Passing through organizational death
How organizational members narrate the fall and rise of their work world

Anna Gerstrøm, ph.d., Forskning/Formidling/Facilitering, Aarhus

Abstract
While organizational death is a natural part of organizational life, the global financial crisis has brought this phenomenon even more front and center. Fortunately, when organizations die people do not die with them. Instead, they move on to find new organizational life. In this study, the question of how workers undergoing death understand this phenomenon is answered through an inductive case study based on narrative interviews with 20 members of a bankrupted bank. The explorative analysis shows that members understand the issue as a series of events and phases that compose a story of a fall and a rise of their entire work world. The findings are theorized in a model illustrating how workers pass through these events and phases. The study matters for the few theorists researching the neglected but increasingly relevant phenomenon of organizational death and for the many practitioners struggling with the fatal but increasingly normal issue of bankruptcy.

Introduction
The Danish banking sector is under restructure: the number of banks is declining and many observers find that the instability of the financial markets will endure and that reductions in the number of Danish banks will continue. The aim of the study presented in this paper is to understand such issues of bankruptcy from the perspective of the people who undergo them.

The paper is based on a single case study of a bankrupted bank where members of this case are asked to narrate how they experience the bankruptcy. To guide the analysis I draw on the relevant but limited literature on organizational death introduced by Sutton in 1987. Initially Sutton developed a model illustrating how dying organizations transit to death through a sequence of events that its members go through as they perceive their organization first as permanent, then as temporary, and finally as defunct. Since Sutton’s work, organizational death has been used as a label to describe a variety of terms including bankruptcy (Hamilton, 2006), failure, decline (Shepherd,
2009), closure (Wigblad & Lewer, 2007), downsizing and mergers and acquisitions (Bell & Scott, 2011).

Although research on organizational death has increased since Sutton’s preliminary theory, knowledge on the death process from the perspective of the people who undergo it is scant. Little interpretive research on organizational death exists. Moreover, studies of the death often end with the termination of the organization. Fortunately, however, when organizations die, people do not die with them. Members of dead organizations live on and find new organizational life in other work settings. In fact, researchers have found that several years after an organization has died, it is still very much alive (Walsh & Glynn, 2008: 262). Such »afterlife« (Walsh & Bartunek, 2009) is not unusual – but it is understudied. Although knowledge exists on the beginning of the death process; how members move from a permanent entity to a defunct entity (Sutton, 1987), little is known about the subsequent ‘resurrection’ process; how members transit from a defunct entity to another permanent entity.

Knowledge on how the entire transition process is understood by the people who undergo it is important if we want to support the increasing number of people struggling with such transitions. With this study I aim to close the gap of knowledge on this area. Therefore, the research question of the study is how the phenomenon of organizational death is understood by the people who undergo it. The study contributes to theory by showing how bankruptcy is understood as a series of events that members go through as they struggle to survive and pass through organizational death. Showing how bankruptcy is narrated as a story with a beginning in a normal world and an end in a normalized world, the study contributes with a framework that integrates separate literatures on first step theories to organizational death; from a permanent entity to a defunct entity (Sutton, 1987), and second step theories to organizational (after)life; from a defunct entity to a living organization (Walsh & Glynn, 2008; Walsh & Bartunek, 2012).

In the next section, I elaborate on the limited but relevant literature capable of informing the study. After a brief discussion of this literature, section three gives a short presentation of the methodological considerations behind the study including a case presentation and an explorative analysis. The fourth section outlines the findings of the analysis and summarizes them in a theoretical framework. At the end of the paper, theoretical contributions and practical implications are explicated and avenues for further research are mentioned.

**Understanding organizational death**
The study is based on the interpretive (Burrell & Morgan, 1979) assumption that organizational life (Weick, 1995) including death and resurrection is socially constructed
Passing through organizational death

(Berger, Luckman, 1968) by the people working in the organization. Therefore, the answer to the research question lies in the eyes of the organizational members.

While acknowledging the multiplicity of interpretations in and of organizations (Martin, 2002; Meyerson & Martin, 1987), this study focuses on common realities (Isabella, 1990) as it aims to explore how a collective understanding of the death phenomenon is shared among and across the organization’s members.

Moreover, the study embarks on the concept of a «work-world» or a «world of work» which is one segment or sub-universe out of several that the lifeworld of modern people is divided into as pointed out by Luckman in 1978 (Czarniawska, 2012).

When an organization goes bankrupt, the organizational assumptions; suppositions about the organizational world, that guide the provinces of meaning defining the work world can be severely disrupted and the collective world can be destabilized or even collapse. Such an inference is supported by Bridges (1986) who argues that «destruction» and «the end of the world» are common metaphors describing transitions like organizational death: transitions from a permanent organization to a defunct organization (Sutton 1987) – from life to death. According to Bridges (1986: 28), such transitions often include meaninglessness: «Things don’t make sense any more — or they make only some terrible and inadmissible kind of sense...» Therefore, members of a bankrupted organization can be expected to lose sense and struggle to regain it. Such loss of sense is only one out of several extensive losses that members undergoing organizational death are experiencing (Shepherd, 2009). According to Walsh and Glynn (2008), organizational death is one of the most extreme instances of collective loss in organizational life. The consequential disbanding and reconnecting processes (Sutton, 1987) are often associated with negative emotions that may reduce members’ ability to re-establish the taken for granted assumptions (Shepherd, 2003) values and norms (Cunningham, 1997) that have been disrupted. According to Bell and Taylor (2011), traditional research claim that the mourning period will end when the mourner reaches the conclusion that the lost object of attachment no longer exists. Organizational sense breaking from past forms can facilitate such acceptance (Walsh & Glynn, 2008). Following these lines, members can be expected to understand bankruptcy by breaking and making sense of the disrupting issue. Such sense work can be facilitated by collective narration of a story that can account for the origins and impact of the phenomenon (Plowman & Beck, 2009) and facilitate an understanding of it. Such stories are crucial for sensemaking (Weick, 1995): for members’ understanding of organizational life and death.

Based on this review, organizational members can be expected to understand organizational death through narration: through a story in which their constructions of the organization change from permanent to defunct while their negative emotions associ-
ated with their loss hinder re-construction of their disrupted assumptions until they accept their loss through sense braking and making facilitating transition to a new work world.

Although such hints to how organizational death is understood can be found in extant literature, no theory exists that clearly outlines how the people undergoing organizational death narrate and make sense of their experiences. This study is designed to elevate such an understanding. The methodological considerations behind this design are specified in the next section.

**Methodology**

As little knowledge exists on the phenomenon of organizational death from the point of view of the people who undergo it, the methodological design of the study is explorative.

In order to develop an in-depth understanding of how organizational death is construed by the members undergoing it, the analysis is based on a single case study presented in the next section.

**Case**

The case organization is a bank founded in the late 1800s in a remote part of Denmark. The foundation was a result of a commitment to serve the local community. The organizational members and most of the bank’s customers lived in or near the local community which was greatly sponsored by the bank. The bank, perceived as being solid and robust, had managed without any severe problems or failures throughout its nearly 150 years of existence.

Despite the bank’s long and successful history, the global financial crisis took a hard toll, especially concerning the negative influence it had on the bank’s exposure in the real estate market. Half a year after a national newspaper pointed this weakness out, the manager of private business customers was dismissed, followed by the director of the bank a few months later. Then, a couple of weeks later, the bank declared bankruptcy and was taken over by Finansiel Stabilitet, a governmental bank liquidation company established in response to the financial crisis.

Approximately one month after the bankruptcy, the bank and its members were divided into two groups: a healthy part and an unhealthy part. The members belonging to the unhealthy part were offered temporary positions with Finansiel Stabilitet responsible for liquidating the unhealthy part of the bank while the members belonging to the healthy part were offered positions with the regional and slightly larger bank which acquired the healthy part of the bank and took over its premises and customers.
At the time of data collection, no one in the unhealthy group worked for Finansiel Stabilitet, but half of those in the healthy group continued to work for the acquiring bank serving the same customers in the same buildings in the same community.

This case presentation is primarily based on the data outlined in the following section.

**Interviews**

Following the study’s phenomenological approach (Arbnor & Bjerke, 2009; Burrell & Morgan, 1979; Guba, 1990), the answer to the research question lies in the eyes of the organizational inhabitants. Therefore, the study is based on interviews with these members. To gain an in-depth understanding of the phenomenon from their point of view, the case study is based on qualitative interviews (Kvale, 2008). As organizational life (and death) is only understood in hindsight, the interviews are retrospective (Czarniawska, 2012; Weick, 1995; 2009). They have a narrative nature as narrative accounts can yield rich information on the way issues like organizational death are understood, comprehended and made sense of (Arbnor & Bjerke, 2009; Weick, 1995). Organizational members were therefore encouraged to retrospectively reconstruct the bankruptcy in their own ways two years after it unfolded.

Saturation (Glaser & Strauss, 2008; Kvale, 2008) was reached after interviews with 20 members. The interviewees worked within different functional areas and represented all hierarchical levels within the organization – from (10) front line employees, to (4) managers, to the (1) director and the (4) board members including the (1) head of the board. Both men and women were interviewed and tenure ranged from less than 1 year to more than 40 years. Half of the interviewees were members of the healthy and acquired part of the bank and half of the interviewees were members of the unhealthy and liquidated part of the bank.

When allowed all interviews were recorded, transcribed and coded following an inductive coding process: all codes emerged out of the data and no codes were predetermined. In accordance with the aim of exploring the phenomenon as part of the organization’s dominant reality, the coding was designed to elicit common constructions: to tease out a collective interpretative pattern of the bankruptcy – shared across the organizational members. This does not mean that there were no variations in members’ narratives: rather it means that such variation was not the primary focus of this study. This preliminary coding was the starting point of the analytical process elaborated upon in the next section.

**Analysis**

In the analysis of members’ understandings of their organization’s death, I explored their reconstructions of the bankruptcy and found that members narrated their expe-
riences as a transitional story with a beginning and an end (Weick, 1995). In recreating the bankruptcy, members referred to a set of events and phases that created a chronology that allowed for a story (Czarniawska, 1998; 2012; Weick, 1995) in which members anchored their understanding of the bankruptcy.

The events were labeled »key events« according to the premise that events are significant if they are significant to the subjects undergoing (Van de Ven & Poole, 2005) and narrating (Czarniawska, 1998; 2012) them. As I explored these events in more detail I found that each event was associated with a meaning. These events including their inherent meanings are summarized in table 1.

Table 1. PASSING THROUGH ORGANIZATIONAL DEATH: EVENTS

<table>
<thead>
<tr>
<th>Event</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event</td>
<td>The bank’s exposure is addressed in the media</td>
<td>The bank’s director is dismissed</td>
<td>The bank is declared bankrupt</td>
<td>The healthy part of the bank is acquired</td>
<td>The unhealthy part of the bank is relocated</td>
</tr>
<tr>
<td>Quote</td>
<td>»[Media] they don’t talk about anything else but America about to go bankrupt – and now they believe it’ll spread to Denmark. ‘Argh!’ we said and … laughed.«</td>
<td>»I was informed that the director was dismissed – and I thought: ‘Then it’s over.’ Because I knew that then we wouldn’t survive as an independent financial institution.«</td>
<td>»Worlds have cracked … It suddenly looks completely different – the work day and the safety net you believed you had. Suddenly, it is completely gone.«</td>
<td>»Somebody wanted us … It was a relief … There was light at the end of the tunnel.«</td>
<td>»It was not before they were out of the house that we could allow ourselves to be happy … It was such a relief! … The sky became a little bit more clear.«</td>
</tr>
<tr>
<td>Meaning</td>
<td>Pre Alarm</td>
<td>Post Alarm</td>
<td>Collapse of old world</td>
<td>Emergence of new world</td>
<td>Settlement of new world</td>
</tr>
</tbody>
</table>

The chronology of the events create an underlying process of lived experience that is punctuated (Weick, 1995) into phases by the events. As I explored these phases in more detail I found that in members’ narrations each phase was associated with a challenge and a solution. These phases including their inherent challenges and solutions are summarized in table 2.

Thus, analyzing members’ narrations of the bankruptcy, I found that their reconstructions were anchored in a story with a set of events and phases.

In the next section, I outline the analysis of each of these phases and events and present the findings of the study.¹
Passing through organizational death

<table>
<thead>
<tr>
<th>Phase</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>from popular organization to unpopular organization</td>
<td>from revered director to discredited director</td>
<td>from troubled organization to dead organization</td>
<td>from inside colleagues to outside strangers</td>
<td></td>
</tr>
</tbody>
</table>

**Quote**

»As we didn’t believe it and as our director also explained that everything was okay and under control … the art became to convince customers that it was all just a persecution from the media against the bank.«

»At this point, my great illusion about the bank and my illusion about what my director represented, and our entire story of success fall apart. I can feel: now, it falls apart.«

»For a long time, I choose not to see radio or television. It was just agony … Even though you had been down here [in the bank] all day and been in the wildest reality – it was very different seeing it on television… It was that unreality: when it appeared right into your face in the evening – it just became so real.«

»You were happy but it wasn’t a useable happiness … We saw how sad they were … If there was something that we were really happy about we couldn’t make ourselves say it. So we were restrained in that duvet longer than necessary.«

**Challenge**

Preserve old world

Realize change in old world

Accept termination of old world

Escape old world

**Quote**

»The [specific threats] are mentioned at the morning meeting and you get an answer … ’There’s so much coverage and there are no problems …’ We defended ourselves tooth and nail – from what we were told.«

»Fine – the director is gone … There’ll be a solution to this. There has to be a solution. We’re not going to collapse completely. … We still hoped that we could continue as an independent bank in some way.«

»I was surprised to see – it sounds completely crazy- that life goes on: that everything looked normal. I wondered – because there was complete chaos in our lives – that everything on the streets looked completely normal … I just scanned the whole square and I just thought … Wauw …! There’s life – and things are happening and there’s normal life! When I thought everything was dead – it wasn’t. So that was a huge relief.«

»We became able to say: It’s the middle managers in general. Off course, we could understand that now, we become part of a larger organization so they don’t need them.«

**Solution**

Defend Whole

Maintain Parts

Appreciate endurance

Justify Transition

Findings

The following section is divided into the phases and events that constitute members’ narration of the bankruptcy. To begin and end the story, the beginning section (living a normal world) describes the situation prior to the first event and the ending section (normalizing a new world) describes the situation after the last event.

Beginning: Living a normal world

Prior to the pre-alarming media coverage, members were parts of an organizational world where things were positive and everyday life evolved as expected. The bank was perceived »a story of success« and being a member of the bank was like being a »part of a success«. In sum, organizational life prior to the first event was described
as »positive« and »perfect«: as »a world of success« where »everything was possible« and critical »questions« where seldom asked.

**Event 1: Pre alarm**

Untroubled life in a successful organization continues until it is interrupted by a national newspaper addressing a set of banks, including the specific bank, for being negatively exposed to the effects of the global financial crisis on the national real estate market. Members describe how the media coverage »wasn’t taken serious« and how everybody believed that »there was nothing to worry about«. The picture drawn in the newspaper is perceived far from reality. As table 1 summarizes, the first event is interpreted as an alarming bell that rings without members hearing it: the world picture proposed by the media does not resemble – but actually contradicts – members’ definition of their organizational world, and the alarm is neglected. Therefore, the immediate media coverage is theorized as a pre-alarming event.

**Phase 1: From popular organization to unpopular organization**

The negative media coverage persists and the situation intensifies. Members recall how they find themselves on a path leaving a popular bank on a »bed of roses« and approaching an unpopular bank struggling in »head wind«. The media coverage challenged the »positive« and »perfect« work world picture in which the organization was one of the most successful local banks in the country. Members’ subsequent reaction to the threat was a construction of a picture in which the media had begun a persecution against the bank: »In principle, it’s only a financial crisis on the paper – or in the press. Actually, it’s a press persecution. Because nothing has happened.« Members reach for past experiences to guide their present action, and as their past is »a positive story of success« it supports their trust in their director who assures them that »everything’s alright«. Summarized in table 2, the task of preserving the old world is solved by continuously defending the bank against the media accusations to convince doubtful stakeholders that the old world as they know it is still valid and that the picture drawn by the media is an unlikely and improbable scenario.

**Event 2: Post alarm**

The downplaying of the pre alarming event continues until the members are informed that the director of the bank is dismissed. Table 1 illustrates how members’ interpretation of the event is that a disaster has happened and that it is too late to do anything to prevent its fatal consequences from unfolding: »I was informed that the director was dismissed – and I thought: 'Then it’s over.'« The dismissal was a shock. The period up until the dismissal had been worrisome but few had imagined that the situation would turn out this way. Summarized in table 1, the second event is interpreted as an alarming bell that rings too late: the old world picture where the director is a revered leader is teared apart. Therefore, the dismissal is theorized as a post-alarming event.
Phase 2: From revered director to discredited director

In the phase following the dismissal, members find themselves on a path leaving a bank with a respected and revered director and approaching a bank with a discredited and abandoned director: »This great, nice and kind [man]... he was a king of the city... He was the defender and the one who always stood and led the way... and continually said: ‘You just take it easy – everything is under control.’ Suddenly, he was just gone.«

The drive that had moved members forward in a period characterized by doubts and skepticism fade away and a culmination of beliefs sparks in: beliefs about the bank and its successful history, about the director and the truth of his words, about the members’ own career and the professional identity associated with the status of their job transform into illusions. The challenge becomes acceptance of the inevitable change in the old work world. In this »weird period« in »no man’s land« where there is no leader to provide meaning and direction, members recall how »it’s everyday this huge insecurity... We’re like in a sleeping dream – just waiting for what’s going to happen.« As they struggle to make sense and answer questions like »What’s going on?, What have we gotten ourselves into?« and »How do we get through this?, What does it mean?«, members begin to build a new definition of the situation: »We had a lot of hope – because we thought: ‘They would queue to acquire this bank.’« Hope for the future enables members to draw a picture in which the bank is acquired and the customers’ savings are not lost: it’s a different future – but a manageable future. As table 2 summarizes, the second phase is characterized by members realizing that their old world will not endure: as they come to accept it has changed, they struggle to define a new situation in which parts of it can persist.

Event 3: Collapse of old world

Members’ construction of a situation where the bank pertains in some form continues until they are informed of the bankruptcy. »The day we were told, it came as a very big shock.« Members’ worlds are torn apart and the magnitude of the disaster seems fatal: »it couldn’t get any worse«. Members describe how the »safety net you believed you had is completely gone« and how their »worlds have crackled«, »fallen apart« and »collapsed«. Summarized in table 1, the bankruptcy is theorized as a collapse of an old work world.

Phase 3: From troubled organization to dead organization

In this phase, members find themselves on a road that leaves a troubled but alive organization and approaches a dead organization. The picture of the bank as a dead organization seem so distant from members’ perceptions of the bank that their immediate reaction is denial. Members describe the situation as »unreal« and compare it to »a distant movie« or »a nightmare«. »It was terrible! ... We didn’t know at all what was really happening... It can’t be true!« Their denial offers a way out of the unbearable state. This way, however, is short-termed and the denial is difficult to sustain as
stakeholders continue to claim the opposite. In short, members struggle to handle the challenge of accepting the termination of their previous work world. Identifying and appreciating positive elements that endure and survive the work world collapse helps. Among other things, these elements are social relations with family, friends, customers and members of the community. Table 2 summarizes how members, in the third phase, face the cognitive challenge of accepting the bankruptcy and the termination of their previous work world. They find themselves in a surrealistic world – a world that cannot be true – captured on a middle ground between an old and positive world that has collapsed and a new and negative world that is emerging. They solve the challenge by identifying and appreciating positive elements from their old world that endure.

**Event 4: Emergence of new world**

Members narrate how a period of substantial »insecurity« and »waiting« in »no man’s land« is over when they are informed that an agreement has been made with a regional bank acquiring parts of the local bank. This event means that members are divided into two groups. The »healthy and green winner group« is offered a new world in the acquiring bank, while the »unhealthy and red looser group« will have a limited and insecure future in the governmental liquidation company. Summarized in table 1, the announcement means that members of the green group are offered a new work world – making them capable of drawing future work pictures with more certainty. Therefore, the fourth event is theorized as emergence of a new work world.

**Phase 4: From inside colleagues to outside strangers**

Following the fourth event is a period of resistance to change. Members express huge ambivalence and struggle with settling down in the new world. People who used to be close colleagues become »strangers« on »forbidden territory«. The separation implies that members are divided into »two completely different worlds.« The green world is characterized by development and progress while the red world is characterized by failure and termination. For a period, the inhabitants of these worlds lived under the same roof. This phase was »fucking tough«. The green members experienced an internal conflict. On the one hand, they were relieved because their future was now less uncertain. On the other hand, they felt sorrow for their colleagues who were left behind as »losers«. Empathy and sympathy for the red group rest on many years collegial solidarity. Especially the past challenges enforced the group’s coherence. Among the green members a norm of respectful treatment of the red people emerged and it became »wrong« to show interest in or happiness with the new situation. Thereby the presence of the red group kept the green group in the old collapsed world and hindered them from moving on. To handle this challenge, members of the green group struggle to make sense of the situation in a way that allows them to let go and move forward. As table 2 illustrates, an acceptable rationale behind the »cruel« separation eventually emerges and helps members justifying their adaptation.
acquisition constitutes an opportunity to move into a new work world. A committed move, however, requires separation from old colleagues which is difficult due to an emotional barrier of collegial empathy. Table 2 summarizes how members solve the challenge by emphasizing the logical rationale behind the separation.

Event 5: Settlement of new world
After what seems like a very long period, the red group leaves the premises. The final separation marks a significant point in time – the end of an »ambivalent« period. »We could finally begin to look forward – without feeling guilty if you were happy about something that the acquiring bank did for us.« The disappearance of the red group means that the emotional barrier that kept the green members in the collapsed world is out of sight. »We could begin to be immersed in and talk about all the [new and exciting] things.« Finally, they could begin to see and appreciate the progressive elements of the new world and to talk it into a positive mode of existence. In sum, the final separation of the two groups stands out as a turning point. As table 1 illustrates, it means that »the sky become more clear.« Therefore, the last event is theorized as settlement of the new world.

Ending: Normalizing a new world
After the final event, members begin to enact the new world. In this organizational afterlife, members try to balance the need to move on and not get stuck in the past with the need to recognize and talk openly about prior failures. In one way, »things are back to normal« and »business as usual«. In another way, »it’ll never be the same«. Incidents that remind members of what happened keep reoccurring when the bankruptcy is mentioned or insinuated. As time goes, such incidents occur less often – but they still occur and »they probably always will«. Years after the acquiring bank took over, the bankruptcy is not forgotten history – it probably never will be: »it’ll never end, never.« In sum, the new world builds upon the old: the story nears an end when members move into organizational afterlife and normalize their new world.

Discussion
Summarizing the findings of the analysis presented above, it is clear that members understand bankruptcy as a story with a beginning and an end. Breaking up this narrative into the distinct events that separated the different phases, I found that each event had an underlying meaning and that each phase was associated with a challenge and a solution. These findings are summarized in table 3 which integrates the events and phases from table 1 and 2.
Table 3. PASSING THROUGH ORGANIZATIONAL DEATH: EVENTS & PHASES

<table>
<thead>
<tr>
<th>Event</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>The bank's exposure is addressed in the media</td>
<td>The bank's director is dismissed</td>
<td>The bank is declared bankrupt</td>
<td>The healthy part of the bank is acquired</td>
<td>The unhealthy part of the bank is relocated</td>
<td></td>
</tr>
<tr>
<td>Meaning</td>
<td>Pre Alarm</td>
<td>Post Alarm</td>
<td>Collapse of old world</td>
<td>Emergence of new world</td>
<td>Settlement of new world</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>from popular organization to unpopular organization</td>
<td>from revered director to discredited director</td>
<td>from troubled organization to dead organization</td>
<td>from inside colleagues to outside strangers</td>
<td></td>
</tr>
<tr>
<td>Challenge</td>
<td>Preserve old world</td>
<td>Realize change in old world</td>
<td>Accept termination of old world</td>
<td>Escape old world</td>
</tr>
<tr>
<td>Solution</td>
<td>Defend Whole</td>
<td>Maintain parts</td>
<td>Appreciate endurance</td>
<td>Justify Transition</td>
</tr>
</tbody>
</table>

Figure 1 theorizes the events and phases and illustrates members’ narrative transition from organizational life through organizational death to organizational afterlife.

More precisely, members narrate bankruptcy as a story beginning with a pre alarm that rings too early. The pre alarm is followed by a challenging time where the task of preserving an old work world is solved in struggles to defend the whole of it. The story continues with a post alarm that rings too late. Following the post alarm is a challenging time where the task of realizing the change of the old work world is solved by struggles to maintain parts of it. In the middle of the story, the old work world
Passing through organizational death

collapses. Following this collapse is a challenging time where the task of accepting the termination of the old work world is solved by appreciating the enduring parts of it. Towards the end of the story a new work world emerges. This emergence is followed by a time where the task of escaping the old work world is solved by justifying the transition to the new. The story ends with a settlement in and of the new work world.

In sum, the analysis shows how members understand organizational death not just as a transformation from a permanent to a temporary and defunct organization (Sutton, 1987) but as a transformation from organizational life to death and back to life. Thus, as opposed to Sutton’s model that ends with the termination of the organization, figure 1 elaborates on the premise that members of a dead organization do not die with the organization but find it important to narrate how they make a transition to afterlife (Walsh & Bartunek, 2009) in a new organizational world thereby completing the story with a different end (Weick 1995) and making it one of survival instead of death.

Conclusion

Like death is a fact of life, failure is a fact of business. Fortunately, when organizations die people do not die with them but transit to organizational afterlife. I wondered how workers undergoing death and resurrection understand such phenomena and I did an inductive case study to find out. The research presented above shows that organizational members understand such issues as a series of events and phases that compose a story of a fall and rise of their entire work world. Members narrate their experiences as a series of events and phases that they pass through as their old work world collapses and a new world emerges and settles: as they survive death and move towards afterlife.

This section outlines the significance this study has for theory and practice by providing a discussion of the analysis in terms of its theoretical contributions and practical implications. Finally, in addition to addressing some of the paper’s limitations, potential avenues for further research are presented.

Theoretical contribution

The paper adds to the important but under researched area of organizational death (Hamilton, 2006; Shepherd, 2009; Sutton, 1987; Wigblad & Lewer, 2007) by providing a theoretical framework theorizing how organizational death is understood by the members who undergo it and construct it as part of their organizational life.

The generated theory illustrates how members understand organizational death as a series of events and phases that constitute a transitionary story with a beginning and an end: a narrative of events with inherent meanings and phases with inherent challenges and solutions. The inductive framework is grounded (Glaser & Strauss, 2008) in an
empirical case of a bankruptcy and illustrates how this phenomenon is experienced by the people who undergo it. By eliciting how members’ narrations of bankruptcy do not stop with organizational death (Sutton, 1987) but continue to include organizational afterlife (Walsh & Bartunek, 2009), the paper addresses the premise that members do not die with the organization but live on and make transitions into new organizational worlds. By including transitions to new life in the conceptualization of bankruptcy because it proves important to the members undergoing it, the study contributes with empirical knowledge that can serve as a grounding for bridging the separate literatures on first step theories to organizational death; from a permanent entity to a defunct entity (Sutton, 1987), with second step theories to organizational (after)life; from a defunct entity to a living organization (Walsh & Glynn, 2008; Walsh & Bartunek, 2012).

Practical implications
The study opens the door to a deeper understanding of the large and increasing number of people undergoing bankruptcy.

Despite the «normality» of organizational death, practitioners often maneuver through death with a lack of relevant experience to draw upon (Sutton, 1987; Wigblad & Hanson, 2006). This study can provide such practitioners with knowledge on how other people have handled bankruptcy and survived organizational death. Knowledge on the possible solutions to the challenges that bankruptcy brings is a prerequisite for supporting members of dead organizations to come to form and perform satisfyingly in new organizational contexts. Knowledge on possible organizational transitions from life to death and back to life is beneficial to practitioners who wish to move through death or help other people do so. In this way, the study is relevant to two groups: the people undergoing bankruptcy and the people aiming to support the people undergoing bankruptcy.

Further research
The paper has limitations. It is based on a single case study, and therefore it suffers from the usual limitations of case study research where generality is exchanged for richness.

It is important to explicate that the theory that emerged from this study illustrates how members of a specific case in question understood death and resurrection and that the findings behind the theory are based on the specifics of this case. Bankruptcies are different and therefore, the way the members of this bank understood death may be different from the way members of other banks understand death. Accordingly, the findings of this case cannot be generalized to all bankruptcy cases. Therefore, I am convinced that more insight can be gained from future research on this issue. Following these lines I wish to end this article by calling for work that takes se-
rious the problematic issues of contemporary society characterized by the disastrous consequences of the global financial crisis in a significant number of peoples’ local lives – including instances of challenging bankruptcies as well as radical liquidations and massive layoffs.

References

Notes
1. For more information on the primary interviews including questions, setting, language and sensitivity, as well as the secondary data of the study, please see the author’s dissertation entitled World Disruption: How Bankers Reconstruct the Financial Crisis – essays on interpretation.