, I shall map all processes undertaken in the projects executed for one selected customer² and will match them with the standard criteria that the literature poses to identify routines. Process mapping will take place through the development of descriptive narratives, grounded theory, and visual mapping. Descriptive narratives allow us to reconstruct the processes observed in all the details and the ambiguities of the situations in which they occurred grasping complexity and richness of the real setting itself (Langley, 1999). Descriptive narratives will rely on data sources like face-to-face semi-structured interviews, participant observation, and documents (including electronic mails) examination.

Once I have developed descriptive narratives I shall read them repetitively in order to identify and code project processes and relative sub-processes, as well as events and processes outside the project but that impact on the project it-self. I shall question when, how and what took place and what caused what (Corbin and Strauss, 2008) and shall constantly compare my coding with concepts that literature on routines and PBOs associated with routines (Isabella, 1990).

To analyse processes, graphical representations allow us to overcome the limits of sequential representations, typical of textual descriptions (Miles and Huberman, 1994). For this reason, I shall apply visual mapping through flowcharts. Flowcharts show in summary a large amount of data and several processes at the same time, highlighting the relations among them in terms of precedence, simultaneity over time, and the different dimensions involved in their unfolding (Miles and Huberman, 1994; Langley, 1999) and represent useful tools to both develop and verify theoretical ideas (Langley, 1999). They will allow me to compare processes, relative sub-processes and events impacting on the processes themselves systematically divided according to the domain they concern (Langley and Truax, 1994; Langley, 1999),

Once I have mapped the processes undertaken in each project for the first customer I shall identify PBO routines by matching each process with the four criteria that Feldman and Pentland (2003) identified and Pentland (2011) remarked as being key to identify organisational routines: pattern, recurrence, involvement of multiple actors, and interdependence among actions making up the routine.

² Chapter three presents a detailed description of the criteria adopted to select both the customer and the projects executed for them.

Once I have identified the PBO routines, I shall select those related to the main activity of the organisation, which are likely to recur also across the projects for the other two selected customers. For the selected routines, I shall grasp what they look like: their abstract representation and their actual performances and will represent them through flowcharts. The ostensive aspect will result from the interviews, informal discussions with project participants, and from artefacts (documents underpinning projects activities). I shall detect the performative aspect by developing descriptive narratives for the other two customers, reading and coding processes and events, like I shall have done for the first customer.

Looking at the same time at the routines, the context in which they take place, and the story of the organisation and its activities will hopefully allow me to detect the antecedents and conditions that made the routine emerge.

I shall answer the second main question proceeding along two directions. On the one hand, I shall analyse how the ostensive aspect of the selected PBO routines evolves over time and what events determine this evolution. On the other hand, I shall compare the ostensive aspect of the routine with the performative aspect. Along both directions, the comparison will show what context peculiarities require for adaptation, the domain these peculiarities pertain to and how actors faced the need for adaptation.

In order to contribute to theory on PBO routines emergence and evolution, I shall move from specific processes, decisions and events to derive theoretical constructs, through further grounded theory. Grounded theory research aims to achieve “a practical middle ground between a theory-laden view of the world and an unfettered empiricism”. This will enable me to possibly identify how useful are current concepts and theories within extant literature on organisational routines in the context of small firm PBO routines emergence and evolution. Hopefully, a “fluid movement between data and theory” will enable us to reconceptualise theory through “a creative leap” able to grasp all data nuances (Mintzberg, 1979; Post and Andrews, 1982; Isabella, 1990: 12).

1.3 Thesis content and structure

The thesis is organised as follows. Chapter two aims to provide the theoretical and empirical background in which this research is rooted. Through a review of extant literature on routines and on PBOs, the chapter addresses first the points of agreement among scholars on some roles that routines cover within any organisation. Then the focus is on the issues that are still under debate. At this point, the review touches upon the type

of organisation the research focuses on and the roles that scholars attributed to routines in these contexts. In so doing it highlights also the main issues that are underexplored.

Chapter three describes the methodology adopted in order to answer the research questions the research addresses. It also reports on the criteria according to which I identify the PBO routines under study and a description of the ostensive aspect of each routine. Chapters four, five and six delve into the analysis of the routines under study. At the empirical level each chapter analyses how the three PBO routines under study unfold in the projects undertaken for a single customer. At the conceptual level, each of these chapters aims to analyse i) the differences between performative and ostensive aspects of the three routines, in the projects undertaken for a single customer ii) the contingencies responsible for these differences. To reach these aims, each chapter compares the flowcharts of the performative aspect with the flowchart of the ostensive aspect. Flowcharts are suited to make the comparison between the two aspects of the routine for two reasons: first, they make differences immediately visible, allowing us to display large amount of data in little space (Miles and Huberman, 1994); secondly, they allow us to distinguish contingencies impacting on the routine according to the domain they pertain to (Langley and Truax, 1994).

Chapter seven undertakes a cross-case analysis and attempts to provide a comprehensive answer to the research questions. It addresses the existence and the form of PBO routines. Through a comparison of the three cases, the chapter highlights PBO routines antecedents and conditions that make PBO routines emerge. As to PBO routines evolution, the chapter delves into the role of context peculiarities and actors' discretion in facing the problems and issues that the former bring about.

Finally, chapter eight draws the conclusions of the entire thesis, highlighting the contributions it makes at theoretical, empirical and methodological level. It also touches upon the thesis limitations and the possible directions for further research.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

The chapter presents the theoretical and contextual background of this research, and highlights the aims and the research questions that the thesis addresses. Reviewing both theoretical and empirical work on both organisational routines and PBOs, the chapter highlights the contribution of previous research to our understanding of organisational routines and identifies key areas for further investigation.

The chapter focuses mostly on the issues debated where scholars take contrasting positions on the definition of organisational routines and on their mindless or mindful nature. In addition to the nature and definition of routines, the role that the latter covers also matters. For this reason, before delving into the most debated issues, the chapter recalls some of the roles that extant literature attributes to routines, which typically characterise any type of organisation.

The chapter highlights how the PBO literature has started to recognise the role and importance of routines in PBOs. It reviews this literature, focussing on what PBOs are and the main traits they exhibit. This allows us to highlight the peculiarities these contexts present in terms of routines' execution. Notwithstanding the interest for routines in PBOs, scholars have so far failed to clarify precisely what they mean by organisational routines especially when these challenging contexts are present. This is actually a difficult task, given the current debates around the subject.

The chapter is structured as follows: section 2.2 reviews the literature on organisational routines; section 2.3 clarifies what we mean by PBOs and identifies their chief characteristics, examining especially their emergence and implementation. Section 2.4 presents the aims and the research questions the thesis addresses, and section 2.5 draws conclusions.

2.2. Organisations and Recurrent Action Patterns

Organisational behaviour is shaped by several kinds of recurrent action patterns, as within any organisation several actions are likely to be carried out repetitively over time. Winter distinguishes three broad categories, according to the cognitive load they involve (Cohen et al., 1996): paradigms, strategies and heuristics, and routines. Paradigms are the mental models that frame all cognitive activities of individuals, their understanding of the world and problem-solving activity. Strategies and heuristics provide common guidance and structure for "problem-solving efforts". As to the third category, the authors

distinguish between routines in a narrow sense as opposed to “rules of thumb”. While the former represent highly automatic behaviours that require repetitive information processing every time they are performed, the latter represent simple rules applied consciously by the actors, with low information processing. However, as Dosi observes, rules of thumb rely on several routines that make them work (Cohen et al., 1996)

Nelson and Winter (1982) pose organizational routines at the centre of organizational activity (Cohen et al., 1996). In doing so, they draw on two different approaches to knowledge: the objectivist information processing and the tacit knowledge one (Nightingale, 2003). The information-processing approach informs the use of routines in the organization, whereas the tacit knowledge approach qualifies the definition of routines.

The information-processing approach

Routines refer to the patterning of organizational activity produced by the observance of heuristics (Nelson and Winter, 1982), being a heuristic “any principle or device that contributes to the reduction in the average search to solution” (Newell et al., 1962: 85). They are the genes of the organization (Nelson and Winter, 1982), work like computer programs (e.g. Simon, 1947; Cyert and March, 1963; Nelson and Winter, 1982), and resemble individual habits (e.g. Simon, 1947; Nelson and Winter, 1982). The routines implemented in the past influence the future behaviour of the organisation; at any time, these routines represent constraints to the organisation’s behaviour in terms of selection among a list of limited and distinctive alternatives (Nelson and Winter, 1982). Recently Hodgson and Knudsen (2004) reaffirmed this interpretation, conceiving routines as stored behavioural capacities that entail both knowledge and memory, as well as organisational structure and individual habits, which determine sequential behaviour.

Like computer programs, routines indicate a sequence of actions that work like a unit, with a start and a conclusion, by processing information automatically (Simon, 1947; Nelson and Winter, 1982).

As to the use of routines within the organization, among others, routines play an important role as a means of organisational memory, and as a coordination mechanism (Nelson and Winter, 1982).

Routines and organisational memory

Routines embed experience and represent a form of organisational memory (Nelson and Winter, 1982). They store the solution that the organisation implemented to solve given problems in the past and are executed any time the organisation has to solve similar

problems (Paoli and Prencipe, 2003). Organisations “remember by doing” (Nelson and Winter, 1982: 99). They operate via routines. The latter represent one of the three repositories in which organisations retain operational knowledge. The other two are organisational members’ memory and blueprints. Members remember their job by doing it. Blueprints support them, being formal stores of operational knowledge. The memory of the organisation is not the sum of the memories of its members (Nelson and Winter, 1982; Paoli and Prencipe, 2003). Experience sharing among the organisational members brings about links among members’ memories and the formation of a communication system, which is implicit in routines execution.

Organisational routines and the procedural knowledge they store survive personnel turnover (Nelson and Winter, 1982; Levitt and March, 1988). Furthermore routines enable each member to know when his job is required. In so doing they enable coordination.

Organisational routines and coordination

Routines make actors understand what activities have to take place to accomplish the task (Feldman, 2000), when each activity in the sequence is completed and the successive one starts, (Symon et al., 1996; Gittell, 2002; Kellogg et al., 2006; Okhuysen and Bechky, 2009); they foster interaction among the actors in charge of the different interdependent actions (Feldman and Rafaeli, 2002) and they “create a common perspective” among the actors on the work necessary to accomplish the task (Edmondson et al., 2001; Okhuysen, 2005; Okhuysen and Bechky, 2009: 478).

Trying to develop a comprehensive framework on coordination, Okhuysen and Betchky (2009) argue that each coordination mechanism, including organisational routines, can achieve coordination only if it determines three conditions for coordination: accountability, predictability, and common understanding. Accountability refers to the condition that makes each actor in charge of any interdependent action understand how the responsibility of the whole task is distributed among all involved actors (Okhuysen and Bechky, 2009). Organisational routines create accountability by making clear how and when “hand-off” between an actor and the other occurs. Predictability refers to the ability of the actors to understand what actions make up the task and their sequence. Organisational routines create predictability since they specify the sequence according to which the single activities have to be undertaken. Common understanding refers to the situation in which the actors in charge of interdependent activities share a common perspective on the whole task to be accomplished and on the way in which the single activities they are in charge of are

included in the whole (Okhuysen and Bechky, 2009). A source of common understanding is the connection between the actors in charge of the interdependent actions, these connections being defined as interactions that make it possible to exchange information through verbal communications and artefacts (Feldman and Rafaeli, 2002).

The tacit knowledge approach

The tacit knowledge tradition qualifies the link between routines and individual skills (Nelson and Winter, 1982; Nightingale, 2003). The authors define a skill as a “capability for a smooth sequence of coordinated behaviour that is ordinarily effective relative to its objectives, given the context in which it normally occurs” (Nelson and Winter, 1982: 73). Mastering a skill does not imply to be able to articulate the knowledge at the basis of that skill. According to Polanyi (1962; 1967), in the execution of a skill, an individual observes norms which he is not aware of. Most skilful swimmers do not know that they can keep afloat because they regulate their breathing in a particular way. They are able to swim, though. Articulating the knowledge at the basis of a skill is limited by (i) the speed at which the skill is executed: the time necessary to perform the skill is much shorter than the time necessary to explain it “through symbolic communication” (Nelson and Winter, 1982: 80) - even if one could slow the time to perform the skill to match the time rate of articulation, this would not determine a skilled performance when executing again that task at the proper execution time rate; (ii) the possibility for the individual of possessing a skill, without understanding its basis; (iii) the systematic relations among the details of the skill, which hampers the possibility to describe simultaneously all the relations among them, given the linear nature of language.

Furthermore, the execution of a skill relies on details the individual has only subsidiary awareness of. He keeps his focal awareness on the joint meaning of those details. If he moved the focal awareness on the details, this would have a disruptive effect on the execution of the entire skill. Polanyi (1962) makes the example of a piano player. If the latter moved the attention from the melody he is playing to the movements or the pressure of his fingers on the keys of the piano, he could make mistakes or even interrupt playing.

As Nightingale (2003) recalls, Polanyi explains task accomplishment through operational principles. Operational principles take the form “phenomena x can be produced by y” (Nightingale et al., 2011: 221). The sub-steps making up a task represent a chain of causes that explains how to accomplish the task. At the same time, each sub-step represents a part of this chain (of causes that allows accomplishing the task) and the effect of the causes of

the lower level in the hierarchy (Nightingale, 2003). Common causes at one level of the causal hierarchy have a common effect, which is the cause at the higher level. At each level of explanation there is an operational principle: “an explanation of how the task is performed that fits within an unarticulated, teleological framework” (Nightingale, 2003: 164). From one level of causal chains to the higher, details diminish.

However, when linking the different levels of explanation, it is possible to assume that the cause at the higher level in the hierarchy is a common underlying abstract cause of the causes at the lower level (Nightingale, 2003). In this way, it is possible to assume that common behaviour have a single abstract cause (Searle, 1993). “The lower level processes are really the expression of a single underlying abstract cause”, being the abstract cause the higher level in the hierarchy - are the result of a “single common abstract cause” (Nightingale, 2003: 164).

Nightingale (2003) exemplifies operational principles by referring to the task of buying a drink. It involves four sub-steps, which are going to the shop, picking up a drink, taking it to the counter, and paying for it. These sub-steps represent the chain of causes that explains how to accomplish the task buying a drink. Each of these sub-steps can be accomplished in different ways. The author makes the example of going to the shop can be achieved either by walking, or by a transportation means – e.g. car, bike - as well as paying can be achieved either by cash or by credit card. Both going to the shop and paying for the drink are respectively the effect of the causes at the lower level in the hierarchy of explanation. Alternatively they can be conceived as the underlining abstract cause of those behaviours undertaken at the lower level. Considering the higher levels in the hierarchy either as an effect or as abstract cause implies a different aim. Assuming that the higher level is the effect allows us to produce models, whereas assuming the higher level as an abstract cause allows explaining behaviour.

The link between routines and skills is twofold (Nelson and Winter, 1982). On the one hand each organisational member covers his or her role by exercising skills, at the basis of which there is a component of tacit knowledge. The difficulties to articulate the knowledge at the basis of those skills imply difficulties in articulating the knowledge at the basis of organisational capabilities. The top management does not have a focal awareness of such subroutines. Managers do not have conscious awareness of these sub-routines. They intervene deliberately only in case of problems with the existing routines or in case of modification of the latter (Nelson and Winter, 1982). I recall this distinction between the

different levels of the hierarchy when talking about performative and ostensive aspects of the routine.

Definition of routines

Since Nelson and Winter's (1982) seminal work, several scholars studied organisational routines. Whereas they recognise the above described roles that routines play for the organization, they take very opposing positions on the definition and nature of routines, as they redefine some of the original concepts (Cohen et al., 1996). Some authors define routines as cognitive rules, others as behavioural regularities (Becker, 2004). According to Nelson (2009), this division reflects the polarisation of scholars' attention around either technology or capability. Technology and capability are two aspects of organisational routines. An organisational routine is a technology in the sense that it describes the sequence of actions suitable to accomplish a given task. At the same time an organisational routine is an organisational capability in the sense that it involves multiple actors whose actions are coordinated through cooperative interaction (Nelson and Winter, 1982; Nelson, 2009). Nelson and Sampat (2001) define physical technologies as those routines in which technology dominates over capability and social technologies those in which capability dominates over technology. However, given the general acceptance among scholars on the fact that organisational routines involve multiple actors, the distinction between the two types of routines becomes blurred.

Mindless versus mindful nature of routines

Scholars also disagree on the mindless versus mindful nature of organisational routines. Some authors argue that actors involved in the routines do not devote attention to the actions they implement (e.g. Simon, 1947; Gersick and Hackman, 1990). Simon (1947) likens organisational routines also to individual habits. Reducing the importance that the pragmatist John Dewey gives to habit – i.e. habit as the most characterising part of human psychology - he defines routines to be like actions or patterns that automatically take place once decisions are made (Cohen, 2007). Routines economize on the capacity of information processing and decision making of actors, who devote their attention to non-routine task (Simon, 1947).

Egidi observes, if we consider routines as automatic behaviours, highly automatic behaviours are more likely to occur in the case of individual routines (Cohen et al., 1996). However, also in this case, “a micro-level learning activity is normally at work” (Cohen et al., 1996: 689), as the actor reflects on what he or she is doing (Feldman, 2000).

Furthermore, when multiple actors perform routines, coordination among the latter is required. Each actor's actions must be compatible with all others' actions (Cohen et al., 1996; Narduzzo et al., 2000). Achieving such coordination may require both learning and explorative activity. Recent empirical studies seem to confirm such a position. They make a stronger statement, assuming that routines can be conceived as deliberate accomplishments (Pentland and Rueter, 1994; Pentland, 1995; Feldman, 2000; Pentland, 2003). These contributions attribute a more important role to the actors involved in organisational routines.

Organisational stability versus organisational change

Organisational routines guide organisational behaviour by capturing lessons learnt from experience and making them available to other organisational members (Cyert and March, 1963; Nelson and Winter, 1982; Levitt and March, 1988). Terming routines either as mindless or as mindful has different implications on the lessons that can be captured, as well as on the contribution that organisational routines give to organisational stability and to organisational change. When considered mindless, routines represent a source of organisational stability (e.g. Cyert and March, 1963; Nelson and Winter, 1982; Cohen et al., 1996). At a given time an organisation adopts those routines that are associated to more satisfactory outcomes and dismisses those resulting in failure. Once chosen, the routine has fixed structures (Levitt and March, 1988). Moments of deliberate choice occur when the routine is adopted and when it is discharged. Dismissing or eliminating a routine implies changing it with a more effective one. This change implies costs, as well as the identification and involvement of new actors (Nelson, 1995; Becker, 2004).

Proponents of routines' mindless nature envisage the opportunity for organisational routines to contribute to organisational change. For instance, according to Nelson and Winter (1982) an organisational routine mutates because of personnel turnover. When a new actor joins the organisation and replaces the one who left, his colleagues may influence his understanding of his role, since they have the power to influence him and his understanding of the routine. Furthermore, other contingencies may impact on his learning the role (Nelson and Winter, 1982; Feldman and Pentland, 2003). The authors also identify the opportunity of routine adaptation. Adaptation is one of the tactics useful to organisations to keep routine execution under control. Such tactics allow dealing with the acquisition of new resources that do not present the characteristics that assure smooth execution of the routine itself. Nelson and Sampat (2001) recognise that some elements of a routine are idiosyncratic and may change from one iteration of the routine to the other.

They provide the example of a cake recipe. Idiosyncratic elements may be the tastes of people, circumstances in which the cake is eaten, the tools used to make it, the experience of the cook, price and availability of the ingredients. However these authors emphasise the contribution of routines to organisational stability, due to the “core elements” that assure similarity across iterations.

If we assume that actors pay attention to what they are doing while undertaking organisational routines, we can envisage different opportunities for organisational routines to contribute to organisational change or stability (Feldman and Rafaeli, 2002; Feldman, 2003). If organisational routines are a vehicle of organisational behaviour, actors involved in the routine are the fuel that makes the vehicle move. If we increase the level of attention of actors in the execution of the routine, the vehicle will move either in direction of organisational change or in the direction of organisational stability, through different routes.

Internal dynamics of organisational routines

Recently scholars have underlined the need to investigate the internal dynamics of organisational routines in terms of aspects making up the routine and the way they interact with each other (D'Adderio, 2009). Cohen et al (1996) distinguish between routine representation and routine expression. Reynaud (1996) writes about “rules ready to use” and “rules to be interpreted”, and Feldman and Pentland (2003) distinguish between ostensive and performative aspects (D'Adderio, 2009).

Routine representation versus routine expression

Representation refers to the actions that form the routine and that should take place. They are reported in Standard Operating Procedures (SOP). Expression refers to the actual behaviours that take place in a context (Cohen et al., 1996). Drawing on this, Narduzzo et. al. (2000) show that while implementing the routines, actors interpret, reason and manipulate routine representation, in order to accomplish successfully the tasks at hand.

Rules ready to use versus rules to be interpreted

Analysing rule-directed behaviour, Reynaud (1996) approaches the relation between rules and routines both statically and dynamically. He identifies “rules ready to use” and “rules to be interpreted”. The former is the point of reference, the structure for action. The latter defines the boundaries of interpretation for the rule, by developing a set of alternatives and selecting one of them. These two ideal types coexist in actual rules. Applying a rule implies both a point of reference and a process of interpretation. In a static

approach to the relation between rules and routines, the routine represents a mode to apply the point of reference. In a dynamic approach, the routine is the “history-dependent outcome” of the interpretive process (Reynaud, 1996: 707). Interpreting a rule determines collective knowledge. Collective knowledge stimulates representations and causes actions that in turn change the rule.

Ostensive aspect versus performative aspect

Feldman and Pentland (2003) distinguish between ostensive and performative aspects, by drawing upon structuration theory as illustrated by Giddens (1979), and borrowing terminology from Latour (1986), they label structure and action respectively ostensive and performative aspects. The ostensive aspect refers to the abstract sequence of actions the routine is made of. It is unable to catch all detailed performances, “there are always contextual details that remain open—and that must remain open—for the routine to be carried out” (Feldman and Pentland, 2003: 101). The performative aspect of the routine refers to the specific actions undertaken by a specific actor in a specific iteration of the routine. Such aspects interact with each other and both of them may be embedded in artefacts. “Artefacts such as rules and written procedures can serve as a proxy for the ostensive aspect of a routine. Artefacts such as work logs and databases can also provide a convenient archival trace of the performative aspect” (Pentland and Feldman, 2005: 796).

According to Becker (2004), the interpretation of organisational routines provided by Feldman and Pentland (2003) and Pentland and Feldman (2005) supercedes the above mentioned division in extant literature on the mindful versus mindless nature of organisational routines. The ostensive aspect constitutes a guide, an account and a reference for the performative aspect, while the latter is essential for the creation, the maintenance and the modification of the former (Feldman and Pentland, 2003). While executing a routine, actors may “produce variations on a routine, select these variations, and...retain them as what it means to do this particular routine” (Feldman and Pentland, 2003: 113). This occurs according to both the contingencies of the situation and to the actors’ representations of the routine. Actors’ representations of the routine refer to what the actors perceive the routine to be. Actors can follow the ostensive aspect in one iteration of the routine and adopt an “adaptive and creative behaviour” in another iteration of the same routine (Becker, 2004: 649). In fact, “mechanistic decision making does not necessarily diminish the opportunities for genuine deliberate choice” (Winter, 1985: 109).

Feldman and Pentland (2003) stated that each actor has a limited view of the pattern of actions the routine is made of. This implies that there could be as many representations of the same routine as the number of actors involved. The variations in the performative aspect are not necessarily embedded in the artefacts, however they became part of the repertoire on which new performances of the routine itself may draw (Pentland and Rueter, 1994; Feldman and Pentland, 2003). In the relation between ostensive and performative aspect, the top management can intervene to identify artefacts that embed the ostensive aspect of the routine, or to monitor the performative aspect (Feldman and Pentland, 2003). However, also the actors involved in the execution of the routine contribute to shape the ostensive aspect of the routine as, across performances, they identify and implement better ways of undertaking the same routine and conceive those ways as the way they accomplish the routine itself (Feldman and Pentland, 2003).

New conceptualisation of routines stability and change

Levitt and March argued that firms refine their routines over time, “learning with them” (1988: 322). However, if we believe routines are mindful, stability in both routines and consequent organisational behaviour may be due to the understandings that actors involved in the routine have of the way the organisation operates (Feldman, 2003). Even when the management tries to implement changes in the routine, the involved actors do not implement them if they think that those changes are not in line with the way the organisation operates. Canato and Brusoni (2009) show that when top management introduces new routines, the organisation retains over time only those that are in line with organisational identity and dispenses with others.

Relying on this unpacking of “routines black boxes” more recent empirical studies have analysed the interplay between the internal aspects of organisational routines to explore the reasons why organisations fail to adopt new routines. However, not very much is known about how this interplay determines change in a given routine in terms of routine evolution, across iterations of the same routine. D’Adderio’s (2009; 2011) recent work represents a tentative framework to advance our understanding along this line of investigation. Drawing from the framework developed by Callon (1998; 1999) and refined by MacKenzie (2003; 2006a; 2006b) to study how the model of a process and its actual implementation adapt to each other, she investigates how artefacts and actors shape the internal dynamics of organisational routines. These dynamics result from cycles of “framing”, “overflowing” and “reframing”. Artefacts embedding the ostensive aspect of the routine “frame” the action. However they are the result of a process of articulation and

codification that represents the understanding of the routine shared by only some of the actors involved in the routine execution. If the artefact is inflexible and the other actors involved in the routine have a different understanding of the routine itself, the actual execution of the routines presents “overflowing”. Overflowing consists in a “workaround”, namely to partly deviate from the ostensive aspect. This, in turn, brings about a reshaping of the frame, or “reframing” (the ostensive aspect).

D’Adderio (2009; 2011) attributes to artefacts a central role in the internal dynamics of organisational routines. The artefacts she refers to are software. When software codifies a procedure, the procedure becomes stabilised and difficult to ignore (D’Adderio, 2009). However there are organisational contexts in which the ostensive aspect of routines is not embedded in software or in any other artefact. Routines nonetheless shape organisational behaviour and the internal dynamics are worth investigating.

2.3. Project-Based Organization

Before reviewing how scholars studied organisational routines in project-based organisations’ behaviour, it is necessary to clarify what it is meant by the term project-based organisation (PBO).

Project-based organisation refers to various organisational forms in which projects represent the mechanism whereby knowledge, resources and capabilities are coordinated and integrated in order to provide products and services (Hobday, 2000: 102; Sydow et al., 2004). They characterise industries, such as advertising (Morris and Empson, 1998; Grabher, 2002; 2004), film production (De Fillippi and Arthur, 1998; Lampel and Shamsie, 2003), complex products and services (Hobday, 1998; Davies and Brady, 2000; Gann and Salter, 2000; Prencipe, 2000), television (Starkey et al., 2000; Sydow and Staber, 2002), accountancy (Morris and Empson, 1998), software (Grabher, 2004), consultancy and marketing (Alvesson, 1995; Morris and Empson, 1998). In such industries products are customised and innovation is paramount to be competitive (Hobday, 1998).

Projects represent the mechanism whereby organisations may bring together new and different resources and knowledge for specific productions in which the client may participate actively in product design activities (Gann and Salter, 2000; Hobday, 2000). They may present peculiar features in terms of task division, coordination, number of people or organisations involved, duration and contractual arrangements (Sydow et al., 2004; Whitley, 2006). Projects may be performed within a function or involve different functions of a single organisation. They may be complementary to the volume-based

primary activities (Hobday, 2000; Keegan and Turner, 2002) or represent the way in which a firm provides all its products and services (Hobday, 1998). Projects may require so many different tasks to accomplish that a single organisation cannot have all capabilities required to perform them (Gann and Salter, 2000). In such cases production activities are performed through collaborations among several individual as well as organisational participants (De Fillippi and Arthur, 1998; Hobday, 1998). Projects are a source of flexibility, since they allow the firm to adapt and shape its environment at the same time, to explore new market and technological opportunities (Davies and Brady, 2000). Flexibility stems from project characteristics, among them temporariness and uniqueness (Prencipe and Tell, 2001). Any project has a temporary nature. It involves a constellation of people, often members of different organisations, working together until the project is closed (De Fillippi and Arthur, 1998). These people are “unlikely to join forces frequently, therefore making difficult to develop persistent organisational structures applied across projects” (Cacciatori, 2004: 5). Furthermore any project is unique or one-off (Hobday, 1998; Prencipe and Tell, 2001). It is unlikely to be repeated unchanged in successive projects (Prencipe and Tell, 2001). Finally, even though successive projects can involve similar activities, their long life cycle can cause long time spans between the moment in which an activity is carried out and that in which a similar one is required (Cacciatori, 2004).

Organisational Routines in Project-Based Organisations

Uniqueness and temporariness of projects provide project-based organisations with varied experience. Variety of experience has twofold implications. On the one hand, as mentioned above, it brings about flexibility, while on the other hand, it makes it difficult to exploit the knowledge acquired in a particular project across projects and the organisation as a whole (Hobday, 2000; Scarbrough et al., 2004). This brings about the risk of continuously reinventing the wheel (Prusak, 1997), since what has been learnt in a particular project is likely to be lost when the project is concluded, the project team disbands and similar mistakes may be repeated (Brady and Davies, 2004).

However, several authors argue that any project should be conceived as embedded in a broader context, made up of previous and successive projects, parent organisations, inter-organisational as well as inter-personal networks (Sydow and Staber, 2002; Engwall, 2003; Brady and Davies, 2004; Grabher, 2004; Grabher and Ibert, 2006). According to this view, even managing a radically new project may involve practices and procedures developed during past ventures, “while some procedures are applied for the first time, other procedures have been exploited previously and while some procedures are tailored

specifically to the project, other procedures are well in line with the standard routines of the surrounding organizational context” (Engwall, 2003: 803).

Empirical studies show that project-based organisations implement several mechanisms in order to make lessons learnt in a particular project available over time and across space (Keegan and Turner, 2001; Prencipe and Tell, 2001; Newell et al., 2006). These mechanisms encompass informal people-to-people communications, debrief discussions and “lessons learnt” meetings held at various stages of the project, lessons learnt databases updated when projects are closed and made available throughout the organisation through intranets (Keegan and Turner, 2001; Prencipe and Tell, 2001; Newell et al., 2006). Through these mechanisms, project-based organisations develop a routine approach to the projects they perform (Prencipe and Tell, 2001).

Prencipe and Tell (2001) argued that the routine approach to projects is multidimensional. Documents, standard operating procedures, and ICT tools represent artefacts that embed only partly the accumulated experience (D'Adderio, 2003; Pentland and Feldman, 2005). Artefacts represent the results of formal efforts mandated by top management (Cacciatori, 2003). They store only knowledge about what has been done but not how it was done (Prencipe and Tell, 2001; Newell et al., 2006). In order to transfer knowledge effectively to other projects and to other parts of the organisations, such artefacts are complemented by informal people to people communications (Prencipe and Tell, 2001). The relative importance of informal people to people communication and artefacts to transfer knowledge across projects varies also according to the size and the geographical dispersion of the firm (Boh, 2007). The larger is the size and the higher is the geographical dispersion, the higher is the relevance of institutionalising artefacts. The smaller is the size and the less the geographical dispersion, the higher is the relevance of informal people to people communications.

Brady and Davies (2004) illustrate how knowledge acquired in one-off projects is transferred firstly to successive projects and then to other parts of the organisation. When a one-off project is started, project participants try to rely on previous organisational procedures. As soon as the latter prove inappropriate, new ones are explored. By keeping the project team almost stable across several similar projects and implementing the above mentioned mechanisms, routines and procedures are developed. The latter must be constantly adapted to the contingencies the particular project to carry out presents. This brings about efficiency and efficacy through economies of repetition (Davies and Brady,

2000; Brady and Davies, 2004). However, Bresnen et al. (2005) argue that new routines can be effectively introduced only if they satisfy two conditions: changes are aligned to local existing routines and do not disrupt power and knowledge distribution among actors across the organisation

Once the knowledge accumulated through a given set of similar projects has been consolidated, new ICT tools are developed in order to spread those routines to other parts of the organisation (Davies and Brady, 2000; Brady and Davies, 2004).

In PBO, informal people to people communications and clear role structure are complementary to physical artefacts in providing stability across projects, stability that Brady and Davies (2004) argued to be instrumental to routines development in project-based organisations. Informal people to people communications play an important role both in knowledge transfer across projects and in project staffing whether projects are carried out within a single organisation or require cooperation among several organisations (De Fillippi and Arthur, 1998; Prencipe and Tell, 2001). While performing a project, informal relations develop (De Fillippi and Arthur, 1998; Prencipe and Tell, 2001; Grabher, 2002; Grabher, 2004). For instance, as a problem occurs and it has to be solved, the project participants ask for help from those in the organisation they know to have previously carried out a similar project. Personal networks, based on reciprocal trust, last beyond the end of the particular project, providing a “basic social infrastructure” on which successive project formations draw (Grabher, 2002: 251).

Personal networks may be latent as they involve people that are not formally in the project team but represent a source of knowledge on which project participants draw while performing project tasks (Grabher, 2004). In “cultural” industries such as television (Sydow and Staber, 2002) and movie making (De Fillippi and Arthur, 1998), personal networks give rise to latent organisations that manifest themselves every time a new project has to be performed (Starkey et al., 2000). Personal networks play an important role in staffing the project because of the limits of budget and time within which the project has to be completed. These limits bring about the necessity of working with trustworthy people, namely people that are known to be knowledgeable (De Fillippi and Arthur, 1998). This seems to suggest that PBOs’ knowledge is “embodied in the organisational members and their networks of personal contacts” (Cacciatori, 2004: 6), through which experience, know-whom and know how respectively flow (Grabher, 2004; Grabher and Ibert, 2006). These personal networks seem to provide project-based organisations with some structural

stability. Along with personal networks, clear role structure contributes to the same aim (Bigley and Roberts, 2001; Bechky, 2006). “Clear” refers to shared expectations among project participants on the role of an individual holding a given position. Furthermore a clear role structure allows individuals to switch from one role to another across projects (Bigley and Roberts, 2001; Bechky, 2006). Such stability makes organisational routines likely to emerge.

2.4. Aims and Research Questions

The literature review undertaken in the previous sections highlights several important areas of study in which research is absent. Notwithstanding the recent interest in exploring the internal dynamics of routines, we still know very little about the way in which ostensive and performative aspects interact with each other. Exploring this relation is important due to the important roles that routines are purported to cover within any organisation. Shining light on their internal dynamics might allow us to reach a more comprehensive understanding of the potential that routines have to explain organisational behaviour. In the context of small firm PBOs, the latter can be seen as the main aim of the thesis.

Notwithstanding scholars attribute an important role to routines in PBOs some questions still need to be addressed. First, the label “organisational routines” has been used to refer to concepts somehow different from each other and, particularly, many times it appears in PBO studies without being defined. Given the disagreement among scholars, there is the need to clarify what we mean when talking about routines in PBOs. Second, literature does not provide insights on the antecedents that cause them to emerge. Third, as far as actors performing the routine have some discretion and the context of application changes, organisational routines, once emerged, may change across projects through adaptation. How adaptation occurs, what parts of the routines it regards, and the nature of its causes are mostly neglected. Fourth, in several project-based settings, team stability across projects rarely occurs. However, interpersonal networks and clear role structure in assure continuity across projects, complementing team stability. This might imply that there is room for routines also in those contexts where team stability across projects is missing. Fifth, multiple organisations take part within a project, both when the project requires knowledge and competences held by different organisations and in cases where the customer is highly involved in project activities. In either situation, participants may change from one project to the next. This might imply some routines and sub-routines are discarded, while others may be adopted, across projects.

The PBO has been shown to be a widespread and important form of organisation. Therefore investigating how routines shape their behaviour is an important task. The present thesis aims to explore this area of research, since it allows us to identify issues that might be overlooked in large functional firms but that might be important in other organisations. In particular, the thesis aims to investigate whether routines exist in PBOs (PBO routines) and, if so, what do they consist of and how they evolve. Detecting PBO routines implies the need to grasp ‘what they look like’ in practice and what actions they consist of. It also requires paying attention to the antecedents that lead to the emergence of PBO routines and the conditions that make them recur across projects. Understanding how PBO routines evolve requires exploring what context peculiarities make the PBO routine evolve. It is important also to understand how evolution occurs and whether actors have some discretion in facing the impact of context peculiarities. Furthermore, it is useful to understand whether evolution is formalised and embedded in artefacts.

Reaching these research aims requires us to address the following main research questions and related sub-questions:

1. *Can we identify the existence of PBO routines?*
 - 1.1. *If so, what do they consist of? If not, how is behaviour replicated, if at all?*
 - 1.2. *What are the antecedents of PBO routines?*
 - 1.3. *What are the conditions that cause PBO routines to emerge?*
2. *How do PBO routines evolve across projects?*
 - 2.1. *How do context peculiarities make routines change?*
 - 2.2. *Do actors have some discretion while performing the routines?*
 - 2.3. *Are these changes embedded in artefacts?*

2.5. Conclusions

The chapter depicted the theoretical and empirical background in which this study is rooted. Scholars agree on the fact that organisational routines are an important form of organisational memory (Nelson and Winter, 1982; Levitt and March, 1988; Paoli and Prencipe, 2003), and a coordination mechanism (Nelson and Winter, 1982; Edmondson et al., 2001; Feldman and Rafaeli, 2002; Okhuysen and Bechky, 2009). They also agree that routines are the vehicle for organisational behaviour with respect to both stability and change (Cyert and March, 1963; Nelson and Winter, 1982; Levitt and March, 1988; Cohen et al., 1996). They do not agree, however, on what this vehicle is made up of and how it ‘moves’ towards either stability or improved efficiency or effectiveness. For example, some

contend that routines are cognitive rules; others argue that they are behavioural regularities (Becker, 2004).

According to scholars, the actors that implement the routine represent the fuel that makes the vehicle move. The attention that actors pay to the routine during its execution is also subject of debate among scholars. On the one hand, some argue that routines are mindless, and envisage changes in routines mainly in terms of substitution of one routine with another one (Simon, 1947; Cyert and March, 1963; Nelson and Winter, 1982). Deliberate choice takes place only in this moment. However, these scholars also identify the opportunity of routine mutation and routine adaptation. A routine can mutate in the case of personnel turnover. Routines are also a mechanism to coping with the potential disruption of such turnover enabling functions to carry on regardless of the same personnel. Routines can be adapted in case newly acquired resources lack the characteristics that assure their smooth execution (Nelson and Winter, 1982). Hence, proponents of mindless routines underline the contribution of routines to organisational stability. On the other hand, recent empirical studies have shown that actors involved in organisational routines think consciously about what they are doing and can envisage better ways to perform their tasks (Pentland and Rueter, 1994; Pentland, 1995; Feldman, 2000). These empirical studies have paved the way for conceptualising organisational routines as mindful and for their more active contribution to improved organisational performance.

Proponents of the mindful nature of routines also envisage the opportunity of change in terms of the evolution of already established routines. They argue that routines are stable because of failures to change them (Feldman, 2003). Failure can be due to the lack of consistency of the intended change with the way in which the organisation operates. They also highlight that the failure to adopt new routines can be due to the lack of consistency with organisational identity (Canato and Brusoni, 2009). However, how routines evolve over time is still underexplored.

To explore the evolution of established routines is possible thanks to the recent efforts to unpack the black box of the routine and to investigate its internal dynamics. These dynamics include the two aspects that make up the routine and their interplay over time. On the one hand there is the ostensive aspect, which is the abstract representation of the routine. On the other hand there is the performative aspect, which is the actual implementation of the routine. Differences between these two aspects increase the chances

of routine adaptation and evolution (Feldman and Pentland, 2003; Pentland and Feldman, 2005).

The chapter shows that project-based organisations represent an interesting and challenging context in which to explore internal dynamics of organisational routines. In the literature the acronym PBOs concerns several organisational forms in which products and services are provided through projects (Hobday, 2000; Sydow et al., 2004). They are exhibited mainly in industries in which products are customised and innovation is fundamental to the firm survival.

Projects allow firms to put together new and specific resources and knowledge to realise particular products and services with active involvement of the customers (Gann and Salter, 2000; Hobday, 2000). They confer varied experience on PBOs. Varied experience favours flexibility, but also increases the risk of reinventing the wheel at any new project execution (Hobday, 2000; Scarbrough et al., 2004). However, recent empirical studies show that PBOs develop several mechanisms to transfer learning across projects. Among these mechanisms scholars contend that routines are important (Davies and Brady, 2000; Prencipe and Tell, 2001; Brady and Davies, 2004).

The literature suggests that discontinuities between projects in terms of customers served, project participants, and type of products and services to realise, require actors involved in the routines to adapt them to the contingencies of each particular project, enriching the repertoire on which actors may draw while performing successive projects. Furthermore, inter-personal networks and clear role structure, by complementing artefacts in transferring knowledge accumulated across projects, can increase the divergence between what is codified in the artefacts themselves and the way tasks are actually performed. By implication this divergence would increase the probability of routine evolution. By reviewing extant literature, the chapter has identified areas important for study, which are still underexplored. It also described the aims the research questions that the thesis addresses in order to fill these gaps.

After presenting the methods applied to undertake the research in the next chapter, the thesis reports on the main findings emerging from the in-depth case analysis in the successive three chapters, and then the findings emerging from the cross-case analysis.

Therefore, in what follows, I shall show what routines in PBOs look like and how they evolve. I shall explore whether routines in PBOs consist in procedures and whether or not they are embedded in artefacts and recognised as routines by actors. Their main antecedent

will be analysed including the type of work undertaken and the specific product or service being realised, and personnel turnover, I shall also investigate if and how routines in PBOs evolve by adapting to the context in which they take place and whether or not contingencies pertaining to the actors involved in the routine including the type of project, organisational department, and customer. A key focus will also be the existing of actors' discretion in routines' adaptation.

CHAPTER 3: METHODOLOGY

3.1 Introduction

This chapter illustrates the research approach adopted to answer the research questions that this thesis addresses. At an empirical level, it aims to report the decisions made while designing and implementing the research approach, highlighting the challenges faced in each phase.

Given the inductive nature of the study, I have adopted an appreciative theorising approach, by combining bottom up observational analysis with top down theory-guided approach. This combination of bottom up/top down approach allows me to reconstruct and map the key routines taking place in project execution, to identify routines and distinguish them from other processes, to analyse the interplay between ostensive and performative aspects of the routine over time, highlighting concepts and categories involved in such interplay.

The bottom up approach draws on descriptive narratives, visual mapping and grounded theory. The process nature of the subject of inquiry requires this choice. All three strategies are suited to analyse process data. Furthermore their simultaneous involvement allows me to overcome their respective limitations. Descriptive narratives grasp details and ambiguities in which the observed processes unfolded; visual mapping allowed me to overcome the limits of sequential representations, representing succinctly multiple processes taking place at the same time and highlighting the relations among them, distinguishing the factors impacting on their unfolding according to the domain they pertain to (Glaser and Strauss, 1967; 1994; Langley, 1999; e.g. Grabher, 2004; Pentland and Feldman, 2008); grounded theory allowed us to pass from data to abstract categories.

As Langley (1999) emphasises, a researcher cannot ignore extant theory on the subject of inquiry. Relying on the latter, I developed a list of concepts that in the literature play some role in organisational routines dynamics. This list served a twofold purpose. On the one hand, it constituted the starting point to generate concepts and categories (Suddaby, 2006); on the other hand, it helped develop formal theory (Glaser and Strauss, 1967; Langley, 1999).

Extant literature informed also the choice of the empirical setting and the process of sample design. The empirical setting is a small firm operating in the communications industry. The PBO literature shows that the communications industry works through

projects undertaken by small independent owner firms (Grabher, 2002), justifying my focus on a small firm in the industry. I selected this particular small firm, since the high number of projects with different deadlines they manage at the same time is typical of this industry and other project based service industries. In such cases, project participants feel very severe time pressure which can be an antecedent of routines (Becker, 2005). They need to be aware at the same time of what is going on in different projects, what they have to do and within what deadlines. This might imply the development of particular procedures to manage them (Feldman, 2000; Becker, 2005). As to sample design, I selected the projects that this firm undertook for two customers over a given period and the project that they undertook for a single customer in the successive period in order to capture different project phases and interviewee perspectives. I selected both customers and projects defined as typical by the firm but different from each other along several dimensions. The aim was to expand the scope conditions that determine routines characteristics and evolution (Walker and Cohen, 1985). The overall aim was respectively to identify the routines recurring across projects and to understand more in depth the dynamics of the routines undertaken during project execution.

The process nature of routines makes it difficult for a single researcher to observe all the parts of the process (Pentland and Feldman, 2008). Relying on multiple data sources such as interviews, participant observation, archival records, documents and emails exchanged while executing project activities, allowed me to grasp the two aspects constitutive of routines, performative and ostensive. Whereas interviews, archival records, documents and emails expose the researcher to the abstract representation of the routine (i.e. its ostensive aspect) (Cohen et al., 1996), participant observation involves the researcher in the actual implementation of the routine, (i.e. its performative aspect) (Pentland and Feldman, 2005).

The chapter also explains the test I undertook to identify routines. Visual mapping, in the form of flowcharts, played a key role in identifying routines. Once developed the flowchart representing all processes taking place in each project execution, I matched each process with the four criteria that Feldman and Pentland (2003) identify and Pentland (2011) remarks as being key to organisational routines: pattern, recurrence, involvement of multiple actors, and interdependence among actions making up the routine. Flowcharts also played a key role in the analysis of the interplay between ostensive and performative aspect of the routines.

Once identified and selected the routines related to the main activity of the organisation, I also analysed the interplay between ostensive and performative aspects by comparing the relative flowcharts.

The chapter structure follows: section 3.2 reports the strategy of enquiry; section 3.3 focuses on the empirical setting and on the sampling design. Section 3.4 describes data collection, whereas section 3.5 reports the analysis. Finally section 3.6 presents the conclusions, highlighting the major findings and limitations.

3.2 Research approach

In order to study routines in PBOs I have adopted a qualitative research approach, informed by given knowledge claim, inquiry strategy, and research methods. These represent the three major elements that qualify a research approach (Creswell, 2003).

Knowledge claim

My research is guided by a knowledge claim that seizes a middle ground between objectivism of reality, proper of positivism and post-positivism, and subjective meanings of reality, proper of social constructivism, based on pragmatist philosophy of reality (Adler, 1997). This knowledge claim can be elucidated by drawing on Searle's point according to which some 'objective facts in the world...are only facts by human agreement' (Searle, 1995: 12; Adler, 1997). Human agreement and collective intentionality make those facts recognisable as such. Searle (1995) makes the example of money: certain pieces of paper have the status of money because we accept them as a medium to exchange value.

Inquiry strategy

I have adopted inductive case study research as inquiry strategy (Eisenhardt and Graebner, 2007; Canato and Brusoni, 2009). This choice is in line with previous research focused on the property of organisational routines to change over time, which has adopted mainly case study research as inquiry strategy. It is also justified from the process nature of the subject under inquiry - namely routines - and by the exploratory nature of the study. Understanding routine emergence and evolution requires studying organisational processes in the context in which they unfold and to take into account multiple potentially relevant aspects (Pettigrew, 1990). Case oriented research is the most suitable when the researcher aims to obtain an understanding of a given phenomenon and when the phenomenon under investigation is "too complex, context-bound, or context-sensitive to be studied in any other way" (Yin, 1994; Ragin, 1999: 1139).

Understanding how routines evolve over time requires investigation of more than one iteration of the routine itself. I have undertaken a longitudinal analysis in order to see if changes in any aspect of the routine occur from one iteration to the next. Furthermore a longitudinal analysis contributes to “increase internal validity” of the study (Leonard-Barton, 1990: 250).

Research methods

Once selected the empirical setting, I have adopted multiple procedures to collect and analyse data (Creswell, 2003; 2009). Data collection procedures include face-to-face semi-structured interviews, participant observation, and documents (including electronic mails).

Previous empirical research on organisational routines has relied on these sources. Interviews and documents are sources that allow capturing individual and physical representations through which organisations keep action patterns, namely memories and artefacts (Cohen et al., 1996). Besides the representation of routines, I also examined their “expression” (Cohen et al., 1996; Narduzzo et al., 2000). As Pentland and Feldman (2005) suggested, the actual routine execution, namely how particular actors perform the routine in a particular iteration in a given place, can be captured by observing the patterns of action, while taking place.

Qualitative research relies on inductive data analysis: “qualitative researchers build patterns, categories, and themes from the bottom up, by organizing that data into increasingly more abstract units of information” (Creswell, 2009: 175). I have applied three strategies suitable to analyse process data (Langley, 1999): descriptive narratives, visual mapping, and grounded theory research. As to grounded theory research, I have adopted two analytical techniques: asking questions and making comparisons. They are useful to data coding (Corbin and Strauss, 2008). In order to identify concepts that extant literature related to routines emergence and evolution, I developed a list of antecedents and characteristics that previous research on organisational routines, PBOs, organisational learning has linked to the concept of organisational routines, to which I have constantly compared the concepts emerged from the bottom-up analysis.

3.3 Empirical setting

The empirical setting is an organisation operating in the Italian Communications industry (source ATECO 2007). I have selected this sector because extant literature showed that it represents a context suitable to study routines dynamics. Previous studies focussing on the US, UK and Swedish advertising industries show that work in

communications has a project based nature (see Alvesson, 1994; Grabher, 2002; Grabher, 2004).

I have selected an organisation operating in the communications industry and undertaking similar projects over time. Brady and Davies (2004) argue that undertaking similar projects after a one off project makes new routines emerge and be refined over time. Grabher (2002) shows that the organisational context of each project includes the project-team, the organisation and multiple networks that extend beyond the borders of the project and the organization themselves. This organisational context provides a stability that overcomes project-discontinuities. Stability makes organisational routines emerge (Brady and Davies, 2004).

Grabher (2002) shows that organisational practices typical of large firms do not dominate the advertising industry anymore. Small independent owner organisations rely on different project partners with specific competences across projects. Over time they build a pool of experienced partners from which they can draw for new projects that require those partners' competencies. These organisations serve customers located in several geographical areas. Contracts usually last one to three years and can be renewed on an annual basis (Grabher, 2002).

In Italy some 164,862 firms perform communications activities in Italy (source EUROSTAT). They are mostly specialised firms with a flexible organisational structure. Firms undertaking communications activities are classified in information and communications, public relations and communications, other services of telecommunications, advertising and market researches categories (source ATECO). Among these, the Italian public relations and communications sector is made up of 5756 firms (source EUROSTAT), offering services of media relations, corporate communications, event organisation, financial communications, crisis management, B2B, public affairs and environmental communications. The customers of these firms operate in several sectors, such as food, high-tech, pharmacy/healthcare, textile/clothing/accessories, transport, agriculture, and public administration (ASSOREL, 2007).

I selected an Italian public relations and communications firm that matches the characteristics for the advertising industry as indicated by Grabher (2004). I have labelled it PR&C due to confidentiality reasons. Although extant literature associates organisational routines to large firms, I have selected a SME to investigate routines emergence and evolution. This choice is due to the fact that SMEs are typical of the sector. Furthermore

previous empirical research has investigated the dynamics of organisational routines in SMEs. Huet and Lazaric (2009) explore challenges and difficulties that SMEs face in introducing new organisational routines. Hence, the concept of organisational routines is not completely new to small and medium enterprises. However, while the authors give for granted the existence of routines and focus on the interaction that SMEs develop with other firms through cooperation, my focus is on the actions necessary to develop and deploy routines. Among all SMEs operating in the Italian public relations and communications industry, I have selected PR&C because it presents the characteristics that favour the presence of routines.

PR&C is an independent owner organisation that runs its business both at national and international level. Over time it has built a network of partners with specific competences to rely on to undertake projects. It has a diversified portfolio of customers located in different geographical areas. Projects for public customers work on a contract basis. Contracts last on average one year and are renewable on an annual basis. It is a family-owned business employing about 25 people. PR&C manages a portfolio of about 20 projects at once. They range from a budget of some thousands of Euros for specific private projects, to several million Euros, for public ones. The higher the budget, the higher the number of activities the project involves. Managing several projects with different deadlines at the same time, project participants feel very intense time pressure. Literature has indicated time pressure as one of the antecedents of organisational routines (Becker, 2005). Senior account managers, who cover the role of project managers, as well as other departments' directors are likely to need to be aware at the same time of what is going on in each project, what they have to do and within what deadlines. This might imply the development of particular procedures to manage them (Feldman, 2000; Becker, 2005).

3.4 Unit of analysis and sampling

I have chosen the project processes as unit of analysis and included in the sample the cases that presented “substantive significance and theoretical relevance” (Ragin, 1999: 1141; Ragin, 2006). I have applied a nested sampling strategy (Canato and Brusoni, 2009): customers PR&C serves, projects and services PR&C undertakes for them and processes that PR&C implements while undertaking each project.

Sampling occurred at different stages of the research. As Ragin (1997: 30) underlines, in case oriented research, the researcher does not sample the set of relevant cases at the beginning but during the research process “through a systematic dialogue of ideas and

evidence”. I selected the customers and the projects to focus on when I joined the organisation, where I worked as an intern in the project execution department. The first time I selected two private customers and six projects, the second time I selected a public customer and one project.

In the first internship, my focus on six projects was aimed to understand what actions recurred across projects, and the percentage of the organisation activity they referred to. I selected the projects that the organisation was managing for two private firms operating in two different sectors. One is the Italian division of a multinational company producing fencing solutions for end users and for industrial applications. I have labelled it Bordeaux due to confidentiality reasons. It is an old customer, whose orders range from some hundred Euros to thousands of Euros and concern trade fairs participation, display stands, event organisation and leaflet production. The other customer is a local clothing/accessories retailer. I have labelled this customer Ginger for confidentiality reasons. Two different accounts have managed projects for this customer over time. Projects for this customer range from some hundred Euros to a few thousands Euro and concern event organisation, restyling of the brand, creation and restyling of the website.

In the second internship, the focus on a single project allowed me to deepen my understanding of dynamics of the processes undertaken during project execution. I participated in a project for a public customer. I have labelled it Green due to confidentiality reasons. An Italian Region had called for tenders to assign services of technical assistance to communicate the regional Rural Development Program.

PR&C satisfied on its own all requisites necessary to submit a tender. When I joined the organisation, in March, the project was about to enter the execution phase. I participated in the first “work progress made”.

Table 3.1 shows that the projects undertaken for Bordeaux and Ginger differ from those executed for Green along several dimensions, such as type of customer, type of project, project funds, number of projects PR&C has undertaken for the customer and I have participated in at the same time, project size, types of services, project duration, previous project PR&C has undertaken for the customer, geographical location and percentage of the firm’s activity the project represents.

Dimensions	Bordeaux	Ginger	Green
Type of customer	Private – Italian division of a multinational company	Private - local shop	Public - a Region
Type of project	Order	Order	Call for tenders
Project funds	Customer's	Customer's	European Union
Number of projects	5	1	1
Size of project (Service number and budget in euro)	1 service per project ** 1 st pr. 4.500,00; 2 nd pr. 1.000,00; 3 rd pr. 800,00; 4 th 2.000,00; 5 th 1.000,00	1 service per project ** 1 st pr. 800,00; 2 nd pr. 6.400,00	16 services 674.672,00 euro *
Types of services	1 st pr.: Stand personalisation 2 nd and 3 rd pr.: brochure, 4 th pr.: mailing kit 5 th pr.: leaflet No more production activities since December 2007	1 st pr.: Logo restyling 2 nd pr.: press ads	Coordinated image; brochures; media plan; public relations; oasis in shopping centres; events organisation; press conference; campaign monitoring
Project duration	From a few days to some months	Some months	2 years
Previous projects for the same customer	Yes	Yes	No
Regional variety	No	No	Yes
Substantial proportion of firm activity	20%	20%	80%

* Both service number and budget are taken from the financial offer

** Service number and budget are taken from the quotation presented to the customer

Table 3.1. Customers and projects selection

Integrating the sample during the research process helps expanding the scope conditions, highlighting how different combinations of causal conditions shape common outcomes (Walker and Cohen, 1985; Ragin, 2006). Starting with small projects for the two private customers similar along most dimensions, and including afterwards a larger project for a public customer, diverse along those dimensions, allowed me to see how causal conditions shaping execution and evolution of routines were combined and how they brought to those outcome across projects that differ from each other in terms of size, stage of execution, changes in people managing the project itself, type of served customer. Being this sample theoretically based, there is not selection bias likely to characterise statistical inference studies, where the aim is to show the representativeness the sample has of the wider population (Ragin, 2006).

Finally, I selected the project processes only after identifying them through narratives and project flowcharts were developed for the first customer, coding actions and events.

Among the processes composing each project, I selected those that matched the standard criteria indicated by extant literature to identify routines. These criteria are recurrence, recognisability, interdependence and involvement of multiple actors. They are drawn from the definition itself of routines: “recurrent and recognizable patterns of interdependent actions, involving multiple actors” (Feldman and Pentland, 2003). Hence, routines in PBOs are patterns of interdependent actions carried out by multiple project participants, which recur and are recognisable across projects. Among the processes that matched these criteria, I selected those that were more strictly related to the main activity of the firm. Section 3.6 describes more in details how I proceeded to choose them.

3.5 Data Collection

To achieve my research aims, I needed to selected one firm and carry out in-depth research over multiple periods of time and across different projects. Therefore, after selecting PR&C for the reasons explained above, in July 2007 I agreed a program of research with the HR director, which included multiple data sources.

Relying on multiple sources of evidence served a twofold purpose. It brought about data triangulation, increasing construct validity, and a more comprehensive portrait of the subject under inquiry (Yin, 2003). Being one of the criteria to judge the quality of research design, construct validity consists in the identification of correct ‘operational measures’ for the concepts that the researcher is investigating (Yin, 2009: 40). Data triangulation helps increasing it by favouring convergent courses of reasoning during data collection. Relying

on multiple sources of evidence allowed me also to capture both the abstract representation and the actual implementation of routines and whether and which parts of such aspects are embedded in artefacts.

Exploratory interviews

Between July and September 2007, I interviewed the bidding director, the director of the project execution department, who is the managing director of PR&C, and one of the senior account managers in charge of the project execution phase. The interviews lasted respectively 45', 30' and 29'. I recorded and transcribed them integrally. The interviews allowed me to gather some general understanding of PR&C activity, types of customers they serve, project phases, documents underpinning project activities. The interview protocol is attached in Appendix 1.

Participant observation

I worked at the organization as an intern, in the Project Execution Department twice. The first time I joined the organisation from January 2008 14th to April 2008 24th. I was appointed in staff to a senior account executive and a junior one, with whom I shared the office. We jointly selected the projects I could participate in among those that they were managing at that time. The aim was to be as helpful and as non-intrusive as possible in relation to the way the organisation normally executes its activities, and get as much diversification as possible among the projects.

The second time I joined the organisation from March 2009 23rd to July 2009 24th. The junior project manager I had worked with the previous year had left the organisation. I worked in staff to another senior manager. We agreed that I would participate in the project she was running for Green, as it was about to enter the execution phase. I participated in first 'work progress made' of the project.

During both internships I was involved marginally in the execution of other projects that were managed at that time. This allowed me to see whether the actions that I observed in my projects recurred also across other projects run by other people for other customers, and to identify factors impacting on their execution.

My direct involvement in project activities consisted of helping the account (project manager): to coordinate PR&C departments to produce project materials internally or to rely on external suppliers; to accomplish project activities and services both at PR&C and on site; to write documents and project budget schemes to submit to the customer, attend formal project meetings, as well as "informal, chance meetings, conversations" (Pettigrew,

1990: 278) always doing everything I could to help (Bechky, 2006). I participated in both internal and customer meetings. Internal meetings include both operations meeting with project members from various departments and strategic meetings with PR&C's owner. As to the other projects I was involved in marginally, I undertook online research on possible suppliers, calling the latter to ask for further information, prepared presentations to propose some ideas to the customers, made calls to invitees to events, called firms in the mailing list to propose PR&C customers' products and participated in both operations and strategic meetings. Being directly involved in the projects' context allowed me to identify possible aspects of projects' processes of which neither artefacts (documents and products) kept track of, nor project participants were aware of. Furthermore it allowed me to capture both formal and informal communications on project work.

During the first internship, I was given a desk, a personal computer and a telephone in the office of the two account managers I was supervised by. On site I took quick notes mostly electronically while performing project activities and extensive paper notes during project meetings. Off-site I took extensive notes electronically reorganising those taken on site (O'Reilly, 2005).

During the second internship, they gave me a desk in the office with a person in charge of telemarketing services. I did not share the office with the account manager I was working with. However, I spent most of the time far from my desk, working either at the account's desk or at the desk of those that shared the office with her. There were two people in her office. One is a secretary who worked part-time. She was at PR&C only in the morning. The other was an intern. Because of my intense mobility within the organisation, I took mostly paper-based notes while on site. Off site I reorganised my notes writing them electronically in a more extended form. I archived the word file relative to each working day, with the relative date.

Documents

Documents include union reports, organisational charts, tenders, call for tenders, meeting reports, quotations, reports for the customer, invoices, documents written during the project to coordinate project activities, such as progress and briefs and electronic versions of produced materials. Union reports offered a general understanding of structure, dimensions and dynamics of the industry; all other documents helped me understand the organisational structure and the activities that PR&C undertakes to serve its customers. As better detailed in section 3.6, some documents are used to implement routines. Even if

each document on its own is not a description of a particular procedure, some of them are used while implementing a given routine. These documents contributed to the definition of the routine ostensive aspect. In fact some documents were the first signal of the presence of routines.

Electronic mails

While at the organisation, I had the chance to see that much of project activity coordination occurs via e-mail. I obtained access to work-related e-mails, both those exchanged among internal departments and those exchanged with customers and suppliers. I collected both emails related to the projects involved in the research, and emails received and sent on other projects in which I participated marginally, as well as emails exchanged within the organisation to call organisational members attention to particular problems or for generic communications, such as absences and delays, communications to coordinate the work of the different departments.

At the beginning I asked project participants to send me the e-mails related to the projects. I sat next to them and while they were sending the emails to me they told me about project activities. These interviews allowed me to gather “background information and perspectives” and “supplementary data” (Orlikowski and Yates, 1994: 551). I interviewed 1 project planner and 3 account managers, during the first round of email collection and 1 project planner during the second round. As this process proved to be time consuming, project participants preferred to give me direct access to their e-mail boxes so that I could send the e-mails to me. In the second round of e-mail collection I archived them directly from project participants’ e-mail boxes.

I archived each email saving it in a .txt format, naming it with the following code: customer’s initial.sender’s initials–recipient’s initials_other recipients’ initials–date–time: RDP.GC-DDA-22062009-12.45. For each customer, and for PR&C I made a folder in which I saved the e-mails and the attachments. I saved these attachments with the following code: file name_A1 (stands for attached).e-mail it was attached to. While archiving the e-mails, I created an Excel file for each customer and for PR&C. In each file, on a different sheet for each project participant from which I collected the e-mails, I created a table. For each e-mail, the table reports the sender, the recipients, who the e-mail was copied to, the subject, the date and time and the attachments. At the end I unified all the tables on another sheet and hyperlinked the cell of the sender to the file of the e-mail, and hyperlinked the cell of the attachment to the attachments, in order to access easily both

the text of the e-mail and the attachments in the successive data analysis. Then I separated in different sheets of the same file the emails related to different projects. Creating the file in excel helped me to go through the archiving process, whereas hyperlinks facilitated recovering email texts and attachments in the successive data analysis.

Email collection and archiving lasted from April to August 2008 and from July to November 2009. I collected and archived 3087 emails: 1020 related to the projects undertaken for Bordeaux, 537 related to the projects undertaken for Ginger, 987 related to the project undertaken for Green and 543 related to PR&C entire activity.

3.6 Data analysis

As mentioned in section 3.1, I have applied an “inductive theory generating approach” to data analysis (Howard-Grenville, 2005: 621), relying on what Nelson and Winter (1982) named appreciative theorising. Nelson (1995) explains that it consists in developing theoretic accounts starting from an empirical phenomenon. A theoretic account includes stories that illustrate the causal arguments that relate the variables or concepts that the researcher focuses on to develop or extend theories. To develop theoretic accounts I have combined theory guided top-down analysis and bottom-up observational analysis (Isabella, 1990).

In order to generate grounded formal theory, the substantive theory on a research area has to be considered (Langley, 1999). This is the reason why, both through data collection and analysis I have kept in mind those concepts that previous research has linked to the concept of organisational routines. Becker (2005) distinguished these concepts in antecedents, characteristics, and outcomes of organisational routines.

Antecedents include:

- Task characteristics: task complexity, task interdependence, time pressure, uncertainty
- Personnel turnover
- Team stability

Characteristics of execution are

- Frequency
- Sequential variety
- Artefacts in terms of codified procedures and work flow manuals

Outcomes are:

- Coordination
- Learning by doing
- Saving on cognitive resources

Extant literature on the research subject can provide a starting point and a direction to generate concepts and categories (Glaser and Strauss, 1967; Suddaby, 2006). Approaching the fieldwork with these concepts in mind has helped me not to be overwhelmed by the data. At the same time, being aware of this influence, I have tried to be as open-minded as possible (Suddaby, 2006).

Answering the first research questions required detecting the existence or routines. To this aim I have first mapped all processes undertaken in the projects executed for Bordeaux and then matched them with the standard criteria that literature poses to identify routines. Process mapping has taken place through the development of descriptive narratives, grounded theory, and visual mapping. The following subsections describe how I have proceeded.

Descriptive narratives

Following Feldman's approach (2000), I have relied on all data sources to develop descriptive narratives on the projects undertaken for each customer, whereas I have drawn from data on the organisation as a whole to describe in Appendix 2, the story of the organisation itself, the units and the positions in which it is structured (Feldman, 2000), how labour is divided and coordinated among the different departments and the documents that underpin the organisation activity, what they are used for and how.

Furthermore these data allowed me to grasp the ostensive aspect of the routines later on in the analysis, after their identification, as detailed below.

Descriptive narrative developing refers to a strategy to analyse data, consisting in developing from the data stories that are rich of details, and traditionally used in ethnographic research (Van Maanen, 1988; Langley, 1999). Descriptive narratives allow to reconstruct the processes observed in all the details and the ambiguities of the situations in which they occurred grasping complexity and richness of the real setting itself (Langley, 1999).

As Pentland and Feldman emphasise (2008), while on site, it is possible to observe only partly interconnected actions involving multiple actors, since the research is exposed only to some subsets of organisational routines. Relying on all the data sources while developing

the stories allowed me to overcome the limits of the partial understanding of project activities I could have had relying only on field notes.

In order to develop the descriptive narrative for each customer, I started from the interviews conducted while collecting the emails and integrated them step by step with the emails, and field-notes. I reported in the story also the content of artefacts that project participants had fulfilled, and, where possible, I reported also the process of fulfilling the artefact itself. I organised each narrative in chapters. In the narrative for each customer, I wrote an introductory paragraph describing the customer itself, how long PR&C has been serving it for, how many project managers (accounts) have managed the projects for it over time. Then I developed a chapter for each service (project) PR&C has offered to them.

Each narrative presents the characteristics of a realistic tale. Realistic tales are the ethnographic tales aimed to increase authenticity of what is represented (Van Maanen, 1988). I applied three conventions typical of this ethnographic form: experiential authority, typical forms and native's viewpoint (Van Maanen, 1988). Developing the narratives, I made myself almost disappear from the scene, I did not use expressions like "I saw the account doing this" but expressions like "the account did this, the art said that", making neutrality characterise the representation. Each narrative reports details of activities, events, and situations as the latter occurred. Details appear in the narrative in a redundant and systematic way, to make them figure at a certain point as examples of aspects that emerged as important in the field. Throughout the narrative there are extensive quotations on what people thought and said. They help to underline that what appears in the narrative is the viewpoint of the actor rather than mine (Van Maanen, 1988).

The descriptive narrative on the projects undertaken for Bordeaux relies totally on 449 emails, 190 attachments, field notes relative to 26 working days, and 2 interviews. The narrative on Ginger comes out of 173 emails, 24 documents, field notes relative to 17 working days. The narrative on Green relies on 987 emails, 371 documents, field notes relative to 70 working days, and one interview.

Visual mapping development - flowcharts

In order to avoid the risk of developing idiosyncratic stories rich in details and interesting at a descriptive level, but poor in terms of theoretical contribution, I have applied a visual mapping strategy, and developed flow charts for each project described in the narratives (Langley, 1999). At the same time, as explained below, I have applied to coding analytical techniques appropriate for grounded theory research.

When analysing process data, graphical representations permit us to overcome the limits of sequential representations, typical of textual descriptions (Miles and Huberman, 1994). They show in summary a large amount of data and several processes at the same time, highlighting the relations among them in terms of precedence, simultaneity over time, and the different dimensions involved in their unfolding (Miles and Huberman, 1994; Langley, 1999). They allow comparing processes, relative sub-processes and events impacting on the processes themselves systematically (Langley and Truax, 1994), and represent useful tools to both develop and verify theoretical ideas (Langley, 1999).

Once identified and summarised processes and their sub-steps in the 5 projects undertaken for Bordeaux, I represented them graphically, following Langley and Truax (1994).

As figures 5.1, 5.2, 5.3, 5.4, and 5.5 show, bands, shapes, and connectors make up each flowchart. A central band reports project processes and sub-steps. Above and below the central band, there are bands reporting events, activities and decisions outside the project processes that have an impact on the process sub-steps themselves. Above the central band there are two bands, respectively for the project execution department and the customer. Below the central band, there are 3 bands, respectively for the graphics department, other departments and time. Time band is not on a scale, in order to reduce the room necessary to represent project processes.

Shapes represent events, activities, and decisions (Langley and Truax, 1994). They are respectively ovals, rectangles, and diamonds. For the activities I indicated also whether project participants wrote down forms and documents to undertake the activity, by including another shape in the activity rectangle. I grouped decisions and activities related to a given process in a rectangle with broken borders. Connectors are lines and arrows. Lines indicate that either the decision or the activity follows the previous activity or decision. As to arrows, broken arrows indicate that the event, activity or decision causes a delay on the decision or activity to which it is linked, full arrows indicate that the event, decision or activity brings about the activity or the decision it is linked to. To develop flowcharts I used the software Edraw Max 5.

Summaries and flowcharts development were iterative, in the sense that developing the flowchart helped me to better highlight boundaries and scope of processes.

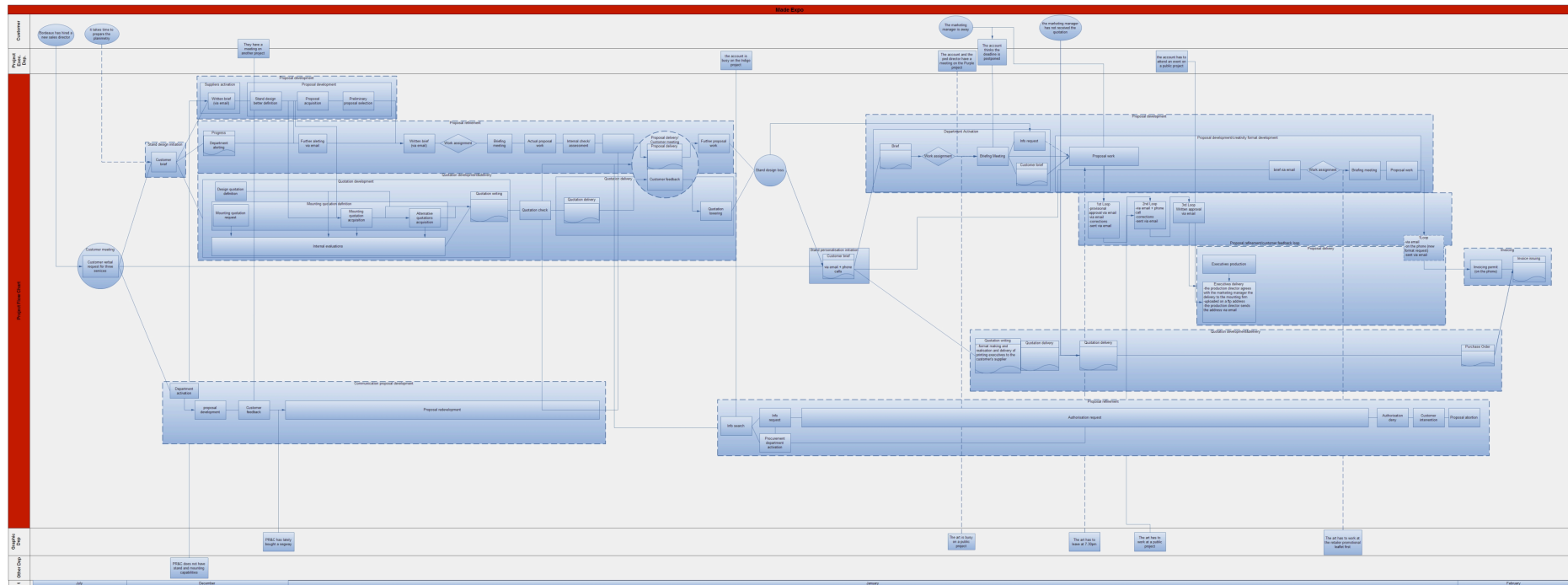


Figure 3.1. Flowchart of the project: Stand design, personalisation and communication initiatives at the fair

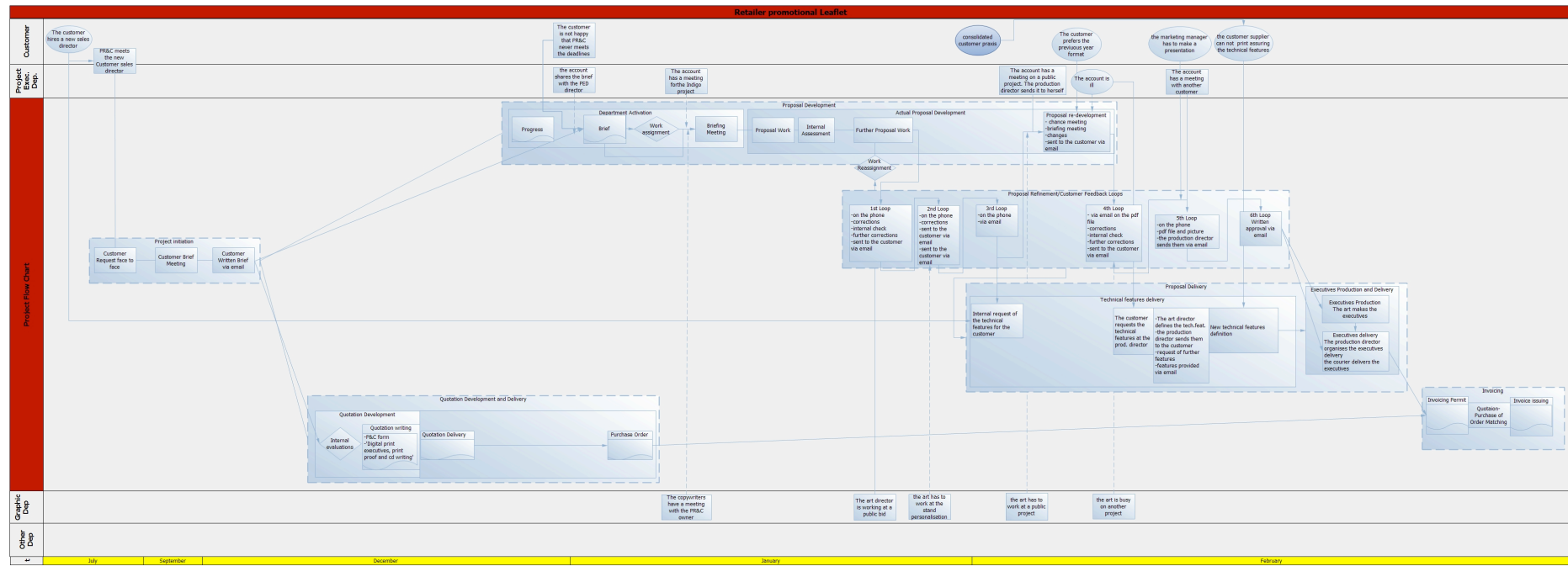


Figure 3.2. Flowchart of the project: Retailers promotional leaflet

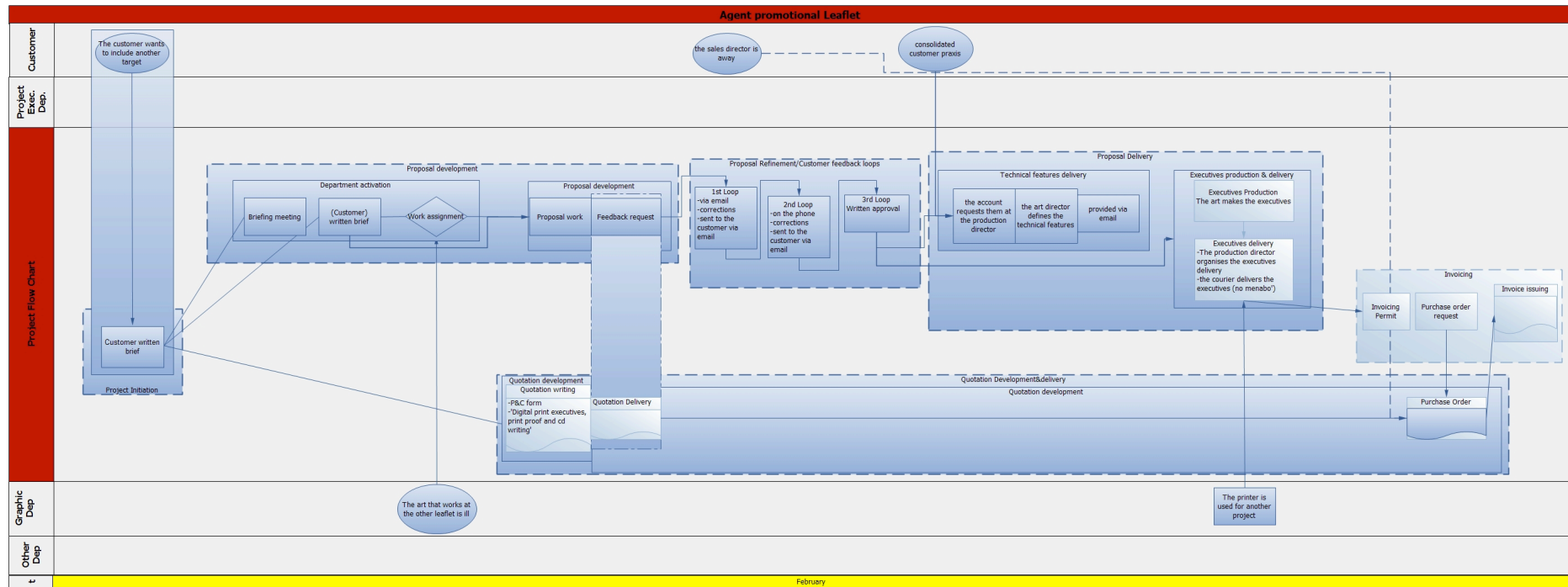


Figure 3.3. Flowchart of the project: Agents promotional leaflet

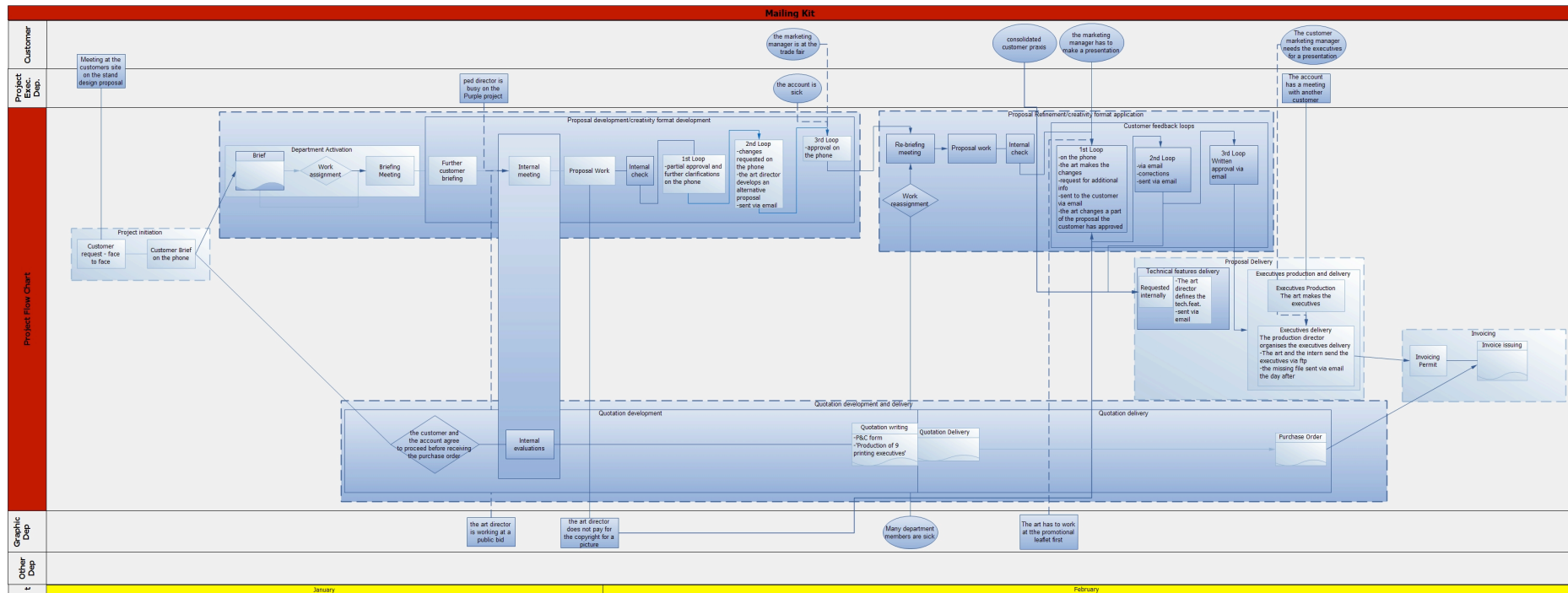


Figure 3.4. Flowchart of the project: Mailing kit

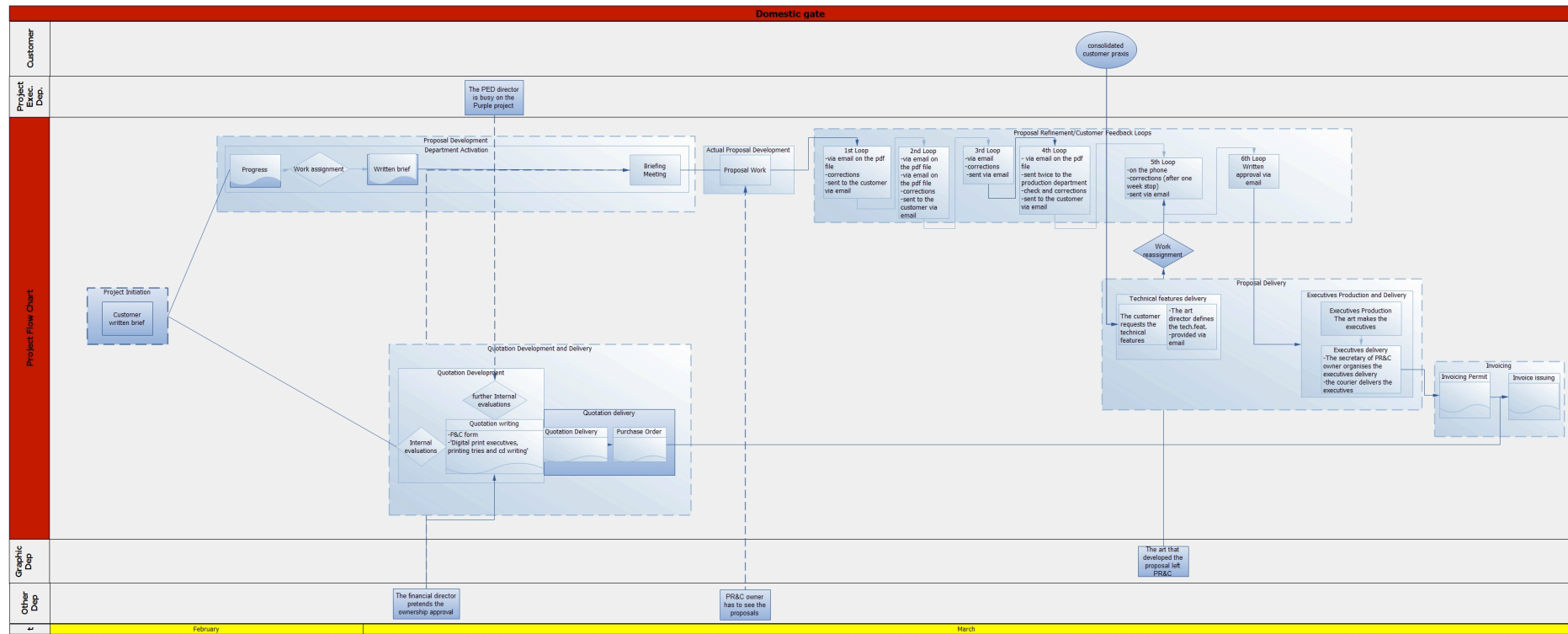


Figure 3.5. Flowchart of the project: Domestic gate

Flowcharts facilitated identifying the processes undertaken in each project, better defining their starting and ending sub-steps, as well as the interdependencies among sub-steps of the same and of different processes. Furthermore they allowed me to compare the way the same process took place in different projects and what impacted on his unfolding.

I reported in each flow chart events impacting the processes of the project, distinguished according to the context in which they occurred, both within and outside the firm's control. This allowed classifying the contingencies affecting projects and undertaken processes. Developing the flowchart was key to identify all processes taking place during project execution. Comparing flowcharts relative to different projects allowed identifying processes recurring through different projects for the same customer.

Grounded theory research

To develop flow-charts, once having written the descriptive narratives for the first two customers, I started reading repeatedly, first for Bordeaux and then for the Ginger, the narratives in order to summarise project processes. At the beginning I described the type of service, whether PR&C had provided in the past the same service, either to the same customer or to others, what was different in the current request compared to the previous ones. To write the summaries I identified and coded project processes and relative sub-processes, along with events and processes outside the project but that impacted on the project itself. I coded both processes and events using the names that project participants gave to them, where possible (Corbin and Strauss, 2008). In the description of each process sub-step, I questioned data using the analytical technique of asking questions. It consists of asking firstly exploratory questions about who, what, where, how, how much, with what consequences, what frequency, which duration, timing and what if (Corbin and Strauss, 2008). I summarised the narratives, questioning when, how and what took place and what caused what.

Routines identification

Performative aspect identification

Once I developed flowcharts and coded processes, events and decisions, I matched the processes with the criteria identified in the literature to identify organisational routines. Feldman and Pentland (2003) recognised that the criteria to identify organisational routines can be drawn from the definition itself of organisational routines. They are:

- Presence of recognisable patterns of actions. Applying this criterion in PBOs, a process is a routine if it occurs through a recognisable pattern across projects either for the same or for different customers.

Across the five projects that PR&C undertook for Bordeaux, six processes proved to exhibit a recognisable pattern of actions. These were: (1) project initiation, (2) creative proposal development, (3) creative proposal refinement, (4) creative proposal delivery, (5) quotation development and delivery and (6) invoicing.

- Recurrence. In PBOs, a process is a routine if it takes place across projects undertaken either for the same or for different customers.

As figures 3.1, 3.2, 3.3, 3.4 and 3.5 show, these six processes recur across all five projects undertaken for Bordeaux.

- Interdependence of actions. A process represents a routine if the actions making it up are interdependent: the output of one action is the input to another.

Among the six processes identified in the projects undertaken for Bordeaux, (1) project initiation involved a single action – i.e. written brief - in three projects out of five - stand design, personalisation and communication initiatives at the fair (figure 3.1), agents promotional leaflet (figure 3.3) and domestic gate promotional leaflet (figure 3.5). Since a single step spurs action, project initiation does not satisfy the criterion of interdependence among actions. The other five processes – i.e. (2) creative proposal development, (3) creative proposal refinement, (4) creative proposal delivery, (5) quotation development and delivery and (6) invoicing - are each made up of multiple actions interdependent with each other.

- Involvement of /cooperation among multiple individuals, each in charge of one or more sub-processes. A process is a routine if it involves several project participants, each in charge of one or more actions.

Processes (2), (3), (4), and (5) satisfy also the criterion of involvement of multiple actors in charge of different actions. Process (1), project initiation involves only one actor – i.e. the customer's marketing manager.

Among all six identified processes, I have classified as routines only those that matched all four criteria and that represent the way in which organisational activities are actually performed (Cohen and Bacdayan, 1994; Canato and Brusoni, 2009).

Hence I have identified five routines: creative proposal development, creative proposal refinement, creative proposal delivery, quotation development and delivery and invoicing. I

decided to reduce the number of routines to analyse to three in order to have a more reasonable number of cases, namely 11 iterations for each routine, considering the number of projects included in the research.

I selected the three routines most related to the activity of the firm: creative proposal development, creative proposal refinement and creative proposal delivery. They promised to reveal interesting insights on the role of experience in terms of sequential variety of the actions making up the routine and in terms of content of the actions themselves. They promised also to reveal insights in terms of interdependence among different routines, highlighting particular constraints in routine execution. From now on, I refer to these routines, naming them PBO routines to underline their pertinence to PBOs.

Once identified through the summaries and the flowcharts the performative aspect of the three PBO routines, as they took place in the projects undertaken for the first customer, I needed to grasp both their performative aspect in the projects undertaken for the other two customers and their ostensive aspect.

Ostensive aspect identification

Artefacts underpinning project activities execution represented the starting point to identify the ostensive aspect of the three PBO routines under study. Being exposed as well to other projects in which these PBO routines took place, I could get an understanding of the percentage of the activity they related to. While I worked at PR&C, actors involved in the different projects discussed how they were supposed to undertake project activities and what the procedures were. These discussions, along with chance interviews, artefacts and interviews, helped me to depict the ostensive aspect of the PBO routines under study. In the meanwhile I became more familiar with the software to develop flowcharts. I better identified the boundaries of each PBO routine, and represented any different action with a different colour, in order to make easier the successive comparison with the performative aspect.

Looking at the same time at the routines, the context in which they take place, and the story of the organisation and its activities has allowed me also to detect the antecedents and conditions that made the routine emerge. It also contributed to answer the second main research question the thesis addresses: identifying how the ostensive aspect of the routines has evolved over time and what caused such evolution.

Creative proposal development, creative proposal refinement and creative proposal delivery are routines strongly related to the type of activity that the firm undertakes. As

mentioned in the previous chapter, the projects that PR&C executes for its customer imply services that range from corporate communications, events organising, services of support for participating to trade fairs, business-to-business communications, environmental communications, consultancy, media relations, web-site creation and updating, sponsorship, editorial products design and production. Each of these services requires creative resources, which PR&C achieves through those three PBO routines. The customer can request PR&C to develop a creativity proposal to apply on several materials. The project can either include or not include the production of those materials.

Being PR&C a small enterprise operating in public relations and communication, the procedures they adopt are not described in any manual. However, actors involved in their execution recognise them as procedures.

Lately PR&C has inserted a partial description of the tasks and the methods that characterise project execution in an artefact named technical offer. The technical offer is a document that PR&C is required to write when participating to a call for tenders for public communications projects. It describes the communications plan that they propose to realise in case of contract awarding. It is one of the artefacts that are a sort of outcome of project activities. It contains a partial description of two PBO routines among those under study, namely creative proposal development and creative proposal refining. Only public customers and the account, namely the project manager responsible for the project execution in case of awarding, have access to this document. She does not share it with the other project participants. However project participants are aware of implementing procedures while undertaking project activities, the actions making up the PBO routines are articulated.

Routine (1): Creative proposal development

Creative proposal development is the PBO routine aimed to transform the customer's request in a creative proposal. Actors in charge of the different actions making up the PBO routine are from the project execution department and from the graphics department respectively. The creative proposal is made up of a visual (an image) and a headline (a title – i.e. a word or a phrase), with relative sub-head (sub-title) and body text (paragraph illustrating the details of the proposal). Visual and head together transmit the message that the customer wants the proposal to communicate. Once received the request from the customer, PR&C activates either external suppliers or internal departments to develop the creative proposal. It occurs through two sub-routines: department activation and proposal development.

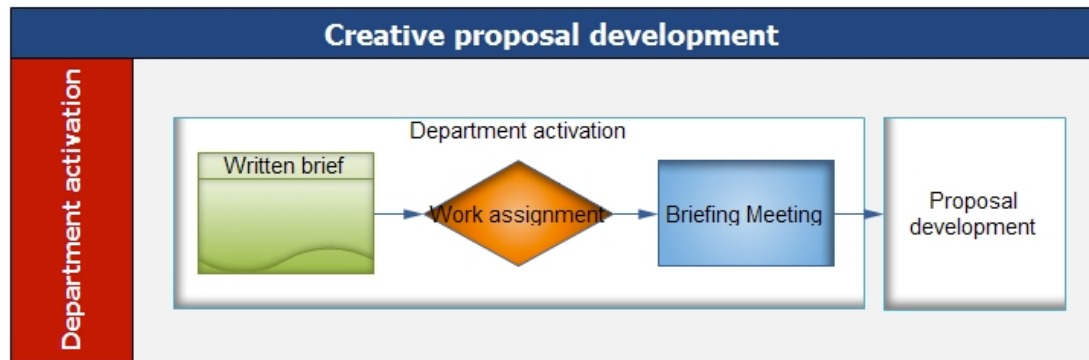


Figure 3.6. Department activation - Ostensive aspect

As figure 3.6 shows, in department activation three actions take place: written brief, work assignment and briefing meeting.

- **Written brief:** the account provides either the external suppliers or the graphics department with a written indication of what they are supposed to do. She completes a form in which she reports the information on a new project or service to realise. The form contains several boxes in which the person who responds to it has to insert respectively customer's name, work subject, title of the work to make, budget, general information on customer and service, communication objective, "tone/style/ atmosphere", desired brand/product image, specific contents to insert in the body copy, any particular indication or restriction, further useful information, what they have to present to the customer, schedule and deadline and brief writer. The technical offer written to participate to the call issued by Green reports: "For each means, the work team will receive all information that the account dedicated to the project will have collected in the brief with you".
- **Work assignment,** the production director and the art director assign the work to the available art and copywriter, who respectively prepare the visual and the texts (i.e. head, sub-head and body-text). The technical offer for Green describes this action in the following way: "All communication means will be realised by a work team coordinated by the art director and made up of a graphic designer, a copywriter,under a project leader's supervision"
- **Briefing meeting:** the account explains what the customer is looking for and clarifies any doubt the proposal developers have. Stefania DL: "after forwarding the brief, the account meets the art director and the copywriter to give indication on what they have to do" (chance conversation with Stefania DL, production director - 06/02/2008). The technical offer for Green reports: "On the basis of such information, she will organise a first meeting to identify the basic characteristics of materials on a graphic-structural viewpoint"

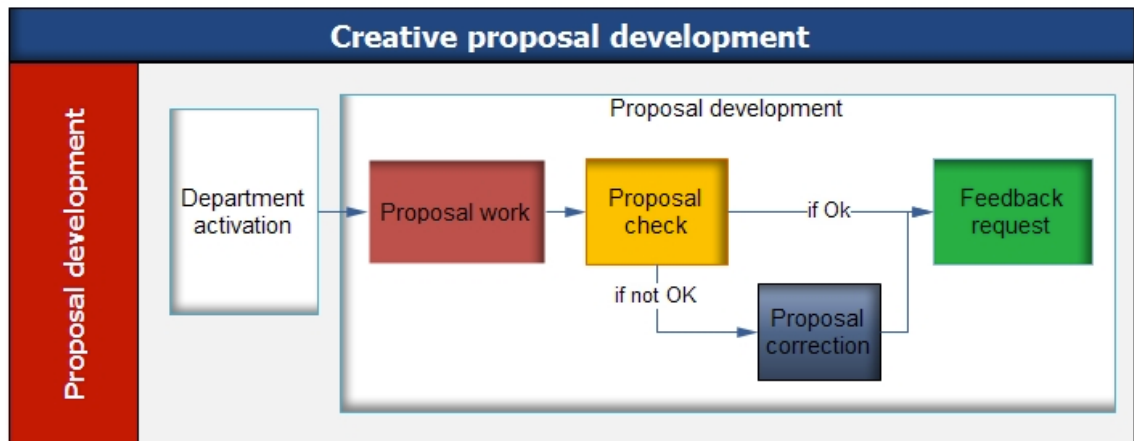


Figure 3.7. Proposal development – Ostensive aspect

As figure 3.7 shows, after department activation, proposal development takes place. It involves: proposal work, proposal check, proposal correction and feedback request.

- **Proposal work:** the supplier or art and copywriter assigned to the project start working at the proposal. As reported in the technical offer for Green: "...A copywriter will write the texts according to the materials and information collected from you In this way they will develop a first draft of the means..."
- **Proposal check:** when the proposal is ready, they either print it and share it with the account manager face to face, or send it to the account manager via email. The account manager checks it.
- **Proposal correction:** if there are some mistakes, the account manager sends the proposal back to the department, asking for corrections. The art and the copywriter make the necessary corrections and send the proposal back to the account manager.
- **Feedback request:** when there are not mistakes or after proposal correction, the account manager sends the proposal via email to the customer for feedback. The technical offer for Green reports: "... and the account manager will share it with you for approval"

At this point, creative proposal refinement starts.

Routine (2): Creative proposal refinement

Creative proposal refinement is the PBO routine aimed to make the creative proposal match customer's preferences. Actors in charge of the actions making up this routine include the customer's referents, the account, the art and the copywriter. It is made up of customer feedback loops, written approval from the customer, and internal checked & approved, when PR&C is in charge of printing materials. As figure 3.8 shows, a customer's feedback loop includes four or five actions: these are: customer's feedback, proposal corrections, proposal check, proposal correction, and approval request.

- Customer's feedback: the customer lets the account know if they like the developed proposal, either on the phone or via email.
- Proposal correction: they may request for corrections. The art and the copywriter correct the proposal according to the customer's feedback.
- Proposal check: the account checks the corrected proposal.
- Proposal correction: in case there are some mistakes, the art and the copywriter correct them further.
- Approval request: if it matches the customer's request, she sends it to the customer via email, requesting for approval.

The technical offer for Green describes feedback loops in this way: “in case of positive feedback, the team will realise a definitive draft, making all corrections the customer would request”.

- Written approval or ‘checked & approved’: the customer approves in black and white the proposal. As figure 3.8 and figure 3.9 show, the ostensive aspect of this PBO routine changes according to the private or public nature of the served customer. In case of projects run for public customers, PR&C interacts with two counterparts, an administrative one and a political one. The former is in charge of giving feedback and approve the content of the proposal, the former is in charge of formal approval. Figure 3.9 highlights that the type of customer makes an additional action appear in the ostensive aspect: administrative counterpart's checked & approved (formal approval). Without this approval PR&C cannot send the materials to printing.
- ‘Internal checked & approved’: Once the customer provides written approval via email, the PBO routine is over, unless PR&C is in charge of printing the materials. In this case, once received the customer's approval, the production director enters the account office with a printed copy of the proposal, asking her to check and sign it. In this way the production director does not have any responsibility in case the printed material is wrong.

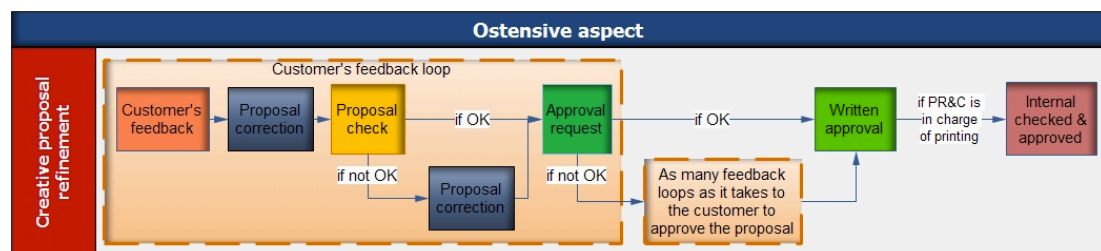


Figure 3.8. Creative proposal refinement – Ostensive aspect, Private projects

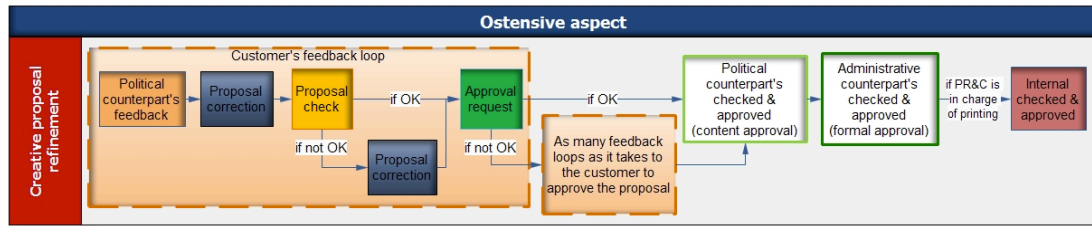


Figure 3.9. Creative proposal refinement - Ostensive aspect, Public projects

Routine (3) Creative proposal delivery

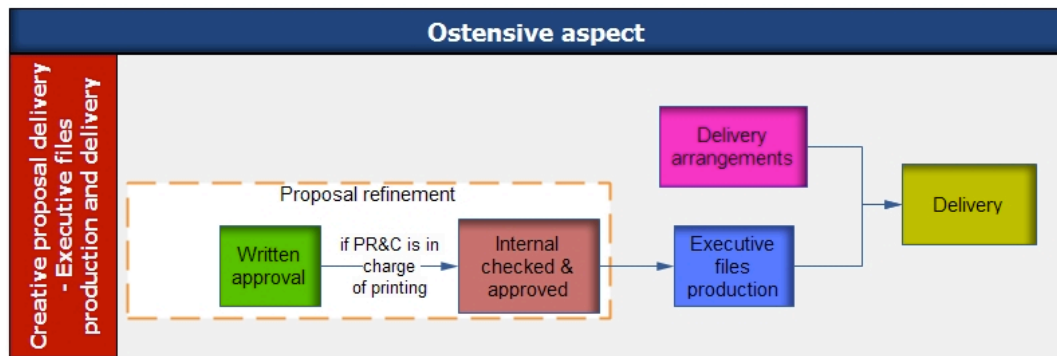


Figure 3.10. Creative proposal delivery – Ostensive aspect

Creative proposal delivery is the PBO routine whereby the creative proposal that the customer has approved in black and white is sent to printing. The technical offer for Green reports: “Once obtained your checked and approved they will proceed to print materials.”

Figure 3.10 shows that three actions make up this PBO routine: delivery arrangement, executive files production, and delivery.

- **Delivery arrangement:** either the procurement director or the production director agrees with the printing supplier how and when they have to deliver the executive files, necessary to print the creative proposal.
- **Executive file production:** as soon as the customer has provided written approval and the account manager has checked and signed the proposal, the art makes the executive files and saves them over a CD ROM. The executive files are the files of the proposal in high resolution, with the indication of measures to respect when printing the file.
- **Delivery:** either the production director or the procurement director gives the CD ROM with the executive files to PR&C suppliers in charge of printing. As the production director explains: “When the material to print is a brochure, we give to the supplier also a printed copy of the executive files, to show how the brochure is layout. This saves us from any responsibility in case the supplier is wrong in laying out the brochure”

Until 2007, the ostensive aspect of creative proposal delivery was the one that figure 3.10 shows also for the projects undertaken for Bordeaux. In July 2007, Bordeaux hired a new sales director, who found PR&C quotations for printing and production services too

high. He decided to rely on other suppliers for printing. Because of this decision, since then, the ostensive aspect of creative proposal delivery for the projects undertaken for Bordeaux includes another sub-routine: technical features definition and delivery. Figure 3.11 shows that three actions make it up: in each project, the customer requests the technical features of the materials to print, the art director defines them, and the account sends them via email to the customer's marketing manager.

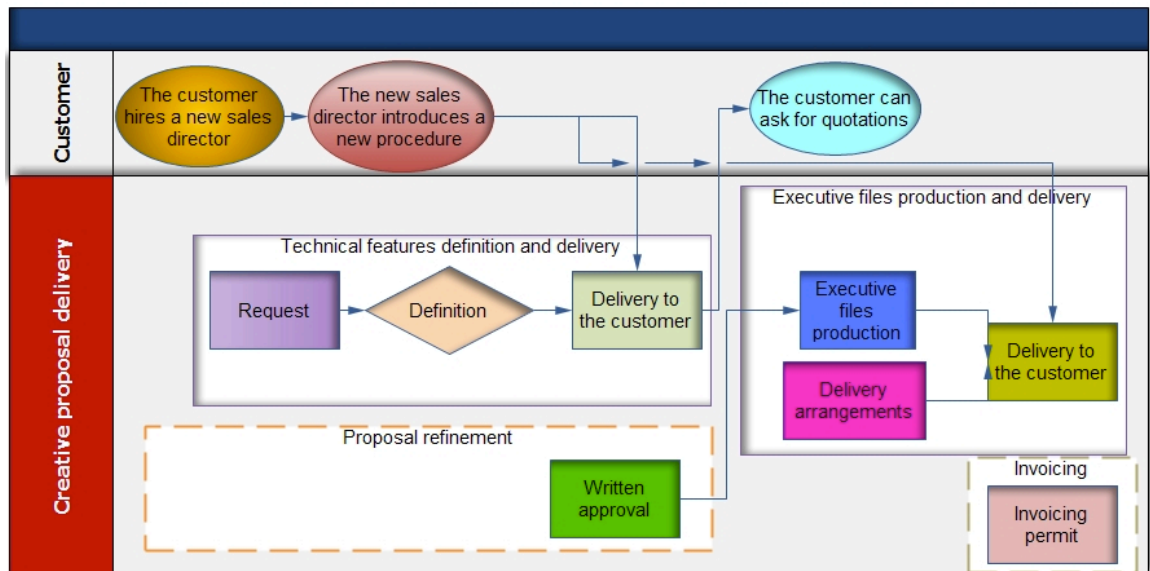


Figure 3.11. Creative proposal delivery – New ostensive aspect for the projects executed for Bordeaux

Once I represented the ostensive aspect of each PBO routine, I developed the summaries and the flowchart of the PBO routines for the other two customers as well. Answering the second main question also required comparing the ostensive aspect of the routine with the performative aspect, as emerging from the projects selected for the three customers. The comparison showed what context peculiarities required for routine evolution, the domain these peculiarities pertain to and how actors faced the need for routine evolution.

Further grounded theory research

In order to contribute to theory on PBO routines emergence and evolution, I had to move from specific processes, decisions and events reported in the flowcharts to derive theoretical constructs. The starting point has been the summaries that I had developed for the flowcharts. As above mentioned, each summary reported the code, a brief description of each action part of the process, and a section coded “what causes what”, in which I had highlighted any impact of events and processes not part of the PBO routine. For each customer, I extracted the part of the summary relative to each PBO routine. At this stage of the analysis I refined and improved coding. I inserted between the code and the brief description, the part of the descriptive narrative they referred to. I did the same for the

sections of the summary named “what causes what”. In fact, in the narrative, relying on all data sources, I had been able to identify what had caused each action in the routine to take place in a given way and at a given moment rather than another. Below each action and “what causes what” summary, I inserted a section named “further conceptualisation.” I also proceeded to code the “what causes what”. To this end I checked the list of concepts developed on the base of extant literature. For each action and “what causes what” I enriched the analysis, asking further questions and making comparisons. Making comparisons is another analytical technique that Corbin and Strauss (2008) suggested. It consists of continually comparing any event/incident with the others in order to grasp similarities.

At the beginning coding was open, namely questioning the data and comparing them in order to identify concepts that could “stand for” them and break down the concepts themselves in properties and ranging the properties along their dimensions (Corbin and Strauss, 2008: 66). Open coding, through asking questions and making comparisons has allowed me to raising data to a further conceptual level. While refining concepts I have related each one with the others, performing what Corbin and Strauss(2008) called axial coding. It consists in identifying the relations among the concepts, as several concepts are developed (Corbin and Strauss, 2008). I relied on NVivo8.

Through data analysis, besides comparing the concepts emerging from the analysis with the list of concepts drawn from extant literature, I read about structuration theory (Giddens, 1979) and theory of practice (Bourdieu, 2007). Feldman (2000) applied these theories in developing her understanding on organisational routines. Reading data through the lenses of these theories has led Feldman “to appreciate the relationship between action and structure through the medium of practice” (Feldman, 2000: 615).

Once compared performative and ostensive aspects of the routines under study for each customer, I undertook cross-case analysis, in order “to convey the rigour, creativity and open-mindedness of the research processes” (Eisenhardt and Graebner, 2007: 30). It allowed reaching a more comprehensive understanding of the relevance and spreading of the impact of each context peculiarity identified within the single cases, and of the dynamics through which both the ostensive aspect and the relation between the latter and the performative aspect evolve over time

During my analysis, other concepts, which only marginally have been associated to the concept of organisational routine in literature, have emerged as playing an important role

in PBO routines change: i.e. context peculiarities and power. This has brought me to read also about theory of intra-organisational power and contingency theory (Pugh et al., 1969; Hickson et al., 1971; Fredericks, 2005).

As far as extant theory is not suitable, the “fluid movement between data and theory” bring to reconceptualise theory through “a creative leap” able to grasp all data nuances (Mintzberg, 1979; Post and Andrews, 1982; Isabella, 1990: 12).

While analysing the interaction between ostensive and performative aspect of the PBO routines across all cases, I started thinking of ‘metaphorical images’ of PBO routines and the context in which they unfold (Weick, 1989; Cornelissen, 2005). Metaphors help the researcher in the process of theory generations, as they ‘open up new ways of understanding and to lay out the groundwork for extended theorizing and research’, enabling the researcher to communicate an abstract and complex idea through a more concrete, more easily to understand concept (Weick, 1989; Glucksberg and Keysar, 1990: 15; Tsoukas, 1991), to consider ‘multiple ways of seeing, conceptualizing, and understanding organizational phenomena’ (Van Maanen, 1995), and to identify otherwise unthinkable distinctions among concepts (Morgan, 1980; Cornelissen, 2005: 753).

I considered that PBO routines adapt fluidly to the context in which they take place, like a fluid changes its shape, according to the shape of the container into which it flows. Different types of contingencies model the context in which the PBO routine unfolds. However like a liquid fluid keeps its volume, a PBO routine keeps its substantial steps. Then I thought that the principles of hydrodynamics like those applied to hydrodynamics might have fit better than those of hydrostatics to explain the adaptation of PBO routines to the context across iterations. Drawing on the interaction model (Ortony, 1979a; b), I started conceiving (i) the project as a waterworks serving a city with water, (ii) the PBO routines as the water that flows through its pipes, (iii) the PBO routine input as the collection system or the tank from which water flows, (iv) the PBO routine outcome as the tank to in which water ends up, (v) the customer whose needs the project aims to satisfy as the city served by the waterworks, (vi) the organisational departments as the ground in which the waterworks is.

Water (PBO routine) flows through the pipes (the project) from the collection system or from the main tank (project start/previous process or PBO routine) to the downstream main tank (successive process or PBO routine/project end) in such a way that depends on the water’s physical properties (contingencies related to the actors executing the PBO

routine), the pipe's characteristics (contingencies related to the project), the characteristics of the ground in which the pipe is (organisational departments), and those of the city whose water needs the waterworks satisfies (the customer). In the waterworks some of these characteristics can be planned and taken into account *a priori*, while others emerge only during the assessment *a posteriori*. Furthermore accidental events can change the flow of the water and require contingent measures to deal with the consequences on the water's flowing *in itinere*. Examples of accidental events are contamination of the water and a hole in a pipe. All these contingencies have to be faced to assure that water flows from the upstream main tank to the downstream one. In the same way, in PBO routines, some contingencies shape the context *a priori* (ostensive aspect - e.g. nature of served customers), others shape the context *a posteriori* (changes in the ostensive aspect whose need is made explicit after the PBO routine iteration – e.g. the change mandated in the ostensive aspect of creative proposal refinement to avoid the consequences of absentmindedness) – others emerge as relevant only *in itinere* (contingent adaptation of the performative aspect).

This metaphor suggested the three different ways of adaptation of the PBO routine to contextual contingencies, which are elucidated in chapter seven. It also helped me to conceptualise a wide range of contingencies that shape and influence routines, illustrating possible links between the PBO routine and the different domains making up the context. However, conceiving the PBO routines as water flowing through the waterworks' pipes failed to deal with the distinctions between routines substitution and endogenous changes. Furthermore, once in a waterworks, the flow of water is fixed and water is delivered to the city, there are not very much chances of further change. For these reasons, I decided to discharge the metaphor, keeping the distinction between the three ways of routine adaptation.

3.7 Conclusions

This chapter presents the methodology I adopted to conduct the study of routines in PBOs.

The inductive approach to generate theory and the combination of bottom up/top down theory guided approaches allowed me to construct and map the activities implemented while executing a project, distinguish them in terms of PBO routines, identify processes that are not PBO routines, and analyse the interplay between ostensive and performative aspect of the PBO routines, across projects.

Relying on multiple sources of data to develop the descriptive narratives allowed me to face the challenges of the process nature of organisational routines. As Pentland and Feldman (2008) show, organisational routines represent a unit of analysis difficult to define and observe for researchers, as they can directly observe only part of the process.

Descriptive narratives, based on a combination of data sources observed at the same time, allowed me to grasp details and facets of each project and of the processes taking place in its execution. Then, flowcharts allowed an immediate visual representation of the processes, including routines, which characterise a given project. This brought about a better definition of the boundaries of each routine and, hopefully, a clear representation of the influence that different domains have on the implementation of these processes. In order to identify PBO routines, I matched the processes reported in the flowcharts of the projects undertaken for the client Bordeaux with the criteria highlighted in literature.

By defining and identifying PBO routines more clearly I can hopefully answer the first research question that this research addresses, namely: what are they? And what are they composed of? Secondly, my approach promises to overcome a limitation of previous research on the topic. By focussing on change in organisational routines, previous studies provide valuable insights on this topic. However, most of these studies have taken for granted 'what an organisational routine actually is' and have not really explained how they identified such routines. Taking for granted their existence, without explaining their nature and defining characteristics, suggests that they may not be entirely clear that they are actually describing routines rather than other (e.g. random or ad hoc) processes. This poses interesting new issues, since in the literature there is not actually a shared view on either what organisational routines are, or any real agreement as to their nature (Becker, 2004). This chapter therefore hopes to provide a methodological contribution in terms of showing how to highlight the steps necessary to define and identify PBO routines.

Finally, the coding of the actions constituting PBO routines and the factors impacting on their execution and evolution, allows the research to move from data to abstract concepts grounded in reality and to develop categories, through a continuous comparison with the list of concepts developed on the basis of extant literature.

Flowcharts play a key role also in the analysis of the interplay between the two aspects of routine, ostensive and performative. They, in principle, allow me to make immediate comparisons of the two aspects in order to identify similarities and differences, also indicating the sources of those differences in terms of project, organisational department

and customer. Hopefully, this will make a further methodological contribution. In previous work, Pentland et al (2009) underline the suitability of workflow data to observe organisational routines. The authors refer to data gathered from workflow software that the organisations being studied had already adopted on their own to support their organisational routines. This chapter builds on this research, enlarging the suitability of workflow data to observe organisational routines, extending this to contexts in which workflow systems have not been adopted. Synthesising the data collected through all sources flowcharts are useful both in the identification of PBO routines in PBOs and in the analysis of their evolution over time, as it allows us to compare each actual implementation of the PBO routine and its abstract representation, and also promises to highlight the sources of possible differences and the nature and origin of these sources.

In addition to the methodological contribution in advancing our understanding of routine existence and evolution, the chapter paves the way for answering the research questions addressed by this thesis and better addressed in chapter seven.

Having highlighted the chapter's contribution, it is also worth mentioning its limitations. One limitation of the methods is that only one researcher, namely myself, proceeded with data coding. However, as Pratt (2009) argues in justification of this, when someone else codes data this does not necessarily increase coding validity. This limitation is mitigated when the researcher employs ethnographic methods to gather data as no one else knows the context and individuals as much as the researcher apart from the employees themselves. The experience that the researcher accumulates with them does, and is supposed to, change how the researcher views his or her data, justifying to some extent the 'same person' approach to data gathering and coding (Pratt, 2009). Also, as an exploratory study, we cannot and do not intend to generalise from the findings to other PBO contexts of routines, either in small or large firms. Instead, I intend to compare the findings with extant theory, perhaps generate new categories and concepts and pave the way to develop a theoretical framework of routine existence and evolution in PBOs.

This chapter illustrates the inquiring strategy. Whereas a description of the empirical setting is reported in Appendix 2, the successive chapters present respectively the dynamics of PBO routines across projects, by comparing each implementation of the PBO routine in terms of performative and ostensive aspects and a cross-case analysis of these dynamics.

CHAPTER 4: CASE DESCRIPTION AND ANALYSIS - BORDEAUX

4.1 Introduction

The chapter analyses how creative proposal development, creative proposal refinement and creative proposal delivery unfold in the projects that PR&C undertakes for Bordeaux. The focus is on creative proposal development, refinement and delivery because they relate to the main activity of the firm, which operates in the public relations and communications sector. On the conceptual level it analyses how the performative aspect of these PBO routines differs from the ostensive aspect and what contingencies are responsible for the differences.

To address these aims, the chapter compares the flowcharts of the performative aspect of the PBO routine, as it takes place in each project, with the flowchart of the ostensive aspect of the PBO routine, as reported in the methodology chapter. Flowcharts highlight cause-effect relations between the actions making up the PBO routine and contingencies that impact on its execution. They highlight relations among them in terms of precedence, simultaneity over time, and the different contingencies influencing their unfolding (Miles and Huberman, 1994; Langley, 1999). Flowcharts also distinguish contingencies according to the domain they pertain to (Langley and Truax, 1994): project, firm's departments and customer.

The five projects are chosen, as they are typical of services offered to the customer in the past. The execution of similar previous projects promises to reveal interesting insights on the use of artefacts to recall previous experience while executing creative proposal development as well as how contingencies acting at different levels make the same PBO routines differ across projects, notwithstanding the similarity of the project outcomes.

The chapter structure is as follows. Section 4.2 provides a brief presentation of the customer and of each project undertaken for them. For each PBO routine under study, section 4.3 compares the performative aspect of each PBO routine with the ostensive aspect and then analyses in depth the contingencies that are responsible for the differences. Section 4.4 discusses the implication of the analysis undertaken in the previous section. Section 4.5 concludes highlighting the main findings emerging from the analysis in relation to extant literature.

4.2 Case context

4.2.1 Bordeaux

Bordeaux is the Italian division of a Belgian multinational company operating in the sector of fencing solutions. It has been a customer of PR&C since 2003, ordering similar services from year to year. These include the participation in trade fairs, promotional leaflets and display stands. Over time the customer has interacted with PR&C through a sales director with the collaboration of two marketing managers, Luca S and Martina DB, each responsible for one or more services at the same time. In 2007 Bordeaux appoints a new sales director, Pietro C. PR&C referents meet him in July.

When PR&C starts serving Bordeaux, a sales director, assisted by a junior account manager, Federico B, manages the projects for this customer. PR&C sales director is a friend of the Bordeaux sales director. Because of their friendship, Bordeaux orders communications services directly to PR&C. The services include also printing and producing the materials to deliver without asking for quotations. When the PR&C sales director leaves the organisation, Federico B, the junior account manager, continues managing the projects for Bordeaux, together with another junior account manager, Irene DR, with the supervision of the project execution department (PED) director, Manuele P. In October 2007, Federico B is appointed to another account manager to acquire new customers. Progressively he steps away from the projects for Bordeaux. Irene DR, the other junior account manager continues managing them with the supervision of Manuele P, the PED director.

The projects analysed in the next sections are: stand design and personalisation and communication initiatives for a trade fair; retailer promotional leaflet design; agent promotional leaflet design; design of a mailing kit that the customer can use to promote from time to time their products to the customers in such a way personalised according to the target; design of a promotional leaflet on a given product.

As to stand design and personalisation and communication initiatives, PR&C has already executed this type of services previously, both for Bordeaux and for other customers, as well as projects of leaflet design. Every year the customer organises promotional initiatives addressed to retailers and agents, communicated via leaflets.

In July, Francesco P and Manuele P, PR&C owners, Irene DR and Federico B, the junior account managers, meet Pietro C, the new Bordeaux sales director, and Luca S and Martina DB, the two marketing managers, at Bordeaux' headquarters. At the meeting they

are supposed to discuss the projects to undertake for 2008. The agenda includes: projects and strategies for 2008, trade fair “MADE expo” February 2008 and any other business.

Among other services, projects and strategies for 2008 include the first promotional leaflet for retailers that PR&C has to deliver for 2008. “MADE expo” is the trade fair Bordeaux wants to participate in that year. “Any other business” includes the presentation of PR&C, as suggested by Manuele P, PR&C owner, in order to brief Pietro C, the sales director, about both PR&C and the services that they have offered to Bordeaux over time. In the meeting, Pietro C tells Francesco P and Manuele P, PR&C owners, that he finds the quotations of their services too high. He still wants PR&C to be their supplier of communication services. However, he has decided to introduce a new “procedure”: to ask quotations to multiple suppliers for material printing and production services.

4.2.2 Projects undertaken for Bordeaux

Stand design, personalisation and communication initiatives at the fair

Since 2003 Bordeaux has been participating every year in a trade fair. At the meeting held in July 2007, Bordeaux communicates to PR&C that Bordeaux has applied to participate in MADE expo trade fair that will take place in Milan from the 5th to the 9th of February 2008. Pietro C, the sales director, makes clear that he thinks that the price paid for the design of the stand the year before is too high. For this reason he has decided to ask quotations to another supplier for stand designing. However, whoever will design the stand, PR&C has to provide the stand personalisation and communication services. Luca S, the marketing manager, will let PR&C have the stand specifications as soon as the firm organising the fair sends it.

Notwithstanding several tries, Luca S cannot have the stand specifications for the trade fair before December. On the 17th he writes to Manuele P, PR&C owner, and Irene DR, the junior account manager, to let them have the details of the service. He copies the email to Pietro C, the sales director, and Martina DB, the other marketing manager. Luca S asks to offer a quotation for mounting the Bordeaux stand at the trade fair. He specifies the structural characteristics of the stand. He explains that the concepts to express are leadership, safety and innovation, like the previous years, plus the concept of complete fencing solutions. He lists also the products Bordeaux wants to exhibit and their dimensions and adds that design has to include two desks, an hospitality area for catering, an office area, a store area for the promotional materials (such as leaflets and gadgets).

After specifying the details, he asks them to present one or more proposals with relative quotations. He clarifies that as their “settled procedure”, PR&C’s proposal will compete with proposals by other firms. Bordeaux will choose the best offer. The deadline for presenting the proposal is the 10th of January. He attaches to the email the specifications of the pavilion and of the stand.

Once PR&C completes the stand design proposal, Bordeaux provides the relevant feedback and asks PR&C to personalise the proposal that they have chosen. Also for stand personalisation, PR&C implements creative proposal development, creative proposal refinement and creative proposal delivery. Personalisation work regards both the stand and its parts and the restyling of the labels to attach to the products to exhibit. PR&C executes creative proposal development, refinement and delivery separately for the stand and the products labels restyling.

Retailers promotional leaflet

The agenda of July 2007 meeting at the customer’s site includes the first promotional leaflet to produce in 2008. Bordeaux mentions to PR&C the intention to have a leaflet for promotional action for their retailers and agents. After several calls and meetings, in December the customer sends via email a detailed brief on the work to do. The brief is the text of the e-mail. It clarifies the concept and the structure of the promotional action, the conditions and the periods of the promotion, which are better explained in a file that Martina DB, the marketing manager, attaches to the e-mail: the retailers who will participate to the promotion will be entitled to receive the bench display stand. The latter will be available from the 15th of March 2008 until they run out of stock.

In the brief Martina DB also explains that Bordeaux will send the bench display stand to wholesalers that will send it to retailers. The retailers that send the coupon with their data will receive a regulation-size football ball for free. One coupon, among those received, will be drawn to assign a 32-inch plasma screen to watch the European Football Championship. Martina DB expects to receive the quotation for the creativity work. The deadline for the work (in order to print it) is the end of January, maximum first week of February.

The day after receiving the customer brief, Irene DR, the account manager, puts the promotional action in the progress report that she sends to the production department, indicating the 7th of January as the date it has to be ready internally. To offer this service, PR&C has to develop, refine and deliver a creative proposal.

Agents promotional leaflet

After PR&C has developed and started refining the creative proposal for the leaflet addressed to retailers, on the 1st of February, Martina DB, the marketing manager, calls Irene DR, the account manager, to let her know the changes they have to make in the leaflet and informs her that they want to include another target. Then she sends an email to Irene DR, the account manager, and Manuele P, PR&C owner, to indicate the corrections for one leaflet and brief on the other one. They have also decided to make agents participate to the contest. She explains the relative mechanism and indicates that PR&C has to develop a leaflet addressed to the agent, in line with the one addressed to the retailer. She also suggests the format they could use.

In order to realise the leaflet, PR&C implements creative proposal development, creative proposal refinement and creative proposal delivery.

Mailing kit

On the 11th of January 2008, at the Bordeaux site, after the presentation of the proposals for stand design, while leaving the meeting room, Luca S, Bordeaux marketing manager, mentions to Irene DR, the account manager, that they want to produce a mailing kit. The firm serves three types of customers and has decided to create a mailing kit to promote its products in a way personalised according to each target. Irene DR, the account, presses Luca S, the marketing manager, first via email on the 14th, and then on the phone on the 16th for the brief. Luca S gives to her further indications on the phone. He explains to her the needs of the firm and what the mailing kit has to include.

PR&C has to elaborate a graphics layout to characterise the initiative in line with the type of target the mailing will be directed to. The kit has to consist of a letter carrying the firm logo and a slot in which the customer can insert the logo of the partner and a slot for the title of the promotional campaign; a reply card that the customer shall send back either to Bordeaux or to the partner with his details. It will carry Bordeaux' phone number, the firm logo and a slot for the firm's partner logo; an envelope to personalise with Bordeaux and the partner's logos, and the title of the promotional campaign.

The executive files have to be ready and sent to Bordeaux by the 23rd of January. This implies that PR&C has to execute creative proposal development, refinement and delivery in less than two weeks.

Domestic gate promotional leaflet

At the end of February 2008, Bordeaux wants to launch on the market a new gate, promoting it among retailers through a promotional leaflet. On the 27th Martina DB, the marketing manager, forwards the brief via email to Irene DR, the account, and Manuele P, PR&C owner. The brief is in the text of the email. She asks them to make a leaflet to launch a new product, “domestic gate”³. She attaches a ppt file from which they have to take the technical features. The file is made up of two slides. The first one contains a picture of the gate and its technical description. The second slide contains a table with the gate dimensions in terms of length, height and price. Martina DB, the marketing manager, explains that the graphics have to be in line with those used for the exclusive products catalogue⁴, in which it will be inserted later on. Subject of communication has to be a new product, which is cheap, and applied in garden settings. She points out that it is a little gate without the handle, perfect for the garden, easy to mount and provided as a self-assembly kit. Targets of communication are retailer, wholesaler and end consumer. They can use set pictures but they have to insert also the technical features, according to the philosophy of the catalogue. As to printing, she suggests using either a two-sided format or a front and reverse one or any other very standard format. She would exclude “cartotecnica” (a technical drawing). She asks them to let her know in case they think of any other format. She also mentions two “experiments” that PR&C has made for them in the past for the launch of new products. The latter can be a good cue for the new product. They can take pictures from Bordeaux database. She will wait for a quotation and two proposals. She also says the leaflet has to be ready to print by the 15th of March.

4.3 Case analysis

4.3.1 Performative aspect versus ostensive aspect

4.3.1.1 Creative proposal development

As mentioned in the previous section, creative proposal development takes place in each of the five projects under study. In this section, I aim to analyse this PBO routine by comparing for each project, the performative aspect, as it results from the actual unfolding of creative proposal development with its abstract representation, as reported in the

³ I used a made up name in order to assure customer anonymity

⁴ PR&C had realised the catalogue in the past

methodology chapter. To make comparison easier, I distinguish the analysis for the two subroutines that make it up: department activation and proposal work.

PBO routines actual unfolding does not take place in a vacuum: either PR&C or external context related contingencies are likely to play some role. These contingencies bring about differences between the two aspects first for department activation and then for proposal development, for the given project. This is why they are the initial focus of analysis. Once I have undertaken such analysis for each project, in the following subsection I analyse the relevance of each contingency on the PBO routine unfolding through a cross project analysis.

Stand design and personalisation

As anticipated above, stand design and personalisation is a multiservice project. It includes three services, stand design, stand personalisation and product labels restyling. Creative proposal development recurs separately for each service. Accordingly, I report separately the relative analysis.

Stand design

Figure 4.1 shows that in stand design, the performative aspect of department activation differs from the ostensive aspect in terms of number of actions and content of such actions. It starts and ends with written brief. This difference is due to the joint effect of *personnel turnover* and *new procedure* on the customer side, and *lack of specific competencies* on the firm's side. *Customer personnel turnover* and *new customer's procedure* bring about a change in the content of brief, whereas *lack of specific competencies* makes the other two activities (work assignment and briefing meeting) in the pattern disappear. PR&C has performed the same project for the same customer the year before. This year, the customer has hired a new sales director, Pietro C. The new sales director decides to keep PR&C as a supplier of communication services. However, he introduces a new procedure, asking for multiple quotations for printing and production.

As Luca S, the marketing manager, underlines in the brief email for stand design:

“We are asking you to present to us one or more stand proposals with relative quotation. As per our settled procedure, your work will compete with proposals of other mounting firms. Hence the proposal that we will judge as the best one will be realised.” (email: B.LS-IDR_MP-17122007-10.25)

Hence, in the written brief to their supplier, Manuele P, PR&C PED director, inserts the necessity to ask for multiple quotations for part of the service. Since PR&C does not

have internally the competencies to develop the creative proposal, Manuele P does not activate an internal department but an external supplier.

Further difference between performative and ostensive aspects of department activation is that Manuele P, the PED director, does not complete the PR&C form to write the brief to the supplier. This does not have any impact on the PBO routine unfolding, however.

Figure 4.2 shows that for stand design the contingencies impacting on the performative aspect of proposal development are *previous experience* and *feedback need* on the supplier side and *customer's disappointment* on the customer side. These contingencies jointly impact on the number of actions included in the pattern and on actions content.

Feedback need brings about two more actions in the patterns. The supplier asks Manuele P, the PED director, to assess the proposals they are working on, to see what they have to develop further and what they can discharge. According to Manuele P's assessment, they continue working at the proposal.

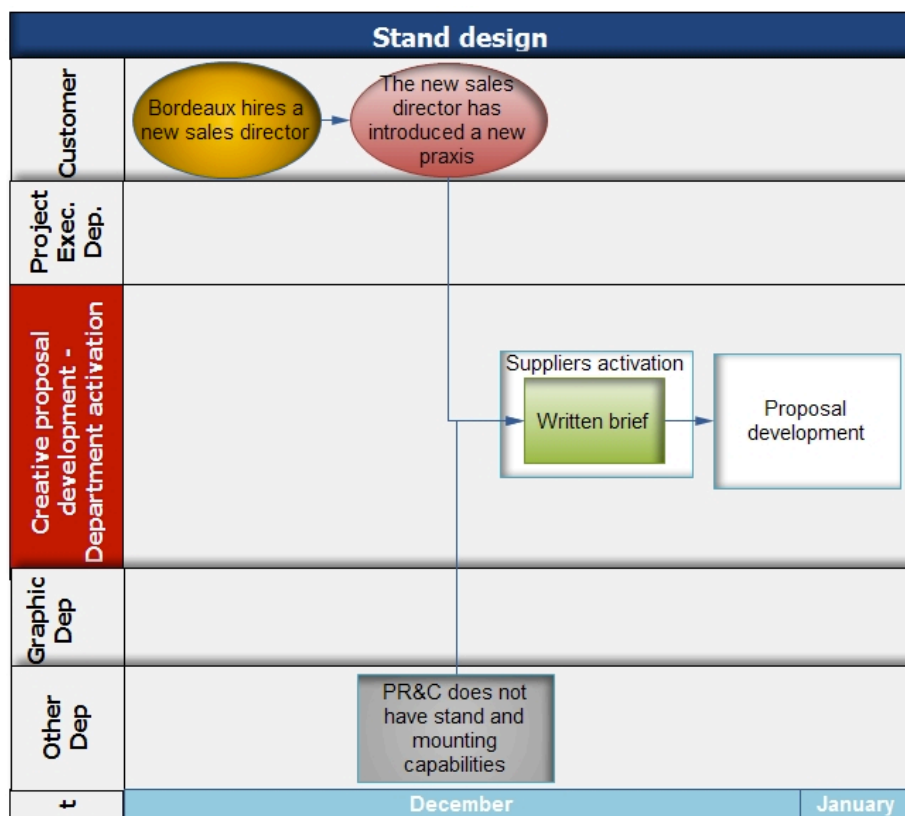


Figure 4.1. Department activation – Stand design

Previous experience impacts on the content of the additional action “further proposal work” and, because of this, the proposal is not ok. The supplier has already developed the creative proposal for this service for this customer the year before. For the current proposal, he develops one of the alternatives similar to the previous year one and takes

materials (pictures and labels) from that proposal. He explains it to Irene DR, the account, when sending the proposal:

“Please find attached the vistas of proposal 1 (last year one, revised according to the new space). I have already inserted the graphics. If you want also the vistas without it, tell me and I send them to you” (email: B.EG-IDR-07012008-10.51).

When Irene DR, the account, checks the proposal, she realises that some elements of the previous year cannot be used. She asks the supplier to change them. This brings about the action proposal correction, which is proper of creative proposal refinement.

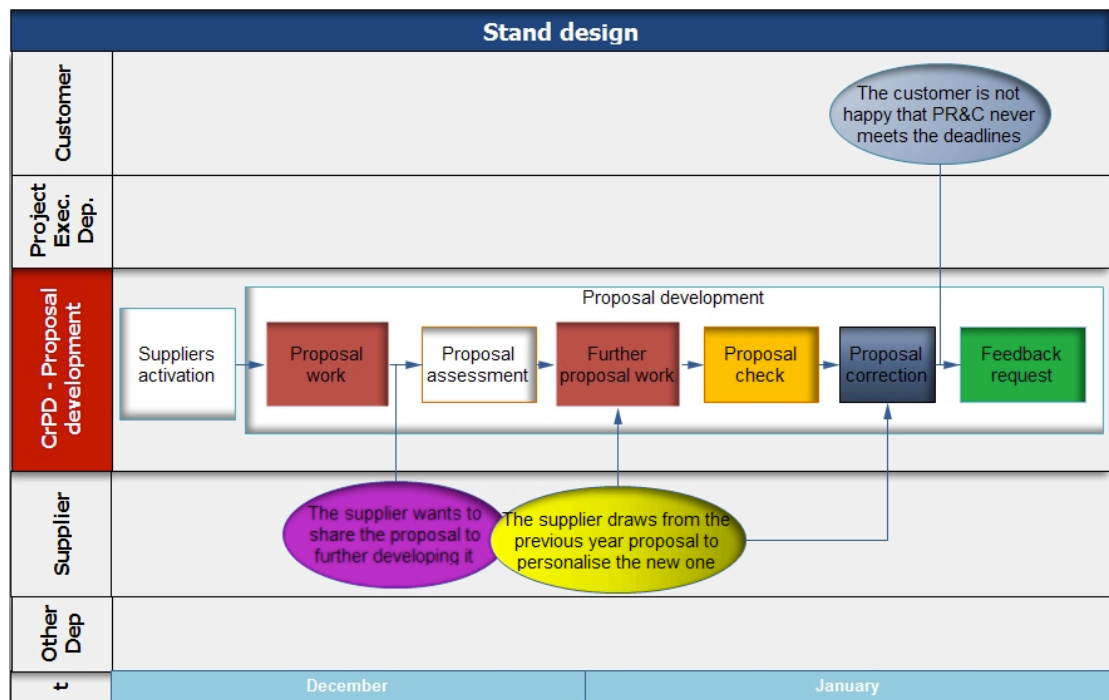


Figure 4.2. Proposal development – Stand design

Finally *customer disappointment* makes the performative aspect present the final action of the ostensive one. Since PR&C is competing with another supplier for this service, they are supposed to present the proposal to the customer only after completing refinement. To show to the customer that they are working within the deadline, Manuele P, PED director, decides to share the proposal with the customer. Irene DR, the account, underlines it in the email via which she forwards the proposal to the customer:

“Dear Luca S and Martina DB, hope that going back to work has not been traumatic and that both have enjoyed Christmas Holidays. In the meanwhile we have been doing our best to let you have before the fixed deadline, a “foretaste” of some possible proposals relative to the Made Expo.” (E-mail: B.IDR-LS_MDB-07012010-16.12)

This makes null the effect of *new procedure* on proposal development. The latter would be the lack of feedback request in the performative pattern.

Stand personalisation

The performative aspect of department activation for stand personalisation, (Figure 4.3) starts with written brief, and continues with department activation and briefing meeting. However it does not end with the latter and unfolds slowly. The pattern includes also other activities. This is due to *personnel turnover*, *previous experience*, *project priorities*, *misinterpretation of customer's situation*, on PR&C side, and customer's feedback on Bordeaux side.

Whereas *personnel turnover* and *previous experience* impact on the content of the actions included in the pattern, *project priorities* and *misinterpretation of customer's situation* impact on the time it takes to the PBO routine to unfold. Finally *customer's feedback on a related service* impacts on the actions making up the pattern.

As mentioned for stand design, PR&C has already performed this project for Bordeaux in the past. However, Stefania DL, the production director, cannot assign creative proposal development to the artist who developed the proposal the year before as she has left. The creative proposal she has developed is stored in PR&C, though. Manuele P, the PED director, and Irene DR, the account manager, use it at the briefing meeting to facilitate briefing Marco L, the art assigned to the work for the current proposal. It helps Marco L to better understand what the customer is looking for. *Previous experience*, stored in artefacts can compensate for the effect of *personnel turnover*.

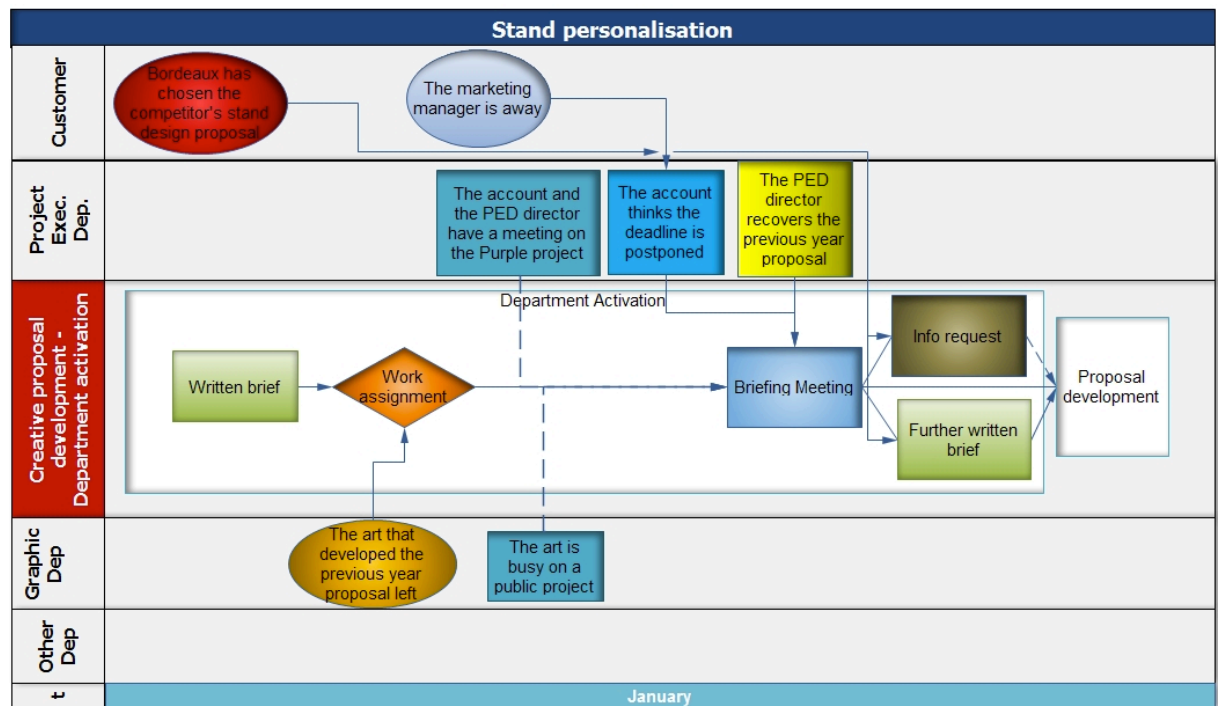


Figure 4.3. Department activation – Stand personalisation

Project priorities and *misinterpretation of customer's situation* make department activation unfold more slowly. First Manuele P, the PED director, and Irene DR, the account manager, then Marco L, the 'art', are busy on other projects: they have to postpone the briefing meeting, making department activation take longer. Furthermore Luca S, Bordeaux referent, cannot check his email. This makes Irene DR, the account manager, think that they have longer to develop the proposal. In the end they start developing the proposal the day that they are supposed to deliver it.

Customer's feedback on stand design makes PR&C work on a creative proposal to print on a material that they do not know. In order to develop the creative proposal for stand personalisation, they need to ask the competitor's for more information and the customer for further brief to understand how much room they have to develop the creative proposal and what the customer is looking for. As PR&C lacks of the specific competencies to develop the creative proposal for stand design, it is likely that further information request and further brief would have appeared in the pattern of department activation for stand personalisation even if Bordeaux would have chosen the proposal developed by PR&C for stand design.

Finally Irene DR, the account manager, does not complete the PR&C form to write the brief, either the first time or the second one. This, however, does not have any impact on the successive actions in the pattern.

Figure 4.4 below shows that for stand personalisation, the performative aspect of proposal development differs from the ostensive aspect because of *misinterpretation of customer's situation*, *personal problems* and *files dimension*. None of the latter brings about additional actions in the pattern. However the difference between ostensive and performative aspects regards the actions sequence. Jointly these contingencies make PR&C unable to meet the deadline to deliver the proposal. *Misinterpretation of customer's situation* determines the moment they start working at the proposal; *personal problems* and *files dimension* make the actions in the pattern require longer action time than they would otherwise. Irene DR, the account manager, realises that the original deadline is confirmed. It is the day they start working at the proposal. They cannot meet the deadline since Marco L, the 'art', has personal problems and has to leave work early. They complete developing the proposal the day after.

These contingencies emerge partly from a conversation between Irene DR, the account, and Stefania DL, the production director. After receiving further customer's brief, Stefania DL walks into Irene DR office.

Stefania DL: "Marco L cannot finish personalising the stand by the end of the day. He has to leave at 7.00 pm for personal reasons."

Irene DR: "Luca S has become reachable either via email or on the phone, even if he is abroad. Hence we have to make it within today!"

Stefania DL: "The customer should have better manners"

Irene DR: "We have made a mistake in assigning the work! The same art that made the proposal last year should have worked also at this year one!"

Stefania DL: "Angelo DL and Tiziana DT developed the proposal last year. Tiziana DT does not work here anymore. Angelo DL has worked at this year stand design proposal!"

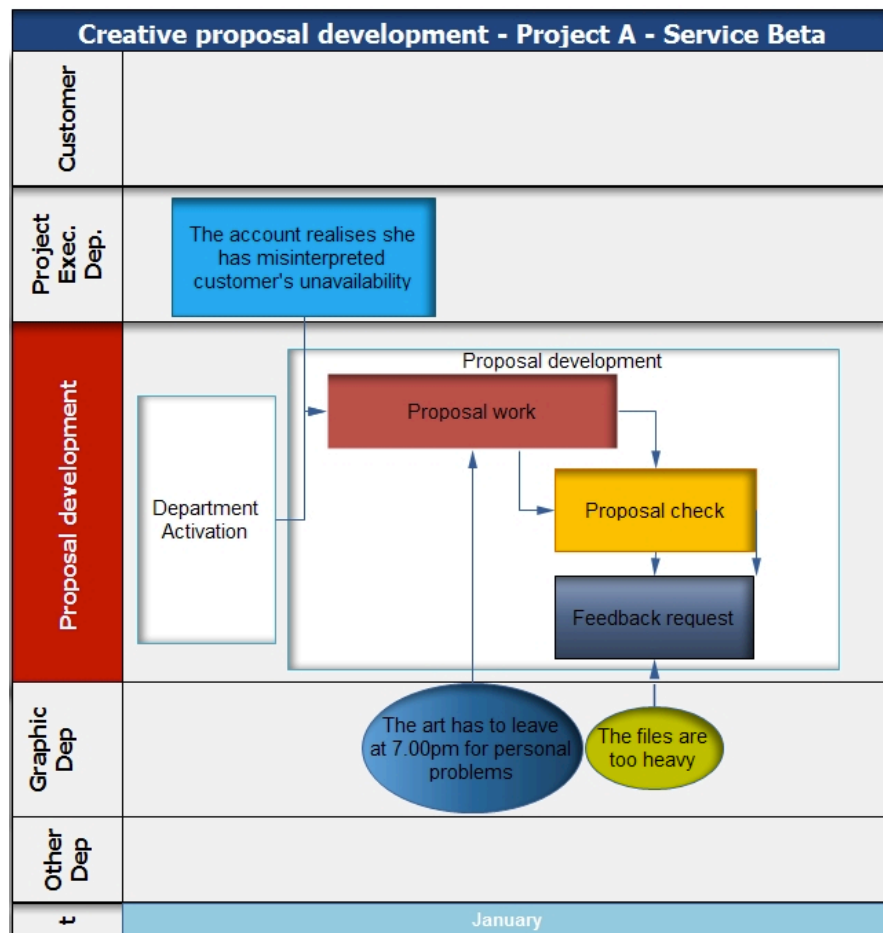


Figure 4.4. Proposal development – Stand personalisation

Asia A, the senior account that shared the office with Irene DR commented:

"Angelo DL should teach and delegate the work to the 'art', rather than doing the

work himself!” (Conversation among Irene DR, junior account, Stefania DL, production director, and Asia A, senior account – 23012008).

Files dimension impacts on both actions content and time necessary to the action to take place. Since the files making up the proposal are too heavy, Irene DR, the account manager, sends them via ftp. It takes time to upload them. Furthermore the ftp link does not work and Irene DR has to send the files twice.

Product labels restyling

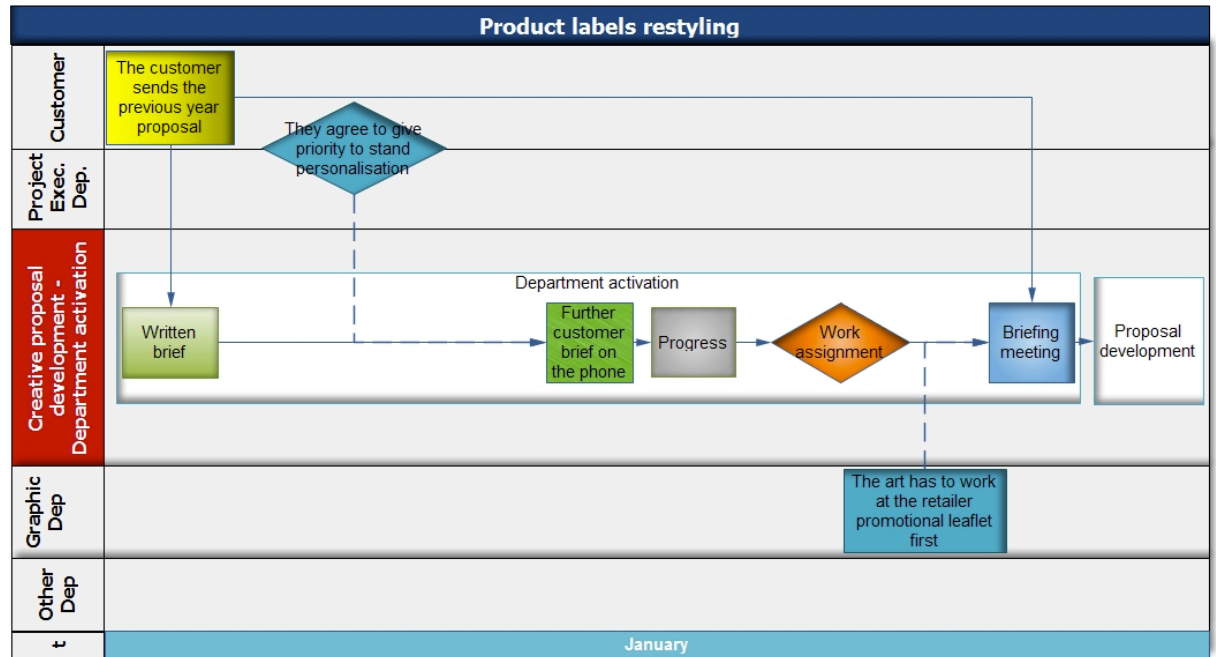


Figure 4.5. Department activation – Product labels restyling

Figure 4.5 shows that department activation occurs differently from the ostensive aspect also for stand labels restyling. Differences are due to *previous experience* and *project priorities*. Whereas *previous experience* impacts on the content of the actions, *project priorities* impact on the sequence in the pattern, making an additional action appear and the pattern itself taking longer to unfold as compared to the ostensive aspect. It presents also an additional action, progress: Irene DR, the account manager, presses Stefania DL, the production director, on the necessity to start working at this service. PR&C has already performed this service for Bordeaux. Luca S, the marketing manager, recovers a sample of the proposal developed and delivered the year before and sends it to Irene DR, the account manager, along with the written brief. Irene DR forwards the sample also to Marco L, the ‘art’, once she has briefed him at the meeting. *Previous experience*, stored in the artefact, helps Irene DR clarify to Marco L what he is supposed to do. If *previous experience* facilitates routine unfolding, *project priorities* makes it more difficult. Irene DR, the account, decides to postpone working at the creative proposal of stand labels restyling up to the moment in which stand

personalisation is over. This makes the customer complete briefing PR&C and, in turn, Irene DR, the account, the graphics department later on. Also, the briefing meeting is postponed, as Marco L, the ‘art’, has to work first on the retailers’ promotional leaflet.

Finally, for stand labels restyling, Irene DR, the account, does not complete the PR&C form to write the brief for the graphics department. However, it does not have any impact on the successive actions in the pattern.

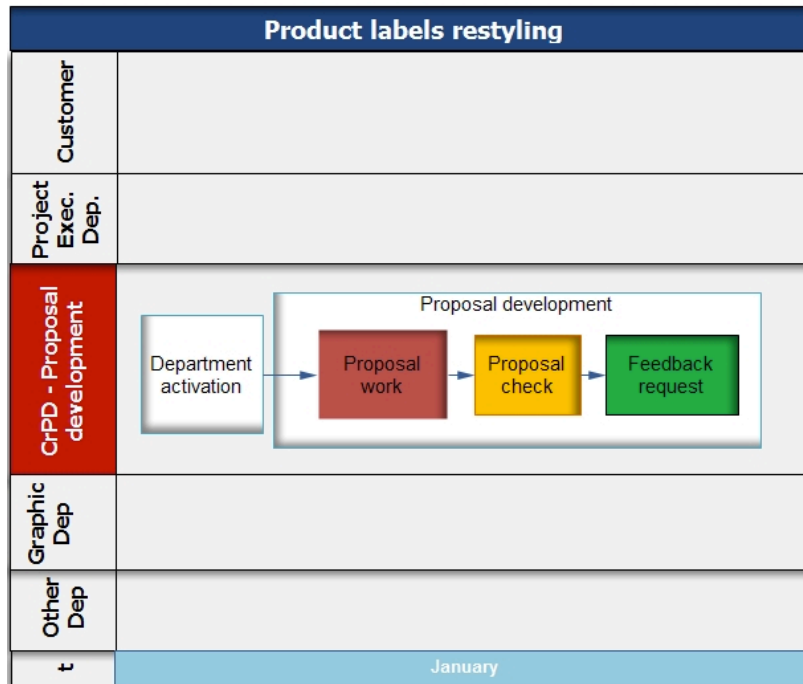


Figure 4.6. Proposal development – Product labels restyling

Figure 4.6 highlights that the performative aspect of proposal development does not differ from the ostensive aspect. In fact no contingency either within or out of the firm’s control impacts on it. Furthermore the proposal developed is OK and PR&C does not have to make any correction before requesting customer’s feedback.

Retailers promotional leaflet

The performative aspect of department activation also differs from the ostensive aspect for the retailers promotional leaflet (figure 4.7). In the former the actions of the ostensive pattern follow the weekly progress. This is due to the fact that at the end of the week Irene DR, the account manager, includes creative proposal development for the retailers promotional leaflet among the services she needs for the week after: Stefania DL, the production director, has to consider it in planning the graphics department workload for the week after. *Customer’s disappointment* and *previous experience* impact on the content of some actions, whereas *project priorities* impacts on the time it takes to department activation to take place. Bordeaux is disappointed by the fact that lately PR&C has not met the deadline in

delivering the creative proposal for any project. For this reason Irene DR, the account manager, presses Stefania DL, the production director, when giving to her the written brief to meet the deadline.

“TIMING: end of January, but it is better to start working right now in order to respect the deadline” (“Promotional action brief” attached to the e-mail: B.IDR-SDL-07012008-12.47)

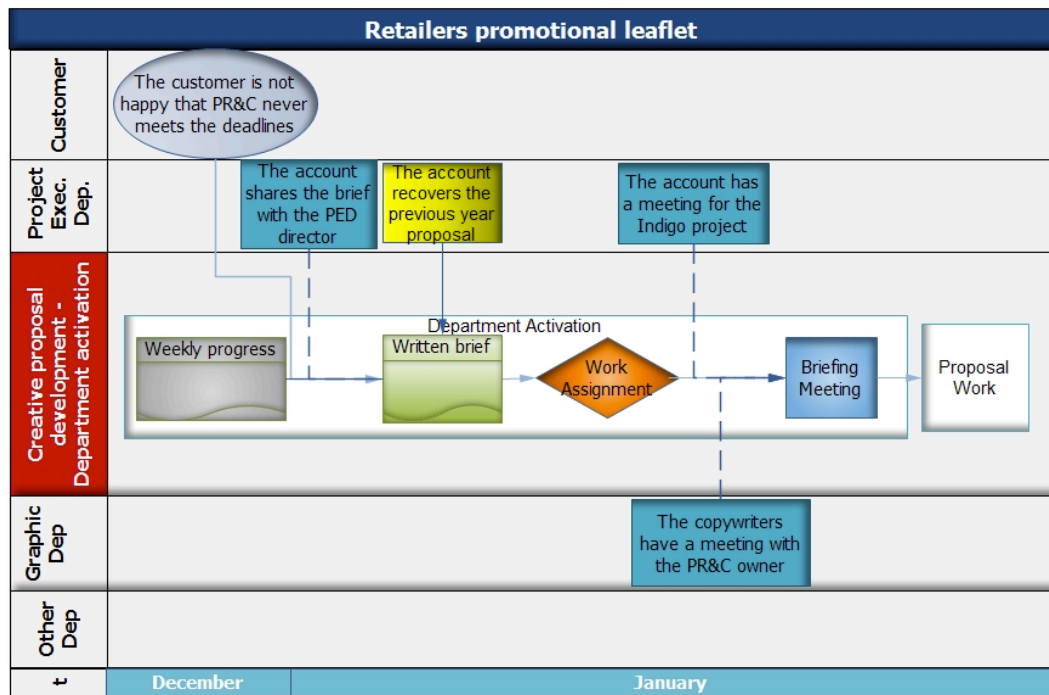


Figure 4.7. Department activation – Retailers promotional leaflet

Previous experience, stored in an artefact, helps Irene DR, the account, to brief the graphics department. Irene DR attaches to the brief the proposal that PR&C has delivered the previous year. As to *project priorities*, before forwarding the brief to Stefania DL, the production director, Irene DR asks Manuele P, the PED director, to check if the brief is complete. Since the Manuele P is busy on another project, he can read the brief only the day after he receives it, delaying the delivery to the production department. Further delay is due to the fact that Irene DR first, and Diego T, the copywriter, afterwards, are busy on other projects and they have to postpone the meeting.

Figure 4.8 shows that several contingencies play a role in the performative aspect of proposal development for retailers promotional leaflet. They make more actions appear in the pattern, delay some others, and repeat some actions already in the pattern. These contingencies are *updating need*, *time pressure*, *project priorities*, and *illness* on PR&C side, *customer's misbehaviour* and *previous experience* on the customer's side.

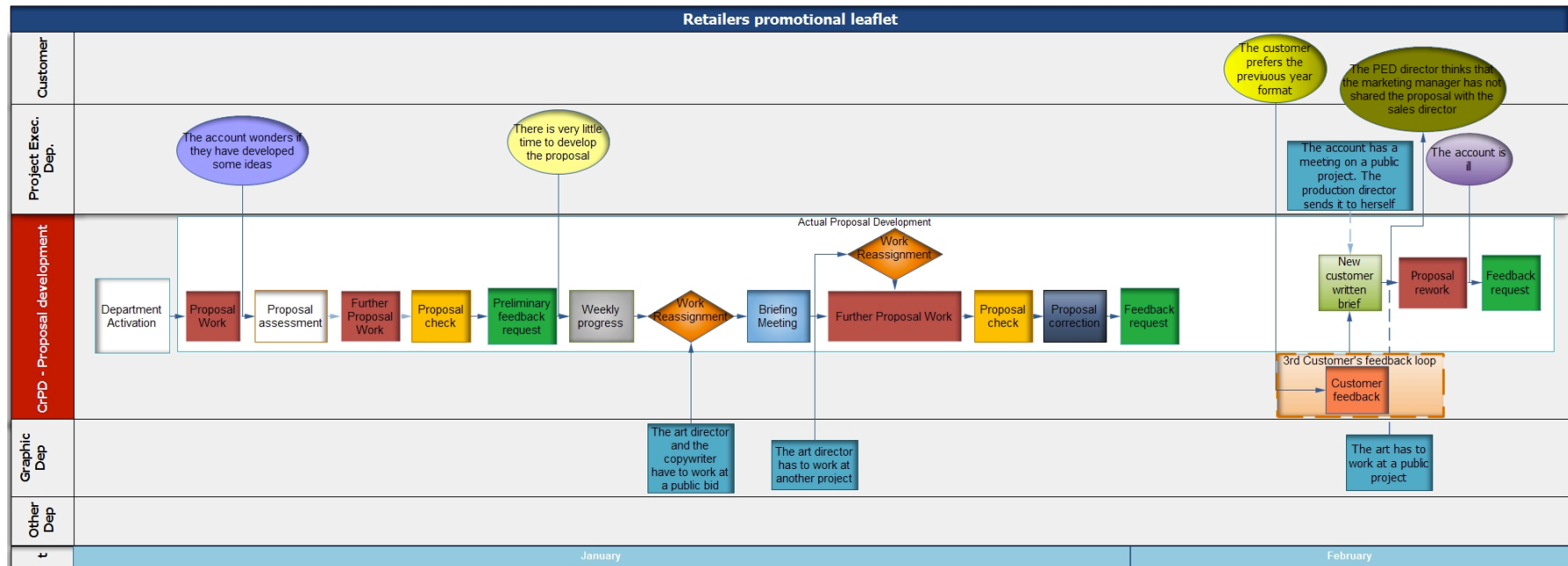


Figure 4.8. Proposal development – Retailers promotional leaflet

Need for updating, time pressure, project priorities, customer's misbehaviour make more actions appear in the sequence.

Irene DR, the account manager, wants to know whether the department has developed some ideas and asks to fix a meeting to assess the proposal. *Time pressure* makes her insert the creative proposal in the weekly progress report she sends to the production department at the end of the week: the deadline is approaching and they have to speed up.

Project priorities make first Diego T, the copywriter, and then Angelo DL, the art director, unavailable to work at the proposal. Rather than waiting for them to be available, Stefania DL, the production director, assigns the work to Dalia T, another copywriter, and to Marco L, another 'art', when they are available. Furthermore *project priorities* make two actions in the pattern take place late. Since Irene DR, the account manager, is attending a meeting on another project, she cannot send the new brief to Stefania DL, the production director. The latter, at a certain point, forwards it to herself. Marco L, the art, cannot work at the new proposal as soon as he receives the brief, since he is working on another project.

Work reassignment, due to project priorities, in turn, brings about another briefing meeting and further proposal work. *Customer's misbehaviour* makes PR&C develop another proposal. Martina DB, Bordeaux marketing manager, has not shared the proposal with Pietro C, the sales director, until the third loop of feedback of creative proposal refinement. When she does, they request PR&C to develop another proposal. This implies repeating some actions of the routine: a new written brief, further proposal work and feedback request.

In the brief Martina DB, the marketing manager, mentions the proposal PR&C has developed the year before to better explain the kind of work they are looking for. *Previous experience* helps the customer briefing the account and the account the graphics department on what the customer is looking for. Martina DB, Bordeaux marketing manager, explicitly mentions the proposal PR&C developed the previous year:

“Back: it is a complete flop on any point of view: creativity, communication, logic
If a front and reverse is not enough, nothing impedes us to make a leaflet like we did last year. I warmly suggest this hypothesis.... Last year, after a similar briefing, you did beautiful work with the initiative display stand.... What is happening to you this year? ... I do expect more from you!!!!” (E-mail: B.MDB-IDR_MP-01022008-17.43)

Illness makes one action disappear in the last part of the pattern. Since Irene DR, the account manager, is ill, no one checks the proposal. However, they do not wait for Irene DR to send the proposal. Stefania DL, the production director, does it.

Agents promotional leaflet

In agents promotional leaflet (figure 4.9), the performative aspect of department activation presents the same actions of the ostensive one, even if two of them appear twice in the pattern. *Project priorities* determine a postponement of both written brief and briefing meeting. Hence, it slows down department activation unfolding. The retailers promotional leaflet is more urgent than agents one. They have to work at it first. When they finish, they can start working at this project.

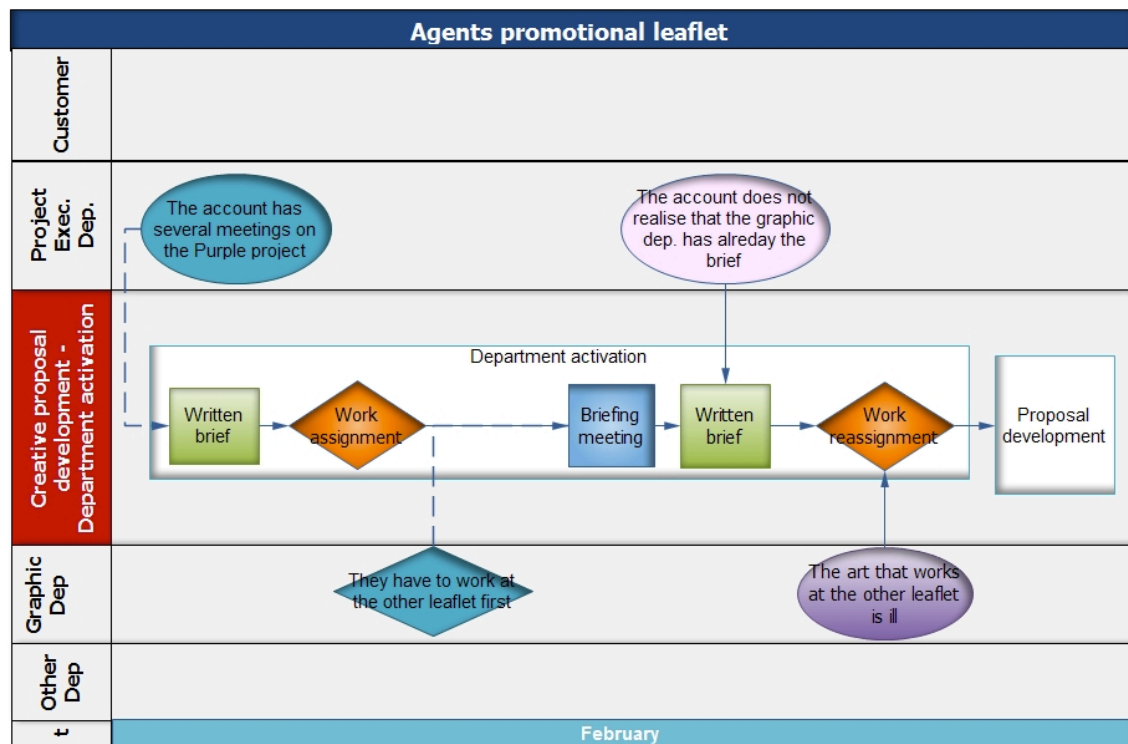


Figure 4.9. Department activation – Agents promotional leaflet

Absentmindedness and *illness* disrupt respectively the written brief and work assignment. Irene DR, the account manager, does not realise that the graphics department has already received the brief. In neither case does she complete PR&C's form to write the brief to the graphics department. Marco L, the 'art' that has to work at the proposal, gets ill. Stefania DL, the production director, has to reassign the work.

As figure 4.10 shows, the performative aspect of proposal development in agents' promotional leaflet matches the ostensive aspect. The only difference is the fact that Irene DR, the account manager, requests feedback on the developed proposal when sending to

the customer the quotation for the proposal itself. However this does not have any impact on the subroutine execution.

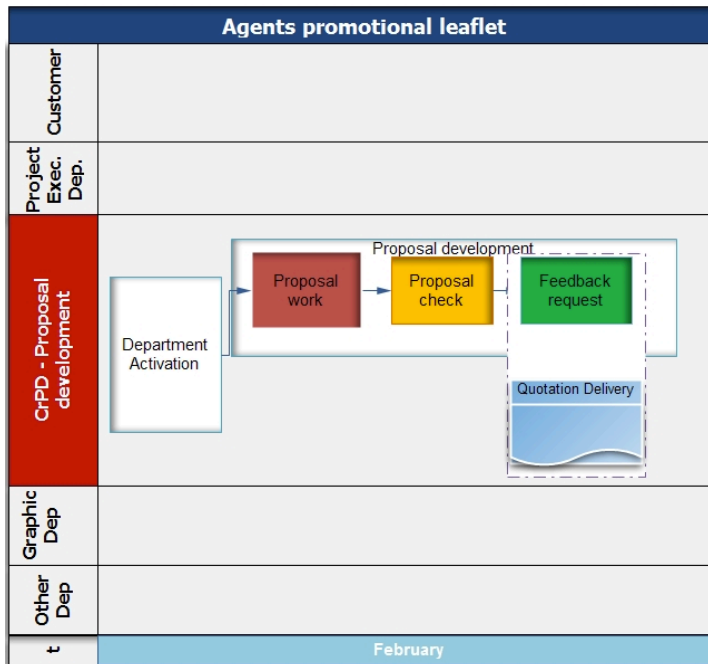


Figure 4.10. Proposal development – Agents promotional leaflet

Mailing kit

Figure 4.11 shows that the performative aspect of department activation for mailing kit matches perfectly the ostensive one. No contingency related either to PR&C activity or to the external context impacts on any action included in the pattern.

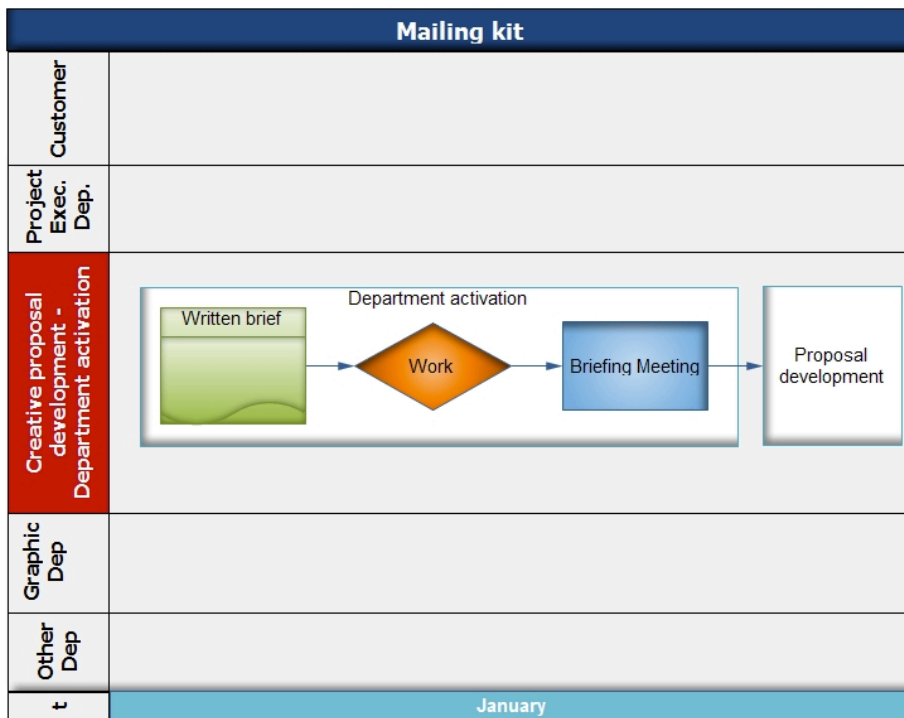


Figure 4.11. Department activation – Mailing kit

In the mailing kit scenario, the performative aspect of proposal development (figure 4.12) presents additional actions, some actions requiring longer to accomplish, and some actions occurring twice as compared to the ostensive aspect. Contingencies that determine such differences are: *time pressure*, *project priorities*, *interdependence* and *proposal complexity*.

Time pressure and *interdependence* make proposal assessment appear in the pattern. Irene DR, the account manager, asks Manuele P, the PED director, and Angelo DL, the production director, to fix a meeting to assess the proposal, as the deadline is very short. They need to assess the proposal also to define the quotation of the proposal itself.

Project priorities make the subroutine unfold slowly. It postpones the moment in which Manuele P, the PED director, Irene DR, the account, and Angelo DL, the art director, are all available to meet. As to *proposal complexity*, it makes proposal work, proposal check, feedback request, and provisional customer's feedback take longer to unfold: the proposal is addressed to three different targets. For each target they have to develop a creative proposal. Angelo D, the art director, completes the proposal and sends it to Irene DR, the account manager, who checks it and sends to the customer for feedback each proposal as soon as it is ready. They have to develop an alternative proposal for one target, as Luca S, Bordeaux marketing manager, does not like the proposal they have developed.

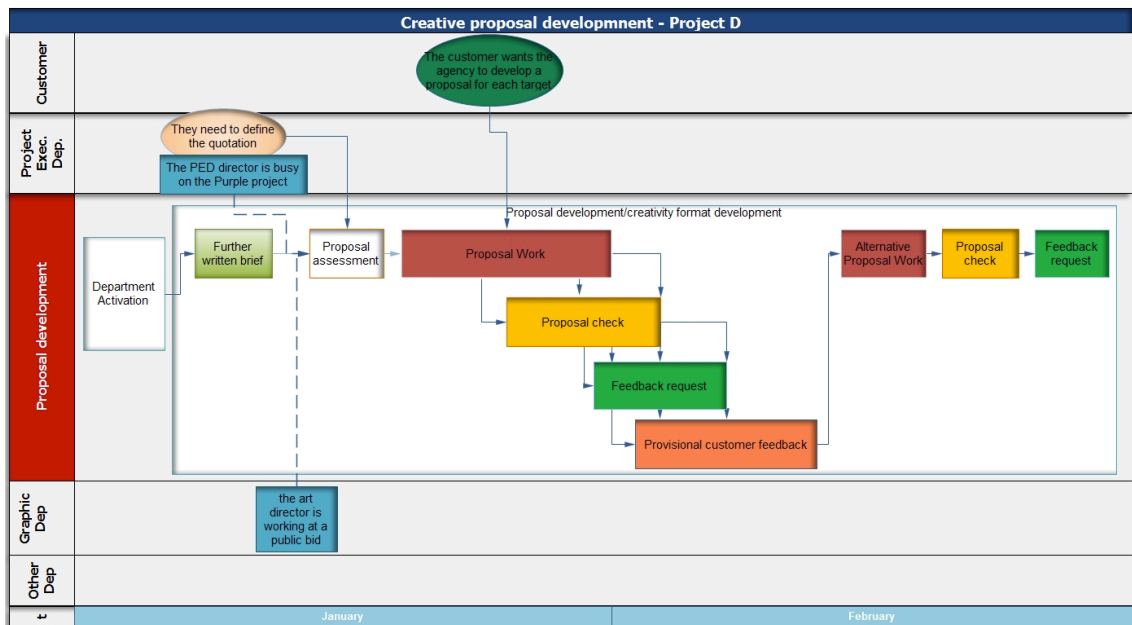


Figure 4.12. Proposal development – Mailing kit

Domestic gate promotional leaflet

For the domestic gate promotional leaflet, the performative aspect of department activation differs from the ostensive one because of *interdependence* and *format issues* (figure 4.13).

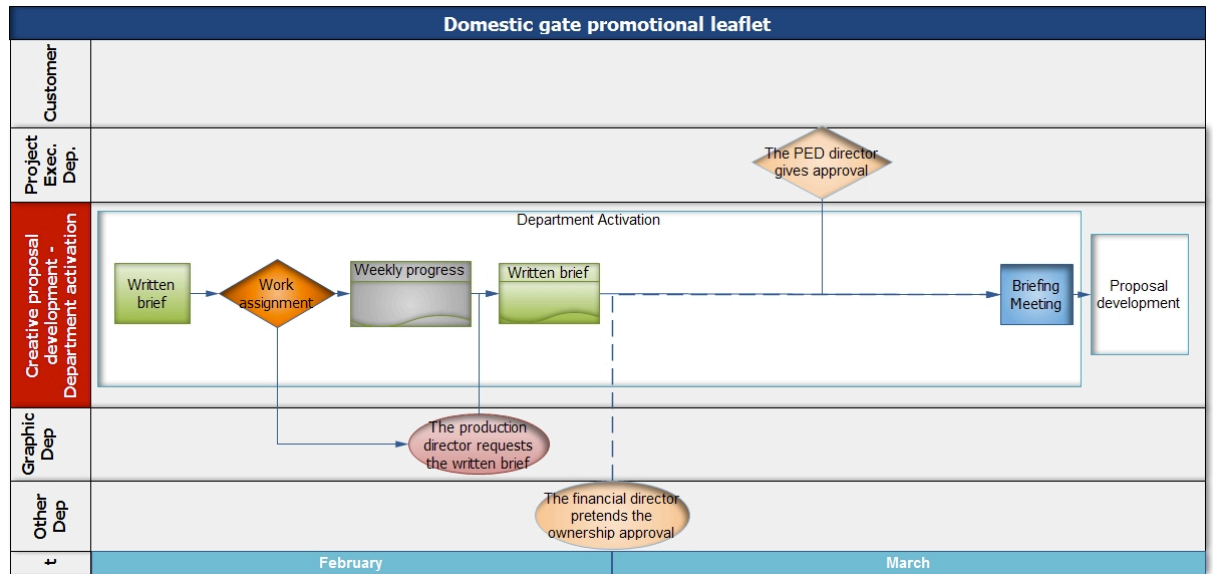


Figure 4.13. Department activation – Domestic gate promotional leaflet

Interdependence postpones the briefing meeting because the work can enter the graphics department only if the customer has signed the quotation or issued the purchase order. Achille M, the procurement director, is inclined to authorise it only if he has PR&C owner's approval. Only after Irene DR, the account manager, gets such approval they can have the briefing meeting. This makes department activation take longer to unfold. *Format issues* make the written brief appear twice, since the first time Irene DR, the account, has not completed the PR&C form. Stefania DL, the production director, asks her to send the brief, even if Irene DR has already forwarded the customer's email to her. Finally, weekly progress appears in the pattern after work assignment since the end of the week is approaching and Irene DR completes the progress report to let Stefania DL know that she also has to insert this work in the department workload of the week after.

Figure 4.14 highlights that the performative aspect of proposal development matches the ostensive one in terms of actions making up the pattern for the domestic gate promotional leaflet. However there is a contingency that delays its accomplishment: *commitment of the older firm's owner*. Stefania DL, the production director, does not make Irene DR, the account manager, forward the proposal to the customer since Francesco P, PR&C owner, has to see the proposal. The day after Stefania DL tells to Irene DR to send the proposal to the customer anyway.

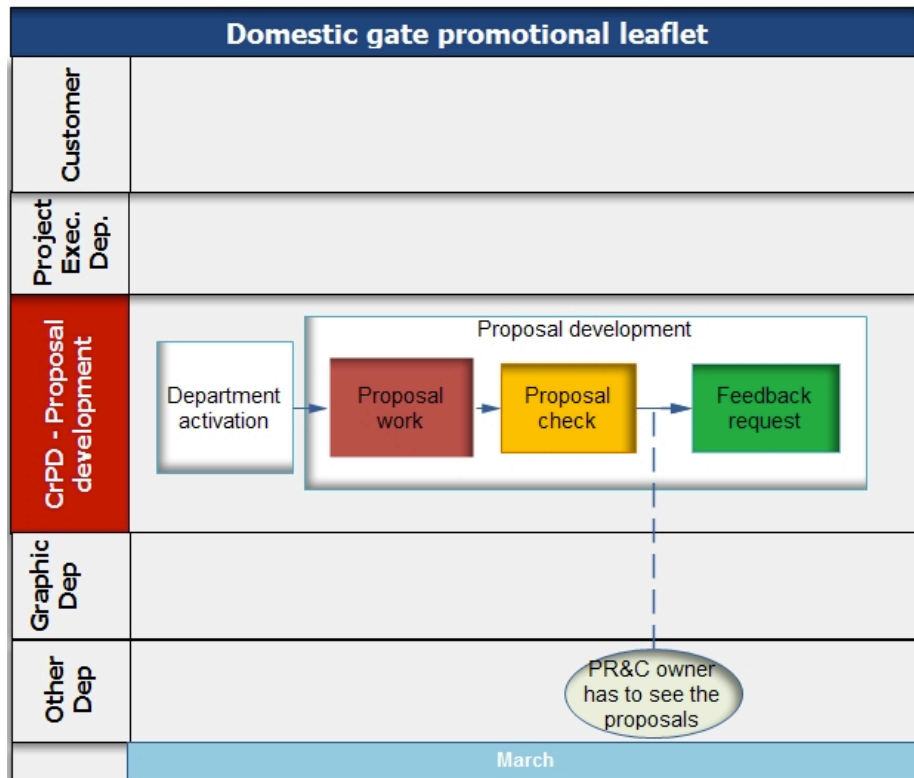


Figure 4.14. Proposal development – Domestic gate promotional leaflet

4.3.1.2 Creative proposal refinement

This subsection compares for each project the performative aspect of creative proposal refinement, as project participants undertake it, with the ostensive aspect, as reported in the methodology chapter. It highlights what contingencies impact on the PBO routine performative aspect and how they make it differ from the ostensive aspect in the five projects undertaken for Bordeaux.

Stand design and personalisation

In addition, creative proposal refinement recurs separately for the three services included in the project. Accordingly the sub-section reports separately the relative comparison with the ostensive aspect.

Stand design

As figure 4.15 shows, the performative aspect of creative proposal refinement differs from the ostensive aspect in terms of actions' sequence and action's content. These differences are due to *new customer's procedure*, on the customer side, and *lack of competencies* on PR&C side.

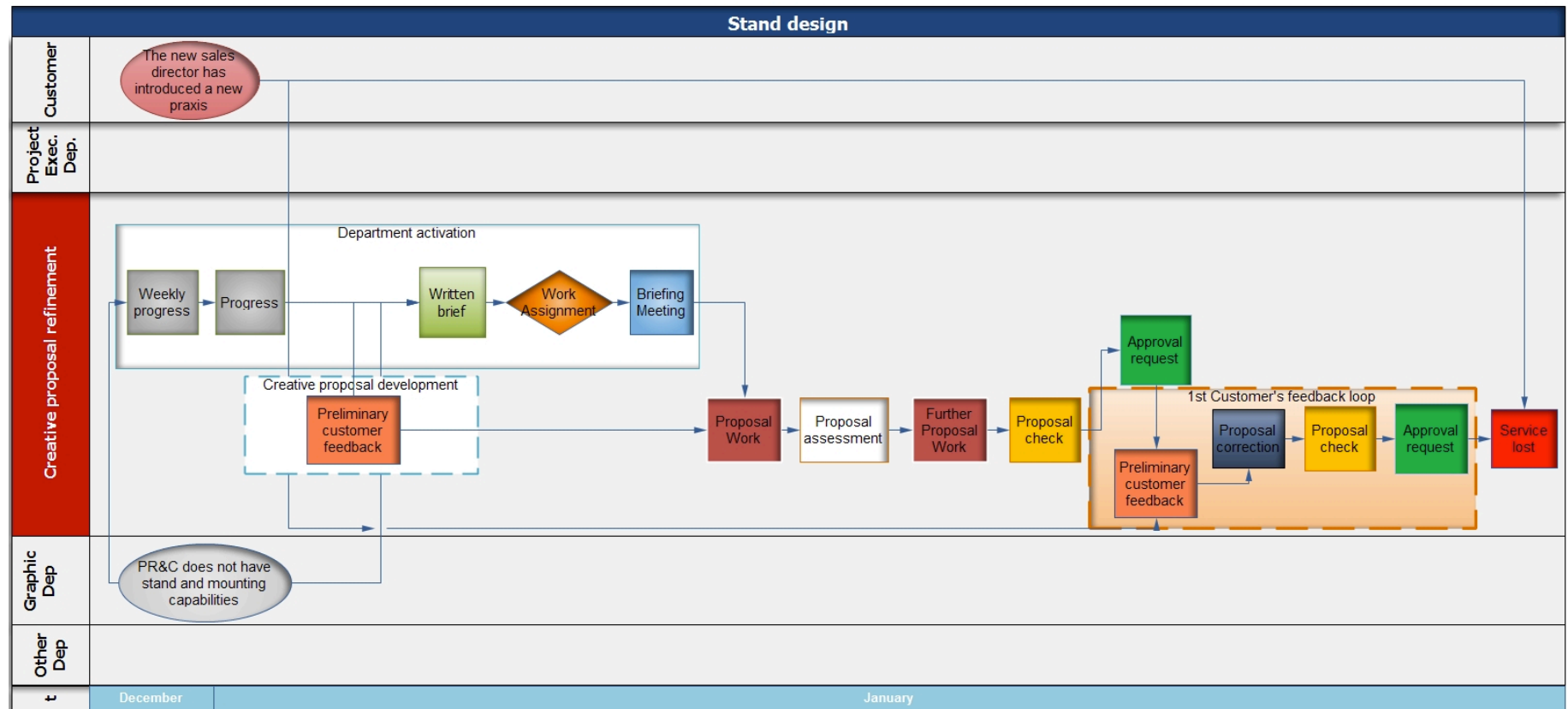


Figure 4.15. Creative proposal refinement – Stand design.

Since PR&C does not have internally the competencies to develop the creative proposal, when they have to refine it, the graphics department does not know the proposal itself, so Irene DR, the account manager, has to involve another department.

Department activation, in turn, includes weekly progress and progress reports before the actions of the ostensive pattern occur. Irene DR, the account manager, alerts Stefania DL, the production director, before receiving the proposal from the supplier. However, preliminary customer's feedback, which includes creative proposal development, reduces the work to refine the proposal itself, as the customer selects the proposal they like the most.

As to the actions proper of proposal work, they include proposal assessment and further proposal work, as compared to the ostensive pattern.

New customer's procedure impacts on the content of customer's feedback loop and on the final action. At preliminary customer's feedback, Luca S and Pietro C, the customer's referents, tell Irene DR, the account manager, and Manuele P, the PED director, that the competitor's proposal is cheaper and that they are about to choose it. On the basis of this preliminary feedback, PR&C corrects the proposal in order to reduce the quotation and ask for feedback. However, the customer confirms the preliminary feedback. PR&C loses the service

Stand personalisation

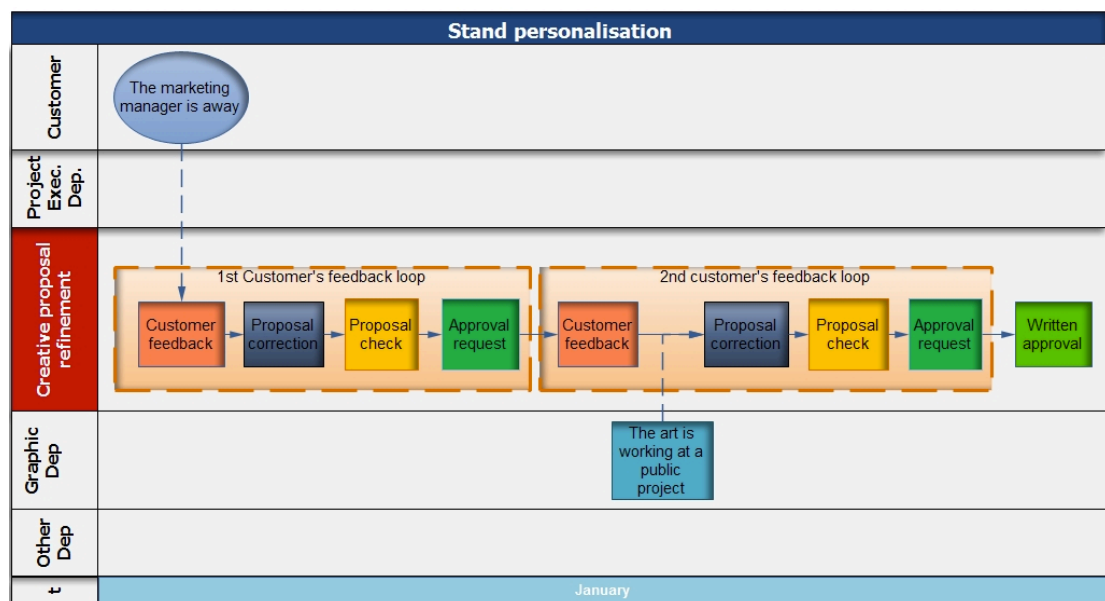


Figure 4.16. Creative proposal refinement – Stand personalisation

Figure 4.16 shows that the performative aspect of creative proposal refinement matches the ostensive aspect in stand personalisation. The PBO routine here unfolds through two

customer's feedback loops and written approval. However *customer's non-availability* on the customer's side and *project priorities* on PR&C side, make the performative aspect take place late and unfold more slowly than the ostensive aspect. It takes a while to Bordeaux to give the first feedback, as Luca S, the referent for the project, is away and cannot check the email. Similarly, in the second loop, Marco L, the 'art', cannot make the corrections soon, as he has to work at a public project first.

Product labels restyling

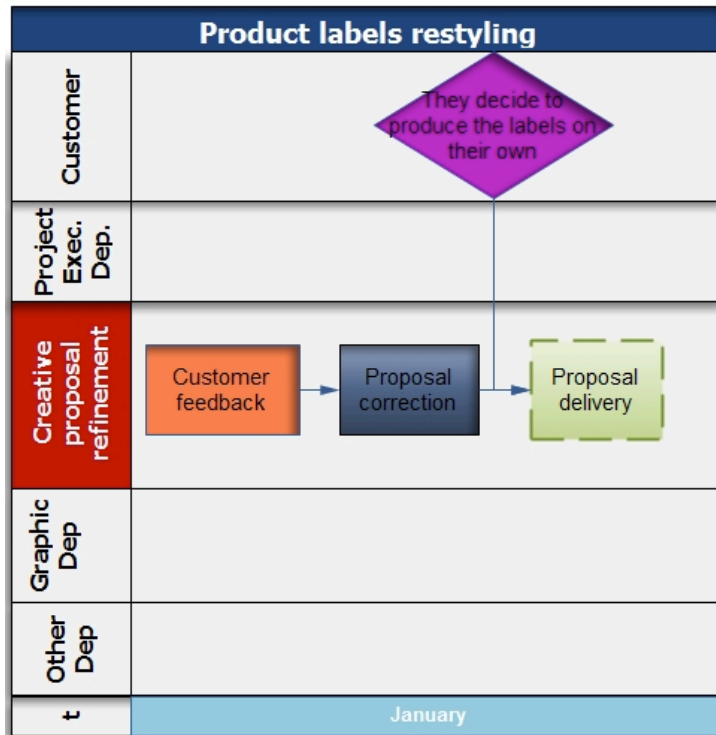


Figure 4.17. Creative proposal refinement – Product labels restyling

Figure 4.17 shows that some actions contemplated in the ostensive aspect of creative proposal refinement disappear from the performative aspect in stand labels restyling. *Mind changing* on the customer's side is responsible for this. While PR&C is correcting the proposal according to the customer's feedback, Luca S, Bordeaux referent, decides that Bordeaux will produce the labels on their own. This implies passing straightforward to creativity proposal delivery

Retailers promotional leaflet

As figure 4.20 shows, the performative aspect of creative proposal refinement unfolds through five customer's feedback loops and written approval. It presents some differences from the ostensive aspect in the second, the third and the fifth loops. Differences consist of increased duration of some actions, and disappearance of some others.

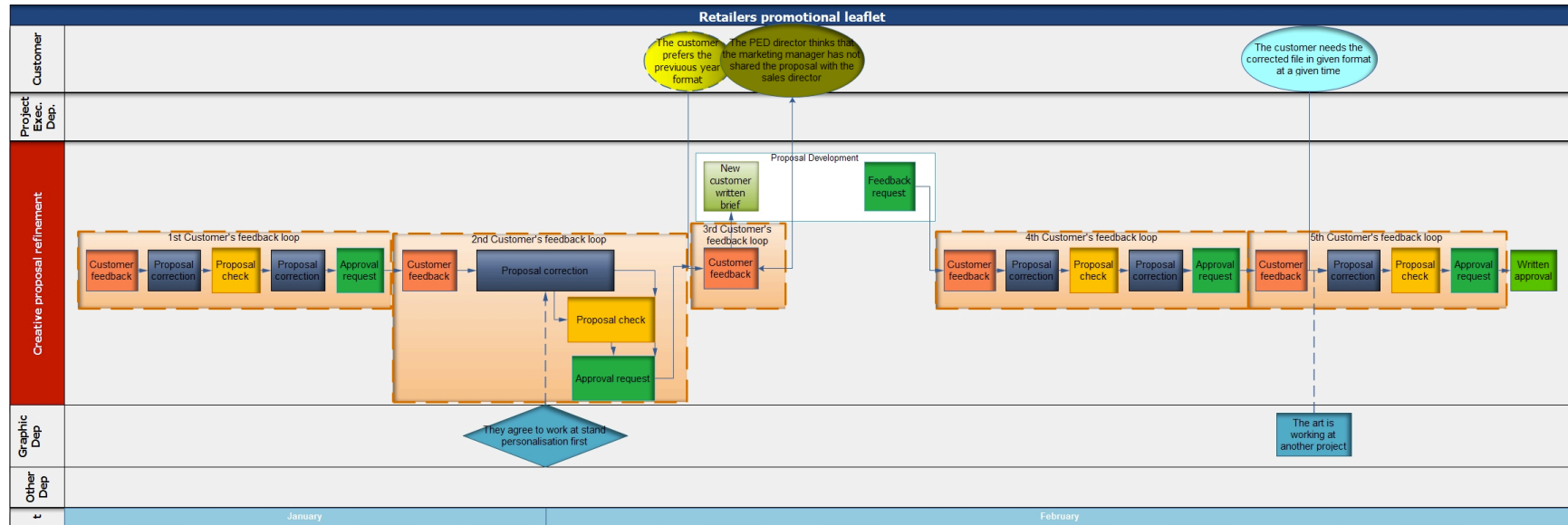


Figure 4.20. Creative proposal refinement – Retailers promotional leaflet

These differences are due to previous experience, customer's misbehaviour and customer particular needs on the customer side, and project priorities on PR&C's side.

Project priorities slow down proposal correction in the second loop, as the same 'art' that works at this project, Marco L, has to work at stand personalisation first. This makes Marco L work at one part of the proposal and conclude the corrections of the other part after working at stand personalisation.

Customer's misbehaviour and *previous experience* make the third loop start and stop with customer's feedback.

According to Manuele P, PED director, Martina DB, the customer's marketing manager, has shared the creative proposal with Pietro C, the sales director, only at this stage. Pietro C does not like it and Martina DB tells to Irene DR, the account manager, and Manuele P, the PED director, that they prefer the previous year's proposal.

In the fifth loop *particular customer's needs* press for quick corrections: Martina DB, the marketing manager, presses Irene DR, the account manager, to make the corrections as soon as possible as she has to show the proposal to Pietro C, the sales director, in a presentation. However *project priorities* delay corrections since Marco L, the 'art', is busy, working at another project.

Agents promotional leaflet

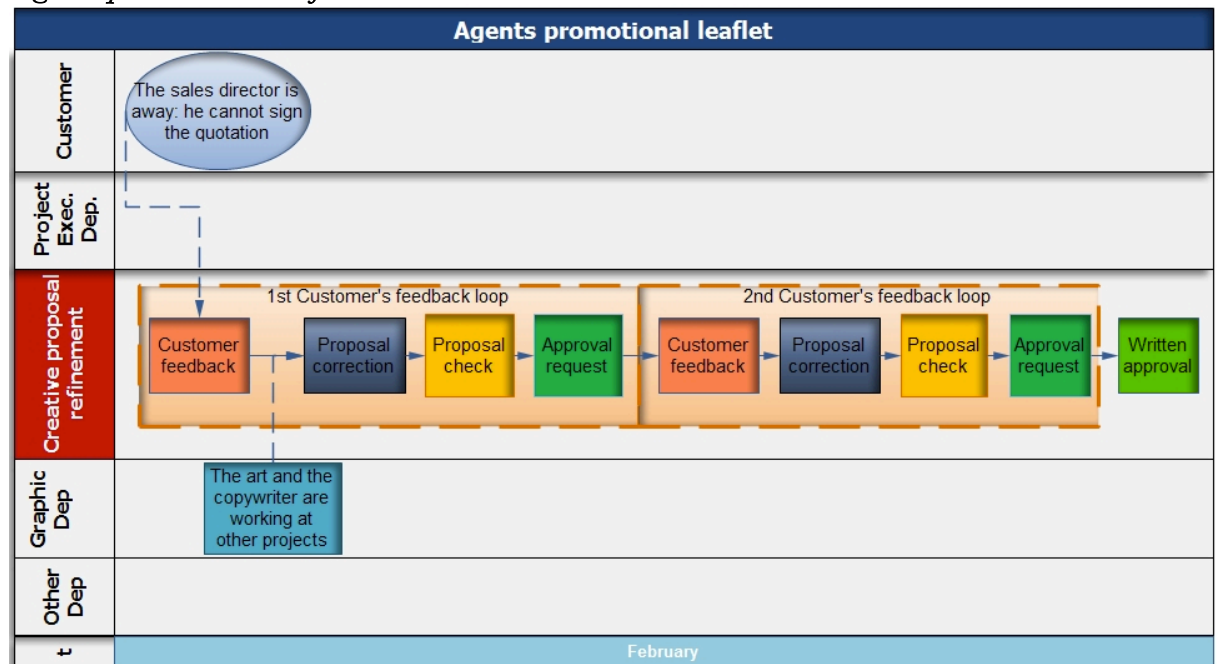


Figure 4.21. Creative proposal refinement – Agents promotional leaflet.

In the agents' promotional leaflet, creative proposal refinement unfolds through two customer's feedback loops and written approval (figure 4.21). The performative aspect

resembles the ostensive one even if *customer's non-availability* on the customer's side and *project priorities* on PR&C's side, impact on the first feedback loop, making it unfold more slowly.

As to *customer's non-availability*, Pietro C, the sales director, is not in and he cannot sign the quotation for this project. Martina DB, Bourdeaux marketing manager, asks Irene DR, the account, to proceed with the work anyway. Even if Irene DR agrees to proceed with refinement, they have to wait because Marco L, the art, and Dalia T, the copywriter, are both working at other projects (*project priorities*).

Mailing kit

Figure 4.22 shows that the performative aspect of creative proposal refinement differs from the ostensive aspect in terms of type of actions included in the pattern and duration of the actions themselves. Such differences are due to *customer's non-availability* and *particular needs* on the customer's side, *illness, interdependence, project priorities, copyright, proposal complexity* and *previous experience*, on PR&C's side.

Illness, proposal complexity and *project priorities* make other actions appear in the pattern. Irene DR, the account, has been ill. She is back by the end of the week. She inserts in the progress report she sends to Stefania DL, the production director, creative proposal refinement for the mailing kit. The proposal is complex. It includes multiple elements. For each of the latter, the customer has to provide a further brief. It takes several email exchanges and phone calls and is time consuming. Finally project priorities make Angelo DL, the art director, unavailable to work on the project. Stefania DL, the production director, has to reassign the work to an available art. This is Alfredo B. He meets Irene DR, the account manager, who briefs him

Illness, customer's non-availability and *project priorities* are responsible of slowing down these actions unfolding. The account manager's illness postpones the progress report to Stefania DL, the production director, and, customer's feedback on the developed creative proposal jointly with the customer's non-availability. As Luca S, Bordeaux marketing manager, is attending the fair, he cannot check his email very often to interact with PR&C. He cannot be reached on the phone either.

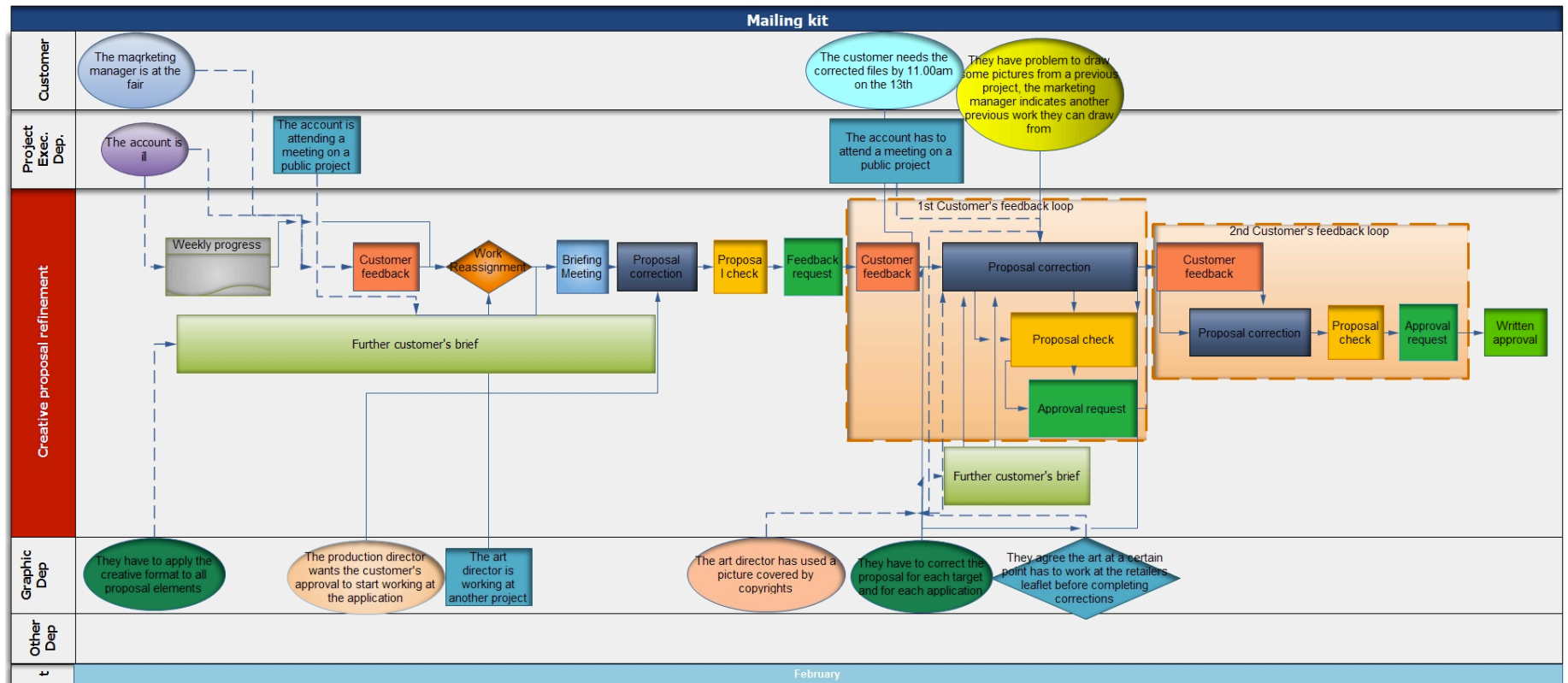


Figure 4.22. Creative proposal refinement – Mailing kit.

Once Irene DR, the account manager, is back, she cannot group all customer's briefing emails and phone calls in one email, since she has to attend a meeting on public project. This means the customer's briefing reaches the graphics department more slowly.

Another contingency contributing to slow down the sequence unfolding is *interdependence*. It delays proposal correction. Stefania DL, the production director, does not want to start correcting the proposal unless she has the customer's approval on all parts of the developed creative proposal. The aim is to avoid Alfredo B, the 'art' to correct both the creative proposal and its application.

Interdependence, *proposal complexity* and *project priorities* impact also on customer's feedback loops. Along with *previous experience* and *particular customer's need*, they make the performative pattern of the customer's feedback loops differ from the ostensive pattern. As to *customer's particular needs*, these press to correct the proposal soon, as Luca S, Bordeaux marketing manager, has to present it to the company executives. However, *proposal complexity*, *project priorities*, and *previous experience* make it difficult to meet this need.

Proposal complexity brings about further briefing in terms of additional information that Bordeaux has to pass to PR&C and Alfredo B, the 'art', has to include in the correction. Furthermore it slows down proposal correction, check, and approval request, since they have to correct several parts of the proposal. However they correct, check, and send to the customer each part as soon as it is ready. As to *project priorities*, first Irene DR, the account manager, has to attend a meeting on a public project, and then they agree that the retailers' promotional leaflet is more urgent. This implies that Alfredo B, the 'art', has to interrupt working at the mailing kit in favour of it for a while. Also *previous experience* contributes to slowing down the feedback loop, as they have some difficulties in recovering materials from a previous project. They ask for help Luca S, Bordeaux marketing manager. The latter mentions another project they have performed and which they can draw the materials from.

As to the second loop, *project complexity* contributes to make customer's feedback and proposal correction take longer to unfold.

"Domestic gate" promotional leaflet

The performative aspect of creative proposal refinement unfolds through 5 customer's feedback loops and ends with written approval for the domestic gate promotional leaflet (figure 4.23).

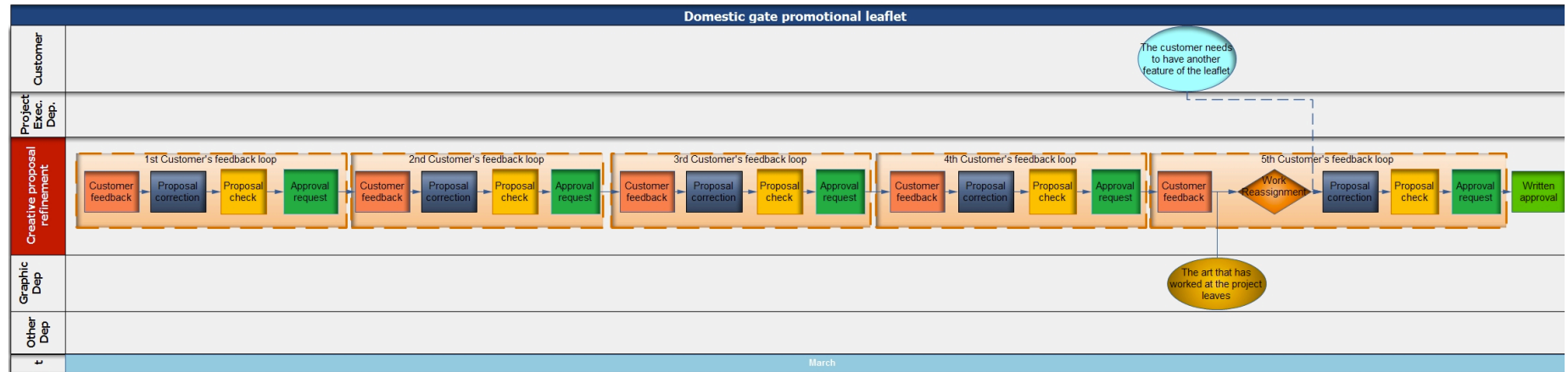


Figure 4.23. Creative proposal refinement – Domestic gate promotional leaflet.

The first four loops match the ostensive pattern. The fifth loop differs in terms of actions included in the loop and time necessary to undertake it. These differences are due to *personnel turnover* on PR&C side and *particular customer's need* on the customer side.

Particular customer's need and *personnel turnover* make the second feedback loop differ from the ostensive one. *Particular customer's need* slows down proposal correction. Martina DB, Bordeaux marketing manager, tells Irene DR, the account manager, to stop working at the leaflet, as they have to define a given feature. *Personnel turnover* makes another action appear in the pattern. When they define the missing feature, Alfredo B, the 'art' assigned to the project has left PR&C. Stefania DL, the production director, has to assign the work to Alfonso DL, another 'art', who makes the correction indicated by the customer.

4.3.1.3 Creative proposal delivery

As explained in chapter three, in 2007, creative proposal delivery in projects for Bordeaux has undergone some changes in the ostensive aspect because of *customer's personnel turnover* and *new customer's procedure*. These contingencies have brought about a new subroutine: technical features definition and delivery. PR&C has to provide Bordeaux with technical features of the materials to deliver, so that Bordeaux can ask other suppliers for quotations.

The sub-section continues with the comparison of the performative aspect of creative proposal delivery, as it results from the execution of the five projects included in the research with the new ostensive aspect, reported in chapter five (figure 4.6). In order to make the comparison easier, the subsection reports the comparison separately for technical features definition and delivery, and executive files production and delivery.

Stand design and personalisation

Creative proposal delivery takes place only for two of the three services that make up the project: stand personalisation and stand labels restyling. Accordingly the subsection reports the relative comparison of the performative aspect of creative proposal delivery with the ostensive aspect separately.

Stand personalisation

For stand personalisation, the performative aspect of creative proposal delivery includes only definitive files production and delivery. This is due to the fact that Bordeaux's supplier they are delivering the proposal has defined the technical features. PR&C has to determine and deliver only the executive files.

Figure 4.24 shows that the performative aspect of executive files production and delivery differs from the ostensive aspect in terms of length of time required to undertake one action and content of one action.

Project priorities are responsible for the longer duration of delivery arrangements. Since Irene DR, the account manager, has to leave PR&C to attend an event organised by Giulia C, a senior account manager, on a public project, she starts arranging delivery before they conclude creative proposal refinement. Since she cannot interact directly with the supplier, which they have to send the executive files to, she has to put Stefania DL, the production director, in touch with the customer and the customer's supplier so that they can proceed with delivery, even if the account manager is not available. This requires a higher number of phone calls and emails exchanges than otherwise would be the case. Accordingly, *project priorities* impacts also on the content of delivery, since Stefania DL, the production director, delivers the files rather than Irene DR, the account manager. Furthermore, *new customer's procedure* and *time pressure* impact on the content of delivery. Because of the new procedure, PR&C delivers the files to the customer's supplier rather than to their own suppliers. Since the supplier has to go printing within that day, they have to deliver the executives uploading them to an ftp address, rather than delivering the CD ROM via courier.

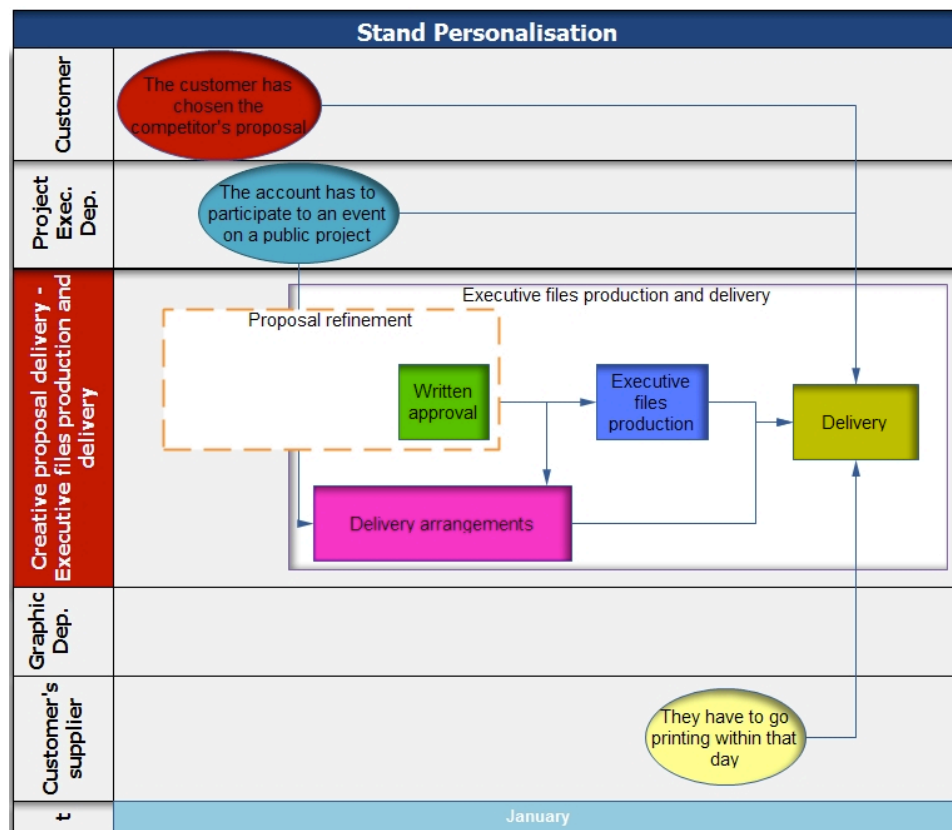


Figure 4.24. Creative proposal delivery – Technical features delivery – Stand personalisation

Product labels restyling

For stand labels restyling, the performative aspect of creative proposal delivery includes only executive files production and delivery.

Figure 4.25 shows that the performative aspect of executive files production and delivery resembles the ostensive aspect of the PBO routine. However, *mind changing* impacts on both executive files production and delivery arrangement content. Since the customer has decided to produce the labels on their own, Luca S, the customer's marketing manager, and Irene DR, the account manager, agree that PR&C has to create as an executive file a file template, so that Bordeaux can change it to make the labels. Marco L, the artist, finalises the file.

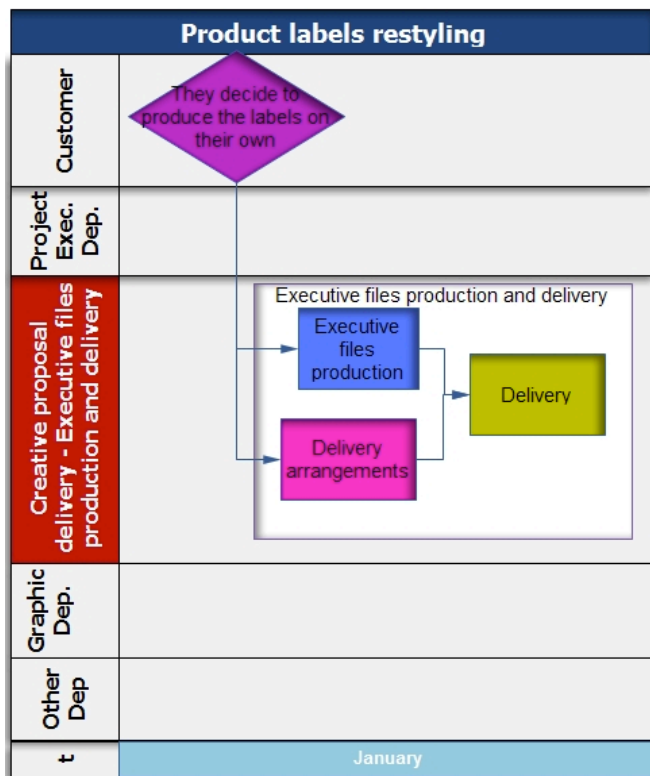


Figure 4.25. Executive files production and delivery – Product labels restyling

Retailers promotional leaflet

For the retailers' promotional leaflet project, the performative aspect of creative proposal delivery includes both subroutines. Technical features delivery differs from the ostensive aspect in terms of actions length and actions repetition (figure 4.26). Such differences are due to *illness* on PR&C side, *customer's misbehaviour* and *lack of competencies*, on the customer's side.

Finally, since the customer's supplier lacks the competencies necessary to implement the technical features in printing, PR&C has to redefine the leaflet technical features and deliver the latter again.

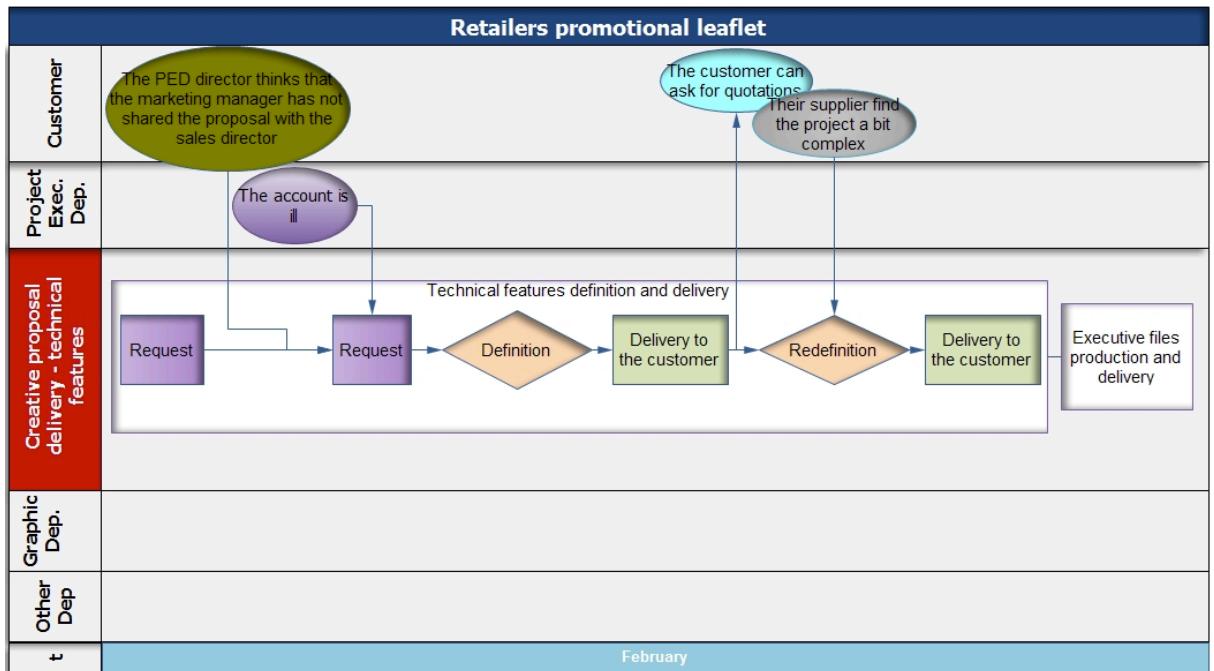


Figure 4.26. Technical features delivery – Retailers promotional leaflet

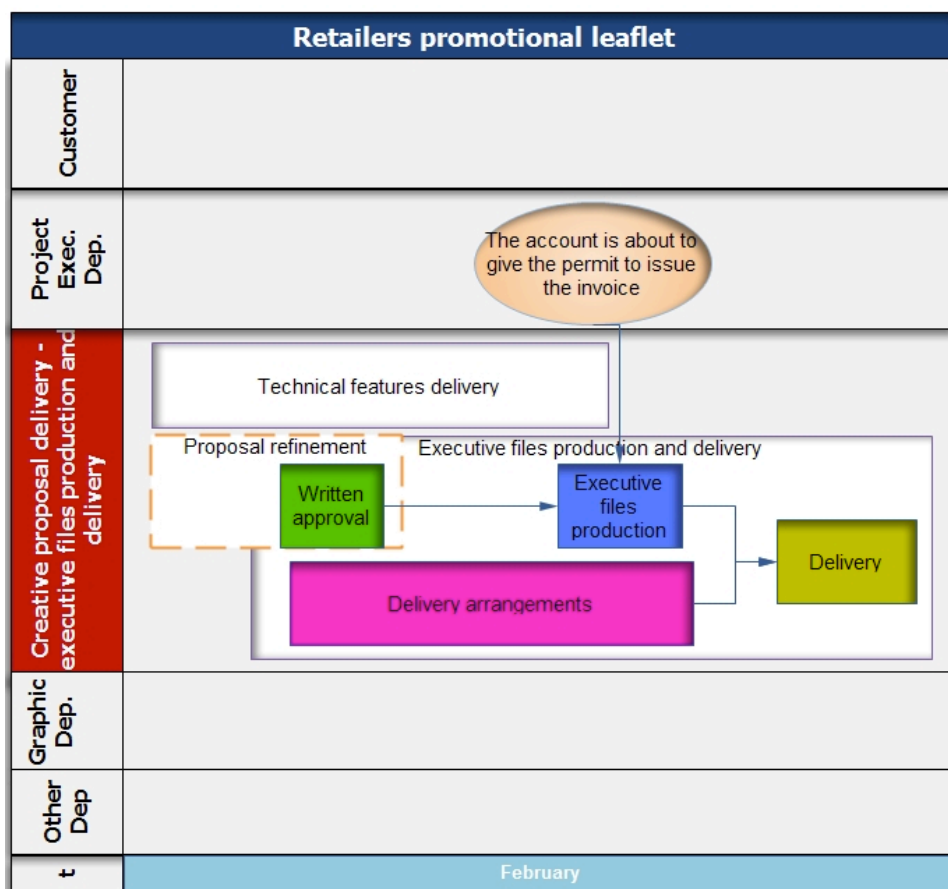


Figure 4.27. Executive files production and delivery – Retailers promotional leaflet

The performative aspect of executive files production and delivery (figure 4.27) resembles the ostensive aspect. Martina DB, the customer's marketing manager, starts arranging delivery when providing written approval on the refined proposal. In this case executive files production and delivery takes place almost at the same time as technical features delivery.

Agents promotional leaflet

Figure 4.28 shows that no contingency impacts on the performative aspect of technical features delivery. In this case it takes place at the same time of executive files production and delivery.

The performative aspect of executive files production and delivery (figure 4.29) matches the ostensive aspect. However, the content of one action is different due to *project priorities*. They cannot print the 'menabò' of the leaflet since they are using the printer for another project. Rather than postponing delivery, PR&C delivers to the customer only the electronic copy of the executive files.

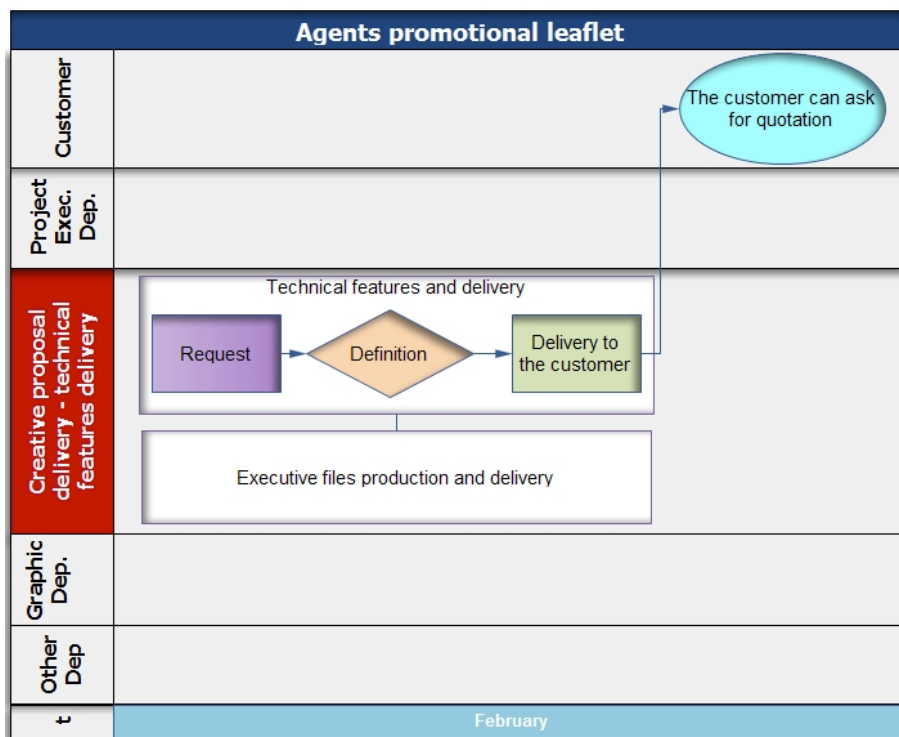


Figure 4.28. Technical features delivery – Agents promotional leaflet

Additionally, in this case, the performative aspect highlights the interdependence with invoicing. Irene DR, the account manager, informs via email Achille M, the procurement director, and Alberto L, the administration director, copying the email to Stefania DL, the production director, and Manuele P, the PED director:

“We can issue the invoice tomorrow, because the CD-ROM with the executive files and the menabò are leaving this afternoon. Please find attached also the quotation sent to the customer” (E-mail: B.IDR-AL_AM-14022008).

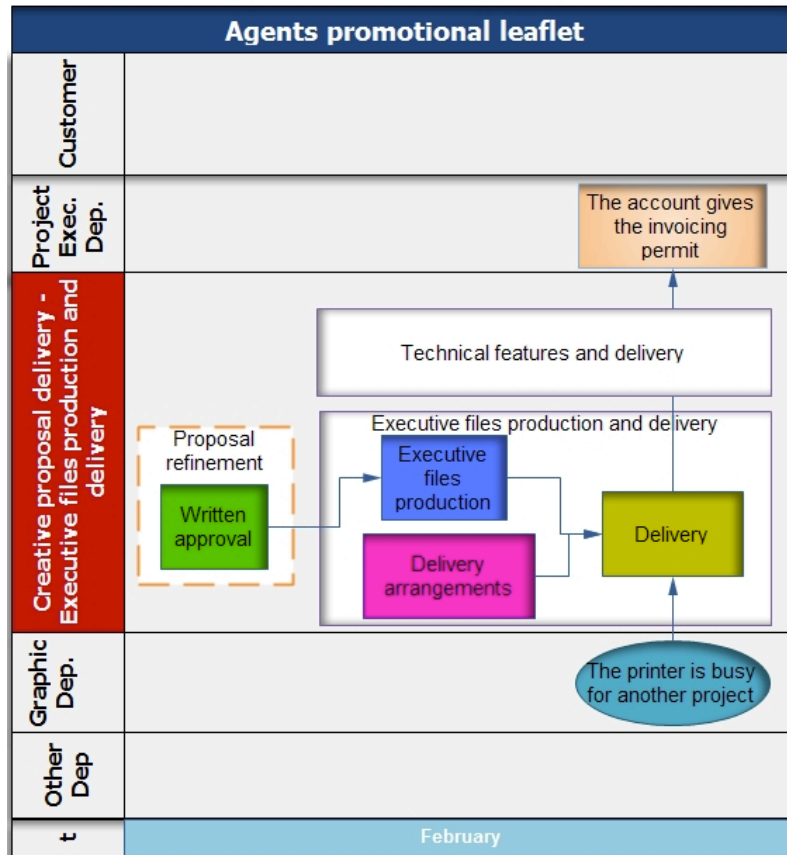


Figure 4.29. Executive files production and delivery – Agents promotional leaflet

Mailing kit

As figure 4.30 shows, the performative aspect of technical features definition and delivery matches the ostensive aspect in mailing kit. No contingency impacts on it.

Instead, figure 4.31, below, shows that the performative aspect of executive files production and delivery differs from the ostensive aspect in terms of action content and duration. *Personal customer's need* on the customer's side, *files dimension* and *project priorities* on the firm's side are responsible for the change in action content. Luca S, the customer's marketing manager, needs the executive files within a given time to present the proposal to Bordeaux executives. This implies that PR&C cannot rely on a courier to deliver the executive files. Luca S and Irene DR, the account manager, agree to deliver them electronically. However, since the files are too heavy, they cannot exchange them via email. They rely on an ftp link. Since Irene DR, the account manager, has to attend a meeting with another customer, Alfredo B, the 'art', uploads the files to the ftp link.

Both *files dimensions* and *absentmindedness* make the delivery duration increase. Since the files are heavy, it takes a while to upload them to the ftp link.

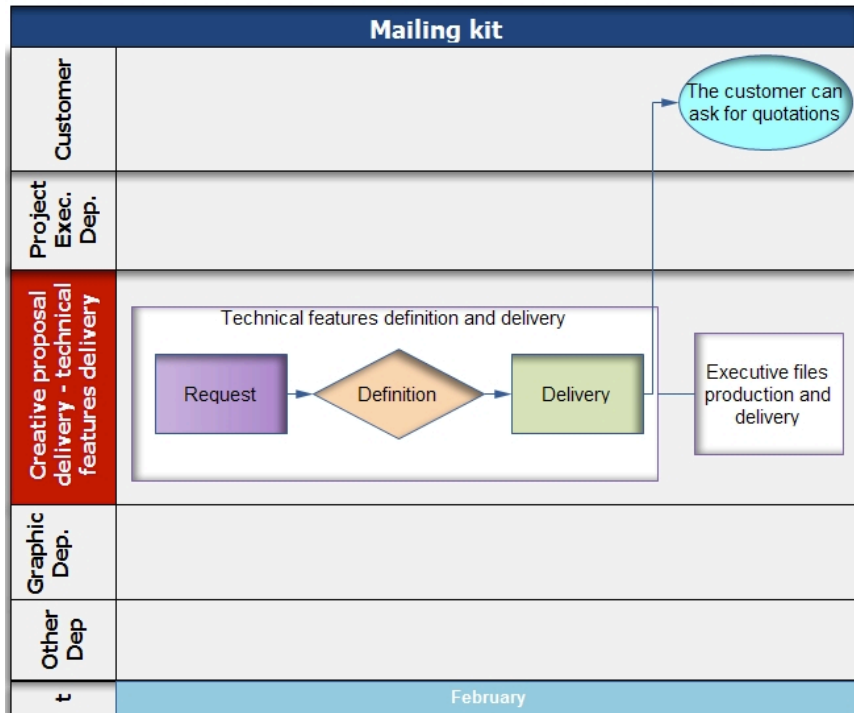


Figure 4.30. Technical features delivery – Mailing kit

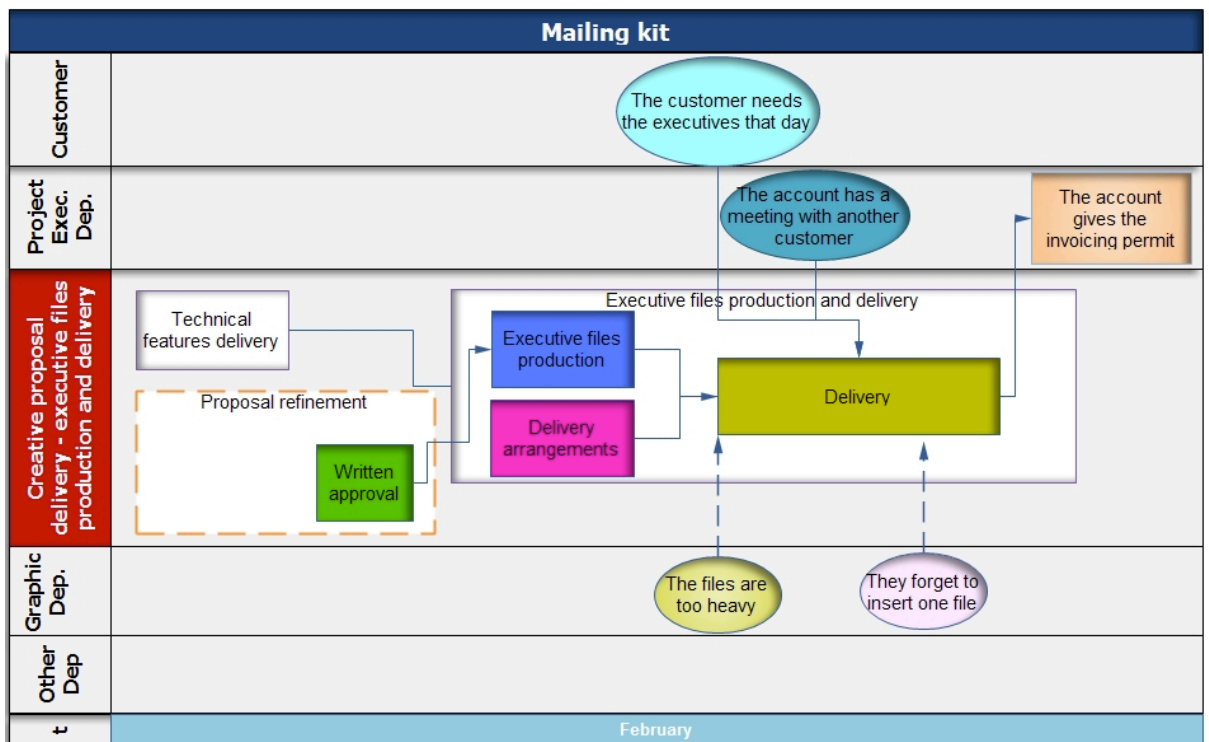


Figure 4.31. Executive files production and delivery – Mailing kit

As Alfredo B, the ‘art’, explains to Luca S, the marketing manager, via email, writing from Irene DR account manager:

“Dear Luca S, we are uploading over the ftp link the zipped folder with the mailing kit files. Since the material includes many files, the overall dimension is very large. It will take other three hours to upload everything. Therefore we advise you not to proceed downloading them before 7.00pm. Here it is the link to download the folder public.PR&C.com/piero.d/ mailing.zip

Best regards, Alfredo B” (B.IDR-LS-15022008).

Furthermore Alfredo B does not send the executive file of one proposal element. They have to send it the next working day.

Domestic gate promotional leaflet

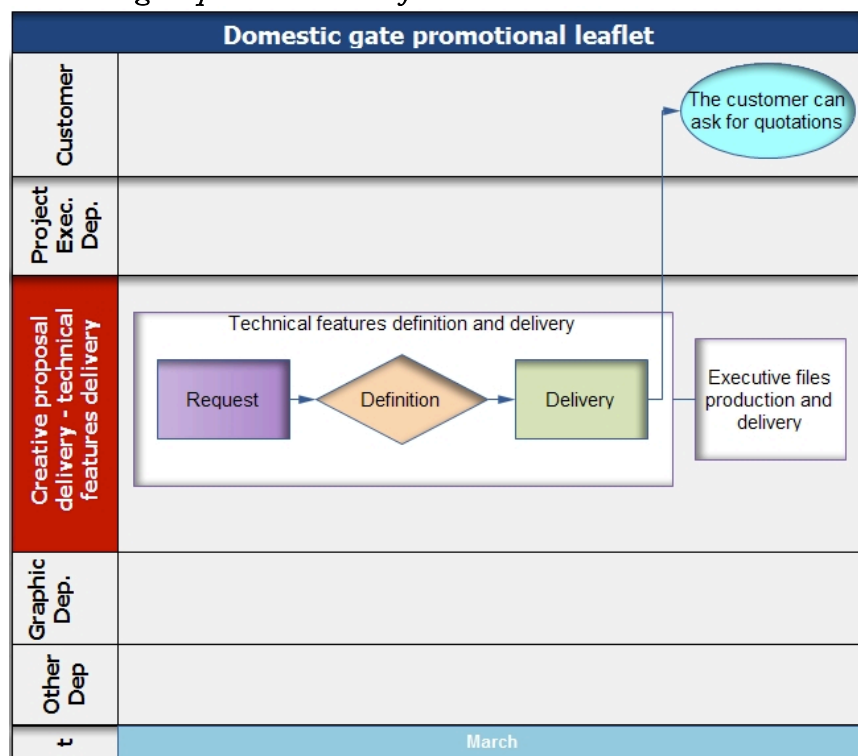


Figure 4.32. Technical features delivery – Domestic gate promotional leaflet

In project domestic gate promotional leaflet, the performative aspect of technical features delivery matches the ostensive aspect, as figure 4.32 shows.

Similarly, the performative aspect of executive files production and delivery matches the ostensive aspect (Figure 4.33).

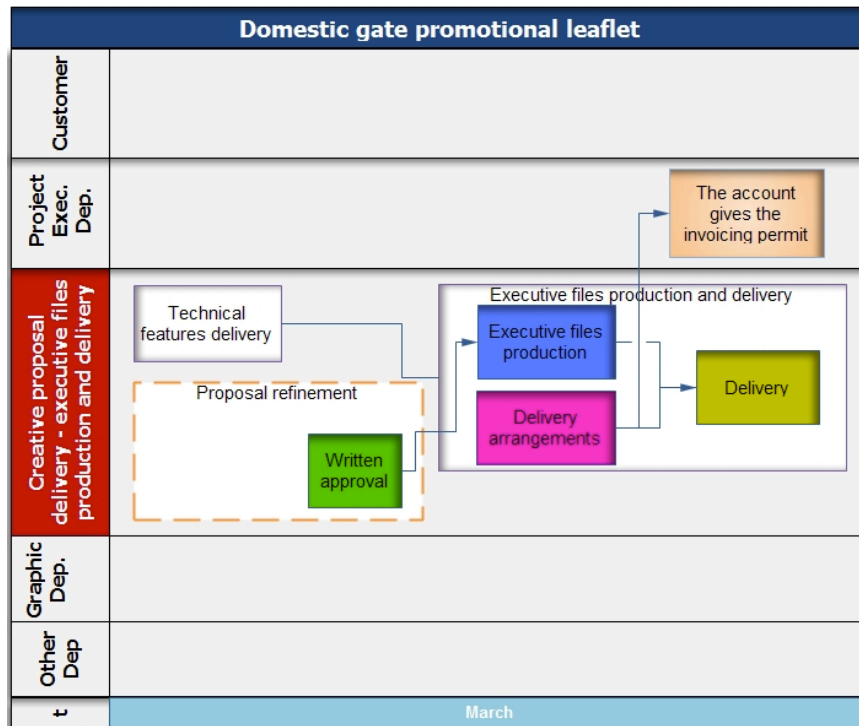


Figure 4.33. Executive files production and delivery – Domestic gate promotional leaflet

4.3.2 Contingencies impacting on the performative aspect of the PBO routines under study

The previous subsection has showed that when each of the PBO routines under study takes place, several contingencies make the performative aspect differ from the ostensive one.

Differences consist of repetition of actions contemplated in the ostensive aspect, appearance of other actions, postponement of the moment in which one action takes place, action slowing down, substitution of the actor in charge of one action contemplated in the ostensive aspect or of the means implied to undertake the action.

Several contingencies are responsible for these differences. They refer to organisational departments, to the project, to the actors involved in the PBO routine, and to the customer.

Contingencies impact on the performative aspect of a PBO routine directly, indirectly – i.e. moderating positively or negatively the impact of another contingency, or making another contingency impact on the performative aspect of the PBO routine, whether or not the other contingency is related to same domain or to another domain. In figure 4.34 the arrow connecting each domain to the PBO routine shows the direct impact that all contingencies pertaining to that domain have on the PBO routine execution. The arrows connecting contingencies to other contingencies highlight the indirect impact that the

particular contingency has on the PBO routine, either moderating the impact of (dashed arrows), or bringing about other contingencies (full arrows).

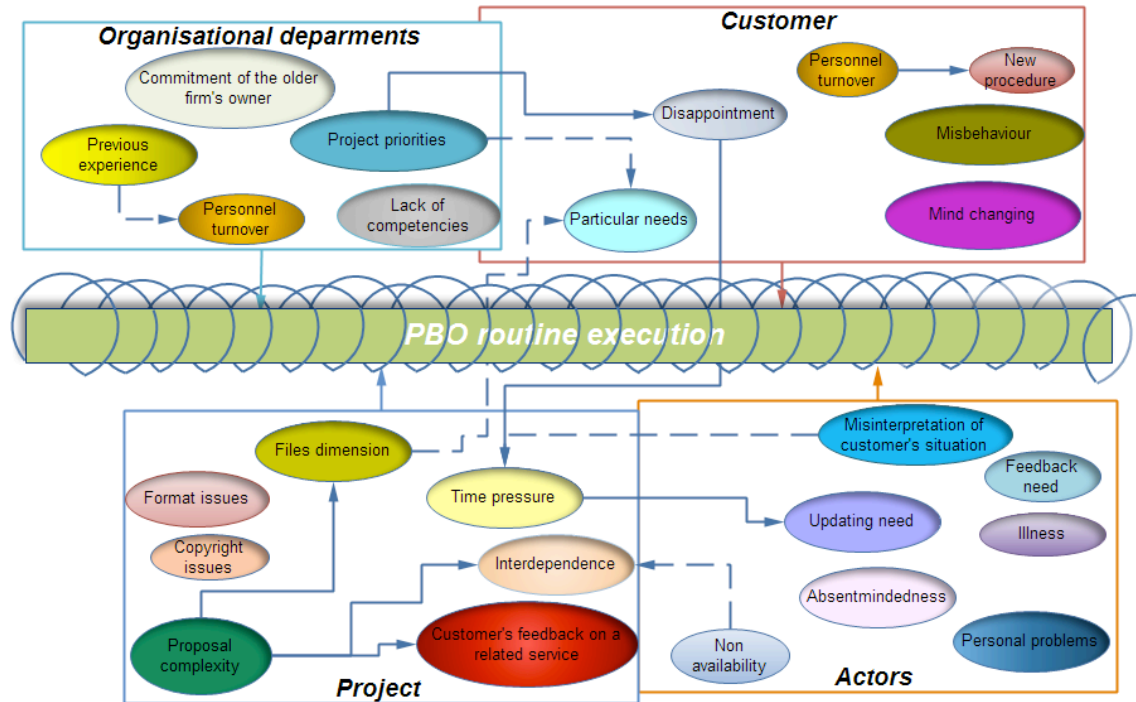


Figure 4.34. Direct and indirect impact of contingencies on the PBO routines under study

Contingencies pertaining to organisational departments

Some contingencies impacting on the performative aspect of the PBO routines concern the organisational departments in terms of workload, members that make up the department, the competencies required to undertake project activities, the involvement of PR&C's owner in the production of the proposal, and the experience with the type of work to complete. These contingencies are *project priorities*, *personnel turnover*, *lack of competences*, *commitment of the older firm's owner*, and *previous experience*.

Project priorities are the most recurring contingency across the three PBO routines and across projects. It refers to the situation in which the actor in charge of one action contemplated in the ostensive aspect of a PBO routine is working at another project, or the technical equipment - e.g. a printer – is used in another project. When the actor that is busy on another project is the account manager or the PED director, *project priorities* bring about either action postponement or anticipation, or actor substitution only for that action. When the actor that is busy on another project is the art director, the 'art', or the copywriter, *project priorities* bring about either work reassignment until the end of the project, or action postponement. When a key piece of equipment (i.e. the printer) is unavailable due to *project priorities*, the action takes place anyway, but its content is different.

Postponing the moment in which an action takes place, *project priorities* make the PBO routine require longer playing out and causes the entire project to miss the deadline. It has also an indirect effect on the PBO routines under study, bringing about *customer's disappointment*, and moderating the impact of *particular customer's needs*.

Personnel turnover impacts on the performative aspect of the PBO routines under study. *Personnel turnover* is high within PR&C: over a five-year period, more than 50 employees, across departments, have left the organisation. The alternative reasons for these numbers are the few opportunities to make career, given the firm's small scale, and the difficulty to interact with PR&C owner and with the art director.

One afternoon an intern working in the graphics department asks Angelo DL if she has to insert a symbol in the proposal she is working at. He replies very annoyed:

"Have I told you to insert it?"

The intern: "No, you have not"

Angelo DL: "You have to do only what I have told to you to do!" (Conversation between Angelo DL, art director, and one intern working as an 'art' – 15/02/2008)

After some hours Angelo DL, the art director himself, says proudly to Stefania DL, the production director:

"Once Francesco P told me that people leave PR&C for two reasons: himself and me. However he did not know what reason is the first one and what the second one!" (Conversation between Angelo DL, art director, and Stefania DL, production director – 15/02/2008).

As Giulia C, a senior account manager, who has been working at PR&C since 2000, explains:

"Angelo DL is ignorant, he has run all competent people off PR&C, in order to make only Alfonso DL, his brother, and Marco L, another 'art', remain working here. Marco L makes the executive files, does not cause any troubles to him.... On the other hand, keeping Angelo DL suits Francesco P, since he is not interested in employing competent people: a thinking person does not do what he says" (Chance interview to Giulia C, senior account – 24/06/2009).

When concerning PR&C, *personnel turnover* makes a project participant that worked at a similar project in the past, non-available to participate to the project. It also makes the actor that undertook the same action in a similar project in the past unavailable to undertake the same action in the current project.

From the above reported quotes it emerges that a source of *personnel turnover* is that it is not easy to interact with the art director. He does not give the opportunity to engage in interesting work to all competent people that work in the graphics department. In some cases the production director and he do not assign any work to these people. In the end the latter leave the organisation. According to the other employees, the reason why the art director acts in this way is to keep his power and role within the department (*power distribution*). The firm owner knows and accepts this situation because he needs people that do what he wants, like the art director.

As explained below, the impact of *personnel turnover* is moderated by *previous experience*.

Lack of competences refers to the situation in which the project includes services for which developing the creative proposal requires competences that are far from the core business of the firm. When it is the case, PR&C relies on an external supplier. As to the impact on the performative aspect of the PBO routines under study, *lack of competencies* makes some actions contemplated in the ostensive aspect of a PBO routine disappear, some actions of a PBO routine appear in the performative aspect of another. In one project creative proposal refinement includes actions contemplated in the ostensive aspect of a PBO routine that usually precedes it, before the actions appropriate to creative proposal refinement themselves. *Lack of competencies* makes some actions contemplated in the ostensive aspect recur twice. Once the technical features are delivered, PR&C has to define and deliver them again, since the customer's supplier does not have the competencies to print the proposal that PR&C has developed initially. Furthermore this contingency determines a substitution either of the actor or of the beneficiary of the actions contemplated in the ostensive aspect of the PBO routine.

Commitment of the older firm's owner refers to the need to show the developed proposal to PR&C's owner, who is the firm's creativity leader. It postpones the moment in which the action takes place. Eventually the firm's owner cannot check the proposal, but the action takes place anyway.

Previous experience is a contingency concerning organisational departments. It refers to the fact that PR&C has already performed for the customer a project similar to the one at hand. Either the customer referents or the firm's project participants draw from the previous project proposal to work at the current one. Drawing on experience occurs for several purposes: to help explaining to the actor that has to work at the proposal what the customer is looking for and what they expect PR&C to do; to recover materials they used

in the past – e.g. product pictures –, to avoid the customer sending *ex-novo* materials. Drawing can occur either recollecting the artefact storing the previous proposal, and the materials used for it, or mentioning the work made the previous time. Hence, *previous experience* impacts on the performative aspect of the PBO routines under study, bringing about differences in the content of one action – i.e. briefing meeting – and in the sequence of actions making up the routine, as it streamlines the process.

Previous experience affects the PBO routines under study also indirectly, moderating the impact of *personnel turnover* on the PBO routines under study. Even if *personnel turnover* makes a project participant that worked at a similar project in the past non-available to work at the project at hand, *previous experience*, stored in artefacts, helps briefing the new participant.

Contingencies pertaining to the project

Other contingencies concern the project in terms of the elements making up the proposal to realise, the dimension of the files making up the proposal, the number and type of services that a project includes, the relation among those services, interdependence among the processes that take place in the project execution, time necessary to complete the project and copyright of the materials used in the project. These include: *proposal complexity*, *customer's feedback on a related service*, *interdependence*, *time pressure*, *files dimension*, *format issues*, and *copyright issues*.

Proposal complexity refers to the characteristics of the proposal to complete. Sources of proposal complexity are the number of targets the customer wants to address the service to, and the number of elements composing the service itself. PR&C has to develop as many creative proposals as the targets to which the customer addresses the service. When the proposal is made up of several elements, proposal refinement includes applying the creative format to all elements before proceeding with customer's feedback loops. The impact on the performative aspect of the PBO routines under study regards the actions' sequence: the appearance of one action contemplated in the ostensive aspect of another PBO routine – i.e. further customer's brief in creative proposal refinement – and slowing down of the actions already contemplated in the ostensive aspect.

Proposal complexity also has an indirect impact on the performative aspect of the PBO routines under study. It brings about *interdependence* issues, *customer's feedback on a related service* and *files dimensions*.

Interdependence refers to the situation in which an action in a PBO routine cannot take place if another action part of another process has not occurred before. The other process

can be a PBO routine as well. The impact that *interdependence* has on the PBO routines under study is either to make another action appear in the sequence/pattern – e.g. the need to define the quotation determines the necessity to assess the proposal – or to delay the moment in which an action contemplated in the ostensive aspect takes place – e.g. the proposal cannot enter the graphics department until the customer signs the quotation, or the production director refuses to start refining the proposal before the customer approves the creative format. However, *interdependence* can be ignored with the approval of PR&C's owners. Respecting the *interdependence* between a PBO routine and another – i.e. creative proposal development and creative proposal refinement – makes the interdependent routines unfold smoothly: if they do not respect it, the graphics department has to correct the proposal twice, the first time to apply the creative format on the other elements, the second time to correct both the creative format and its application according to the customer's feedback on the creative proposal itself. The impact of *interdependence* is moderated by customer's *non-availability*.

Files dimension refers to the dimensions of the artefact representing the creative proposal itself. These dimensions impose the choice of a given means to share the proposal either with the customer or with other project participants. *Files dimension* makes also one action require longer taking place than it would otherwise. Hence, this contingency impacts both on the content and on the sequence of the PBO routines under study.

Files dimension can hinder the impact of *particular customer's needs*.

As above mentioned, *customer's feedback on a related service* is brought about by *proposal complexity*. The impact it has on the performative aspect of the PBO routines under study includes also a difference in action's content, in terms of the action's beneficiary.

Copyrights issues refer to the fact that the firm can use pictures taken from others to develop and refine creative proposals, paying for them. Sometimes the graphics department members download pictures from Internet. In some cases these pictures are covered by copyrights. In one project the art director uses a picture covered by copyright to develop the proposal, without informing the account. As a consequence, the account shows the proposal with that picture to the customer without mentioning the *copyright issues*. The customer approves it. After approval, the art director poses the issue to the account. He decides himself how to solve it: they have to make a picture of a subject similar to the one the customer has approved. Copyrights issues impacts on the performative aspect of the PBO routines under study making one action taking longer than otherwise.

Format issues refer to the fact that the actor in charge of one action executes it without using the relative artefact. The actor in charge of the successive action does not start her activity, since she does not recognise that the other actor has undertaken her action. Format issues impact on the performative aspect of the PBO routines under study bringing about the repetition of one action contemplated in the ostensive aspect.

Time pressure refers to the necessity to meet the deadline of the project. The necessity to meet the deadline requires the PBO routine under study to take place according to a given timing. This brings about either additional actions, not contemplated in the ostensive aspect of the PBO routines under study, aimed to press the actors in charge of the successive actions to undertake them – e.g. weekly brief, proposal assessment - or a different content of one action contemplated in the ostensive aspect – e.g. deliver the proposal only in the electronic version. This is brought about by *customer's disappointment*. *Time pressure*, in turn, generates *updating need*.

Contingencies pertaining to the actors involved in the PBO routine execution

Some other contingencies concern the actor in charge of an action of the PBO routine⁵. The actor might have personal problems, or be ill. He or she might misinterpret the situation of the customer, need feedback in order to proceed with the action he or she is in charge of, forget they have already undertaken a given action and repeat it. These contingencies are: *absentmindedness*, *illness*, *personal problems*, *misinterpretation of customer's situation*, *feedback need*, and *updating need*, and *non-availability*.

Absentmindedness refers to the situation in which the actor in charge of one action either forgets that they have already undertaken the action and repeats it, or does not accomplish it properly, making the action take longer to unfold. It brings about action repetition or slower delivery.

Illness refers to the situation in which the actor in charge of one action cannot undertake it since he or she is ill. It postpones the PBO routine start, contributes to make other actions appear in the pattern, and brings about the repetition of an action in the pattern (work assignment). In some cases it determines the substitution of the ill actors or beneficiaries with an available colleague only for that action.

⁵ In the flowcharts in the previous subsection I inserted these contingencies in the department to which the concerned actor belongs to, in order to not generate confusion in the section of the flowchart reporting the PBO actions.

Feedback need is the need that the actor in charge of one action has of knowing whether the work he is undertaking is fine, in order to complete it. It makes other actions not contemplated in the ostensive aspect of the PBO routine appear in the performative aspect.

Personal problems refer to the situation in which the actor in charge of one action has problems that force him or her to leave the firm within a given time. The impact of this contingency on the performative aspect of the PBO routines is slowing down the action the actor is in charge of.

Misinterpretation of customer's situation refers to an assumption that one project participant draws from a happening on the customer's side. It makes the routine unfold more slowly: she thinks that they have more time to develop the proposal. When she realises that the original deadline is confirmed it is too late. They do not meet the deadline. This on turn is likely to reinforce the importance of *time pressure* and increases *customer's disappointment*.

Updating need refers to the need that the actor in charge of one action has to know whether the other actors have undertaken their actions. It makes an additional action appear in the sequence. As above mentioned, *time pressure* brings about this contingency: since it is important to meet the deadline to deliver the creative proposal, there is the need to know if the actors are proceeding with the work

Actor's non-availability refers to the situation in which the actor in charge of one action is unavailable. The actor may be also a customer's referent. The firm needs to interact with the customer's referent to proceed with the project, but the customer's referent is not available. In some cases they cannot go on with project activities. In other cases they can proceed anyway. *Actor's non-availability* either delays or increases the duration of actions included in the ostensive pattern of the PBO routines under study. Once, for creative proposal refinement, it is likely to delay the feedback loops start because of *interdependence*. However, it does not happen, on request of the customer's marketing manager: it nullifies the impact of *interdependence*.

Contingencies pertaining to the customer

Some contingencies regard the customer, in terms of employees it employs, the procedures they introduce, the behaviour in the interaction with PR&C, the need to be updated on the project execution, their mind changing on the services included in the

project. These contingencies are: *personnel turnover*⁶, *customer's new procedure*, *customer's misbehaviour*, *mind changing*, *particular customer's needs*, and *customer's disappointment*.

Since over time PR&C has not met the deadline on several projects undertaken for Bordeaux, this has brought about *customer's disappointment*. Martina DB, Bordeaux's marketing manager expresses this disappointment to Manuele P, PR&C PED director. Manuele P considers such disappointment as a damaging criticism and shares his worries with Francesco P, his brother, and all the other departments' referents:

"We have some problems with the customer Bordeaux (timing above all). The customer is getting annoyed because we do not meet the projects deadlines. This situation is compromising our relationship with an important private customer. Even understanding the difficulties related to timing and to our suppliers, I invite you all to consider this piece of information to do your best to overcome these difficulties..." (E-mail: B.MP-FP-11122007-11.22).

The impact of *customer's disappointment* on the performative aspect of the PBO routines under study is the appearance of an additional action that is not contemplated in the ostensive aspect: in order to reduce *customer's disappointment*, the PED director decides to show to the customer that they are working, showing them the proposals PR&C is working at.

Particular customer's need refers to the situation in which a particular customer's need emerges and can be satisfied by the project PR&C is working at, either through a given proposal format or by completing the project within a given time. The need can be to present the proposal either to the sales director, or to the firm's executives or partners. It can be to define a particular feature of the product to deliver. The impact on the PBO routines under study regards either the actions' sequence or action's content. The former is speeding up or freezing one or more actions of the routine, determining the moment in which the action takes place. However the effect is reduced by *project priorities*, in case the actor in charge of the action is busy working at another project. The latter consists of relying on a faster means to undertake one action.

As mentioned above, *personnel turnover* concerns also the customer. Chapter five has illustrated the indirect impact that customer's *personnel turnover* has on the ostensive aspect

⁶ Personnel turnover concerns both the customer and the firm. It has different impacts on the performative aspect of the PBO routines under study, accordingly.

of the PBO routines under study, through the introduction of a *new customer's procedure* - i.e. asking for multiple quotations for some services that they used to order from PR&C. Similarly, customer's *personnel turnover* and consequent *new customer's procedure* impact on the performative aspect of the same PBO routines. They determine competition with other suppliers for some services, making the content of one action differ. Since PR&C loses the competition with another supplier, *customer's feedback on a related service* makes the performative aspect of the PBO routine present an additional action as compared to the ostensive one.

Customer's misbehaviour refers to the situation in which the customer misbehaves, asking for corrections of a proposal that they have approved verbally. It impacts on the performative aspect of the PBO routines under study, making one PBO routine restart once it is over and interrupt another routine in favour of the former. It also slows down the taking place of one action. Hence, it impacts on the actions' sequence.

Mind changing refers to the situation in which the customer changes his mind on which services to include in the project once the firm has started executing it. This brings about the disappearance of some actions part of the ostensive aspect of the routine. *Mind changing* brings about a difference in the content of the actions composing the ostensive aspect. It makes the format of the files and the way to exchange them differ from the ostensive aspect.

4.4 Discussion

The analysis undertaken so far illustrates that PBO routines do not take place in a vacuum: context matters. Previous research shows the impact that several contextual factors have on organisations' structure and functions. Pugh et al. (1969) argue that these factors must be considered at the same time in order to determine their relative importance. Over time, researchers applied a contingency approach to develop a theory of intra-organisational power distribution (Hickson et al., 1971), and more widely to link firm's performance to external environment, organisational structure, and congruence among them to the firm's performance (Fredericks, 2005). At the same time research on organisational routine recognises the relevance of the context, which is the organisational context, in routines execution. Cohen et al. (1996) emphasise that motivational and physical environments in which the routine take place determine routine effectiveness: the same routine can be effective in some contexts but not in others. I apply a contingency approach to scrutinise the context and the role that different contingencies making it up have on

shaping PBO routines across iterations. As emerged in the analysis, contingencies pertain to the situation of actors in charge of the PBO routine actions, the project, the firm and the customer. Across iterations PBO routines tend to adapt fluidly according to these contingencies, keeping unchanged the ostensive aspect. Adaptation to contingencies brings about differences between the performative and the ostensive aspects. As highlighted in chapter two, Nelson and Winter (1982) consider routine adaptation as one of the tactics useful to organisations for dealing with the acquisition of new resources that do not present the characteristics necessary for a smooth execution of the routine itself. In this sense, routines adaptation characterises PR&C. Both personnel turnover and the high involvement of the customer in the project activities may imply some PBO routine adaptation: customer's referents are actors in charge of different actions contemplated in the ostensive aspect of the PBO routine. Adaptation may be necessary any time the firm executes a project for a new customer, or when the latter is characterised by personnel turnover. As to personnel turnover concerning the customer, my research suggests that when personnel turnover concerns a department director, the customer itself can ask to adapt the PBO routine, in response to a new internal procedure, imposed by the newly appointed director.

In my research routine adaptation represents also dynamics that are more consistent with the argument made by Pentland and Rueter (1994) and Feldman (2000) and exposed in chapter two. According to these authors, across several iterations, actors build a repertoire of actions by identifying better ways to perform the action they are in charge of, and draw from this repertoire in successive iterations of the routine. However, while Feldman (2000) argues that changes are due to the identification of better ways to perform the actions themselves by the actors, my findings suggest that differences between the performative and the ostensive aspects are the result of the effort to face a problem or a particular condition determined by one or more contingencies. This holds true in the content of routine's action as well as in the actions' sequence.

Facing problems or particular issues brings about differences between the ostensive and the performative aspects of the PBO routine. Actor's discretion becomes apparent in considering these problems and issues and in undertaking the revisions in the pattern accordingly. This brings about transient differences between the performative and the ostensive aspects of the PBO routine. However, these differences do not represent necessarily a better way to execute the PBO routine: they represent the way in which the

actors consider that the routine can take place in response to problems and conditions emerged only during the execution of the PBO routine itself.

The differences are transient, since they concern a single iteration of the PBO routine, unless the contingencies that determine them recur across several iterations of the PBO routine.

Transient differences regard either action's content or actions' sequence. Differences in action's content consist of substitution of the actor that is in charge of the action and uses of given means and artefacts to accomplish the action itself. Differences in the actions' sequence consist in later or earlier start of a given action, slowing down of one or more actions, appearance in the sequence of actions that are not part of the ostensive aspect of the PBO routine, disappearance of some actions contemplated in the ostensive aspect, and actions' repetition.

These transient differences between ostensive and performative aspect of the PBO routines do not imply necessarily better ways of undertaking a given action. They take place since they

The most evident transient difference between the performative and the ostensive aspect of PBO routines is the execution of other actions in addition to those contemplated in the ostensive aspect. The difference is more evident, since it makes it difficult to recognise the action pattern across several iterations of the same PBO routine. As Becker (2005) shows, studies trying to address change in organisational routines focused first on task content and afterwards on sequence. Perrow (1967) has been the first to introduce some measures to determine if the content of a task is routinised. More recently, Pentland (2003) has moved the focus of analysis to the process, the sequence characterising the pattern (Becker, 2005). Sequential variety allows confronting how the actions included in a pattern are sequenced among them in different iterations of the process itself. Considering both content and sequence helps to measure the level of adaptation to contingencies of the PBO routine across iterations.

Transient differences informing the performative aspect as compared to the ostensive aspect are not registered in any artefact. However, actors remember how they have performed the routine.

Among the contingencies modelling the context in which the PBO routines take place, previous experience, project priorities, and interdependence are worth discussing since

their impact on the PBO routine execution seems to make our understanding of the internal dynamics of PBO routines and of their relation with other organisational phenomena improve.

Previous experience allows overcoming the negative effect of personnel turnover. This is in line with the argument made by Levitt and March (1988), according to which routines survive personnel turnover. It also reinforces Davies and Brady (2000) finding that routines allow PBOs to transfer experience across projects. The analysis in the previous section shows that the interplay between experience and PBO routines is twofold and reciprocal. On the one hand, PBO routines allow the firm to capitalise on experience. On the other hand, previous experience, embedded in artefacts makes the PBO routine unfold more quickly. The PBO routine unfolds smoothly since actors recover the artefacts that store the outcome of the work done in the previous project, and easily understand what the customer's needs are, and what they are supposed to do. Along with the outcome of the work, the archive includes also the materials – i.e. pictures - used to develop it. When the project at hand requires the use of the same materials, the firm can recover those materials from the archive, so that the customer does not have to forward them anymore. This facilitates PBO routine unfolding.

As highlighted in chapter two, extant literature discusses the role that artefacts have both in organisational routines dynamics and in PBOs. Feldman and Pentland (2003) argue that some artefacts act like “a proxy for the ostensive aspect” of organisational routines and others represent an “archival trace” of the performative aspect. Prencipe and Tell (2001) show that artefacts store knowledge about what has been done in previous projects. I build on this, highlighting that artefacts storing knowledge about what has been done in previous projects become useful in accelerating the PBO routine unfolding. They facilitate briefing project participants on what the customer is looking for, and help the staff member understand what he or she is required to do. Artefacts are systematically recalled either by the customer or by other actors involved in the PBO routine execution.

As to project priorities, it is the most recurrent contingency across PBO routines and across projects. Actor's discretion is evident in facing them. Project priorities impact on the sequence of the pattern, either slowing down its unfolding or making it include other actions. It is the main source of actor's non-availability and relative action's slowing down. This transient difference between performative and ostensive aspect of the PBO routine is relevant in PBOs. Projects are temporary and have precise deadlines. If one or more PBO

routines unfold more slowly than they are supposed to, the project team completes the project after the deadline agreed with the customer. This can bring about customer's disappointment and in the long run, losing the customer.

The impact of project priorities on PBO routines might be due to firm-level factors. If the firm's departments employed a larger number of people, the relative workload would be less, and the actor would be available to undertake the action he or she is responsible for, at the moment in which it is required. In the case of small firms, the likelihood is that a single specialist person is responsible for more particular functions in the firm, whereas in a large firm several people may carry out a specialist function.

Finally interdependence between two or more routines emerges as playing a role in PBO routines dynamics. Nelson and Winter (1982) identify interdependence as a characteristic of organisational routines, and Feldman and Pentland (2003) emphasise interdependence as one of the standard criteria to identify them: actions composing a routine are interdependent with each other in the sense that the output of one action serves as the input of another one. However, Narduzzo et al. (2000) mention that in complex organisational contexts there is interdependence among different routines. This interdependence becomes relevant in my research. Interdependence can be either in the form of sequentiality (Thompson, 1967): one PBO routine output is the input to another one; or in the form of *conditio sine qua non*: an action in a PBO routine cannot take place if another action in another PBO routine has not taken place. Interdependence between PBO routines might have consequences on the time necessary to complete the project itself⁷.

4.5 Conclusions

Through the description of the projects executed for one customer, and the analysis of the PBO routines under study in those projects, this chapter has delved into the existence and evolution of PBO routines. It also offers evidence to enable us to better understand routine emergence in a PBO context.

The three PBO routines under study recur across the five projects undertaken for Bordeaux. Their main antecedent is the type of work the project entails. Operating in the communications sector, the projects the firm undertakes embody creativity work of various

⁷ The relevance of interdependence among actions of different PBO routines will emerge more clearly in the analysis and discussion of the PBO routines under study as implemented in the project undertaken for Ginger.

kinds. This implies developing a creative proposal, refining it according to the customer's preferences and delivering it.

Even if artefacts do not embed PBO routines, artefacts play an important role in the execution of routines. Artefacts storing the knowledge about 'what has been done' in previous projects facilitate the PBO routine unfolding and quicken project execution. Whereas extant literature on project-based learning stresses the limits of this type of artefacts in transferring learning from one project to the other, this chapter suggests that they are useful in making actors understand what the customer is looking for. This reduces the amount of time necessary to execute both the PBO routine and the entire project. Hence, this chapter provides empirical evidence that previous experience, retrieved through artefacts, moderates the negative effects of knowledge loss, especially due to personnel turnover, which was found to be common across projects, on PBO routine persistence.

As regards PBO routines evolution, the chapter suggests that across iterations, PBO routines evolve through a process of adaptation to contingencies that act at different levels, reflecting and drawing from the context in which the given iteration of the PBO routine takes place. These contingencies determine the constraints that actors' discretion has to address in order to enable the PBO routine to take place. Actors' discretion and consequent PBO routine adaptation result in differences of the performative aspect of the PBO routine from the ostensive aspect. The evidence shows that differences in the main concern either the actions' content or the actions' sequence. The former include the substitution of the actor that is in charge of the action and uses of given means and artefacts to accomplish the action itself. The latter consist, for example, in a later or earlier start of a given action, slowing down or speeding up of one or more actions, and the execution of actions that are not contemplated in the ostensive aspect of the PBO routine. The evidence also suggests that facing contingencies pertaining to different domains also brings about 'disappearance' of some actions contemplated in the ostensive aspect, and the unplanned repetition of actions. No artefact embeds the ostensive aspect of the PBO routine. Accordingly no artefact embeds the differences between the performative and the ostensive aspect resulting from adaptation to contingencies.

Highlighting the ability of PBO routines to adapt fluidly to contextual contingencies is the main contribution of this chapter and indeed to the overall thesis. The next two

chapters show the relevance of the interdependence between different PBO routines and the role of power distribution in PBO routine evolution, respectively.

CHAPTER 5: CASE DESCRIPTION AND ANALYSIS - GINGER

5.1 Introduction

This chapter aims to analyse how creative proposal development, creative proposal refinement and creative proposal delivery unfold in the project that PR&C has undertaken for Ginger. On a conceptual level it aims to highlight the differences between the performative aspect and the ostensive aspect of the PBO routine, and the contingencies responsible for such differences.

In order to reach such aims, the chapter compares the flowcharts of each PBO routines concerning the projects executed for this customer, with the flowchart of the ostensive aspect. Such a comparison is important to identify the cause-effect relations between the PBO routine and contingencies playing some role in their execution. The representation through the flowcharts makes it possible to distinguish contingencies according to their domain (Langley and Truax, 1994: 423): project, organisational department and customer. After examining the cause-effect relations between PBO routines and contingencies, the chapter explores such relations for each contingency, in order to identify whether other factors moderate such an impact.

As in the previous chapter, I have chosen to analyse the PBO routines related to the main activity of the firm. The projects undertaken for Ginger promise to provide specific and interesting insights on the execution of these PBO routines. Whereas Bordeaux approaches PR&C with very detailed briefs, Ginger makes very generic requests and PR&C has to develop the proposal from scratch. The way in which the customers approach PR&C may impact on the unfolding of the PBO routines. The chapter also promises to show how previous experience with other customers can facilitate one PBO routine execution, when project participants find it difficult to satisfy a customer's request, since the latter is not detailed. Furthermore, interdependence between the actions in the same PBO routine and interdependencies with other PBO routines can highlight particular constraints to which the PBO routine has to be adapted.

After a brief presentation of the customer and of the projects in section 5.2, section 5.3 reports, separately for each PBO routine, the analysis of the differences between performative and ostensive aspects, and the analysis of the contingencies responsible for the differences. Section 5.4 discusses the main findings and section 5.5 draws conclusions.

5.2 Case context

5.2.1 Ginger

Ginger is a boutique selling clothing, bags and accessories of high fashion brands. Its target is made up of women aged 25 to 45. It is located in the same city as the PR&C. It has been open for about 30 years. Currently two daughters (respectively, Patrizia C and Silvia C) of Ginger's founder run the shop. PR&C founders⁸ created the original boutique logo.

Since 2006, PR&C has delivered to this customer several services, including website development and updates with pictures of new collections of the brands they sell, ads on local newspapers, and magazines. The account manager that initially ran the projects for this customer left PR&C in May 2007. A junior account manager, Irene DR, replaced him with the supervision of the Project Execution Department (PED) director, Manuele P.

5.2.2 Projects undertaken for Ginger

Communication format planning and implementation

In October 2007, Irene DR and Manuele P had a meeting with the customer at PR&C's offices. Ginger wanted to acquire new customers and retain those already acquired. To this aim, they wanted to undertake some initiatives of corporate promotion with the aim of acquiring a distinctive image in line with their positioning in the market. The initiatives included the planning and implementation of a communication format aimed to identify distinctively the boutique. The customer did not provide the firm with a detailed brief. They did not suggest any hypothesis about the symbol they would have liked to represent their boutique. Manuele P and Irene DR proposed to the customer to implement a media plan including posting, advertisement in cinemas and in newspapers.

The first step was to identify a communication format to promote through such a media plan and determine the quotation of the media plan itself. While executing creative proposal development, PR&C shared the quotation of the media plan with the customer. The latter found it too high and changed her mind about the promotion part of the project: she rejected billposting and promotion in cinemas and thought of using one newspaper ad for another project that was more urgent. However, PR&C continued developing the proposal for the communication format. They developed six creative proposals before receiving a positive feedback from the customer. These were respectively a female

⁸ PR&C founders are the uncle and the father of the current owners

silhouette, landscapes made up of folded clothes, a butterfly, a flower or an animal, an eye, and an iguana. After receiving a positive feedback on the eye proposal, creative proposal refinement and creative proposal delivery could take place.

Logo restyling

Planning and implementing a new communication format also included the restyling of the customer's logo. Across the proposals that PR&C worked at for the communication format, the customer appreciated the part on the logo that PR&C included in the third proposal. After PR&C developed and partly refined the entire creative proposal of the communication format, Ginger asked Irene DR, the account manager, to quote and deliver separately the proposal for the logo restyling. They needed to reprint the bags of the shop and wanted the bags to carry the new logo PR&C had developed. From this moment on, the project split in two. Creative proposal delivery took place separately for the communication format and for logo restyling.

5.3 Case analysis

5.3.1 Performative aspect versus ostensive aspect

5.3.1.1 Creative proposal development

As figures 5.1, 5.2 and 5.3 show, the performative aspect of creative proposal development in this project differs from the ostensive aspect. The sub-routine 'department activation' takes place through a higher number and different types of actions than those that are supposed to occur (figure 5.1). The sub-routine spans over two months. Contingencies responsible for these differences with the ostensive aspect are *mind changing*, *project priorities*, and *need to use the project outcome in another project for the same customer*. These contingencies jointly make an additional action - i.e. 'weekly progress' - appear in the performative aspect. After the briefing meeting, Irene DR, the account manager, reminds Stefania DL, the production director, that they have to work at the proposal.

“- Ginger

Creativity for the communication campaign, as in the brief discussed at the briefing meeting” (Email: J.IDR-SDL-09112007-16.06).

In fact, after the 'briefing meeting' the customer changes her mind on the initiatives to promote the communication format, as the quotation is too high. However, the account proposes to Ginger to use the communication format in another project. For this reason, she presses on the production director to work at the communication format, both after

‘briefing meeting’ and after that *project priorities* make the action ‘weekly progress’ appear in the performative aspect a second time.

“ – Lighted TOTEM or ENARA: the mounting we have agreed with the customer has to include a totem or an enara on Ginger. Therefore it is necessary to start studying an image and a concept distinguishing the boutique” (Email: J.IDR-SDL-21112007-16.42)

In ‘progress’ Irene DR, the account manager, writes to Stefania DL, the production director, about the communication format:

“Furthermore let me remind you that it is necessary to work at the creativity for Ginger for the enara (at this point there is not time to make the totem)” (Email: J.IDR-SDL-27112007-09.16).

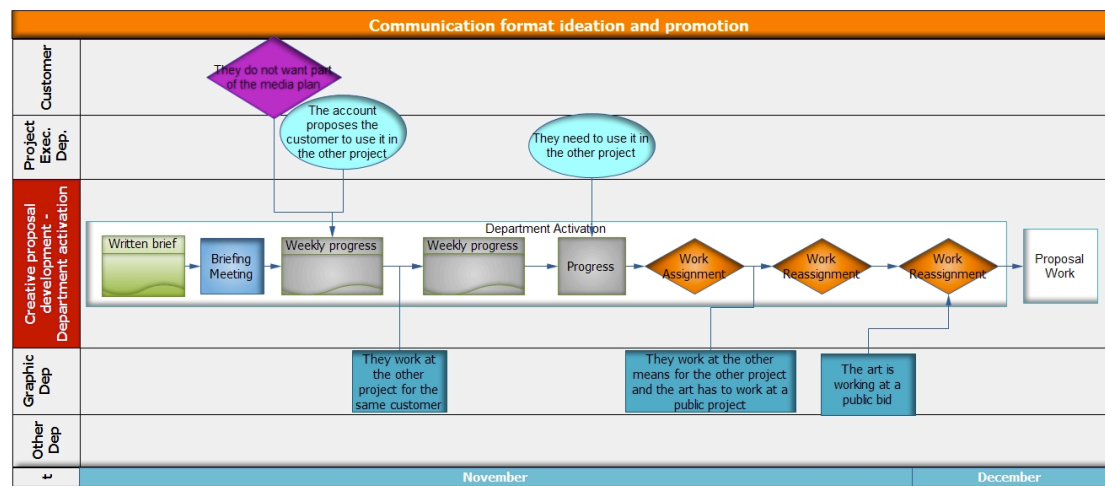


Figure 5.1. Department activation – Communication format ideation and promotion

Because of *project priorities*, the members of the graphic department, who have to develop the proposal, cannot work at it. They have to work at the other project for the same customer. *Project priorities* are also responsible to make ‘work assignment’ appear three times in the performative aspect of ‘department activation’. The ‘art’, which the production director assigns the work to, is working on the other project. The production director assigns the work to another ‘art’. However, the latter is busy as well: he has to work on a public bid first. This causes the production director assign the proposal to the ‘art’ engaged the first time.

Figures 5.2 and 5.3 report the performative aspect of proposal development⁹. Both figures illustrate that proposal development takes place six times. In fact PR&C develops six proposals, since the customer does not appreciate the work they do.

The sequence in the performative aspect resembles the ostensive aspect in the first proposal, even if there is an additional action, ‘proposal freezing’, due to the fact that the customer does not appreciate or approve the developed proposal. For the other five proposals, additional actions appear in the performative aspect and some actions take place with some delay. These differences are due jointly to *commitment of older firm’s owner, project priorities, customer’s satisfaction issues, wrong division of tasks, interdependence, disinterest, customer’s non-availability, customer’s updating need, illness and copying issues*.

‘Strategic meeting’, ‘creativity check’ and ‘report to PR&C owner’ are additional actions present in the performative aspect. They appear as more frequently in the performative aspect of the sub-routine ‘proposal development’, as the number of developed proposals augments. This is due to an increasingly deeper *commitment of the older firm’s owner*, who thinks that the account and the PED director are not executing their task properly. He makes it clear to the account when she reports to him the feedback on the third proposal. When the account goes back to her office, she comments aloud:

“Francesco P has said that I have not been able to sell the idea to the customer. I expected such a reaction” (Chance talk with Irene DR, account manager – 22/01/2008).

After the customer rejects also the fourth proposal, the older firm’s owner calls the account for an updating. When the call is over, Irene DR comments:

“Francesco P is upset. He has just said that we have been working for two months at a project that Manuele P and I have not quoted properly to the customer (only €1.585,00)” (Chance talk with Irene DR, account manager – 15/02/2008).

Furthermore, in the fifth proposal, Francesco P decides to intervene personally in ‘feedback request’, presenting the proposal to the customer, once the account manager has already presented it.

In the second proposal, *customer’s updating need* accelerates ‘proposal work’. The customer wonders if they are working at another proposal. However, they have to postpone the

⁹ I have split the performative aspect in two parts, because a single picture would have taken too much room and would have been difficult to read.

action, due to *project priorities*: the ‘art’ has to work at two other projects first. Before presenting the proposal to the customer, *project priorities* make another action appear in the performative aspect: ‘work reassignment’. Piero D, the ‘art’, is working at another project. Stefania DL, the production director, assigns the work to another ‘art’, Alfonso DL. Alfonso DL starts working on another proposal. Since the customer is ill, they have to wait to ask for and have her feedback. When the customer can make it, Irene DR, the account manager, and Manuele P, the PED director, decide to present both the second and the third proposals. *Copying issues* impacts on action content both for ‘feedback request’ and ‘preliminary customer’s feedback’. The customer likes the third proposal. However, they have recently seen a competitor using a similar creative proposal. Furthermore Irene DR, the account manager, finds out that Alfonso DL, the ‘art’, has copied the proposal from the ad of a travel agency based nearby the customer’s boutique.

“However the customer says that she has already seen the element butterfly on the ad of their competitor, that is why she has some doubts about the proposal.

Actually, I have found an ad of a travel agency with a name similar to the customer’s competitor on a local magazine. In the ad that I have found, there is the symbol of a butterfly with colours similar to the ones we have used (fuchsia and blue) next the travel agency name. Hence, I am asking you for some more effort to search for an alternative element. The customer has really appreciated both the idea and the graphics layout. The problem is the symbol.” (Email: J.IDR-SDL-22012008-13.04)

At this point, the *older firm’s owner commitment* starts influencing more deeply the creative part of the project. In fact, he does not intervene only with ‘creativity check’: he gives to the ‘art’ the idea of the symbol to use for the communication format. This occurs for the fourth, the fifth and the sixth proposals. When the customer refuses the third proposal, Irene DR, the account manager, shares the feedback with Alfonso DL, the ‘art’. Alfonso DL gets angry and comments:

“I will wait and see what Francesco P says, as I am not able to solve this problem alone. I cannot and I do not want to think of another symbol!” (Chance talk between Alfonso DL, art, and Irene DR, account - 22/01/2008)

Because of *copying issues* the customer provides a preliminary feedback first, rejects the proposal later on, and definitely rejects it after reconsidering it. In the meanwhile *customer’s satisfaction issues* determine the development of the fourth proposal. In this case, ‘proposal development’ unfolds through a sequence that includes additional actions and the

postponement of the actions supposed to be in it. In order to satisfy the customer and encourage them to assign new projects to PR&C, the account manager presses the production director. The firm's owner intervenes with two 'strategic meeting', a 'creativity check' and a 'report' after the 'customer's preliminary feedback'.

As to action postponement, in the third proposal, *project priorities* postpone 'proposal work', as the 'art' is working at a public project. Afterwards *project priorities*, *customer's non-availability*, *interdependence*, and *illness* postpone 'feedback request' and 'preliminary feedback'. They have to postpone the meeting because the customer is unavailable. When the account wants to call the customer to fix the meeting, the production director tells her that she has to wait:

Irene DR: "Are the proposals of the communication format ready?"

Stefania DL: "Alfonso DL has worked at them. We have to show them to Francesco P. If he approves them, you can call the customer."

Irene DR: "I want Patrizia C to come tomorrow, since Manuele P might be away on Friday."

Stefania DL: "the account manager cannot fix a meeting with the customer without hearing from the production department" (Conversation between Irene DR, account manager, and Stefania DL, production director – 30/01/2008)

After the older firm's owner checks the proposals, the account manager tries to fix the meeting with the customer, but the latter is unavailable. When the customer can make it, the account manager becomes ill. However, she wants to fix the meeting early in the morning the day in which she goes back to work. The production director tells her to postpone the meeting since the 'art' is busy on a public bid.

After the customer rejects also the fourth proposal, *wrong division of tasks* makes the firm's owner intervene more deeply in the fifth proposal, through 'strategic meeting' and a 'creativity check'. As Irene DR, the account manager, recalls:

"Francesco P is upset... Furthermore he has told me to tell to his brother that he has to call the customer. This is not a task to delegate to an account manager.

Before calling the customer, I have to ask Francesco P if I can" (Chance interview with Irene DR, account manager - 15/02/2008)

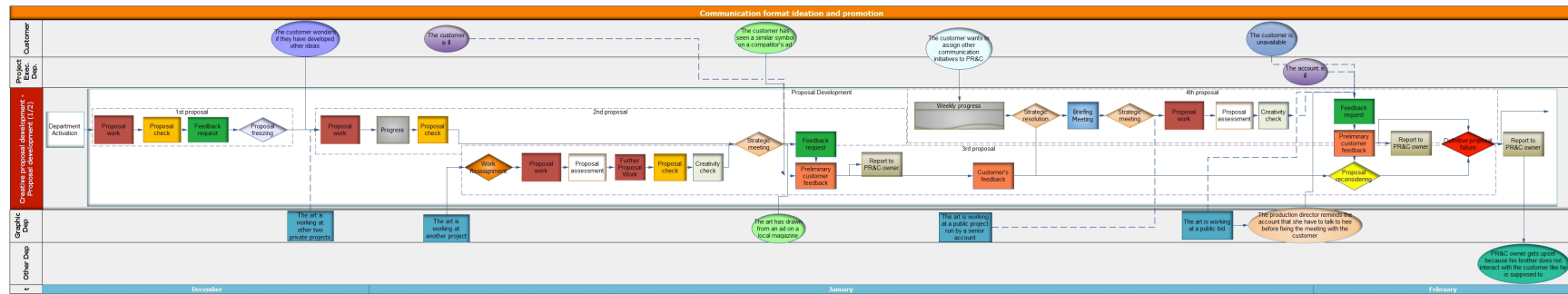


Figure 5.2. Proposal development (1/2) - Communication format ideation and promotion

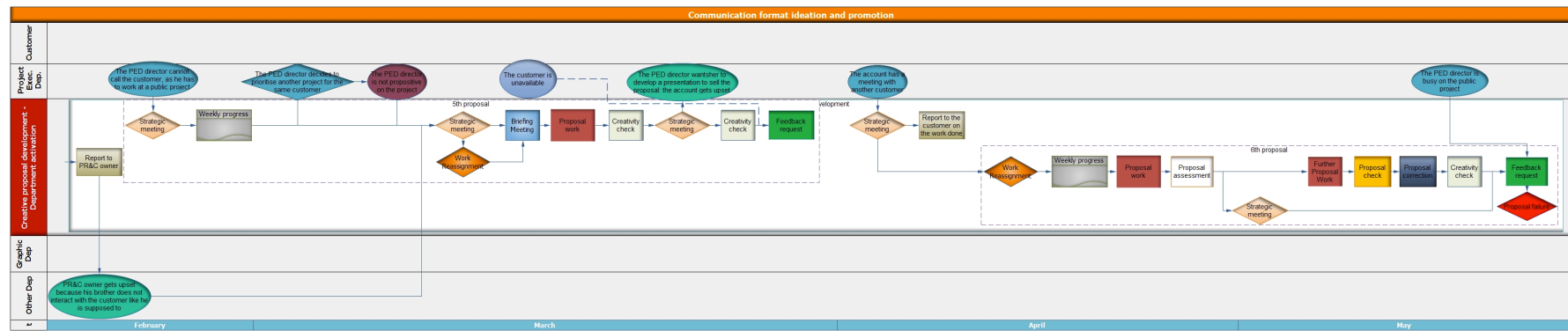


Figure 5.3. Proposal development (2/2) – Communication format ideation and promotion

The older firm's owner decides also to assign the work to another 'art', whom he briefs along with the account manager. They have to develop another proposal, using the eye as a symbol, and present it to the customer. *Project priorities* and *disinterest* bring about another two 'strategic meeting'. The PED director is busy on a public project that keeps him away from this project. He becomes disinterested in the project itself and he assigns to the account manager tasks that he is supposed to undertake. This has already made his brother upset. Also in this case, Irene DR, the account manager gets upset reading his email:

"Make the presentation in such a way that makes it result rich and able to sell the concept of eye. Here are some notes to develop the symbol: a beautiful eye, with fine make-up. It is the symbol of the elegant woman, who pays attention to her look and to fashion..." (Email: J.MP-IDR-21032008-18.08)

Irene DR forwarded the email to me:

"I have to sell it, do you understand???" (Email: J. IDR-DDA-25032008-17.50).

Another difference with the ostensive aspect of the sub-routine proposal development is action postponement due to *customer's non-availability*. The latter postpones 'feedback request'. After the fifth proposal development, Francesco P and Manuele P, the firm's owners have another strategic meeting. Since they have been working for several months at the proposal, they want the customer to realise that it is time to close proposal development. They agree to make a report on all the work they have done and they are about to do after the first feedback on the fifth proposal (creative proposal refinement). *Project priorities* impact on the content of the action 'strategic meeting': the account manager cannot participate, since she has to see another customer. At the meeting, the creative director (the older firm's owner) decides that they have to work on another proposal, too. He assigns the work to Angelo DL, the art director. Additional actions appear in the performative aspect of the sixth proposal: 'weekly progress' and 'strategic meeting'. Irene DR, the account manager, presses Stefania DL, the production director to start working.

'Strategic meeting' follows 'proposal assessment'. Manuele P, the PED director, and Irene DR, the account manager, decide the approach to use to request 'customer's feedback'. Furthermore, because of *project priorities*, 'feedback request' presents a different content: Manuele P, the PED director cannot attend the meeting, since he is busy on the public project.

Finally, all proposals apart from the fifth one conclude their sequence with an action different from 'feedback request'. In the first proposal it is 'proposal freezing', due to the

priority given to the other project run for the same customer. In the other proposals it is ‘proposal failure’, as the customer does not like the proposal.

5.3.1.2 *Creative proposal refinement*

As figure 5.4 shows, ‘creative proposal refinement’ unfolds through six ‘customer’s feedback loops’ and ‘written approval’. The performative aspect resembles the ostensive aspect in the second, the third, the fourth and the sixth loops. The first and the fourth loops present some differences. Differences are action postponement, additional actions and differences in actions’ content. They result from the influence of the following contingencies: *previous experience*, *project priorities*, *time pressure* and *absentmindedness*.

Previous experience impacts on the content of customer’s feedback and brings about an action proper of creative proposal development, ‘work reassignment’ Manuele P, the PED director thinks of facing the customer’s scepticism about the fifth proposal using a technique that the art director has used in the past for another project for another customer. Irene DR, the account, informs the production director through the action ‘progress’. They assign the work to Angelo DL, the art director, who applied the technique the first time, in a project for another customer. In the ‘progress’ email the account explains to the production director:

“What has emerged in the last meeting with the customer: the customer has judged the eye proposal appealing. But, we have agreed to try and work on an unreal eye, keeping the frame idea, though. Manuele P proposed to work at a different proposal, like the one ideated for (politician) campaign (puzzle with images of products, of the shop and so on as a background)” (email: J.IDR-SDL-08042008-16.08).

Time pressure impacts on the content of ‘progress’ and shortens the time in which ‘proposal correction’ takes place. Irene DR, the account manager, presses Stefania DL, the production director, to start working because the creative proposal has to be ready by a certain deadline, as they have to use it in the media plan:

“Hi, after Indigo, I am trying to take up things again. Among priorities, there is Ginger for sure. As I mentioned to you in person, we have planned two ads to propose by the 18th of May, but we do not have the campaign yet. I think it is time to work at it and make the customer come and see it by the end of this week” (J.IDR-SDL-21042008-13.38)

As the account manager mentions in the email, *project priorities* postpone the moment in which the account presses the production director. She has been organising an event on a public project. She has been busy and she has not been available to care for this project. Furthermore, *project priorities* impact on the content of ‘approval request’, determining actor’s substitution. The PED director cannot attend the meeting, as he is busy on a public project. He explains it to the account first and apologizes to the customer later on:

“I am rather unavailable, so fix it soon: if I am in, I will pass to greet ...” (email: J.MP-IDR-07052008-15.28).

“Hi Patrizia, as you might know, I won’t be at the meeting. There will be Irene DR and Angelo DL. Hope you will like the work. Next time we meet, I will talk to you again about initiatives related to clubs (Confederation of Italian Industry, Rotary, Association of female managers), see you soon, have a nice weekend, Manuele P” (email: J.MP-PC-10052008-10.54).

The first loop includes ‘creativity check’, as the older firm’s owner checks the corrections that the art director has implemented and gives the ok to show the proposal to the customer.

As to the fifth feedback loop, another action appears in the pattern, an action is delayed and one action’s content is wrong. *Project priorities* and *absentmindedness* are responsible for these changes. *Project priorities* bring about ‘work reassignment’, an action related to creative proposal development, appear in this loop. Since the art director is working at another project, the production director assigns the work to the ‘art’ that developed this proposal in the first place. *Project priorities* are also responsible for postponing the time in which ‘approval request’ takes place. Irene DR, the account manager, is away to contribute to organising an event on a project run by a senior account manager.

Finally Stefania DL, the production director, sends to the account manager and the account manager to the customer, the wrong file. This implies an additional feedback loop before receiving the written approval, as it is the customer that realises the mistake (*absentmindedness*). The account manager apologizes to the customer, when sending the right file:

“Dear Patrizia, I am sorry, but from the graphics department they have forwarded to me the wrong file. This is the right one. Here the proposal has met with success. All people that enter my room stop by and look at it. They find it new and elegant” (email: J.IDR-PC-28052008-12.22).

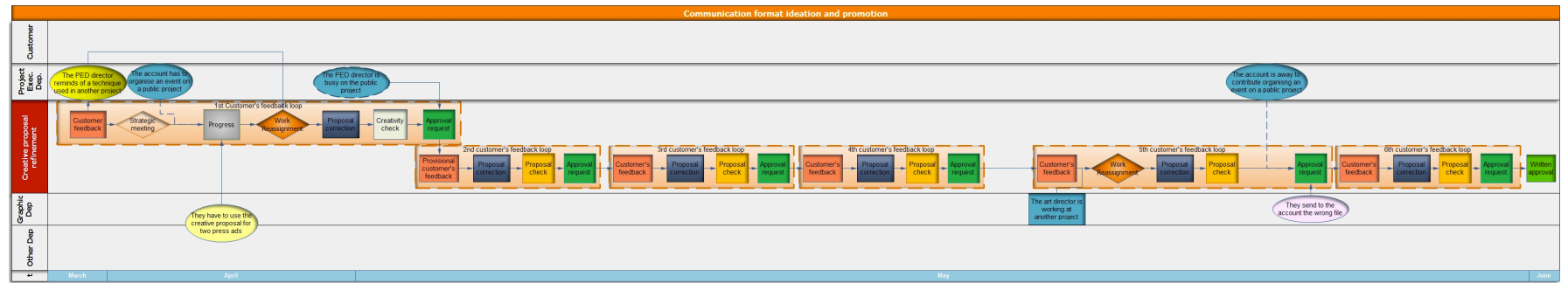


Figure 5.4. Creative proposal refinement – Communication format ideation and promotion

5.3.1.3 Creative proposal delivery

As above described, whereas ‘creative proposal development’ and ‘creative proposal refinement’ take place once in communication format ideation and promotion, ‘creative proposal delivery’ takes place twice. This is due to *particular customer’s needs*. In both iterations of ‘creative proposal delivery’, the performative aspect of the PBO routine includes only ‘executive files production and delivery’. This is due to the nature of the project. It is not the firm’s role to define the proposal’s technical features. However, to put an ad in a newspaper, it is necessary to know the format that the ad has to have. Usually the dealer communicates them to the media planner, the media planner to the production director and the latter to the ‘art’, who prepares the executive files.

Logo restyling

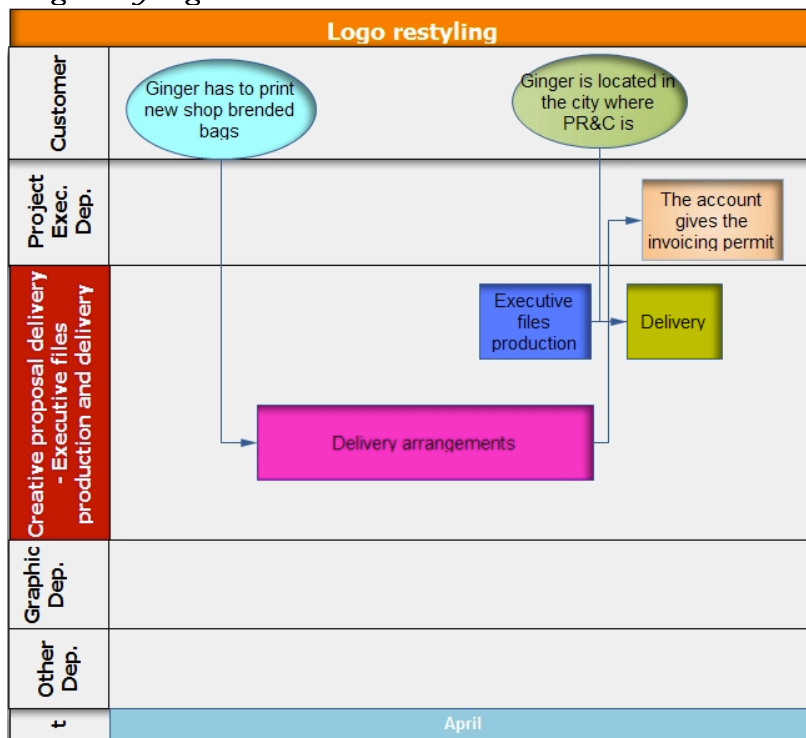


Figure 5.5. Creative proposal delivery – Logo restyling

Once the project splits in two because of particular customer’s needs, another contingency impacts on the performative aspect of creative proposal delivery. It is *geographical location* (figure 5.5). It determines the means used to deliver the executive files. They do not rely on the courier but on an employee, who delivers the files by hand. Irene DR, the account manager, arranges the delivery with Fabio DE, the firm’s factotum, and Stefania DL, the production director:

“Either later or in the afternoon you should go to Ginger’s and deliver a CD. Tell me when you are available” (email: J.IDR-SP-28042008-12.04).

“As to the CD to deliver to Ginger, you can coordinate with Stefania DL.

However, she has told me that she will deliver it to you before 6.00pm, so that you can go when you leave the agency” (email: J.IDR-SP-28042008-15.17)

Communication format ideation and promotion

As figure 5.6 shows, the performative aspect of ‘creative proposal delivery’ resembles the ostensive aspect, even if some differences characterise action content and the moment in which the actions take place.

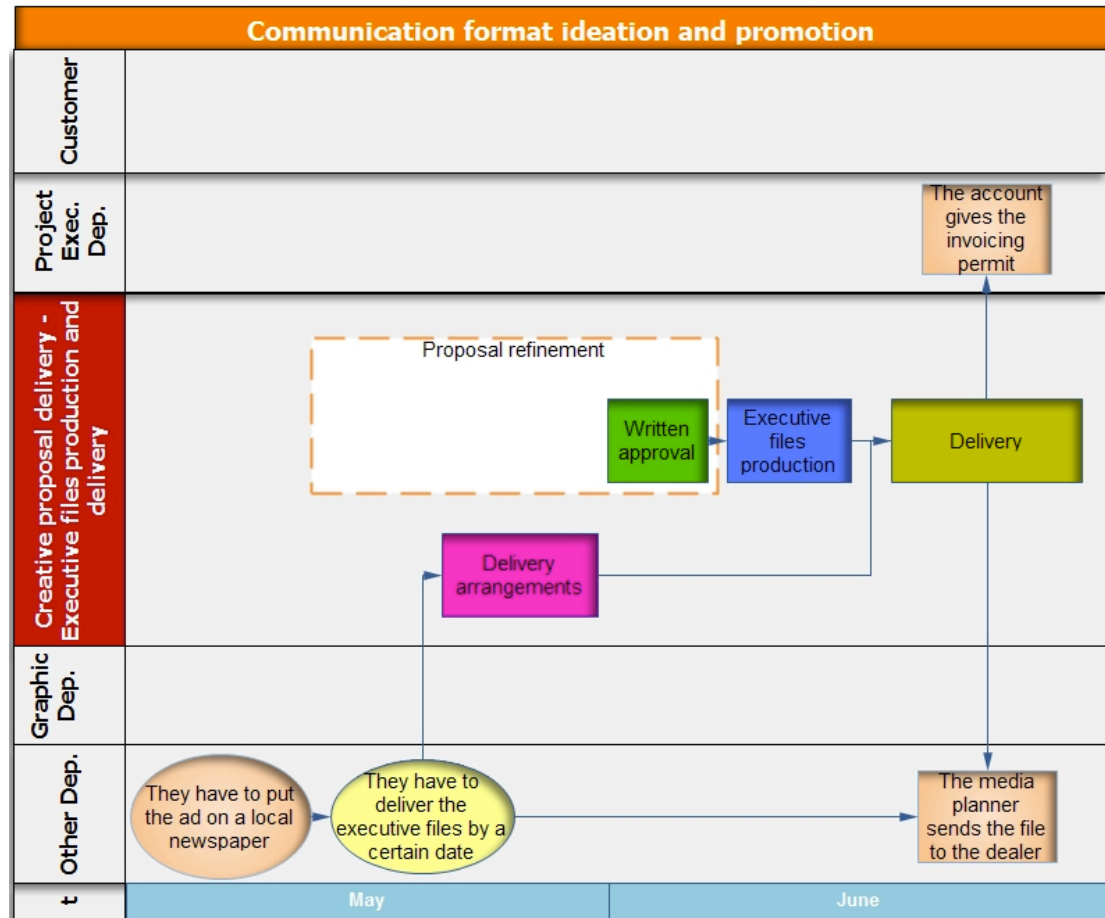


Figure 5.6. Creative proposal delivery – Communication format ideation and promotion

‘Delivery arrangements’ starts long before the customer gives the ‘written approval’ to the refined proposal. This is due to *interdependence*. Since they have to use the creative proposal to put two ads on a newspaper, they have to deliver the executive files within a given date. Furthermore ‘delivery arrangements’ involves the dealer and the procurement director. The procurement director contacts the dealer and copies the email to the account, the production director and the secretary of the older firm’s owner:

“Hi Lorenzo E, thanks. As agreed, I will send the executive files on the 6th of June for the 8th ad and on the 26th for the 28th ad.

P.S. I ask Irene DR, Stefania DL, and Alice DL to make a note of the executive files delivery” (email: J.AM-LE-22052008-09.19).

As to delivery content, it is the media planner that sends them to the dealer.

5.3.2 Contingencies impacting on the performative aspect of the PBO routines under study

The previous subsection has showed that, in the projects executed for Ginger, the performative aspect of the PBO routines under study differs from their ostensive aspect. Differences concern either the actions’ content or the actions’ sequence. The former include substitution of either the actor in charge of or the means used to undertake the action; the latter include action’s postponement, action slowing down, quickening or postponing the moment in which an action takes place, implementation of actions not contemplated in the ostensive aspect. The most evident difference in the actions’ sequence between the ostensive and the performative aspect of the PBO routines under study concerns ‘creative proposal development’. In fact, the sub-routine ‘proposal development’ takes place several times, until the firm develops a proposal that the customer appreciates. This makes the project take much longer than expected.

Like in the case of Bordeaux, these differences are due to contingencies pertaining to four domains: organisational departments, project, actor’s situations, and customer.

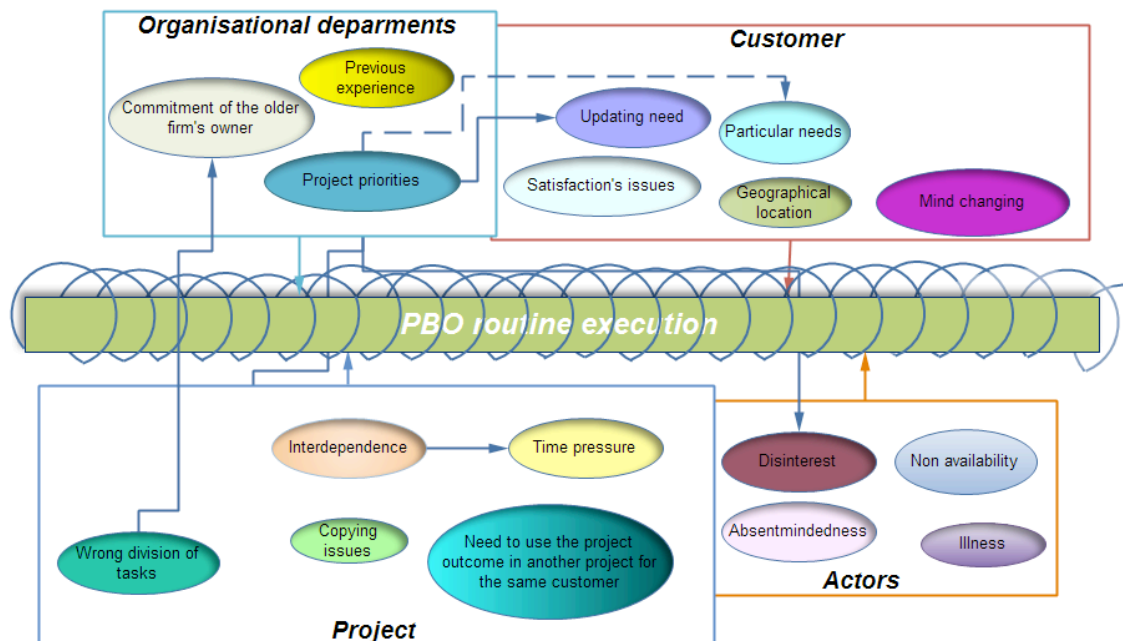


Figure 5.7. Direct and indirect impact of contingencies on the PBO routines under study

These contingencies impact on the performative aspect of a PBO routine directly or indirectly – i.e. moderating positively or negatively the impact of another contingency, or

making another contingency impact on the performative aspect of the PBO routine, being the other contingency related either to the same domain or to another domain – either way. Figure 5.7 reports the contingencies divided according to the domain they concern. The arrow that connects each domain to the PBO routine shows the direct impact of contingencies on the PBO routine performative aspect, whereas the arrows that connect a contingency to another represent the indirect impact. Among the latter, full arrows indicate the impact of determining another contingency, and dashed arrows indicate the moderation impact.

Contingencies pertaining to organisational departments

Contingencies pertaining the organisational departments concern workload and content of the work and the involvement of PR&C owner in the realisation of the proposal. They are *project priorities*, *commitment of the older firm's owner*, and *previous experience*. *Project priorities* are the most recurrent contingency. It concerns the department workload. The actor in charge of a given action may be busy, working at another project. He or she can be a member either of the graphics department or of the project execution department (PED). When *project priorities* concern the graphics department, it determines the postponement of one action or the repetition of the action 'work assignment' – e.g. in the PBO routine 'creative proposal development' - or the appearance of this action in the performative aspect of another PBO routine, whose ostensive aspect does not contemplate it – e.g. 'creative proposal refinement'. When *project priorities* concern the PED, it brings about either action postponement or a difference in the action content, which is actor's substitution for that particular action.

Project priorities also impact indirectly on the performative aspect of the PBO routines under study. It both determines other contingencies that, in turn, impact on PBO routines – i.e. *disinterest*, and *wrong division of tasks* – and moderates the impact of other contingencies – i.e. *customer's updating need* and *customer's satisfaction issues*.

Commitment of the older firm's owner refers to the situation in which the firm's owner does not trust the way in which project participants execute the project and intervenes personally to understand how the project is going and what is necessary to conclude it rapidly and efficiently. It makes additional actions appear in the performative aspect of a PBO routine: 'strategic meeting', 'creativity check' and 'report to PR&C owner'. These actions appear increasingly in the performative aspect of the PBO routine as the number of developed proposals increases. *Commitment of the older firm's owner* determines also another

difference between performative and ostensive aspects: it is actor's substitution, as the older firm's owner decides to undertake personally an action another actor is in charge of, since he considers the latter not good at doing his job.

Previous experience is another contingency that pertains to organisational departments. It impacts on the performative aspect of creative proposal refinement. A technique used for another customer that does not have anything to do with the sector in which Ginger operates, allows overcoming the customer's scepticism. *Previous experience* brings about also an additional action, 'work reassignment', in the performative aspect of the PBO routine 'creative proposal refinement': they reassign the work to the actor that has used the same technique in the previous project.

Contingencies pertaining to the project

Other contingencies pertain to the project, in terms of content, time necessary to conclude the project, and interdependencies between the PBO routine and other processes or PBO routines part of the project. They are *copying issues*, *interdependence*, *wrong division of tasks*, *time pressure*, and *need to use the project outcome in another project for the same customer*.

Wrong division of tasks pertains to the project and refers to the situation in which a project participant assigns a task he or she is in charge of to another project participant, and such assignment is counterproductive for the project execution. Determined by *project priorities*, *wrong division of tasks*, in turn, brings about deeper *commitment of the older firm's owner* and consequent additional actions – i.e. 'strategic meeting', creativity check, and 'report to PR&C owner'.

Interdependence refers to the situation in which the outcome of an action contemplated in a PBO routine is necessary to undertake an action contemplated in another PBO routine. This implies that the actor involved in the second PBO routine, in order to undertake his action, has to know if the actor involved in the other PBO routine has accomplished his or her action.

Interdependence impacts on action's content. It determines which actor has to undertake the action in the sequence. Since the creative proposal has to be used to execute the media plan, it is the media planner to deliver the proposal to the dealer. *Interdependence* impacts on the PBO routines under study indirectly as well. It brings about *time pressure*. The actions making up a given PBO routine have to take place within a given deadline so that actions in another routine – i.e. media plan execution - can occur. *Time pressure* impacts on the time in which a given action has to be accomplished. Pressure to refine the proposal within a

given deadline is due to the necessity to undertake another PBO routine (media plan execution) in the same project: an action in the routine 'media plan execution' cannot take place if the outcome of the routine 'creative proposal refinement' is not accomplished.

Interdependence also becomes evident in another project run by a senior account manager in the same period; *interdependence* between actions contemplated in different PBO routines become evident as well. In that case the senior account manager requests a quotation to the procurement director without asking the production director to prepare the relevant materials. The procurement and the production directors make the account manager notice that she has not followed the *iter* of contemporary assignment to the two departments. The account manager does not recognise the existence of such *interdependence*. The procurement director gets angry and says to the account:

“Go and ask Francesco P! He has defined such an *iter*!” (Chance talk with Achille M, procurement director, Asia A, senior account, and Stefania DL, production director – 23/01/2008).

Either directly or indirectly, through *time pressure*, *interdependence* between different PBO routines has an important implication for the PBO routines under study. When there is *interdependence* between actions contemplated in two different PBO routines, the actors in charge of those actions have to coordinate with each other: *interdependence* between the actions implies coordination between the actors in charge of those actions. When actors do not coordinate with each other, some problems emerge. As above mentioned, also time pressure brings about coordination, when actors in charge of different actions in different PBO routines are aware of such *interdependence*.

However, in the project undertaken for Ginger, the need of coordination between the actors is evident also in the case of *interdependence* between two actions in the same PBO routine: when the output of one action represents the input of another action in the sequence, the actor in charge of the latter has to be sure that the outcome of the former is ready, otherwise he or she cannot undertake his or her action: the production director reminds the account manager about the necessity to coordinate with the graphics department before fixing a meeting with the customer to share the proposal. If the graphic department has not completed working at the proposal, the account manager cannot show it to the customer.

Copying issues is another contingency related to the project. It refers to the situation in which the developed creative proposal is similar to the proposal that another firm has

developed for the customer's competitors. It also refers to the situation in which an 'art' copies a creative proposal from a magazine or over the internet. The first situation brings about customer's rejection of the developed proposal and hence, another reiteration of the subroutine 'proposal development'. The second situation puts the account in a difficult position. Either case, the customer rejects the proposal.

Need to use the creative proposal in another project for the same customer is a contingency that pertains to the project. It refers to the situation in which the firm performs more than one project for the same customer, either at the same time or successively, and accepts to use the creative proposal of one project in the other. It can impact on creative proposal development, shortening the time in which one action takes place. It moderates the impact that *mind changing* has on creative proposal development.

Contingencies pertaining to the actors involved in the PBO routine

Other contingencies pertain to the situation of the actors involved in the PBO routine, in terms of commitment to the project. They are *non-availability*, *illness*, *absentmindedness*, and *disinterest*.

Non-availability is a contingency pertaining to the actor in charge of one action. It regards the case in which the actor in charge of the action is the customer. It is a source of action postponement. A given action cannot take place, since the customer is non-available. It slows down the PBO routine unfolding.

Illness is a contingency that pertains to an actor involved in the PBO routine execution. It is a source of PBO routine slowing down as well, since it postpones the moment in which an action in the sequence takes place.

Absentmindedness is a contingency related to an actor involved in the PBO routine. It impacts on the content of one action in the performative aspect of creative proposal refinement. This is likely to bring about an additional feedback loop than otherwise, if no actor in charge of the successive actions in the loop realises the mistake.

Disinterest concerns the actor in charge of an action contemplated in the PBO routine. It refers to the situation in which the actor does not care about the project and does not take any action when another actor involved in the PBO routine poses to him an issue related to the project. This makes an additional action, 'strategic meeting', appear in the performative aspect of the PBO routine.

Contingencies pertaining to the customer

Other contingencies pertain to the customer, in terms of particular needs they have to satisfy with the project outcome, the need to be updated on the project progress, their mind changing about the services to include in the project, and their availability to meet the account. Contingencies include *particular needs*, *mind changing*, *satisfaction issues*, *geographical location*, and *updating need*.

Customer's updating need is a contingency related to the customer. It brings about an additional action in the performative aspect, since it makes the account press the production director to work at the proposal. As above mentioned, *project priorities* moderate the impact of this contingency. If the actor in charge of the action is busy on another project, he cannot execute the action itself.

Geographical location concerns the customer as well. It is a source of difference in the action's content. It determines the means used to undertake the action itself.

Another contingency pertaining to the customer is *customer's satisfaction issues*. It refers to the situation in which the account tries to increase customer's satisfaction about firm's work, so that the customer is keen to assign them more projects. It impacts on the performative aspect of the PBO routines under study, making an additional action – i.e. 'progress' – appear in the sequence.

Particular customer's needs are a contingency pertaining to the customer. It refers to the situation in which the customer has a particular need that brings to a splitting of the project in two. It impacts on the PBO routines under study, bringing about a reiteration of the PBO routine for each of the projects in which the original project splits.

5.4 Discussion

The analysis of the three PBO routines unfolding in the projects undertaken for Ginger corroborates the finding that transient differences¹⁰ concerning either action's content or actions' sequence take place during PBO routines execution. In the projects undertaken for Ginger, the most recurring transient difference between performative and ostensive aspects across the three PBO routines concerns action content in terms of actor's substitution. Actor's substitution refers to the situation in which an actor covering another role in the

¹⁰ As clarified in the previous chapter, the differences between the performative and the ostensive aspects of the PBO routines under study are transient because they concern only a single iteration of the PBO routine. They might or might not take place in successive iterations.

project undertakes the action another actor is in charge of. Actor's substitution is a consequence of a contingency emerged while executing the project, which makes the actor in charge of the action not available in the moment in which the action has to take place. In order to proceed with the project and with the PBO routine, another actor has to substitute him or her.

Actor's substitution allows the PBO routine to take place even if the actor responsible for one action is unavailable. In some cases actor's substitution regards a single action in the pattern, while in others it concerns the remaining part of the project. In the latter cases an additional action (work reassignment) takes place. Even some actions not included in the ostensive aspect make up the performative aspect, actors performing the PBO routine recognise it as such. This difference underlines the organisational nature of PBO routines: unavailability of one actor to undertake an action part of the PBO routine does not impede the PBO routine to take place, even if with some differences in the sequence of actions that make the PBO routine up.

Even if actor's substitution is the most frequent difference between the two aspects of the PBO routines under study, the most evident difference is the time that it takes to 'creative proposal development' to be accomplished. It takes to PR&C some time and several tries to develop a proposal that the customer could appreciate. Ginger gives to PR&C a very generic brief to develop the proposal: they do not suggest any symbol they would like to represent their boutique. This increases the difficulty to develop a creative proposal that satisfies the customer. Here a neat difference between the projects executed for Bordeaux and the projects undertaken for Ginger does emerge. In the former, the customer provides PR&C with very detailed briefs. In the latter, the customer indicates the aims they want to reach. Then, it is PR&C that has to develop the proposal with no insights from the customer. This suggests that the way in which the customer approaches PR&C heavily influences the unfolding of the PBO routine: the more generic the request by the customer, the more difficult it is to develop a proposal that the customer likes. When the customer knows clearly what they want, and provides the firm with all the details necessary to develop a proposal that satisfies their needs, the creativity part of the work is reduced and the PBO routine unfolds more smoothly and in less time, other contingencies causing less impact.

The difficulty to develop and present to the customer a successful proposal determines a higher involvement of the firm's owner in the project and in the PBO routine execution

across the unsuccessful proposals. The more the PED director and the account manager are not able to “sell the proposal”, the more the older firm’s owner becomes involved in the project and in the PBO routine execution: he increasingly intervenes both at a strategic level, through meetings in which he briefs the account on how to approach the customer, and at the operations level, by deciding the creative symbols to use, and finally presenting the proposal to the customer himself. This determines actions that are not contemplated in the ostensive aspect of the PBO routine. These dynamics remind to the escalation process. The more the customer does not like the proposal, the more confusion takes place.

Literature on decision-making considers escalation as “the tendency for decision makers to persist with failing courses of action” (Brockner, 1992) and addresses the main causes of escalation. Among project management practitioners, escalation refers to the process of transferring the solution of a problem to a higher management level. When the person in charge of coordinating a task is not able to solve the problem alone, he or she asks for help to the manager that is at the higher level in the hierarchy so that the solution to the problem becomes a higher priority (Houston, 2007). Escalation proceeds from one level to the next until the problem is solved. The dynamics of creative proposal development fit this second interpretation of escalation. However, it is not the manager at the lower level to activate escalation. It is the firm’s owner, which represents the highest management level. The factors giving rise to escalation might be the inexperience of the account manager – i.e. the manager at the lower level – to convince the customer that the proposals they have realised fit their needs, and the disinterest of the PED director, who is the one in charge of dealing with the customer in the first place.

In this case, at any iteration of the PBO routine, contingencies pertaining to different domains also shape the context in which the PBO routine itself unfolds. Whereas some contingencies are predictable, others are not. Both predictable and unpredictable contingencies have to be faced when they occur. Chapter seven delves into the different level of predictability of the contingencies impacting on the unfolding of the PBO routines under study.

Among contingencies, project priorities, previous experience and interdependence are the most relevant because their impact on the performative aspect of the PBO routines under study further highlights the relation between PBO routines and other organisational phenomena. Project priorities are the most recurrent source of actor’s substitution and action postponement. However the implications of this contingency on the PBO routines

under study resemble the ones emerged in the previous chapter. New implications emerge for previous experience and interdependence.

Previous experience is a contingency related to organisational departments. It allows solving creatively a problem in a project for one customer, through a recombination of the knowledge applied in a project for a customer operating in a completely different sector. It is similar to what Hargadon and Sutton (1997) showed. The authors found out that it was possible to solve creatively technological design problems and develop new products in a given sector through new combinations of knowledge developed in different industries. This chapter provides empirical evidence of how creative problem solving and knowledge transfer from one project to another can make a solution adopted to offer a product to a customer necessary to solve a problem and release a PBO routine execution in a project for another customer. The vehicle to transfer knowledge is organisational memory, conceived as “stored information from an organisation’s history that can be brought to bear on present decisions” (Walsh and Ungson, 1991: 61).

Three processes aliment, keep, and draw from organisational memory. These processes are acquisition, storing, and retrieval, respectively. They make it possible to capitalise on experience. Acquisition is the process whereby information about decisions and problems’ solution aliments organisational memory (Walsh and Ungson, 1991). Among the sources from which knowledge can be acquired there are the customer and the sector in which they operate (Hargadon and Sutton, 1997), magazines, and the Internet. Storing is the process whereby pieces of information are kept within organisational memory. What Walsh and Ungson (1991: 61) name “Storage bins” include individuals’ minds, and artefacts – e.g. physical products, product components, written records. Retrieval is the process whereby pieces of information are recalled from organisational memory and applied to solve current problems (Walsh and Ungson, 1991; Hargadon and Sutton, 1997).

Retrieval occurs through analogy (Neustadt and May, 1986; Walsh and Ungson, 1991; Schon, 1993; Hargadon and Sutton, 1997). People make analogies between a previously adopted solution and a current problem to face. Retrieval process implies also brainstorming meetings, “Monday morning meetings”, sending out emails to ask for help to face a problem, and everything else serves the purpose to create a contact between people that have to take a present decision and the storage bin that contains the relevant knowledge to inform that decision (Hargadon and Sutton, 1997). Analogy is powerful in retrieving from previous experience also in strategy making. Gavetti et al. (2005) showed

that managers draw from their own or from other's experience policies proved successful in a given context, applying them in unknown settings that present similar characteristics. The deeper and the broader the manager's experience is and the more the chosen policy constrains the single choices it implies, the more powerful the analogy is.

In the project undertaken for Ginger, acquisition occurs during the execution of a given project, and sources of acquisition are the Internet, and magazines. Storing occurs at the end of the project: the materials used in the project and the outcome of the project are stored in the organisation's archive as well as in the memory of the members of the organisation, particularly in the memory of those that have taken part to the project. Finally retrieval occurs through analogy. During a new project, an actor retrieves through creative thinking the information on the relevant solution they adopted in the previous project when they need to solve the problem in the present project. Paoli and Prencipe (2003) underline the relevance and the need to further investigate the characteristics of the organisational context in order to better highlight its role in organisational memory processes. In my research the context whose motivational, cognitive, relational and physical characteristics matter (Paoli and Prencipe, 2003) are both the projects and the entire organisation. Whereas projects are the context in which acquisition and retrieval take place, the organisation represents the context in which storing occurs.

Whereas there is similarity in the process whereby knowledge transfer occurs in PR&C and in the organisation studied by Hargadon and Sutton (1997), there is a main difference concerning the way in which people approach the processes above mentioned. In the organisation studied by these authors there is a "methodological handbook" in which the processes to aliment and exploit organisational memory are codified in instructions for new designers (Hargadon and Sutton, 1997: 722). At PR&C these processes are not codified, but they take place and allow completing PBO routines and the whole project. Hargadon and Sutton (1997) refer to brainstorming meetings, "Monday morning meetings", sending out emails to ask for help to face a problem, particular technologies, keeping prototypes and components all around the offices and the corridors, by calling them routines. Rather than routines, they are mechanisms. They do not fit the four criteria defined in literature to identify organisational routines more detailed in chapter three. To a certain extent, these mechanisms remind about those that Prencipe and Tell (2001) showed as fostering learning from one project to others.

Hence, previous experience, retrieved from the organisational memory through analogy can be fundamental not only to develop new products, and in implementing successful strategies, but also at a more micro level: to solve a situation in which the firm is stuck with a PBO routine and they cannot go on with the project.

As to the third contingency, both interdependence between two actions in the same PBO routine, and interdependence between two actions of two different PBO routines matter. When two actions are interdependent to each other, actors need to coordinate so that it is possible to accomplish the task the two actions contribute to. In organisational design literature, Malone and Crowstone (1994) defined coordination as the process to manage interdependent activities. As Argote (1982) stated, “coordination involves fitting together the activities of organisational members, and the need for it arises from the interdependent nature of the activities that organisational members perform” (Argote, 1982). Over time coordination has attracted the attention of scholars from different literatures. These include scientific management, organisational design, and more recently computer science, information systems, and sociology of work (Okhuysen and Bechky, 2009). Across literatures several mechanisms to achieve coordination have been proposed. Organisational routines are one of them (March and Simon, 1958; Cyert and March, 1963; Nelson and Winter, 1982). As mentioned in chapter two, Okhuysen and Betchky (2009) argue that any coordination mechanism can achieve coordination when it determines accountability, predictability, and common understanding. Among these, common understanding refers to the situation in which the actors in charge of interdependent activities share a common perspective on the whole task to accomplish and on the way in which the single activities convey in the whole task (Okhuysen and Bechky, 2009). Sources of common understanding are the connections between the actors in charge of the interdependent actions, being connections conceived as interactions that make it possible to exchange information, through verbal communications and artefacts (Feldman and Rafaeli, 2002).

My research shows that connections between the activities and the respective actors do not automatically create common understanding, which means the necessary information exchange might not take place or not be effective. Furthermore, there might be as many understandings of the routine as there are actors involved in its execution (Feldman and Pentland, 2003). Hence, for the PBO routine to unfold smoothly and determine coordination there have to be at least compatible understandings among actors. As to interdependence between the actions part of two different PBO routines, if the actors do

not have compatible understandings of the routines and of the interdependence between them, this can paralyse project execution, as either routine can take place. The difficulty to create a common understanding might be due to the fact that the PBO routines are not codified, actors may be inexperienced, due to the high level of turnover characterising the firm, and not all actors may share access to artefacts. Even when connections enable a common understanding among actors, other mechanisms could inform actors' behaviour and impede coordination. The next chapter will expose these issues deeply.

5.5 Conclusions

By analysing the performative aspect of the three PBO routines under study relative to the projects undertaken for Ginger, the chapter contributes to answer the research questions that this research addresses.

Like in the previous chapter, the main antecedent of PBO routines is the type of work to undertake: the project includes creativity work. PR&C implements PBO routines to develop, to refine and to deliver it. PBO routines are procedures that are not necessarily codified in artefacts. People involved in their execution get their understanding of the activities and of the interdependences between them while working, seeing and talking to their colleagues. As argued in the previous chapter, there is no structured job description formalising them. This might bring about different understandings of the PBO routine across actors and this might hamper coordination among actors and the PBO routine execution itself.

This chapter contributes also to deepen our understanding of PBO routines evolution. It confirms the findings of the previous chapter: PBO routines adapt to the contingencies that shape the context in which they take place at a given iteration, some contingencies occurring more randomly than others. However, this chapter shows that a relevant contingency is the way in which the customer approaches the firm. It also shows that the actors' discretion in facing this contingency can burden the firm with one PBO routine for longer than expected and the project take longer than otherwise: when the customer's request is very generic, inexperience of some actors and disinterest of others can cause PBO routine to take longer than it is supposed to, ending up in an escalation process that determines a transfer of responsibility to manage the situation from the actors involved in the PBO routine to higher levels of management. The chapter also shows that previous experience, stored in organisational memory can play an important role in giving a twist to PBO routine execution in an *impasse* situation.

A strong limitation of this chapter is the fact that for two PBO routines it considers only one project undertaken for this customer. It does not offer the chance to compare the ostensive aspect of the PBO routines with the performative one across more projects undertaken for the same customer.

CHAPTER 6: CASE DESCRIPTION AND ANALYSIS - GREEN

6.1 Introduction

This chapter follows the format of the previous two chapters in terms of aims, method, and structure. On the empirical level, it aims to analyse how creative proposal development, creative proposal refinement and creative proposal delivery recur in the services that PR&C undertakes in the project for Green. On the conceptual level, it aims to highlight the differences between the performative aspect and the ostensive aspect of the PBO routines, and the contingencies that bring about these differences.

The chapter reaches these aims by comparing the performative aspect of each PBO routine, as it occurs in each service, with the ostensive aspect. Such a comparison identifies the cause-effect relations between the actions making up the PBO routine and those factors that influence routines' execution. As Langley and Truax (1994) show, representation through flowcharts allows us to represent both the way a process unfolds and the impact that contingencies have on the process itself. Furthermore, flowcharts distinguish contingencies according to the domain they pertain to (Langley and Truax, 1994): project, firm's department, and customer. This also allows us to highlight the cause-effect relation between each PBO routine and the contingencies that make the actual implementation differ from the abstract representation. The chapter then analyses in depth the impact that each contingency has on the routine, identifying other contingencies that may moderate this impact.

We focus on the PBO routines related to the main activity of the firm. The choice of the three services among all services of the project, relies on the fact that the PBO routines take place in three different stages of the contract, contract preparation, contract signing/agreement, and contract execution respectively. These three stages are likely to have a shaping effect on how the involved actors undertake the PBO routines

The analysis carried out in this chapter extends the previous results, as it provides insights on creative proposal refinement routine.

Section 6.2 describes briefly the customer and the project. Section 6.3 compares for each PBO routine, performative and ostensive aspect, analysing the differences between them and analysing in more depth the factors responsible for these differences. Section 6.4 reports on the main findings of the chapter and section 6.5 draws conclusions.

6.2 Case context

6.2.1 The customer and the project

Green is the Department of Agriculture Area of an Italian Region. On 22nd of August 2008, following the proposal of the Director of the Region Agriculture Department, the Director of the Economics and Employment Department issues a call for tenders for technical support services to the communication plan of 2007-2013 Rural Development Program (RDP). The aims of the initiative are numerous – i.e. make all possible beneficiaries aware of the aims and the opportunities that the RDP offers and how to access them in order to favour higher participation; assure transparency in the utilisation of public resources through a clear spreading of information; communicate effectively to public opinion political and strategic aims they intend to pursuit through the interventions planned in RDP.

Carla C, PR&C bidding director, downloads and prints all the call's documents and gives them to Marta M, the project planner, in order to assess whether they are able to provide the requested services and if they need to search for a partner. She considers the bid “in our chords”. PR&C has built experience in this domain and satisfies capability requirements to manage European agricultural funds. Whilst this is the first project on a Rural Development Program, they have managed projects on communication regarding a Regional Operations Program. On September 29th, Carla C, the bidding director, and Marta LM, the project planner, meet Francesco P, PR&C owner, and agree to participate in the bid. Marta LM, the project planner, works at the financial and the technical offers, and asks Achille M, the procurement director, for the necessary quotations, gives the brief to the graphics and the media department respectively to develop the creative proposal and the media plan, to include in either offer.

As indicated in the tender specifications and reported in the project planner's brief, the service of technical support to the communication plan of RDP of the region includes brochures, illustrative cards, informative or popular posters of 70*100 and 100*140 format, ads about RDP, publishing in two regional magazines, TV spots, radio spots and events.

While each department develops the part of the offer they are in charge of, Carla C, the bidding director, works to assemble the necessary administrative documentation and Marta LM, the project planner, writes the financial and the technical offer. She has several meetings with media and graphics departments and with Francesco P, PR&C owner, to assess criticalities and solve possible problems. Marta LM, the project planner, completes

writing both offers and Carla C, the bidding director, assembles the tender envelopes and the courier delivers them to the awarding body on the day of the deadline.

Provisionally PR&C wins the contract on March 2009 2nd. Francesco P, PR&C owner, assigns the project to Giulia C, a senior account manager with strong experience in managing public projects and in event organisation. There are checks and administrative accomplishments to undertake in order to proceed with the definitive awarding and contract signing. Green and PR&C sign the contract on May 2009 6th, one month after the appointment of the person in charge of the course¹¹, as requested by law.

Before signing the contract and appointing the person in charge of the course, the political counterpart, Dacia V, the agriculture councillor, decides to start project activities because local elections are approaching. Given that Green and PR&C have not signed the agreement yet, the Regional Agency for Agriculture Development and Innovation offers to partially fund the first event that the customer wants to organise. However, PR&C risks not recovering the remaining part of the costs. As PR&C owner clarifies to Giulia C, the account, at a strategic meeting:

“To be clear, if they want, they can not pay for these services! We are organising these events on the basis of reciprocal trust” (Meeting among Francesco P, PR&C owner, Giulia C, account, and me, as the intern who collaborates with the account manager – 31/03/2009)

Giulia C, the account manager, is very uncomfortable with this situation. She knows that they have no guarantees to be paid for the services undertaken before signing the contract. Furthermore Dacia V, the councillor, also wants PR&C to organise the second event in contract arrears. As Giulia C, the account manager, explains to a representative of the Regional Agency for Agriculture Development and Innovation:

Giulia C to Gabriele S: “We cannot sign the contract before the 2nd of May. By law we have to wait for 30 days from the appointment of the person in charge of the course. Green has not assigned to us the mandate to undertake project activities before signing the agreement, under urgency conditions, as it usually happens within contractual arrears. I would work with more confidence if they signed a

¹¹ The person in charge of the course is the administrative counterpart PR&C interacts with, once the contract is signed. As reported in Appendix 2, in public projects, the account interacts with a political counterpart, in charge of approving contents, and an administrative counterpart, which is in charge of formal approval to the services that PR&C offers accordingly to the contract and that gives approval to payments to PR&C.

document to authorise us to do the work we are doing before the 2nd of May”.

(Phone call between Giulia C, the account manager, and Gabriele S, a representative of Regional Agency for Agriculture Development and Innovation)

Dacia V, the councillor, and Michela GA, the councillorship press office head, fix a meeting with Giulia C, the account manager, on the 23rd of March: they want to organise an event in each province of the region in a short time, i.e. by April 30th. The first event is to be organised on April 7th at 4.30pm. The meeting is publicised for the farmers of the province. As regards creativity, the councillor does not like the graphics that PR&C has developed in the bid. She wants an image reminiscent of the provincial territory; i.e. it has to be something typical of the province. As regards the media, they could rely on press and posters in the towns of the province. Giulia C, the account manager, clarifies that she has to check with the media department before saying anything on quantities and relative budgets. She informs them that until the contract signature, they could not start any activity. After the meeting, on the way back to PR&C, Giulia C, the account, calls Francesco P, PR&C owner, and informs him. Francesco P underlines the necessity to have a formal assignment to start project activities.

For each event, PR&C has to develop, refine, and deliver a creative proposal for the poster and then the invitation to the event. Being in contract arrears for the first and the second event, Giulia C, the account manager, interacts only with Dacia V, the councillor, and Michela GA, Diego C and Lucio FC, councillorship press office members. Since May 6th, the day on which they sign the contract, she also began interacting with the administrative counterpart, Stefano LG, the person in charge of the course, and Cinzia S, the agriculture direction executive whom the person in charge of the course is subordinate to. By this time, they are organising the third provincial event and have already delivered the creative proposal of the poster. After the third event, the councillor decides to postpone the remaining provincial events and organising an additional event addressed to a particular target: women and young people who have received the RDP funds to start their firm.

The next section analyses how PR&C executes the three routines under study to produce the poster for the first, the third and the fourth event¹².

¹² I do not analyse the second event because it does not present many differences from the first event in terms of either content or contractual arrangement. As it will be evident in section three, the three events I have selected correspond to three different contractual

6.3 Case analysis

6.3.1 Performative aspect versus ostensive aspect

6.3.1.1 *Creative proposal development*

Like for Bordeaux and Ginger, I distinguish the analysis of department activation from that of proposal development in order to make comparison between performative and ostensive aspects of the creative proposal development easier.

Organisation of the first event

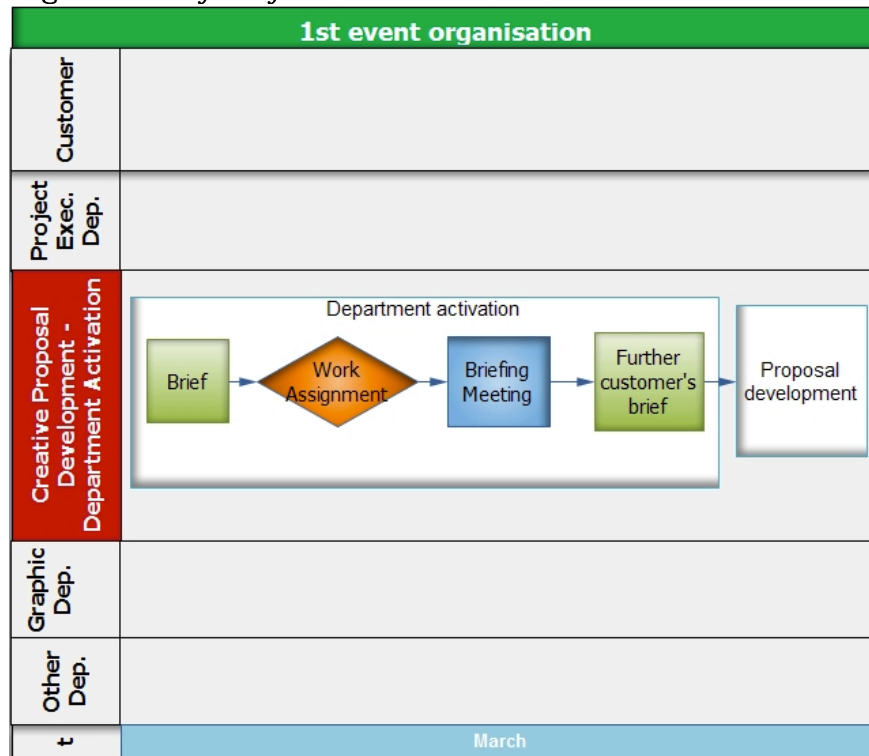


Figure 6.1. Department activation – Organisation of the first event

Figure 6.1 shows that the performative aspect of department activation resembles the ostensive aspect in the organisation of the event organised in Province 1, even if it includes an additional action. In fact, the customer provides further proposal details on the proposal content afterwards.

As regards proposal development, figure 6.2 shows that the performative aspect differs from the ostensive aspect in the content of one action and includes one more action in the sequence. The difference in the content of one action is due to the fact that PR&C and Green are in *contract arrears*. The account, Giulia C, sends the creative proposal only to the

stages that bring about some implications that the actors have to take into account while executing the PBO routines.

political counterpart: councillor press office head, Michela GA and her collaborators, Diego C and Lucio FC.

The additional action, creativity check, is due to *commitment of older firm's owner*: Francesco P, the older PR&C owner is the creativity director of PR&C and wants to check the creative proposal.

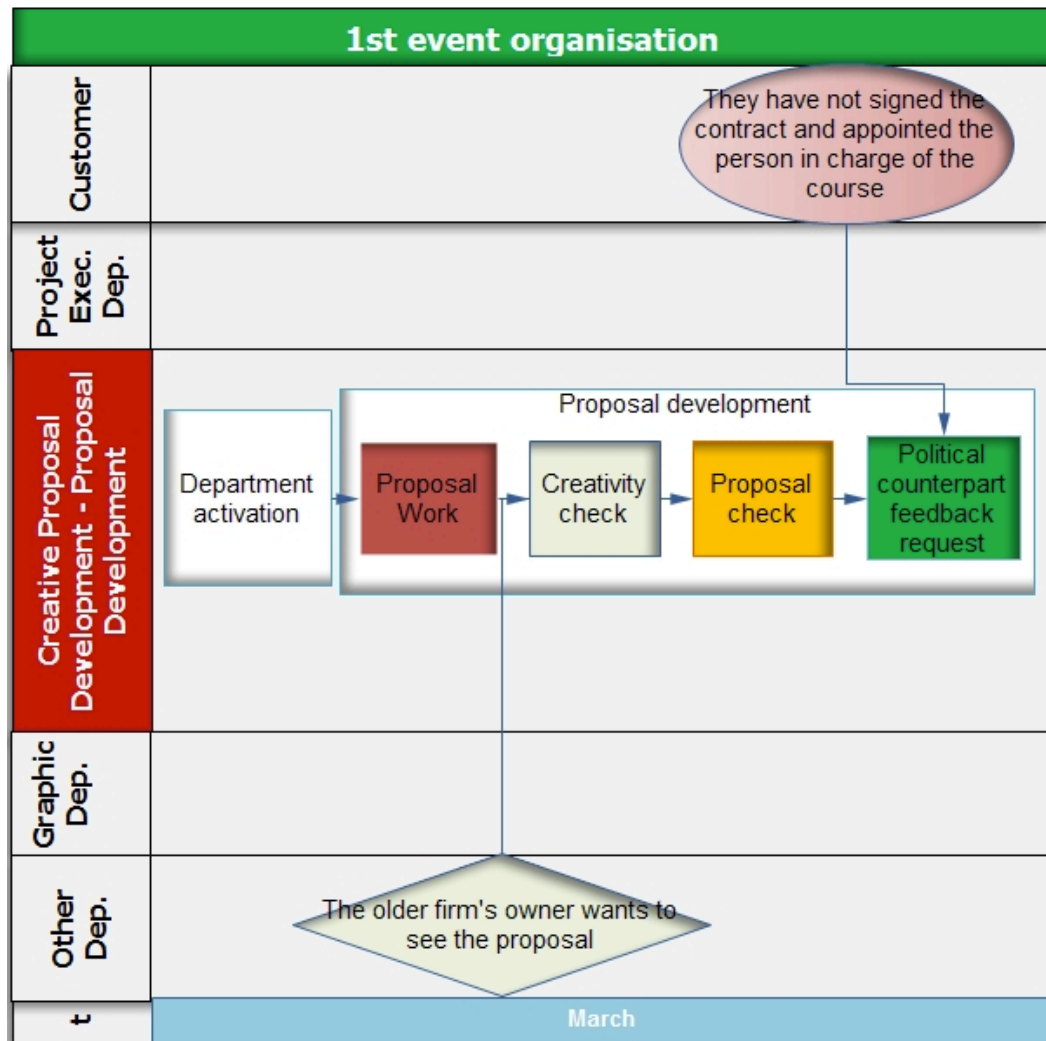


Figure 6.2. Proposal development – Organisation of the first event

Organisation of the third event

The performative aspect of department activation in the organisation of the third event (Figure 6.3) presents fewer actions than those included in the ostensive aspect. Giulia C, the account manager, briefs Angelo DL, the art director, and Stefania DL, the production director. At the meeting Angelo DL, the art director, decides to finish the proposal himself. The account manager does not send to him any written brief.

The performative aspect of proposal development differs from the ostensive aspect because it includes an action appropriate for department activation, one action of creative

proposal refinement and the repetition of actions as contemplated in the ostensive aspect. Furthermore, two actions in part of proposal development differ from the ostensive aspect in content. Figure 6.4 shows that five contingencies are responsible for these differences. They are *time pressure*, *contract arrears*, which are partly within PR&C control, *proposal template*, *copyrights issues* and *absentmindedness*, which are within PR&C control.

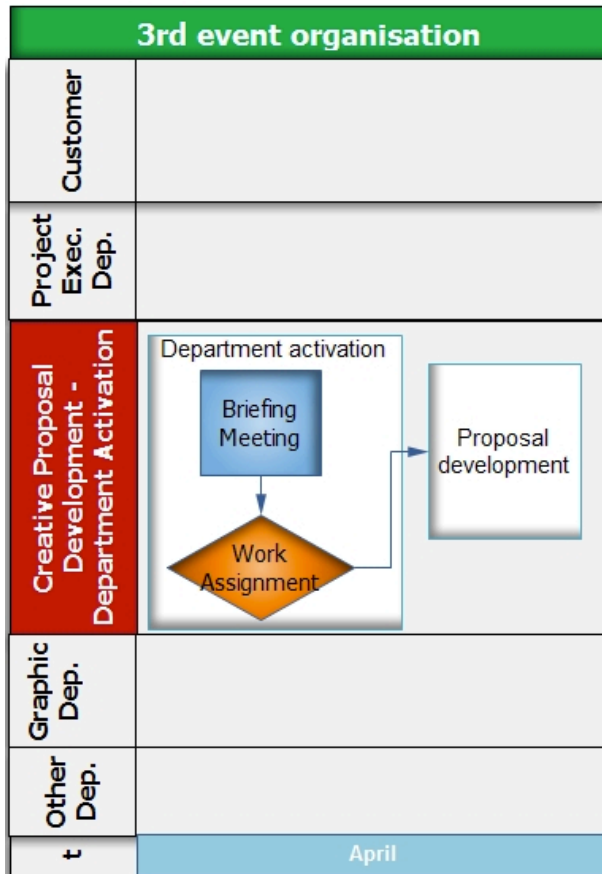


Figure 6.3. Department activation – Organisation of the third event

Since the events to organise are part of a series, the details to insert in each proposal differ only slightly. Angelo DL, the art director, uses the file of the poster of the first event (*proposal template*). He changes the visual and the other details. Since PR&C and Green have not signed the contract yet, Giulia C, the account manager, sends the creative proposal only to Michela GA, the press office head, and Diego C and Lucio FC, her collaborators. Angelo DL, the art director, has to change the proposal after the customer has approved the visual, because of *copyrights issues*: he has used a picture covered by copyrights. Since he does not want to tell Francesco P, PR&C owner, he must pay for the picture, he decides to edit it in order to avoid problems. Furthermore, he leaves some proposal details unchanged, not intentionally. After she completes the proposal, Giulia C, the account manager, does not check the texts thoroughly. Neither does she realise that they regard the first event (*absentmindedness*).

Time pressure influences the repetition of some actions in the pattern and the presence of further actions not contemplated in the ostensive aspect. There is not much time to organise the event. Giulia C, the account manager, decides to start working at the visual and share it with the customer even if the latter has not sent all the details to insert in the proposal. Such a decision makes preliminary political counterpart's feedback and further customer's brief appear in the action sequence.

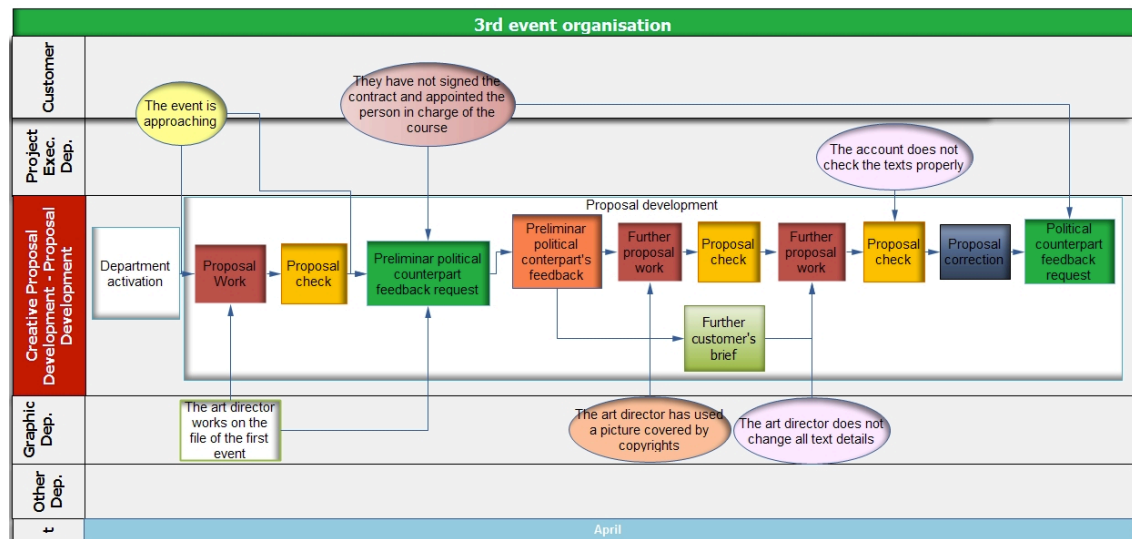


Figure 6.4. Proposal development – Organisation of the third event

Organisation of the fourth event

In the organisation of the fourth event, department activation unfolds through a sequence including an additional action, 'progress'¹³, without a briefing meeting (figure 6.5). These differences from the ostensive aspect are due to three contingencies, *election period*, *mind changing* and *departments interaction* issues. The first action 'progress' in the sequence is due to the fact that Giulia C, the account manager, meets by chance Angelo DL, the art director, and tells him that they have to work at the creative proposal for the event. Dacia V, the councillor, has fixed the event in the election period. Because of this, her name cannot appear on the poster for the event. Giulia C, the account manager, posts the issue in an email on the posting plan, addressed to both administrative and political counterparts:

"Dear all,

¹³ As described in chapter four and mentioned also in the chapters on Bordeaux and Ginger, progress is the action through which each account informs the production director on the materials she needs the graphic department has to work to in the successive week for the different projects she manages. Progress is also the name of the document used for this action. Not all accounts use it. They give the progress either verbally or via email. The account that manages the project for Green is one of them. Progress is also the document whereby the bidding director informs the production director on the bids they are handling, with all relevant details.

as to posting, to communicate the 24th of June event, our media department has made the checks on the availabilities for the given period. What has emerged follows:

1) On the 24th of June, it is still the election period (referendum and so on), therefore the municipality posting office clerk has told us that they must see the poster draft (that we have to send via email to an address that they have given to us) before giving to us the OK to proceed with posting. Hence, I am asking Michela GA, how, according to her, we have to finalise the poster in order to avoid problems (shall we insert the councillor's name???) (Email PSR.GC-SL_CS_MGA_LeC_DC-15052009-09.18)

Because of this, Dacia V, the councillor, changes her mind on the date, postponing the event. Giulia C, the account manager, briefs the art director in a 'progress meeting', in which they agree on what materials the account needs the graphics work in the following days. When the event is approaching, myself, as the intern that works with Giulia C, tells the art director, Angelo DL, and the production director, Stefania DL, to start working at the creative proposal. They react in the following way:

Angelo DL to me: "Tell to Giulia C that she has to talk directly to us what we have to do! We pretend this not because we think that you are unpleasant. The reason is that Giulia C has to interact directly with us!" (Progress by me, as an intern, to Angelo DL, art director, Stefania DL, production director – 03/06/2009).

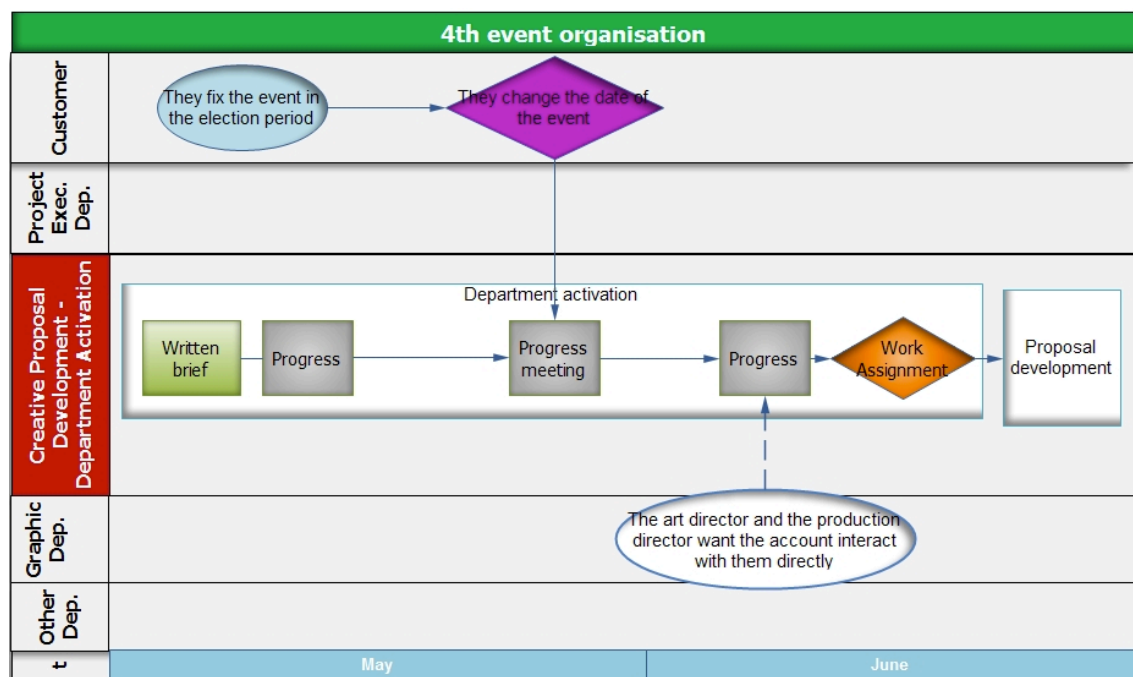


Figure 6.5. Department activation – Organisation of the fourth event

Figure 6.6 shows that the performative aspect of proposal development presents a difference in the content of proposal work, because of *proposal template* and *absentmindedness*. In fact Angelo DL, the art director, uses the file of the proposal of the first event. He does not change all details. For this reason Giulia C, the account, asks him for corrections when checking the proposal. Hence, ‘proposal correction’ takes place.

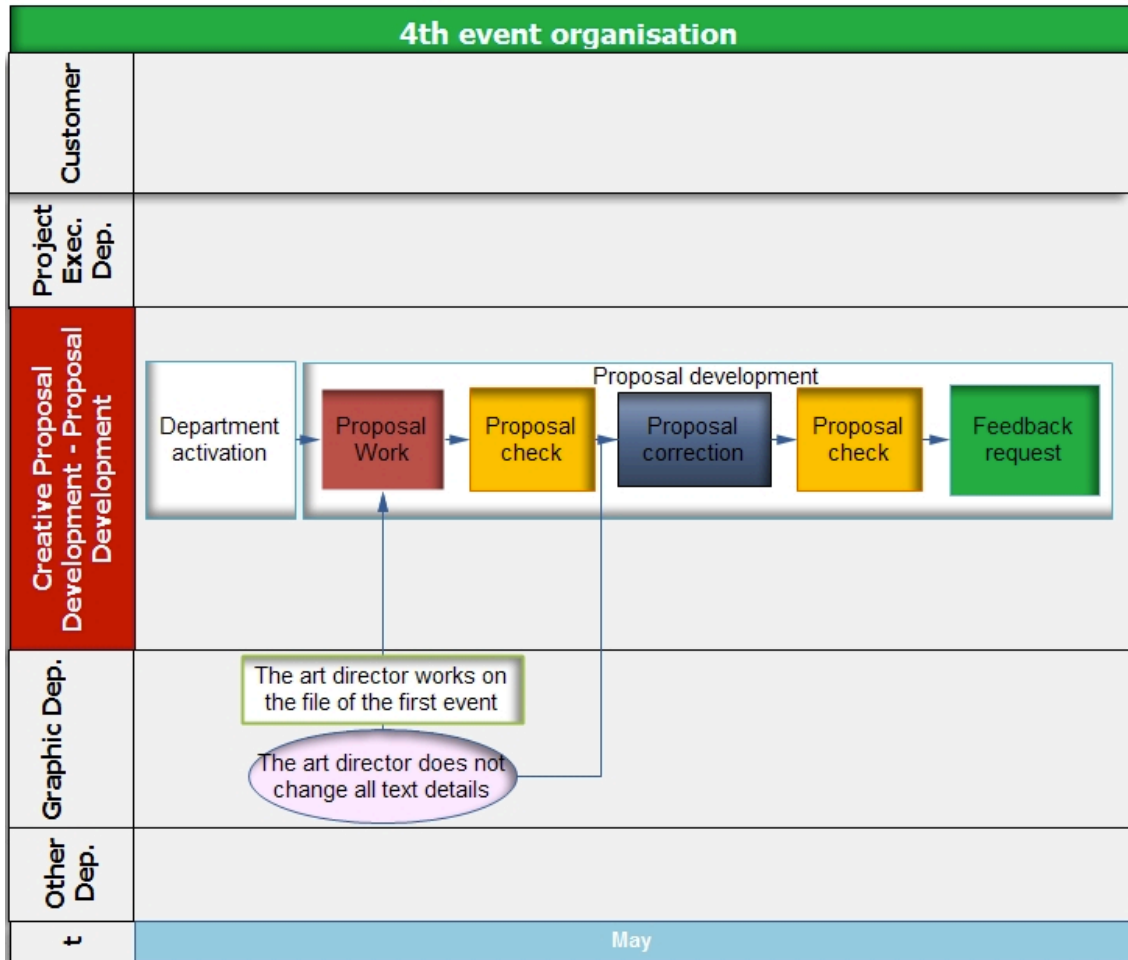


Figure 6.6. Proposal development – Organisation of the fourth event

6.3.1.2 Creative proposal refinement

Organisation of the first event

During the organisation of the first event, the performative aspect of creative proposal refinement unfolds through two customer’s feedback loops and political counterpart’s ‘checked & approved’ (figure 6.7). The first loop differs from the ostensive aspect in terms of action beneficiaries in political counterpart’s feedback and approval request. These differences are due to *project priorities* and *contract arrears* respectively. Since Giulia C, the account manager, has to meet another customer, Michela GA, the press office head, gives her feedback on the phone to the creative strategist, Linda T.

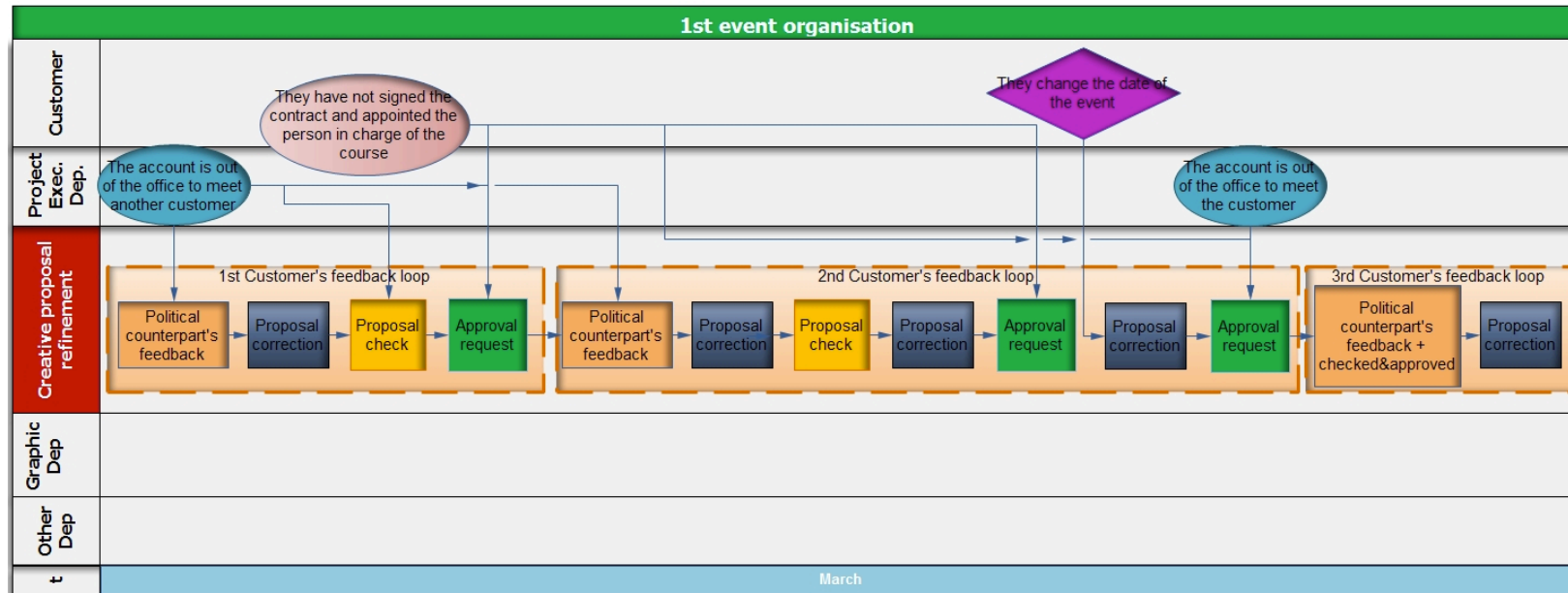


Figure 6.7. Creative proposal refinement – Organisation of the first event

Furthermore, since PR&C and Green have not signed the contract yet, the account shares the creative proposal only with Michela GA, Diego C and Lucio FC, the councillorship press office members, who show it to Dacia V, the councillor. Like the first feedback loop, the second loop presents differences from the ostensive aspect, in terms of beneficiaries of ‘political counterpart’s feedback’ and ‘approval request’ because of *project priorities* and *contract arrears*. Furthermore, *mind changing* brings about action’s repetition.

Because of *project priorities*, the actor of the successive approval request is different from the one of the ostensive aspect. In fact Giulia C, the account manager, is travelling to go and meet the customer to talk about the other services to deliver for the event. Linda T, the creative strategist, sends the proposal to Michela GA, the press office head.

Since Dacia V, the councillor, changes her mind on the date of the event, PR&C corrects the proposal even after requesting approval.

Finally the PBO routine ends with the third customer’s feedback loop, rather than with ‘checked & approved’, because Michela GA, the press office head, provides approval in the political counterpart feedback, approving the proposal as far as PR&C makes the correction:

“You have to add General Labour Union to trade unions. For the rest, checked & approved, Michela GA” (Email: PSR.MGA-LT-30032009-10.36)

For this reason, also the feedback loop ends with proposal correction rather than with request approval.

Organisation of the third event

In this service, the comparison between the performative and the ostensive aspect of creative proposal refinement becomes more articulated since the actual implementation of this PBO routine follows alternative ostensive aspects of this PBO routine because the involved actors do not share the same understanding¹⁴ of the PBO routine. Furthermore, the actual implementation of the PBO routine during the organisation of this event brings about a change in the ostensive aspect, mandated by the firm’s owner.

¹⁴ Here in the execution of the PBO routine emerges what discussed in the previous chapter. The PBO routine can unfold smoothly as far as the involved actors share a common understanding of what actions make up the PBO routines and who is in charge of which action.

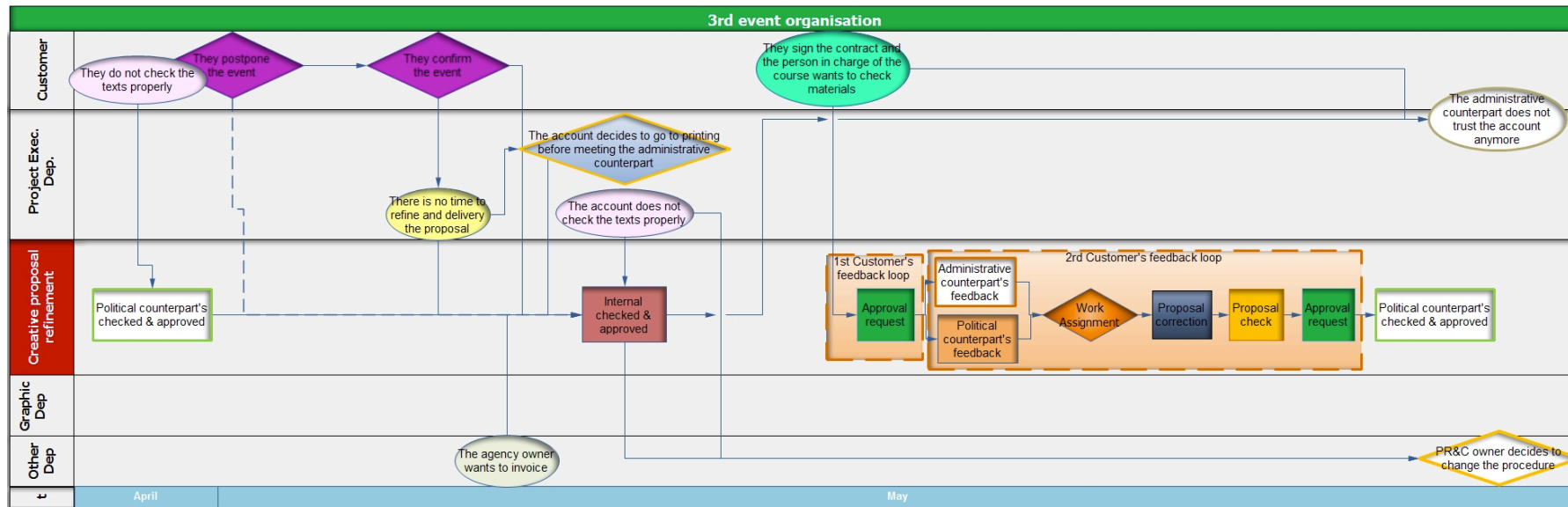


Figure 6.8. Creative proposal refinement – Organisation of the third event

As figure 6.8 shows, creative proposal refinement for the organisation of the third event unfolds through two customer's feedback loops and political 'checked and approved'. The first loop presents several differences from the ostensive aspect, due to the joined effect of *mind changing*, *contractual obligations* on the customer side, *time pressure*, *commitment of the older firm's owner*, and *procedure neglecting* on PR&C side, and *absentmindedness* on both sides. In this iteration, creative proposal refinement starts from the end because of *absentmindedness*.

Michela GA, the councillorship press office head, does not realise that some details on the proposal refer to the first event. She affirms 'checked and approved'. However, after giving the approval, she communicates to the account manager, Giulia C, that they have decided to postpone the event. Giulia C asks her to give confirmation on the new date in order to organise all services. Since the customer changes her mind on the event, Giulia C, the account manager, puts the event organisation in "standby", including the internal checked and approved to send the poster to printing. After some time, Diego C, a member of the press office, confirms the date for the event. The account manager, Giulia C, informs him that there is not enough time to organise the event. There are some *time pressure* both for posting and for inviting the audience: there is not enough time to produce them for the day of the event: there is the risk to affix the poster about the event after that the event has taken place. However Francesco P, PR&C owner, decides that they have to organise the event. As Giulia C, the account manager, explains to Laura C, her collaborator, and to Achille M, the procurement director:

"Francesco P wants to make the event in order to invoice!" (Chance chat between Giulia C, account, Laura C, account's collaborator and Achille M, procurement director - 04/05/2009)

Because of *time pressure* and *invoicing issues*, Giulia C, the account manager, decides to neglect the procedure according to which she has to wait for the administrative counterpart approval to provide the internal 'checked & approved'. In fact, Green and PR&C are signing the contract in two days. Since the event is taking place after signing the contract, the administrative counterpart has to approve any material and means relative to the event including the poster. Since there is not very much time to organise the event and Francesco P, PR&C owner, wants to invoice, Giulia C, the account manager, neglects the procedure. She does not realise that there are mistakes in the proposal when seeing its checked & approved status. This starts the creative proposal delivery process.

Signing the contract makes *contractual obligations* emerge between PR&C and Green. After signing the contract, Stefano LG, the person in charge of the course (administrative counterpart), asks the account manager to let him have all materials in order to give his ‘checked & approved’. Specifically, he asks to wait to affix posters until he gives the mandate to organise the event. Giulia C, the account manager, and Francesco P, PR&C owner, do not tell to him that actually posters would be already affixed by the time he gives the mandate. Hence, because of *contractual obligations*, the customer’s feedback loops start. The first feedback loop starts and ends with ‘approval request’.

As to the second customer’s feedback loop, Stefano LG, the person in charge of the course, realises the mistakes that neither Giulia C, the account manager, nor Michela GA, the press office head, have noticed, because of *absentmindedness*. He asks for corrections. Michela GA, the press office head, requests another correction. This makes a proper feedback loop starts, including work assignment. This occurs after the posters are already affixed. Hence, because of *procedure neglecting*, *contractual obligations* and *absentmindedness*, creative proposal refinement restarts. Furthermore *procedure neglecting* brings about reciprocal trust compromising, whereas *absentmindedness* and the consequent repetition of the PBO routine bring about a mandated change in the ostensive aspect of the PBO routine.

As to reciprocal trust compromising, Stefano LG, the person in charge of the course, does not trust Giulia C, the account manager, anymore. He says it clearly the day after the event at the meeting they have to define the other services to realise:

Stefano LG: “let it be at that, because also after the meeting you knew that without my consent you do not have to go on. What have you done? You have sent posters to printing, and posters are even affixed before I give my approval on poster contents!” (Operations meeting among Giulia C, the account manager, Stefano LG, the person in charge of the course, Cinzia S, agriculture direction executive, Michela GA, councillorship press office head, and me – 12/05/2009).

Providing internal ‘checked and approved’ on a creative proposal of a material that PR&C has to produce initiates the creative proposal delivery. If the creative proposal contains some mistakes and PR&C does not have the administrative checked & approved on that material, PR&C has to repeat both creative proposal refinement and delivery, incurring additional costs to reprint and, in some cases, re-affix posters. These additional expenses cannot be imputed to the customer, since the latter has not given the approval in the first place. Since in other projects in the same period PR&C had to reprint materials for

which the accounts have given their checked & approved on mistaken versions, Francesco P, PR&C owner, decides to introduce a change in the PBO routine. He communicates it via email to Stefania DL, the production director, and Angelo DL, the art director, copying the email to all accounts, graphics department and web department members:

“Email subject: texts check procedures

Concerning the continuous recurring of inaccuracies in the materials that we produce, I ask that the account manager responsible for the service provides formal checked & approved on each material (either via email or any other way)

Two people, namely Ada M, and Agnese M, whom I have copied the email to, have to check both off-line (printed materials, video and so on) and on-line textual contents.

However, the account manager shall take the final responsibility to check the content, but the graphics department has to systematically assure the procedure in the right modalities. Hence, this is not a way to pass the buck (scarico di responsabilità), but a compulsory method to avoid mistakes.

Thanks,

Francesco B” (A.FP-SDL_AnDL-15062009-08.22)

Figure 6.9 below reports the new ostensive aspect of creative proposal refinement, as altered by this mandated change.

The implementation of creative proposal refinement in the organisation of the third event actually brings to light the existence of more than one ostensive aspect of this PBO routine. In fact, the day after the event, at the operations meeting, Michela GA, the press office head, provides her understanding of creative proposal refinement: her “checked and approve” is the approval that matters, (figure 6.10). She justifies her request with the councillor’s attitude to change her mind very often. The councillor’s attitude to change mind is the first thing that Guido S, the agriculture direction head, clarifies at the operations meeting after signing the contract.

Guido S: “an adventure is about to start, because we know Dacia V. She is a very good person but she does not sleep at nights... she changes her mind very easily and it is not always very easy to work with her... We have to try to strike a balance.” (Operations meeting with Guido S, agriculture direction head, Cinzia S, agriculture direction executive, Stefano LG, person in charge of the course, Francesco P, PR&C owner, Giulia C, account, and me, account’s collaborator – 06/05/2009)

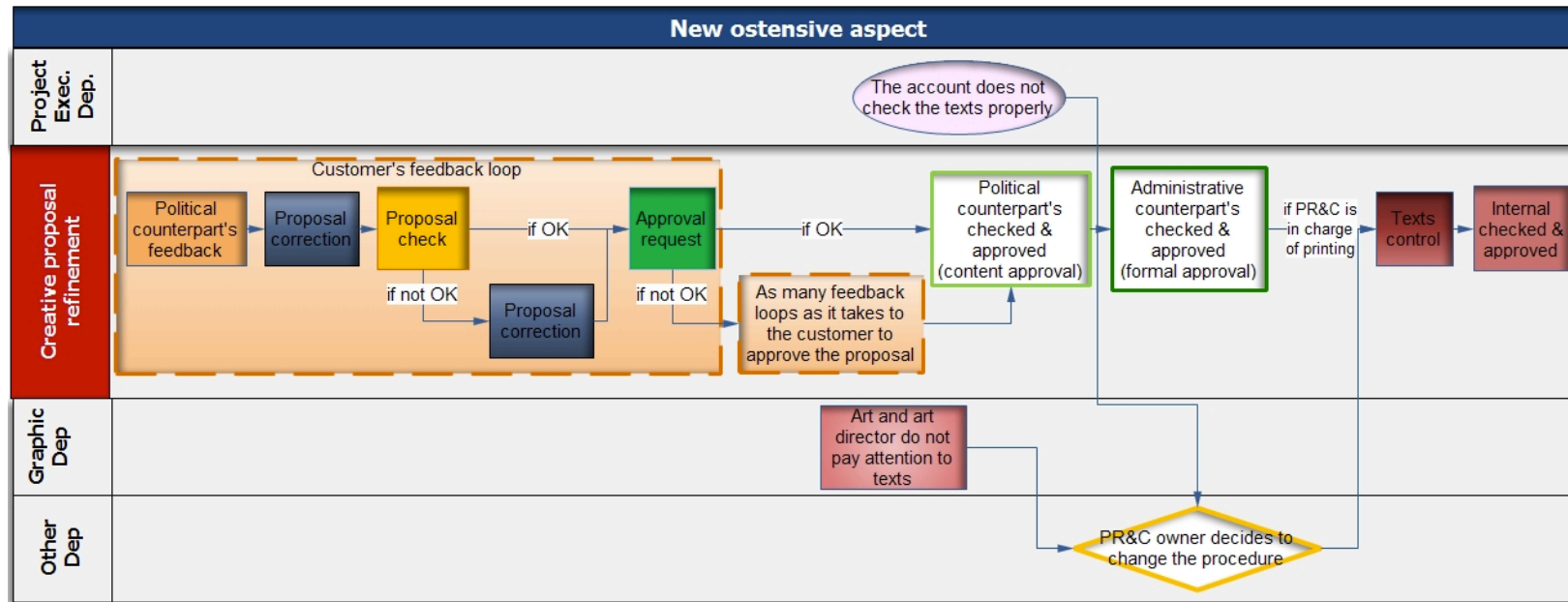


Figure 6.9. Creative proposal refinement – New ostensive aspect

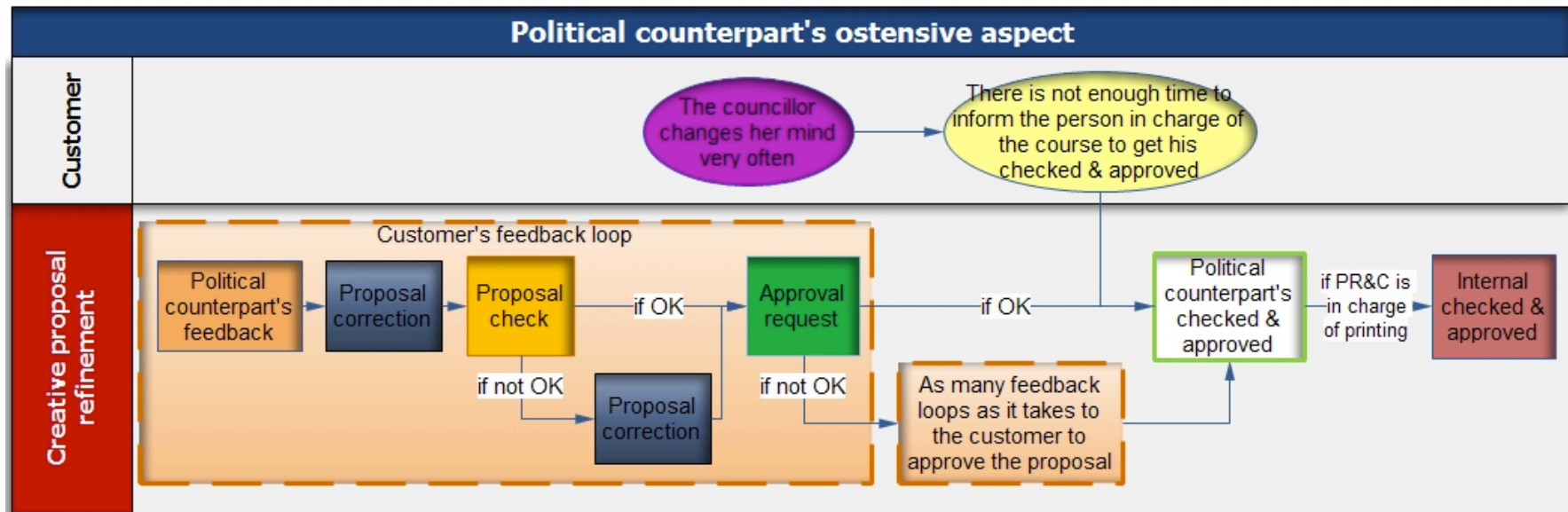


Figure 6.10. Creative proposal refinement – Political counterpart's ostensive aspect.

At the operations meeting after the event, Michela GA, the councillorship press office head, underlines it.

Michela to Giulia C: “We have with them (pointing to Stefano LG and Cinzia S) a glorious relationship, we tell everything to each other. Everything goes out from here. You (Giulia C) deal with them for administrative issues, and with us for the rest ”

Giulia C clarifies: “if the person in charge of the course does not give approval to me, I do not feel authorised to proceed.”

Michela GA: “We cannot work in such a way! If I say to Stefano LG that I am about to give the approval and then the councillor changes her mind, it is not ok.”

Stefano LG: “you can call me again and inform me” (Operations meeting with Stefano LG, person in charge of the course, Cinzia S, agriculture direction executive, Michela GA, councillorship press office head, Giulia C, account, and myself, as account’s collaborator, 12/05/2009)

However, they fail to reach an understanding of creative proposal refinement shared by all involved actors. This becomes an issue that Giulia C, the account manager, wants to resolve in the organisation of the fourth event.

Organisation of the fourth event

As figure 6.11 shows, creative proposal refinement unfolds through five customer’s feedback loops, administrative counterpart’s checked & approved, and internal checked & approved. The first loop differs from the ostensive aspect in terms of actions included in the pattern. It is Stefano LG, the person in charge of the course, to provide the first feedback on the proposal, rather than Michela GA, the councillorship press office head.

The second loop differs from the ostensive aspect in the content of one action, political counterpart’s feedback, and in terms of actor’s substitution in another action, proposal check. These differences from the ostensive aspect are due respectively to *mind changing* on the customer’s side and *project priorities* on the firm’s side. Dacia V, the councillor, decides to postpone again the event. Among other things, PR&C has to correct the date of the event. As to *project priorities*, Giulia C, the account manager, cannot check the proposal, because she has to meet another customer, I, the intern, check the proposal.

The third customer’s feedback loop includes in the sequence an action proper of department activation, further customer’s brief. This additional action appears because of *actor’s non-availability*.

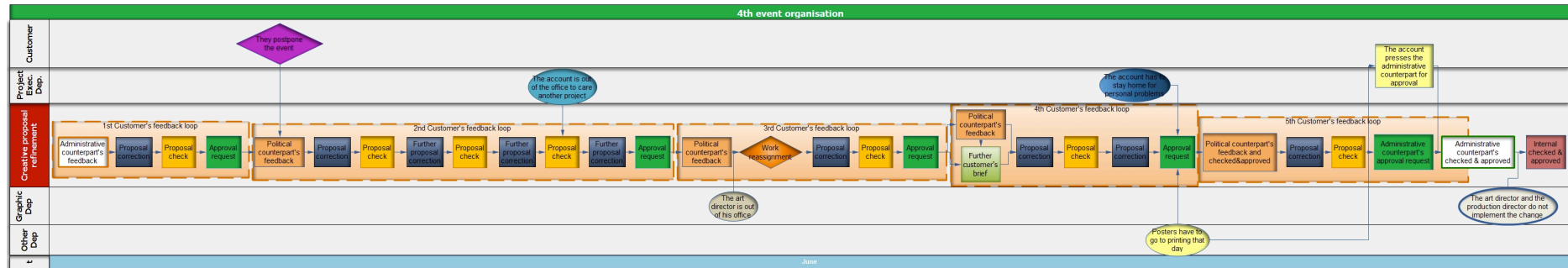


Figure 6.11. Creative proposal refinement – Organisation of the fourth event

Once received the political counterpart's feedback, Angelo DL, the art director, is not at his desk. For this reason, Stefania DL, the production director, assigns the work to Marco L, an 'art'. The fourth loop differs from the ostensive aspect, in terms of sequence of actions and action's content: it presents an action proper of another PBO routine, and actor's substitution in another action in the pattern. The additional action is further customer's brief: the customer provides more details to insert in the creative proposal. Actor's substitution is due to *personal problems* and *time pressure*.

Since Giulia C, the account manager, has personal problems, she cannot send the proposal to the customer for approval. However there is not very much time to complete the proposal. The account, Giulia C, asks me, the intern that works with her, to share the proposal with the customer.

Because of *time pressure*, Giulia C, the account manager, presses Stefano LG, the person in charge of the course, to provide his checked & approved, since there is very little time to deliver the proposal and affix posters. *Time pressure* is due to the interdependence with another PBO routine, which is media plan execution.

The performative aspect does not include the political counterpart's checked & approved, since the political counterpart has provided it along with the request of corrections.

As to the last two actions included in the performative aspect of creative proposal refinement for the fourth event, they resemble the old ostensive aspect: between them there is not the action resulting by the mandated change that Francesco P, PR&C owner, has imposed. Neither Angelo DL, the art director, nor Stefania DL, the production director, forward the proposal to the two people in charge of texts control. Such *procedure neglecting* is due to *power distribution*. The art director and production director do not implement the change because it reduces their power and control in the PBO routine execution in favour of other actors.

The performative aspect of creative proposal refinement, which figure 6.11 reports, shows also that there is not a shared ostensive aspect yet. This becomes evident when Michela GA, the political counterpart, provides Giulia C, the account manager, with her feedback and checked & approved without informing Stefano GA, the person in charge of the course. Giulia C, the account, presses Stefano LG, the person in charge of the course, for his checked & approved:

Giulia C on the phone with Michela GA: “That is fine, I will call Stefano LG, to get checked & approved for the poster.”

Michela GA: “It is me to give written approval, it is not Stefano LG!”

Giulia C: “I do not want problems to rise!”

Michela GA gets very upset: “Giulia C, I have told to you already ten times that I have to give checked & approved!” (Phone call between Giulia C, account, and Michela GA, councillorship press office head – 22/06/2009)

When calling Stefano LG, the person in charge of the course, to press for his checked & approved, Giulia C: “I have talked to Michela GA, she has flown into a rage! I do not know what to do. She does not copy the emails with her feedback to you. She does not inform you. I already have her approval and I do need to go to printing! Could you please give me your approval via email?”

Stefano LG: “Please wait for 10’, I am sending to you my approval via fax” (Phone call between Giulia C, account manager, and Stefano LG, person in charge of the course – 22/06/2009).

The issue of an ostensive aspect of creative proposal refinement shared among all actors is still unsolved on the 23rd of June, when Michela GA, the political counterpart, gives her checked & approved without informing Stefano LG, the person in charge of the course. Giulia C, the account manager, presses the latter for his checked & approved. Invitations do not go to printing until the day after. When, on the 24th, at an operations meeting with both counterparts, Giulia C, the account manager, says that they have still to send the invitations to printing, Michela GA, the press office head, gets very upset, because invitations are urgent:

Michela GA: “It is my approval that matters! I do not want to talk about this anymore!”

Giulia C: “But I need formal approval”

Michela GA, stands up: “You know what? Make the meeting among all of you!”

Giulia C: “It is a matter of procedures”

Michela GA goes out of the room, and Stefano LG says to Giulia C: “you are making a mistake. We have already defined a procedure!”

Michela GA is back and Giulia C and Stefano LG try to make her understand that her approval matters for contents, but formally PR&C needs the approval by the person in charge of the course.

Stefano LG: “I will give my approval as soon as I know that you have approved contents”

Michela GA: “There is a problem to make things to proceed faster. I have given my approval yesterday. PR&C has not sent the invitation to printing, yet. My approval has to matter, because if I give the “OK”, forgetting to inform you (Stefano LG), then PR&C does not produce materials.”

Giulia C: I need formal approval, because if something goes wrong, the person in charge of the course can tell me that I am wrong and he can decide not to pay us... We could solve this problem easily if you (Michela GA) copied the email to Stefano LG when you give to us your approval.”

Michela GA: “I can make it, as far as it is my approval to matter!”

Stefano LG: “I do not want to be a paper pusher! I will talk to Guido S: I want to be removed from this position”

When the meeting is over, Stefano LG leaves the room. Cinzia S reaches us after a while. We inform her and she comments: “The fact that Stefano LG dismisses does not solve the procedure problem. The agreement requests a person in charge of the course. We need it”

Michela GA, upset, replicates: “Then, the person in charge of the course will take care of communication and will deal personally with the councillor!”

Here it emerges that the causes of different understandings of the PBO routine is due to power distribution. The political counterpart is available to change her understanding of the PBO routine, as far as, she has the power to approve the proposal. However, after this argument, it is again *power distribution* to bring about an ostensive aspect of creative proposal refinement shared by all involved actors. As Cinzia S, the agriculture direction executive, tells to Giulia C, the account, on the phone, the same day of the meeting:

Cinzia S: “Michela GA has told to Guido S (agriculture direction head) that she is sick of this checked & approved issue. Guido S has replicated clearly that there is a proper way to do things and they have to apply it”

As figure 6.12 shows, after the agriculture direction head intervention, the new political counterpart’s ostensive aspect of creative proposal refinement resembles the ostensive aspect shared by the other actors.

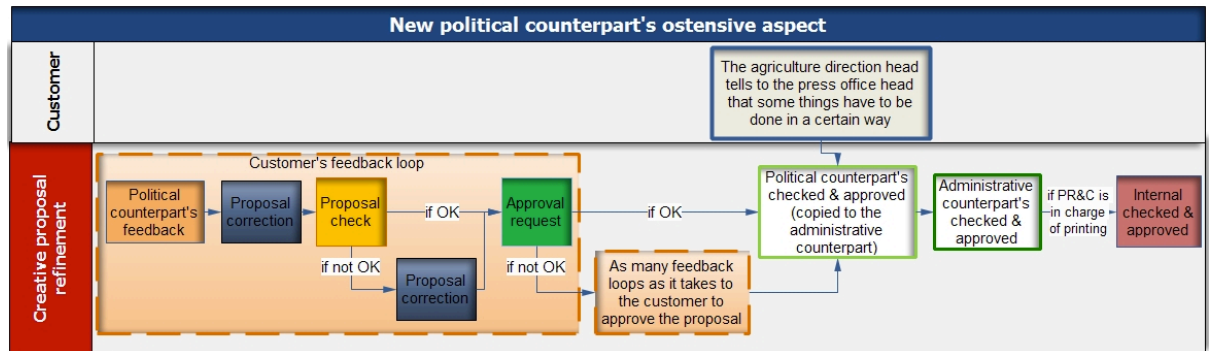


Figure 6.12. Creative proposal refinement – New political counterpart's ostensive aspect

In the execution of the successive services realised in the Green project, the performative aspect reflects the ostensive aspect, as far as it concerns formal checked & approved: Michela GA, the councillorship press office head, copies her emails with checked & approved to the Stefano LG and Cinzia S, administrative counterparts, so that the latter can give administrative checked & approved

6.3.1.3 Creative proposal delivery

Organisation of the first event

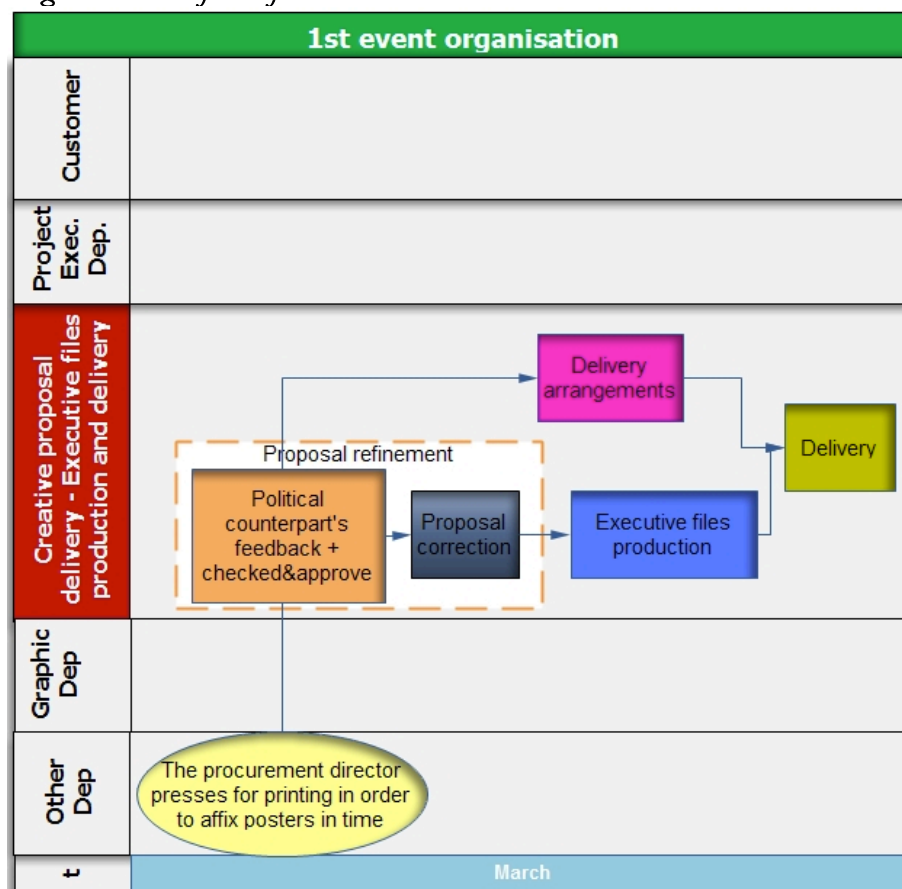


Figure 6.13. Creative proposal delivery – Organisation of the first event

In the organisation of the first event, the performative aspect of creative proposal development differs from the ostensive aspect only in terms of the moment in which an

action in the pattern takes place. *Time pressure* speeds up it. There is *interdependence* with another PBO routine, which is media plan execution.

Organisation of the third event

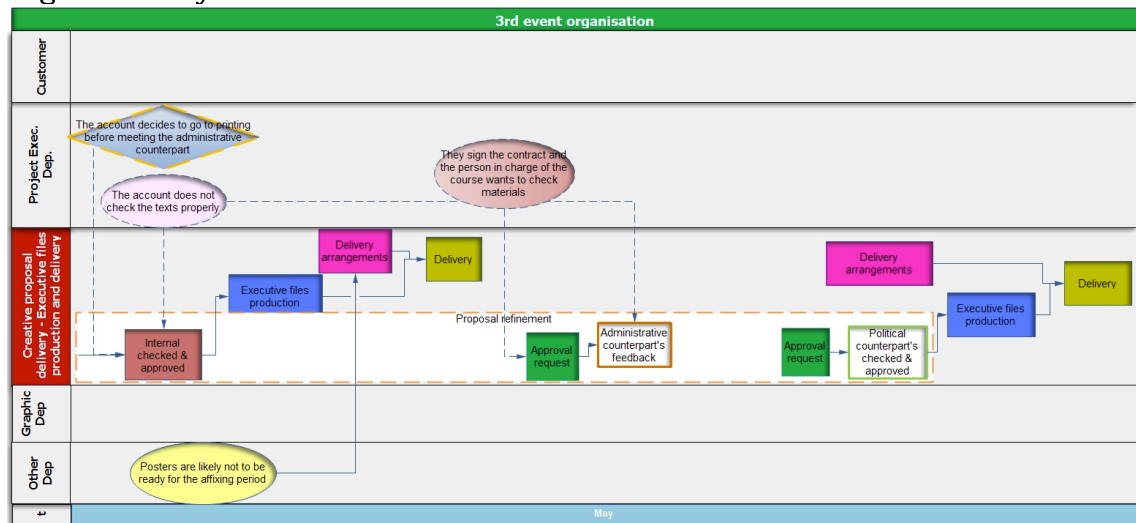


Figure 6.14. Creative proposal delivery – Organisation of the third event

Figure 6.14 shows that the performative aspect of creative proposal delivery in the third event organisation differs from the ostensive aspect since the PBO routine takes place twice. This is due to the combined effect that *absentmindedness*, *time pressure* and resulting *procedure neglecting* play on creative proposal refinement. Since creative proposal delivery follows creative proposal refinement, repeating the former implies repeating also the latter.

Organisation of the fourth event



Figure 6.15. Creative proposal delivery – Organisation of the fourth event.

As figure 6.15 shows, the performative aspect of creative proposal delivery does not differ very much from the ostensive aspect. However *interdependence* with media plan execution brings about *time pressure*. To respect the timing of the media plan for posting, they need to go to printing that day. For this reason the procurement director arranges delivery of the executive files to the printing supplier before the account receives written customer's approval.

6.3.2 Contingencies impacting on the performative aspect of creative proposal development, refinement and delivery

The previous section has illustrated that in the services of Green project included in the research, the performative aspect of the three PBO routines under study differs from the ostensive aspect due to several contingencies. Like the previous cases, differences concern either the content or the sequence of the actions making up the PBO routine. Differences in action's content include substitution of the actor in charge of the PBO routine, substitution of the beneficiary of the action, wrong action's output. Differences in the sequence include the occurrence of additional actions not contemplated in the ostensive aspect, repetition of one or more actions, action's slowing down, action's postponement, shortening the time to initiate an action and non-occurrence of one or more actions. Among these differences the most relevant one is the absence of a compulsory action, which is contemplated in the ostensive aspect of creative proposal refinement. This determines a procedure neglecting the impact on the costs of the entire project.

As showed in the previous cases and reported in figure 6.16, these differences are due to several contingencies pertaining to different domains. These contingencies may impact on the performative aspect of the PBO routine either directly or indirectly – i.e. bringing about other contingencies or moderating the impact of other contingencies – both ways.

Unlike the previous cases, here a contingency becomes evident and relevant as a consequence of the actual implementation of the PBO routine – i.e. the performative aspect. It is *reciprocal trust compromising*. Finally another contingency determines how and whether mandated changes in the ostensive aspect becomes effective in the performative aspect of the PBO routine. The contingency regards the actors involved in the PBO routine execution and refers to the distribution among the actors of the power about the correctness of the PBO routine outcome. I named this contingency *power distribution*.

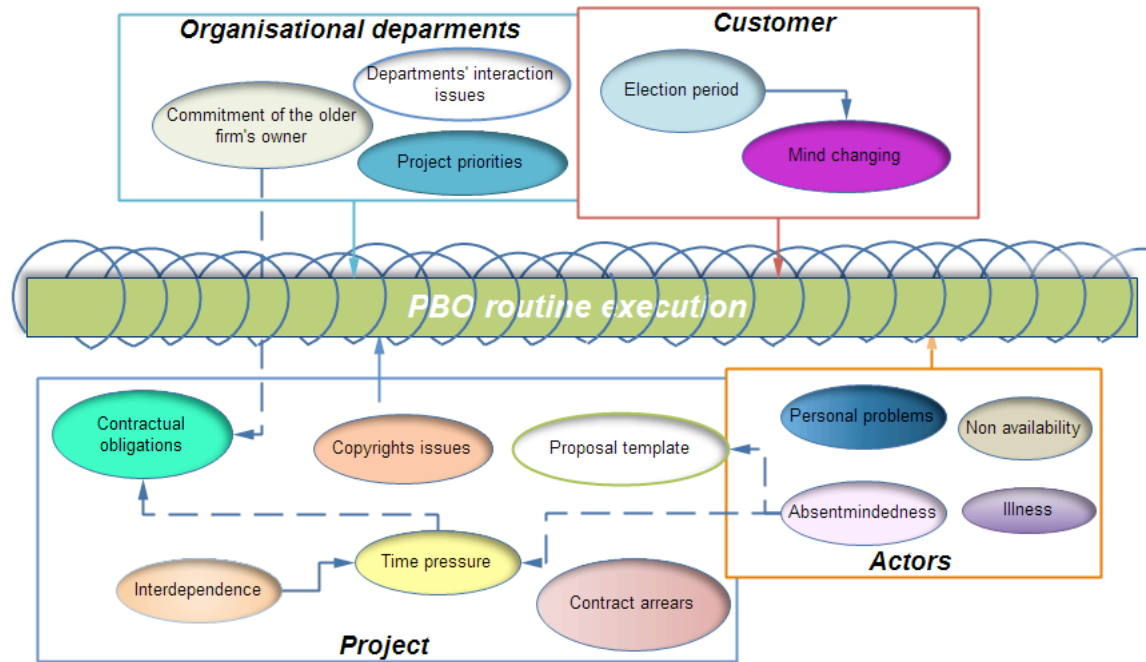


Figure 6.16. Direct and indirect impact of contingencies on the PBO routines under study

Contingencies pertaining to organisational departments

Some contingencies concern organisational departments in terms of department workload and the way in which the members of a department interact with those of other departments: *project priorities*, *departments' interaction issues*, and *commitment of the older firm's owner*.

Unlike the previous two cases, *project priorities* are not the most recurrent contingency. However, they do impact the PBO routine performative aspect. Either the actor in charge of an action or the beneficiary of an action can be busy working on another project. The actor or the beneficiary can be the account manager. In this case, project priorities impact on the action's content, bringing about the substitution of either the actor or the beneficiary, only for that particular action.

Another contingency pertaining to organisational departments and impacting on the performative aspect of the PBO routine is *departments' interaction issues*. It refers to the situation in which, during project activities, members of a given department demand that members of other departments interact with them in a certain way: directly, and not through their collaborators. The impact that it has on the PBO routine is to slow down the process.

Commitment of the older firm's owner refers to the interest of the firm's owner in the creative proposal that the firm develops. This commitment brings about an additional action in the performative aspect of a PBO routine, which is 'creativity check'. *Commitment of the older firm's owner* also refers to the situation in which the older PR&C owner imposes on PR&C

departments undertaking a PBO routine, ignoring *contractual obligations* in order to realise as many services as possible and to invoice them as the first work progress is made.

Commitment of the older firm's owner has also an indirect impact on the PBO routines under study. It moderates the impact of *contractual obligations*.

Contingencies pertaining to the project

Some contingencies concern the project. They refer to the content, the time available to complete the project due to interdependencies between the action of the PBO routine and actions of other PBO routines, the stage of the contract and the relative obligations of the firm and the customer: *proposal template*, *copyrights issues*, *time pressure*, *contract arrears*, and *contractual obligations*.

Contract arrears refer to the situation in which the firm and the customer do not sign the contract within the established deadline. The customer to be and PR&C cannot undertake project activities in *contract arrears*. However, the customer can issue a mandate to make PR&C execute project activity, even if they have not signed the contract yet. If the customer does not issue the mandate, PR&C does not have guarantees to be paid for the activities they execute during *contract arrears*. When *contract arrears* are due to the fact that the customer has not appointed the person in charge of the course, and PR&C decides to undergo the risk not to get paid, this contingency brings about a difference in some actions beneficiaries and impede some actions taking place – e.g. 'administrative checked & approved' in creative proposal refinement.

Proposal template refers to the fact that the project involves more services (events) with similar content. Hence the materials to produce have the same template (layout). What changes from one proposal to the other are the picture and text details relative to each service (event). *Proposal template* impacts on creative proposal development, since the actor in charge of proposal work has to layout the proposal only for the first event. For the successive ones, he works on the file of the proposal developed for the first event, changing the details with those of the new one. This reduces the amount of time to develop the successive proposals. As detailed below, the impact of proposal template is moderated by *absentmindedness*.

Copyrights issues refer to the situation in which the actor in charge of working at the proposal uses a picture that is covered by copyrights. The possible alternatives to solve this issue are either paying the rights or editing the picture. In this case they opt for editing the

picture. This implies a difference in the actions' sequence in the performative aspect of the PBO routine: action's repetition.

Contractual obligations refer to those obligations that the contract between the firm and the customer imposes on project activities. This contingency impacts on creative proposal refinement making 'administrative checked & approved' – i.e. the formal approval of the proposal - compulsory. Without this formal approval, PR&C can neither undertake the successive 'internal check & approved' nor let creative proposal delivery start. If PR&C ignores these obligations, the customer is eligible not to pay for the services the firm delivers.

Time pressure refers to the situation in which there is not much time to undertake either a particular action in the sequence or the entire PBO routine. It makes an actor in charge of a given action be under pressure because there is not much time to complete the action. It refers also to the situation in which an actor presses the actor in charge of the successive action in the sequence in order to complete the PBO routine. In some cases *time pressure* makes an additional action, which is 'progress report', take place. In either case the impact on the performative aspect of the PBO routine is changing the timing at which such action starts.

Time pressure has two sources: interdependence with other PBO routines in the project and *mind changing* by the customer. As to interdependence, like in the case of Ginger, the action in one PBO routine – i.e. creative proposal refinement and creative proposal delivery - has to take place within a given time so that an action in another PBO routine – i.e. media plan execution - can take place. As to mind changing, if the customer decides to postpone an event and confirms too late this intention to PR&C, this severely postpones the time in which an action starts, time necessary to deliver a service; thus the relative PBO routine can be not enough.

Commitment of the older firm's owner and *time pressure* impact on the performative aspect of the PBO routines indirectly as well. Jointly, these contingencies moderate the impact of contractual obligations. As a result, they bring about neglecting of procedures: in order to respect the interdependence of the action she is in charge of with another action of another PBO routine, and to match the order of the firm's owner, the actor does not respect a procedure. Hence, there are interdependencies between two PBO routines. These interdependencies bring about *time pressure* between two actions of two PBO routines. As

clarified below, *absentmindedness* can amplify the effect that neglecting a procedure has on a given PBO routine, as well as on the entire project.

Contingencies pertaining to the actors involved in the PBO routine

Contingencies concerning the actors involved in the PBO routine regard the commitment of the actors in the execution of the PBO routine. They are: *absentmindedness*, *personal problems*, *actor's non-availability*.

As in the previous two cases, *absentmindedness* refers to the situation in which an actor in charge of one action does not realise that the proposal contains some mistakes, and makes the latter undergo the successive action in the sequence. The impact *absentmindedness* has on the PBO routine is not detecting mistakes early on, leading to an incorrect action. It also impacts on the other PBO routines in which the wrong action output is used. The interested PBO routines have to take place again. However it can have much more consequences if PR&C does not respect *contractual obligations*. In this case PR&C does not pay for the materials that they produced with the wrong details. The customer does not pay for them because they have not formally authorised production.

Personal problems refer to the situation in which an actor in charge of one action cannot undertake it, since he or she is away from the firm to deal with non-work related problems. The impact it has on creative proposal refinement is actor's substitution.

Actor's non-availability refers to the situation in which the actor responsible of the action in the sequence to undertake is absent from his position. It can bring about either action postponing, slowing down the PBO routine unfolding, or actor's substitution, through an additional action related to another PBO routine.

Contingencies pertaining to the customer

Some contingencies regard the customer in terms of their political nature and their mind changing on the characteristics of the services to perform. These contingencies are: *election period* and *mind changing*.

Mind changing refers to the situation in which the customer's referents change their mind on the content or the timing of the services to be delivered. The impact that it has on the PBO routines under study is to slow down the entire PBO routine unfolding. As above-mentioned, mind changing has also an indirect impact on the PBO routines under study, as it raises *time pressure*.

Election period refers to the situation in which the firm has to execute project activities during the election period. By law, during this period creative proposals cannot have any content explicitly related to political issues. *Election period* has an indirect impact on the PBO routines under study, since it contributes to *mind-changing*: because of election period, the customer can either request a creative proposal in line with law requests or postpone the event. They choose to postpone the event, changing their mind on the event date. This makes the PBO routine unfold more slowly through additional actions as compared to the ostensive aspect.

Contingencies emerged in the performative aspect of the PBO routine and that make the ostensive aspect change

Neglecting the procedure in the performative aspect of creative proposal refinement has some implications both on the relationship between the firm and the customer, and on the ostensive aspect of the PBO routine itself.

As to the relationship with the customer, the person that is formally in charge of approving the proposals and the materials realised by PR&C no longer trusts the account manager, who is the project manager. Reciprocal trust compromising is a consequence of ignoring *contractual obligations*.

As to the implications of the performative aspect on the ostensive aspect of the PBO routine, the older firm's owner mandates a change in the PBO routine to avoid the dysfunctions characterising the performative aspect of the PBO routine. Whereas reciprocal trust compromising has consequences only on the specific project, procedure change regards the ostensive aspect of the PBO routine.

However, as above-mentioned, another contingency, which is *power distribution*, moderates the effect of the mandated change on the performative aspect of the PBO routine. *Power distribution* refers to the distribution of power among the actors responsible for the different actions making up the PBO routine. It makes the performative aspect of the routine unable to absorb the mandated change that informs the ostensive aspect. The performative aspect does not include this change since the latter implies a redistribution of power among the actors that are involved in the PBO routine execution. The actors that have more power in the current performative aspect of PBO routine do not allow changes that give more power to other actors. The importance of power distribution is corroborated by the fact that actors in charge of executing the actions in the PBO routine have not implemented this change, neglecting the new procedure "two minutes after

receiving the email communicating the change”. Neither of the people in charge of the action newly included in the pattern has received any creative proposal to check the relative texts.

Power distribution also emerges as relevant in the attempts to share a common understanding of the PBO routine – i.e. the ostensive aspect of the routine – among project manager, customer’s political counterpart and administrative counterpart: the political counterpart is available to copy her emails for approval to the administrative counterpart as far as her approval matters as the formal approval. In the end, after the head of the agriculture department clarifies to the head of the councillorship press office that they have executed the project activities in the way they are supposed to, an ostensive aspect of the PBO routine shared among all actors becomes possible.

6.4 Discussion

The analysis undertaken in the previous sections confirms that the context in which PBO routines take place impacts on their performative aspect. Whereas the previous two cases have highlighted the nature of the PBO routines to adapt to contingencies pertaining to the customer, the organisational departments, the project, and even the situation of the actors involved in the PBO routines. In this case, it emerges that PBO routines adaptation to some contingencies can be counterproductive and undermine the profitability of the entire project for the firm, when adaptation implies neglecting a compulsory part of a procedure. Following accurately the ostensive aspect of the PBO routine in some cases allows the detection of mistakes that are due to contingencies such as absentmindedness. It also makes the firm avoid the repetition of the PBO routine to correct those mistakes, as well as of the all PBO routines that rely on those materials as an input – i.e. creative proposal refinement, creative proposal delivery and media plan execution. Repeating the interdependent PBO routines, in turn, implies sustaining again the costs necessary to produce and use the materials, which are the outcomes of those routines and the input of the interdependent routines. Whereas the firm incurs the same costs twice, they can impute these costs to the customer only once, since the customer has formally authorised the firm to proceed with the PBO routines only once. Hence, neglecting contractual obligations and the consequent compulsoriness of procedures to satisfy other contingencies – i.e. commitment of the older firm’s owner and time pressure - can impose the repetition of all the interdependent PBO routines, according to their ostensive aspect and impose extra-

costs. In this way the profits that the firm obtains from the entire project are lower than expected.

The three PBO routines analysed are interdependent both with each other and with other PBO routines – e.g. media plan execution – as the outcome of creative proposal development is the input of creative proposal refinement, the output of creative proposal refinement is the input of creative proposal delivery, and the output of the latter is the input of media plan execution. The case of Ginger has already shown the implications of interdependence between different PBO routines: the need to undertake one PBO routine can impose constraints on another PBO routine in terms of time available to undertake it. Here also emerges “the domino effect” that this interdependence brings about in case of departure of the performative aspect from the ostensive aspect of the second PBO routine if the departure concerns a compulsory part of the ostensive aspect. As explained above this can be counterproductive for the project and for the organisation itself.

The analysis undertaken above provides empirical support to Feldman and Pentland’s (2003) argument that the relationship between ostensive and performative aspects of the routine is not unidirectional. Whereas the ostensive aspect acts like a guide for the performative aspect, the latter is important to create, maintain and change the former (Feldman and Pentland, 2003). Whereas these authors emphasise that the performative aspect of the PBO routines evolves across iterations, even if the relative ostensive aspect is unchanged, my research provides theoretical contribution and empirical evidence on the other direction of the relation. It highlights one of the causes that make mandated changes in the ostensive aspect of the PBO routine ineffective in the performative aspect.

By mandated changes I mean those changes in the ostensive aspect of the PBO routine that the firm’s owner - or top management in large firms - decides and imposes on the actors involved in the PBO routine. In so doing the chapter provides both theoretical and empirical contribution to highlight why the performative aspects of PBO routines does not change. As reported in chapter two, previous research investigated the interplay between the two aspects of organisational routines and showed that this interplay does not occur in a vacuum. Such research addresses the issue of effectiveness of mandated introduction of new organisational routines. Canato and Brusoni (2009) show that top management is successful in introducing new routines only if the latter are in line with organisational identity. Bresnen et al. (2005) argue that new routines can be effectively introduced only if the intended changes are aligned to local existing routines and do not disrupt power and

knowledge distribution among actors across the organisation. However, both of the above studies focus on the effectiveness of changing established routines with new organisational routines. My research makes a step forward by highlighting ineffectiveness of mandated changes aimed to make established PBO routines evolve in order to proceed more smoothly. The cause of this ineffectiveness is power distribution among the actors involved in the PBO routine. The conceptualisation of intra-organisational power relates to that of interdependence (Astley and Zajac, 1991). Interdependence regards either resources or workflow (Victor and Blackburn, 1987). Conceptualised by McCann and Ferry (1979) and embedded in the coalition model of organisation, resource interdependence derives from exchanges and interactions between the members of the coalition. In this perspective, the more the member exerts control over external resources and the more the others in the coalitions are dependent on those resources, the more powerful the member is (Emerson, 1962; Pfeffer, 1978; Astley and Zajac, 1991).

Conceptualised by Thompson (1967) and embedded in the rational model of organisation, workflow interdependence refers to the interdependencies generated by the division of labour. In this perspective the more essential to “organisation’s collective functioning” is the task that a member performs the more the member is powerful (Astley and Zajac, 1991: 404). This conceptualisation fits well with PBO routines, given the type of interdependence between both the actions of a single routine and the actions of different routines. The actors that currently have higher power on the routine’s outcome do not make changes in the PBO routine that confer what Astley and Zajac define as “pivotal” activities (1991: 405) on other actors be effective in the performative aspect. The concept of power is not new in the literature on organisational routines. Both Nelson and Winter (1982) and Feldman and Pentland (2003) argue that when a new employee joins the organisation and is involved in the PBO routine, his colleagues implementing the routine have the power to indicate to him and influence his understanding of the ostensive aspect. However, here power is essential in impeding the evolution of the PBO routine towards more effective and efficient dynamics.

By highlighting one of the causes of ineffectiveness of mandated changes on the performative aspect of the PBO routines, the case also shows that even if firms refine their routines over time, “learning with them” (Levitt and March, 1988: 322), learning might not effectively implemented. Mandated changes may consist in changing the sequence of actions, in order to eliminate a dysfunction of the PBO routine. The dysfunction, in turn, is

due to contingencies related to both project content (proposal template) and organisation departments (e.g. absentmindedness).

6.5 Conclusions

This chapter has analysed how the three PBO routines take place and how the performative aspect differs from the ostensive aspect for the services included in the Green's project. It confirms the findings of the previous chapters on the existence and antecedents of PBO routines, while provides original insights on the evolution of PBO routines.

Whereas the previous two chapters highlighted the impact of context peculiarities on the performative aspect of the PBO routine, this chapter shows evidence of the importance of actors' discretion in dealing with those contingencies. Giving priorities to the problems and the conditions raised by some contingencies, overlooking others, can be counterproductive and reduce the profitability of the entire project. It can also compromise the relationship with the customer.

The chapter provides theoretical contribution and empirical evidence on the bidirectional nature of the relation between ostensive and performative aspects of the PBO routine. Actor's discretion is responsible for the non-effectiveness of mandated changes aimed to refine the PBO routine, reducing the chances to assure a smooth execution of the PBO routine and of the entire project.

Actors, who have more power over PBO routine execution, tend not to implement the change because it could lessen their control over PBO routine execution and on the department, in favour of others. Furthermore changes could make the other actor indispensable during the execution of the PBO routine previously under their domain.

Power also emerges as a key contingency, which prevents the emerging of a common understanding of the ostensive aspect shared among actors involved in the implementation of PBO routines.

A limitation of the chapter is that it draws only from two instances of the impact that power distribution has on the interplay between performative and ostensive aspect of the PBO routine. However, the two cases are suggestive of the general influence of power distribution over routines.

CHAPTER 7: PBO ROUTINES EMERGENCE AND EVOLUTION

7.1 Introduction

The present chapter aims to delve into the findings of my research. At the empirical level the purpose is to cross-analyse the empirical evidence presented in the previous chapters. At the conceptual level it aims to make a systematic comparison of the three cases in order to add further insight into the answers to the research questions that this study addresses.

A systematic comparison is needed to further increase “understanding and explanation” (Miles and Huberman, 1994: 173) and hopefully also to generate novel cross-case insights. To achieve this aim, the chapter addresses the similarities and the differences among the three cases (Eisenhardt and Graebner, 2007; Ozcan and Eisenhardt, 2009), while answering each main research question and relative sub-questions. In doing so, the chapter also systematises what emerged in chapter three on the ostensive aspect of the PBO routines under study in order to further validate and extend the findings of this research.

The chapter is structured according to the research questions that this study addresses. Section 7.2 highlights first what PBO routines consist of, and then what antecedents and conditions are required to allow them to emerge. Section 7.3 shows how PBO routines evolve, illustrating the role that context peculiarities, actors’ discretion and artefacts play respectively. Section 7.4 draws the conclusions.

7.2 PBO routines emergence

7.2.1 What PBO routines consist of

My research suggests that PBO routines take the form of procedures, namely as sequences of actions necessary to accomplish a given task. Actors consider them as the way work has to be accomplished. The actions making up PBO routines are not necessarily codified in any artefact. This finding is in line with Nelson and Winter (1982) argument, according to which routines may be tacit. It is also consistent with the Coriat and Dosi (1999) work, which argues that the detailed codification of “elementary procedures and acts” dates back to the diffusion of Time and Motion Studies, brought about by Taylorism, which aimed to shift the control on knowledge of operatives from the latter to higher hierarchy levels in large firms. However, this finding contrasts with some recent research. Some authors consider the artefact as the procedure (see Nag et al., 2007; Canato and Brusoni, 2009). This seems to imply that if the artefact is absent, neither the procedure

exists. Furthermore D'Adderio (2009; 2011) assigns a central role to artefacts in explaining the internal dynamics of routines. Apart from manuals and jobs descriptions artefacts associated to organisational routines in literatures include software (D'Adderio, 2003; 2009; 2011). However the presence of software in organisations depends also on the sector in which the firm operates. Hence, my thesis suggests that the procedure is not the artefact, and that artefacts themselves can contribute only partly to explain the internal dynamics of routines, given that they might not embed the actions making up the routine. In small firms performing given types of activities, routines tend not to be codified. They characterise organisational activities, though. Actors involved in their execution recognise them as the way in which they accomplish their work.

7.2.2 Antecedents and conditions that cause PBO routines to emerge

In all three cases reported in the previous chapters, two main antecedents of PBO routines emergence: the type of work that the project requires and clear role structure across projects. When successive or concurrent projects require the firm to undertake the same type of work PBO routines emerge, whatever the project content or services. Previous research on PBOs argues that routines emerge and are refined through successive similar projects (Davies and Brady, 2000; Brady and Davies, 2004). My thesis suggests that similarity across projects includes the required type of work to complete the project.

Across the projects for the three customers, there is a clear role structure. Each project team member, covering a given role, is expected by the other team members to undertake given actions at given points in the project. In case he is not available, other available actors may substitute him or her, so that the routine and the entire project can take place. Previous research shows as a source of stability in contexts of high turnover of actors allowing individuals to switch from one role to another across projects (Bigley and Roberts, 2001; Bechky, 2006; Klein et al., 2006). My thesis builds on this and suggests that clear role structure can compensate for team stability, enabling PBO routines emergence.

Crucial for PBO routine existence and implementation is the formation of compatible understandings of the PBO routine itself among the actors involved in it. All three cases highlighted that PBO routines unfold smoothly only if the involved actors have compatible understandings of what actions make up the PBO routines and who is in charge of what. As for routines' patterns of interdependent actions, extant literature attributes to routines the property to confer actors a common understanding. Common understanding is one of

the conditions to achieve coordination (Okhuysen and Bechky, 2009). This research shows that this condition is not so easy to achieve when the routines are not codified.

Furthermore interdependence and consequent need for coordination among actors is also relevant between actions of different routines. In order to accomplish the project smoothly and within deadlines, this interdependence has to be taken into account and coordination has to be assured. The Green case showed that both compatible understandings of PBO routines and interdependence among different PBO routines have to be dealt with carefully, without overlooking any obligation that the contract with the customer can impose. The case shows that lack of compatible understandings of what actor is in charge of what action is due to power distribution. One actor involved in the PBO routine pretends to have the power that belongs to another actor by contract. This does not allow either the PBO routine or the project to unfold smoothly.

7.3 PBO routine evolution

7.3.1 How context peculiarities make the PBO routine change

In all three cases, the context in which the PBO routines take place is shaped by contingencies pertaining to four domains. These domains are the organisational departments, the project, the actors involved in the PBO routine execution and the customer that order the project. The most recent empirical studies argue that context peculiarities impact on the performative aspect of organisational routines. However, they do not provide a systematic and comprehensive portrait of these peculiarities and of the domains they pertain to. All three empirical cases are detailed both on the particular contingencies that impact on the PBO routines under study and on the domain they pertain to. This helps both to understand what type of contingencies shape the context, as well as the possibility for the firm to control them. Whereas contingencies pertaining to the project and to organisational departments are easy to predict and control for, those pertaining to the actors and to the customer are more difficult to control for.

Some contingencies are envisaged and faced *a priori*: they are contemplated in the ostensive aspect of the PBO routine. Even if contemplated *a priori*, the effect these contingencies have on the performative aspect can be emphasised, due to the impact that other contingencies have on the latter. Examples of contingencies envisaged *a priori*, whose impact can be increased *in itinere* – i.e. during a given iteration of the PBO routine - are

interdependence between two PBO routines, and contractual obligations. The deeper impact of interdependence is much more evident in the cases of Ginger and Green. It is less evident in Bordeaux since, in the last years this customer has been ordering to PR&C only the design of a creative proposal. PR&C does not have to produce any material.

A contingency likely to increase the impact of interdependence on the performative aspect of the PBO routines – i.e. *in itinere* – is project priorities. Whereas project priorities has a strong impact on the performative aspect of the PBO routine in Bordeaux and Ginger cases, in Green case, the impact of this contingency is less frequent. This is due, in turn, to the different nature of these customers. Both Bordeaux and Ginger are private customers whose projects have a mean quotation of some thousands of Euros. Ginger is a public customer, whose project has a quotation of some hundreds of thousands Euros. The public nature of Green explains also why in this case, the commitment of the older firm's owner is deeper since the project start, whereas in Ginger it becomes as deeper as the number of developed creative proposals increases.

Another contingency that emerges as important in the comparison of the three cases is the way in which the customer approaches the firm. As already mentioned in Ginger case, the more generic is the request of the customer, the more difficult it is for the firm to develop a proposal that satisfies customer's needs. Both in Bordeaux and in Green, the customer makes very specific requests, providing PR&C with details about the texts and the pictures to use in the proposal. Instead, Ginger's request is very generic. This makes a sub-routine of one PBO routine reiterate several times.

However there are contingencies that impact on PBO routine execution only *in itinere*, namely on the performative aspect. Actors need to face them only while executing the PBO routine. An example is given by mind changing. The firm can envisage only to a certain extent when and how the customer will change their mind about the number and the content of the services to include in the project. Again, the more generic is the customer's request, the more difficult it is for PR&C to develop the proposal, and the more likely is that the customer will change their mind on what they want PR&C to do. Either *a priori* or *in itinere*, these contingencies shape the context in which PBO routines take place. As explained below, actors' discretion in facing these contingencies determines what the performative aspect of the PBO routines look like.

7.3.2 Actors' discretion while executing the PBO routine

As mentioned in the previous empirical chapters, this study is consistent with the most recent research on organisational routines, which underlines the differences between the actors involved in organisational routines and computers, (see Feldman, 2000; Narduzzo et al., 2000; Feldman, 2003; Feldman and Pentland, 2003; D'Adderio, 2009; 2011) to which conceptual contributions assimilate organisational routines (see Simon, 1947; Nelson and Winter, 1982). Actors have discretion while executing the PBO routine. Actors' discretion in facing contingencies is key in PBO routine adaptation to the context that the contingencies above mentioned shape for a given iteration of the PBO routine. It brings about differences between the two aspects of the PBO routines.

Differences between performative and ostensive aspects of the PBO routine

In a given iteration of the PBO routine, the performative aspect of the PBO routine may differ from the ostensive aspect in terms of sequence of actions making up the routine, and of content of given actions. Differences in the sequence of the actions are: action's start postponement, action's start quickening, action's slowing down, necessary timing to accomplish one or more actions, repetition of one or more actions, action's non-taking place, occurrence of actions not contemplated in the ostensive aspect of the PBO routine and actor's substitution for the entire routine's execution. Other differences between the two aspects of the PBO routines concern the content of one or more actions. They are actor's or beneficiary's substitution for a particular action, use of a given means rather than others to undertake a particular action. Among these differences the most visible ones are those concerning the sequence. These differences most of the time determine the firm not meeting the deadline of the project. This occurs in all Bordeaux's projects and in Ginger's project. In the project for Ginger it becomes more evident. A PBO routine that usually unfolds in a few weeks takes place in some months and involves several repetitions of a given sub-routine. Not meeting the deadline of the project has several consequences: it increases customer disappointment (e.g. Bordeaux); it comports to sustain more costs than those included in the quotation (e.g. Ginger); it postpones the moment in which the firm can invoice the services to the customer (e.g. Green).

The way in which contingencies shape the context of the PBO routine, and the way in which actor's discretion faces these contingencies, determine PBO routines evolution over time and also across space.

7.3.3 PBO routines' adaptation

Bordeaux, Ginger and Green cases show that PBO routines adapt to the context in which they take place. Adaptation occurs through differences in the sequence and the content of the actions making up the PBO routine. Whereas all cases stress routines adaptation to contingencies *in itinere*, Bordeaux case highlights routine adaptation *a priori*, and Green case stresses routines adaptation *a posteriori*. Finally, the comparison of the three cases also emphasises routine adaptation *a priori*.

Adaptation a priori

Among other contingencies, the ostensive aspect of the same PBO routine contemplates interdependencies with the other PBO routines, which actors interact with each others (department interaction issues), the time available to undertake given actions. There are then contingencies that make the ostensive aspect of the PBO routine evolve. These include personnel turnover and private or public nature of the customer.

Personnel turnover is not new to the organisational routines literature. It can be an obstacle to organisational routines emergence and persistence. As Becker (2005) reminded us, this persistence depends on the rate of personnel turnover (Winter, 1991). Nelson and Winter (1982) argued that personnel turnover can compromise the continuity of an organisational routine. The new actor replacing the one who left can determine a “semblance of the old routine” (Nelson and Winter, 1982: 115). Here, it emerges that when the project activities require referents of the customer to be actors in charge of given actions of PBO routines, personnel turnover characterises the project each time the firm executes a project for a new customer and any time either the firm or the customer are interested by personnel turnover. Although I do not have data on Bordeaux’s personnel turnover rate, this research suggests that when it concerns certain organisational members, personnel turnover is a source of mandated changes in the ostensive aspect of PBO routines, and also affects the performative aspect. Mandated changes are those imposed by the firm’s management. It also suggests that a change in a routine in the customer’s organisation may determine adaptation of an established PBO routine in the organisation that serves that customer. The adaptation of the established PBO routine consists of the introduction of a new sub-routine that has to be performed each time the firm undertakes a project for this customer.

The public or private nature of the served customer brings about adaptation of the ostensive aspect of established PBO routines. Starting serving a new type of customer can imply a new way to do old things. The relative contract, which the firm and the customer

stipulate can impose contractual obligations that regulate how a particular action in the PBO routine has to be executed. Adaptation can consist of entitling a particular actor (the person covering a given role in the project) to undertake a given action within a routine. Respecting contractual obligations can divide a given action in the PBO routine into two actions, which two different actors are in charge of. This adaptation becomes crystallised in the ostensive aspect of the PBO routine, and the new ostensive aspect characterises all projects in which the contingency that has brought it about recurs. Adaptation *a priori* is also supposed to inform the performative aspect. This gives empirical support to Feldman and Pentland (2003), who envisaged, conceptually, this kind of organisational routines evolution. Here, the type of customer and the relative contractual obligations emerge as a possible source of such evolution.

Adaptation a posteriori

As emerged only in Green case, PBO routine adaptation can also occur *a posteriori*. The need to adapt the ostensive aspect of a PBO routine can become relevant after the PBO routine takes place. After the PBO routine execution, the top management of the firm or the owner can reflect on what has happened in particular iterations of the PBO routines and mandate changes in the ostensive aspect. This provides empirical support to the argument by Feldman and Pentland (2003) and Pentland and Feldman (2005). However the adaptation *a posteriori* of the ostensive aspect should also in turn be effective on the performative aspect. Feldman (2003) showed that changes mandated from top management do not become effective when the actors that are supposed to implement those changes perceive them not in line with the way in which the organisation “operates”. My argument is in line with Feldman’s (2003) viewpoint that organisational routines take place within a given organisational context that impacts upon them. However, relying on structuration theory as developed by Giddens (1979), Feldman (2003) attributes the lack of consistency with the way the organisation operates to the fact that those changes are not selected and communicated by actors, are not executed or “supported by powerful people”, and are likely to incur in “negative sanction” (Feldman, 2003). In my study, the change of the PBO routine is mandated by the most powerful person within the organization, is communicated in black and white and is not likely to incur in negative sanctions. It consists in an additional action aimed to increase the chances to detect mistakes in the outcomes of the PBO routine. By outcome of the PBO routine I mean the material delivered with the creative proposal. The mandated change would reduce the risk to incur in extra-costs and to repeat the same PBO routine or some of the actions making

it up several times. However it does not become effective because (i) the actors that have to implement it, perceive the change as aimed to distribute power on the organisational routine outcome to other actors rather than themselves, (ii) the actors favoured by the change are aware of this but do not complain with the powerful person that mandated the change (iii) the latter does not check whether the change is actually implemented.

Adaptation in itinere

Whereas Bordeaux and Ginger cases highlight the positive impact of adaptation *in itinere*, Green shows that such adaptation can be counterproductive. In fact, the first two cases show that actors' discretion in facing several contingencies allows the PBO routine to take place. The third case, instead, shows that when actors give priority to some contingencies rather than others, this can imply higher costs than otherwise and compromise the reciprocal trust with the customer.

7.3.4 Role of artefact in PBO routine adaptation

As mentioned above, PBO routines are not necessarily codified. In addition, if the PBO routine or part of it is codified, it might not be accessible to all actors involved in its execution. Even if artefacts do not embed the PBO routine in the first place, its adaptation *a posteriori* might be codified. This occurs if the ownership or top management communicates in black and white the change they want to impose to the actors. However, the Green case shows that codifying the change does not assure that the change becomes effective.

Artefacts play a different role in PBO routine execution. Some artefacts do not embed the procedure actions but its outcome. Prencipe's and Tell's (2001) study highlighted both non-accessibility and content of artefacts as a constraint to project learning. The Bordeaux case suggests that the negative impact of personnel turnover on PBO routines could be reduced by previous experience embedded in artefacts. Artefacts embedding not the PBO routine, but its outcome, can help the new actor to understand what the customer wants and what he or she has to look at while executing the PBO routine. The Ginger case builds on this, showing that previous experience embedded in the outcome of previous projects can solve an *impasse* with a given PBO routine.

There are then artefacts instrumental to the project execution and to the implementation of PBO routine. During the execution of the project, some documents have to be written to coordinate the project activities. They are forms that have to be fulfilled each time, according to the particular service and the particular customer. The

comparison between Bordeaux, Ginger and Green cases shows that the use of these artefacts depends on the attitude of the actors involved in the PBO routine. These artefacts are used in Bordeaux and Ginger but not in Green. The actor, which is supposed to use them, is the same person in the first two cases. In Green, the actor is another person, who is not keen on using the artefact. Borrowing Cacciatori (2008) terminology, this type of artefacts acts like a boundary object among the actors taking parts at the PBO routine and between different projects. Like boundary objects, they are instrumental to information exchange between different professionals, and adaptable enough to the specific needs of each of them, without losing their identity (Star and Griesemer, 1989; Cacciatori, 2008).

7.4 Conclusions

The chapter has confirmed and extended the main findings of this thesis arising from single case analyses. I have hopefully added further nuance and insight into the answers to the research questions, and also made these answers more comprehensive in nature.

The distinctive findings from the cross case analysis concern what PBO routines look like, and the identification of a temporal dimension of the impact that contextual contingencies have on PBO routines. E.G. In each case we see that PBO routines consist of project procedures that are perceived as such by actors, even if they are not embedded in any artefacts. Type of work being performed and clear role structure across projects emerge as the main antecedents of the PBO routines. Extant literature shows that similarity between projects is an antecedent of PBO routines, my thesis shows that similarity concerns the type of work being undertaken. For example compared with Green case, where the same type of services have to be offered across iterations of PBO routines, in Bordeaux case we see that the same PBO routines take place, even if the services to deliver range from leaflet design to mailing kit design and to stand design, personalisation and communication initiatives at a fair. Hence, the same PBO routines recur whatever the services to provide.

Extant literature argues that clear role structure across projects represents a source of stability that make project participants have clear expectations on the role of the other participants and permits actor's substitution in case the person covering a given role is not available. My thesis suggests that it favours PBO routine emergence and execution across projects.

As mentioned above, one of the main benefits of cross case analysis is to further address the question of PBO routines' evolution through adaptation to contextual

contingencies. Considering at the same time the evolution of the ostensive aspect and how the ostensive aspect and the performative aspect relate to each other, it corroborates the finding that PBO routines evolve through adaptation: across iterations of the PBO routine the sequence of the actions making up the routine and the content of these actions can be different according to the way in which contingencies pertaining to the four domains – i.e. organisational departments, project, actors situation, and customer – shape the context. As mentioned above, the distinctive findings of the cross-case analysis is a temporal classification of the impact of contextual contingencies: adaptation can be *a priori*, *a posteriori* or *in itinere*. Whereas adaptation *a priori* refers to the evolution of the ostensive aspect of the PBO routine, *adaptation a posteriori* and adaptation *in itinere* results from the interplay between performative and ostensive aspects. Adaptation *a priori* refers to the evolution of the ostensive aspect due to contingencies such as the decision of the firm to serve a new market segment or the introduction of a new procedure by the customer due, perhaps, to personnel turnover. This adaptation and consequent evolution of the ostensive aspect concern all projects that the firms execute for the new market segment or for the particular customer. Adaptation *a posteriori* consists of the evolution of the ostensive aspect as well, but the need for adaptation emerges as a consequence of the performative aspect. However, we also saw that this evolution of the ostensive aspect does not imply automatically the evolution of the performative aspect. Contingencies like intra-organisational power can hamper it. The more frequent type of adaptation is adaptation *in itinere*: in each iteration of the PBO routine, the performative aspect of the PBO routine can present a different sequence or a different content of the actions making up the routine, due to contingencies that emerge as relevant in that particular iteration. We could not see this from the single case analysis because it would have shown only one or two of these adaptations, and not the entire classification. For example, Bordeaux case stresses adaptation *in itinere* and *a priori*, in Ginger case only adaptation *in itinere* emerges, and Green case stresses adaptation *in itinere* and foremost adaptation *a posteriori*.

The cross case method, allows us to go beyond single case analysis in at least three main ways. First it allows us to answer the first research question that this research addresses. It shows that PBO routines are procedure, not necessarily codified in artefacts and perceived as such by the actors executing them. This paves the way to question the position taken by some scholars, who are sceptical of the existence of a procedure when no artefact embeds it. Secondly it allows us to distinguish between evolution of the ostensive aspect across projects and evolution as a result of the interplay between the two aspects. In so doing, this

chapter provides both theoretical and empirical contribution to our understanding of the internal dynamics of organisational routines, as well to the characteristics of organisational routines in project based contexts. Whatever the domain, the impact that each contingency has on the PBO routine under study concerns either the sequence or the content of the actions making up the routine. The cross-case analysis makes two aspects emerge as discriminants. These are the degree of predictability of the contingency and of the consequent impact, as well as the consequences of this impact for the profitability that the project has for the firm. Focusing on these two aspects paves the way for further research aimed to developing taxonomy of contingencies.

Third, cross-case analysis allows better qualify the role of the customer in the project activities execution and the impact that organisational dynamics proper of the customer have on PBO routine execution. For example, being the customer involved in project activities, comparing the three customers highlighted how projects very similar in terms of type of work to realise and PBO routines necessary to undertake them can take place at a very different pace according to the way in which the customer approaches the firm.

CHAPTER 8: CONCLUSIONS

8.1 Introduction

This thesis has explored the existence and functioning of organisational routines in PBOs in the case of small firms using an inductive, in-depth case study method. Looking at organisational routines is important because we know very little about what they consist of and their internal dynamics, especially how the two key aspects, ostensive and performative, interact with each other. While scholars argue that routines shape organisational behaviour, most research is on large firms and we know very little about how routines operate in the case of the vast numbers of small firms and PBOs.

Although PBOs must accumulate experience over time and achieve efficiency and coordination, so we might expect routines to emerge, projects differ and ‘end’ so this might prevent routines from emerging. Because small firm PBOs are typical in many sectors, looking in depth at routines in one small PBO highlights some interesting dynamics of routines overlooked in large firms that might be relevant in shaping the behaviour of small PBOs.

This research has not attempted to generalise to other types of firms or sectors. The aim was to provide exploratory evidence on routines’ existence and functioning in a small firm setting, to inform theory and generate hypotheses on the micro-foundations of routines in small firm PBOs.

The research suggests that PBO routines take the form of procedures defined as sequenced actions, which are undertaken in order to accomplish a given task. They are not necessarily embedded in artefacts as is the case for large firms. Shared understandings of the routine among actors involved in its execution appear to be crucial to PBO routines both in terms of existence and execution. The thesis suggests that one antecedent or shaping factors in PBO routines is the type of work undertaken within any given project. We found that when a project requires creativity work, project participants activated similar action sequence through routines, whatever the product or the service the creative activity was related to.

By looking closer at contextual contingencies, the thesis provides exploratory explanations regarding the context in which PBO routines unfold. The context is made up of several domains, e.g. organisational departments, the project, and the served customer. Each domain is made up of contingencies that are likely to impact both on the execution

and on the evolution of the PBO routine over time. Contingencies determine problems and issues that actors have to face while executing the routine. Facing problems and issues causes the routine to adapt, making the sequence and the content of the actions forming it different across projects. Predictability and recurrence of contingencies and related issues determine how routines' adaptation occurs. We found that when contingencies and issues are expected and recur across several projects, adaptation is planned in advance and it usually concerns both ostensive and performative aspects of the routine. When contingencies and issues are less predictable or occur in just a single project, adaptation concerns only the performative aspect, namely a single iteration of the routine.

The next section highlights further theoretical, empirical, and methodological contributions of the thesis. The final section reports on the research limitations and poses hypotheses that further research might address.

8.2 The literature addressed and the main findings

Theoretical contributions

The thesis contributes to our conceptual understanding of the internal dynamics of organisational routines. It builds on the work by Feldman and Pentland (2003) and Pentland and Feldman (2005). By relying on structuration theory these authors identified two aspects making up the routine, the performative and the ostensive aspects. The former corresponds to what Cohen et al. (1996) named routine expression which is a specific implementation of the routine, by given actors at a given time. In turn, the latter corresponds to what Cohen et al. (1996) named routine representation, that is, the abstract representation of the routine. The ostensive aspect of the routine represents a guide for the performative aspect, and the latter is important to create, maintain and change the former (Feldman and Pentland, 2003).

The authors draw on Campbell (1965) model of blind variation and selective retention to explain the relation between ostensive and performative aspects and argue that organisational routines have the “inherent, endogenous capacity to generate and retain novel patterns of actions” (Feldman and Pentland, 2003: 112). In Campbell (1965) model, new knowledge – i.e. variation – emerges from trial and error. This new knowledge is then turned into intelligent search on the basis of previously developed knowledge – i.e. selective retention. Feldman and Pentland (2003) consider the performative aspect as variation in the routine, being the latter either intentional or not intentional. Among these variations, actors selectively retain those that they interpret as the ostensive aspect of the

routine. Variations become part of the ostensive aspect of the routine when actors consider them as the way in which they undertake a particular routine. Feldman and Pentland (2003) emphasise the role of the performative aspect in creating, maintaining and changing the ostensive aspect: performing the routine in various circumstances can determine change in the routine. The execution of the routine can induce change in the routine itself. My thesis confirms this function of the performative aspect, since it shows that the performative aspect of the routine changes in each iteration of the routine in response to contingencies, whose impact is neither easy to predict, nor recursive. In this way, the routine maintains and reinforces its ostensive aspect.

My thesis also extends our understanding of the way in which the context where the routine takes place shapes each aspect and the relation between them over time and, consequently, the evolution of the routine the context shapes the evolution of the routine. It provides some original contribution on the bidirectional nature of the relation between the two aspects: variations may concern also the ostensive aspect of the routine. Intentional variations of the ostensive aspect occur in response to contextual contingencies, whose impact on the routine execution is predictable. These variations are selectively retained when the impact of predictable contingencies is also recursive across successive iterations of the routine. The new ostensive aspect represents a guide for the performative aspect of the routine, by distinguishing what actions are part of the routine and what are not. In turn, the performative aspect maintains this new ostensive aspect. In addition, variations in the ostensive aspect and their selective retention may occur in response to emerging context contingencies. Even though these contingencies become evident in the performative aspect, they do not determine immediate variations in the latter. They contribute to identifying opportunities for variations and selective retention in the ostensive aspect. When other contextual contingencies with predictable and recursive impact become evident, the cycle of change ostensive – performative – ostensive is likely to start over again. This cycle extends the one that Feldman and Pentland developed drawing on Campbell (1965), by indicating the opportunity of change in the ostensive aspect of the routine also before the change in the performative aspect.

To explore the relation between ostensive and performative aspects, this research has found fertile ground in PBOs. The literature shows that PBOs represent organisational forms that provide services and products through projects (Hobday, 2000). PBOs develop several mechanisms to capitalise on experience, including routines according to authors in the field (Davies and Brady, 2000; Prencipe and Tell, 2001; Brady and Davies, 2004).

Although extant literature stressed the negative impact of project discontinuities in PBOs including running the risk of reinventing the wheel for every new project (Prusak, 1997), regarding experience accumulation in PBOs, this thesis argues that discontinuities between projects in terms of served customer, project participants, and type of products and services actually increases the need for routine evolution.

As mentioned above, the thesis argues that the relation between the two aspects of the PBO routine – i.e. ostensive and performative aspects – is determined by the context contingencies and the need to respond to them to execute PBO routines across projects in order to achieve the goals of efficiency through task repetition (Chapter seven). I found that the act of facing contingencies determines PBO routines evolution which itself occurs through adaptation. Adaptation concerns either the sequence of actions making up the PBO routine or the content of these actions. According to the moment in which it becomes evident and the aspect of the routine it concerns, adaptation can be *a priori*, *in itinere* and *a posteriori*. Adaptation *a priori* concerns the ostensive aspect (Chapters three and seven). Possible causes of this adaptation can be the decision of the firm to serve a new market segment or a new procedure of the customer, which impacts on project activities. Adaptation *in itinere* is the most frequent. It concerns the performative aspect and occurs during a given iteration of the routine, often the result of unexpected contingencies whose impact is not foreseeable *a priori*, or the result of contingencies that moderate the impact of contingencies already controlled for (Chapters four, five and six). Most projects are characterised by time pressures due to the need to complete the project by a given deadline. When there are multiple projects to undertake with given human resources, the entrepreneur or the manager may decide to prioritise one project over the others at key points in the life cycle of each project. The impact of time pressure is moderated – i.e. relaxed or intensified - by the priority given to the project by the owner or manager. In this case, adaptation concerns only the particular iteration of the routine, unless the contingencies that determined it occur also during other projects. Adaptation *a posteriori* concerns the case in which the necessity to change the routine becomes relevant in a particular iteration of the routine, but it is supposed to regard all subsequent iterations of the routine. For example, the top management or the firm's owners identify a way to improve a routine to enhance operational effectiveness in some way (Chapter six). A possible cause of non-implementation of the intended change is the misalignment of the latter with the current distribution of power among actors on the PBO routine execution. For example, the change to the routine might alter responsibilities and relationship

hierarchies among the involved actors. Negatively affected (e.g. demoted) actors might be resistant to change while those promoted might not desire the extra responsibilities brought about by the routine change.

Extant literature on PBO argues that the repetition of routines across projects brings about high levels of capacity utilisation and generates scale economies (Davies et al., 2006; Nightingale et al., 2011). My thesis corroborates this argument and suggests that PBO routines favour maximising the use of the human resources of the firm by allowing the firm to assign each resource to different projects, according to his or her workload. This is possible thanks to the fact that the projects require the same type of work and present a clear role structure, which are the antecedent of the PBO routines themselves. Furthermore PBO routines that emerge because of these antecedents allow a project to continue by involving unutilised human resources when the resources initially assigned to that project are temporarily busy, working on other projects. The PBO routine adapt *in itinere* to project priority – through an additional action: work reassignment. However, when the number of projects that the firms manages at the same time implies an amount of work higher than the workload that the organisational departments can sustain, the priorities among the different projects can make issues of capacity utilisation emerge. Also in this case, the PBO routines in the projects that do not have priority adapt *in itinere* – e.g. slowing down or postponement of an action making them up. However, these projects will be very unlikely to respect the original deadlines, compromising the performance in terms of customer satisfaction (Chapter four).

Literature on project portfolio management refers to prioritization among projects as an issue that a PBO has to deal with when it manages multiple projects at the same time, drawing on a shared and limited pool of resources. According to this literature, such a PBO is likely to undergo the “resource allocation syndrome” (Engwall and Jerbrant, 2003): whatever the firm and the sector in which it operates, the firm prioritises projects and redistributes employees from ‘low-prioritised’ to ‘to high-prioritised’ projects, with competition among projects to access the available resources and a diffused feeling of inefficiency within the PBO. A PBO prioritises projects according the firm’s strategy (Hansen et al., 1999; Cooper and Edgett, 2003; Martinsuo and Lehtonen, 2007). My thesis provides support to this “resource allocation syndrome” argument. It also suggests that this syndrome is even more stressed due to contingencies related to the customer, such as mind changing and particular customer’s needs, which can increase *in itinere* the amount of work that a given project requires. These contingencies make it difficult for managers to plan

efficiently the multi-project schedule for the resources in the different departments, and are likely to increase the frequency with which resources are reallocated between ongoing projects (Engwall and Jerbrant, 2003).

Empirical contributions

PBO routines existence

This research contributes to an understanding of the existence and functioning of routines in PBOs in the case of small firms. Whereas we cannot generalise, the case study indicates that PBO routines exist and that they are likely to take the form of procedures, defined as the sequences of repeated actions taken to accomplish a given task. Actors perceive them as procedures and accept them as the way work has to be accomplished. The actions making up PBO routines are not necessarily codified in any artefact (Chapters three and seven). This finding is in line with Nelson and Winter (1982) argument, according to which routines may be tacit. It is also consistent with the Coriat and Dosi (1999) work, which points out that the detailed codification of procedures in manuals is often related to the needs of large firms which involved levels of hierarchy and elaborate control over the work of operatives.

However, this finding contrasts with some recent research. On the one hand, some authors consider that the artefact is the procedure (see Nag et al., 2007; Canato and Brusoni, 2009). This seems to imply that if the artefact is absent, neither the procedure nor the routine exists. On the other hand D'Adderio (2009; 2011) assigns a central role to artefacts in explaining the internal dynamics of routines. My thesis instead suggests that the procedure is not the artefact, and that artefacts themselves can contribute only partly to the internal dynamics of routines, given that they might not embed the actions making up the routine.

The thesis suggests that type of the work the project entails and clear role structure across projects may be antecedent or shaping force of PBO routines. PBO routines might emerge when projects require the same type of work – e.g. – creativity work – whatever the product or services offered, and whatever customer is to be served. Previous research on PBOs argues that routines emerge and are refined through successive similar projects (Davies and Brady, 2000; Brady and Davies, 2004). My thesis extends our understanding of similarity across projects, highlighting which part of the project it might concern, including the required type of work (Chapters four, five, six, and seven).

As to clear role structure, extant literature argues that it represents a source of stability across projects, since projects participants share expectations on the role of a person covering a given position, being able to switch from one role to another across projects (Bigley and Roberts, 2001; Bechky, 2006). My thesis builds on this, linking clear role structure across projects to the emergence and execution of PBO routines.

The thesis suggests that a condition necessary for the existence and execution of PBO routines is the formation of shared understandings of the routine and of the sequence of the actions making it up among the actors involved in its execution. This finding is in line with previous research, which shows that common understanding of the entire task of the sequence of the single subtasks is a condition that enable routines to achieve coordination effectively, given the interdependence of the actions making up the routine (Okhuysen and Bechky, 2009).

Extant literature shows that the connections between actors in charge of interdependent subtasks are a source of common understanding (Feldman and Rafaeli, 2002). However, there might be as many understandings of the routines as the actors involved in its execution (Feldman and Pentland, 2003). My thesis builds on this by showing that common understanding of the routine might not be easy to achieve. In order to make the PBO routine unfold smoothly, actors must have at least compatible understandings of the PBO routines. Developing compatible understandings of the PBO routines might be difficult due to the fact that PBO routines are often not codified. Even when they are codified, access to the artefacts embedding them might not be shared among all actors involved in the routine. Another obstacle might be the inexperience of actors, due to the high level of personnel turnover characterising project-based contexts.

Another possible impeding factor in the formation of compatible understandings of the routine among actors is power distribution among them in relation to the PBO routine execution: one actor might assume or pretend to have the power to take some decisions, which another actor might be entitled to exercise such power by contract. This might impede a smooth execution of the PBO routine and of the entire project as shown in Chapter six.

This thesis also extends our understanding of the relation among two or more routines. Narduzzo et al. (2000) mention the existence of interdependence among different routines. This thesis provides exploratory evidence on the relevance of such interdependence. For example, when actors do not have compatible understandings of the routines and of the

interdependence between them, this can paralyse project execution, as either routine can take place (Chapters four and five). However, both shared understandings of PBO routines and interdependence among different PBO routines have to be considered carefully.

Actors cannot simply ignore an obligation that the contract with the customer might impose. Otherwise a “domino effect” might take place: neglecting a compulsory part of a PBO routine might determine the repetition of the PBO routine and of all other routines interdependent with it (Chapter six).

PBO routines' evolution

The thesis provides exploratory findings on the evolution of PBO routines. In so doing it extends our understanding of the dynamics of established routines. Recently, other scholars investigating routines evolution have highlighted why some organisations fail to adopt new routines (Canato and Brusoni, 2009) or to change established ones (Feldman, 2003). Drawing on contingency theory, this thesis suggests that the evolution of established PBO routines is the result of the interplay between the context in which the routine take place and actors' discretion in dealing with those contingencies. Contingencies pertaining to different domains – i.e. the situation of the actors, the project, the firm's departments and the customer – shape the context in which the routine takes place. These contingencies determine problems and issues that actors have to face in order to make the PBO routine unfold.

Each contingency either directly or indirectly, by determining or moderating the impact of other contingencies, determine the nature of problems and specific issues that actors have to confront. By scrutinising the context in which the PBO routine unfolds, this thesis extends our understanding of the relevance that the context itself has in shaping the internal dynamics of routines. The literature on routines argues that context is relevant to routine execution (Cohen et al., 1996). This thesis builds on this by suggesting that the context is made up of multiple domains, which are often connected to each other. Looking both at the multiple domains and at their connections is necessary if we want to grasp how context influences routines characteristics and dynamics.

The impact of contingencies on PBO routines also depends on how actors in charge of the different actions face problems and issues that these contingencies determine. This thesis builds on previous research which argues that actors have some discretion while executing the routine, often in the search to identify better ways to undertake the same task (Pentland and Rueter, 1994; Feldman, 2000). My thesis extends our understanding of the

factors that require actors to pay attention to what they are doing while executing the routine: actors have to balance these competing demands carefully to ensure a smooth execution of the routine. When they prioritise problems and issues raised by some contingencies, and overlook others they risk reducing efficiency and even the profitability of the entire project and thereby compromise the relationship with the customer (Chapter six).

When PBO routines are not embedded in artefacts, the resolutions that actors make to face problems and issues due to context contingencies are not necessarily embedded in any artefacts. However, when top management demands changes in the PBO routine, they may communicate these changes to actors in black and white.

By highlighting the dynamics of PBO routines, the thesis contributes to our understanding of the relation between routines and other organisational phenomena, such as organisational memory, coordination, and organisational change and stability.

As to organisational memory, this thesis suggests that PBO routines are able to accumulate experience and store it in within organisational memory (Chapter five). Key individuals, who know who contributed to previous projects and the artefacts of the realised products and services, can retrieve that experience through analogy. For example, they might resolve current problems by retrieving, through creative thinking, the information on the relevant solution they adopted in the previous project when they needed to solve a similar problem in the past. On the one hand, this finding contributes to debates on experience accumulation in PBOs. It confirms that PBOs even in small firms can successfully avoid 'reinventing the wheel' across projects. On the other hand, it shows that by retrieving routines from organisational memory, key individuals allow the firm to overcome potential *impasse* situation in PBO routine execution. This points to the role of key individuals in routine dynamics, an interesting subject for further research. Whereas Aime et al. (2010) underline how key individual's mobility allows competitors to know and imitate the routines that determine the competitive advantage of a firm, this thesis shows that key individual within any given firm may assure a smooth execution of a routine.

The thesis also provides empirical support to the role of artefacts in storing what has been done in the past. Previous research suggests that such artefacts often fail to embed how processes and activities have been executed (Prencipe and Tell, 2001; Newell et al., 2006). This thesis shows that these artefacts can accelerate the functioning of PBO routines, especially when key individuals remember them and know where to look for them

(Chapter four). Such artefacts enable actors within the firm to more easily understand what the customer is looking for, acting like boundary objects, instrumental to information exchange between different professionals.

As to coordination theory, as mentioned above, this thesis shows that the common understanding, which the literature recognises as being a condition to achieve coordination and which is enabled by routines, is not so assured in contexts in which routines are not codified (Chapter five). This is because there is no artefact listing and describing the actions making up the routine, which might help actors to understand what they are supposed to do and how their task is related to the task of their colleagues.

As to organisational stability and change, this thesis confirms the view that organisational routines imply some conscious thinking and learning (Cohen et al., 1996). In addition, the process nature of routines implies that dynamism should always underlay the concept of routines. Learning and dynamism result from facing issues and problems that contextual contingencies determine. This implies that routines might enable some particular kinds of organisational change, particularly those suited to increasing efficiency through improved co-ordination. However, in some cases organisational routines lead to behaviours oriented towards stability, even if the opportunity of ameliorative changes becomes evident. This thesis suggests that one of the possible causes of this can be a misalignment between intended top-down changes and the actual distribution among the actors of the power over the routine execution.

Methodological contribution

This thesis provides some contributions also at methodological level, concerning how to identify routines through empirical research, an issue that has attracted scholars in recent years (Becker and Lazaric, 2009). On the one hand Hodgson and Kundsén (2004) argue that we have to look at the generative layer of disposition to explore empirically the dynamics of routines. On the other hand, Pentland et al. (2009; 2010) and Salvato (2009) argue that it is necessary to focus on the observable patterns of behaviours, without which disposition would not generate any pattern. Actually, Brian Pentland and his colleagues have made a major effort to measure variability in work processes, applying first grammatical models and then econometric methods to measure variability in work processes (Pentland and Rueter, 1994; Pentland, 1995; 2003a; 2003b). More recently, Pentland et al. (2009; 2010) have highlighted the suitability of workflow systems and relative data to identify routines. My research is in line with Pentland et al (2009; 2010) and

Salvato (2009) works, since I adopt the conceptualisation of routines as patterns of actions rather than as generative systems. This means that I look at the layer of the routine that is visible, rather than looking at the disposition layer, which is not observable. Furthermore, like these authors, I rely on workflow data. However, both the above studies aim to develop sophisticated econometric methods to measure variability in routines and compare routines either within the same organisation or across settings. My thesis instead explores the nature and causes of variation in observed patterns by comparing the performative and ostensive aspect of the same routine within the same context. In line with the criteria highlighted in the literature to identify PBO routines, I provide detailed methods to reconstruct the processes informing the firm's activities and distinguish routines from non-routines, and analyse their unfolding, even in contexts where no artefacts embed the ostensive aspect and where there is little or no workflow data to provide a ready to analyse performative aspect.

Implications for practitioners

For small firm PBOs, the research suggests that a clear and shared understanding among organisational members regarding the nature and importance of organisational routines, who is in charge of which actions, and when such actions are supposed to take place is crucial both to routines themselves and to overall project execution within the firm. If employees do not have a clear understanding of the routines they should follow, they might well take perverse decisions and undertake actions that compromise the productivity of the project and undermine the relation with the customer. Common or at least compatible understandings are not easily formed when the firm does not have formal routine descriptions as in the case of job descriptions. Hence, entrepreneurs and managers should try and elevate routines to the same kind of importance they attribute to job descriptions, business strategy, organisational structure and other aspects of business operation. Put simply, employers need to be sure that employees know what they are supposed to do and when. This is even more important for newly hired organisational members, which are less familiar with the organisational context. Clear routines can also assist in building good relations with clients new and existing. When the customer is highly involved in project activities, entrepreneurs and managers should attempt to use their routines to help communicate to the customer who is in charge of which actions, the nature of these actions and when they are to be carried out, thereby giving the customer confidence regarding the professionalism and efficiency of the supplier.

The research also suggests that entrepreneurs and managers should pay attention to errors made in previous projects and adapt the PBO routines in order to avoid them in the future. By identifying opportunity for improvement and communicating these changes widely the firm can sometimes begin a virtuous cycle of continuous improvement. However, managers should be aware that ostensive changes to routine do not assure these changes are actually implemented. To implement the changes effectively, entrepreneurs and managers should pay attention to the actual performative implementation and also to the way employees perceive those changes. For example, when a change aimed to assure efficiency in project activities alters the distribution of power over project activities among the involved actors, negatively affected actors might be resistant to change. Hence, entrepreneurs and managers should involve the key actors in the process of changing routines and agree with employees to avoid negative perceptions of imposed 'top down' routine changes.

The research also suggests that entrepreneurs and managers should set up archival systems that capture solutions adopted for products and services realised in the past easily accessible to and repeatable by the majority of employees. Involving employees in this process might help the creation of a positive, stimulating and efficient work environment. Employees would then be able to draw more upon the accumulated experience of past projects to overcome impasse situations and other difficulties during current projects.

The implications for management and entrepreneurs – i.e. assuring compatible understandings of the routines across employees and positive perceptions of imposed changes, as well as setting up effective archival systems - might imply some costs. These costs might include both time and resources that entrepreneurs and managers should spend to motivate the employees to undertake or change the actions they undertake while implementing the routines in the proper way. Setting up archival systems and motivating employees to proactively use them might be other sources of costs. However, a smooth execution of the routines, their effective changes, and the proactive use of the archiving systems might bring about benefits higher than these costs. Benefits would consist in reduced project's costs and completion time, as employees would undertake the project work right the first time, without repeating the routine execution several times. Capitalisation of experience, by nurturing and drawing proactively on the firm's archiving systems, would reduce even more the time of completion of the project. Being project costs and time two drivers of the performance in project-based organisations, implementing routines might represent a means to increase project performances, as far as

entrepreneurs and managers pay enough efforts to assure that the benefits of implementing routines are higher than the related costs.

8.3 Limitations and possible directions for further research

Even though the thesis provides interesting exploratory findings on PBO routines existence and evolution, there are limitations, which point to the need for further research. The in-depth research was undertaken on one small firm PBO. However, PBOs are a major set of organisational forms with heterogeneity along several dimensions, including type of sector, scope of organisational activity performed, number of organisations participating in any given project and so on (see Chapter two). Further research into different kinds of organisation and sector perhaps carefully selected to compare and contrast the effects of these dimensions would help overcome the limitation of this work.

Also, given the small size of the firm involved in the research, some findings, which emerged as relevant may not be relevant to large and medium sized firms. For example, project priorities emerge as one of the most recurrent contingencies impacting on PBO routines. Whereas in small firm a single specialist person is likely to be responsible for one or more particular functions in the firm, in a large firm several people or an entire department may carry out a specialist function. This might mitigate importance of project priorities on the PBO routine execution yet introduce another degree of complexity as project routines may conflict with large firm departmental routines. Research, which compares the ostensive and performative aspects of large and small firms may provide new insights into the nature and functioning of routines.

As noted above, the research involves only one sector and one country. The sector in which the firm operates might have a shaping force on the characteristics and dynamics of PBO routines. Country specific cultural, social and institutional environments might also impact, for example, on the way in which actors perceive the routine and react to mandated changes in the routines. Therefore, cross-national and cross-sectoral comparisons of routine emergence and evolution may prove a useful new avenue for further research.

In addition, the in-depth focus prevented broader comparisons. For example, findings from one of the cases relied on the analysis of a single project while data for one customer concerned a single project. This did not allow us to analyse how the performative aspect of the routine differed over time across projects for the same customer. Also, the array of

contingencies shaping the context did not include all possible contingencies likely to have some impact on PBO routine execution. However, many of them are typical of PBOs in which the customer is very involved in project activities, which does at least suggest the possibility of generalisation.

These limitations point to possible directions for further research in ways that allow generalisation to other organisations, sectors and nations. Some fairly straightforward hypotheses arise from the study. A first hypothesis is that routines do in fact exist in PBOs and are likely to play an important part in learning, knowledge accumulation, efficiency and therefore competitiveness. Testing this hypothesis requires the replication of this study in other PBO types and environments in order to reveal how routine characteristics change across different forms contained in the acronym 'PBO'.

A second hypothesis is that the size of firm and the sector in which the firm operates will shape the characteristics and the dynamics of PBO routines. Replicating the study in small and large PBOs operating in different sectors might help to test this hypothesis. This could contribute to the comparison of routines across different settings, which scholars have called for recently (Becker and Lazaric, 2009).

A third hypothesis is that cultural, social, institutional environments affect actors' perception of PBO routines and their reaction to top down or mandated changes. Cultural, social and institutional environments change across countries and therefore comparing routines in multiple PBOs from different national perspectives might help to understand the impact that the external environment has on the existence and dynamics of its PBO routines.

A final hypothesis concerns the evolution of routines. The latter appear to evolve through repeated adaptation to context contingencies. To further testing this hypothesis would require in depth research to scrutinise the context in which routines unfold. It would be interesting to identify the aspects of the routine subject to adaptation and the moment in which the need for adaptation is envisaged. This would provide a starting point for developing a taxonomy of contextual contingencies impacting on PBO routines dynamics. A more comprehensive analysis of the context might also highlight other factors likely to hamper the evolution of routines. For example, the distribution of power on routines execution among actors might be related to other organisational phenomena. This and other possible causes are worth further investigation, since they might contribute to a fuller understanding of the micro-foundations of organisational behaviour.

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APPENDIX 1

Organisational Routines and Project-Based Organisation: an exploratory study

Interview protocol

Exploratory interview

Time

Location

Interviewee

Interviewer

Duration

a) **Introduction**

1. How long have you been working at PR&C?
2. What position do you cover/hold currently?
3. How long have you been covering this position?
4. What positions did you cover before?
5. What are the main responsibilities and duties related to your position?

b) **Projects**

b.1) Public Communication (for the bidding director)

6. What are the calls for tenders that PR&C decides to pursue?
7. What processes do take place during the bidding phase?
8. Once PR&C is awarded a contract, how do you manage it?

b.2) Private projects

9. What services does a private project entail?
10. Who is in charge of them?

c) **Artefacts (to ask the bidding director, the account for)**

c.1) ISO certification

11. How long PR&C has been certified?
12. Has certification brought about changes in processes execution?
13. Has PR&C hired specialised employees or has PR&C trained employees to meet the certification requirements?
14. What documents has the certification brought about?

c.2) Documents

15. What documents have to be completed during the bidding phase?
16. What documents have to be completed during the project execution phase?

17. What are these documents used for?

d.) PR&C history (to ask the owner for)

14. How was PR&C founded?

APPENDIX 2

The empirical setting: PR&C

History and strategy of PR&C

PR&C is a Communication and Public Relation agency based in Italy. It is a small family business founded in 1999 whose history is rooted in a long tradition of activity in the advertising sector. In 1967 Gianni P¹⁵ founded an advertising studio. It was the first in the region. It was specialized in services of creative development. Gianni P had a brother, Orazio P, who, at that time, was a marketing consultant for National Hydrocarbon Corporation for the South American market. The two brothers formed a partnership and the advertising studio became a marketing and communication agency, which offered services of graphics design and promotion. Over time they started serving customers both at regional and at national level. In 1985 the older son of Orazio P, Francesco P, started working at PR&C as a creativity director. He learnt by working next to his father. After some years, his younger brother, Manuele P, and the daughter of Gianni P, Francesca P, started working in the company as well.

In 1991 Gianni P formed a partnership with Francesca P, and Orazio P formed a partnership with Francesco P and Manuele P. In 1998, they created together a third general partnership, keeping the previous two. Among the three companies there was no distinction in terms of services they offered. As one interviewee stated, Gianni P and Orazio P have ideated all brands in the city, either together or separately. 90% of their customers were private. In 1999, Francesco P identified public tenders issued by public administrations as a potentially interesting market segment. They started participating in calls for tenders. They participated indistinctly as one of the three companies. At the end of 1999, Gianni P and Francesca P left the company. After their departure, Orazio P and his two sons, Francesco P and Manuele P, created PR&C as a limited company out of the three general partnerships. Orazio P was PR&C's creative director. Each morning he entered the graphics department and greeted each member asking if everything was fine. In that period his wife, Lucrezia P, was also involved in the organisation management, caring for public relations and organising events for PR&C. At a certain point Orazio P got ill and started delegating all the work to his older son until he retired.

Francesco P became PR&C board chairman and Manuele P covered the role of managing director. Francesco P was and still is the creative director. He has adopted a

¹⁵ I used pseudonyms for all firm's employees and informants due to confidentiality reasons.

different approach with employees as compared to his father. As he explained to Stefania DL, the production director, he treats employees badly, because he is sure that this motivates them to do their best.

In 2001 PR&C applied for and obtained the ISO9000 certification for the services of integrated communication it offers to public customers. This brought about the necessity to map the processes PR&C implemented and to complete some documents. These documents are forms that project participants are supposed to fill out during project execution, with the information on the project. In fact, PR&C conceived these documents in such a way to map the processes without taking much time to complete them. Notwithstanding the fact that they obtained the ISO certification they do not regularly map the processes they implement in each project. Every year, in January, when quality controls approach, the managing director, the bidding director and executive accounts complete documents, e.g. time schedule (cronoprogramma) and meeting reports, with the information on a particular project. For the rest of the year they do not bother about ISO certification.

Over time, projects for public customers have become the major source of income of PR&C. This has made the marketing and communication agency become a public relations and communications agency.

Currently the strategy of PR&C is to increase the portfolio of public customers, given the high potential the segment presents in term of labour and income. PR&C's current owner makes any decision in terms of both strategy and of any other decision relevant for the firm's activity, after consulting the employees that have been working at the agency for longer, such as a senior account and the procurement director. However he makes the final decision.

Organisational structure

PR&C presents a functional organisational structure. As figure A1 shows, at the top there is the board of directors, the board chairman and the managing director. Then there are three staff units: job security and human resources, quality, and company secretary. The departments are Public Administration (PA) projects planning department, PA projects execution department, media department, procurement department, private customers department, graphics department, and administration department.

At the beginning, both in the general partnerships and in PR&C there was not a clear division of labour among employees. The account manager¹⁶ did not have any assistant; no member was specifically dedicated to manage of the media plan. Over time, as PR&C's activity grew, the application for ISO certification and personnel turnover brought about some changes in terms of both employees physical location¹⁷ and division of labour.

Currently the board of directors is made up of the two current owners of PR&C. The older brother, Francesco P, is the board chairman. At the same time he is also the project creativity leader. The younger brother, Manuele P, is the managing director and the project execution department director. Job security and human resources department is run by the personnel director. Until 2008 the personnel director was Stefania T, Francesco P's wife. She was in charge of recruiting new organisational members and of organising the annual vacation schedule for employees. At the end of 2008, she left the organisation to start designing and producing costume jewellery. When she left, her brother, Valerio T, who already covered the role of project planner and law expert within PR&C, replaced her.

¹⁶ The account manager is the project manager. She is responsible of project execution. The role is better qualified in the subsection on the department

¹⁷ When the first partnership split up in two, Orazio P and his sons rented another office. When they started collaborating again with Gianni P and Francesca P, they kept the two offices. At one site there were Gianni P and the creative designers. They worked all in one room around the same table, with the owner secretariat on one side. Gianni P knew everything about each employee. At the other site there was the management, the administration department, and the meetings room. Over time all employees moved to one site and PR&C kept the other site as a storehouse. As the number of employees was increasing, the owners of PR&C decided to leave one flat and to rent a larger one. So they rented a flat on the second floor of the same building. In the new flat they located the graphics department, the project planners and the executive accounts. The administration department and the management remained in the flat on the fourth floor. In 2006 they got the chance to buy a flat on the third floor. The executive accounts and the graphics department moved there, together with the procurement department, whereas the project planning department and the media department moved to the fourth floor.

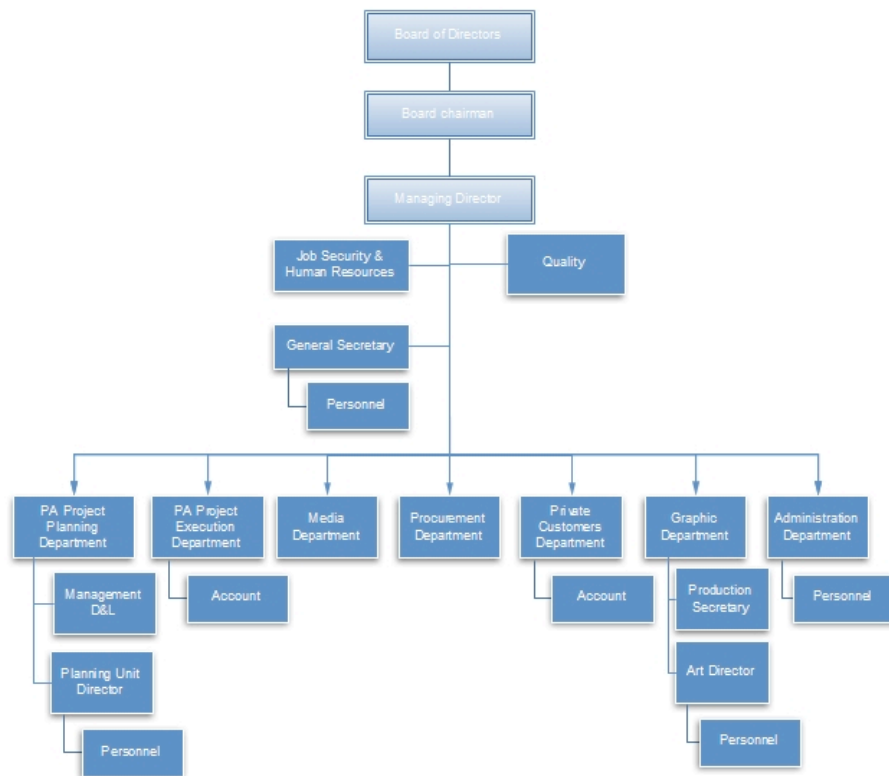


Figure A1. PR&C Organisation chart, as they conceived it for the ISO certification request.

Francesco P appointed the quality unit when he decided to obtain the ISO 9000 certification. The person in charge of the unit is the bidding director, Carla C. The company secretary is the personnel secretary of Francesco P. Each department is articulated as described in the following subsections.

PA project planning department

The department is in charge of developing the projects to participate to the public administrations calls for tenders. Three professional roles make it up. These are: bidding director, project planner, expert on law.

Bidding director

The bidding director monitors the calls for tenders by public administrations, together with a project planner verifies whether PR&C satisfies the financial and technical requisites to submit a project. She puts the bid in progress, by providing the production director with a progress of the department, updated any time a new bid is included because PR&C has decided to participate. She is in charge of the bureaucratic part of the tender, preparing all documents the awarding body requests, and sealing the tender envelopes. If PR&C's tender is successful, she has to prepare the documentation necessary to sign the agreement. She

follows the project until they sign the agreement; when PR&C has to enter into a partnership with one or more other firms, she is in charge of the bureaucratic processes for the partners.

Project planner

The project planner is in charge of writing technical and economic tenders. The person covering this role finds partners in case PR&C does not satisfy the technical requisites the call for tenders requires; assigns the tasks to media department, production and procurement departments and put all outcomes of their tasks together in the final offer.

Law expert

He helps the bidding director prepare the documents for the bureaucratic part of the tender.

Currently in the department there are: a bidding director, three project planners and a law expert.

In 1999, in order to serve a new market segment new project roles emerged; these were the bidding director and the project planner. Initially PR&C's owner did not appoint a specific department. The account managers, which were in charge of managing project execution, started covering these roles. In 2000, 4 employees left unexpectedly. They had been covering respectively the role of bidding director, administration director, graphics department director, and creative/art. They had covertly created a communications agency. This unexpected development caused PR&C's owners to appoint a new bidding director, hire a new project planner and a new executive account manager. The executive account manager (Giulia C) had been working for PR&C as a freelancer for the previous ten years. Furthermore PR&C proved to be successful in participating in public calls for tenders. As the amount of tenders to write increased, it had become clear to PR&C owners that the skills required to write tenders are different from those required to manage the execution of the project. According to Giulia C, "being an executive account manager requires a different *forma mentis*. With a large portfolio of customers like ours, you need to be fast to execute it, you cannot write a project. Writing a project requires concentration and time. The person who manages a tender to respond to a public bid, and here we participate in many calls for tenders, could not handle the execution phase".

At the beginning, among the project planners there was also the current managing director. After a while he did not write the tenders anymore but checked the financial ones.

In 2003 he left the PA project-planning department and became the director of both public and private project execution departments. Over time other people joined the department and left both the department and PR&C

Project execution department

It is the department in charge of managing the execution of private and public projects. It includes the following roles: project execution department director, executive accounts, and interns.

Project execution department director

The department director supervises the work of both senior and junior accounts. He is mainly involved in the projects for private customers.

Account

- Senior

It is responsible for the execution phase of the project, mostly for public ones. The person who covers this role, manages and has responsibility for the project in terms of resources, timing and profitability. As one senior account manager describes it, her main aim is to optimise the budget in order to gain the maximum earnings. She re-plans the services and activities once PR&C or its partnership wins the tender. In project execution, the executive account manager is a figure of continuity and coordination. She interacts with the customers, acquires the customer needs, and assigns tasks and relative deadlines to the involved departments. She has to align the customer needs with the departments' workload. She has to be able to handle schedule changes. According to one of the senior executive account managers, the latter do not have autonomy of decision. They need the approval of the board chairman on both any strategy and any decision.

- Junior

The junior account manager helps the senior account manager in the operations management of public projects and manages private projects with the supervision of the department director. In both cases he or she is in charge of the project operations management. Any junior account manager collaborates mostly with one of the senior account manager or with the department director. However for some projects a senior account manager may rely on a different junior account manager.

Intern

The project execution department hosts temporarily students that join the organisation as interns, usually for several months. He or she helps both junior and senior account manager on tasks such as research over the Internet, recalling, writing documents, organising and managing events.

The department is also in charge of acquiring new customers. In 2008 the person responsible for this was a member of a partner of PR&C. A junior account manager helped him in acquiring new customers. He participated in the execution of public projects, mostly handling the relations with the customer referents, in projects in which PR&C participated as Media.

Originally managing private projects, account managers started handling public projects as well in 1999. When PR&C won several tenders, the owners decided to split the management of private and public projects. They appointed a “sales director”. She managed only projects for private customers with the help of a junior account manager. In July 2006 she left the organisation, and the junior account manager continued managing the projects for some private customers with the supervision of the department director, and the senior account manager started managing projects for other private customers. Personnel turnover has characterised this department over time, mostly in terms of interns and junior accounts managers. In 2008 there were three junior account managers. One of them left in February, another left in December. A man who had worked as an intern the year before replaced the former. He left after some months. Other two junior account managers started working in May 2008. They left respectively in December 2008 and in January 2009. The junior account manager that replaced the former, left PR&C in November 2009.

Media department

This department is in charge of developing and implementing projects’ media plans. Media plan refers to the communication services that rely on mass communication means. These services are spot advertising on radio and TV, billposting, press advertising. It is made up of media planners.

Media planner

It is the role in charge of contacting dealers to ask for availabilities and quotations. The person who covers it interact with concessionaires, newspapers, and magazines, as media

buyers, to book advertising spaces, and develops the media plan according to the customer's requests and available budget. Once the customer approves the plan, she books the slots and asks the procurement department director to issue the order.

The new department was created when the workload for public projects increased. It is made up of two media planners. Initially they were in charge of the same tasks. One of them was the personal secretary of the board chairman. In July 2008 she asked the latter to let her cover the role of a junior account manager. He allowed her to manage some public projects with the supervision of a senior account manager, the one that had been at PR&C the longest. However, she had to continue to supervise her colleague in the media department because PR&C's owner did not trust her. Actually he ordered her to ask for approval from the procurement department director and her colleague authorisation every time she had to confirm a booking. The other media planner had to check the costs she estimated.

Procurement department

It is the department in charge of asking suppliers for quotations and issuing orders during project execution and asking for quotations during the bid. The procurement director runs it. In project execution he asks three suppliers for quotations and orders the service to the one that makes the financially most reasonable quotation. To develop the bid financial offer, he awards the quotation to one supplier and provides the project planner with it. Not all suppliers are available to make a quotation for a bid. The procurement director keeps a file with the orders that updates every time he issues an order indicating number, supplier, service, amount and customer. He uses the file as an archive from which he gets the quotations to provide the project planner with, when he has issued an order similar to the bid request within the previous six months. Originally, Gianna P covered this role. She left in 2000. Since then, the current director has been in charge. He used to send monthly to each account an Excel file with the list of orders that he had made for the projects they were managing, to keep track of projects costs. As he realised that the account managers did not pay any attention to the file, he stopped sending them the file. This occurred in February 2008, when the board chairman assigned him the role of financial director as well. As a financial director, he has to check every quotation and order even those for the media plan. He has developed the above-mentioned file, which helps him to verify that order and invoice amounts match, and to control the project costs.

The board chairman very often asks him to estimate invoicing forecasts for the current year and for next ones as well. Over time he has been asking increasingly often about costs: every day in fact. He always asks him to obtain from suppliers discounts higher than those he can already obtain. He feels great pressure because of such requests. In 2008 he shared the office with the production director in the third floor flat. In September 2008 he was moved upstairs, on the fourth floor, in the office just outside the board chairman's office.

Graphics department

It is the department in charge of developing the creative proposal. Its members elaborate the creative format and apply it to all materials that they have to realise for any project. It elaborates the executive files to give to printing suppliers and the justificatory files to give to the customer to present the financial statement, along with the invoice. Art director, 'art', copywriter, creative strategist and production director are the roles that make it up.

Production director

The production director manages the workload of the department, decides about the priorities among the projects that the department has to work at, and assigns the projects to 'arts' and copywriters, in agreement with the board chairman and the art director, and according to the department availability. She assigns the tasks to 'arts' and copywriters on the base of the brief from project planners and accounts, and gives them weekly briefs on the base of the progress she receives from accounts.

In 2008 the person covering this role shared the office with the procurement department director. In September she moved into the graphics department office.

Art director

The art director is the director of the graphics department. He decides on the graphics in agreement with the board chairman, and technical features for printing of the proposals and materials they elaborate within the department. He is supposed to coordinate and supervise the work of arts, guide and teach them how to work. The person covering this role in 2008 joined PR&C in 1996, working as an 'art'. In 2001 he covered the role of production director. He had to manage timing of the projects in the department and search for suppliers to tell them about the technical characteristics of the materials. Next he was appointed as an art director. Although he is supposed to support and guide arts and copywriters, he actually does the 'art's work. Since January 2009 there is also another art

director who supervises and gives input to both art and copywriters. In May 2009, the board chairman decided that the first art director had to cover the role of production director, as the person covering that role was not performing it in a way that he considered satisfactory.

'Arts' & Copy writers

'Arts' elaborate the graphics proposal, they work with images, whereas copy-writers elaborate texts, in terms of head, sub-head and body copy. This is one of the departments with higher turnover in PR&C. They show constantly the proposals they develop to PR&C's owner who is the project creative leader. This occurs always for bids, and very often for project execution, particularly if the project is public and with high budget. In January 2008 there were 4 'arts' and two junior copywriters. A senior copywriter had left in December 2007. In March 2008 one 'art' left and a new one started working as an intern. In May one copywriter's internship ended and she was not asked to continue working at PR&C. In June 2008, two new 'arts' started working at PR&C as interns. One left in November, the other one is still at PR&C. In the same period a new junior copywriter started working but she left in November 2008. In February 2009 a new copywriter started working as an intern, without the tutoring of any senior copywriter. According to the art director people leave PR&C for two alternative reasons: either PR&C owner or he treat them badly.

Creative strategist

The person who covers the role is in charge to translate communication concepts in images. She needs to take concepts to the visual stage. She works mostly on the bids, acting as an intermediary between the project planner and the 'art'. She works on concepts, elaborating drafts, and then she or the art concretises the creative idea. The role has been introduced in July 2008 when a young creative strategist started working at PR&C.

Web department

Even if the organisation chart does not show it, PR&C has also a web department. It is in charge of creating and updating websites for both public and private customers. Until December 2007 two people made up the department. Then the web director left and the man who worked with him became the new web director and the only member of the department. Because of the high department workload, he requested the board chairman to hire at least one person to help him. In February a new member joined the organisation

and the department as an intern. The web department shares the office with the graphics department.

Administration department

It is the department in charge of invoicing and paying suppliers and corresponding salary to the personnel. One employee handles it, reporting to the financial/economic director.

Personnel turnover interested all departments over time. The main reasons for that according to PR&C employees are very few opportunities of getting promoted and learning. The few opportunities to get promoted are due to the medium size of the firm, and the fact that pay does not increase over time. According to the employees that have been working at PR&C for at least 6 years, PR&C's owner does not give people the opportunity to develop creative ideas. Any time a new creative proposal has to be developed, he gets the idea and he does not approve the work until art and copywriters translate his words in images. Many times, when talking to copy-writers he tells them to write what he is saying. He uses the same approach also with account managers when they have to write to the customer. He dictates what to write. As to the art director, he does not mentor her. The two 'arts' that have been for longer in the department are his brother and another 'art' who handles mostly executive files and last applications of the creative format on project materials. The fact that PR&C owner's does not let 'arts' and copywriters express their ideas and that the art director does not delegate work to 'arts' represent the main reasons why people willing to learn leave PR&C. At a certain point, some PR&C employees started keeping track of the people leaving PR&C, updating each other via email. The email subject was initially "water under the bridge" then "updated list of the fallen", finally "steady trickle". From 2000 to the end of 2007, 52 people left the organisation.

Media

In order to enlarge the projects portfolio, Francesco P, PR&C's board chairman, decided to create a fictitious company to participate in public calls for tenders to which they could not participate as PR&C. By law, firms participating to public calls for tenders financed by the European Union cannot participate in other calls that rely on the same funds. For the fictitious company, they have appointed a nominee who is as sole director.

PR&C's bidding director and project planners work at the tenders to submit, respectively for the administrative, technical and financial parts. In case Media or the partnership win, PR&C employees that the awarding body knows as such¹⁸ cannot interact with the customer representatives. They do back office activities. Employees that the customer does not know do front office, interacting with the customer.

Services and customers

PR&C offers services of corporate communication, events organising, services of support for participating in trade fairs, business-to-business communication, environmental communication, consultancy, media relations, web-site creation and updating, sponsorship, editorial products design and production. It services both private and public customers.

Private customers

Private customers include firms operating in agriculture, motor industry, pharmaceuticals, credit and financial services, manufacturing, fashion, tourism and distribution. They are mainly firms located in the same region, but include also Italian divisions of multinational companies located in other regions. Private customers ask for specific and low budgeted services. Over time the same customer may ask for several services. PR&C usually quotes and invoices each service separately. Projects for these customer start when the customer illustrates either to the project execution department director or to the account its needs and asks for a proposal and the related quotation.

When the customer request is general, the account manager develops the proposal involving only some departments and sends proposal and quotation to the customer. For the quotation PR&C has a form carrying general and payment conditions, which the account manager integrates each time with the details of the service the project is about. General conditions include the statement that the work will start only after that PR&C receives the signed quotation or purchase order. Payment conditions are that the payment is due within 60 days after invoicing. When printing materials are included in the service, the account manager inserts among the service details also the production of printing executive files.

After the customer signs the quotation or issues the purchase order, the executive account manager gives the brief to the internal departments to let them have the details of

¹⁸ The customer may know PR&C employees, namely accounts managers, whether PR&C has already served the customer winning other contracts, or they are located and operate in the same geographical area (city, province, region)

the proposal to complete. At the same time the account manager requests the procurement department to ask suppliers for quotations. To brief the departments the account manager can complete a form, named a “brief”. It contains several boxes in which the person who completes it has to insert respectively the customer’s name, work subject, title of the project, budget, general information on customer and service, communication objective “tone/style/ atmosphere”, desired brand/product image, specific contents to insert in the body copy, any particular indication or restriction, further useful information and what they have to present to the customer, schedule and deadline and brief writer.

Originally the account manager forwarded the brief to the production director and the production director to the ‘art’. According to PR&C owner that was ineffective, as the ‘art’ did not understand the brief, as he did not know the customer. In December 2007 he decided to make the copywriter read the brief and explain it to the ‘art’.

Although the account is supposed to brief the interested departments only after the customer has signed the quotation, she does not wait for it when the customer has a specific request and is willing to assign the order to PR&C anyway, whatever the quotation. If the customer likes the proposal, the account manager asks them either to sign the quotation or to issue the purchase order.

Once the departments and the suppliers accomplish their tasks, the account manager shares a proof of the work with the customer. The customer usually asks for some changes. PR&C refines the developed proposal according to the customer requests and feedback loops start: the account manager forwards to the competent department the customer request for changes, the department makes the changes and the account manager sends the refined proposal to the customer for approval. When the customer approves in black and white the proposal, the procurement director issues the order and the production director sends the executive files to the supplier for printing and, once realized, they send both materials and the relevant files to the customer, usually via courier. Once files are delivered to the customer, the administrative department can issue the invoice. For creativity projects, some customers ask only to develop the proposal and to design the materials, applying on them the creative format. They will assign other suppliers to print the materials. In these cases the administrative department can issue the invoice after the customer has received the printing executive files. The invoice reports customer code and all information needed to proceed with payment. Invoices list the service details that the account has written in the quotation. Invoicing represents the end of the project.

Recently private customers have started asking multiple agencies for quotations in order to receive an offer with a better ratio between quality and budget. In these cases PR&C develops a very general proposal, in order to avoid that the customer makes other agencies realize at a lower budget the proposal they have developed.

Public customers

Public customers include Ministries, local authorities, namely Regions, provincial councils, Municipalities and state agencies. Projects for these customers work on a contract basis. The public body calls for tenders, mostly for integrated communication services. Lately PR&C has also started participating in calls for tenders that foreign countries administrations issue. They include, among the others, China, Andalusia and Morocco.

Integrated communication projects imply the elaboration of a communication plan which targets both all citizens, and specific subgroups, via means of direct communication (these are events, newsletters, brochure, leaflets, fairs, mail) and means of indirect communication, such as mass media and bill-posting, in a systematic way.

Public administrations' calls for tenders may be very detailed in terms of type and number of means to use, services to provide, type and number of professionals that have to make the project team up and the way to present the tender. The call for tender is made up of several documents. These are the call itself, the tender specifications, and tender regulations. The call is the document that the awarding body issues to communicate the intention to contract out information and communication services. Several sections make the document up. Each section provides information on a given aspect of the contract. A section provides information on the body issuing the call: contact details and address where participants can ask for the call documents and send the tenders. A section contains a brief description of the call subject, whether the call is open or limited, the total budget and its distribution among the main services. Another section contains the legal, financial and technical requisites the firm or the partnership has to satisfy to be admitted to participate. Another section, entitled "procedures" mentions the type of award procedure, the criteria of contract award, and administrative indications, such as the deadline to submit tenders, the date in which the administration will send the invitation to submit tenders, who can participate in the offers opening. There is a final section, entitled "other information". It contains indications on whether the tender involves EU funds, the conditions under which the award will occur also in case of a single bid, how they will proceed in case of two equal

offers, to whom and by when the firm or partnership may make a petition, and where it can collect information.

The tender regulations restate the issuing administration, the type of procedure to award the contract, the subject, the total budget and how it is distributed among the main services, who can participate (here it is added that in case of partnership, all the firms that form the partnership have to sign the contract and that in case of award they will respect a given law). This document details the criterion to award the tender. According to the type of procedure (open vs. restricted), the tender regulation also contains indications on the documents that have to be included in the administrative part of the offer, how and by when they have to be delivered.

Tender specifications are in the document regulating several contract aspects, such as subject, financial dimension; contract duration; name of the employee appointed as person in charge of the course; detailed description of the services and relative materials to deliver, with the indication of amount, format and so on; technical characteristics of the actions; ways to execute the assignment; conditions to execute the activities; contractor's responsibilities and obligations; privacy and confidence obligations; responsibilities and obligations related to the business relation; methods of payment and penalty clauses, credits selling; subcontract and contract transfer; cessation; expressed avoidance clause; unilateral escape; controversies; data protection and access to records; data processing; change of the person in charge of the course; expenses; agreement related communications; closing dispositions. Regulating all relevant contract aspects, the tender specification represents the reference to write the contract agreement. In some cases its articles become articles of the agreements as such.

To submit tenders PR&C follows a process made up of five steps: call interception, technical and financial requisites assessment, partners search, putting in progress and bid closure. These are aimed to elaborate a project that satisfies the call requests and that optimizes the financial offer as compared to the budget indicated in the call itself.

Call interception

The bidding director intercepts the calls issued by the public administrations through a search engine. She can search according to specific criteria: areas or subjects, such as fairs, advertising, events, web site, or budget.

Technical and financial requisites assessment

Once a call is found satisfying one or more of the mentioned above criteria, having read all the call documents, the bidding director talks about it to a project planner. She selects the project planner with the lowest workload. She provides her or him with the relevant documents. The bidding director assesses the financial requisites. Examples can be a given total income and a given income in communication. Originally PR&C's owner assessed the technical requisites. The project planner was involved afterwards, when PR&C's owner and the bidding director had already decided to submit a tender. They assessed the criticality of a call after meeting the board chairman.

Lately the board chairman himself decided to involve the project planner because he or she can give a more competent opinion than himself. The project planner assesses the technical requisites. An example of technical requisite can be a previous similar communication campaign in a given region. The project planner assesses the capacity of PR&C to offer the required services and whether they have to look for partners with the requisites they might lack. Other requisites are required by law, such as the impossibility to carry out at the same time two or more projects that use the same EU funds. If an agency does not satisfy the latter it cannot submit a tender. If the project planner and the bidding director think that PR&C can satisfy the required requisites either on its own or entering a partnership, they meet the board chairman and tell him about any criticality of the call and together decide either to participate or not. The board chairman provides them indications on how to proceed in order to avoid or reduce problems.

Partners search

When the call sounds interesting but PR&C does not satisfy alone all requisites, they take into account the opportunity to enter into temporary partnership with other organisations. Both the bidding director and the project planner look for partners according to indications that the board chairman provides them with. In some cases it is the chairman himself to contact possible partners. Once found and contacted the partner with the needed requisites, they agree on which will be the leader and on sharing of tasks.

Putting in progress

Once the requisites are satisfied, either alone or with a partner, and it is decided to submit a tender, the project bidding director "puts the tender in progress" by adding it to the workload of the department. She completes a progress report with the bid information and sends it to project planners, production director, accounts, and project execution department director. The bids progress is an excel file with a table in which the bidding

director fulfils a row for each bid, with information on: timing, administration issuing the call, subject and bid funding, notes that she thinks might be important to keep in mind, where the information is stored over the intranet, budget, duration of the work in case the tender is successful, name and phone number of the reference executive, work team, when they have to start working at the bid and deadline to present it.

The types of services to offer and the repartition of them between the partners determine which departments the project planner has to activate. When PR&C is in charge of developing the creativity proposal, the project planner sends to the production director the brief on the work to do, on the basis of what is required in the call. She uses the same form that accounts use. She activates the media department if PR&C has to develop a media plan or part of it. She activates the procurement department to ask for quotations to suppliers in order to develop the financial offer. The production director assigns the project to creative strategist, copywriter, and then 'art', according to the department workload.

Once the brief is sent, the project planner has a briefing meeting with each department and the board chairman. Board chairman and project planner assess what to do both at strategic and at operations levels. On the basis of the call, the project planner "normally" assesses the proposals suggested during the meeting in order to see whether they are in line with the awarding body request. On the basis of what decided in the meeting, the project planner starts writing the technical offer and the art and copywriter work at one or more proposals. In a successive meeting, board chairman and project planner choose a proposal, and tell to 'art' and copywriter how to improve it. The project planner describes it in the technical offer and the 'art' and the copywriter refine the proposal. When PR&C owner approves it, after several feedback loops, the 'art' prints the graphics book to attach to the technical offer.

As to the media plan, the project planner communicates to the media planner the means that the awarding body has requested in the tender specifications. The media planner contacts the advertising dealers, and verifies availability and quotations of spaces, and develops a table for each means according to the awarding body's request and to the dealers' feedback. In the table she indicates the number and length of spots per each TV and radio channel, number and format of ads per each newspaper and magazine, number and format of posters per each geographical area. In agreement with the owner and the project planner, the media planner may propose means additional to those the awarding

body requested, in terms of types, number, format. The project planner inserts them in the technical offer and quotes them in the financial one.

The technical offer describes the communication plan that the firm or partnership to be proposed to the customer. Over time project planners have developed a database from which they draw the description of the different services that they copy in the offer at hand and adapt. In some cases they pass to each other parts of text via email. The offer is articulated in sections. The first ones report the communication plan aims and strategy. The central sections describe the details of the services they propose according to the requests in the tender specifications. When the tender specification requires it, these sections describe also the way the firm or partners to be will proceed to develop creative materials and manage the relation with the customer while executing project activities.

Attached to the technical offer there is the file of the project work team. It is a table that for each team unit indicates name, role, experience, and responsibility within the project of each member. The CV of each member is attached to the scheme. The units composing the project work team are: coordination and management, communication and creativity contents, organisation and production, planning, press office, events.

The financial offer is an Excel scheme articulated in macro-items and divided in two sections. The project planner reports in the first section human resources costs in terms of working days. Human resources are distinguished in project leader, senior manager, junior manager and staff. The scheme reports a row for each service listing the number of resources of each type, then the total working days and the total amount. Below the human resources section there is a table indicating for each human resource type, total days, unit fees and total fees for the professional level.

Finally there is the section dedicated to external costs. For each macro item the project planner reports quantity, unit cost and total cost. At the bottom of the section there is the total amount of the external costs, and the discount that the agency or partnership to be has done as compared to the auction. It is reported both in percentage and in absolute value.

Along with the financial offer the agency has to present to the awarding body also a word file that justifies the amount of the various macro-items. The project planner writes it as well.

To write the financial offer, the project planner interacts both with the media planner and the procurement department director. The media planner develops and sends to the project planner a scheme availabilities and costs of each means. As to the procurement department director, the project planner requests him for the quotations for example for editorial materials production. The procurement department director provides her with quotations relying on two types of sources. As mentioned above, he either requests suppliers for a quotation, or relies on quotations suppliers provided within the previous six months for similar orders. When he asks for quotation for a tender, he contacts only one supplier. He chooses the supplier among those PR&C regularly retains, according to the type of printing they have to do¹⁹. On the basis of the information gained from the procurement department director, the project planner also completes the internal offer. It is another sheet of the financial offer file, which PR&C does not present to the customer and uses only internally. It helps to quote the services to the customer and monitor mark up. It is a table that for each action reporting quantities, unit cost, total cost, subtotal and notes. In the notes the project planner indicates the supplier who has provided the quotation. At the bottom of the table there is a row indicating the total cost.

When PR&C submits a tender alone, the project planner writes the whole technical and financial offers. When it has to form a temporary partnership, the project planners coordinate with each other on the services and costs sharing and divide between them the parts of the technical offer to write. Each project planner writes her or his own part and shares it with the others. At the end, the project planner of the leading agency puts all the parts together in a unique technical offer. As to the financial offer, each partner works at the financial offer file, as agreed on the sharing of responsibilities and then the project leader of the leading firm verifies that it is as they decided.

While the project planner works at technical and financial offers, the bidding director assembles the documentation that forms the bureaucratic part of the project, with the help of the law expert and of the administration director. When they submit the tender as a partnership to constitute, the bidding director looks after also the documentation regarding the partners, and deals with possible problems they have.

¹⁹ Printing editorial materials can occur via rotatory press or typography according to the number of copies. The former is more adapted for a large number of copies, the latter for smaller number of copies is low.

Given the experience PR&C has accumulated in participating to public calls for tenders, its bidding director is in charge of the bureaucratic part of the tender even if PR&C is not the leading partner. Once she has written the part of the offer she is in charge of, the project planner shares it with PR&C owner. The latter approves it or asks for changes, telling the project planner how to make them. There are several checks while the bid is on progress and a final re-examination before the “closure”. PR&C’s owner also decides whether their financial offer is competitive and for some costs he evaluates how to reduce them, and tells the project planner the amount to insert in the final offer²⁰.

‘Call closure’

Once the project planner has elaborated technical and financial offers, and the bidding director has prepared the required bureaucratic documentation, they re-examine them, and the bidding director closes the call. All the pages of the documents in any envelope have to be rubber-stamped and signed by the legal deputy of PR&C or of the partnership. For PR&C, the bidding director does it. She puts each offer in a different envelope and seals each envelope. The envelope with the technical offer also contains the creativity book. She puts all envelopes within a larger one and seals this envelope as well. Then she delivers the sealed envelope to the public administration that issued the call in the way required in the call. This could be either personally, or via courier, or via mail.

Awarding process

The award of contract occurs through the following process. The awarding body appoints a committee to assess the tenders. As reported in the tender regulations, the committee assigns each tender a total score (maximum 100), by summing the scores of the technical and financial offers. However they open first the envelope with the bureaucratic part in a public session, which the participating agencies may participate in. The date is notified to the participating agencies via fax. The aim of the session is to verify that participants have presented all the required documentation. If it is not, PR&C or the

²⁰ When PR&C’s tender is successful and the account has to redefine the quotation of the services, the account finds difficult to make the offer profitable. In some cases the financial offer, as they submitted it for the bid, reports for the costs to the customer, an amount equal or slightly higher than the amount that PR&C has to pay to their suppliers. In some cases this is due to a mistake the project planner or the media planner made, in other cases it is the owner that presses to reduce the amounts according to his own considerations, not based on any quotation request.

partnership is excluded from the award process. This session is held some days after the deadline to present the tenders.

One of the participating agencies or partnerships is drawn to verify that it possesses the technical and financial requisites. The chosen agency has to provide the committee with all the documents that prove it does.

The second envelope to be open is the one with the technical offer. This session is held privately. As explained in the tender regulations, the committee examines the technical offer of all agencies or partnerships admitted to participate, according to specified technical parameters. For each parameter there is a maximum score.

Finally the envelope with the financial offer is open. The session is open to the participating agencies or partnerships. In this session there is a provisional award of the contract. The final score of the project is determined by the sum of the technical and of the financial offers. The score of the financial offer is given by a formula indicated in the tender regulations.

After the provisional award there are bureaucratic controls and pre-contractual accomplishments. If the successful participant is a partnership to constitute, among pre-contractual accomplishments there is the formal constitution of the partnership.

The awarding process can take up to a year. Each opening section can occur either some days or some months after the other.

Execution phase initiation – handing over

Serving public customers, either PR&C or the partnership interacts with two counterparts, respectively, the political and administrative ones. Political and administrative counterparts may decide together on the content of services and activities in the plan, but the administrative counterpart has formally the last word on the work PR&C does. It is in charge of approving in black and white all services and related materials PR&C proposes them and of authorising the relative invoicing and payment.

In case of local authorities, as the two public administrations involved in this research, the press office of the councillor-ship represents the political counterpart, whereas the director of the area or an executive or a functionary that reports to him represents the administrative counterpart and is appointed as the person in charge of the course. When political and administrative counterparts recognise each other role and agree on how to

divide the tasks between themselves in terms of decisions on contents and approval procedures, the account finds easier to interact with them

Awarded the contract, the bidding director writes down the agreement scheme. She reports in an excel file all details of a project after the awarding and before the agreement signature. The scheme synthesises all agreement aspects. First of all it indicates partners, and the account manager that will manage the project. Then it lists the agreement elements, indicating for each element contents and relevant notes. Agreement elements are: customer, person in charge of the course, executive, subject, auction price, assignment duration, financial offer opening, awarding communication, agreement signature, agreement starting date, bidding phase documentation and bank details. Then there is a section titled prospect, in which the bidding director indicates the offer including VAT, the discount recoupment excluding VAT, the article of the tender specification that rules the contract financial scheme, agreement renewal, and complementary or additional services. Then there is a row for extension opportunities; finally the bidding director reports extracts of the tender specifications. Such extracts are the articles relative to the methods to execute the project, methods of assignment execution, conditions to execute project activities, payments method and penalties, the date in which the bidding director has written it. This scheme represents a guide and a starting point to write the contract agreement.

The project management passes to the project execution department. PR&C owner decides which account manager has to take over the project.

PR&C's owner, the project planning department director, the project planner, and the account manager have a meeting. The executive account manager hands over to the project planner. The latter provides the former with all information and documents necessary to handle the project.

In the meeting there is a first intuition of what the customer needs might be. The handing over becomes formal for the public administration when they sign the contract, and the administration expresses its new requirements.

Partnership formalization

When PR&C submits a tender as a partnership, after the award of the contract, partners have to formalise the partnership before signing the contract with the customer. This occurs before a notary either via a deed under private seal or via a public act. With the

partnership agreement the partners divide tasks and budget between them, as well as the responsibility for any non-fulfilment of a task.

While the contractors formalise their internal relations, the awarding body appoints the person in charge of the course if they had not appointed him or her when issuing the call.

Agreement signing and new customer's needs acquisition After handing over, and, in some cases, formalising the partnership, PR&C meets the customer. This usually occurs at the awarding body's site. The aim of the first meeting is to meet the awarding body referents and the person in charge of the course. If they have completed pre-contractual accomplishments by then, the contractor and the awarding body sign the agreement concomitantly at the first meeting.

As a senior account manager emphasised, for PR&C it is fundamental to sign the contract to start project activities, safeguarding PR&C's interest. It is also important that before starting the project activities, the awarding body appoints the person in charge of the course. As above-mentioned, the latter covers an important role. He approves the action plan, both in terms of technical proposal and relative quotation, the characteristics of any material that the contractor proposes and sends to printing. The person in charge of the course can refuse to authorise payment for any material or service that the contractor delivers without his approval.

Having signed the contract, the customer and the contractor have a briefing meeting. The customer expresses its new needs compared to the ones mentioned in the call. The starting point is represented by the tender specifications and the technical offer PR&C or the partnership presented in the bidding phase. They define new objectives according to new needs and possible new scenarios. The customer may give priority to some services and initiatives in the plan rather than others. According to the project execution department director and the account managers, changes in customer's needs are very likely due to the amount of time that has passed since the customer has issued the call for bids. The customer can have more specific needs than those mentioned in the call. In some cases they can ask to target a particular subgroup or to elaborate creativity ex novo, ignoring the one presented in the tender. Usually at the first meeting with the customer also the board chairman takes parts, mostly if it coincides with the contract signature.

Re-planning

Within 24 hours after the meeting, the executive account manager writes down a report in which she writes what they have agreed. The customer is supposed to approve it. PR&C has a form for the meeting report for both internal meetings and meeting with the customer. It has the same template of the brief. It reports first who attended the meeting and then what decisions they made. However the accounts do not use this form very often. They rather prefer to send to the customer an email in which they summarise the decisions they made at the meeting.

Even without customer's approval, the executive account manager starts writing the action plan, on the basis of the meeting and of the related report. In some cases, the call for tenders itself requests the awarded agency or partnership to draw up an action plan, within 30 days from the contract signature. The action plan replaces both technical and financial offers, once the customer approves it. The action plan represents an updated version of the technical offer. The new customer's needs may involve a substitution of one or more services in the technical offer with another that has the same function. The account manager reports the substitutions, which at PR&C they call "osmosis", in the action plan. The action plan is made up of a descriptive part, in which the account describes the details of the services agreed with the customer and possible osmosis, and a table reporting the quotation of those services articulated per macro-items. In the case of partnership with other agencies, the executive account manager of each partner writes a part of the plan and the account manager of the leading firm assembles them in a unique document. The action plan contains all services and activities to deliver and the relative timetable.

In case PR&C or the partnership cannot meet the deadline for submitting the plan, the customer can issue an attested affidavit that permits PR&C or the partnership to proceed with the activities and services in contractual delay. This is likely to occur when the schedule of some activities coincides with the delay period and the customer wants to undertake them in that period. The affidavit by the awarding body, assures PR&C the payment of the services offered before signing the contract.

Works start

When PR&C or partnership presents the action plan to the customer, the person in charge of the course examines it. If he or she approves the action plan and signs it, work can start. If the person in charge of the course does not approve the action plan, the

account manager has to change it. If changes are in line with the tender specifications, then PR&C has to make them. If changes are not in line with the tender specifications and PR&C is not able to provide the requested services because they are too expensive or too complex to complete, they can negotiate with the customer and reach a compromise, proceeding to make further “osmosis” between two or more services with the same aims or functions. After receiving the customer feedback, the account manager talks about their requests with PR&C’s owner in order to decide how to face them. According to what they decide, the account manager changes the action plan and shares it again with the person in charge of the course. She can anticipate the change via a phone call to see whether the customer can accept the change before she actually updates the plan. Then she sends the action plan via email or meets the person in charge of the course. According to the action plan timetable, when the time to provide one or more services approaches, the account manager asks the customer for a briefing and activates either internal departments, or suppliers, or partners accordingly. She provides the departments with the brief on the work to do either sending them the brief form with the info on the service, either via email or explaining in an email or in a meeting the work to do.

The brief contains the strategy, the objectives of creativity and the style. Whereas project planners and junior account managers tend to use PR&C’s form for giving the brief to the graphics department, senior account managers prefer to rely on briefing meetings or emails. Although the brief contains information interesting to the media and the procurement department, both account managers and project planners tend to send it to the graphics department only. They meet with and write emails to the former.

At the end of the each week the account manager inserts the work to do on the project in the progress to send to the production director to let her know the work the department has to deliver for the projects she is handling within the following week. The progress is a word file reporting a table. Each row regards a different project. For each material there are cells respectively for the deadline to examine it internally, to present it to the customer.

Until March 2007 there was not a form to track the progress. Account managers informed the production director via email. They indicated in the email text what they needed on different projects the graphics department to produce the week after. In 2007 the PR&C owner involved in the agency management a professor as a consultant in order to change organisation of labour to make it more efficient and effective. Progress came out of such involvement. When the professor left PR&C at the end of the year, only one junior

account manager continued using the form for the progress. The other account managers relied on the email text.

While the bidding director is very reliable in sending the progress to the production director, the account managers are not as disciplined. Each Thursday, the production director sends them an email reminding that they have to send the progress report. Not all account managers comply with her request. This makes it difficult for her to plan the workload of the department and assign works to 'arts', creative strategist and copywriters.

According to the received progress files, the production director plans the department workload and assigns the work of the project to art and copywriter. If the department is working at other projects and does not have resources to assign to the project, according to the schedule the executive account manager fixed, the account manager has to revise the deadlines, trying to negotiate new deadlines with the customer.

For each service included in the project, the account manager activates internal departments. The procurement department asks the supplier for quotations and the media planner develops the media plan contacting the relevant dealers. The creative department develops one or more creative proposals. The account manager forwards to the customer media plan and the creative proposals. The customer may approve one of the proposals or ask for changes. Written customer approval is necessary for the media planner to book the spaces. The approval of the creative proposal implies the application of the creative format to all materials to deliver. For any application the customer has to provide written approval. In case the customer requests changes, the graphics department makes such changes. Once the customer approves in black and white the application, the material can go to printing. The 'art' makes the executive file of the material and saves it over a CD ROM, which the production director gives it to the printing supplier. Before saving the executive file over the CD ROM to give to the supplier, the production director prints a copy of it and asks the account to check and approve it, by signing the copy. The supplier completes the materials and sends it to PR&C. Then PR&C delivers it to the customer via courier or brings them to the event, when the materials are to be used at an event. When the material to print is made up of posters, PR&C handles the delivery to dealers or posting office of municipalities. If the account manager does not check the materials and sends them to printing, relying only on the political counterpart approval, without waiting for the administrative one, the person in charge of the course can refuse to authorise payment if he or she detects mistakes in the materials.

Invoicing/payment

Public projects invoicing occurs per work progress made. In the action plan, the contractor divides the entire project schedule in two or more periods. In some cases each period is of six months long. In other cases, it can be longer or shorter. Periods can have different lengths. At the end of each period the contractor invoices to the customer all the services they scheduled and offered during the period itself. At the end of the period they may have not offered all the services scheduled. They postpone what they have not accomplished to the successive period.

Invoicing is a bureaucratic process, which implies collecting samples of the delivered materials to attach to the invoice itself. When it is time to invoice, the executive account manager agrees with the person in charge of the course how to proceed. The person in charge of the course may request samples of the materials in a given format or number. Then the account manager activates the necessary departments. These are: the graphics department, the administration department and, in some cases, partners. The account manager informs the administration department director on which services he has to include in the invoice and asks him to issue the invoice. The account manager asks the production director to prepare the “justificatory samples” of all materials produced in the period, to assemble and print a pictures book (if they have organised one or more events in the period) and to burn the “justificatory files” CD. She also asks them to prepare a cover for any of them. She prepares the documents to attach to the invoice: a transmission letter and a final report of the performed activities. The final report describes the services that PR&C has undertaken in the relevant period. It is the ex-post version of the action plan. It describes also any variant that the customer and PR&C have agreed upon after the action plan approval.

In the end she assembles documents and materials, attaches them to the invoice and gives everything to the person in charge of the course. The person in charge of the course checks materials, documents and invoice and if everything is ok, gives his or her authorisation to proceed with payment: he or she draws up a document in which he or she states that the contractor has provided the services according to the call and the action plan. The person in charge of the course sends the invoice to the public administration accounts office. The latter proceeds to liquidate the payment.

When a project for a private or for a public customer is over, the ‘art’ burns on a DVD the finished files. The DVD remains on the ‘art’s desk with the DVD of the other projects

the 'art' has worked on. As one 'art' noticed, it is better to burn the DVD as soon as the project is over for two reasons. If he does it soon, then he does not have to go and look for the files on the PC in later. Furthermore the hard disk can spoil and the work gets lost. Once a year an art takes all DVDs and catalogues them using a program called "CD finder". CD finder assigns a number to the DVD and detects the files it contains. In a unique file the program catalogues the works produced for the customers in a given period with the list of the delivered materials. The 'art' writes on the DVD cover the number that the program has assigned to it and stores the DVDs in a rack in progressive order. When they have to undertake a product for the same customer or a similar product for other customers, the 'art' makes a search in the file in the CD finder, identifies the DVD he needs and goes and takes it in the rack. Once finished he puts it back.

Along with the digital archive, justificatory samples of the materials realised during the project are kept here and there in the agency.

Finally at the end of the project, PR&C stores projects documents and materials over an intranet. It is made up of two main sections: one is named firm's data and the other is named Mac. Firm's data is articulated in two main folders, one containing documents and materials of closed public projects and one containing documents and materials relative to private projects and to public projects still underway. The second folder is organised in private and public areas. In the public area there are two folders for each customer, one relating to the bidding phase and one relating to the execution phase, in case of contract awarding. The folder for the bidding phase contains two folders; one contains the documents that the awarding body issues, the other contains the documents pertaining to the administrative part of the offer. It contains also the documents of technical and financial offers with relative attachments. When the contract is awarded, the bidding director creates another folder in the folder of the bidding phase in which she saves all the documents concerning the agreement. Just before signing the agreement the bidding director creates another folder, named definitive documents, from which the account draws documents and information on the customer. The bidding director copies this folder also in the folder relative to the execution phase in which the account saves all documents and files realised while executing project activities. One of the first files to appear in the folder is the useful number one. The account manager saves in it contact details of the customer and suppliers' referents.

Both for public projects lasting longer than one year and for private projects undertaken over time for the same customer, services offered within one year are saved within a folder named with the year they refer to. All employees can access the firm's data folder, apart from arts, copywriters and creative strategists.

The other section of the intranet, named Mac, is made up of as many folders as the employees working at the firm. Each folder carries the employees' name. Both the employee and his or her colleagues use it to save documents and files that he or she needs or that they need. This part of the intranet is an alternative to email in transmitting files. The use of one or the other depends both on the employees' attitude and on the dimensions of the files to exchange.