

Improvisation within the Project Management of Change: Some Observations from UK Financial Services

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ABSTRACT *This paper investigates the use of improvisation within the project-managed implementation of strategic change in the UK financial services sector. It contains a brief review of the literature relating to the concepts surrounding organisational improvisation, and considers the emerging literature, organizing it in terms of how it relates to project-based management. Attention is then given to possible future directions for research into project-based improvisation. The data that underpins this study is drawn from a qualitative study of six organizations, chosen for their organizational diversity. The common denominator is that they have all undergone significant strategic change, and have all used project management techniques of varying levels of maturity and sophistication to achieve that change. The main finding of this study is that, notwithstanding the dominant project management paradigm of 'plan, then implement', improvisational working practices are embraced enthusiastically, and used extensively, by almost all interview respondents, who spanned a wide range of project-based roles within the organizations. It is also evident that considerable support for such practices exists at the strategic level and that although there are varying levels of commitment, time and opportunity is provided for employees to improvise to develop emerging best practice. Capturing such practice formally is however less formalized, and it often resides only tacitly in employees, especially in the larger organizations who are managing change on many fronts simultaneously.*

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For some years now, there has been a growing interest in the use of improvisation within organizations (Chelariu *et al.*, 2002, p. 141). Improvisation is a combination

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of intuition, creativity, and bricolage that is driven by time-paced pressures, and in a project context, it involves moving away from an agreed plan in order to accelerate the implementation of actions (Moorman and Miner, 1998a, b; e Cunha *et al.*, 1999). In the 1960s, improvisation was seen as an organizational dysfunction, in that it led away from the traditional incremental route of 'plan, then implement' (Quinn, 1980). However, since then there has been a move towards improvisation being accepted as a skill that can assist in achieving the expectations of a corporate planning exercise. This movement has accelerated in intensity in the 1990s, given the need for faster cycle times and more innovative solutions to gain or retain competitive advantage (Crossan, 1997, p. 39).

Improvisation does however need some kind of framework within which it can work. It is unrealistic to expect organizations to allow employees to improvise without a degree of control, and in certain business sectors, such as financial services, the constraints placed upon participants by the various regulatory bodies render such a framework essential. Improvisation, however, is increasingly seen as a useful way of achieving tasks within organizations, whether this achievement is the development of a new product, the implementation of an element of corporate strategy, or the design of a new process or routine.

Many organizations are moving to management by projects in order to achieve their objectives. Indeed, the use of project management techniques within strategic implementation is seen as a way of improving implementation effectiveness (Grundy, 1998: p.50; McElroy, 1996, p. 329), and 20 years ago Kanter (1984, pp. 34–35) also saw project teams as the way to implement, identifying a strong link between projects and implementation. This view is reinforced by an awareness that project management techniques and methodology are also useful in the management of organizational change (Clarke, 1999, p. 139), and specifically, that they can be used to assist in the effective implementation of corporate strategy (Grundy, 1998, p. 50; McElroy, 1996, p. 329). However, notwithstanding the fact that almost all project managers admit to improvising within their management of organizational projects, little has been published regarding this phenomenon. Additionally, no reference to improvisation appears within the 2000 US-based Project Management Institute (PMI, 2000) *Body of Knowledge (BoK)* or the 2000 version of the UK Association for Project Management (APM) *BoK*. There are references to project managers having flexibility to decide what to do in certain circumstances, and Fahrenkrog and Hudacsko (2001) suggest that PMI are looking to expand their *BoK*, which is currently written at the level of methods, processes and procedures. The intention is to identify project management principles, by attempting to harness the collective professional judgement of PMI members, to assist in the identification of: 'what is appropriate for any given project' (Fahrenkrog and Hudacsko, 2001, p. 1). However, notwithstanding a modest trend towards the consideration of project behaviours and an addressing of the 'softer' aspects of project management (PMI, 2002; 2004), I do not see this as an attempt to codify or formalize the use of improvisation in a project context. Indeed, the nature of improvisation is such that the 'essence' that drives such activity would be difficult to codify, as it draws on tacit skills to resolve emerging unique problems. As the academic exploration of project management often appears to concentrate on mechanistic

rather than organic management (Burns and Stalker, 1961), it is intended that this paper address some shortcomings within this area of the literature.

The Literature on Improvisation

Improvisation can be considered from a philosophical as well as an organizational stance. Ryle (1979, pp. 121–130) adopts a philosophical viewpoint, using the perspective of how thoughts develop, and how improvisation features in that process. He suggests that: ‘the vast majority of things that happen . . . are . . . unprecedented, unpredictable, and never to be repeated’ (Ryle, 1979, p. 125). As a result of this:

it follows that the things that we say and do in trying to exploit, avoid or remedy that small minority of the particular partly chance concatenations that happen to concern us cannot be completely pre-arranged. To a partly novel situation the response is necessarily partly novel, else it is not a response (Ryle, 1979, p. 125).

His assertion is therefore that however well an activity is planned, there will always be a novel set of circumstances to deal with, and that therefore improvisation is a part of daily life, thought, and communication. Ryle (1979, p. 129) describes improvisation as ‘. . . the pitting of an acquired competence or skill against unprogrammed opportunity, obstacle or hazard’ although he is not specific about the meaning of an ‘unprogrammed opportunity’. It is clear, however, that improvisation encompasses using resources that are to hand to resolve unforeseen occurrences. This is the essence of bricolage.

The organizational view of improvisation is different. For some years, improvisation has been a part of, or at least recognized in, organization theory, but it was seen as an organization dysfunction: either as an unintended outcome (March and Simon, 1958) or as an organization design failure (MacKenzie, 1986). However, a growing body of post 1994 literature considers improvisation as an organizational attribute that:

. . . contributes to and is an outcome of organizational absorptive capacity for new knowledge, structural flexibility, market flexibility, operational flexibility, intrapreneurial culture and of the organization path dependence of exploitation and exploration adaptations (Lewin, 1998, p. 539).

Therefore, it appears that because of the speed and degree of change within organizations and their environments, the organizational perception of improvisation has been revised. From being an outcome of ‘getting things wrong’, and, therefore, having to effect a repair, improvisation is now seen as a positive skill in making meaningful decisions within a limited timescale, without optimum information and resources.

Stages in the Organizational Improvisation Literature

In any review of an emerging literature, it is inevitable that the output of distinguished colleagues will have covered some areas of the field. In the case of the

area to be considered within this paper, e Cunha *et al.* (1999) have already provided an enlightening and comprehensive review of the emerging 1990s improvisation literature. They formally define improvisation, together with a review of its antecedents, influencing factors, and outcomes. A literature review is included, dividing existing work on theory development in improvisation into first, second, and third stage articles. First stage articles attempt to transpose the improvisational work carried out in jazz extemporising and theatre to organizational contexts. Second stage articles move improvisation away from the arts and into organizations, developing definitions (usually from a grounded theory approach), and building the foundations to allow research of a more positivist leaning. An emerging third stage is also identified, considering amongst other areas, a temporal perspective of organizational improvisation

Improvisation and Project Management

Improvisation is linked with aspects of time, particularly pressure to achieve to a demanding or compressed timetable. Although projects are managed according to time, cost, and scope or functionality targets, the temporal aspect of project delivery tends to have the highest scrutiny, especially in turbulent organizational environments Moorman and Miner (1998a; b) both consider definitions and components of improvisation. Improvisation in this context is defined as ‘... the degree to which composition and execution converge in time’ (Moorman and Miner, 1998b, p. 698). It follows from this that the more proximate the time between the design and implementation of an activity, the more that activity is improvisational. Kanter (2002) takes this concept further; applying it to strategic planning through an approach, she labels ‘project-by-project’ improvisation. She suggests that ‘an internal marketplace of ideas in which innovators initiate and sell projects replaces the usual decision-making hierarchy’ (Kanter, 2002, p. 81). Project-based work is also widespread in new product development. Akgün and Lynn (2002) quantitatively analysed data from 354 respondents across a range of industry sectors, and concluded that ‘[project] team improvisation has a positive impact on speed-to-market under turbulent markets and technologies’ (2002, p. 124).

Bricolage has already been mentioned as involving the use of resources that are to hand to resolve unforeseen occurrences. Indeed, in both France and Spain, the literal translation of bricolage is ‘do-it yourself’. Lehner (2000) develops the use of bricolage, broadly supporting a positive relationship between project-based implementation and bricolage, as: ‘... planning threatens flexibility whereas bricolage enhances flexibility of [project-driven] strategy implementation’. He also discusses environments that are subject to: ‘high dynamism’ that may: ‘... render planning futile’ (Lehner, 2000, pp. 4–5), thereby supporting a key assertion of this paper, that improvisation, i.e. the fusing of planning and execution, is widespread in fast moving commercial sectors. Chelariu *et al.* (2002) expands on certain elements of this work, offering a comprehensive review of the way learning interacts with improvisation, and presenting a typology of improvisation. There are also links with the use of improvisation within projects.

The focus of much of the research reviewed here is on the need for an underpinning structure or framework, and the need for skills and knowledge, which can be learned or rehearsed, in order for improvisation to work within organizations. It also appears that although improvisation takes place often within project management, especially towards the end of a project, when bricolage comes into play because budgets are exhausted and the completion date is near, there is little mention of projects in the literature. Projects are mentioned tangentially in Chelariu *et al.* (2002), but otherwise, a different context is used (Brown and Eisenhardt, 1997), unrelated to the use of project management to implement change.

A Description of the Study

Based on some perceived shortcomings in previous theorising and research, a study was designed to address issues relating to the interface of implementation, projects, and change, the importance of socio-behavioural, cultural, and political issues within that interface, and the use of improvisation within the project-managed implementation process. This broad design has produced many outcomes that are reported elsewhere (Leybourne, 2002), but this paper concentrates on the recognition and use of improvisational work practices within the findings. The interface between implementation, projects, and change has often been considered in a narrow way, following positivist traditions, and it is useful to consider some of the interlinking phenomena that can only be accessed using qualitative methods such as the analysis and comparison of case studies (Yin, 1984). This method is able to yield the rich and deep observational and narrative data that can produce new insights and explanations (Bryman, 1988). Case study based research offers: ‘. . . an inductive, qualitative approach to increase the chance of discovering the unanticipated’, and is ‘. . . designed to generate new theory, not to test existing theory’ (Gersick, 1988, p. 12). An emphasis on ‘discovering the unanticipated’, allows the development of new explanations and theory from qualitative data, and case studies are seen as the ideal vehicle for this. As management researchers, we are currently not fully aware of the problems faced in considering many of the linkages that may exist between implementation, projects, and change, as a dearth of theory links the three areas. Such an assertion, however, does not suggest that managers practising project-managed implementation are not engaging with the problems of that implementation, only that these matters have rarely been considered or been researched using qualitative research methods.

Sample and Method

The study that provides much of the primary data upon which the findings articulated in this paper have been based was located in a sub-sector of the UK financial services sector. Six anonymised retail lending institutions, ranging from a major quoted bank (*BigBank*), through building societies and ex-building societies (*MutualCo* & *ExSociety*), to both larger (*FinanceCo* & *DivestCo*) and smaller (*NewCo*) retail lending organizations, were used. This sample was chosen taking into account the relative populations of organizations in each of the

sub-sectors, the required number of cases required to provide an opportunity to develop theory (Eisenhardt, 1989, p. 537; Stake, 1994, p. 237), and the need to include cases with differing characteristics, or polar types (Pettigrew, 1988). In each case the investigations, observations, and analysis focused on the ways in which the chosen organizations used the principles of project management to implement strategic and behavioural change. Within these organizations a wide variety of change initiatives were being addressed, encompassing projects at all stages within the project and change lifecycles. Strategic initiatives included the merging of IT systems as a result of merger, the development of new sales and communications based on the internet, and structural re-organization triggered by the development of a new head office building. Behavioural change initiatives embraced attempted modifications to organizational culture, employee motivation and flexibility, and the implementation of frameworks to encourage the principles of knowledge management.

The data collection and analysis took place during 2000 and 2001, involving many visits to the organizations, and the collection of around 100 h of interview data from over 90 interviewees. Much observational and secondary data, including project documentation and documented procedures, was also examined and incorporated into this broadly qualitative study. This data was analysed, using a grounded theory approach (Glaser and Strauss, 1967), and each of the six organizations written up as a case study. Cross-case analysis was then undertaken, and a number of themes, trends, and modes of operation were identified.

The study focused on the project-based processes, mechanisms and routines that the six organizations used to implement change, much of which originated within the strategic planning process. Each organization used project management as the vehicle for the implementation of strategy, although the way it was used, and the level of financial and other resources available varied dramatically across the organizations. The prime focus of this paper, however, is the movement away from standardized and documented processes and mechanisms, towards use of improvisational routines and mechanisms, within an area that is usually bounded by adherence to agreed plans and procedures.

Results

The analysis of the rich and varied data collected during the full study (Leybourne, 2002) produced a list of eleven key factors that appear critical to the project-managed implementation of change within the case study organizations. However, this paper is focused specifically on the recognition and use of improvisational working practices, and compelling evidence was exposed that supports both the recognition that such practices are both utilized and beneficial within the six case study organizations that contributed to the research. Much of the tangible and verifiable data is in the form of statements from interviewees. A selection of these from across the six case study organizations is recorded in Table 1, and they demonstrate a significant enthusiasm for improvisation, which has been embedded into project-managed change processes. However, it is important to contextualize these comments, as they are made by a range of employees at the strategic, operational, and non-managerial levels within the six organizations. Cross-referencing

Table 1. Opinions about improvisation from the data

BigBank	
<ul style="list-style-type: none"> • ‘... if you can find a better way of achieving the goal ... you have the freedom to do that. Therefore, improvise or innovate.’ • ‘Improvisation and innovation are fundamental to becoming more effective as a business operation...’ • ‘Actually you just get on the phone and make something happen informally, which fits with the idea of improvisation for me.’ 	
MutualCo	
<ul style="list-style-type: none"> • ‘I improvise to get things done...’ • ‘... you couldn’t get a project “live” without improvisation.’ • ‘With my current project, the sponsors are not interested in change management. They just want to get it done.’ 	
ExSociety	
<ul style="list-style-type: none"> • ‘We do lose out through the rigorous process we take in terms of programme management.’ • ‘We do see some improvisation within projects which for the most part is good and pragmatic and beneficial.’ • ‘[I improvise] all the time really, because working in a branch, you have got a big variety [of challenges].’ 	
FinanceCo	
<ul style="list-style-type: none"> • ‘It is important to say why improvisation is occurring, and if it is occurring because something new has happened. If it is occurring because you were dumb in the way you planned in the first place then that is bad project management.’ • ‘We will improvise ... to achieve deadlines effectively, because sometimes the deadlines that have been provided to us are impossible to achieve otherwise.’ 	
NewCo	
<ul style="list-style-type: none"> • ‘... our approach is not so rigid as to make that [improvisation] a highly noticeable occurrence.’ • ‘You have got to improvise all the time to find the solution...’ • ‘To improvise is to be innovative, and you need to be innovative to succeed.’ • ‘Sometimes when you do that [improvisation], you get better ideas brought in...’ 	
DivestCo	
<ul style="list-style-type: none"> • ‘It [improvisation] probably doesn’t happen enough.’ • ‘As an organization we would see ourselves as fairly improvisational. We are not afraid to jump off the plan. It is part of our “can do” culture.’ • ‘I do it [improvisation] all the time.’ 	

the comments with the positive and negative attributes in Table 2, and the descriptions of the contextual idiosyncrasies of the six organizations, assists with this.

There is a view, first mooted by Moorman and Miner that improvisation may be: ‘driven by firm mismanagement, environmental change, or the decision to use improvisation purposefully as part of firm strategy’ (1998a, p. 15). These three perspectives are dramatically different. This research exposes examples of each of these occurrences, and other commentators on the use of improvisation within organizations have echoed this opinion. The interview narratives, when combined with other primary and secondary sources of data, also highlighted a number of positive and negative attributes about the way improvisation is perceived within the case study organizations. These attributes are recorded in Table 2.

If these three reasons for improvising are mapped onto the case study organizations, only two appear to use improvisation ‘purposefully as a part of firm

Table 2. Case study sites: positive and negative attributes concerning improvisation

BigBank	
<p>Positive attributes</p> <p>Support for improvisation implicit within the organization</p> <p>Training on aspects of improvisation</p> <p>Informal networks to assist with improvisation</p> <p>Improvisation accepted as contributing to project-managed change</p>	<p>Negative attributes</p> <p>Rigidity in customer-facing procedures negates improvisation</p> <p>Perception that senior managers are deeply entrenched in traditional banking mentality</p>
<p>MutualCo</p> <p>Positive attributes</p> <p>Willingness to accept improvisation as an accelerator of change</p> <p>Programme/project managers admit to the regular use of improvisation</p>	<p>Negative attributes</p> <p>Conflict with internal audit department</p> <p>Risk aversion negatively influences ability to improvise</p> <p>Pressure to deliver may encourage reckless improvisation</p>
<p>ExSociety</p> <p>Positive attributes</p> <p>Improvisation recognized as contributing towards speed and innovation within the organization</p> <p>Senior management support for improvisational activity</p> <p>Audit and compliance support, within agreed boundaries</p>	<p>Negative attributes</p> <p>Perceived rigidity of programme management tools and techniquesPossible difficulties with the volume of regulation within the sector</p>
<p>FinanceCo</p> <p>Positive attributes</p> <p>Allows quick responses to external changes within projects</p> <p>Allows flexibility in structuring lending products</p> <p>Allows employees to meet customer expectations</p> <p>Support from group internal audit</p>	<p>Negative attributes</p> <p>Loss of control over processes by senior management</p> <p>Not a substitute for poor planning and execution</p> <p>Less accepted within the IT area</p>
<p>NewCo</p> <p>Positive attributes</p> <p>Recognition of improvisation as a positive force for change</p> <p>Strong management support for improvisation</p> <p>Mechanisms for formalizing successful improvised work processes</p> <p>Most respondents admit to the use of improvisation</p>	<p>Negative attributes</p> <p>Anticipation that new parent company will require a more structured approach</p>
<p>DivestCo</p> <p>Positive attributes</p> <p>Recognition that improvisation is effective in certain areas within the organization</p> <p>An admission that many people use improvisation</p> <p>A desire to improve improvisation skills</p> <p>Formalization of some areas relating to improvisation.</p> <p>Workshops to address the link between risk and control</p>	<p>Negative attributes</p> <p>Risk aversion within the organization</p> <p>Tensions between improvisation and the need to address regulatory constraints</p>

strategy'. Both *ExSociety* and *NewCo* were able to demonstrate that they both use and support improvisation proactively, as experience has indicated to them that it assists employees with meeting organizational objectives. As *NewCo* is the smallest and youngest of the case study organizations (approximately 150 employees and less than four years of trading), the managers there had designed the organizational processes to encourage flexible working, and engender an element of improvisational activity. Also, one manager at the strategic level within *ExSociety* contended that the organization may be 'missing out' on opportunities to innovate because some controls were too tight to allow enough improvisation. Interestingly, in *ExSociety* there was also strong support for improvisational working from the Audit and Compliance area of the business, demonstrating a willingness by senior inspection and scrutiny personnel to embrace working practices that would traditionally be an anathema to them.

A further two of the case study organizations appear to have a tendency to use improvisational working practices because of 'environmental change', which in this context would include changes to both the internal and external environments. Both *BigBank* and *DivestCo* recognise that their employees are improvising, and in many cases, this is because the organizations are attempting too much project-managed change activity on too many fronts, but with insufficient resources. Within *BigBank*, most of this change has resulted from the merging of two major UK clearing banks in the mid 1990s. As a result, many project managers and project team members were using improvisational practices in an attempt to reduce timescales, and circumvent both financial and human resource shortfalls. In *FinanceCo*, there is compelling evidence that such activity is emerging in an attempt to remedy problems stemming from poor project planning and execution.

The final two case study organizations appear to improvise because of 'firm mismanagement'. *MutualCo* and *DivestCo* are both attempting to change the nature and strategic impetus of their business. At the time of this study, *MutualCo* had outdated business processes, and an intensely traditional management cohort, much of which was resistant to change. The organization had recently appointed a new strategic management team, who were attempting to implant major strategic and cultural change simultaneously. *DivestCo* had recently sold its main product line, and was seeking a new strategic direction. Project Managers and team members in both organizations were therefore improvising surreptitiously, as temporal and resource pressures were intense. Additionally, in each case the cultural norms and values of the organization led employees to believe that failed improvisations would not be looked on as learning experiences.

Improvisational working practices, and the way that they interface with the project-managed implementation of change, can be divided into three sub-areas. These areas address three issues relating to the use of improvisation within project-managed change; namely support, recognition, and use. Each will now be considered in turn.

Support for Improvisation

One striking outcome of the study that supports this work is that, notwithstanding the fact that improvisation within projects could be construed at a simple level as

bad project management, there is almost universal support for it in a project and change context. Indeed, only one person of those interviewed did not support improvisational activity. This almost universal support is a significant finding for three reasons. First, although research into improvisation appears to be increasing exponentially (e Cunha *et al.*, 1999), little research has been published regarding improvisation within projects, notwithstanding recognition of its use by project managers. Second, the concept of improvising within projects does not appear in textbooks relating to the management of projects. Third, there is no reference to improvisation either in the 2000 US Project Management Institute *BoK* or the Dixon (2000) UK Association for Project Management *BoK*, although this is hardly surprising as both *BoK*'s are written at the level of methods, processes, and procedures.

Possible reasons can be offered for this overwhelming evidence of extensive use and acceptance of improvisation in the project management of change. Chelariu *et al.* (2002, p. 141) suggest that this is: '... a reflection of the pressures of an environment characterised by unprecedented fast change.' Stacy (1996) suggests that these environmental conditions are uncertainty, complexity (described in terms of interdependent environments), and dynamism (described in terms of short-lived opportunities and threats to survival). The research that underpins this study was carried out within the UK retail financial services sector, which has many elements of such an environment. Organizations faced with these conditions will inevitably find the traditional planning and implementation models less effective. Dickson (1997, p. 37) and Moorman and Miner (1998a, p. 1) both recognize the need to manage new change during implementation, and Tushman (1997, p. 15) discusses managing multiple changes concurrently. These variations on the 'emergent change' model are well recognized, and it appears from elements of this study that improvisation is used by project managers to assist with managing this change.

The results also indicate that project and change managers embrace improvisation almost universally as a means of 'getting things done.' Many managers, across all six organizations, have strongly articulated opinions about the need to move away from agreed plans in order to achieve change. Indeed, management teams may '... make a conscious decision to improvise as a means of creating more flexibility of behaviour and more spontaneous decision making' (Chelariu *et al.*, 2002, p. 141). Crossan and Sorrenti (1997, p. 155) see this as '... intuition guiding action in a spontaneous way.' Improvisation is also seen as a means of circumventing intra and inter-organizational political resistance. It is also apparent that improvisation often takes place without senior management knowledge. This surreptitious use of improvisational work practices may be a circumstance of project-based employees feeling exposed if they abandon a plan that has been developed with others. Improvisation may remove the 'comfort factor' that the improviser draws from a shared responsibility for project activity, based on the project plan as an artefact that can be used to support project decisions. Chelariu *et al.*, see project teams as likely sources of improvisation to circumvent resistance (2002, p. 141), a finding that is borne out by evidence from this study.

Recognition of Improvisation

Traditionally, project management has been defined in terms of planning, tasks, activities, and the achievement of milestones. If projects are defined in this context, it could be said that improvisation is simply bad project management, in that it encourages project managers and project team members away from the traditional 'plan, then implement' routines that are enshrined within the project life cycle (Adams and Barndt, 1988). However, a more modern view of project management encompasses many socio-behavioural and political aspects that surround the use of projects within organizations (Morris, 1998; 2000, p. 88). A model of the factors that were seen to contribute to project success and failure was articulated in Morris (1998), and includes such behavioural factors as team-building, communications, conflict, and decision-making. These factors, together with others such as trust, commitment, stress (Wilemon, 2000, p. 137), and the culture within which the management of projects takes place (Hunt, 2000) are now seen as vitally important, albeit that some of these factors may inhibit improvisation and some may encourage it.

Given the difficulty of reacting to and managing change in turbulent environments, it is understandable that some organizations may wish to use improvisational practices. These practices are also more widely recognized at the individual than the organizational level. Some managers, however, doubt the effectiveness of this improvisational activity, and none of the organizations within the underlying study are able to support empirically that improvisation aids the project management of strategic change. A recent quantitative study (Leybourne and Sadler-Smith, 2004) reinforces this finding. Organizations are attempting to improve effectiveness through benchmarking initiatives, although there are problems, particularly with the increase in risk that has to be managed. Owing to this apparent dichotomy in the way organizations perceive improvisation, it is difficult to point to a significant body of literature that supports or challenges the use of improvisation within projects, as the subject appears not to have been addressed. Managers in *ExSociety* and *NewCo* specifically cite an assumed link between improvisation and innovation, and intentionally allow employees the organizational and temporal space to learn from experimentation and improvisation. The other organizations display little evidence of effective improvisational activity, notwithstanding the fact that their project-based workers admit to improvising constantly. Establishing an empirical link between improvisation and effective project management, if indeed one exists, therefore, requires much further research.

Use of Improvisation

It appears that improvisation is better if bounded by some kind of limiting framework. This is supported by the literature (Brown and Eisenhardt's, 1997, p. 16) 'limited structure', e Cunha *et al.*'s (1999, p. 318) 'minimal structure', and Weick's (1998, p. 545) 'guidelines'). As the Financial Services sector is highly regulated, and tends to be risk averse (Brooks and Dawes, 1999, p. 197), such a

framework is usually based around the management of risk. There is a fundamental contradiction, however, involved in setting boundaries for improvisational activity. Both Ryle's (1979) philosophical stance and the more organizationally based literature point to improvisation as an 'emerging' phenomenon. It is, therefore, difficult to 'bound' improvisational activity, as it is not possible to predict accurately what will 'emerge'.

It is also recognized that improvisation is more effective if mechanisms exist to share successful improvisational activity (Moorman and Miner, 1998b, p. 713; Chelariu *et al.*, 2002, p. 142), and to communicate lessons learned from it to relevant parts of the organization that can benefit from such activity (Moorman and Miner, 1998b, p. 713). This requires the development of organizational memory (Moorman and Miner, 1998b, pp. 713–714). Respondents within all the organizations canvassed for the underlying study voiced concerns about the ability of their organization to capture good improvisational practice and encapsulate it within such a memory for future use.

Effective organizations also encourage employees to deliver customer excellence, and this includes encouraging employees to take ownership of and solve customer requests. Improvisational activity is an enabler, and organizations with competent learning capabilities can identify and implement new improvisational processes as part of the streamlining of work processes. However, *NewCo* is most successful in this area, allowing improvisation to emerge at all levels, and has encouraged informally-convened forums to form that can identify and disseminate improvisational practices that have the potential to become best practice within the organization. This organization also seems to have mastered the ability to unlearn or dismantle historic embedded practices that are no longer relevant. There is evidence, however, across all the organizations that IT-based change initiatives do not include as much improvisational activity as initiatives to change operational processes. This is a circumstance of the more rigorous and defined procedures that surround the implementation and testing of new IT-based systems, which provide the core account processing for most financial services organizations.

There are a number of reasons that improvisation is used within projects. These include releasing innovation in project processes, clawing back time and cost overruns, and delivering change under pressure against changing requirements. Those organizations that are in any way successful in this area have however succeeded to some extent in converting improvisational activity into useable data to assist future change initiatives. Although good practice in this area would be to lodge such information in a central repository (in the same way that post-implementation review data should be held), in most organizations this data resides within the cognitive capability of its employees. Such data would not be retained in the event of a migration of those employees away from the organization. The application of such data is equally problematical, although organizations are attempting to improve their capability in this area, albeit by applying informally and personally held data, and it has to be recognised that this approach could be construed as something other than improvisation, as it removes the 'emergent, unique' element that is an essential component of improvisational activity.

Summary and Discussion

Obtaining acceptance for improvisation in organizational life has two levels of difficulty. Firstly, people have a cultural prejudice which suggests that what they plan and execute has more value, and is more likely to be effective, than what they spontaneously generate. Plans anchor people's ideas and actions, but people become attached to such plans, and return to them even when they are ineffective. There is a perception that it is problematical not adhering to a plan, even in situations where plans, maps and models do not assist.

Suchman (1987) sees this problem in terms of human-machine communication, and reflects on how humans respond in a 'situated' way. Her explanation of situated action is: 'that every course of action depends in essential ways upon its material and social circumstances' (Suchman, 1987, p. 50). Essentially, this means that as it is not possible to plan for every material and social circumstance, humans improvise, whereas machines can only respond to something that has been programmed. Machines cannot therefore innovate, and it appears that some organizations have the same problem, and for almost the same reasons. Many organizations plan for all eventualities, and many employees ensure they have a plan-based artefact to display to senior managers for protection and justification of their actions. This does not however negate their ability or desire to improvise, but may raise barriers to the ease with which improvisational activity can be triggered.

A second difficulty is related to the fear experienced when employees overstep a safe boundary into the unknown. Within the chosen sector for this study, this fear is strongly linked to stepping outside the risk framework surrounding most financial services organizations. Often employees will decide to follow plans, and negate risk, notwithstanding the fact that it may be less effective to do so. Risk averse organizations may also prefer this approach. There is also a political dimension, as when employees improvise, they have nobody to blame. An organizational culture that supports employees can assist. Hofstede (1997, p. 5) defined culture as 'the collective programming of the mind which distinguishes the members of one group or category of people from another.' The culture of a business reflects this view, but can be considered 'to encompass only those characteristics and influences that relate to the work, or business, of the individual, or group' (Hunt, 2000, p. 314). Some organizational cultures will inevitably be seen as more open to an improvisational style of working than others will.

Keegan *et al.* (1999, p. 4) refer to projects as being 'heavily dependent on . . . specific human inputs in the form of project team members who bring skills together in unpredictable ways.' The recognition of unpredictability forms a link with improvisation within projects. The work of Chelariu *et al.* (2002, p. 141–142), which considers environmental conditions for improvisation, and its use in creating flexibility of behaviour and spontaneous decision-making, has already been identified. Cleland (1988, p. 52–53) provides a number of areas where attention assists performance, including giving members of project teams ownership of decisions, and encouraging creative approaches to problem solving. Both areas support improvisational activity, despite the fact that 14 years ago the improvisation literature was in its infancy. There is a paradox,

however, with improvisation when it is considered alongside projects. Improvisation involves immediate action in order to achieve against a tight time-scale, or to solve an immediate problem. This often means having to take action without a full set of information. Traditional project management is strongly linked to planning and control, whereas with improvisation, a plan is of little assistance. Notwithstanding this, projects have been identified as a fertile breeding ground for improvisational practices. This is an area for additional research.

Some organizations recognise that action taken to resolve unforeseen problems has value in its own right. Much organizational improvisation is relatively unseen, and is often perceived as something people do surreptitiously. Employees do improvise, however, and the data supplies compelling evidence of this. A fundamental problem is that many employees do not like to admit to improvising, as it puts them at risk. Improvisation forces employees to take responsibility, as there is no validated or agreed plan to support decisions. Improvisation can be an effective addition to tools for change, and particularly so within the project environment. It appears that tension within an organization that balances formality with informality, and risk with innovation, could lead to powerful and effective organizations.

There is no doubt that there is a trend towards the fusing of planning and implementation in the organizations studied, or alternatively: 'composition and execution converge[ing] in time' (Moorman and Miner, 1998b, p. 698) within the use of projects to implement strategic change. All but one of the respondents endorsed such a proposition, and a plethora of secondary data exists in support. The link between improvisation and the difficulties in applying sequential implementation techniques during periods of rapid change, however, is more difficult to establish. Evidence from the underpinning study produces a number of reasons for improvisation, including temporal pressure, insufficient resourcing, poor project planning, and changing expectations of project success. An improved mechanism to deal with such difficulties, which balances formality with informality, could assist in the implementation of project-managed change.

Conclusions

There is little doubt that interest in improvisation is increasing, and there is a growing appreciation of its use within the management of organizations. There are difficulties to overcome, however, in controlling improvisational activity, and in learning from it and re-applying it in such a way that it benefits those organizations. This paper represents a distillation of the opinions of almost one hundred practitioners involved in managing change within a specific sector. However, many of these practitioners are practising project managers, and therefore, they could be construed as enthusiasts of project-managed change initiatives. Others are involved in the creation, generation, and implementation of change at various levels within six major financial services organizations. Notwithstanding this, the fact that there is such overwhelming support for improvisational practices, which could be considered to represent 'bad project management', is a remarkable finding.

It is apparent from the literature, however, and from data collected during the study that underpins this research, that organizations cannot let their employees

ride roughshod over the standards and procedures that impose discipline on the implementation of project-managed change. It follows that controlled improvisation, bounded by a framework that limits employee endeavour, can control the enthusiasms of proactive employees, who could otherwise indulge in improvisational ineptitude's that could ultimately result in organizational failure. The controlled use of improvisation by employees who are given the space and temporal opportunities to experiment with new and innovative self-generated work processes could pay dividends for organizations. We are living in a time of multiple possible futures, where discontinuities in organizations and their environments create a need for constant re-organization and re-invention. For organizations to survive and prosper, it is vital that they develop the mechanisms to record, assimilate, and re-apply the lessons learned from such improvisation for the benefit of the organization and its various stakeholders.

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