Legitimating Organizational Secrecy

Abstract

This paper brings into focus the concept of organizational secrecy by senior managers in the context of a major strategic change program. Drawing on interviews with senior managers over the course of 12 months and a narrative methodology, our findings show that senior managers employed seven discursive legitimation strategies to justify keeping secret that the organization intended to downsize, and these emerged at various stages as the change project evolved. We labelled these discursive legitimation strategies as (1) Naturalization, (2) Rationalization, (3) Moralization, (4) Authorization, (5) Proceduralization, (6) Valorization and (7) Demonization. We bring a new perspective to our understanding of discursive legitimation by showing how these rhetorical justifications become salient as they are anchored to meta-narratives describing work practices and values associated with the organization's culture. A key finding from our study is that managers use discursive legitimation to manage the ethical implications of secrecy through facilitating moral disengagement. Discursive legitimation helps explain how moral disengagement can move from the individual to a collective level.

Key words: Organizational Secrecy, Discursive Legitimation, Downsizing

Introduction

Scholars recognise secrecy as an important dimension of organizational life and central to a multiplicity of social processes in organizations, including strategic initiatives (Kreutzer, Walter, & Cardinal., 2015; Toegel, Levy, & Jonsen, 2022). Conceptually, secrecy refers to the "intentional concealment of information or knowledge from someone or parties and therefore involves the methods used to conceal… and the practices of concealment" (Bok, 1982, p.6). Although sharing some similarity with related concepts such as knowledge hiding (Anand, Offergelt & Anand, 2022) there is a distinct difference. Knowledge hiding refers to withholding or concealing knowledge requested by another person and focuses on their behaviors to do so, such as through playing dumb or being evasive (Connelly et al., 2012). Organizational secrecy is different in that individuals within an organization are unaware that the information exists, it has not been requested and involves collusion between more than party. Although research on aspects of secrecy in organizations, particularly in the area of pay (Alterman et al., 2021; Caufield, 2021; Holtzen, 2022) and intellectual property (Gross, 2023; Hannah et al., 2019) is well established, a more recent stream of research has emerged examining the broader social and dynamic processes in organizations associated with the systematic withholding of information (Courpasson, & Younes, 2018; Fan, & Christensen, 2023; Fan, & Liu, 2022.

Our paper offers new insights into this emerging area of investigation through presenting findings from a case study of an insurance company based in the UK, where senior managers concealed information that the company planned to downsize. Due to financial and competitive pressures, the company embarked on a major business transformation program involving the introduction of new technologies. The associated restructuring resulted in the loss

of approximately 75 front-line customer service and actuarial jobs. Secrecy around downsizing is interesting in that the content of the secret (intention to downsize) as well as the secrecy itself are both widely perceived as having ethical implications (Bok, 1982; Pompa 1992). Despite calls for greater transparency by business in communicating restructuring decisions (European Commission, 2018), there are instances where secrecy is chosen instead. In a German study of the closure of under-performing shops, the authors stated that the list of the shops selected for closure was kept secret, to prevent an anticipated negative reaction by employees (Friebel, Heinz, & Zubanov, 2016). In a recent study of downsizing in a Swedish pharmaceutical company, it was noted that trade union representatives were involved in discussions about how downsizing was to be implemented, on the condition that they did not inform employees that redundancies were being planned (Bergstrom & Arman 2017). Other writers also suggest it is appropriate to withhold information and limit communication about the intention to downsize (Kettley, 1995) and even that planning downsizing should be in secret to avoid any negative effects (Applebaum, Simpson, & Shapiro, 1987). Yet research also suggests secrecy when implementing strategic change results in higher levels of employee distrust, broader resistance to change and impedes collaboration (Pearce & Klein, 2017; Schildt et al., 2023; Toegel, Levy, & Jonsen, 2022). Given the negative consequences that can arise from secrecy, gaining a deeper understanding of how managers construct the circumstances through which organizational secrecy is brought into being within the context of strategic change is of significant interest.

We show how this occurs through managers engaging in acts of discursive legitimation. Legitimacy is a critical construct in business ethics and social responsibility (Palazzo & Scherer 2006; Scherer & Palazzo, 2011) and we highlight how legitimacy emerges through managers' informal meaning-making processes and discourse. Previous research has highlighted the importance of legitimacy during organizational change and restructuring (Vaara, Tienari & Laurila, 2006). Discourses when employed in acts of legitimation, are

resources that managers draw upon to serve organizational interests (Joutsenvirta, 2011) and in this case persuade others to participate in secrecy. We show how changes in the nature of the discursive strategies employed by senior managers to legitimate secrecy illustrate shifts in these managers moral reasoning as the strategic change program unfolded. We therefore extend our knowledge of organizational secrecy by showing that legitimation strategies are key processes enabling managers to engage in secrecy, and that the nature of this legitimation changes as the timing of disclosure approaches.

Next, much of the literature on secrecy has adopted an agency-based perspective and ignored the distinctive socio-cultural context in which individuals involved in secrecy are situated. Similarly, previous studies of legitimacy in organizations have not considered the context in which discursive strategies emerge. We show how these discursive acts of legitimation draw upon locally situated, collective meaning structures (meta-narratives) that are used to describe the organization's culture. When connected to these context-specific anchors, particular discourses are likely to be more persuasive than others and shape collective acceptance of organizational secrecy. As such, this socio-cultural context plays a significant role in how managers normalise secrecy through moral and rational justifications. Finally, we suggest that participating in organizational secrecy can present as an ethical dilemma for managers, and that discursive legitimation strategies are a means through which they are able to morally disengage and manage this dilemma. Discursive legitimation strategies are therefore key psychosocial mechanisms by which managers collectively attempt to mitigate the moral consequences arising from engaging in secrecy. We therefore offer an explanation as to how managers can engage in organizational secrecy without any apparent self-censure, and that managers employ discursive legitimation strategies to manage the tensions that arise in ethical dilemmas associated with organizational secrecy. Our study is therefore organised around three distinct yet interrelated questions. The research questions

are (1) What are the discursive strategies used to legitimate organizational secrecy by senior managers? (2) How do these discursive strategies shift over the course of the strategic change program and (3) What are the micro-foundations or anchors of these legitimation strategies in this organizational context? We thus bring a temporal perspective to understanding how discursive legitimation plays during the change process.

Theoretical Background

Organizational Secrecy

Secrecy involves an in-group i.e. those which are privileged to the secret, and an out-group comprising those individuals from which knowledge or information is concealed. Processes underpinning secrecy are associated with creating boundaries, with the impacts of secrecy among the in-group often traced to the formation of strong interpersonal ties and collective identities (Simmel, 1906). Courpasson, & Younes (2018) for example, showed how secrecy among scientists on a Pharma R&D project separated them from the usual working practices within the organization. This separation gave rise to a shared sense of 'exceptionality,' which accounted for higher levels of social interaction and social trust that directly impacted the group's creativity. Other studies have found the strong interpersonal ties and collective identities associated with secrecy can facilitate its role as a social mechanism for gaining power and influence. Younes, Courpasson, and Jacob, (2020) showed how secrecy intensified social interactions and engendered a greater sense of autonomy among a group of journalists, and this strengthened the group's capacity for political influence with management. More recently, Toegel et al., (2022) discussed how executives had reported using secrecy to promote strategic initiatives they favoured during their careers. Research has also begun to examine the role that confidential gossip as a particular from of organizational secrecy plays

in organizational life and how it effects the constitution and dynamics of groups (Fan & Grey 2021) and can act as a means of resistance to authority (Fan & Dawson, 2022).

Whilst these studies suggest that secrecy in organizations can result in positive effects for those in the in-group, it is also the case that secrecy can impose burdens on those involved in concealing the information from others. In this respect a number of authors have suggested that maintaining secrecy up to the point of disclosure and determining when and how to disclose information gives rise to a state of tension that requires active management by those involved. Nelson (2017) found that researchers engaged in 4 tactics in actively managing the decision between secrecy and disclosure in relation to scientific discovery. These tactics were (1) leveraging trust (i.e. using the level of trust in the recipient as one of the key criteria for determining disclosure), (2) strategic withholding, (i.e. sharing some but not all of the content of the secret), (3) delaying (determining when is the best time to share the secret), and (4) patenting (ensuring the commercial aspects of their scientific discovery or secret are protected). Nelson suggested individuals use these tactics to address differing aspects of the sharing/secrecy dilemma for those involved, concerning questions of what is shared, when it is shared and with whom. Toegel et al., (2022) similarly identified distinctive practices associated with selecting who was to be involved in sharing the secret and the appropriate timing to do so. They described this as a dynamic process of *controlling information.*

This role of control within organizational secrecy has also figured in perspectives on the ethicality of organizational secrecy. As Luhrmann (1989) states…"to hold a secret is to assert …control" (p191). Whilst some types of secrecy in organizations such as protecting knowledge from competitors is perceived as advantageous and with limited ethical concerns, this is not always the case (Bos, Broekhuizen, & de Faria, 2015). Secrecy in many people's minds is often associated with deviancy, deception and falsification, suggesting an absence of morality or at the very least questionable ethicality (Birchall, 2011; Hoerl, & Ortiz, 2015).

Employees can perceive it negatively, as a means by which the organization (or its senior managers) can undermine their interests. Further, that secrecy enables managers to control employee beliefs and behaviors. Since by concealing information, managers can shape how employees construct and perceive organizational reality (Anand, & Rosen, 2008; Costas, & Grey 2014). In organizations, activities that are purposefully hidden are considered to belong to a moral grey zone (Anteby, 2008), where managers are likely to put organizational or self-interests over those of employees (Grey and Costas 2016; Younes, Courpasson, & Jacob, 2020). Wexler (1987) argued that secrecy was janus-like in that while as individuals we are drawn to secrecy through wanting to know, there is also a general revulsion felt about secrecy. The latter arising through the capacity of secrecy for exclusion and betrayal, such that it is often judged as having an amoral or unethical character. This recognises that secrecy can have a negative effect on those excluded from knowing (Bouilloud, Deslandes, & Mercier, 2017). Given that transparency is now widely seen as the preferred operating principle upon which organizations should be held to account (Alby, & Flyverbom, 2016; Birchall, 2011), examining the context and dynamics by which secrecy rather than transparency is justified or legitimated by senior managers, offers a novel perspective from which to understand this organizational phenomenon.

A Discursive Process of Legitimation

Several studies have examined the use of rhetoric or discourse when studying the discursive practices of legitimation (Erkama & Vaara, 2010; Harman, Green & Goodnight, 2015; Suddaby & Greenwood, 2005; Vaara & Tienari, 2008; Vaara et al., 2006). Green (2004) suggested that managers made use of specific discursive strategies as a means of argumentation to justify, persuade and coordinate social action. This work suggested that managerial practices become accepted to the extent to which they become embedded or "taken for granted," and that this is related to the persuasiveness of the argumentation or

rhetoric deployed. Green suggested that there were 3 overarching rhetorical strategies, pathos, logos, and ethos that were used as justifications for managerial practices. Pathos justifications draw upon emotion as the underpinning argumentation such as eliciting anger or sympathy. Logos justifications are characterised by rationality and emphasise efficiency or effectiveness, whilst ethos justifications are characterised by the moral substance of their argumentation.

Subsequent empirical studies have increased our understanding of the use of discourse as a chief meaning-making process associated with legitimating a range of organizational forms, practices, and decision-making (Erkama, & Vaara, 2010; Harmon, Green & Goodnight, 2015; Suddaby & Greenwood; 2005Vaara, & Tienari, 2008; Vaara, Tienari, & Laurila, 2006). This has included studies that focused on rhetorical accounts legitimating downsizing. In one of the first studies in this area, Lamertz & Baum (1998) examined the explanatory accounts (discursive legitimation strategies) found in the media of downsizing in Canadian companies over a six-year period. They showed that the form and content of these accounts changed over time as the practice of downsizing became more institutionalised or accepted. Vaara & Tienari (2008) also examined media texts associated with the closing down of a Finnish marine engine factory and the consequent layoffs it involved. The authors showed the significance of several legitimation strategies including authorization, a variety of rationalization strategies, moralization as well as mythopoetical elements (legitimation by reference to stories related to either the past or future) as how legitimation was sought for shutting down a factory. More latterly, Hobfeld (2013) analysed the mass communication media (press statements, business reports, investor news) and identified the use of three meta-metaphoric concepts (concealing metaphor, euphemistic metaphor, and urgency & control metaphor) each serving differing persuasive functions to legitimate downsizing by two German banks. These three meta-metaphors function by intensifying perceptions while

hiding or downplaying others, thereby enhancing the plausibility associated with a managerial practice. Together these studies show that discursive legitimation is employed by managers as interest-laden argumentation to justify controversial decisions. We draw upon this previous literature on legitimation as a rhetorical device or discursive process to offer new insights on how executives manage the tension between secrecy and disclosure in relation to its decision to downsize.

Methodology

Our theoretical perspective mirrors that of Golant and Sillince (2007), who argued that although "relatively little is known about the processes by which legitimacy is acquired, maintained, or forfeited…the use of narrative is crucial to its acquisition and maintenance at both organizational and individual level" (p.21). Consequently, we employed narrative analysis (Perelman, 1982) to identify the discursive legitimation strategies used by senior managers as part of a dynamic process of managing organizational secrecy. Integral to our approach is the idea that legitimacy or legitimating occurs in the context of social-interaction, and through discourses or rhetoric (Erkama, & Vaara, 2010; Joutsenvirta, 2011; Sant, & Mason, 2019; Vaara, & Tienari, 2008).

The Case Study Organization

The research setting was a major insurance company in the United Kingdom. The company is a mutual and owned by its members (customers). This means there are no shareholders taking profits. It offers a wide range of products, including general insurance, life insurance, pension investments, and risk management services particularly targeting the agricultural community. Farming accounts for 50% of the customer base. The organization places considerable emphasis on being socially responsible. Its' mission includes "championing rural communities and offering the best care possible to members" and "acting responsibly and making a positive

difference for members, neighbours and communities." This includes activities such as educating young drivers and users of agricultural machinery, making farming safer, tackling rural poverty, and enabling sustainable living. Increasing competition within the insurance industry over recent years has brought major financial pressures to bear such that the organization had initiated a major business transformational program driven by 4 change projects. We labelled these projects alpha, beta, gamma, and delta.

Alpha Project: A key business objective was to bring the life insurance business back into profitability through the introduction of new technology platforms. This would involve a £30 million investment by the company and transform the key business proposition.

Beta Project: The profitability of the property and casualty business was not sustainable. The company's ability to rate risk was below the standards of the competition. The aim of the project was to dramatically improve the company's ability to price risks through the acquisition and installation of a rating engine involving an additional £30 million investment.

Gamma Project: Aimed to modernise the company's counter fraud intelligent system by outsourcing some aspects of this side of the insurance business.

Delta Project: The project aimed to find a partner to provide new telephony technology to assist the network of UK agents with call recording and compliance (e.g., when taking credit cards over the phone, ability to perform in a compliant manner).

These four projects all involved introducing new technologies to increase the organization's competitiveness and refining its business proposition. However, it was alpha and beta projects that had the most significant implications for staffing, where customer services and risk analysis staff were most vulnerable to redundancy.

Data Collection

The source of our data were 13 key individuals involved in these four business transformational projects contained within an overall large scale change program (see Table 1). We approached the organization explaining that we were interested in exploring value dilemmas that senior managers experience when implementing large-scale change. The organization agreed on the basis that it would select which senior managers we would be able to speak to. Our focus shifted more specifically on the decision to keep secret the organization's intention to downsize once we started collecting data and realized this was an opportunity to learn more about this controversial organizational phenomenon. We conducted in-depth, semi-structured interviews at 3-month intervals to try to capture the interactions between events, narratives and the meanings generated by project managers, project sponsors (senior managers in the organization), and technical experts or managers involved in these projects and the legitimation strategies that emerged. These were guided by a very loose interview schedule comprising only five high-level questions relating to key aspects of the strategic project we were interested in. These were (1) Can you tell us how the business transformation project is currently going? (2) What have been some of the major challenges you are having to address recently? (3) Have you had to address any issues or situations as part of the project which you would describe as value dilemmas? (4) How are you managing the change process right now and keeping staff informed of the project's progress? It was at this point that we probed further specifically in relation to when staff might expect to be informed of the organisation's intention to downsize, and reasons (legitimation accounts of secrecy) as to why this was not the right time, and (5) Can you tell us how you expect the project to progress over the next few months? Regardless of the type, size, or complexity, we can perceive projects as having a life cycle consisting of various stages each associated with a specific set of activities that need to be completed (Cleland 1994). We therefore refer to the stage of the project after each of the 3-month intervals when we collected data. We started our data collection when the strategic

change project had just started, referred to as the (1) initiation stage in the project management literature. We labelled the subsequent stages as (2) Developing Options, (3) Consolidating Options and (4) Strategy Execution based on the activities reported at these times by our interviewees. A set of initial probing questions to generate discussion were used to guide interviews. We were able to conduct an interview with our 13 managers at each of the four time points (project stages) resulting in a total of 52 interviews and approximately 48 hours of recorded data. We adopted an iterative-inductive approach to our data analysis. Mirroring the constant comparative method (Glaser & Strauss, 1967), we moved between four repeat phases. Each phase consisted of data collection followed by research team meetings, where we cross-referenced our emerging insights across each of the four projects and relevant theory.

Data Analysis

The textual analysis was based on reading and rereading of the transcripts. We first searched for key discursive themes that appeared across the interviewee's transcripts to convey legitimacy for keeping knowledge of downsizing secret from employees. To provide a framework for coding these linguistic strategies we drew upon earlier studies on discursive legitimation. Following the methodological approach used by Joutsenvirta (2011), we similarly began with the seminal work of van Leeuwen (1995) on discursive legitimation that distinguished between rationalization and moralization. Rationalisation is based on legitimating behavior drawing upon logos-based justifications. It rationalises utility, efficiency, and instrumentality. Moralisation is different since it is based on legitimating behavior drawing upon norms and values that provide a moral basis for action. A number of subsequent studies have since recognised distinctions between authorization, moralization, rationalization, and naturalization that make each worthy of being categorized independently (Joutsenvirta, 2013; Oruh et al., 2020; Siltaoja, 2009; Vaara, Tienari, & Laurila 2006). Authorisation is based on legitimating behavior drawing upon the authority of tradition, law, custom, or person with

status (authority). Naturalization is legitimation because decisions or actions are considered part of the normal way things are done. We therefore continued by further differentiating linguistic textual fragments into these four distinguishable sub-categories. We then returned to our data and through additional analysis identified a further three sub-categories. Proceduralization was where legitimation was sought through appealing to the fairness of the processes followed such as the need for consensus in decision making, that decisions are based on facts and data, and that employees are treated with respect. Valorization was where managers said they were justified since they were acting in the best interests of employees and was based upon paternalistic argumentation. The final legitimation strategy we identified was demonization. This was where managers negatively labelled employees for believing they had job security to begin with or that they should have appreciated that job losses were likely. Although we acknowledge some of these latter legitimation strategies share some conceptual overlap due to their relation to one of the two overarching semantic-functional categories (rationalization and moralization), we felt their separate classification was important here since they were anchored to the differing meta-narratives describing the organisation's culture. Studies investigating legitimating discourses agree that for rhetoric to be effective it requires an "anchor" (Jowett & O'Donnell, 1986). These anchors reveal how differing forms of legitimation have meaning within the socio-historical context in which a particular managerial practice or organizational issue is situated. Emphasizing how the context frames what is said, may be said, and how it is perceived as legitimate (Joutvensirta 2011). Meta-narratives representing aspects of an organization's culture can provide anchor functions. So we next returned to our transcripts and analysed the data to identify the socio-historical context in which these legitimation strategies occurred, focusing particularly on organizational processes and the narratives used to describe them.

Initial coding of key themes contained in interview transcripts was undertaken prior to each research team meeting by two of the authors. We generated specific codes pertaining to each project and identified codes shared across all cases. Overall, we identified 132 specific codes in our data from which we were able to classify higher order categories associated with the legitimating strategies used and the organizational context in which they took place. Overall, we obtained an interrater reliability of .85 on our coding. Where there was difference of opinion we met as a research team to agree the assigned code to the data fragment. Examples of our coding categories alongside proof quotes are shown in Table 2. We maximized the trustworthiness of our data through writing notes and then using these to check out our understanding of what had been said with research participants at the end of interviews. We also sought consistency and agreement between the research team on the inferences being drawn at each of the four stages of data collection. Finally, we held a feedback session with senior members of the organization's HR team to check whether our findings aligned with their perceptions and experiences of how this aspect of the change process had been managed. There were no significant issues raised in relation to our interpretations and findings.

[INSERT TABLE 2 ABOUT HERE]

Study Findings

Below we now illustrate the discursive legitimation strategies used by senior managers to justify secrecy and how these occurred temporally at four stages of the change program we labelled as (1) Stage 1: Program initiation when the secrecy process began and it was agreed to conceal the decision to downsize from staff (2) Stage 2: Developing Options, where analysis of the risks, costs, organizational resources, and functionality of alternative technological solutions to fit the business need are worked up and secrecy around the decision to downsize maintained, (3) Stage 3: Consolidating Options when the specific goals, tasks, activities and

necessary resources are determined to implement the business transformation project and where secrecy continued and (4) Stage 4: Strategy Execution where activity commenced toward the fulfilment of the pre-designed plan and at which point staff were informed of the organization's intention to downsize and the disclosure of the secret occurred.

[INSERT TABLE 3 HERE]

Stage 1: Program Initiation – Decision to Conceal the Intention to Downsize from Staff

When we started to collect data the business transformation program was documenting in fine detail how the life insurance side of the business currently operated or what was referred to as the "as is." This included a complete audit of all work processes as well as staffing ratios. It also involved working up a range of differing scenarios for how the new business might look. However, it was already recognised by senior management and those leading the change that the introduction of innovative technology in the life division would generate cost efficiencies and require downsizing particularly among actuarial and customer services staff.

> *"Well, there's a very big implication on the life business and people working in it because one of the things that we are doing is we're going to be outsourcing a very large part of our manufacture and that will impact on people's roles and almost certainly will mean a reduction and it will be significant"* *(Director of Strategy and Marketing, Alpha Project).*

The senior managers leading the strategic change program indicated that they decided not to disclose the organization's intention to downsize at this time. However, this decision was not one that everyone leading the program thought was the right thing to do. Two senior managers voiced their concerns. Beta project manager indicated this was not her preferred option, and that other organizations she had worked with had done things differently.

> *… but there is a new paradigm that is being worked up that will mean structural change and because of that structural change and the people that will impact, it has to be handled in a very sensitive way and so that target operated work is operating model where it's been handled outside the main program but having been involved in considerably bigger restructuring pieces, [Company A] and [Company B], where we dealt really directly with the individuals involved and warned them ahead of them being formally at risk that that's where it was headed. That's the way to go for me. But that's not the way that they've chosen to do it here (Beta Project Manager).*

The senior manager that was head of one of the departments where restructuring and staff losses were expected to be greatest, also highlighted that withholding information on the intention to downsize represented far more of a dilemma.

> *"Probably the one that's coming to light at the minute is…it's quite evident of the roles that won't be there and…it's one of those dilemmas do you start telling them know about things that are going to happen, or actually do you wait and it gets announced in one go. It's one of those, do you start drip feeding some information through or not, so I'd say that's probably my dilemma at the minute around things, is that I know things are coming, do I let people know about that or not" (Head of Customer Services, Alpha Project).*

Nevertheless, the collective decision at this initiation stage of the change program was to maintain secrecy and we identified four legitimation discourses used by those leading the change to justify concealing this information from the staff involved. The first was *naturalization*. The Director of Strategy and Marketing indicated that although the values of the organization espoused transparency in decision making, where this involved potential downsizing then this naturally fell into the category of information that should not be disclosed to employees at this stage:

> *"So that was very important, so we get alignment, agreement, and joint accountability…so I've made it very clear to the team we want to be open with people, show them everything you are doing. There are some things that we are going to get on to which is around cost cutting that we can't be open with everybody but with some key people we can do" (Director of Strategy and Marketing, Alpha Project).*

The discourse in this instance was framed in terms of senior managers having the authority to withhold information they deemed confidential, and access to "sensitive" information was dependent upon one's role or position in the company. This was discussed in terms of it being a natural state of affairs in business organizations and therefore to be expected. A further legitimation strategy of *rationalization* was also apparent. This was discussed in terms of the need to maintain "business as usual." The idea that communicating the intention to downsize would have a negative impact on productivity. There was a further legitimation discourse of *moralization.* This referred to the recognition of the business as a mutual guided by key values that placed the interests of the customer as the overarching principle shaping business decision making and which secrecy was preferred, when weighing the interests of the

customer against those of its employees. Whilst the strategy of rationalization referred to the needs of the business in general terms, moralization by contrast drew upon emotionally laden messages regarding responsibility to act in the best interests of the customer more than anything else. The fourth legitimation strategy we identified was *authorization*. This drew attention to the expertise of two external consultants assisting those leading the business transformation. The argument here was that senior managers were being advised by outside experts to conceal the information about downsizing from staff as being in the best interests of the organization.

There were several factors associated with the strategic change program that provided cues to the managers involved as to its exceptionality. This exceptionality provided an initial context for those involved in leading the program that secrecy around the decision to downsize was acceptable in this instance. The competitive selection of staff to lead the change program was an example. In addition to expertise in a functional area, the people selected were deemed to have similar mind-sets in terms of how they might approach working together as well as a commitment to the need for business transformation. The decision-making process on the change program was also changed with a view to increasing accountability and the speed with which decisions were made. Again, this served to emphasize the "imperative" nature of the outcomes of the project to the survival of the life insurance side of the business.

> *"[We need to] make these decisions and make them now and in particular the ones on cost and we're putting forward some very, very serious things that need to be decided but if you want your objective, if you want it then you are going to have to decide that and now otherwise there's going to be a problem." (Alpha Project Manager)*

These managers leading the change program were also co-located and sequestered in a separate building from where most of the organization's business was undertaken and away from the company's main site.

> *"So even going over and sitting at [off-site location] away from all the offices there's nothing secretive about it, there's nothing; it's more just you can put things on the walls, you don't*

have to worry about people walking in and seeing things that they shouldn't. Everyone just thinks that's a conspiracy." (Head of Customer Services, Alpha Project)

As a person, I probably spend more time at [the off-site project team location] now and I guess that you'd probably say that's for a reason of actually I don't have to associate back with people who I've worked with in the past." (Gamma Project Business Lead)

Stage 2: Developing Options and Maintaining Secrecy

Three months later the business transformation program was now developing what the operating model would look like in the life insurance division including costings and revenue numbers:

OK so we've done a lot of work around what does the business really look like right now in detail and I think we've closed all of that off and we're very comfortable and confident we've captured everything at a very detailed level which is fantastic. We've established what we want the business to look like in the future markets, products etc. and we're clearer about what that operating model will need to look like, and we've started costing that and putting revenue numbers against it so we're in the middle of developing the business case and we're going to be going to board in July (Director of Strategy and Marketing, Alpha Project).

At this stage, an outline staffing structure was developed based upon the number of insurance cases expected each year, the number of sales and partial surrenders. This was then overlaid with the number of staff needed and the roles required. However, there was still no decision at this stage to disclose to staff that downsizing was planned. We identified a further distinctive legitimation strategy employed at this time which we labelled as *proceduralization.* This was where senior managers justified maintaining secrecy by referring to the organization's duty to ensure it acted with due diligence in its decision-making. There were two aspects to this. The first was the need to consult with the organization's executive group on its restructuring plans as well as obtain approval by the board before disclosing any information.

That process needs to be gone through first, with all the proper signatories and signoff from the board before we can make information public (Gamma Project Manager)

The second emphasised the importance of decisions being data driven. This argumentation drew upon the notion that decisions made based upon the "best" data justified maintaining secrecy. Senior managers indicated that there was still insufficient detail in the staffing

requirements for the new service model and more precise information was needed as to the

numbers and roles that would be affected by the restructuring.

> *actually, we don't know what the "to be" looks like at the minute, we haven't done that piece of work, that piece of work won't be finished probably until about June/July of this year and after that, and we said it at the kick-off event we will then do the communications to people so you won't be in the dark about it (Senior risk analyst, Beta Project)*

> *In my head it's because it hasn't been signed off yet, so it hasn't been approved, we haven't got all of the facts yet, but we know the direction of travel that we are going to go into it. As a person I probably spend more time at [the off-site project team location] now and I guess that you'd probably say that's for a reason. Actually, that I don't have to associate back with people who I've worked with in the past (Chief Information Officer, Delta Project).*

Risk of Disclosure

Senior managers delivered staff briefings (presentations) as a typical part of the change

management process, informing employees with generalised updates on the change program.

However, at a recent briefing event during this stage, the information contained on one of the

presentation slides suggested the organization was planning to outsource part of the business.

> *"So, we did our own core brief in which [we] said there is nothing to say [about the project] yet... it's not going to have seal of approval until July's board. And they're not just going to sit round for two hours and go yes tick the box... it's going to take a few reiterations so probably don't expect anything probably until about September or October time...It landed very well, there was no come back or anything but unfortunately we had corporate comms then issue the corporate core brief slides and they had put something in the speaker notes at the bottom which contradicted what we'd said.. a user sat in services would have looked at it and gone ah, so you are outsourcing protection now and actually you are in the procurement stage because that's how it read" (Head of Customer Services, Alpha Project).*

As a result, senior managers indicated they were now very guarded of what they said in front

of staff and were cautious in how they responded to any inquiries concerning the change

program. This threat of secrecy disclosure precipitated a further legitimation strategy. Senior

managers indicated their personal involvement meant any proposed restructuring was likely

to be fairer as they were far more likely to be concerned with the welfare of employees than

had the process been driven solely by the external consultants involved:

> *However, I guess I do look forward and think actually how will this land when people do find out but then still in my head was actually someone has to do this so I think if I looked at it on the opposite side and say I was one of the people back at the [main site] and there was another person on the project I'd probably look at it and go well I'm glad actually they did have somebody, this wasn't just driven by external consultants just clicking their fingers and going yes we'll just go with that (Senior Risk Analyst, Beta Project).*

We characterised this legitimation strategy as one of *valorization*. The discourse emphasized the role of these senior managers as best placed to represent the interests of staff and thus continued secrecy could be justified at this time.

Stage 3: Consolidating Options and Maintaining Secrecy

Three months later there was still no disclosure to staff regarding the planned downsizing and the decision to outsource much of the life insurance side of the business. This was the case even though restructuring plans were now approved by the board. A senior manager explained that more work was still needed to explore ways of gaining efficiencies through staff reductions and was reluctant to inform employees due to concerns this might cause staff unnecessary anxiety. Here the legitimation discourse could again be described as one of valorization.

> "*We are still examining if more roles need to go…Once we are clear about that then we can start thinking about informing our staff. There's no point in causing upset in the meantime*" (Director of Property, Beta Project).

Stage 4: Strategy Execution and Secret Disclosure

During the concluding three-month period, the transformation program had progressed to selecting a RAP (remote access portal) provider and introducing a new customer relationship management tool in the life services division. It was only at this point in the change process that disclosure of the intention to downsize was made public to the wider organization and those employees affected by the restructuring informed. At this stage senior managers legitimated maintaining secrecy up to now through a discourse of staff *demonization*. Senior managers involved in the secrecy talked about how the organization's paternalistic culture had promoted a belief among staff that they had a "job for life" guaranteeing long-term security of employment. Employees were described as naïve to think there would not be potential redundancies as a result of the business transformation program.

> *"No it was very shocking for the teams involved and to me as an outsider who has been through a lot of this stuff and I'm not being cynical, not really, but there was a bit of being a bit astounded that people just didn't see this coming. you wouldn't have to put many two and twos together to work out that well something has got to change here and there's probably going to be an impact on the. teams" (Beta Project Manager)*

It was of interest to observe that these senior managers also emphasised that the organization's caring culture was apparent in the way in which it had attempted to mitigate the impact of restructuring through redeploying some staff, whilst implementing support strategies to assist those made redundant.

> *"also treat our people as sensitively as we can and find as many opportunities for them to stay on mission if you like, finding different ways for them to help clients that is still commercially viable but re-use people where we can as much as possible and those unfortunately that we may not be able to, we treat them with dignity and respect and say thank you enormously for their work" (Director of Sales, Alpha Project).*

The Plausibility of Legitimation Strategies: Connecting to Organizational Narratives

Figure 1 shows the changing nature of discursive legitimation over the duration of the business transformation project and the organizational meta-narratives in which these legitimation accounts were anchored. At the initiation stage of the business transformation project we identified four discursive legitimation accounts. This included the legitimation strategy of rationalization, based on the need for managers to ensure "business as usual" and to ensure the future sustainability of the life insurance division. The legitimation strategy of authorization highlighted the need to keep the intention to downsize secret as this was viewed as business sensitive information by the external consultants involved in the project, whilst the legitimation strategy of moralization drew upon the notion that staff right to know was secondary to the customer interests of the business. We then identified proceduralization and valorization discursive strategies occurring at stage 2 and stage 3 of the project. Finally, we found the discursive legitimation account of demonization at stage 4 of the project when staff were informed of the intention to downsize. In seeking to explain why these legitimation strategies were powerful in this organizational context we identified four broader meta-

narratives (or anchors) through which these legitimation accounts were afforded plausibility. These were (1) The organization lacked a competitive drive including the past failures or history of implementing major change (2) Slow decision-making processes as indicative of a risk adverse culture (3) It's primary focus on customers and (4) A paternalistic management style and culture. A common narrative involved managers recounting previous failed attempts to implement major business transformation and the widespread perception that in-house project management skills and expertise was not up to the job. Senior managers highlighted that previous attempt to turn the life division around had met with failure. Indeed, the outcomes of previous projects were criticized for failing to achieve the efficiencies (or reductions in staff overhead) that were thought necessary by senior management. The previous attempt required a 20 million investment, but the life division continued to suffer major financial losses. These failure narrativizations gave credence to senior managers hiring two external consultants to act as project managers on the current business transformation program.

> *"We took a slightly different approach with this one partly because we failed a couple of times before to get this right, we have a really good clear strategy now and plan of attack. But one of the things that we haven't done well enough in the past is that initiation period. It is really important being absolutely clear on your requirements for the future, what your future to be, future proposition and target operating model is really going to look like and absolutely in depth what you have now so you can really, really understand the capabilities and things you need to put in place. That piece of initiation is something that typically historically we haven't done that well" (Director of Strategy and Marketing, Alpha Project).*

This was justified not only because of these external consultants' technical expertise, but also because they were said to be unencumbered by the organizational culture and more likely to make the hard-headed business decisions that senior management believed were now needed.

> *"So, when somebody says we need to make a profit I can't even describe how seriously I take that. I mean like totally and utterly, if that's what you want that's what you will have, and I will leave no stone unturned…". (Alpha Project Manager).*

This failure narrative also explained the highly competitive process that was employed by senior managers in selecting in-house technical expertise to be involved in the business transformation program:

> But getting the right people was really important and the right people weren't necessarily the people that were offered up, and I think that was a key piece. So we wanted people who had the right sort of expertise but also the right sense of motivation, I don't want to say value set because that's wrong but behaviors would be a good way of describing it… so when I think about behaviors we need people who are focused on doing the right thing for the organization over the long term who are willing to take the lead, be proactive, self-motivated, hopefully positive, willing to just do what needs to get done whatever that is going to take, and who are able to collaborate effectively." (Director of Sales, Alpha Project).

These past history failure narratives enabled the authorization legitimation strategy employed by the senior managers to justify keeping staff in the dark about the organization 's intention to downsize attain plausibility. A further dominant narrative we captured was that slow decision-making processes hampered the organization, characterised by its consensual approach and the need for every major decision to be scrutinised and signed off by the board:

> "We like to do things by committee. Now that has a lot of benefits in that everybody is on board supposedly and all the rest of it, the difficulty with that is you've got possibly 20 people in the room supposedly making a decision, probably not going to happen. So, things can take a long time. Accountability can be quite unclear. Who actually is accountable for that decision?" (Director of Strategy and Marketing, Alpha Project)

There was a shared perception among those participating in the study that senior managers required an elevated level of detail before decisions were eventually made:

> We try and get much information as possible before we make a decision as we can, we try and have to have every stone has to be looked under for that little bit of gold before we think that we can make a long-term decision" (Senior Risk Analyst, Beta Project)

This slow decision-making narrative was set against a further broader narrative that the organization was risk adverse:

> So, I think there is a reticence in the organization to hear bad news alongside a willingness to go looking for it. I can't explain it any better than that it's very strange. I think that the organization is "too nice" … it needs to wake up and sharpen up. If it does that it has a lot of potential (Beta Project Manager)

These organizational narratives relating to slow decision making, a strong detail orientation and a risk adverse culture similarly conferred plausibility on the legitimating strategies of rationalisation and proceduralization. Justifying secrecy of the intention to downsize due to

the need to gather more information about precise numbers affected and until detailed plans were signed off by the board, are discursive legitimation strategies that align well with the cues these broader meta-narratives provide to managers in how they make decisions. Interviewees described the organizational culture as paternalistic, emphasizing care and concern for employees. Discursive legitimation strategies that communicated not wishing to unnecessarily cause staff anxiety, also fit well with the notion that the organization is caring and acts responsibly towards its employees. Similarly, the narrative that senior managers would not act in a way that damaged staff interests or their well-being and possessed a paternalistic management style anchored the valorization legitimation strategy. However, this strong paternalistic management style also meant senior managers avoided as far as they could having to confront the personal consequences of their secrecy. Typically, this meant delaying or postponing having to make decisions which arguably is inconsistent with their notion of caring for employees:

> Now you could argue that some of that doesn't tie in with our great place to work philosophy because for some individuals we are saying the job no longer exists or you are going to have to move or we're going to do something different but for the greater good of the organization that's been the right decision because we've overall improved our efficiency, improved the service we deliver to our customers and ultimately improve the working environment for our staff (Business Lead, Gamma Project)

The narratives regarding the organization's paternalistic style and lack of competitive focus can also help explain why the legitimation strategy of demonization gained traction once the secret about downsizing was eventually disclosed. Senior managers justified not informing staff earlier of their intention to downsize on the basis that staff should have expected major restructuring and job losses. The organization 's lack of competitiveness being attributable to its workforce, and the notion that senior managers had tried to "protect" employees from hard business realities for as long as they could.

Discussion

Previous research on organizational secrecy has highlighted how individuals draw upon a range of social processes to actively manage concealing information (Toegel et al., 2022) and that maintaining secrecy and determining when to disclose information poses a dilemma for those involved (Nelson, 2017). In this study, we show the discursive legitimation strategies used by senior managers to justify secrecy in the context of strategic change and we reveal how these strategies evolved over the duration of a strategic change program. We now discuss the principal functions that these discursive legitimation strategies serve to facilitate organizational secrecy.

Theoretical Implications

First, we advance the organizational secrecy literature by showing that senior managers engage in a dynamic process of legitimation to manage the tension associated with organizational secrecy in situations where this secrecy has ethical dimensions. It is suggested that the cognitive mechanism underpinning the deployment of legitimating strategies is primarily one of distanciation. The purpose of which is to enable those involved to create psychological "space" between their self-concept and personal accountability for decision-making (Aggerholm, & Asmub 2016). In this respect, these rhetorical acts of legitimation share some conceptual overlap with the psychosocial processes used by individuals and organizations in the pursuit of moral disengagement (Detert, Trevino, & Sweitzer, 2008; Ogunfowora et al., 2022; White, Bandura, & Bero, 2009; Zhao, Lam & Zhao, 2022). The theory of moral disengagement (Bandura 1999) explains how individuals can engage in unethical behavior without feeling distress. Bandura posited that self-sanction evaluations regulate moral conduct, but the process can be disengaged through people cognitively restructuring a problematic action or behavior through eight chief psychosocial mechanisms. (1) Moral justification, (2) Euphemistic labelling (sanitising negative impacts), (3) Advantageous comparison, (4) Displacement of responsibility (5) Diffusion of responsibility

(6) Distortion of consequences (7) Dehumanization (8) Attribution of blame. The seven legitimation strategies we found here can be mapped to a number of these moral disengagement categories. Naturalization, rationalization, moralization, and authorization, are similar to Bandura's category of moral, social, and economic justifications. Proceduralization can be seen as a form of Bandura's notion of displacing responsibility. The discursive legitimation strategy of valorization (suggesting that senior managers were acting in the best interests of the employees involved) is also a form of Bandura's category of euphemistic labelling. This is described as when individuals attempt to sanitize the action or portray it as more innocuous than it actually is. Finally, the legitimation discourse of demonization corresponds with the process Bandura referred to as attribution of blame, where those from whom the secret was concealed are blamed for bringing the impact upon themselves due to either behavioral or psychosocial deficiencies.

Senior managers adopt standards of what is right or wrong or morally questionable because of socialization and will regulate their actions in response. We never asked participants in the study whether their keeping secret the organization's intention to downsize was ethically suspect and as far as we could tell, there were no external cues beyond the use of legitimation strategies that might have activated these moral disengagement mechanisms. Yet, we might reasonably assume that these senior managers are just as likely to have been exposed to arguments regarding the morality of downsizing or of its secrecy (Pompa 1992). References to "executioners" and "smiling assassins" captures the negative connotations associated with those responsible for implementing the downsizing decision, suggested as performing "dirty work" (Stevens & Hannibal, 2021). Studies have also captured how those responsible for the decision to downsize or its communication experience significant feelings of guilt, shame, and fear of disapproval for their role in the process (Ashman, 2016; Gandolfi, 2008). To the extent that psychological mechanisms such as cognitive dissonance and

defence mechanisms are employed to manage the trauma (de Vries and Balazs 1997; Stevens & Hannibal, 2021; Torres, 2011).

Bok (1982) described how decisions relating to secrecy and disclosure inherently result in a significant tension for those involved. Organizational actors actively respond to tensions through discourse (Child, 2020; Molecke, Hahn & Pinkse, 2023). In this sense the legitimation strategies we identified here reflect how competing moral obligations, between acting in the interests of the company and treating employees fairly, were negotiated by senior managers to justify secrecy. Much of the research on moral disengagement has adopted a trait rather than a state perspective and utilized a propensity-based measure. However, being predisposed to morally disengage is not the only explanation and situations such as those characterised by self-interest can trigger this thinking (Kish-Gephart et al., 2014). Individuals, particularly senior managers may morally disengage where they believe it is in the interests to protect the organization (Umphress, Bingham, & Mitchell, 2010). How individuals frame information relevant to ethically meaningful decisions play a significant role in their choices (Kern & Chugh, 2009). We found these legitimation strategies play a role in directing managers' participation in organizational secrecy. Due to bounded cognitive reasoning (Ocasio 2010), they provide short cut mechanisms for appraising the appropriateness of this decision through framing secrecy as a preferred behavioral choice (Kuhberger, 1998). Actors then used these narrative accounts to legitimate their decisions to others as well as to themselves (Lian et al., 2022; Maclean et al., 2012; Molecke, Hahn & Pinkse, 2023). Legitimation strategies provide the frames that facilitate the choices we wish to make and are evaluative sensemaking devices that provide the justification for organizational secrecy. They are tactics employed by senior managers at both intra- and inter-personal levels to negotiate the ethicality of concealing information from employee and allowed them to liberate from restrictions of self-moral norms.

Second, although moral disengagement was initially theorized as an individual-level cognitive phenomenon, increasingly researchers have recognized that self-regulation of moral action occurs through interpersonal interactions and is better perceived as a collective construct (Newman, North-Samardzic, & Cohen, 2020; Thornberg et al., 2021; White et al., 2009)). It is described as an "emergent group-level property arising from the interactive, coordinative, and synergistic group dynamics (White et al., 2009, p43). Bandura (2016) suggested that it was not merely the aggregation of individuals' moral disengagement but instead shared beliefs within groups. There is limited research to explain how collective moral disengagement potentially comes about (Ambrose et al., 2007). The managers leading the organizational restructuring were part of a senior team sharing intense and close interpersonal proximity and located in an off-site office. Several authors (Alnuaimi et al., 2010; Huang & Yan, 2014; Johnson & Buckley 2015) have theorized that close interpersonal interactions facilitate collective moral disengagement through social contagion. Our study suggests that discursive legitimation strategies may be a key mechanism through which this social contagion can occur.

We found there was greater differentiation and number in the rhetorical accounts deployed when senior managers had entered the strategic planning phase than towards the end of it as it proceeded to implementation. We found most (the first four) of these legitimation strategies being deployed at the initiation stage of the change project, when the decision to keep secret the organization 's intention to downsize was first made. The more differentiated the argumentation we found at the initial decision to conceal, suggests that these senior managers are having to link their legitimation strategies to multiple sets of competing norms to facilitate social contagion. Previous research has taken a static view of organizational secrecy. We draw attention to the importance of temporality affecting the social dynamics of secrecy (Fan, & Liu, 2022). The senior managers involved in concealing

the organization's intention to downsize knew that disclosure was necessary at some point in the future, and the discursive legitimation strategies were employed in the knowledge of expected disclosure. There was variation in that these managers reported differing forms of legitimation as the project commenced, showing some heterogeneity in the legitimation discourses being employed. However, we found more of our interviewees sharing similar legitimation discourse (i.e, valorization and demonization) later in the project. This is consistent with the notion that these legitimation accounts are involved in collective sensemaking (Cora et al., 2018) in resolving the uncertainty and anxiety surrounding secrecy. Ethical dilemmas such as organizational secrecy produce a rupture in an individual's sense of how things should be, and legitimation accounts help to repair this rupture through reducing uncertainty around engaging in the secrecy. This uncertainty diminishes as the time for disclosure gets nearer resulting in less heterogeneity in the forms of legitimation.

Bandura grouped his eight cognitive dissociative mechanisms into 4 categories or sets he labelled as behavioral (moral justification, euphemistic labeling, advantageous comparison), agency (displacement of responsibility, diffusion of responsibility), outcomes (disregard or distortion of consequences) and victim (dehumanization, attribution of blame) and suggested that these occurred in this specific linear order as sequential stages. This posits that the final stage of victimization in the process of moral disengagement cannot be achieved without proceeding through the preceding three stages. There have been a number of well-publicised scandals where evidence in support of these moral displacement processes can be found (Newman et al., 2020). However, most research on moral disengagement has been quantitative, cross-sectional, and treated it as a higher order latent construct rather than examining the eight underpinning psychological processes separately. In this respect our study is the first to offer some initial support for the theoretical sequence originally proposed

in that we found discursive legitimation strategies matched to Bandura's behavioral, agency and victim

We identified four meta-narratives in this study which provided plausibility to these legitimation strategies. These were (1) The organization lacked a competitive drive including the past failures or history of implementing major change (2) Slow decision-making processes as indicative of a risk adverse culture (3) Its' primary focus on customers and (4) A paternalistic management style and culture. These meta-narratives are consistent with what we might find in this particular type of organization. Mutuals are hybrid organizations that generate commercial revenues to pursue a social mission (Battilana, Lee, Walker & Dorsey, 2012). Such organizations place service to its members ahead of profit and its governance arrangements are characterised by a considerable emphasis on democratic decision-making and a solidarity ethos (Lallemand-Stempak, 2017). However, the pursuit of profit whilst at the same time creating social value can result in considerable tensions (Pache & Santos, 2013). Our meta-narratives relating to a paternalistic management style, its customer centric focus, and its risk adverse culture associated with slow and cumbersome decision-making reflect the organization's emphasis on social mission and democratic accountability. While the meta-narrative of lacking competitive drive suggests the challenges it faces in attempting to reconcile this social mission with its commercial goals. The need to connect legitimation strategies to these differing and competing organizational meta-narratives helps to explain some of the contradictions in the legitimation accounts we found. The most significant being the use of a valorization legitimation rhetoric, suggesting senior managers were acting in the best interest of employees in keeping secret the intention to downsize, and then later demonization where employees were said to be naïve in not thinking that the restructuring would result in redundancies. Similarly, while proceduralization suggested a primary concern for employees in making decisions, moralization and rationalization subjugated the interests

of employees to the needs of the customer or broader business interests. Senses of legitimacy are produced in relation to specific discourses such as these meta-narratives and provide the means by which individuals then make sense of them (Vaara & Tienari, 2008) or "frame" them (Fairclough 1992). They guide both the search for information, the processing of information, problem-solving, and subsequent judgments as to how one should act (Markus & Zajonc, 1985; Taylor & Crocker, 1981). It was also interesting to note that

Managerial Implications

The discursive legitimation practices used by managers to justify keeping secret the organization's intention to downsize have implications for considering the ethicality of people management decision making in these situations. Many countries have employment protection legislation that requires minimum notice is given to employees at risk of redundancy. However, this does not deal with the ethicality of when staff have a right to know about an organization´s intention to downsize. Campion, Guerrero, & Posthuma (2011) argued that good HR practice in downsizing should include informing staff about the intent to downsize as well as the period. However, there is limited discussion of the principle of providing employees with as much notice as possible once the organization knows it intends to downsize. Our study suggests that managers should consider how best when to communicate decisions regarding the intention to downsize.

Limitations and Future Research

Our study has several limitations that provide the foundation for future research. First, our study relies on the self-reports of senior managers who discussed their justifications for secrecy around the organization 's intention to downsize as the strategic change project evolved. These accounts potentially understate the complexity and multiplicity of discursive legitimation strategies used between these senior managers as we were not present during

interactions between them when they discussed the need for secrecy. Although interviews enabled us to collect the data we needed, the use of alternative ethnographic methods that permit observation of discussions at meetings would strengthen the methodological approach to study the use of discursive legitimation in secrecy. An important methodological characteristic of our study is that it we conducted it in real time rather than retrospectively, thus allowing us to better capture the salience of legitimation strategies as they unfolded in connection with events in a dynamic and recursive fashion. This obviated any problems that could arise due to memory recall. However, it may have meant that managers were guarded about how much detail they were prepared to disclose given their fears about disclosure until they were ready. As we reported in the study, one of the managers indicated they were deliberate about what they said in front of staff following a project update. Theirs and others response to this event may have similarly affected what they were prepared to share with the research team.

We drew upon previous research in discursive legitimation to identify the discursive legitimation strategies used to justify organizational secrecy. These have their basis in established ethical philosophy. We found here that the exceptionality surrounding the change project influenced the acceptance of secrecy by those involved in addition to discursive legitimation. Future studies should establish how secrecy is justified in relation to other forms of argumentation. Our case study was also based on organizational secrecy in a particular type of organization characterised as a mutual. The organizational narratives that provided anchors for the legitimation accounts are typically found in such organizations. Future research should focus on organizational secrecy in other types of organization where differing organizational narratives associated with organizational cultures may favour forms of discursive legitimation over others. Finally, acceptability of secrecy within a particular country is affected by national forms of organizational governance as well as by cultural

differences such as power distance. Our study focused on organizational secrecy in the UK where there is a relatively low power distance, and where expectations to share information may be higher than in high power distance countries. This may well affect the extent to which managers feel the need to legitimate secrecy. We were unable in the study to determine how organizational secrecy in downsizing may affect employee judgements of fairness in how the downsizing was managed. This would be a useful avenue of research to improve on our current study.

Conclusions

This study reports the use of discursive legitimation by senior managers is a dynamic process connected to organizational secrecy during the implementation of strategic change We show that senior managers may engage in organizational secrecy without any apparent self-censure and that rhetorical legitimation strategies comprise the discursive tactics that are employed as means to manage the tension inherent in maintaining secrecy until eventual disclosure. Legitimation accounts act as a boundary function, framing how senior managers perceived the morality of secrecy and the assumptions that affect managers decisions when secrecy is acceptable. We found these legitimation strategies emerged in response to events in the organization, and were given salience by their alignment with broader meta-narratives about organizational processes, historical accounts, and its values. Rather than being fixed at any one point in time, these legitimation strategies emerged dynamically. Our analysis of these legitimation accounts helps us to better understand the processes by which the acceptability or ethicality of concealing information from employees is judged by those participating in the secrecy. They also provide an explanation in how the process of moral disengagement can occur as a collective, inter-personal phenomenon.

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