

**UNIVERSITY OF EASTERN FINLAND**  
Faculty of Social Sciences and Business Studies  
Business School

**TO THE UNKNOWN AND BEYOND:  
APPRECIATIVE INTELLIGENCE® IN STARTUP-COMPANIES**

Master's Thesis, Innovation Management  
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# Abstract

UNIVERSITY OF EASTERN FINLAND

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| Abstract<br><p>The goal of this thesis is through narratives provide examples and share more information about how appreciative intelligence® appears in actions and experience of people working in startup- companies.</p> <p>Appreciative intelligence® is defined as human ability to see the future possibilities present in today's world. According to Tojo Thahtchenkery this ability is formed around three components. These components are ability to reframe situation, ability to perceive the positive potential in a situation and ability to act now so that future is effected in the best possible way according to the potential that was reveiled. (Thatchenkery, 2009)</p> <p>Using narrative analysis this research presents five different narratives of appreciative intelligence that were collected through interviews conducted with five different individuals, who work in different tasks in different startup-companies. Narratives provide a powerful tool for transferring information and the goal is to help leaders and business developers to define appreciative intelligence in their own organization and to better</p> <p>This research contributes to development of startup-companies and provides people working with these organizations and academics researching them narratives and narratives analysis framework in order to identify appreciative intelligence®.</p> |                        |  |                 |
| Key words: Appreciative intelligence®, Appreciative thinking, positive psychology, narrative research, narrative interviews, startup-companies   |                        |  |                 |

## **FOREWORD**

This master thesis project is an outcome of my own personal and professional interest on startup-companies. startup- hype has been booming in Finland in the past few years. This can be seen from the birth of national Entrepreneurship Society network and in the startup-festival Slush that has grown from a local event to be an international meeting point of investors, entrepreneurs, academics and other startup-enthusiasts.

My first experiences with startup-companies were in south-western Finland, during the downfall of Nokia's mobile phone production. After thousands of people had lost their jobs in layoffs from Nokia the atmosphere was shocked people had no idea about their future. After sometime I started to see something interesting. The amount of new businesses really started to grow. There was a lot of talented workforce and no one to hire and instead of staying at home they really wanted to do something. Most of the people I met were not bitter, they seemed like people who were finally chasing their own dreams. They had found potential from very unlikely, almost catastrophic, situation.

Years after, when I was studying in University of Eastern Finland I happened to participate into an intensive course where Mr. Tojo Thatchenkery from George Mason University was a visiting lecturer. This was the first time I got to know about the concept of appreciative intelligence®. I ended up doing cooperation with both professors Thatchenkery and Hanna Lehtimäki and deepening my knowledge around the topic. I started to think that I had witnessed appreciative intelligence® occurring in several occasions, on everyday events that have taken place in startup-companies, I just did not know how to call the phenomena. The creation of this study has involved quite a lot of self-reflection. There has been many moments that I have been lost with my own role as research, student and entrepreneur. I must admit that, I myself have experienced quite a lot of uncertainty, which in one way made the topic more personal.

I want to thank my supervisor professor Hanna Lehtimäki for introducing me to the world of appreciative inquiry and intelligence and Kuopio Entrepreneurship Society from all the inspiring conversations we had. Most importantly I want to thank my family and loved one's who have supported me through this whole process. The most important appreciation is between us.

## TABLE OF CONTENTS

|   |    |
|---|----|
| <b>1. INTRODUCTION</b> .....                                      | 5  |
| 1.1 Uncertainty and appreciative intelligence .....               | 5  |
| 1.2 Appreciative intelligence® in Startup-companies .....         | 5  |
| 1.3 The key concepts and structure of the study .....             | 7  |
| 2.1 Startup-companies .....                                       | 8  |
| 2.2 Uncertainty in organizations .....                            | 9  |
| 2.3 Positive psychology in organizations.....                     | 12 |
| 2.3 Organizations as social constructions .....                   | 15 |
| 2.4 Appreciative inquiry .....                                    | 17 |
| 2.5 Appreciative intelligence® .....                              | 20 |
| 2.6 Summary.....  | 21 |
| <b>3. RESEARCH METHODS</b> .....                                  | 23 |
| 3.1 Research approach .....                                       | 23 |
| 3.2 Narrative Inquiry .....                                       | 25 |
| 3.3 Data analysis.....  | 28 |
| <b>4. NARRATIVES OF APPRECIATIVE INTELLIGENCE</b> .....           | 30 |
| 4.1 Shared uncertainty empowers community.....                    | 30 |
| 4.2 Narrative of uncertainty as empty canvas for creativity ..... | 37 |
| 4.3 Positive challenge for young professional.....                | 44 |
| 4.4 Uncertainty provides excitement.....                          | 48 |
| 4.5 Uncertainty as a teacher .....                                | 53 |
| 4.6 Key results .....   | 58 |
| <b>5. CONCLUSIONS</b> .....                                       | 62 |
| 5.1 Contribution of research .....                                | 62 |
| 5.2 Limitations and future research propositions .....            | 63 |

# 1. INTRODUCTION

## 1.1 Uncertainty and appreciative intelligence

Uncertainty became the leading theme during the conducted interviews. This is so, because the limited resources of organizations increases uncertainty and makes it easier to discover appreciative intelligence® (Thatchenkery,2006.) One aspect of the appreciative intelligence is to see potential in unusual places, so I become curious if interviewees were able to reframe uncertainty so that they would see the positive potential on it.

Startup-companies face a lot of stress and uncertainty. Many of them work with novel technologies that might be doomed to fail and to create financial and personal damages to owners, investors and employees of company. Quote from Drucker (1985), well describes the uncertainty that startup-companies face:

*“When the new ventures succeed, more often than not it is in a market other than the one it was originally intended to serve, with products and services not quite those whereby it had set out, bought in large part by customers it did not even think when it started, and used for a host of purposes besides the ones for which the products were first designed.”*

My motivation to write on this topic comes from personal experiences on working with startup-companies and communities. There are many small teams working around the clock, determined to become the next billion-dollar business; a unicorn company. Startup-company hype seems to be going forward even though most of the enterprises fail. So what drives people forward to fight against the odds and all that uncertainty? How do people in these organizations build social environment that helps them see the possibilities instead of the obstacles?

## 1.2 Appreciative intelligence® in Startup-companies

The goal of this research is to present how appreciative intelligence® can be identified from the behavior of people who work for startup-companies. Empirical research consists

on five interviews conducted among five different people who work in Startup-companies. From the conducted interviews, I was able to identify five different narratives of appreciative intelligence, based on repetitive themes. Each of these interviewees work in different tasks in different Startup-companies.

Appreciative intelligence® is defined as human ability to see the future possibilities present in today's world. During the analysis, I identified narratives that had in them the three components of appreciative intelligence®. (Thatchenkery 2009) These components are ability to reframe situation, ability to perceive the positive potential in a situation and ability to act now so that future is effected in the best possible way according to the potential (Thatchenkery and Metzker, 2006).

The gap, which this research is aiming at fill, is that there is no previous research conducted among startup-companies that would include appreciative intelligence®. Neither there is well-known research that would use narrative analysis in order to capture the life giving forces among people working in startup-company. I am taking appreciative intelligence® into a completely new field to investigate how this human ability appears and affects startup-companies and people working in them.

When performing 'narrative analysis', the researcher organizes and interprets empirical data that describes some more or less consistent events, happenings and actions in a way that they construct one or more narratives that will be interpreted and discussed. The focus is on 'narrative' as a mode of analysis. Three components of appreciative intelligence® already present the chronological order of events and that is why they provide a good ground for narrative analysis. Narratives are a powerful tool for transferring information. Telling and sharing stories helps people to understand themselves and connect with others. Because of this, different narratives offer also a good way for deeper understanding about appreciative intelligence® and how it occurs in startup-organizations. Performing narrative analysis means that collected empirical data is organized and interpreted so that narratives are a mode of analysis. (Eriksson and Kovalainen, 2008)

### **1.3 The key concepts and structure of the study**

The key concepts of the research are startup-company and appreciative intelligence®. Startup-company is an entrepreneurial venture which is typically a newly emerged, fast-growing business that aims to meet a marketplace need by developing or offering an innovative product, process or service (Robehmed, 2013).. Eric Ries the developer of the Lean Startup-system method uses definition that startup-company is an organization which is trying to develop something new under extreme uncertainty (Ries, 2011). I use this definition also in my research. Appreciative intelligence refers to a person's ability to reach for the positive potential within the present and one's capability to make that potential come to alive (Thatchenkery 2009).

The thesis is divided into five chapters. The second chapter of the study introduces the theoretical framework used. This includes theory around the topics of uncertainty and positive psychology in organizations as well as appreciative inquiry and intelligence®. Third chapter introduces the research methods used. Fourth chapter provides the findings of the study and fifth chapter is the conclusion and discussion part.

## 2 THEORETICAL FRAMEWORK

### 2.1 Startup-companies

Previous research conducted among startup-companies has focused on product and organizational development methods such as Lean Startup-system (Ries 2011, Roland and Thoring 2012, Taipale 2010, Furr et al. 2014). Figure 1. presents the Lean Startup-cycle introduced by Eric Ries. It is based in three parts on the cycle building, measuring and learning and the key idea is to support continuous development in startup-company. There is certain similarity to the human ability of appreciative intelligence® discussed in this research, both aim for continuous development. (Ries 2011, Thatchenkery and Metzker, 2006.)

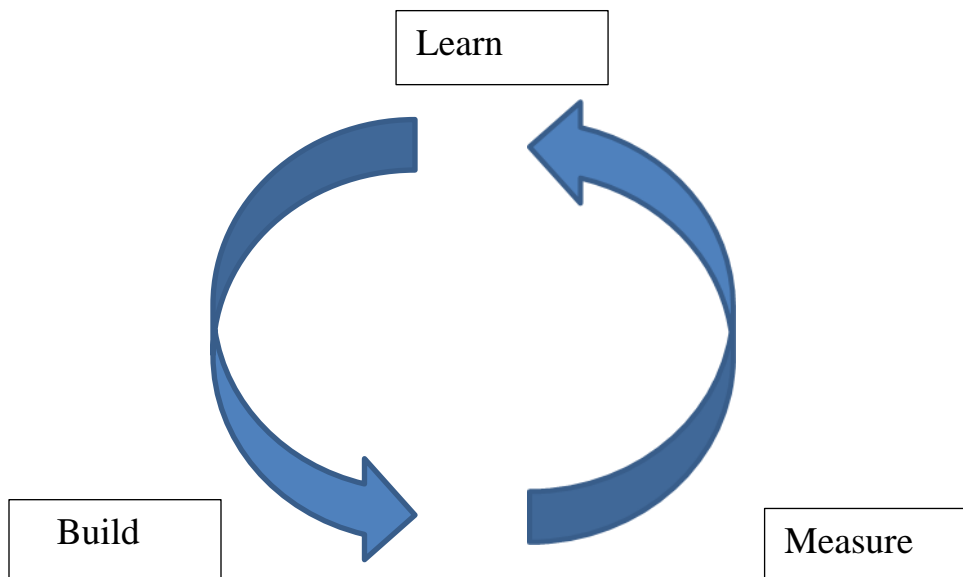


Figure 1. The Lean Startup-cycle (Ries, 2011).

This research is part of a category for organizational culture studies conducted among startup-companies. Forexample Baron and Hannan (2002) have studied how high-tech startup-founders address the key organizational and human resource challenges.



## **2.2 Uncertainty in organizations**

Reducing uncertainty is one of the most important goals of human communication (Berger and Calabrese, 1975; Berger and Chaffee, 1987; Bradac, 2001; Goldsmith, 2001; Knobloch and Solomon, 2002; Stinchcombe, 1990; Weick, 1993, 1995). This proves that humans experience uncertainty as a negative state which they want to change as fast as possible.

Uncertainty has various forms and to manage uncertainty one must understand what kind of uncertainty organizations is facing. In the field of a project managing there have been previous studies related to managing uncertainty. There are four different types of uncertainty when it comes to project management. These are variation, foreseen uncertainty, unforeseen uncertainty, chaos. (De Meyer et al 2002.) Table 1. demonstrates the correlation between different approaches towards the unforeseeable uncertainty and complexity.

Variation is outcome of a combined influence of the small factors. Normally, teams have clarified objects and plans but there is variation between the projected values and reality. Variation can take place for example in budget or planned work hours, employee sickness etc. Foreseen uncertainties are those influences that can be identified and understood beforehand but cannot be sure they will occur. Difference from variation is in the size of the risk, there might be a need for alternative plans and more effective analysis. Unforeseen uncertainty is something that is impossible to identify beforehand on plans. This means risks that rise from the unknown events. Unknown certainty is not necessarily outcome of a single event but can be a cause of the series of small, unpredictable events. Chaos differs from unpredictable uncertainty so that in unpredictable uncertainty the beginning of the project is stable. In chaos, even the project plan is uncertain. Because of this, they reached goal of project' is often completely different from the original goal. (De Meyer et al 2002.)

Startup companies often face unknown uncertainty. One reason for this is that they often work with novel technologies and the lack of resources makes it hard to unveil the future. In prior literature there have been studies addressing the different approaches towards

unknown uncertainty. Both conceptual research (Pich et al. 2002) and empirical observations (Leonard-Barton 1995) have proven that there are two dominating approaches towards unknown uncertainty. These approaches are selectionism and trial-and-error learning.

Selectionism refers to a method where you have several candidate solutions and then selecting from them the one that helps achieving the best results. The key idea is to create enough variety that at least some of the selected variants will provide desirable results. (McGrath 2001). Selectionism has been documented to take place both in startup:s (Loch et al. 2006) and in large companies which were operating in software (Beinhocker 1999) and pharmaceutical industries (Girotra et al. 2007).

The trial-and-error method of coping with uncertainty refers to approach where active searching for new information takes place and activities flexibly adjusted together with targets. New and original problem solving can then applied, when new information emerges. The trial-and-error method and the flexible adjustment to unforeseen technologies has characterized the development of many breakthrough technologies. (Chew et al. 1991.) An example of such innovations and inventions that are the outcome of the trial-and-error approach include Motorola's pager, Corning's fiber optics (Lynn et al. 1996), Apple and HP's personal digital assistants (Leonard-Barton 1995) Sun's Java (Bank 1995), and integrated circuit design (Thomke and Reinertsen 1998). Trial-and-error and iteration are particularly common in startup-companies (Loch et al. 2008).

Table 1. Unforeseeable uncertainty and complexity :managerial implications. (Sommer et al. 2009)

|             |                 | <b>Complexity</b>  |   |
|-------------|-----------------|--|---|
|             |                 | <i>Low</i>   | <i>high</i>   |
| <i>High</i> | <b>Learning</b> | <ul style="list-style-type: none"> <li>-Actively search for unk unks</li> <li>-Flexibility to fundamentally redefine business plan and venture model.</li> </ul> | <p style="text-align: center;"><b>Selectionism</b></p> <ul style="list-style-type: none"> <li>-Selectionism effective if choice of best trial can be deferred until unk unk have emerged (true market response is known)</li> <li>-Success potential limited by difficulty of challenge.</li> </ul> |
|             | <i>Low</i>      | <p style="text-align: center;"><b>Planning</b></p> Plan, risk identification and risk management   | <p style="text-align: center;"><b>Planning</b></p> -Plan, risk identification and risk management   |

Project management and management of startup-organizations have similarities because both projects and startups are temporary states which is causing uncertainty about the future. Startup-company is temporary organization because it will either both grow and so

stop being a startup or it has different kind of exit from the startup status for example through mergers or acquisitions. Startup companies face a lot of stress and uncertainty also because many of them work with novel technology that might be doomed to fail. These failures might also create financial and personal damages to owners, investors and employees of company (Drucker, 1985). Drucker describes the uncertainty that startup companies face the following way. “When new ventures succeed, more often than not it is in a market other than the one it was originally intended to serve, with products and services not quite those with which it had set out, bought in large part by customers it did not even think of when it started, and used for a host of purposes besides the ones for which the products were first designed” (Drucker, 1985). There are many small teams working around the clock, determined to become the next billion-dollar business; a unicorn company. Startup-hype seems to be going forward even though most of the enterprises fail. So what drives people forward to fight against the odds? How do people in these organizations build social environment that helps them see the possibilities instead of the obstacles?

### **2.3 Positive psychology in organizations**

Positive psychology is an outcome of the critique that psychology has received on focusing too much on the mental illnesses rather than wellbeing of humans. One proof of this is research showing that psychological publications addressing negative states are more common than positive states with a ratio of 14 to 1. (Myers, 2000.) Later positive psychology has become an umbrella term that could mean for example stimulating and organizing research, application and scholarship on strengths, virtues, excellence thriving, flourishing, resilience flow and optimal functioning (Donaldson and Ia Ko, 2009). Even though at the early days of positive psychology, the key idea behind the movement was on the change focus of treatment, now positive psychology is not only part of the disciplinary of psychology but also has spread to be part of several disciplines. Some examples being public health, healthcare, social and human services, economics, political science neuroscience, leadership, management and organizational science. (Donaldson and Ia Ko, 2009.)

Organization studies have gained interest in positive psychology in order to transform employees more proactive and help them work better together. So engaged workers, who are both energized and dedicated are the goal of organizations. (Baker and Schaufeli, 2008.) Organizational science been affected by positive psychology at the beginning of new millennium. Since that, more than 172 related articles has been published, from these publications Donaldson and Ia Ko raised three main themes; POP (positive organizational psychology) POB (positive organizational behavior) and POS (positive organizational scholarship). (Donaldson and Ia Ko, 2009.) As a term, Positive organizational psychology is rather new and it does not have a clear definition. That is why several different labels and definitions have emerged (Baker and Schaufeli, 2008). Some examples of these are positive psychology at work, positive workplace and positive organization (Martin, 2005; Turner, Barling, & Zacharatos, 2002; Wiegand & Geller, 2005). Luthans (2002) defined Positive organizational behavior through research and application of those human resource strengths that are positively oriented and psychological capacities that could be both measured, developed and managed for improvement of organizational performance. This view is quite utilitarian and management driven. For example, Wright (2003) argued later that POB must include employee happiness and health also as goals. Today organizations are starting to see employee health and wellbeing as a strategic value which brings the Luthans organization centered model a closer towards to the Wrights employee centered model. (Zwetsloot and Pot, 2004; Baker and Schaufeli, 2008.) Typical POB studies are about individual positive psychological conditions and human resource strengths, which are in a way or another related to employee wellbeing or improvement of performance. Other study subjects might be the role of the cognitive capacities of creativity, wisdom and affective capacities of work engagement and humor or different personal resources that help individual coping with different situations. (Baker and Schaufeli, 2008.)

Cameron and Caza (2004) define positive organizational scholarship as the study of that which is positive, flourishing, and life giving in organizations. Positive refers to the elevating processes and outcomes in organizations. Organizational refers to the interpersonal and structural dynamics activated in and through organizations, specifically taking into account the context in which positive phenomena occur. Scholarship refers to

the scientific, theoretically derived, and rigorous investigation of that which is positive in organizational settings” Like Positive Organizational Behavior, also Positive Organizational Scholarship has its focus on the workplace and the work-related outcomes. Even though these two are partially overlapping, Positive organizational behavior being more focused on individual psychological states and capabilities influencing employee performance whereas positive organizational behavior has the focus mainly on the positive aspects of the organization that influence employee’s in a positive way. (Cameron, 2005 Luthans, 2002.)

There have been recently numerous POB studies, proving the effectiveness of positive organizational phenomena and that they can make a unique contribution to organizational outcomes (Baker and Schaufeli, 2008). Good example about such results is ground study made by Fredrickson and Losada (2005) among business teams. They were able to contribute, with empirical validation that positive communication and expressions of support correlated with success of teams. From total 60 management teams studied they were able to identify 15 teams with clearly better results (better profitability, customer satisfaction and evaluations) with the basis on their positive speech. Positive speech in the study meant encouragement, support and appreciation and negative speech disapproval, cynicism and sarcasm. The teams performing the weakest on study were those with tightly bounded, uncreative and generally negative. ( Fredrickson and Losada’s, 2005.) Bakker, Demerouti, and Euwema (2005) conducted research among the Dutch college teachers on how job resources such as autonomy, performance feedback, social support, or coaching from their supervisor would affect their performance. The result of the study was these job resources worked as a buffer against the negative effects of job demands and prevailed burnout. Hakanen Baker and Dermonti (2005) conducted similar research among Finnish dentist about job resources. Their finding was that job resources gave most benefit in maintaining the work engagement under high job demands. Similar results was gained when studying Finnish teachers in elementary secondary and vocational schools (Bakker et al. 2007).

In leadership literature, there has been previous research about positive psychological traits individuals have. These traits measure to what level individual tends to be hopeful, optimistic and resilient. (Snyder et al. 1991, Scheier and Carver 1985, Block and Kremen 1996.) In their research Peterson, Walumba, Byron and Myrowitz (2008) studied the relation of these positive psychological traits, together with transformational leadership behavior and the correlation with firm performance, both in startup-companies and established companies. Their finding was that the more leaders possessed these positive psychological traits the more transformational ration they had. In this research, transformational leadership was a set of tools, which with CEO transmits positive psychological effects on firm performance. They also found out that transformational leadership had more positive effect on organizational performance among startup-companies than with established companies. (Peterson et al. 2008.) From these kind of positive psychology traits, we can see similarities to appreciative intelligence® what is also a trait that individuals can have and develop.

### **2.3 Organizations as social constructions**

Theory of appreciative intelligence® can be seen as social constructionist theory. Social constructionism is a theory in sociology and communication studies focusing on co-created understandings of the world that vase on shared assumptions. The roots of social constructionism are in symbolic interactionism and phenomenology (Fairhurst and Grant, 2010). Social constructionism is a postmodern theory and so challenges some of the modern views about knowledge creation these are such as individual rationality, empirical evaluation, language as representation and narrative of progress (McNamee & Hosking, 2012).

It first came prominent through the publication of the book “Social construction of the reality” by Peter L. Berger and Thomas Luckmann. The founding argument of social constructionism was that all knowledge is an outcome of the social interaction. (Berger and Luckmann, 1966.) According to social constructionism reality, as we experience, is both

revealed, concealed, created and destroyed through our social activities (Pearce 1995, P89). Through this fundamental role of social interaction, it is no surprise that social constructionism puts a lot of weight on the use of language and communication (Barge, 2001; Barge & Little, 2002; Cronen, 2001; Pearce & Cronen, 1980). Because of this during its history, social constructionism has been steering towards linguistics and after that towards discourse theory (Alvesson & Kärreman, 2000a; Rorty, 1967).

Most social constructionists see communication as something, that does not mirror the reality but rather than that, it constitutes it. This idea is something that changes the essence of communication. Instead of seeing communication as a transmission that we receive to understand each other and reality it is a medium where negotiation and a construction of meaning takes place. (Deetz, 1992; Jian, Schmisser, & Fairhust, 2008.)

In other words, realities often take as granted, are an outcome of interactions between and among social agents (Hacking, 1999). Because reality is not something that could be measured and understood through positivist-scientific-inquiry, instead of having objective reality, there is a possibility for several realities that keep on competing for their legitimacy (Astley 1985). As social construction takes place and these realities reproduced repeatedly, so that in the end they form stable structures. These structures still are open to change as during time the communication also keeps evolving. (Giddens, 1979, 1984). Social agents do behave as these structures would present objective truth but they are actually intersubjective produced enterprises (Gioia, 2003).

In organizational sciences, the goal of a social constructionist approach is to understand the socio-cultural processes, which are producing so called local realities for the organization (Gergen and Thatchenkery, 2004). These realities interwove with each individual in organization and shape everyday interactions (Cunliffe, 2008). Researchers who take a social constructionist approach to organizations are interested in the social and cultural context in the micro processes that take place in the organization, how organizational identity is constructed, language practices and meaning making that takes place in organizational settings (Lehtimäki et al 2013). a Good example of a social



constructionist research in organizational sciences is research conducted by Francis (2003) where a research phenomenon were simultaneously existing people- and control centered discourses of managers' experience during the introduction of team work in manufacturing organization where Tayloristic management culture was dominant. These two discourses shaped how organization went through the change process and how change discussed and experienced.

Other Interesting example about social constructionism and startup-culture is the development of Silicon Valley. There have been claims that a region that is one of the most entrepreneurial in the world would be an outcome of continuous networking. (Saxenian 2000.) Most often ideas and innovation are results of discussions, meetings and other kinds of social interaction, so actually entrepreneurship would be embedded in social structures (Granovetter, 1985; Jack and Anderson, 2002).

#### **2.4 Appreciative inquiry**

In case of studying organizations most of the approaches start with the “problem solving” paradigm (Cooperrider & Srivastva, 1987; Weick, 1982). Appreciative inquiry was first introduced by David Cooperrider & Suresh Srivastva, in their article “Appreciative inquiry in organizational life” in the year 1986 (Cooperrider & Srivastva,1987). Appreciative inquiry is often describe as a social constructive theory. This definition has some problems, as social constructive theories refer to many different kinds of approaches. (van der Haar and Hosking, 2004.)

Appreciative inquiry, seen to be the outcome of more radical forms of social constructionism and been linked to contemporary forms of action research (Fitzgerald, Murrell et al. 2001). Appreciative inquiry is based on a socio-rationalist paradigm. It sees organizational reality as a social construction and product of human imagination (Gergen and Thatchenkery, 1996). According to Cooperrider and Srivastva (1987) Appreciative

inquiry is search for knowledge as well as it is a theory of intentional collective action that aims to help evolve the normative visions and will of an organization.

Cooperrider has also used the following definition “In the most practical construction, Appreciative Inquiry is a form of transformational inquiry that selectively seeks to locate, highlight, and illuminate the life-giving forces of an organizations existence. It is based on the belief that human systems are made and imagined by those who live and work within them. AI leads these systems to move toward the creative images that reside in the positive core of an organization.” (Cooperrider, Whitney et al. 2008) One of the most famous and main intervention models that is associated with appreciative inquiry is the 4-D cycle (Figure 2). 4-D Cycle has four stages and starts with discovery. The discovery stage is about appreciating what is; (what has been working well so far, in what is the organization good at, what gives life to organization) Second stage of the cycle is dream. At this stage, organization imagines what it could be in future. Design is the third stage of the cycle during this stage goal is to determine what should be. Fourth and the last stage is destiny, in this stage organization will start creating what will be the organization’s future. (Cooperrider & Whitney, 1999.)

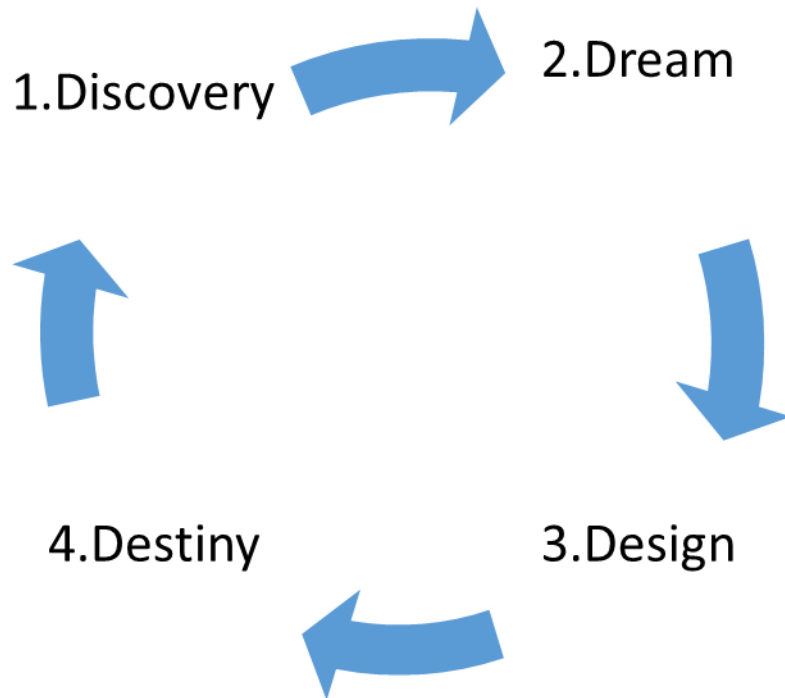


Figure 2. 4-D Cycle Cycle (Coopperrider & Whitney, 1999).

There has also been criticism for appreciative inquiry. Bushe and Kassam (2005) for example claimed on their research that only seven out of twenty AI cases they analyzed reached transformational change. This result made them realize that there are two qualities of appreciative inquiry, which needs to be considered in order to get transformational outcomes. First is that focus should be on changing how people think instead of how they do and second is focus that should be on supporting self-organizing change processes that flow from new ideas. van de Haar and Hosking (2004) were criticizing the empirical quantitative studies done on the topic, as they were able to identify only three conducted researches. Grant and Humphrie (2006) argue that appreciative inquiry would neglect the influence of social systems which create the systems of power over group members' consciousness. There has been also discussion about phenomena what is named to be the shadow side of appreciative inquiry. Shadow side means the conscious or unconscious way

of regulating cognition or emotions by oneself and others when someone is moving away from cultural norm. (Ridley-Duff and Duncan 2015.)

## **2.5 Appreciative intelligence®**

Whereas appreciative inquiry is organizational development method appreciative intelligence® introduced by Thatchenkery refers to person's ability to reach for the positive potential within the present and one's capability to make that potential come to alive. (Thatchenkery 2009.)

Appreciative intelligence ®has three components. First one is the ability of reframing a situation. This means that individual can recognize the positive possibilities where they might be hard to recognize at first. The second component of appreciative intelligence® is the ability to perceive the positive potential in a situation. Human beings tend to reframe challenging situations in two contrasting ways – either negatively or positively. The third component is individual's ability to act now so that future is effected in the best possible way according to the potential that was reviled. (Thatchenkery and Metzker, 2006.)

Both appreciative inquiry and appreciative intelligence® can be used for organizations to lead strategic change that is based on possibilities for the future. The key issue of both approaches is focus on appreciating what is working instead of problems. Both are applications of social constructionist principles on organizational science (Gergen, 2009; Gergen and Thatchenkery, 2004) and both are also developments in positive psychology and positive organizational behavior scholarship (Cameron, 2008; Cameron et al., 2003; Seligman, 2011).

As mentioned earlier, Appreciative Intelligence® is the ability to reframe a given situation to recognize the positive possibilities embedded in it that were not initially apparent, and to act purposefully so that the desired outcomes may unfold from the generative aspects of the current situation (Thatchenkery and Metzker, 2006). Appreciative intelligence has been

proven as powerful ability to help in organizational change. Thatchenkery speaks about future-present scenarios, helping people to see future in current (Thatchenkery,2013)

## **2.6 Summary**

Appreciative intelligence® is quite a new research topic and there is not much academic research done. Already this highlights the importance of all the new academic studies addressing appreciative intelligence®.

Large amount of previous studies has focused on presenting and defining this new framework. They have aimed to provide ground for academic acceptance of appreciative intelligence®. There are no previous research done about appreciative inquiry or appreciative intelligence® among startup-companies. Examples of such studies are Thatchenkery's book *Appreciative intelligence®: Seeing the mighty oak in the acorn* (Thatchenkery, 2009) and articles like "Organization Science as Social Construction Postmodern Potentials." (Gergen and Thatchenkery, 2006.) There are also some case studies conducted. These case studies mainly focus on change management and how appreciative intelligence® provides help during the process. Studies like "A change management case study using Appreciative Intelligence®", "Appreciative Intelligence® in leadership culture transformation: a case study.", "Appreciative intelligence® in action—A case study of sustainable value creation by Irupana Organic Food of Bolivia." are good examples of such studies. All of these studies are aiming to prove the efficiency of appreciative intelligence® as the method of development, in comparison to a problem oriented models.

In my research, I focus on the statement of Thatchenkery (2009) that appreciative intelligence® is human ability that we all have and we can train to use it even more efficiently. I am researching how this statement takes place inside startup-companies and among people working in them. As I combine both startup-companies and appreciative intelligence® to build the background of my research.

I am also filling the research gap created by the lack of narrative inquiries made on appreciative intelligence®. As I mentioned the earlier I hope that through storytelling it would be easier to understand and share the examples of appreciative intelligence® and help provide a better definition of the term.

### **3. RESEARCH METHODS**

#### **3.1 Research approach**

Through qualitative interviews, I was able to see if the three components of appreciative intelligence® were present on interviewees' experiences and actions during uncertain and challenging times. This was important because the whole idea of Appreciative intelligence® leans into seeing the potential where in places where it would not be normally seen.

Qualitative methods have a long history as part of social science and previously they been more used than quantitative research that has latter received more dominant role. In management research, for example case studies were the dominant method until the early 1960's. (Gummesson 2000, Eriksson and Kovalainen 2008) Still very often qualitative research is defined in contrast towards quantitative research, as this is seen as an easier way to discuss them than to define either one. Both terms include a large variety in research tools and methods of different kind, because of this straightforward comparison of these two methods is impossible. (Eriksson and Kovalainen, 2008)

That is why there is a need for a categorization inside both terms. In qualitative research, one of the categorization approaches can concentrate on research interests. One major difference between qualitative and quantitative research is that quantitative research is unable to address with the social and cultural construction of its own variables. This is where the core of qualitative research comes out. With qualitative studies, researchers often aim to understand reality, as social construction and production, interpreted through cultural meanings. So very vague differentiation in a certain level can be that whereas qualitative researches often concern interpretation and understanding, quantitative researches do mainly concern testing hypothesis and statistical analysis. This also means that quantitative research is more often structured standardized whereas qualitative methods are more sensitive towards the context. (Eriksson and Kovalainen, 2008)

During the research, I applied the emotionalist approach (Eriksson and Kovalainen, 2008). In emotionalist approach the interviewer aims with research to reach the interviewees

authentic experience. Authentic experience is how individual has experience the studied phenomena. Unlike in positivist approach focus is not in information but on the perceptions, conceptions, understandings, viewpoints and emotions. (Eriksson and Kovalainen, 2008.) With sensitiveness and open-ended questions, the researcher often aims at; raise different themes from qualitative data. These themes can then be both analyzed, emerged into patterns and theories. (Creswell, 2003.) (Eriksson, Kovalainen 2008) This choice gives support for the later part of the analysis because the appreciative intelligence ® is tied to emotions.

Research planning is still an important part of qualitative research even though the plan is not as strict as with quantitative studies. Some looseness allows research to make changes during the process for data collection and analyzing. Research should still understand the key elements of the research so that the focus of the research will last even though the methods might change on the way. The process of starting a qualitative research begins with choosing the research area and identifying the topic, formulating research questions and choosing appropriate methods. The process is good to start with analyzing if the planned topic is such that it is possible to study it empirically. (Eriksson & Kovalainen 2008) When using interviews for example as a qualitative research method researcher is not concentrating so much on planning a precise route to reach the research goal. There is more effort put on with who is capable to sharing the information needed to reach the goal. (Warren, 2001)

I faced quite many problematic issues as a researcher, related to the research settings. First problem for me to was that I wanted to study the interviewees' ability towards appreciative intelligence ® and I was quite sure that they had not heard about the ability before, neither could I have explained it to them without affecting the results. So I had to make sure that people would share as much of their experiences as possible, for me to have better ground for finding behavior which would refer to appreciative intelligence®. To achieve this goal, I decided to use a narrative approach, which is justified with the belief that people are storytellers, and sharing stories helps people to understand oneself and connect with others. (Eriksson and Kovalainen, 2008) I decided to address the theme of uncertainty in the



interview questions so that I would be able to steer the interviews into thinking of challenging situations.

### **3.2 Narrative Inquiry**

Narrative interview differs from other intensive and open interviews because of this focus on producing stories. During the narrative interview researcher pays more attention to the little stories that often take place spontaneously while people are interviewed. For me, these stories offered a way of presenting the experiences and emotions that included appreciative intelligence®. In addition, narrative interviews offer the possibility for a researcher to take a more active role in trying to engage the interviewee to share stories of this kind. (Eriksson & Kovalainen, 2008.) I think that my own experiences and work history in startup-companies provided help for taking a more active role with the interviewees. It helped me especially in coming up with follow-up questions, which activated the interviewees to share related stories. Follow-up question requires a careful concentration on sayings, so that there is possibility to pick up a particular theme, a concept or idea introduced by the interviewee. (Rubin and Rubin, 2005.) My personal experience during the interviews was that after each interview it was easier to ask the right, follow up questions. I was able to pick up themes, which had been present in previous interviews and dig into deeper meanings.

According to Eriksson and Kovalainen Narrative, interviews do not include prior hypotheses or propositions to be tested and the researcher should encourage the interviewee to speak freely. So that during the interview the participant's story told as, he/she experiences through the individual ways of expression without having to stop answering on a predefined list of questions or any other kind of earlier planned research setting. The researcher can also adopt a conversational role with the interviewee and share his/her own story considering the research topic. Narrative interview often has the basic assumption that the expression received from the interviewee is partly both conscious but also unconscious. Unconscious parts include things like cultural, societal and individual processes. Depending on the study sometimes the focus might be more in the conscious or

unconscious parts. (Eriksson & Kovalainen, 2008.) Use of language during the interview should be considered also because it can either encourage or discourage the interviewee to participate into the conversation. It is important to make sure that shared understanding continues through the interview process. Because the narrative inquiry invites the interviewee to share his/her own story, it might help also in case when these people lack educational and language or literary experiences. (Bates 2005.)

The problem of conducting a narrative interview might be that the researcher has to change his/her mindset if there are previous experiences of using other types of qualitative interview methods that are more common. Most of the interview types have the aim on the precise data that turns into easily analyzable and statistic data. When, using narrative interview style this mindset does not work as the question style is so different. Narrative-pointed questions are open ended and they can focus on a longer period of time or a specific event, either way research must be able to listen without interrupting even though he/she would think that response has already been received. In many ways, narrative interviews resemblances day-to-day communications. In a similar way as when people have, a conversation researcher must be able to let the interviewee speak freely, keep pauses when she/he feels like it and be able to use body language and non-verbal communication in a way that encourages interviewee to continue sharing the story. (Eriksson & Kovalainen, 2008.)

Eriksson & Kovalainen point out that often researcher mistakes a qualitative interview processes to be easy to conduct. They also point out that it is even harder to analyze them in correct manner. Because of this, the whole research project should be done keeping the big picture in mind. This means that while selecting each of method during the process; was it the selecting between the interview study types, where the interview are conducted and how many are participating; it must be considered how it will affect the collected data and how analyzable it is. (Eriksson and Kovalainen, 2008.) I considered before the research that five is maximum amount of interviewees I can have because of the time and resources limitations of this master thesis project. The amount of data was still a surprise to me and it was good learning experience.

Researcher can use narratives in various different ways, as part of academic research. Mainly, it has been in use at organization studies but it is possible to apply it also in other types of business research. Writing narratives is one of the most common ways to use it. Writing the research into a story kind of form is the most common in the reports of classic case studies. Other way is simply collecting stories and then analyzing them. Population where stories are collected could be formed both by employees of organization, the customers of certain company or consumers overall, entrepreneurs, consultants or any other related group of people. Narratives can used in conceptualizing studied phenomena as a story making and giving theories used a role of story reading. The last way could be to create a narrative in order to make a disciplinary reflection that allows researcher to take the role similar to a literature critique so that for example the plot or drama of theory to be analyzed. (Eriksson and Kovalainen, 2008.)

There are also limitations when using narrative analysis. It is not an appropriate tool for studies including large amounts of nameless, faceless subject. The narrative approach is slow and time consuming; the researcher has to consider the relations of all the subjects related to narrative also his/her own. Because of this when narrative analysis is used the researcher can't ever expect to receive a clear and unobstructed view of narrators' experiences. (Riessman, 2001.)

Narratives presented in this research, to some level, also present collective stories. Collective stories are defined and categorized between meta- narratives and personal narratives, which are stories co-produced by the communities of people. (Rappaport, 1995.) Examples of such communities could be people inside specific organization or professional communities (Brown and Duguid, 1991; Orr, 1995). In this research, the professional community are people who work in startup-organizations. Even though they are not in the same organization, there are similarities in their experience, which create the collective stories.

### 3.3 Data analysis

In the research, I used narrative analysis instead of the analysis of narratives. When performing the narrative analysis researcher is organizing and interpreting the collected empirical data, in a way that they construct one or more narratives. Then there is discussion about the narratives during the study. Therefore, the focus is on the narrative as a mode of analysis. (Eriksson and Kovalainen, 2008, Polkinghorne, 1995.)

I decided to take such approach because I could not really know before the interviews what kind of events and experiences the interviewees had gone through during their startup-careers.

According to Eriksson and Kovalainen there is very little consensus on the methods and techniques of making narrative inquiry. In narrative research, like in any qualitative research, the goals of the research and research-questions are the guiders for the researcher to use the kind of analysis that is appropriate for the study. There is often a need for adaption and refining of research methods and techniques so that they will actually suit these goals. (Eriksson and Kovalainen, 2008.) In this research, I also had to adapt all the methods to suit my goal: identify the appearance of appreciative intelligence® from the interviews.

Focus in narrative analysis can be in either meaning, structure, interactional context or performance (Eriksson and Kovalainen, 2008). In this research, focus is on meaning. This means that while analyzing the narratives my focus is on the content of narrative, so what is said and what does it mean are the issues under analysis. Thematic analysis was done so that, I first conducted the interviews and then created storylines into themes that rise up during those interviews. I construct narratives as a researcher and their construction is significant part of the analysis. Exception are short stories shared by interviewees describing a single specific event. These are individual narratives emerging inside the narrative.

Narrative has a defined structure and a coherent plot (Eriksson and Kovalainen, 2008). For this research it was natural to build the structure and plot around the components of

appreciative intelligence ® as they form a chronological order of actions. Below you can see the analysis framework I created based on the three components of appreciative intelligence®. In the findings section I am going interpreting the collected empirical data and presenting what kind of themes are inside each narrative. Then on the conclusion section, I am presenting the plot of each narrative that were present on each interview.

During the research, I was able to identify the following shared narratives: 1: Shared uncertainty empowers community, 2: Narrative of uncertainty as an empty canvas for creativity, 3: Narrative of uncertainty as a positive challenge for young professional, 4: Narrative of uncertainty in startup as experience of exciting gambling and 5: Narrative of uncertainty as a teacher. All of these narratives present how appreciative intelligence® can be recognized in startup-companies both by individuals and the community. Besides following the structure of appreciative intelligence® each of the narrative carries the elements of appreciative inquiry and positive psychology in overall. Key element in each narrative is the tremendous capability for interviews to focus on the positive sides of experiencing uncertainty. This was interesting finding for me as a researcher as I did my best not to affect or steer the conversations in any direction.

## 4. NARRATIVES OF APPRECIATIVE INTELLIGENCE

### 4.1 Shared uncertainty empowers community

Interviewees named that one of the key reasons to work in startup-company was the tight communal atmosphere. Interviewees experienced uncertainty to be something everyone experiences equally in their team and they felt that in large organizations the experience is unequal. What the interviewees were experiencing follows the common expression: “We are on the same boat”. Interviewees told several examples how their work communities openly communicated the experience of uncertainty and it became a force, which made their team tighter. Situations involving uncertainty experienced by interviewees as proof how equal people are inside the organization. Everyone, not just by a few people, experiences organizations uncertainty if there were any uncertainties affecting the company they were not secrets.

#### **Reframing**

In this narrative, instead of focusing into the negative effects of uncertainty, interviewees turned their focus on how experience had either tightened their work community. First example of such reframing took place while I was interviewing Adam. I had asked Adam to share with me an experience that had created within him doubts about the future of the company. Adam started to share with me an experience of a situation when one of the lead coders had decided to leave the team:

*Adam: ” At least I got a mental breakdown. And there we were just having these conversations.. I don’t even remember how we dealt with it as a team. But yeah we have a history even before this project, we always find a support a person inside the team. Anytime someone has a rough moment. Others are always there with support. This can be so cruel sometimes that we always support each other.”*

Interesting in this response was that I was asking him to share a negative event and he started to tell how they had developed a positive and strong support network inside the team. By doing this Adam is reframing the situation.

I asked him how he felt about the claim, that working with friends in startup-company might cause one to mix professional role and friendship, Adam replied with stating more positive sides of facing the uncertainty with people you know. When he is discussing this situation that created a lot of uncertainty (lead coder leaving the team), he is constantly reframing the situation to share how the rest of the team became even tighter and how they support each other, not just as colleagues but as a friends.

Cecilia shared with me very similar experiences. I asked her to share with me how she felt that working in startup and large organization differentiated from each other. Her first response was that she felt that in startup-companies there were much tighter social bonds. After this, we started to talk about uncertainty in organizations.

**Cecilia:** "No, there has not been any, I have all the time been really aware of everything." (talking about uncertainty)

*You just are so close to everything that happens, you will know if there are any problems.. then think about some big company that will just inform suddenly on massive layouts.. or some other radical change and it comes out basically from nowhere. Think about Nokia for example, their situation must have been such a shock for quite a many people. So in that way you can always cover your back a bit better in a smaller company. If things start to go wrong you will see it and you can start to consider your own future.*

*Well this is a one big roller coaster ride whole time.. but I think it is the tight community and that you can speak with everyone about anything.. that really has helped a lot, so that even if there are really difficult things you can still open them up.. and quite fast we have always dealt with them.. so that at least.. and.. and.. I*

*also would say that our leadership has been really good. It has also had quite an impact, so that we don't feel that there is great power distance."*

Cecilia stated that she had not experienced any uncertainty during her time in the company. I found this response interesting, as until this all the evidence was showing that there was a lot of uncertainty about the future. When she continued to share her story with me, I came to realize what she meant. She said to me that working for a startup is "a never ending roller coaster ride". This comment seems quite out of line when there was said before that there was no experience of any uncertainties. The thing that made a difference for her was that she was all the time aware of the uncertainties. Being aware of uncertain things inside the organization reduced the negative affect of it so much that when she was asked about uncertainty she first denied experiencing it.

Later while I was interviewing David, he shared his on view about the differences between the experience of uncertainty in startup and in large organization. He also shared similar ideas related to communication inside a startup than Cecilia had. Both saw that while they were working in startup the uncertainty was something that everyone knew. Their experience seems to be that when everyone admits that there are uncertainties about the future of company, they can better concentrate on fixing and adapting towards the emerging problems. David shared with me how he sees that the very core issue for startup organization is that the business model not been tested yet and no one can be sure if it will create profit in long term.

*David: "I guess it is equally hard to forecast future in large or small organizations. Even the large one's can start to fall. In the other hand large organizations do already have some model that already generated some income, and the uncertainty in startup:s is if that model will ever work."*

When I was interviewing Emil, he shared very interesting experiences how the uncertain environment forced the organization to follow quite loose rules on sales and it increased the communal feeling among their sales team. He was happy about the atmosphere where



people are able to do things that could be also under someone else's job description. According to his experience, this rarely takes place in large organizations where he had experienced that people were more jealous to execute the tasks or sales assigned to them. This is once again an example of reframing and how people see, or decide to see the situation. He also mentioned about the culture of experimentation.

**Emil:** *“Well in large organizations everything is stated ready for you, I mean you have a clarified role what you do and you just can't step over that line. In startup's it is more so that you create your own role. You can also often do something what is under someone else's role. Good example is when someone in our organization comes to tell me “hey, I did this and this kind of sales because I met these people, they are really good prospects” I never get angry even though sales is mainly my task. I do not feel that they would step on my toes when they sell. In large organizations, it is a different case. There you can have even fights and arguments if you take someone else's task. Also or sort of changes take much more time. Everything must be well researched and analyzed before it is executed.”*

Farrell was only one from the interviewees who shared with me more also the problems and conflicts inside tight work community. He was also very determined that startup cannot be uncertain about the direction where company is heading. Even though the way Farrell pointed out this the core message is still the same as with other interviewees. They cannot know what will happen for them in future but having the full knowledge in what people inside the organization are doing and thinking makes it possible to operate in that kind of environment.

**Farrell:** *“As we have four equal partners who work for the company, there might also be some clashes on personal level. Then you just must stop to consider if personal goals and team's goal are the same, and are we taking this together to the same direction. Then you always stop to think for a moment.. But such issues must be dealt immediately, you can't have any uncertainty with such issue. When entrepreneur is uncertainty it will affect you too much and the work effort. If you*

*are uncertain about the direction, you can't be fully happy with you effort and then the company is not going forward either."*

## Seeing the potential

During the interview with Adam, we started to speak about recruiting new people to the team. Adam started to talk about the importance of emotional intelligence. He first shared a fictional narrative about firing people, how it could happen in company where people do not really know each other. After this, he started to speak about hiring, and shared how he as a CEO of startup sees the role of social skills.

**Adam:** *“When in other hand if it is some dude who can’t get his job done, I would not even know why because I am not really connected to this person. He might have some personal issues but why should I care so I just might kick him out of the team. Well now the situation is that we again need a new coder, and no one knows this new guy either, he could be the worst asshole ever! So how I see it is not that skills would be the most important thing, the thing should be personality and how much there is room for development. Because when people work together very fast the person who is bit behind will reach the same level with others. When there is good atmosphere very quickly development wont either die as easy as without it So if you hire people who is behind on skills but ahead in people skills, he will lift the overall mood, where as someone more skilled who does not get along with others will destroy the environment. Most likely he cannot create so much value through his work that it would compensate.”*

The quote above expresses the second stage of appreciative intelligence seeing the potential. After reframing the situation so that Adam turns the conversation about uncertainty into sharing how well they support each other through tough times, Adam shares the potential of supporting this goal also in new recruits. So if the supportive atmosphere is providing better working conditions and so better results Adam sees the potential focusing on hire people who will firstly be mood boosters and just secondly good game developers. In his interview, Emil was highlighting the importance of vision and communicating it clearly to the whole team. He saw that facing the uncertain future required that there are no experiences of uncertainties towards the direction where

company is heading. Therefore, Emil is creating a separation between external and internal uncertainties.

*Emil: “I have learned it is extremely important that at least one person on the team has a vision, and other people must commit to follow that vision. Either it is shared vision or created by one leader but everyone must follow it. I have learned that so much comes out of vision and around that, you build your strategy. That is so important. “*

### **Acting according to the potential**

During the interview, Adam also made it very clear that there still are disagreements inside the team.: Adam was still seeing the future at the present as he said because they as a team have experienced uncertainties together now he knows how to proceed and who to talk to first when there are changes happening.

*Adam: “Of course there are disagreements inside the team but it does not bother me. I always know who to I go to talk inside the team in these situations. In the other hand if you have fresh team they don’t have the same unity. It is just some dude working with you and he can walk away anytime. Some people might consider that this will be a disaster and I hate this at the moment but these are my friends and I will push forward for them. If its a fresh recruit it is the first tough spot and he is already saying goodbye. I can just take those database jobs its not rewarding but at least Its guaranteed income and I can buy stuff” I really believe that the barrier to leave is so much higher when there is some background between the people.”*

In the interview with Emil, he shared a short story with experiences of task overlapping and communal behavior in startups versus large organizations. Emil also brought up the importance of vision, his opinion was that the vision does not need to be created together but for startup to be successful everyone must be ready to follow the vision. He told how

the tight relations between people made it easier to develop the vision and take it further. Emil was the only one of the interviewees who also raised up the role of the people outside the actual team inside of this narrative. He spoke a lot about the role of the board and investors. This shows how the concept of the work community is experienced in a unique way inside different organizations.

*Emil: “It is so that we talk all the time about everything, we have really open relationship and it gives a lot. I would say it is the best thing in this company, to have support from other person and be able to learn a lot. That there is someone who you can play around with ideas and then neither of us is alone with all the responsibilities”*

In company where Farrell operated as CEO there were four equal partners, four friends who had decided to start a company. During interview, David shared a lot how that has affected their work community. David had taken a role of mediator between people and his task was to keep the company in the direction. Even though David had some negative experiences as well, mainly he was talking about trust and how they could build their company on trust between four partners. From the interviewees, he was the one that shared most on personal experiences between single individuals inside the team and how he is able to go through meaningful conversations that give life to organization.

*Farrell: “I must admit that when you know someone well you can trust him So that you know how and what someone is thinking, and when you know the morale and ethics of other person it much easier to contact them. So that you can always just grap the phone and call them and say lets have a meeting. It is really the best side on this.”*

#### **4.2 Narrative of uncertainty as empty canvas for creativity**

People experienced that working for a startup means that you are going to spend much more time and effort for the process than in a large company. Still none of the interviewees complained to me about having too much work. It was seen just as a choice they had made

and there was no one forcing them to do it. It was interesting that uncertainty of the future was also seen as something that gave freedom inside the organization. Interviews positioned themselves as artist who are just starting to paint, no one can yet know how the outcome will look like. Because there was no-one who could share a plan that would be certain to work. Narrative of creativity comes from interviewees shared experience how uncertainty gives them more freedom to try new things and be more creative.

### **Reframing**

Narrative starts with interviewees sharing their experiences on the uncertain future and the experience of freedom. Instead of speaking about stress, or other negative effects that uncertainty might create, interviewees wanted to share with me the experience of freedom. To some people, this freedom meant that they are able to work during the hours they want to, some saw it as a possibility to express themselves more than in traditional work place, others saw it as opportunity to achieve financial freedom as entrepreneurs.

*Adam: "Well the freedom with work schedules. I am quite sure that I work more hours during week but there is still the experience of freedom when there is no one breathing on my neck all the time. I get to decide how do I work. I know myself how much I need to work to keep everything under control. But there still is the experience of freedom."*

In the interview with Adam, this narrative was present already when he started to explain his role in their company. He took pride in the fact about the creative side of his work. He was enthusiastic to share the process how he creates a mobile game. He also highlighted the life giving force of a new project. As he describes the feeling that you are working with something new and you or no one else knows what will be the final outcome was really inspiring for the whole company. I became to understand that he experienced the uncertain future as something that has not yet taken the shape but will be shaped by his visions. He was reframing the situation that could be seen stressful into situation where not knowing

how the product will look like meant to him that they can make it just like they want it to be.

**Farell:** *“I prefer working for myself, finding new opportunities through that. Goal is to employ yourself for life, so that I wouldn’t need to work for any outsiders”*

In his interview, Farell reframed the uncertainty future as an opportunity to find something that others had not discovered yet. Startup-entrepreneurship offered him the possibility for financial and professional freedom. Farell talked about finding the new opportunities through working. This is also a statement of one sort of creativity. He felt that through his work and creativity he would be able to shape his own future.

**Cecilia:** *“Well decision making at least in away that you can affect it more in startup.. and maybe it is in some level more.. Depends a bit but it can be faster. Often you feel that you work as your own boss and so. I think it requires determination that you get the stuff done, because it is often that if you are not going to do it, no one does. Lets talk for example about creating marketing material so often it goes so that you get some input from one or two people.. and ofcourse there are always some sort of brand strategy that we follow but mostly you have free hands on your work.”*

Cecilia shared the same experiences even though she was not an entrepreneur like Farell. Cecilia’s views could be described as intrapreneurship, he is acting and feeling as an entrepreneur inside their organization. She feels that there is more room for her to shape the future in startup. The phrase “If you are not going to do it, no one does”, might sound negative when separated from the context but actually it is not. During the interview, Cecilia made it really clear that she appreciates the freedom that she gets from independent working. She was reframing the situation and getting motivation from experiencing that she was allowed to shape the uncertain future of the company.

## Seeing the potential

Even though Adam's role and background were quite different from the other interviewees, (he was the only one who actually ideated and developed the products others were more focused on marketing, sales and leading the team) he still had very similar thoughts than the other interviewees.

*Adam: "The freedom to create. As I feel myself more as an art driven person rather than any cold hearted business man. This business side is something new for me but I have learned to like it also. And it is really rewarding when you get people to do something new together and you get to do some ideation."*

Cecilia highlighted the experience of being your own boss, even though she is not an entrepreneur.

*Cecilia: "You start to feel really excited. Also because you might get to build these visions with people that you do not work with everyday. For example with coders and others.. When everyone is involved.. there is innovation.. or how you want to call it.. and when we present all these new ideas you start to feel even a bit competitive, like how great ideas our team has been able to develop for the company. These ideas really often do get attention and they are written down and soon you can find them from our next to do stint.. It is just simply fun to do something like this together. "*

Also similarities between the stories of Adam and Cecilia emerged when Cecilia started to speak about her experiences of starting to work with new projects. The same as Adam Cecilia said these moments to be really life giving and inspiring. David had very similar ideas as Adam and Cecilia. During the interview with David, he highlighted the importance of feeling that his work actually impacted the direction the company would take. So where Adam got his experience of creativity from shaping the actual product and bettering them all the time David wanted to see his creativity affecting the whole starting organization. He



also highlighted that the positive effects do not come only from coming up with creative idea

**David:** *“Maybe to see mark of yourd hands in the company. That you have had impact on what direction it takes.. and in large company you just don’t have the same possibilities for that.. or at least changes are really slow, it is really hard to fix the company culture to certain direction, or do any other changes.”*

Like I mentioned earlier Emil used a lot of time from the interview talking about the importance of vision. He also talked about the visions role in creativity. Vision was for him something which he saw as a source of motivation to be creative. Because the future was still uncertain he experienced that there was more room for him to shape that vision and imagine things to be inside that vision as he wanted them to be. He playfully used the term “LaaLaa-Land” when he was talking about vision. Emil said that it is helping him through rough times and tasks that are not pleasant.

**Emil:** *“When you think about vision it is extremely inspiring. It is like a dream: “that is where I want to be!”. In reality there is of course all sort on operative things that might slow you down and it can get depressing. I like to call vision “LaaLaa-Land”. Vision is “LaaLaa-Land” and because of that it inspires so much.”*

When I interviewed Farrell, he raised up a shaping uncertainty as possibility for the entrepreneur to shape his future. For him the most important reason to become a startup entrepreneur was to be able to control his own destiny. Farrell shared with me, the social process of ideation and how it inspires and gives life to their organization, recovers people and gives more motivation for work tasks.

**Farrell:** *“Well new ideas always recover and inspire you. When you are inspired you work 10 percent more than normally, and when you get inspired through*

*conversation and then take it into action of course you are more motivated than on average work task. “*

### **Acting according to the potential**

The possibility for creativity and freedom in their work was harnessed with very different methods among interviewees. Adam who most definitely had the most creative job from the interviewees used the potential so that he kept on introducing all the time new ideas. He saw the potential so that if the quantity of new concepts and ideas is overwhelming there will be also some success stories involved. Then the mission of the whole team was to identify those success stories together.

**Adam:** *“I do have so much visions and half of it I just flush down the toilet. But anyways I want to have that conversation. Well sometimes it might be that I share those into our unofficial chat which creates quite a lot of frustration and uncertainty that are we going to change our direction completely. But really it has just been some of my ideas and as I throw ideas it is always quantity over quality. So I do get them a lot and then I get to “scrap” most of them immediately. I like to play around with several ideas in my head and really fast go through the cycles, rather than be stuck to one idea and develop it, then present in three weeks to learn that it is shitty idea. Then we are going to scrap it anyways. So that we could as early as possible throwaway ideas which just don’t work”*

Farrell saw more potential on giving the person with the idea also the possibility to take it forward inside the company. He described the life giving force of a new creative idea and highlighted that according to his experience the person who has got the idea at the first place is the most motivated and the most likely to get other people to support the idea. So in their organization the ideator became a sort of project leader to bring the idea to life. Farrell also discussed that this kind of a policy kept people active and encourage them to be more creative even in future.

**Farrell:** *“Well normally it just goes so that who gets and idea just throws it on the table. Then you take it on the meeting agenda list. Bit boring word.. innovation..*

*but if you are innovating something you bring it up and then others can also start to think and get some background information. How would it be executed, what is needed.. if it is doable then lets do it! Normally together but to be honest the person who got the idea is almost always the most active one. SO he also gets the most responsibility.*

*It is quite inspiring. That everyone are all ears. It can get even quite uplifting. Sometimes you just get that "Wow we really need to get this in action!" and there it starts. Or then some competitor has something that we don't have and we can even improve."*

Cecilia also talked about the role of creativity in work and motivation. Whereas Emil found his motivation from the vision Cecilia described new projects and creative work as her source of motivation. Still she had a very analytic view on the topic as she highlighted that there are always work tasks which one just has to do even though they are not very motivating. She described working with new and creative requiring projects as small inspiring parts of her work. These small parts were for her something which one could describe as breathing holes. She was enjoying them to the fullest and using them to keep herself motivated through the tougher times.

*Cecilia: "Of course new projects give you more motivation.. The feeling that its great to be able to create something new.. and quite soon you get to see your own hand print. But to get excited on working with something new you just have to accept that it comes with time. You can't use all your resources on working with new things all the time. Those moments are more like this uplifting small parts of your work. The feeling of seeing your own ideas and plans taken into action is just insane."*

In his interview, Emil raised up the importance of social environment in shaping the uncertain future. He shared how their vision was shaped not only by the people inside their team but also people outside their organization had a role of shaping their future. His

experiences tell about the role of social meetings with customers and stakeholders who share their views and help to unseal company's future. Emil used a lot of time to speak about company's vision and he made it clear that it is the source of inspiration for him while creating anything new. He said it so that you can understand that even though everything else is changing in unexpected ways, vision always evolves to fit their needs.

*Emil: "In a way it is like evolution, vision develops further and transforms on the journey. Now when I think what we had at the beginning it has changed so much.. and through discussion. Discussions on what we want to achieve, what we want to do, and also maybe because we have seen what there are available on the market. More that we visit tradeshows and talk with people, those discussions help us to better understand what you want to do to help those people. Discussion inside company and team sure, but discussion with potential customers is also really important. "*

In his interview, David was speaking about taking the creative ideas into action. His talk could be compared with one of the key concepts of appreciative intelligence, which is future-present thinking. During the interview, he was already sharing what kind of emotions a new idea is creating and what is needed to take it forward. He also talked about the importance of enthusiasm in presence to make an idea work in future.

*David: "There are of course good sessions, where you really feel that we accomplished something and now we will take it even further. Then the main feeling is just satisfaction, both to yourself and the company, and also enthusiasm "hey we figured out a solution, lets take it into action!" Also interest, interest towards how is going to look like if we take solution or new method into action. "*

### **4.3 Positive challenge for young professional**

The young age of interviewees also affected their view towards uncertainty. Narrative of positive challenge for young professional meant that in each interviews people brought up

that you face new challenges everyday while working for startup. This was seen mainly as a positive thing and interviewees had an understanding based either on their own or others experiences that in large organizations they would not be offered similar challenges. They often had experienced or shared a view that in large organizations they might not be appreciated according to their skills or their possibilities to work with interesting professional challenges could be limited. This is why startups with limited resources and other challenges were seen to offer possibility to do more meaningful work tasks. Also the successful example of other startup companies inspired interviewees to challenge themselves.

### **Reframing**

When I asked Adam why they started their company at the first place, he told me it was because of another successful Finnish mobile gaming company. That company had just reached success and got a lot of media coverage. Adam told me that he and his friends did not think that the game was very special and they thought that they could do better one by themselves. They saw this as really interesting challenge which could not be matched by the opportunities in job market- Game development was also something that they could start doing right away, they did not have to wait for graduation or gaining job experience it was all up to their own skills and how to apply them.

**Adam:** *“It has been mainly a decision that I made. First the idea came up when Fingersoft published this game Hill Climb Racing and it turned out to be a massive success. We had just started to study IT in University of Applied Science and mobile games were really interesting as game development had been on my mind for before already. Mobile games were a new field of gaming that I had not considered before. Then I thought that these games are not even so good that we could do better one. And then we started to gather up a team and take things into that direction that someday we would be a game development company. It was quite naïve idea but sometimes these naïve ideas are good to start this kind of projects. Because If I*

*had known then how free to play works or how much this will require other things than developing games and when you realize all this you are in it so deep that you don't want to back off anymore because you have already invested thousands of hours."*

Cecilia's situation was quite different as she had ended up in the startup world after she got the opportunity to write her thesis for the company she currently works for. She said that the main reason for her to be in a startup world was that the company was willing to hire a young professional. She also endorsed her work community for actually respecting her views and providing her with professional freedom. She also talked about wanting to experience the positive challenge when their company starts to scale up their current solution. This kind of continuous evolvement can also be seen as the positive aspect of the uncertain environment.

***Cecilia:** "You get to work with real professionals and they also value your opinions so that you are not just pushed for the role of secretary from the beginning."*

Emil shared with me that even though he is a partner and entrepreneur in their company this was not a conscious decision from him. CEO of the company just happened to contact him and offer a position in sales that was his passion. Emil also emphasized the role of vision while taking on challenges of working for startup. Vision of the company was playing large role for him to be able to transform the challenges into positive power.

***Emil:** "Well our CEO asked me. He knew me personally before and knew that I am interested in sales position. I had considered entrepreneurship before but startup-world did not seem that appealing, I wanted to be more traditional entrepreneur no the kind that you will meet in Slush for example. But now when I am here and get to know better this world I have fallen in love with it."*

David discussed a lot about the positive challenge of creating your own future. For him, the positive challenge was to create a future where one is independent. He also made it

clear that it might not be as important for all the people but for him as young professional it was the main reason to be a startup entrepreneur.

### **Seeing the potential**

The unknown future of StartUp provided hopes and potential of different kind among interviewees. Farrell saw the potential of becoming financially independent. The potential of shaping one's future is present in one way or another in most of the narratives I discovered.

*Farrell: "Well in startup you are also creating a job for yourself that you actually like unless you have driven yourself in to situation where you are just fighting to survive. In other cases ofcourse it is inspiring to shape an platform that will support you in future. Being entrepreneur is always full day job. But being independet is what makes it fascinating. Comparing it to some company where you work from eight to four. Which is not a bad thing but would not work for me. I personally feel the possibility to become self-contained as better option. "*

For Cecilia situation was of course bit difference, as she was not working in startup-company with entrepreneur status. Where she saw the largest potential was professional growth. She had already witnessed the early days of a company and she had received a lot of responsibility in the company, which she thought would have been impossible in more mature organization. Cecilia thought that staying in the company would provide her with new professional experience as company is growing and organization is changing.

*Cecilia: "I would hope that either in this or in some other startup I would get to witness the transformation.. When we have moved from zero to a bit.. So to see how it goes when things start to scale. If it is in Finnish, scale of global. I just liked to be there to witness when it happens."*

## **Acting according to the potential**

All the interviewees had a very similar way how they used future-present potential of being young professionals in startup:s. The most evident action on all was that they used it to find motivation for their work. All of the interviewees were talking about learning experience and the possibility to develop oneself. All in all interviewees experienced, that startup was a great place to build a professional career and to harness that potential they had to work hard.

*Emil: “For me it is more so that vision is something that is always on the background. For me vision is important during rough times. When you are feeling that I just cannot work anymore, I am done with this. During that kind of rainy days, I go through that vision and it helps. I decide that okay know I will do this so that I do not need to do it in future, or at least that I do not need to do the same things every day. So that I just feel that in future, I will work with different work tasks or only with work tasks that I really want to do. That is a really important support for me.”*

### **4.4 Uncertainty provides excitement**

Narrative of exciting gambling could be described as the “what if” that many interviewees had. What if the small startup I work today, will be the next Google after ten years? What if we fail, how can I be part of shaping our destiny? Interviewees had an understanding that most startup:s do not succeed, but there are always “what if’s” This way it seems that startup gives the same kind of adrenaline rush to interviewees like any kind of activity with high risk. This narrative was built around the interviews thoughts around both risk and reward just like gambling. Startup- environment involves a lot of risk taking. Many interviewees spoke about this but it was interesting to see that in overall context risks were not seen as a negative thing, instead they were an exciting factor. There was overall experience among interviewees that working in startups created more excitement to their



lives and this was mainly through the uncertainty of a future. Uncertainty gave them both room for dreaming as well as the excitement of risk taking.

There could be multiple reasons for this, in some interviews it was said that the staple Finnish culture offers little risks in everyday lives, so the uncertain environment in startup companies would compensate on that. In addition, the fact that people gave them self a possibility to dream big is essential part of this narrative; “What if we are one company out of many that actually breaks through?” From the stories, you can even get this kind of understanding that the uncertainty up to a certain point reduces the stress. When interviewees could admit that even luck has some role into the process that determines if they are successful in long run or not they also admit that they cannot control everything.

## **Reframing**

I first identified this narrative with Adam when I asked what motivates him to continue working for startup:

**Adam:** *“Hope on something better, and how to put it, that you want to reach something instead of just receiving a salary.”*

David had his own view about positive thinking working for startup and the role of uncertainty. He actually stated that when you work for a startup you have to learn to enjoy uncertainty and you have to be optimistic towards it. He compared working for a startup-company to gambling and he said that it would not be as exciting if their success ration were higher. His opinion was that it is so because we live in stable society where there is less and less risk taking. According to David, startup-companies provide one of the last frontiers where you can really take high risks in your life.

**David:** *“As a thought; 90 percent of startup:s are going to fail, to get the kicks out of that. That is something like one percent that can find a model which creates*

*money and gives value to customers in this unforeseen way that the large corporations have not figured out yet.”*

Emil responded very similarly when I asked from him about the uncertainty of working in startup. He started to tell how the uncertainty increases the excitement. He told me how the hierarchy in the large organizations decreases the uncertainty of your own position but also takes away the excitement, as there are no possibilities for big breakthroughs.

**Emil:** *“It most definitely is more stable! (talking about working for a large organization).. but it is also so much more boring. Of course it is more stable but in startup there is always the possibility in some point to make a lot of money. In large enterprise is much more slow to wait that you get a raise.”*

While we talked about the same issue with Farrell he talked about uncertainty caused by external factors and how predicting them is hard. He told me about the financial side of successful startup and how they presented to him the similar goal as a success for athletes in sport. It is not the main reason for working in startup but it is great feeling to achieve it.

**Farrell:** *“It is about work you have shaped for yourself and of course it is also about numbers. You have the will to become successful and fear of failure motivating you. Numbers are good when you want to focus your thoughts on results. I would say that the financial outcomes are as important as the will to shape your own work.”*

## Seeing the potential

Adam described that in his opinion there was a really specific role for risk taking in startup-companies. He suggested that just like gamblers the people working for startup often have a misbelief that they would have better odds to win. Adam thought that this kind of a feeling of over self-confidence is important for startup-company. His thoughts were that to keep the team going forward and trying to reach the goal that might be even somewhat unrealistic. Adam believed that creating this kind of atmosphere of self-confidence where even unrealistic issues are realistic give life to actions helps people over the mental death valley

*Adam:” Really many startup’s work with innovative products and many of them have some higher purpose and how they will affect the whole world with their product. They kind of have this delusional image.. Like misjudging their own skills and just driving forward as they think that it is on their reach. But it keeps them on the move.”*

Farrell had very similar views than Adam but instead of speaking about self-confidence, he was focusing more on ambition and recognition. He felt that because it is hard for startups to reach success it is even more rewarding. He had some personal experience from being an athlete and he was comparing those two. Farrell explained that just like in sports when there is more obstacles and the goal is tough to achieve the better even the small steps towards that goal feel.

*Farrell: “Ambition, of course! It is a bit like professional sports, of course you feel better if you are successful. If you have been part of success story, your personal reward on the work feels also larger.”*

David from all the interviews was the most eager to compare working in a startup company to gambling. David was pondering that there could be even some sort of link with the fact that living in safe and stable society makes working with startup-companies that have an

uncertain future more appealing. He felt that startup-companies offered the excitement that traditional working life could not offer. By this, he referred to the possibility to dream about the possibility that company would turn into one of the so-called “unicorns” a word much used among startup-companies, meant to describe companies that would get a one billion dollar evaluation someday.

*David: “Yeah it most likely has something similar that the fact that people go into casino and still the situation is that house always wins. However, we need to get the kicks in life somewhere. Even considering the Finnish cultural context, the life here is quite certain and stable, you need to find the uncertainty from somewhere else!”*

### **Acting according to the potential**

Adam shared with me, his strong opinion which that to be successful in mobile game industry one had to be keen on risk taking. With risk taking, he did not only mean financial risk taking but also the risk that one has used a lot of work hours with the project that is not a success. Adam, like other interviewees, saw that this required abilities to both enjoy the risk itself and from the small successes. He used the term to seize the moment.

*Adam: “You have to take risks, commercial risks and risk of simply wasting your time. Eight hour workdays just are not enough especially not in game industry because we have less resources than most of the competitors and we have to somehow reach the same level with them. So you must be bit more that kind of person who knows how to seize the moment. Or in the other hand you can be a person with really over the top visions about his own future. It helps. “*

David had similar ideas with what kind of attitude people can enjoy the most on working within startup. David was during the interview emphasizing the importance of logic in decision-making. Still he said that almost as important is that people in the startup are also

optimistic. He said that optimism should not affect the decision-making but it would be important for everyone to have the optimistic thoughts of the company's future.

**David:** *“Somehow I feel that every startup:er should be secretly very optimistic, you should actually be realistic, but inside you be secretly optimistic. You have to learn how to enjoy the feeling of uncertainty and learn how to get kicks out of it. So that it motivates you to do your research and move forward however slow that is.”*

Farrell works as a good example as a person who acts the way David was saying. He recognized that what he was doing with the company was quite a gamble and there was a possibility that his work would not pay off. Still his focus on the positive thinking, he did not see any reason why the company could not be a successful one. What kept him moving forward was the idea that as the product got better so did the chances of success.

**Farrell:** *“In a way it is gamble. But if you have a good product good business ide. What is stopping you to become successful? It is just that you have to make those right decisions to make something out of what you do. “*

#### **4.5 Uncertainty as a teacher**

Narrative of uncertainty as teacher tells about interviewee's relationship towards uncertainty and failures it might cause. Interviewees shared their experiences how development in their organization goes. You try something, you do not know if it works but the outcome is that either you succeed or you learn. This narrative came out the strongest when interviewees asked to describe their relationship with failure. This narrative presents the presence of appreciative intelligence® among interviewees, the glass is always half full. Appreciating failures seemed to be common view. This could be seen, on how interviewees saw a straight connection between failures and learning.

## **Reframing**

**Adam:** *“It is both the gift and curse of this thing. Really many go through that, well not everyone but especially when you are founding your first company. There is lots of problem and when you think you have passed most of them you will just find new one’s.*

*We wanted to put more effort on how we could better take advantage of other applications of mobile devices, so we tested different things like for example gyroscope. We did couple of games just to realize that nobody likes to play them, they are too hard and you can’t play them easily for example during your workday”.*

During the interviews with Adam, he was pondering the role of uncertainty and failures. He called them as the gift and curse of startup-entrepreneur. After saying that he shared with me an example on how his team developed mobile applications and games. He had several experiences on failing because of uncertainty what will work and what will not. Still he really appreciated each experience.

The reframing is very visible here on Adam’s mindset. Instead of complaining about the lost chances with the failed projects and policies, he tells how they are going to work now on the next project. From these two sides he mentioned he had decided to concentrate on the gift instead of the curse. During his interview, David emphasized the importance of learning as a vital trait of personality to be successful in startup.

## **Seeing the potential**

David felt that if person who works for startup does not have any doubts about company’s future he/she must have been missing something. He felt that it is crucial to keep the feeling of uncertainty because it also keeps people more alert to develop the company further. He

shared personal examples of how uncertain environment also forces to work in very different tasks inside the organization. He felt that this was really educating.

*David: “You have every week (doubts of future) I feel that if you don’t have every week doubts you are not doing something right as startup. You have to challenge the business model and company’s future. If everything seems to be too bright, I personally would say that you are not going the right things. You are ignoring the problems. In large companies, you have certain ways and routines and in startup, you are just starting to build those. So actually everyday you work you are developing routines work the company and making sure that those can be used also in future.*

*Maybe it requires you to have this never-ending thirst for knowledge and capability to analyze it so that you can all the time learn new things. Flexibility is a must but most important is the capability to learn all new things.”*

Emil’s view on this matter was that the uncertain environment would force people to try and learn new things. In new situations, only way to survive is to learn and adapt. He made a comparison between a startup and a child, both learn by doing, develop, and evolve through the errors they make because that is the only way they know.

*Emil:” It doesn’t really affect.. (talking about failures) you just get the feeling that you have learned more. Like a child, it is doing something and then it realizes that oh I am really stupid why do I do this. You know how to appreciate these experiences when your vision becomes more and more realistic after each failure.*

*When my friends were asking “well what if the company goes to bankrupt?” my answer was: “So what?” Only thing it means is that you have learned a lot. Next time you know how to do things better and if not anything else at least you have a great story to share. Money is such an subjective issue. If you are only working for money you will never be done with it.”*

## **Acting according to the potential**

Adam had a great number of examples from things they had experienced with and then their experience proved useful in future projects. He saw that one just had to develop new things, fail and learn. Acting with this kind of trial-and-error based model was in the key role with all the actions Adam did. He was very happy with the many experiences they had gained with this method and gave a lot of value for them.

***Adam:** Then we returned to Viking project (game they developed). Then we got some feedback that there is not enough documentation. We learned on that that now with new project we document everything if we would not do it with our newest project we would just simply run out of time.”*

David saw that to get the best out of the learning experience and to be able to help the startup in the best possible way it is important to be flexible. According to David, learning is not just an option; it is necessary if you want to survive. He gave examples where he had to do IT-tasks even though his background was on business. There was no one to complain about or possibility to find specialist to work with the team were limited and David just had to learn how to survive on these tasks. David said that actually working for a startup would require degrees from several fields but as that is not the case he must learn everything through trial and error.

***David:** “I would see it so that startup is better place to learn that some organization with longer history. Like I said earlier those companies have ready routine show to work and when you are just repeating those routines there is less room for learning. Or that learning is not demanded as much as in startup’s. In startup’s you are forced to learn new things almost every day. You must always adapt to new situations and roles you are not always the marketing guy sometimes you have to do foreexample IT-tasks. I have heard about this comparison that when you work for startup you are required to have as much knowledge as person with four separate master degrees has.”*



Like David, also Emil highlighted that in startup you cannot really avoid learning. The overall opinion among the interviewees was that you cannot focus only to your current knowledge and skills, the startup atmosphere will force you to learn and develop yourself. This was seen mainly as a blessing as all the interviewees were glad to be able to work in environment that kept on challenging them. It seemed to me that the main reason actually for them to work in startup:s was that they wanted to avoid traditional and stable organizations which they often described as boring or unchallenging. It seemed that this also made interviewees rather successful or at least made sure that they were able to operate in startup-environment. Enjoying the challenge, trial and error, uncertainty and learning were all the time repeated in the collected narratives.

*Emil:” It really depends on yourself, if you don’t do your work the company will in the end go down. But if you work hard and you believe into your vision.. I believe that in the end then you are forced to learn.. and when the team grows and you have to watch after other people, it makes you grow.*

## 4.6 Key results

On the table below, I present the five different narratives that are outcomes of the narrative analysis of the interviews. In the analysis, I was able to identify behavior which was structured through narrative analysis into five different shared narratives which present the appearance of appreciative intelligence® among the experiences of interviewees.

- 1: Narrative of shared uncertainty empowering the work community
- 2: Narrative of Empty Canvas for Creativity
- 3: Narrative of Uncertainty as positive challenge for young professional
- 4: Narrative of uncertainty as an exciting gamble.
- 5: Narrative of uncertainty as a teacher.

In Table 2, I summarize the narratives of appreciative intelligence formed through narrative analysis. After each narrative, I have written a statement which presents the shared experience I was able to capture from each interview. They are not exact quotes from any of the interviews but more as statements where I summarize the thoughts and feelings of interviews I was able to capture during the interviews and presented in the earlier parts.

Table 2. Narratives of appreciative intelligence formed through narrative analysis.

|  | <b>Ability of reframing</b>   | <b>Ability to see the potential</b>   | <b>Ability to act now to shape the future</b>                                      |
|--|---|---|--|
| <b>Narrative of shared uncertainty empowering work community</b>             | Uncertainty is something we share as experience and it empowers our community | We have possibility for communication without barriers                                | We use communication to have everyone's opinion for our development                |
| <b>Narrative of Empty Canvas for Creativity</b>                              | I don't know how future will be so I can still shape it                       | I am able to use my creativity  | I am trying new things and encouraging others to do the same                       |
| <b>Narrative of Uncertainty as positive challenge for young professional</b> | Uncertainty in startup:s allows me to try different work tasks                | I am able to develop completely new sides of my self                                  | I have tried various roles inside the organization and I hope to see this continue |
| <b>Narrative of uncertainty as exciting gamble</b>                           | Uncertainty in startup does not need to be threatening it can be exciting     | I can use excitement created by uncertainty to motivate myself                        | I feel excited about the uncertainty and it gives me good kind of stress           |
| <b>Narrative of uncertainty as a teacher</b>                                 | Every new experience is a learning experience"                                | Even if I try something without knowing the outcome and I fail, I have still learned. | I come up with new ideas and try new things as much as possible to learn more.     |

All of these narratives have in them the three aspects Thatchenkery lists as the components of appreciative intelligence. The first one is the ability to reframe situations and recognize possibilities where they might be hard to find. (Thatchenkery, 2009) In the narrative of

shared uncertainty empowering the community, this meant that interviewees were able to find the positive side on something that first sounds quite negative. The positive communal effect on experiencing the uncertainty of the future together with their colleagues and considering it to strengthen their relations is a strong sign on the presence of appreciative intelligence®. In the second narrative interviewees were able to reframe the uncertain future, not as something that creates negative feeling but what offers the freedom to define how the future will look like. In the third interview, reframing happened while interviewees realized that uncertain environment provided challenges but rather than considering this as negative issue, they saw it as an opportunity to prove their skills. In the third narrative of experience of exciting gambling interviewees were actually able to reframe the fact that only some startups will be successful into a possibility for a dream to come true. “What if we are the one percent that actually breaks all odds?” The last narrative of uncertainty as teacher presented how interviewees reframed failures and trial-and-error experience not just as failures but learning experiences which turned them into stronger organizations.

The second component of appreciative intelligence® by Thatcenkery is the ability to see positive potential in situations they might be hard to find. In the narrative of uncertainty, empowering the community interviewees saw the positive potential in this situation, was the increased communication, and development of even more open communication. In the narrative of uncertainty as empty canvas for creativity, people saw the potential to start impressing themselves without any restrictions set by expectations that future of the organizations would be determined. In third narrative interviewees saw the positive potential in their own development. The uncertain environment would challenge them but they thought that they would leave the experience stronger. In the fourth narrative, of experience of exciting gambling, people saw the positive potential and found more excitement into their daily work by viewing it in a more exciting way. In the fifth narrative, interviewees experienced positive potential in organizational learning, that every time they tried something there was no failing but only learning experiences, they also saw how this affected the organizational thinking and helped them to more openly try new ideas.

Third component that Thatchenkery name the ability to act now so future is affect in the best possible way. This can be seen in the narrative of shared uncertainty empowering the community in how people described their own role in creating and strengthening the community under uncertainty. Interviewees described how they share information and find solutions together and work in the best possible way so that that they shape the uncertain future together.

On the narrative of uncertainty as empty canvas for creativity, the action seen in passionate ways how interviewees describe the creation process of something new. This was very well present in Adam's interview and his description of the process of planning and the executing process of creating new mobile game. In the narrative of positive challenge for young professional, we can see the active side on how interviewees told about the situation where they took the matters to their own hands as young professionals. Sayings like "If you don't do it no one will and in the end the whole company will go down" or "You are not treated just as a secretary but your words actually count" tell about the situations where interviewees have been able to enhance their role as young professionals. In the narrative of exciting gambling the action that people took for the better future was how they themselves decided to view their future to get motivated. They decided consciously or unconsciously to see their future through this exciting reframing and that excitement affected how they viewed the current and future situation of company. In the narrative of uncertainty as a teacher, people took the action in not letting failures affect the will of trying new things. They knew that for the best possible future in their company, they had to learn as much as possible. This happened through trying as many things as possible and learning through those trials.

## **5. CONCLUSIONS**

### **5.1 Contribution of research**

The goal of this research was to present how appreciative intelligence® can be identified from the behavior of people who work for startup-companies. Empirical research consisted on five interviews. With narrative analysis the collected data was transformed into five narratives that each present how appreciative intelligence® appears and effects people's behavior who work for startup-companies.

This research contributes firstly to the research among startup-companies and research of appreciative intelligence®. There are no previous researches which would address the usage of appreciative intelligence® inside startup-companies. It also brings light towards the mindset and behavior of people working in startup-companies and offers proof that appreciative intelligence® exists in the behavior of people who work in startup-companies.

Second research gap, which this study is filling, is the lack of narrative inquiries made, both within research of startup-companies and research of Appreciative intelligence®. With narrative analysis research transfers knowledge, tied to human behavior and emotions, and would not have been possible to capture with other research methods. Because of this similar insight could not been gained with use of different research methods.

Third research gap that this study is filling is the role of appreciative intelligence® in organizational learning happening in startup-companies and small teams. During the interviews people kept on sharing examples about learning experiences. From the final narratives three out of five, related to the organizational and individual learning experiences. These narratives were Narrative of Empty Canvas for Creativity, Narrative of Uncertainty as positive challenge for young professional and Narrative of uncertainty as a teacher.

Besides these main themes where this research is contributing there were several subthemes discussed during the research these were topics like team management, work motivation and communication inside a team. The amount of information transferred through narrative inquiry is so large that I am positive that the collected data could have contributed to several other research topics as well.

## **5.2 Limitations and future research propositions**

Aim of the research is not to give a holistic view on how startup-organizations experience uncertainty. This is impossible already because of the several factors affecting the issue. Things like culture, industry, funding and so on. This research is neither trying to prove that all startup-employees are able to apply appreciative intelligence or if in mature organizations, there are less people with the ability. These five interviews and constructed narratives presented are examples of the ability, meant for identifying how appreciative intelligence® can appear and affect people's working life in startup-company context.

This research is neither providing nor trying to provide results that would provide any data about the correlation between appreciative intelligence and success of startup-company. Even though this can, be to some level evaluated through the earlier studies addressing relationship of positive psychology and success.

As in this research, the focus was in startup-companies and in the environment that people working in these organizations face, it would be beneficial to collect similar narratives from people who work in very different settings. Interesting ground for research might be mature organizations, public organizations, educational facilities or social businesses. This research did not consider the cultural aspect that might affect how appreciative intelligence® takes place. It might be an interesting research topic to collect the narratives of appreciative intelligence® from different cultural context. Other possibility for future research could be to analyze the routes of appreciative intelligence®. There could be some other personality attributes on people who are naturally better on applying appreciative intelligence® than others. This kind of knowledge might be valuable for people working

in HR and recruitment tasks. As a opposite to this research it would be interesting to see results of observational research on the topic.

This research is not providing evidence on straight correlation between successful venture and appreciative intelligence. This would be really interesting but also challenging research topic. For example to follow startup-company's development and determine when it is successful would take years of research. I personally would see that it would be interesting research topic to see if appreciative intelligence in startup-organization would increase the effectiveness of methods that are already popular in startup-world. For example research could address if the amount of appreciative intelligence® appearing in organization would have effect on the results of Lean Startup-system or agile development methods.

These ideas are just some example's appreciative intelligence® can be researched through never ending research settings. Also the research among startup-companies is all the time offering new research opportunities as there are new technologies and models invented.



## 6. IMPLICATIONS

This research brings implications for different categories of professionals. First, there are learnings for people who work with startup-companies. This means both investors, founders, employees, as well as support organizations of a different kind and entrepreneurship societies. Research is not meant as a guide in away that the narratives shared in the findings and conclusion sections could be formulas how uncertainty should be reframed. They are pure examples of appreciative intelligence® mindset. Every organization and individual has to do their own reframing of the situations. What this research does, it provides examples which can be useful when trying to identify if organization or individual has or is using the ability of appreciative intelligence®.

Identifying appreciative intelligence® can also be beneficial for people who are working within organizational development and change management. Appreciative inquiry which is very closely related to appreciative intelligence® has often been described as a tool for creating a change. Appreciative intelligence® can be seen as a tool for creating organizational change, like has been stated in previous literature To be able to take advantage of the ability people who are leading the change must be able to identify appreciative intelligence.

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