Master Degree Project in Management

Managing an Environmental Jolt

A Case Study of How a Swedish SME Made Sense of a Sudden Increase in Demand from the Global Covid-19 Pandemic

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Abstract

In today's society organisations frequently have to cope with and respond to unexpected events. This study aims to investigate how a sudden increase in demand from an environmental jolt, in this case, the global Covid-19 pandemic, was managed by a Swedish small and medium-sized enterprise (SME). To investigate this, the study examines how the organisational members made sense of and acted upon this event, through the lens of the sensemaking perspective. The study is based on a case study in which 25 qualitative interviews with organisational members from different hierarchical levels were conducted. The study shows that central for managing a sudden increase in demand from a jolt is the ability to; update previous sensemaking, provide meaning by drawing on cultural values and engaging in bricolage. The overall conclusion is that the sudden increase in demand was not an opportunity or challenge per se, rather as a result of how it was made sense of and acted upon, it was turned into an opportunity. The study contributes by illustrating how organisational responses to these types of jolts can be understood. The study also responds to the call for more research about when and how updating of sensemaking is achieved in practice. As a secondary contribution, the study provides insights about rapid growth during a shorter period than is traditionally investigated.

Keywords
Environmental Jolt, the Covid-19 Pandemic, SME, Sensemaking Perspective, Collective Sensemaking, Prospective Sensemaking, Culture, Improvisation/Bricolage, Updating

Introduction

Over the years, the increased pace of technological, socioeconomic, political, natural and regulatory changes, have led to an increase in the occurrence of unanticipated, anomalous and disruptive environmental events (e.g. Weick & Sutcliffe, 2007; Paul & Chowdhury, 2020a or Meyer, Brooks & Goes, 1990). Additionally, in today's globalised society, supply chains and economic systems are increasingly interconnected and integrated, therefore, these events frequently transcend national borders and disseminate globally (Dyson, Bryant, Morecroft &

O'Brien, 2007; Hudecheck, Sirén, Grinchnik & Wincent, 2020). Today, organisations frequently have to cope with and respond to unexpected and surprising events and how they respond commonly affect their performance (e.g. Weick & Sutcliffe, 2007; Smith, 2016 or Meyer, 1982). As a consequence, studying the impact of these events and how organisations respond and manage them is essential.

These unexpected and sudden external events have been defined in different ways, for instance as external shocks (Chakrabarti, 2015; Morgan, Anokhin, Ofstein & Friske, 2020), changes (Audia, Locke & Smith, 2000; Haveman, 1992) or crises (Weick, 1988). Another common definition is environmental jolts (Meyer, 1982; Fainsmidt, 2014; Sine & David, 2003; Wan & Yiu, 2009). Environmental jolts are commonly defined as " (. . .) transient perturbations whose occurrences are difficult to foresee and whose impact on organisations are disruptive and potentially inimical" (Meyer, 1982, p. 515). Jolts can differ in magnitude and vary from shorter occurrences to events with longer implications, yet what they have in common is that they are transient (Bradley, 2015; Meyer, et al., 1990). Prior research have discussed jolts in the form of strikes (Meyer, 1982), crises (Fainsmidt, 2014; Wan & Yiu, 2009), deregulations (Sine & David, 2003), natural disasters and tax hikes (Bradley, 2015), to name a few. This study investigates the unexpected and anomalous event in the form of the Covid-19 virus in 2019. According to these previous sources, Covid-19 can be defined as an environmental jolt.

Previous studies have discussed how the unexpected and disruptive character of jolts can generate challenges for organisations (Liu, Hung & Chu, 2007), for instance, reduce stock returns (Paul & Chowdhury 2020a), make it challenging to adapt (Meyer et al., 1990), lead to a shortage of key resources (Morgan et al., 2020) and lower demand (Chakrabarti, 2015). However, previous studies have also described how these events can create opportunities for organisations (e.g. Haveman, 1992; Morgan et al., 2020 or Wan & Yiu, 2009). For instance, Sine and David's (2003) study, where they took a field-level perspective, showed how jolts can question and challenge taken-for-granted practices and became a motivation for evaluation of current logics, which can create opportunities for entrepreneurship. Similarly, Wan and Yiu's (2009) study suggested that organisations that conducted acquisitions amid jolts, for instance, as a result of their access to slack resources, experienced better performance. Other studies have shown how disruptive and unexpected events can be a stimulus for innovation that enable organisations to seize and exploit the effects generated from unexpected events (e.g. Morgan et al., 2020 or Liu et al., 2007). However, there are also studies that have emphasized the role of framing and interpretation and argued that unexpected environmental occurrences are neither challenges nor opportunities per se (e.g. Chattopadhyay, Glick & Huber, 2001 or Papadakis, Kaloghirou & Iatrelli, 1999). Based on this overview, more studies are needed about how to manage situations in which unexpected environmental events, such as jolts, generate sudden demand increases of existing products or services (Paul & Chowdhury, 2020b). Hence, this type of jolt will be the focus of this report.

Even though more research is needed about how organisations manage these situations, research about rapid growth provide some valuable insights about common challenges experienced during rapid increases in sales (Demir, Wennberg & Mckelvie, 2017; Barringer, Jones & Neubaum, 2005). For instance, rapid increase in sales can cause internal frictions,

generate needs of extraordinary resources and lead to strained economic cash-flows (Nicholls-Nixon, 2005; Hambrick & Crozier, 1985). However, many past studies have defined rapid growth as a period of three to five consecutive years (e.g. Senderovitz, Klyver, & Steffens, 2016; Chan, Bhargava & Street, 2006; Nicholls-Nixon, 2005 or Feeser & Willard, 1990). Consequently, due to the shorter time spans and the transient character of jolts, the rapid growth research provides inadequate insights for organisations that experience a sudden increase in demand from an environmental jolt.

Based on the above overview, more research is needed about this particular type of jolt, but also how to manage rapid increases in demand during shorter periods that are transient. To contribute to these research fields, the aim of this study is to investigate how a sudden demand increase from an environmental jolt, in this case the global Covid-19 pandemic, is managed. The Covid-19 virus is a contagious virus that was first detected in Wuhan in China and was in 2020 officially classified as a pandemic (WHO, 2020). In March 2021, it had caused the death of approximately two and a half million people worldwide (SVT, 2020). Even though the pandemic has caused major challenges for many organisations, panic buying, hoarding and changes in consumption patterns have contributed to the generation of sudden demand increases for many companies (Lufkin, 2020; Paul & Chowdhury, 2020b). Industries such as online retailers, the healthcare industry and the pharmaceutical industry have all experienced these kinds of major demand increases (CNN Business Staff, 2020; Paul & Chowdhury, 2020a; Paul & Chowdhury, 2020b). In some instances, these sudden demand spikes have been overwhelming and made it challenging for many companies to respond to them (Paul & Chowdhury, 2020b).

To investigate how the sudden demand increase from Covid-19 was managed, the study examines how the organisational members made sense of and acted upon this event. The study is, therefore, based on the sensemaking perspective, which facilitates the understanding of how people understand and provides meaning to disruptive and equivocal occurrences, for instance, generated from environmental jolts (Brown, Colville & Pye, 2015; Maitlis & Christianson, 2014). Christianson and Barton (2021) argue that due to the novelty and complexity of the global Covid-19 pandemic, sensemaking has never been so important but also so challenging to achieve. By focusing on how organisational members made sense of this jolt, the study underscores the role of framing and understanding, hence it takes as a point of departure that external events are neither challenges nor opportunities per se (e.g. Chattopadhyay et al., 2001 or Papadakis et al., 1999). This study intends to answer the following research question: *How is a sudden increase in demand from an environmental jolt managed?*

This study begins by presenting the sensemaking perspective. Thereafter, the methodology section describes how the study was conducted and important methodological choices. After that, the empirical findings are presented. Subsequently, in the discussion section, sensemaking is used for analysing the empirical findings. The study ends with presenting the conclusions of the study.

Theoretical Framework

Introducing the Sensemaking Perspective

Sensemaking is an influential perspective within organisational studies (e.g. Maitlis & Christianson, 2014; Brown et al., 2015 or Sandberg & Tsoukas, 2015) that has been applied in many different theoretical fields such as change management, strategy and crisis management (e.g. Balogun, 2007; Konlechner, Latzke, Güttel & Höfferer, 2019; Sherman & Roberto, 2020, Giuliani, 2016 or Weick, 1993). Even though there is no definitive definition of sensemaking (e.g. Brown et al., 2015; Stieglitz, Mirbabaie & Milde, 2018), there is a general agreement that sensemaking could be described as the process in which people endeavour to make equivocal, novel and uncertain events comprehensible (e.g. Maitlis & Christianson, 2014 or Weick, 1995). Hence, sensemaking is triggered in situations where peoples' expectations deviate from how the world manifests (Weick, 1995). These situations disrupt ongoing processes, procedures and understandings and become an impetus for sensemaking efforts that aim to restore order and facilitate the creation of meaning (Weick, 1993; Weick, Sutcliffe & Obstfeld, 2005). Moreover, peoples' sensemaking can be disrupted several times during the same event (Maitlis & Christianson, 2014).

In this study, sensemaking will be used as a heuristic for understanding how people within an organisation made sense of and acted upon an unforeseen and sudden demand increase from an environmental jolt. This theoretical framework, therefore, begins by describing the seven properties that form the basis for sensemaking. Furthermore, collective sensemaking has been recognised as important for organisations ability to respond to unexpected events (e.g. Boin, 2008; Maitlis & Sonenshein, 2010 or Sherman & Roberto, 2020). Hence, the section proceeds by describing three factors that have been recognized as facilitating collective sensemaking, namely prospective sensemaking, culture and improvisation. The section ends with presenting challenges with collective sensemaking and how these can be managed.

The Seven Properties of Sensemaking

Karl Weick, commonly defined as the founder of the sensemaking perspective, defines sensemaking as a process consisting of seven interlinked and interrelated properties (e.g. Weick, 1995; Sandberg & Tsoukas, 2015 or Brown et al., 2015). The first property is *identity construction* (Weick, 1995). Identity is the perception of who we are and what or who we represent. It serves as guidance for people and affects how they engage with and interpret the world (Weick, 1995; Sandberg & Tsoukas, 2015). Secondly, sensemaking is *retrospective,* which means that to make sense of the present, people draw on their experiences from the past (Weick, 1995). Thirdly, sensemaking is about *plausibility* rather than accuracy (Weick, 1995). *Plausibility* facilitates the fourth property, which is *enactment*. Enactment emphasises the importance of action and highlights that sensemaking cannot be equated with interpretation (Weick, 1995). In contrast to interpretation, enactment does not take as a point of departure that there is a world that can be understood, instead, people are active in the construction of the world in which they are embedded (Weick, 1995; Weick, 1988). By acting, people develop understanding and create conditions that can both constrain and facilitate their further actions

(Maitlis & Christianson, 2014; Weick, 1988; Weick, 1995). Furthermore, when people act they generate *cues*, which is the fifth property. People ongoingly extract cues from the environment that they combine and conjoin to facilitate the creation of meaning (Weick, 1995). Moreover, the sixth property states that sensemaking is *social* and constructed in interactions with others, therefore sensemaking is not merely an individual process influenced by individuals experiences, background and interests (Maitlis & Christianson, 2014; Weick, 1988; Weick, 1995). This is also underscored by Weick (1993), who states that social interaction facilitates peoples' ability to make sense. Seventhly, sensemaking is *ongoing* and has no start or endpoint (Weick, 1995). In the upcoming part, the role of collective sensemaking when responding to unexpected events will be described.

Collective Sensemaking

Collective sensemaking has been recognised as vital for coordination and collaboration among organisational actors (Maitlis & Sonenshein, 2010). Collective sensemaking has, therefore, been described as important to respond to unexpected and sudden events (e.g. Boin, 2008; Maitlis & Sonenshein, 2010 or Fellows & Liu, 2016). Since sensemaking is both an individual and a social process, differences in experiences, interests and positions among actors involved in the sensemaking process imply that sensemaking is best described as a process of negotiation and contestation (Maitlis & Christianson, 2014). Collective sensemaking can, therefore, be challenging to achieve, especially during crises and changes (Maitlis & Sonenshein, 2010). There are, although, factors that can facilitate collective sensemaking. Three such factors are prospective sensemaking, culture and improvisation, which will be outlined in the subsequent parts of this section (e.g. Gatzweiler & Ronzani, 2019; Ravasi & Schultz, 2006 or Boin, 2008).

Prospect Sensemaking

Prospective sensemaking is a factor that can facilitate collective sensemaking by facilitating the development of a shared vision of a future state (Gatzweiler & Ronzani, 2019). Traditionally, the sensemaking perspective has put a major focus on retrospective processes (Weick, 1995). However, today sensemaking is increasingly being recognised as a prospective or future-oriented process as well (e.g. Stigliani and Ravasi, 2012; Gioia, Corley & Fabbri, 2002; Sandberg & Tsoukas, 2015). A common definition of prospective sensemaking is that: "prospect sensemaking is aimed at creating meaningful opportunities for the future. In a loose sense, it is an attempt to structure the future by imagining some desirable (albeit ill-defined) state" (Gioia & Mehra, 1996, p.1229). As stated by Gioia and Mehra (1996), prospective sensemaking does not provide a guide for how to achieve a certain outcome, rather it is the very envisioning of a future desirable state that forms the basis for action. In that way, prospective sensemaking can contribute to groups' collective sensemaking about a desired, yet imprecisely defined future state (Gatzweiler & Ronzani, 2019). Prospective sensemaking is a way to revise the past proactively and to project the future through thinking of the future in past tense (Gioia, Corley & Fabbri, 2002).

Prospecting sensemaking requires that organisations acknowledge the insufficiency of the existing knowledge structures (Stigliani & Ravasi, 2012; Gatzweiler & Ronzani, 2019). When new situations occur and trigger sensemaking, the existing mental structures are no

longer suitable to explain the new situation. Furthermore, sensemaking can also be challenged when disrupted by a sense breaker that provides contradictory evidence and cues, which is referred to as sensebreaking (Pratt, 2000; Giuliani, 2016). Sensebreaking is connected to the concept of sensegiving, which describes how people purposefully provide new meaning to others (Maitlis & Christianson, 2014; Giuliani, 2016). Consequently, new structures need to be constructed or new linkages among the existing structures need to be created (Stigliani & Ravasi, 2012). This is a process that is challenging and demanding for managers who try to navigate between emergent cues, retrospective experiences and the construction of the desired future situation (Gatzweiler & Ronzani, 2019). Companies need to revise their history so that they are consistent with how they see themselves in the present and who the organisation wants to be seen as in the future (Gatzweiler and Ronzani, 2019; Gioia, Corley and Fabbri, 2002). However, the past comes with baggage and heritage. Hence, revising and getting people on board in re-labelling core labels of culture and identity, that has been part of the organisation for many years, is often painful, frustrating and in the majority of cases a slow process (Gioia et. al, 2002). Re-labelling protects continuity with the past while the leader prepares the organisation for a different future (Gioia et al., 2002).

The role of prospective sensemaking and sensegiving is, for instance, described by Konlechner et al. (2019), who found that during an organisational change the disparity between former expectations and the current expectations led to ambiguity. The ambiguity occurred due to new cues and negative challenges faced in the change process. However, Konlechner et al. (2019) describe that if there is tolerance among the members towards a shared and envisioned preferable future state, this prospective sensemaking will facilitate further actions (Konlechner et al., 2019). Subsequently, a second factor that can facilitate collective sensemaking, namely culture, will be discussed.

Culture

Culture has been recognised as contributing to collective sensemaking by influencing how identities are constructed and developed (Ravasi & Schultz, 2006; Maitlis & Sonenshein, 2010, Sherman & Roberto, 2020; Fellows & Liu, 2016). As described previously, identities guide peoples' sensemaking processes (Weick, 1995). Therefore, by influencing identity construction, culture affects how people interpret and understand their environment (Weick, 1995). Even though culture lacks a common definition, it can be described as collective and accepted beliefs that guide and coordinate actions and perceptions of organisational actors (e.g. Weick, 1987; Ravasi & Schultz 2006 or Sherman & Roberto, 2020). Culture is often constituted and preserved by shared stories, values and beliefs, hence it can provide clarity regarding expectations and act as a frame of reference for decision-making (Weick, 1987).

However, identities are not stable and permanent constructions (Weick, 1995). Ravasi and Schultz (2006) describe that external changes can challenge and threaten organisational identities. In these situations, organisational culture, in the form of shared history, symbols and practices, can provide cues for how to re-establish identity (Ravasi & Schultz, 2006). The implications of that culture influences how people construct and define their identity is that initiatives or responses to unexpected events are more likely to be perceived as plausible among organisational members when these are anchored in the organisational culture (Sherman &

Roberto, 2020; Ravasi & Schultz, 2006). As a consequence, collective sensemaking is facilitated when responses and actions amid an unforeseen environmental event, are anchored within the organisational culture (Sherman & Roberto, 2020; Ravasi & Schultz, 2006). Based on the above description, it is evident that culture facilitates collective sensemaking. What follows is a description of how a third factor, namely improvisation, with its emphasis on how understanding emerges from actions, can facilitate the collective understanding of equivocal situations (McDaniel, 2007; Weick, 1998).

Improvisation

Improvisation can be described as the capability to respond to situations as they unfold without having pre-prepared plans. A concept that is often used with or interchangeably with improvisation is bricolage (Pina e Cunha, Vieira da Cunha & Kamoche, 1999; Weick, 1993). Bricolage is defined as the capability to make use of available resources and based on these create a response to an event (e.g. Weick, 1993; Pina e Cunha et al., 1999 or Roux-Dufort & Vidaillet, 2003). When engaging in bricolage, understanding is generated from actions, hence bricolage has been recognised as essential when experiencing unexpected events (McDaniel, 2007; Weick, 1998). As a consequence, organisations that manage to engage in bricolage can draw on resources, intellectual as well as material, available and in that way facilitate the development of order and collective sensemaking (McDaniel, 2007; Boin, 2008; Weick 1993).

Improvisation and bricolage are triggered by unexpected events and changes that give rise to a sense of urgency (e.g. Pina e Cunha et al., 1999; Bechky & Okhuysen, 2011 or Rankin, Dahlbäck & Lundberg, 2011). However, that is not enough, organisations must also consider the event important for improvisation to emerge (Pina e Cunha, et al., 1999; Roux-Dufort & Vidaillet, 2003). Numerous organisational characteristics and factors have been proposed as facilitating improvisation. For instance, in-depth expertise about materials and tasks (Weick, 1993; McDaniel, 2007). Additionally, broad knowledge about different organisational tasks and processes as well as comprehensive understanding of how organisational processes are interlinked and interrelated has been recognised as facilitating organisational actors' ability to make sense of different roles and to improvise (Bechky & Okhuysen, 2011). This is further dependent on the ability to work as a team, trust among organisational members (Weick, 1993) and shared organisational goals (Crossan, 1998). In the last section of this theoretical framework, challenges with collective sensemaking and how these can be managed will be presented.

Challenges with Collective Sensemaking and the Importance of Updating

As previously described, collective sensemaking can facilitate coordination and shared understanding which enhances organisations' ability to respond to unexpected events (e.g. Boin, 2008; Maitlis & Sonenshein, 2010 or Fellows & Liu, 2016). However, collective sensemaking is also associated with challenges (Maitlis & Sonenshein, 2010). For instance, initial shared expectations can be difficult to change (Sutcliffe & Christianson, 2011; Christianson, 2019) and actions needed might not resonate with the collective identity or organisational norms (Weick, 1993; Maitlis & Christianson, 2014). Additionally, homogenous interpretation and extraction of cues can generate blind spots (Maitlis & Sonenshein, 2010) and

when these are acted upon they can turn into self-fulfilling prophecies (Weick, 1988). These challenges can be mitigated if organisations engage in updating, which is vital to manage unexpected events (Sutcliffe & Christianson, 2011). Updating refers to organisations' ability to amend and adjust sensemaking (Maitlis & Sonenshein, 2010; Christianson, 2019; Sutcliffe & Christianson, 2011). However, updating is often taken for granted and there is limited research on how and when updating is achieved in practice (Christianson, 2019). What has been described is that updating is often dependent on that something trigger organisations to question their understanding (Christianson, 2019) and that there is a willingness among organisational members to alter their sensemaking (Maitlis & Christianson, 2014). Christianson (2019) states that organisations that succeed with updating during unexpected events manage to find a balance between ordinary activities and updating activities. They do not disregard the updating activities in favour of ordinary activities, even though these activities tend to be perceived as more urgent in these situations. When updating is achieved, organisations often face the challenge of ensuring that the re-evaluated sensemaking is anchored and conveyed throughout the organisation so that not only some parts of the organization update their sensemaking (Maitlis & Sonenshein, 2010).

To summarize this section, the section began by describing how sensemaking can facilitate the understanding of how organisational members make sense of and act upon unforeseen events. Thereafter, the section proceeded by describing the role of collective sensemaking in responding to unexpected events and how prospective sensemaking, culture and improvisation can facilitate collective sensemaking. The section ended by describing challenges with collective sensemaking and the importance of updating for managing these.

Methodology

The Setting and Introduction of HealthCorp

This study aims to investigate how an organisation managed a sudden increase in demand from an environmental jolt, in this case the global Covid-19 pandemic. In 2020 the World Health Organisation (WHO) declared Covid-19 a Public Health Emergency of International Concern and officially classified it as a pandemic (WHO, 2020). During the pandemic, the case organisation in this study, hereafter referred to as the pseudonym HealthCorp, experienced an unforeseen and sudden increase in the demand for certain products with over 500 per cent. At the end of 2020, HealthCorp had managed to increase its overall turnover by more than 50 per cent. HealthCorp is a well-established manufacturing organisation that is owned by a family-owned business group. The organisation operates in the healthcare industry and has a broad product portfolio consisting of various premium products. HealthCorp sells primarily through distributors to business customers operating in different sectors. Their production and head office are both located in a city in Sweden with approximately 4000 to 6000 inhabitants. HealthCorp has approximately 65 employees, hence they fulfil the European Commission's (n.d.) definition of a small and medium-sized enterprise (SME). According to the European Commission (n.d.), 99 per cent of all businesses in the EU are SMEs. SMEs have a vital role in economic growth and job creation (Lim, Morse & Yu, 2020). Therefore, by investigating how an SME managed a sudden demand increase from an environmental jolt, this study provides

valuable insights for a large number of companies and has broader relevance for the development and wealth of society.

Methodology of the Study

To fulfil the aim of this study, the study examines organisational members perceptions, understandings and experiences of actions and events from January 2020 to March 2021. To facilitate the development of a comprehensive and multifaceted understanding of how HealthCorp managed the sudden demand increase from this environmental jolt, interviews were conducted with organisational members from different hierarchical levels within all departments. This study is, therefore, based on a qualitative approach (Silverman, 2017). Investigating organisational members' perceptions and experiences about this period facilitated the understanding of how and why actions and events developed as they did. The study is, therefore, primarily based on process data from retrospective interviews (Langley, 1999). Langley (1999) describes that a challenge with process data is to demarcate the boundaries of the process. To mitigate this, this study primarily focuses on the period of January 2020 to March 2021, since this period included important events such as the first indicators of Covid-19 and the peak of the demand. As the interviews and the analysis of the data progressed, it was evident that the turnaround initiative, initiated in 2017, had a role in how they managed this situation, hence information about this initiative was added to the studied process.

Against this background, this study retrospectively studies the specific phenomenon of how a sudden increase in demand from an environmental jolt was managed during a defined period. This goes well in line with Czarniawska's (2014) definition of a case study, which she defines as "a study of the occurrence of a phenomenon- a chain of events, usually limited in time, usually studied retrospectively" (p. 21). The value of case studies within social science has been debated (Flyvbjerg, 2006). Yet, as argued by Flyvbjerg (2006), by investigating this complex case, this study contributes with in-depth and detailed insights, which in turn contributes to the development of a profound understanding of this phenomenon.

Data Collection Methods and Procedures

The data collection was divided into two phases. In the first phase, internal documents in the form of prognosis, budgets, strategic plans and objectives documents, for 2019, 2020 and 2021, were examined. Also, HealthCorp's compilation and evaluation of learnings from their work during Covid-19 were investigated. The document analysis facilitated the development of preunderstanding about the organisation's history, strategy and how they worked before the pandemic, which enhanced the ability to make sense of the information provided by the interviewees and put it into context (Bowen, 2009; Bell, Bryman, & Harley, 2019). A risk with combining two data collection methods is that the data can become large and not sufficiently narrowed down when trying to provide a broad picture (Silverman, 2017). The document analysis in this study was, therefore, primarily used as a basis for preunderstanding and clarification of certain objectives, numbers and dates discussed during the interviews.

Moreover, the initial phase also included two introduction interviews with the contact person, one in November 2020 and one in January 2021. During the first interview, the contact person provided background information and a brief overview of the history of the organisation.

The second interview focused on how they managed the effects of the Covid-19 pandemic. In February a workshop, designed as a group interview, with the management team was conducted. The workshop lasted for 90 minutes and focused on how HealthCorp had worked during Covid-19. The workshop was structured as a timeline consisting of three stages; *Prior to the pandemic*, *During the pandemic* and *Today and forward*. Process data tend to be disorganised (Langley, 1999), therefore, to provide structure to the data the interview questions were related to these three stages. The data from the workshop, the introduction interviews and the document analysis together formed the basis for the interview guide, which will be described in further detail later in this section. Moreover, at the end of the workshop, each management group member was asked to provide contact information to four or five of their subordinates in their respective department. The sampling method used in this study can, therefore, be classified as snowball sampling (Bell, et al., 2019). This was deemed appropriate since it provided access to organisational members from different departments within HealthCorp. As the interviews proceeded, additional members considered important for answering the research question of this study were identified, contacted and interviewed.

To provide transparency regarding who was interviewed and how many interviews that were conducted, the interviewees have been categorised into two groups, see table 1. The first group, defined as the *Management Group,* consists of owners, board members, the CEO that held the position during the turnaround initiative and the pandemic, the management team and the current CEO. The second group, defined as the *Middle Managers & Employees Group,* consists of middle managers and employees from different departments within HealthCorp. The classification of the interviewees in these two groups was necessary since the construction of more narrow categories, for instance how many employees or middle managers had each been interviewed, could have jeopardised the internal anonymity. This classification was, therefore, taken as an ethical consideration.

Table 1 Overview of interviewees

Interviewees	Numbers of Interviews:
Workshop with the Management Team (consisted of managers)	1
The Management Group Owners, Board members, the CEO during the turnaround initiative and the pandemic, the current CEO that has had the position since January 2021 and the Management Team.	10
The Middle Managers & Employees Group Middle managers and employees from different departments.	14
TOTAL:	**25**

*The two introduction interviews are included in the total number of interviews.

The second phase of the data collection consisted of in-depth qualitative interviews that varied between 45 to 90 minutes. To facilitate the interviewees' ability to speak unhindered, all interviews were conducted in Swedish which is the native language of the interviewees. All quotes have, therefore, been translated. This has been done with high precision and only minor corrections to improve the readability have been done. Furthermore, interviews were conducted

until data saturation was reached (Glaser & Strauss, 1967), which in this case resulted in 25 interviews.

As previously described, an interview guide was developed beforehand. The interview guide provided some degree of standardisation (Patel and Davison, 2019), which enabled comparisons to be made between interviews. The interview guide was chronologically divided into three parts; *Prior to the pandemic, During the pandemic* and *Today and forward,* which at this point was February and March 2021. The interview guide initially consisted of several themes and in connection to these, questions had been developed. The intention with the questions was solely to provide support during the interviews, therefore, all questions were not addressed during all interviews. The essential was that all themes were covered. The interviews in this study were, therefore, semi-structured and consisted of open-ended questions. That facilitated flexibility and freedom in the responses from the interviewees, which made it possible to discover themes that the interviewees perceived important (Bell et al., 2019). The turnaround initiative is a clear example of a theme that was not included from the beginning, yet since it was frequently discussed by the interviewees it was added to the interview guide.

Due to the prevailing Covid-19 pandemic, all interviews were conducted through the online meeting tool Teams in real-time. In this study, the use of digital tools provided a time-efficient way of conducting these interviews (Bell et al., 2019), which was valuable since HealthCorp was still in a considerably stressful period. Furthermore, to be able to interpret facial expressions and body language, which Janghorban, Roudsari and Taghipour (2014) describe as important, all interviews used the video function. A challenge with using digital meetings is that technical problems may arise and that participants do not know how to use the digital tool (Deakin & Wakefield, 2014). To mitigate these risks, all interviews were conducted through the online meeting tool Teams, which all interviewees were familiar with. From an ethical point of view, the use of the digital tools provided freedom regarding the place of the interviews, which enabled the interviewees to choose a place where they felt comfortable (Bell et al., 2019). Additionally, HealthCorp is a small organisation, therefore, conducting the interviews digitally facilitated anonymous participation by making it difficult for the organisational members to detect who decided to participate in the study. Moreover, all interviews were recorded which increased the accuracy of the interviews since the researchers did not have to rely on memory, but did also enable the researchers to focus on formulating follow-up questions instead of note-taking during the interviews (Bell et al., 2019).

Data Analysis Methods

This study is based on a large amount of complex process data collected from semi-structured interviews. Therefore, a grounded theory inspired method has been applied since that provides a systematic way of analysing this type of data (Glaser & Strauss, 1967; Martin & Turner, 1986). The data analysis in this study was done in several steps. In the first step, all interviews and the workshop were transcribed verbatim. In the second step, the data was coded and concepts were developed. Concepts are at a higher level of abstraction than the empirical data (Martin & Turner, 1967). The development of the concepts, therefore, focused on the meaning of the data (Bell et al., 2019). In line with the grounded theory approach, the data was gathered, coded and analysed concurrently (Glaser & Strauss, 1967; Czarniawska, 2014). The data that

was gathered was continuously compared with the data already collected and was either categorised under an existing concept or a new concept was developed. In line with what Strauss and Corbin (1998) describe, the coding process generated a large number of codes. In this study, the coding process produced 53 codes. Examples of concepts were *resistance, loyalty, internal adaptations, relation to customers* and *rapidly changing information.*

In the third and last step, the concepts were compared with each other and grouped into categories (Strauss & Corbin, 1998). The categories developed were, for instance, *Ambiguity about Scope and Magnitude, Proactive Information Gathering, Synchronisation and Flexibility* and *Critical Decisions During the Pandemic.* These categories facilitated the identification of theoretical concepts connected to the sensemaking perspective. The frequency of concepts and categories related to the role of peoples' experiences, actions and culture in providing meaning to this ambiguous and novel situation, did draw attention to the sensemaking perspective. Czarniawska (2014) argues that grounded theory is an iterative process in which the researcher moves between data collection, coding, analysing and theorising. She further states that even though the grounded theory is often defined as a process of induction, the process often follows the principles of an abductive process. In line with that, when the connections to the sensemaking perspective had been identified more data was gathered and in parallel the researchers read up on sensemaking and concepts within that research field that could be of value for understanding the empirical data. This led to the development of a theoretical framework consisting of three central factors that facilitate collective sensemaking, namely prospective sensemaking, culture and improvisation. In line with grounded theory, the theory in this study has, therefore, been grounded in the empirical data (Glaser & Strauss, 1967). That is beneficial since it facilitates the development of a theory that is suitable for discussing and providing meaning to the specific phenomenon that is investigated in this study (Glaser & Strauss, 1967; Strauss & Corbin, 1998).

Ethical Reflections

In this study ethical considerations have been considered throughout the process, which is vital when conducting qualitative studies (Bell et al., 2019; Silverman, 2017). This study is based on peoples' perceptions, opinions and experiences, hence if ethical considerations would have been deficient the willingness of the interviewees to share sensitive information, such as information about challenges during this process, would be reduced. That would in turn have had a negative impact on the quality of the study. To facilitate the development of trust and ensure alignment with ethical standards in research, several actions have been taken. For instance, to ensure informed consent (Silverman, 2017), the email invitation sent to the interviewees included information about the purpose of the study, that participation was voluntary, that all participants and the organisation would be anonymous and that the collected data would only be used for this particular study and be deleted after the study had been completed. Moreover, when conducting interviews it is important to recognise the power imbalances present in interviews (Kvale, 2006; Czarniawska, 2014). Therefore, the interview questions were open-ended and confirmatory questions were asked to reduce the interpretative prerogative of the interviewer. Additionally, all interviewees were told that they could refrain from answering questions. Moreover, as emphasised by Silverman (2017), the study did

continuously evaluate how the empirical data was presented to ensure confidentiality. Both external and internal confidentiality was, therefore, continuously considered.

Empirical Data

The Period Prior to the Pandemic

The Turnaround Initiative

HealthCorp is one of several organisations owned by a family-owned business group. Over the years HealthCorp had created an established brand and a high-quality product base that had not changed much over the years. The years prior to the Covid-19 pandemic outbreak, the family-owned business group had struggled with the other companies in the group. HealthCorp had, therefore, not been their major focus. As a result, the revenue had been almost the same for the last ten years. Even though the CEO had a tenure of over 20 years, HealthCorp had not changed the CEO during this period. The internal environment in the organisation was at this point in time characterised by a strained economy, low degree of change and laissez-faire leadership. Additionally, the old heritage of being an innovative organisation had slowly vanished. A member of the management group summarised the situation prior to the Covid-19 outbreak by stating: "It was not catastrophic, it was slow, it was like a sinking ship. The waterline was gradually increasing."

Despite these conditions, the common perception among the organisational members was that HealthCorp had great potential. Several interviewees describe the organisation in terms of "a sleeping beauty" or "a rough diamond." As a consequence, in 2017 the board decided to change CEO and in conjunction with that initiated a turnaround initiative. HealthCorp is producing complex and highly regulated products and has high fixed costs. The main purposes of the turnaround initiative were, therefore, to increase the turnover, renew the organisation and recreate the legacy of being an innovative and leading organisation within its industry. They did this by introducing new executive positions, reorganisations, introducing new products, conducting layoffs and new hires. The aim with the new CEO was to function as a change agent during a limited period. The management group, the employees and the CEO himself described the new CEO as authoritarian, driven and goal-oriented. Even though the organisational members described the situation prior to the turnaround initiative as satisfying, safe and pleasant and the new CEO and the change initiatives as demanding and disruptive, the common perception among the interviewees was that the turnaround initiative was necessary for the development of the organisation.

In January 2020 the World Health Organisation reported that the first case of the contagious virus Covid-19 had been identified in Wuhan in China (WHO, 2020). HealthCorp was at this point in the middle of its work of completing and establishing the changes initiated during the turnaround initiative.

Ambiguity About Scope and Magnitude

When HealthCorp first heard about Covid-19 they were surprised and shocked. A member from the management group expressed: "We were not at all prepared for the Covid-19. It came as a shock for us. When we entered the year we had budgeted for 100 million, and now one year later we have reached a turnover of 160." HealthCorp operates in the healthcare industry and

produces and sells products that became highly demanded during the Covid-19 pandemic. The virus outbreak, therefore, gave rise to uncertainty regarding the scope and magnitude as well as what implications it would have on the business. Even though the organisation found the situation difficult, they had prior experience of similar virus outbreaks in the form of the SARS virus and the Swine influenza. However, these viruses had only provided HealthCorp with increased demand during a very limited period. A member of the management group expressed: "Historically we have experienced this before with the Swine influenza. Therefore, we thought that this virus would disappear just as fast." As the statement illustrates, HealthCorp initially assumed that Covid-19, like earlier crises, would be a temporary event that would subside quickly. Voices were, although, raised that opposed this initial interpretation of the situation. For instance, a member from the management group described:

In January, when I first heard about Covid-19, I called one of our owners and said: Covid-19 is awful and I know this sounds horrible, but is not this beginning to become a business opportunity for us? The answer I got was that they had thought the same with the Swine influenza, yet it had turned out not to be economically favourable at all.

Despite that contradicting voices were raised, the collective perception at this point was that Covid-19 would be like prior crises, i.e. not an opportunity for the organisation. Additionally, the common perception within HealthCorp was that they had not managed the prior virus outbreaks successfully. Like one from the management group expressed: "We did not manage to make a business case of it." The majority of the interviewees described that the large increase in sales had been absorbed by increases in costs of various forms. HealthCorp had, for instance, built large inventories that had taken years to sell-off. As a consequence, HealthCorp acted cautiously and reserved in the early stage of the crisis, which is illustrated by the below statement.

We resisted internally. This will not be anything big, we thought. We were afraid that we would take on large costs, this was something we had learnt from the Swine influenza. We took on extremely high costs and built a large stock that took years to sell off. We were afraid to repeat our prior mistakes. Additionally, our finances were not so good either. – Member of the management group

At the Peak of the Pandemic

The Outbreak
As the reported cases of Covid-19 increased in the world, so did the ambiguity about the further development of the virus within HealthCorp. What contributed to this uncertainty was that different external actors and countries interpreted the situation differently, which led to them reacting at different points in time. This is illustrated by the below statement:

It was like a stepwise rocket. Absolutely no one reacted simultaneously. The Italians reacted first, for some reason. We were astonished that not so much happened after that. Then Finland reacted very quickly. Then there was a week or so before we heard from the Norwegians. Then

another week until Kazakhstan and Russia started to send their orders. The last countries to react were Sweden and Denmark. In these countries, nothing happened until one day when it more or less exploded. – Member of the management group

Similarly, the below statement underlines how the ambiguity of the situation led to abrupt changes in how actors interpreted and reacted in this situation.

On Thursday afternoon I asked one of our customers if they needed to make extra orders. They looked at me confused and asked: why do you think so, there is no problem. On Monday morning the phone rang like crazy. This morning the media had reported the first Covid-19 case in Sweden. I can tell you, after that the chaos started. - Interviewee from the group of middle managers and employees

It was not until February 2020 when HealthCorp received orders of ten to twenty times the size of their ordinary orders they understood that the Covid-19 pandemic was different from prior virus outbreaks.

Interpretation of Rapidly Changing Information

The massive increase in orders put major pressure on HealthCorp's procedures and processes. At the peak of the pandemic, much focus was, therefore, put on the issues at hand, like a member from the group of middle managers and employees expressed: "Much was done ad hoc. You reacted and acted on the most urgent things and tried to solve them. Our work consisted very much of extinguishing fires." One such thing that put pressure on the organisation was the massive amount of external information and signals. Like one of the management group members expressed: "The main challenge for me was that the rules of the game shifted rapidly all the time. There was no clarity at all."

One source of information that HealthCorp had to interpret was information about governmental restrictions. The members of the management group described that they continuously had to translate this information into what it would mean for their organisation, which they described as very challenging. Additionally, since HealthCorp had a low level of slack resources, ensuring compliance with the restrictions was not only a matter of safety for the employees but also critical for their ability to continue to produce and deliver. This is illustrated by the below statement.

It has been a concern that you would get the virus into the factory because the factory and the staff are quite slim. So if three people became ill, production would in principle be stagnant and one shift is likely to shut down. - Member from the group of middle managers and employees

Among the organisational members, there was a consensus that the actions and adjustments taken internally as a consequence of the Covid-19 restrictions were clear and well-communicated throughout the organisation. That the information was well anchored and taken

seriously by the organisational members is proven by the fact that HealthCorp did not have any reported cases of the Covid-19 virus during 2020.

Proactive Information Gathering

HealthCorp did not only receive a lot of information during this process, but they also rapidly decided to actively establish direct contact with external actors to proactively gather information. HealthCorp established direct communication with different national regulatory authorities, both independently and through trade associations. A member from the group of middle managers and employees expressed: "We decided to directly contact the authorities. We did not just wait for information in the media or websites."

HealthCorp operates in a highly regulated industry. The intention with the proactive communication with the regulatory authorities was to get up-to-date information about regulations and be able to influence regulations and restrictions. This work resulted in that HealthCorp were able to achieve temporary easings and exceptions in regulations regarding the ingredients and the management of their input goods. These temporary exemptions enabled HealthCorp to continue to manufacture. A member from the group of middle managers and employees expressed:

We asked the authorities: How can these rules be bent? Can you give us a temporary exception? We checked with the authority to secure incoming raw materials. Instead of saying no we cannot buy that, we called the authorities and checked if we could get an exception. We explained the situation in order to find other possible solutions. The authorities listened to us and made quick adjustments so that we could produce.

HealthCorp did not only proactively communicate with regulatory authorities, almost all departments within HealthCorp rapidly intensified their communication with their respective external contacts. The financial department contacted the bank to get information about the possibility of extending their loans. Further, the sales department proactively communicated with their largest customers to get access to information about how they forecasted their demand. Due to the strained finances the years prior to the Covid-19 outbreak they also asked the customers for advance payments, which the majority of the customers accepted. Also, the purchasing department worked hard to get information about how much raw material each supplier would be able to deliver and in that way early understand what materials they would need alternative suppliers for. HealthCorp did also early contact the union regarding changes in working conditions needed during this period. The majority of the interviewees underscored that even though these interactions with the different external actors intensified during this period, for many of the departments this was part of their well-established way of working. The close bonds with these actors had been developed over many years. One of the members from the management group described the relationship with the union by stating: "There has never been any antagonistic relationship between us as employers and the union. We have always worked closely and been able to collaborate very well."

Changes in Shifts

The tremendous increase in orders did not only require effective management of information but did also necessitate operational adaptations. For certain products, the demand increased by over 500 per cent. This initially raised major doubts within HealthCorp. One of the management group members described: "It is like a reverse crisis. We asked ourselves how will we ever be able to deliver more than 50 per cent more just over the night". They quickly realised that they would have to work as hard as they had never worked before. One major operational adaptation that HealthCorp did to meet the increased demand was to go from one shift up to four shifts in production. The change imposed strains and challenges for the organisation. The changes required that some production workers would have to change working hours and work during evenings, nights and weekends. As a consequence, many management team members and middle managers expressed that they initially worried about how the production workers would react. In addition, the processes and procedures in the production were well-established and few changes had been done over the years. Therefore, concerns were raised about how these changes in the shifts would work in practice. Like a member from the group of middle managers and employees expressed: "This is a company that has never even considered running these types of shifts before this." However, this initial worry disappeared quickly when the employees volunteered to change their shifts. This loyalty enabled HealthCorp to staff almost all new shifts with existing personnel and only temporarily hire five production workers during this period. One of the employees described: "Loyalty to stand up for the company has always existed, I would like to say, so it is not a change." Similarly, one from the management group described this loyalty by expressing:

I have to say again, I have very good staff. They have understood that we had to make these changes. I think that is because many of us have been here for a long time. We know each other well and have become a little family. That is how it is!

The changes in the production also generated challenges for the maintenance department. A lot of checks, maintenance, cleaning and service could not be done since the machines were working around the clock. The maintenance department, therefore, engaged in a lot of planning to make as few machines stop as possible in the factory. The exhaustive knowledge about interconnections between procedures and processes was described as central for the departments' ability to independently adapt their processes to better synchronise with the work of the production department. Consequently, the maintenance work, which was usually done during summers, could be postponed to the Christmas breaks instead.

Shortage of Raw Material and Input Goods

Another major operational adaptation for HealthCorp during this period was to get access to raw material and input goods. The Covid-19 pandemic caused a global shortage of the raw materials and input goods needed in the production. What added to this challenging situation was that HealthCorp's initial anxiety to repeat prior mistakes and their strained economic situation prior to the Covid-19 outbreak had led to that they had low stock levels. This situation caused internal stress. A member from the group of middle managers and employees expressed:

"There was complete panic. The levels rose enormously on everything. It more or less burned under our feet to get hold of the material. The focus was clear: find material, get hold of it and get it home."

To get access to the raw material and input goods needed, HealthCorp had to put major pressure on their suppliers. Many of the interviewees at HealthCorp described that they had a long-standing and well-developed relationship with the suppliers. Good relationships with the suppliers were crucial to getting material since HealthCorp could not compete with the suppliers' larger customers. One of many interviewees explained the importance of the relationship as follows:

My job is to maintain suppliers. Build relationships over a long period of time that provides trust. I do not have the size to compete with the big dragons, but I have the opportunity to build relationships so that I can sit fairly safe in my boat and ensure my needs.

Despite well-developed and long relationships with suppliers, the suppliers could not deliver the material needed. HealthCorp, therefore, had to find other ways to handle the scarcity of raw materials. For instance, as a result of regulatory easings and exceptions, HealthCorp's experienced and well-established in-house Research and Development (R&D) department could experiment with different combinations of the raw material in their recipes. In that way, they could maximise the production without renouncing the quality of their products. Additionally, they also made changes in their packaging and tested alternative materials and ways of packaging their products.

Synchronisation and Flexibility

Against this background, it is clear that interpreting rapidly changing information, proactively gathering new information, conducting changes in the production and getting access to essential raw material, were all major challenges for HealthCorp during this period. However, the majority of the interviewees described that ensuring that all of these individual parts worked in a synchronised manner might have been even more challenging. One factor that contributed to this was that the ambiguity and novelty of Covid-19 led to that there was a lack of experiences to relate it to. One from the group of middle managers and employees expressed:

We did not have so many forecasts to base our actions on, nor could we compare it with last year. It was difficult to have a clear plan and know what we should use as a frame of reference for our actions.

As a consequence, people occasionally based their actions on their own interpretations of the emerging events. Some interviewees expressed that on some occasions these interpretations differed, which generated internal discussions and disagreements. One from the group of middle managers and employees described, for instance, how internal discussions were raised about what they could and should promise their customers in terms of size and time of deliveries. Furthermore, other interviewees described that the synchronisation challenges that arose between different departments occasionally gave rise to internal stress, pressure and

frustration, which caused internal friction among the colleagues. This is exemplified by the below statement.

The culture changed a bit amid the pandemic. It became more ill-tempered and excitable. You easily end up in situations when you cannot solve a certain issue just in time. It makes the situation internally strained. When you do not manage to produce as fast as the situation requires and the demand is just increasing, then the situation becomes pressured. - Member from the group of middle managers and employees

However, the interviewees described that their shared ambition to manage this situation successfully united them and enabled them to overcome these minor frictions. One interviewee described: *"Basically, there is a very strong willingness to solve the situation and a willingness to sacrifice. I do not think it would have worked so well in other organisations."* Except for minor frictions, the dominating perception among the interviewees was, therefore, that HealthCorp, both prior to and amid the pandemic, was an organisation characterised by much familiarity in which you support and care for each other. Many of the organisational members had grown up and currently lived in the comparatively small city of approximately 4000 to 6000 inhabitants where HealthCorp's production and office are located. The familiar culture in combination with a high average tenure of approximately 20 years had resulted in that the personnel had developed great knowledge about each other. One of the interviewees expressed: "We have worked together for so long that we know what the other person thinks and what they would do before they even say it."

The long tenure had also generated a high degree of solidarity with the organisation and its prosperity. During the pandemic, this familiarity among the colleagues as well as the loyalty and solidarity for the organisation could be recognised in the willingness of the employees to support each other both within and across departments during hard workload. The following statement from one of the interviewees is one of several examples of this: *"Everything was chaos. It was hard to sit at home when we knew that our colleagues were fighting and struggling like animals."* As a consequence of the long tenure in the organisation, many employees and managers had also positioned different positions, both within and across different departments, which facilitated collaboration between different departments. Many of the interviewees described collaboration as a vital factor during this process. The reason for that was that even though the CEO developed clear visions and goals for what should be done, the responsibility of achieving these tasks in practice was often delegated to the managers and employees. A member from the group of middle managers and employees described: *"Our managers tried their best to help us. Yet, they often told us to do what we wanted as long as we solved the problem. They did this because they trusted us."*

Even though the majority of the interviewees were accustomed to working independently and take responsibility, some of them expressed that due to the novelty and ambiguity of the issues that arose they would have preferred to discuss more with their manager. However, due to the increased stress and workload that the Covid-19 outbreak had generated, the managers were not always available. Instead, many of the interviewees described how they collaborated and supported each other. The broad knowledge among many of the managers and

employees facilitated close collaboration across departments. Cooperation across departments was, however, not something they usually did. Like one of the members of the middle managers and employee group expressed:

We have gone a little over the borders to help each other. We have tried to blur our internal boundaries as much as possible. If someone needs help we help them the best we can. Like I said before, I have been responsible for another of our departments for many years. It is therefore a matter of course that I try to help them and provide advice if they need support.

The broad and comprehensive knowledge acquired during the long tenure in the organisation and the fact that many managers were recruited internally, together led to that many managers possessed skills and capabilities that enabled them to conduct tasks for their subordinates. As a result, they could support and relieve the workload of their subordinates in times of hard workload when they did not manage to get extra personnel.

Critical Decisions During the Pandemic

Focus on Existing Customers

Even though Covid-19 led to that decisions about long term issues such as new product releases and the launch of their e-commerce were put on hold, HealthCorp did take critical decisions during the pandemic that had a strategic character. The majority of the interviewees accounted for two central strategic decisions during this period. The first decision was to exclusively sell to existing customers. HealthCorp realized quickly that even though they expanded their production, they would not be able to satisfy all the new demand. This put them in a situation where they had to prioritise. Prioritising who they should sell to was a situation they had never experienced before. The management group decided to focus on the existing customers. The rationale for this decision was that HealthCorp had historically valued their long term relationships with their customers since they knew that by selling premium products, they are not the cheapest actor on the market. Close and long-term relations with their customers had, therefore, for a long time been a central part of their strategy. Consequently, the intent with the decisions was to strengthen the relationship with their existing customers. The decision became well anchored and respected among the employees, one of them expressed: "The decision was made by the top management, but all of us felt the same responsibility and thought that the decision was legitimate." Similarly, a member of the management group expressed the following:

I believe that culture has had a great impact on how we have handled and how we have set up these rules. The loyalty to our customer group has driven this. A certain culture within us. Loyalty and care of our brand and not just go out and chase business. Instead, say "damn we stand for something better than that." I think there is a certain pride.

Several of the interviewees described that an important part of this work was to have clear, open and honest communication with their customers, which the below statement exemplifies.

We had incredibly close contact with many of our customers, almost daily contact with many. We could say: "now we have promised so many, but we only get half altogether, but the rest will come next week". We have always been open with what we can deliver, which we have received extremely much praise for. - Member from the group of middle managers and employees

Transparent Pricing

The extreme demand increased in combination with a global scarcity of the product that HealthCorp produce generated a willingness among the customers to pay exceptionally much for the products. Like one of the management group members expressed: *"We could have increased the price by 100 per cent, we would have sold the same amount anyway."* Despite that, HealthCorp decided to not increase their margins and be transparent about that they only did adjustments for price increases from their suppliers. They referred to this as transparent pricing. Again, the rationale for that was that HealthCorp valued their long-term relations with their customers and argued that a major price increase would jeopardise that. Additionally, many of the interviewees also described that such behaviour would not be in line with their values. A member from the group of middle managers and employees expressed: *"Our company does not stand for usury. That is not in line with our DNA and our values. That is something we have been very clear about. We are a company that you can trust."*

In hindsight, these two strategic decisions had been appreciated by both HealthCorp's existing and new customers. In January 2021 several of the new customers that HealthCorp had to say no to, had contacted them again and asked if they would be able to deliver. Additionally, these decisions were also described as important for providing clarity and direction for the organisational members in the novelty and ambiguity that the sudden increase in demand from Covid-19 had generated.

Today and Forward

Despite that, the year 2020 was turbulent and characterised by many challenging and novel situations, at the end of the year HealthCorp had managed to turn the increased demand, from the Covid-19 pandemic, into an increase in their overall turnover of more than 50 per cent. This helped HealthCorp to move towards its goal of increasing its turnover, which was one of the central goals of the turnaround initiative. Additionally, the pandemic had also generated new insights and opportunities valuable for their future journey towards the other goals initiated during the turnaround initiative, such as identification of export opportunities, increased brand awareness and internal confidence of their capacity to manage these types of events. The common perception within HealthCorp throughout the management of this sudden increase in demand was that the Covid-19 pandemic would be a transient phenomenon. Yet, the decline in orders experienced in March 2021 led to concerns within the organisation of how they should move forward and sustain the growth.

Discussion

To investigate how the sudden demand increase from the global Covid-19 pandemic was managed, the sensemaking perspective will be applied since that enables an analysis of how the

organisational members made sense of and acted upon this event. Subsequently, four central findings will be discussed, namely; *Formation of an Envisioned Future and Sense Break from Past Identity*, *The Role of Updating and Acting on Updated Sensemaking, Culture as Guidance for Rapid Decision Making on Strategic Level* and *Bricolage as a Means for Sensemaking on Operational Level*.

Formation of an Envisioned Future and Sense Break from Past Identity

The empirical findings show that the turnaround initiative that was initiated prior to the Covid-19 outbreak, was important for how HealthCorp managed the sudden increase in demand from the pandemic outbreak. The turnaround initiative formed a collective envisioned future state and the sense break from their past identity developed a preparedness among organisational members to change, which was vital to conduct actions and changes required during the pandemic.

To understand the role of the turnaround initiative, it is important to first discuss how this gave rise to a prospective sensemaking process, in which a shared envisioned future was developed. Prospective sensemaking describes the effort of forming a common understanding about a desirable future state (Gatzweiler & Ronzani, 2019). For that to occur, organisations must first admit and acknowledge the insufficiency of the existing knowledge structures (Stigliani & Ravasi, 2012; Gatzweiler & Ronzani, 2019). From the empirical findings in this study, it is evident that HealthCorp for many years prior to the turnaround initiative had a strained economy, low degree of change and laissez-faire leadership. Even though there was an awareness among the organisational members that the situation was untenable, many of them perceived the situation as satisfying and pleasant. As a consequence, the turnaround initiative, with the hiring of the new authoritarian and goal-oriented CEO as well as the reorganisations and increased focus on profitability, could be classified as a process of sense breaking (Pratt, 2000; Giuliani, 2016). These changes did break the sense of the organisational members by challenging their underlying assumptions and identity of being an organisation where a low degree of change and deficient financial results were accepted, and where laissez-faire leadership was the norm. Even though the common perception was that the situation prior to the turnaround initiative was deficient, the turnaround initiative became an important acknowledgement needed for the prospective sensemaking process to begin (Stigliani & Ravasi, 2012; Gatzweiler & Ronzani, 2019).

Sensebreaking of organisations' key labels of identity and culture is often challenging, especially when these labels have been part of the organisation for many years (Gioia et al., 2002). Additionally, the process of getting people on board in re-labelling can be both painful and frustrating (Gioia et. al., 2002; Gatzweiler & Ronzani, 2019). The study shows that the old heritage of a low degree of change, laissez-faire leadership and the inaccurate perception of still being an innovative organisation needed to be re-evaluated. The process of getting the organisational members at HealthCorp onboard in re-labelling their heritage and begin to change, i.e. to sense break, was described by the organisational members as agonising, demanding and disruptive. However, this study suggests that the CEO managed to achieve this sense break because of the consensus among the organisational members that the turnaround initiative was necessary and that the organisation had great potential. Naturally, these changes

created ambiguity within HealthCorp, yet as stated by Konlechner et al. (2019), actors can tolerate ambiguity in processes of change, even if they perceive it as demanding and disruptive, if they have expectations that the process will result in a desired future outcome. Based on this reasoning, a potential reason why the organisational members at HealthCorp showed great tolerance, is that they agreed that the changes initiated were necessary for the development of the organisation. The tolerance towards the turnaround initiative led to that the CEO can be perceived as a sense giver that could provide the organisation with a new sense, which contributed to the formation of a shared envisioned future. Envisioned future states are often vaguely defined, but unites the collective towards an imaginary future state (Gioia & Mehra, 1996). This study suggests that the envisioned future, developed during the turnaround initiative, was a future in which HealthCorp was an effective, profitable and leading innovation organisation within its field. In line with what is stated by Gioia and Mehra (1996), the role of the turnaround initiative during the pandemic was, therefore, not that it provided information on how to reach this future state, rather it formed a collective and envisioned desirable state of where the organisation should be in the future. The envisioned desired future state formed during the turnaround initiative became a driving force for action during the pandemic.

Besides that, this study also suggests that the sense break from past identity during the turnaround initiative was not only essential for the development of a shared envisioned future (Pratt, 2000; Giuliani, 2016). Based on the empirical findings, it is legitimate to argue that the sense break also developed a preparedness for change that facilitated the organisational members' ability to conduct changes and actions required to respond to the sudden increase in demand generated from the pandemic. How the collective and shared perception of a future state, as well as the sense break from past identity, practically affected how HealthCorp managed the sudden demand increase from the Covid-19 pandemic will be discussed in the upcoming parts of this section.

The Role of Updating and Acting on Updated Sensemaking

The great uncertainty and equivocality generated at the beginning of the Covid-19 outbreak led to that many actors in HealthCorp's surrounding environment interpreted and made sense of the novel situation differently. Weick (1995) describes that people continuously extract environmental cues to make sense. In this situation, the differences in how the external actors made sense, led to that the cues that HealthCorp ongoingly extracted were both contradictory and rapidly changing. This did initially generate great confusion within HealthCorp and made it challenging for them to make sense of the scope and magnitude of the Covid-19 pandemic. Situations characterised by a high degree of equivocality and uncertainty are recognised to give rise to sensemaking disruptions (Weick, 1995; Weick, 1993; Weick et al., 2005). However, this study shows that despite that Covid-19 shocked HealthCorp and gave rise to great confusion, it did not initially disrupt their ongoing sense. In this case, as stated by Weick (1995), HealthCorp managed to provide meaning to this ambiguous situation by drawing on their retrospect. They used their experiences from similar virus outbreaks, in this case, the SARS virus and the Swine influenza. HealthCorp's experience was that these virus outbreaks had subsided quickly and generated high costs. Consequently, the fear of repeating prior mistakes in combination with

their history of a strained economy led to that HealthCorp initially assumed that Covid-19 was not an opportunity for them.

However, everyone did not share this interpretation of the situation, which illustrates how individuals' sensemaking of situations can differ due to differences in experiences, positions or interests (Maitlis & Christianson, 2014). Since sensemaking processes between individuals often differ, collective sensemaking is commonly recognised as a process characterised by negotiations and contestations between individuals (Maitlis & Sonenshein, 2010; Maitlis & Christianson, 2014). However, this study shows that despite that alternative ways of making sense of the situation were expressed, HealthCorp did rapidly, without much negotiations, reach a collective sense that Covid-19 was not an opportunity. In this case, many of the organisational members had worked within the organisation for many years. Therefore, it is legitimate to argue that the rapid development of collective sensemaking was a consequence of the fact that when the organisational members drew on their retrospect to provide meaning to this situation, they shared many experiences (Weick, 1995).

Furthermore, this study shows that although HealthCorp initially dismissed the value of Covid-19, the organisational members managed to re-evaluate and revise their initial sensemaking. The ability to reconsider and adjust sensemaking is referred to as updating and has been recognised as considerably challenging for organisations to achieve in practice (Maitlis & Sonenshein, 2010; Christianson, 2019; Sutcliffe & Christianson, 2011). Initial interpretations of situations that are shared and agreed upon by organisational members are often enduring and difficult to change (Sutcliffe & Christianson, 2011; Christianson, 2019). When organisational members act upon initial assumptions that can generate blind spots (Maitlis & Sonenshein, 2010) and turn into self-fulling prophecies (Weick, 1988). HealthCorp did, however, manage to overcome these challenges by updating its sensemaking. This study accounts for three factors that were central for this updating process to occur. First of all, as emphasised by Christianson (2019), this study shows the important role of triggers in starting updating processes. In this case, the trigger was the overwhelming number of orders that occurred in February 2020. This trigger led to that HealthCorp began re-evaluating and reconsidering their initial sense, namely that the Covid-19 pandemic would be like prior virus outbreaks.

Even though this initial trigger was important for the updating process to start, this study shows that a second central factor for the updating process was HealthCorp's proactive information gathering. This proactive information gathering was facilitated by their close and well-established relations with external actors. These relationships had a central role for the updating process to proceed and did also enable HealthCorp to later reach collective sensemaking in which they perceived Covid-19 as an opportunity. Christianson (2019) describes that a common challenge for organisations when experiencing unexpected events is to find a balance between ordinary activities and updating activities. In these situations the ordinary activities are commonly perceived as most urgent, hence prioritized at the expense of the updating activities. In contrast, the empirical findings in this study show that over the years HealthCorp had purposely and actively worked to establish close and well-established contacts with different external actors, especially with their customers and suppliers. Having long-term and close relationships with these actors had been a central part of HealthCorp's strategy. As a

consequence, when HealthCorp began to re-evaluate their sense, they did not struggle to find the balance that Christianson (2019) described as central for achieving effective updating. They already had close relationships, which facilitated an effective information flow. HealthCorp could, therefore, focus on intensifying these already existing information channels. This goes well in line with the concept of enactment, which emphasises the role of acting to develop an understanding (Weick, 1995). By actively intensifying their interactions with external actors, HealthCorp could develop an understanding of the situation that in turn enabled them to update their sense.

Moreover, updating sensemaking can be challenging, however, organisations that manage to revise their sensemaking must also ensure that the updated understanding is shared within the organisation (Maitlis & Sonenshein, 2010). At HealthCorp this was facilitated by the fact that many different departments either had a well-developed relationship with external actors or rapidly increased their contact with external actors, as the R&D department did. That many different departments gained information from different external actors led to that the updated sensemaking could be disseminated within HealthCorp. In this way, they managed to overcome the challenges of only some parts of the organisation updated their sensemaking (Maitlis & Sonenshein, 2010). This did in turn facilitate the development of a collective agreed-upon sense of the situation within HealthCorp.

Furthermore, the turnaround could be considered a third factor that facilitated the updating process. Maitlis and Christianson (2014) state that re-evaluating and changing sensemaking is difficult unless there is a willingness among organisational members to do so. Based on the empirical findings in this study, it is legitimate to argue that initially HealthCorp's' retrospective fear of repeating prior mistakes and the old heritage of having a strained economy was strong. However, when HealthCorp was overwhelmed with orders and gained increased information from various external actors, their strong vision of the future desirable state, developed during the turnaround initiative, became more convincing. Hence, as their work proceeded the prospective sensemaking became stronger than their retrospective sensemaking. In this case, the willingness that Maitlis and Christianson (2014) describe as important for re-evaluating sensemaking was developed during the turnaround initiative.

Moreover, this study shows that HealthCorp's early proactive information gathering was not only important for facilitating the updating of their initial sensemaking. In line with the concept of enactment (Weick, 1995; Weick, 1988; Maitlis & Christianson, 2014), the early actions taken by HealthCorp did also affect the world in which HealthCorp were embedded. In this case, the early contact with external actors created opportunities that did not exist before they acted. This was prominent in how HealthCorp managed to overcome major challenges during this process. For instance, the history of a strained economy led to that the sales department did rapidly contact customers and ask for advance payments, which many of them accepted. Therefore, by acting they actively constructed conditions for themselves (Weick, 1995; Weick, 1988; Maitlis & Christianson, 2014). This enabled them to create an economic situation that was necessary to gain access to the capital needed to make investments required to respond to the jolt. Similarly, the concept of enactment is also useful to understand how HealthCorp managed to increase its production despite the global scarcity of raw materials and input goods. By rapidly establishing direct contact with regulatory authorities HealthCorp was

active in constructing opportunities for themselves, in this case in the form of regulatory easings and exceptions (Weick, 1995; Maitlis & Christianson, 2014; Weick, 1988). This enabled HealthCorp to mix and test combinations in novel ways and in that way maximise the usage of scarce resources. Consequently, the study shows that HealthCorp's early enactment was beneficial for their ability to engage in bricolage. Bricolage is described as the ability to respond to unexpected events by making use of available resources (Weick,1993; Pina e Cunha et al., 1999; Roux-Dufort & Vidaillet, 2003). HealthCorp had in-depth and advanced knowledge in-house about the raw materials and input goods used in the production, which is central for the development of bricolage (Weick, 1993). As a consequence, the easings and exceptions in combination with their exhaustive knowledge enabled HealthCorp to create novel solutions and in that way increase their production despite the scarcity of raw material and input goods.

Based on the previous discussion it appears that updating of sensemaking, which was facilitated by the external trigger, the well-established relationships with external actors and the willingness among organisational actors to alter their sense, was central for how the sudden demand increase was managed. Moreover, the above discussion also underscores the role of early action based on the new sensemaking and showed how that opened up for opportunities not available before these actions were taken. Subsequently, the role of culture in facilitating rapid decision making and collective sensemaking on the strategic level will be discussed.

Culture as Guidance for Rapid Decision Making on Strategic Level

The novelty of Covid-19 led to that disruptions of the organisational members' senses occurred at several different points in time during this process (Maitlis & Christianson, 2014). When HealthCorp had updated their sensemaking and began to perceive Covid-19 as an opportunity, they again experienced situations that disrupted their ongoing sensemaking processes. The empirical findings account for two such situations. The first one was when HealthCorp had to prioritise among customers as a consequence of the massive increase in orders. The second situation was when they should decide on how to price their products. Choosing among customers and having major freedom regarding what to charge for their products without much concern for how that would affect the sales, were both situations HealthCorp had never experienced before. What these situations had in common were that they deviated considerably from how the world used to manifest for HealthCorp and did therefore challenge their ongoing sensemaking processes (Weick, 1995).

Even though these situations again challenged the ongoing sensemaking of the organizational actors, they provided HealthCorp with attractive opportunities such as access to new customers and opportunities to increase their margins. Ravasi and Schultz (2006) describe that these types of external changes can challenge and threaten organizational members' identities. Since HealthCorp had a history of a strained economy and explicit goals of increasing their turnover, these opportunities were very tempting. The jolt did, therefore, challenge HealthCorp's identity and could have led to them disregarding their identity of being an organisation that stands for loyalty and solidarity. However, HealthCorp did not succumb to this temptation. Instead, they chose to focus exclusively on their existing customers and not increase their margins. This situation illustrates how decision-makers at the strategic level drew on their identity, strongly influenced by the organisational culture of familiarity, solidarity and

loyalty (Weick, 1995; Sherman & Roberto, 2020; Ravasi & Schultz, 2006; Fellows & Liu, 2016; Maitlis & Sonenshein, 2010) to make sense of this equivocal situation. In this situation, these values and beliefs became a frame of reference when they managed this jolt and facilitated rapid decision-making (Weick, 1987). The strong organisational identity in HealthCorp was a result of their long average tenure and the fact that many of the organisational members were raised and currently lived in the small city where HealthCorp's office and production facilities are located.

Moreover, despite that these decisions were taken by the management group, they were accepted and perceived as legitimate by the organisational members. As discussed by both Sherman and Roberto (2020) and Ravasi and Schultz (2006), a potential explanation for this acceptance could be that since the decisions were well-anchored in the shared cultural beliefs of the organisation they were considered as plausible by the majority of the organisational members. This underscores the deep-rooted character of these values and beliefs within HealthCorp. The consensus among organisational members facilitated the fast establishment of collective sensemaking. This collective sensemaking provided clarity and direction on the strategic level, which was important for their management of this ambiguous situation.

Based on the previous discussion about the role of culture in facilitating rapid decision on the strategic level, it is of value to compare the collective sensemaking regarding the two decisions previously described with the rapid collective sensemaking established when HealthCorp first heard about Covid-19. Comparing these two situations reveals the paradoxical and complex character of collective sensemaking during unexpected events. Unless HealthCorp would have had the ability to update their initial sensemaking, the collective sensemaking at the beginning of the outbreak of Covid-19 would have led to them dismissing the potential value of Covid-19. In contrast, the fast establishment of a collective sensemaking regarding the decision to focus on existing customers and not increasing margins was instead central for how they managed the event. This study, therefore, confirms previous studies that have described how collective sensemaking can be both beneficial and challenging when responding to sudden and unexpected events (e.g. Boin, 2008; Maitlis & Sonenshein, 2010 or Sutcliffe & Christianson, 2011).

Based on the above discussion it is clear that HealthCorp had developed a collective sensemaking on the strategic level. Despite this, there was a lack of sensemaking on the operational level, which will be discussed subsequently.

Bricolage as a Means for Sensemaking on Operational Level

Even though HealthCorp had developed a collective sensemaking on the strategic level and that the CEO was described as authoritarian, there was a lack of sensemaking on the operational level. The novelty of Covid-19, the limited ability to discuss with middle managers and the fact that directives were most often provided on a general level, for instance about adjustment to the Covid-19 restrictions from the authorities, led to that organisational actors on the operational level occasionally struggled to make sense. This was evident in the discussions and frictions that arose between organisational members. To provide meaning to the novel situations that arose, the organisational members on the operational level engaged in improvisation and more specifically bricolage. By engaging in bricolage the organisational members on the

operational level took advantage of available resources at hand, which included both intellectual and material resources, to develop solutions to the situations that arose (Weick, 1993; Pina e Cunha et al., 1999; Roux-Dufort & Vidaillet, 2003). Weick (1993) argues that social interaction facilitates sensemaking during unexpected events. Hence, when the organisational members at HealthCorp engaged in bricolage, they interacted with each other and acted. This enabled them to together develop meaning of the various ambiguous situations they experienced, which in turn facilitated their ability to develop novel solutions to the challenges that arose. This study shows that the bricolage that emerged during the management of the sudden increase in demand from the environmental jolt was dependent on three mutually dependent factors, namely the broad and comprehensive knowledge within the organisation, the organisational identity and their willingness to move towards the collectively envisioned future. Hereafter, these factors will be discussed in further detail.

First of all, the study shows that since many of the organisational members had worked within the organisation for many years and that many of the managers had been recruited internally, they possessed broad and comprehensive knowledge about many different organisational processes and tasks. This has been recognised as vital for achieving improvisation and bricolage (Bechky & Okhuysen, 2011; Weick, 1993; McDaniel, 2007). In this study, this knowledge enabled the organisational members to make sense of different tasks, which facilitated flexibility. For instance, it enabled them to take on tasks from colleagues that experienced hard workload and facilitated their ability to cooperate and support each other over department borders. Moreover, another factor that facilitated the improvisation was that the organisational members at HealthCorp had developed in-depth knowledge about how processes and procedures were interconnected and interrelated (Bechky & Okhuysen, 2011). That resulted in that the organisational members could independently adapt their own processes to facilitate the efficiency of other departments' work. For instance, based on the maintenance department's knowledge of how their procedures were related to the production department's processes, they could plan and postpone the maintenance work in ways that reduced the disruptions and facilitated the production flow.

However, this study shows that it was not enough for HealthCorp to have broad and comprehensive knowledge to be able to engage in bricolage and improvisation necessary in this situation. The bricolage would not have been possible without the organisational identity. Culture has been recognized as affecting how identity is constructed (e.g. Weick, 1995; Sherman & Roberto, 2020 or Ravasi & Schultz, 2006). As stated previously in this discussion, the culture at HealthCorp was characterised by great solidarity, loyalty and familiarity. In line with the discussion on how cultural beliefs and values formed the basis for decisions on the strategic level, it was evident that these values also guided the decisions of individuals on the operational level (Weick, 1987). Clear evidence of that was for instance how workers in the production volunteered to change their shifts, even though it required them to work during evenings, nights and weekends. Likewise, how the strong organisational culture influenced individual members' sensemaking processes was also evident in that managers took on tasks from their subordinates when needed.

What can be concluded from the above discussion is that the previously mentioned examples of how the comprehensive knowledge facilitated organisational actors' ability to

cooperate and support each other over the boundaries and relieve the workload of colleagues is also a clear example of the important role of organisational identity in facilitating bricolage. It exemplifies how the individual's sensemaking processes were strongly driven by the cultural values of loyalty, familiarity and solidarity. Without them, the bricolage would likely not have emerged. The bricolage that facilitated HealthCorp's development of meaning on the operational level was, therefore, dependent on both the comprehensive knowledge possessed by the organisational actors and the organisational identity and culture.

Moreover, a third factor central for the bricolage to emerge in this situation was the willingness among organizational actors to engage in this. That organisational members considered a situation important has been recognized as a prerequisite for improvisation and bricolage to occur (Pina e Cunha et al., 1999; Roux-Dufort & Vidaillet, 2003). As discussed before, the turnaround initiative did break the sense of the organisational actors and developed a shared sense of where the organisations should be in the future. This shared vision and goal of the future can be considered a factor that contributed to them perceiving the situation as important, which motivated them to improvise and engage in bricolage (Crossan, 1998). Additionally, the sense break from past identity had also created awareness and preparedness among the organisational actors about the need for change. In this study, this was important for the organisational members' ability to conduct the changes and adaptations required to engage in bricolage. A clear example of that was, for instance, how the organisational members began to cooperate over the department borders to find solutions to novel situations that arose, even though this was not something they used to do.

Conclusion and Contribution

The aim of this study has been to investigate how a sudden demand increase from an environmental jolt, in this case the Covid-19 pandemic, was managed. Managing a sudden increase in demand may, at first sight, seem like a major opportunity for organisations. However, this study shows that a sudden demand increase from an environmental jolt is also associated with challenges. Investigating how the organisational members in the case organisation made sense of and acted on this sudden increase in demand from the global Covid-19 pandemic has facilitated the understanding of how they managed this situation.

This study shows that managing a sudden demand increase from a jolt requires that organisations have the ability to continuously update their sensemaking. The Covid-19 pandemic generated major ambiguities regarding how to interpret its scope and magnitude. This was made more challenging by the fact that external actors interpreted the situation differently, which gave rise to abrupt changes in the external cues. Having the ability to re-evaluate and amend their initial sensemaking was, therefore, critical. This study accounts for three factors that facilitated the updating process, namely an external trigger that challenged the organisational members' sensemaking, well-established relationships with external actors that facilitate information flow and the willingness to re-evaluate sensemaking which in this case had been developed prior to the pandemic. Additionally, the study illustrates the importance of immediately acting upon new updated understandings. That enabled the case organisation to be active in the construction of how situations developed, which in turn generated opportunities not available before these actions were taken.

Furthermore, this study concludes that the ability to draw on deep-rooted cultural values of loyalty, solidarity and familiarity was critical for the management of the sudden demand increase from this jolt. This provided clarity that facilitated rapid decision making and the development of a collectively agreed-upon direction on the strategic level.

Despite the clarity on the strategic level, the novelty and complexity of the jolt in combination with the limited ability to gain support from busy middle managers generated a lack of sensemaking on the operational level. The ability to engage in bricolage and thus take advantage of the available resources was, therefore, critical for managing this jolt. Three mutually dependent factors were identified as central for bricolage to emerge, namely broad and comprehensive knowledge within the organisation, the organisational identity and the willingness among the organisational members to move towards a shared envisioned future.

To conclude, experiencing a sudden increase in demand from an environmental jolt is neither an opportunity nor a challenge per se. The overall conclusion of this study is, therefore, that the case organisation, by their way of making sense of and thus acting upon the sudden increase in demand from this jolt, managed to turn this situation into an opportunity.

This study contributes to the research field of environmental jolts by investigating the specific case in which a sudden increase in demand is experienced from an environmental jolt, which there is a need for more research about (Paul & Chowdhury, 2020b). Investigating this from a sensemaking perspective facilitates the understanding of how organisational members' make sense and act upon these events. This study also responds to the call for more research about when and how updating is achieved in practice (Christianson, 2019), by accounting for three factors that enabled the case organisation to re-evaluate their initial sensemaking. Furthermore, as a secondary contribution, the study adds to the research field of rapid growth by investigating rapid growth during a shorter period than three to five years consecutive years (e.g. Hambrick & Crozier, 1985; Nicholls-Nixon, 2005 or Chan, Bhargava & Street, 2006). The study indicates that there are challenges, previously discussed within the research field of rapid growth, that are also experienced during a sudden increase in demand from jolts. For instance, the need for extraordinary resources and the emergence of internal frictions (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005; Barringer et al., 2005). However, there are challenges that differ and challenges not yet covered by contemporary studies, for instance, the challenges of making sense of ambiguous and rapidly changing external signals and the difficulties of developing ad hoc solutions when one is highly dependent on existing resources.

There are also practical implications of this study. The study illustrates the paradoxical and complex character of collective sensemaking, by showing how the quick establishment of a collective sensemaking amid jolts can be both devastating and central in the management of environmental jolts. Quickly establishing collective sensemaking when responding to jolts can, therefore, be described as a double-edged sword. The practical implication of this is that organisations should strive to rapidly find a common understanding, yet this must not lead to the exclusion of alternative interpretations. Moreover, the novelty and continuous ambiguity of jolts make it difficult to prepare for these events. However, this study suggests that due to the dependency on available resources during these types of jolts, it is valuable to proactively work to develop loyalty and a relation between the employees and the prosperity of the organisation.

This study is limited to investigating how a sudden demand increase from a jolt was managed during approximately one year. It focuses on the management of the initial triggers and the peak of the demand. However, the empirical findings indicate that the situation after this period will open up for further challenges and opportunities. Therefore, it would be interesting in future studies to investigate how the aftermath of these types of jolts is managed. In addition, the case organisation in this study is an SME. It would, therefore, be interesting to conduct a comparative study and compare if there are differences between how an SME and, for instance, a multinational corporation (MNC) manage these types of environmental jolts.

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