

REFRAMING THE INDUSTRY PERCEPTION

**HOW INVESTOR RELATIONS ADAPTS ITS FINANCIAL
COMMUNICATION IN A COMPANY BENEFITING FROM A
CRISIS**

CARL-FERDINAND CARSJÖ

EVELINA INGMARSDOTTER

Master Thesis

Stockholm School of Economics

2023

Reframing the industry perception: How investor relations adapts its financial communication in a company benefiting from a crisis

Abstract

The role of investor relations in publicly listed companies has changed significantly over the years, evolving from a simple function responsible for communicating financial information to having a strategic role in shaping a company's narrative. However, there is limited understanding of how investor relations leverage opportunities arising from negative events. This qualitative study aims to explore how investor relations adapts its financial communication in an industry benefiting from a crisis. By applying the sensemaking perspective to a single case study, our contribution to the investor relations research is threefold. Firstly, we find that financial communication exceeds investor relations and investors to encompass the entire organization and all stakeholders in situations with increased industry interest followed by a crisis. Secondly, we provide a deeper understanding of how sensegiving tools can be utilized. We contribute to the literature by adding metaphorical representations to financial communication strategies as helpful communication tools within a complex industry. Thirdly, we find that indirect communication strategies can be a powerful tool in a situation that benefits an industry but is harmful to society, suggesting a need to reevaluate and shift the conversation regarding investor relations approaches.

Keywords:

Investor relations, financial communication, industry perception, sensemaking

Authors:

Carl-Ferdinand Carsjö (42026)

Evelina Ingmarsdotter (42038)

Tutor:

Martin Carlsson-Wall, Professor, Department of Accounting

Master Thesis

Master Program in Accounting, Valuation and Financial Management

Stockholm School of Economics

© Carl-Ferdinand Carsjö and Evelina Ingmarsdotter, 2023

Acknowledgements

First and foremost, we want to express our sincerest appreciation to the interviewees at our case company whose generosity in sharing their time and insights contributed to our research. We are particularly thankful to our contact person, whose support with scheduling interviews facilitated our work.

Secondly, we want to thank our tutor, Martin Carlsson-Wall, Professor at the Accounting Department of Stockholm School of Economics, whose guidance and invaluable advice steered us through the entire thesis process. Additionally, thanks to Lukas Goretzki, the Course Director of the Thesis in Accounting and Financial Management, for enriching workshops and perspectives.

Thirdly, we are grateful to our peers in the qualitative course for their support, whose collective encouragement was deeply appreciated. Finally, we extend our deepest gratitude to our families and friends whose encouragement and understanding accompanied us throughout this journey.

Stockholm, December 2023

Carl-Ferdinand Carsjö

Evelina Ingmarsdotter

Table of Contents

1.	INTRODUCTION.....	4
2.	THEORY.....	7
2.1.	Literature Review	7
2.1.1.	The Role of Investor Relations.....	7
2.1.2.	Financial Communication in Response to Significant Events	10
2.1.3.	Theoretical Problematization.....	11
2.2.	Conceptual Framework	12
2.2.1.	Introduction to the Sensemaking Perspective.....	12
2.2.2.	Understanding Framing Theory as a Component of Sensegiving	14
2.2.3.	Chosen Analytical Concepts.....	16
3.	METHODOLOGY.....	18
3.1.	Research Approach and Design	18
3.2.	Data Collection.....	19
3.3.	Data Analysis	21
3.4.	Research Quality	22
4.	EMPIRICAL ANALYSIS.....	24
4.1.	Sensemaking within DefenseCo Involving Multiple Functions.....	24
4.2.	Sensegiving Tools to Influence the External Sensemaking Process	28
4.2.1.	Communicating through Framing	28
4.2.2.	Communicating the Narrative	31
4.2.3.	Communicating with Financial Numbers.....	35
4.3.	A New Perspective: Influencing through Indirect Communication	37
5.	DISCUSSION.....	40
5.1.	Establishing a Collaborative Sensemaking Perspective.....	40
5.2.	Utilizing Appropriate Sensegiving Tools.....	42
5.3.	Adding Indirect Communication to Investor Relations.....	44
6.	CONCLUSION.....	46
7.	REFERENCES.....	48
8.	APPENDIX.....	54

1. Introduction

Within public companies, the investor relations department is a key function, performing activities to nurture the relationships between a company and its investors (Laskin, 2011). Investor relations play a significant role in communicating financial information, which can lead to various positive outcomes, such as improved firm visibility, lower cost of capital, and enhanced investor following (Brennan & Tamarowski, 2000; Bushee & Miller, 2012; Chapman et al., 2019; Kirk & Vincent, 2014; Neukirchen et al., 2023). Over time, the field of investor relations has evolved substantially, where the function through its financial communication can shape the company narrative to investors, emphasizing the strategic role of investor relations (Brown et al., 2019; Dolphin, 2004; Hockerts & Moir, 2004; Hrasky & Smith, 2008). Such efforts to influence the perception of a company or industry through financial communicative strategies are a form of ‘sensegiving’ (Maitlis & Christianson, 2014), whereby investor relations professionals reflect upon an unexpected situation and undertake efforts to influence somebody else’s ‘sensemaking’ (Weick, 1995).

External events can influence industries worldwide, prompting the investor relations function to adapt to the evolving landscape. While scholars within the investor relations literature contribute to comprehending the challenges and strategies required to rebuild trust and confidence when a company’s reputation and image suffer (Allen, 2002; Moreno & Jones, 2022), one can reflect upon how an investor relations function manages an unexpected event that is negative for society but heightens the importance of the industry. For example, how investor relations within the construction industry makes sense of how to communicate improved financial numbers following an earthquake. Or how investor relations within the cyber security industry makes sense of its communication strategy after a breach that exposed personal information about millions of people. Or how investor relations within the defense industry makes sense of the increased demand for weapons because of an ongoing war. In these situations, the function faces a significant challenge in communicating financial success to investors while being aware of the situation that propelled the industry into the spotlight.

While acknowledging investor relations’ growing significance, particularly during critical events, the scenarios above introduce several risks. Investor relations must navigate this complex landscape. Neglecting opportunities can lead to financial risks, with unfulfilled value creation creating tensions with the shareholders. However, solely focusing on opportunities might neglect the risk of damaging the brand, thus fostering conflicts with societal stakeholders. Differing approaches within the company, emphasizing financial gains versus long-term credibility, add layers of complexity, potentially creating internal tensions within the company. Addressing the diverse interests of investors, employees, and other stakeholders while maintaining balanced communication presents a significant challenge. If communication is mishandled, there

is a risk of being perceived as exploiting the crisis, potentially resulting in negative media attention harming the brand. This could also pose opportunities and risks regarding employee branding. A successful company attracts personnel, while a company with a non-credible reputation probably fails to position itself as an attractive employer.

Overall, comprehending how investor relations leverage opportunities for the industry, connected to a harmful event for society, is an unexplored territory. In such cases, traditional investor relations activities might fall short, potentially leading to counterproductive outcomes. Previous literature does not adequately address these challenges. However, understanding this gap is essential, as it could redefine the comprehension of current investor relations strategies, bringing new insights into how investor relations desirably frame the industry without endangering long-term credibility. This challenge is crucial for investor relations to understand, as the ability to influence somebody else's sensegiving becomes vulnerable if performed in the wrong way.

While investor relations certainly plays a role in reshaping the industry perception through sensegiving strategies, solely focusing on investor relations' role in shaping the understanding of somebody's sensemaking of a situation poses a risk of neglecting other important factors. The impact of how somebody views a certain thing, their 'frame', cannot solely be subject to an investor relations department. Frames are "principles of organization which govern the subjective meanings we assign to social events" (Goffman, 1974, p. 11, as cited in Cornelissen & Werner, 2014). Accordingly, existing frames, and the underlying sensemaking, are influenced by cognitive perspectives (Maitlis & Christianson, 2014; Weick, 1995). The act of framing, however, involves how "individuals use language or other symbolic gestures in context either to reinforce existing interpretive frames or to call new frames into being" (Cornelissen & Werner, 2014, p. 18-19). Depending on how investor relations adapt its financial communication toward investors, this suggests that investor relations could influence the reframing of the industry perception. Still, one must acknowledge the complexity of multiple factors affecting how somebody makes sense of a situation through their existing frame.

In our case, the attempt to reframe an industry perception begins with how an investor relations function understands an ongoing complex situation and what it means for the company and, in one way or another, tries to influence the investor community's way of perceiving the industry. As mentioned, a substantial body of research exists on various facets of investor relations, including its role in effective financial communication (Brown et al., 2019), the significance of disseminating nonfinancial information (Hoffmann & Fieseler, 2012; Laskin, 2016), and the influences of external pressures on investor relations (Allen, 2002; Hockerts & Moir, 2004). However, previous literature does not adequately address how investor relations adapt and position themselves through financial communication in response to negative external events that create an opportunity to reframe the industry perception.

Addressing the tensions between opportunities and challenges is essential for the body of literature on investor relations, as this might problematize and revise current approaches, providing insights for researchers and practitioners. Therefore, we aim to expand and contribute to this body of research by addressing the following research question:

How does investor relations adapt its financial communication when a negative external event creates an opportunity for a reframed industry perception?

We draw upon data from a qualitative single case study to address this research question. The data was collected through semi-structured interviews with representatives from a company within the defense industry, herein referred to as DefenseCo. We followed an abductive research approach to maintain an open and exploratory perspective. Analytically, we adopted the sensemaking perspective and the role of sensegiving through framing, narratives, and financial numbers, allowing us to interpret the results and establish connections between our findings and the research on investor relations. Exploring financial communication activities performed by investor relations within a changing context that balances opportunities and major risks offers valuable insights into the strategic significance of investor relations in achieving long-term success. This is essential to ensure that communication strategies are tailored to the specific event.

The findings of our study show that, in the case of DefenseCo, financial communication is increased at all levels to seize the opportunity of an educational journey aimed at reshaping the industry perception, and our contributions to the investor relations literature are threefold. Firstly, in a situation like this, our findings indicate that financial communication exceeds the boundaries of the investor relations function, encompassing the entire organizational landscape, which requires internal coordination that the entire company supports. Secondly, we provide a deeper understanding of how sensegiving tools can be utilized within financial communication. We suggest that metaphorical representations can be helpful for a company operating within a complex industry aiming at reframing the industry perception, as metaphorical representations can serve as a bridge between the familiar and the unfamiliar. Thirdly, we contribute to the existing investor relations research by introducing indirect communication strategies in situations where more than traditional approaches may be required. Our study, therefore, adds a new perspective on financial communication strategies by investor relations.

The paper is structured in the following manner: In Chapter 2, the foundation for the thesis will be established by introducing the domain theory and method theory, which are integrated into a cohesive theoretical framework that constitutes our analytical lens for the empirical analysis. In Chapter 3, the methodology of this paper is described and justified. In Chapter 4, the empirical findings are presented and analyzed through the analytical lens of our theoretical framework. Chapter 5 will discuss the findings in relation to the existing body of literature. Lastly, Chapter 6 comprises the concluding thoughts, including limitations and future research suggestions.

2. Theory

This chapter establishes the foundation for the thesis by introducing the domain theory and discussing the existing discourse on investor relations in 2.1. Subsequently, the method theory is introduced in 2.2, drawing upon the sensemaking perspective and sensegiving. The domain theory and method theory are, after that, integrated and modified into a cohesive framework, constituting the analytical lens to explore the connection between sensegiving strategies and financial communication strategies in investor relations.

2.1. Literature Review

2.1.1. The Role of Investor Relations

The investor relations role is versatile, including activities to foster relationships between a company and its current and potential investors. The function plays a crucial role in the corporate landscape and serves as the bridge between a company's management team and a diverse group of stakeholders. The core activities of investor relations professionals consist of participating in roadshows, presentations, and conferences, as well as communicating with shareholders, analysts, and stockbrokers (NIRI, 2023). Other everyday investor relations activities are one-on-one meetings, negotiations, report presentations, ownership analysis, and providing information to top management and other people within the organizations (Laskin, 2009).

Over time, the field of investor relations has evolved substantially. The function has transitioned from its initial role as a primary communication channel between company management and owners to a more specialized function centered around financial communication. In its modern form, investor relations has taken on a strategic role involving communicating financial information, sustainability data, corporate strategy, and shaping the company's overall narrative. For example, the employee in charge of the investor relations function, an 'Investor Relations Officer' (IRO), is sometimes referred to as a 'Chief Disclosure Officer' because of the major influence on corporate disclosure activities. IROs often control outsiders' access to management and act as corporate gatekeepers (Brown et al., 2019). Through this evolution, investor relations has become a key function in corporations (Laskin, 2011, 2016). According to the National Investor Relations Institute (NIRI, 2023), the definition of investor relations is as follows:

"Investor relations is a strategic management responsibility that integrates finance, communication, marketing, and securities law compliance to enable the most effective two-way communication between a company, the financial community, and other constituencies, which ultimately contributes to a company's securities achieving fair valuation."

Much previous research on investor relations focuses on the outcomes of investor relations. In these studies, scholars find that investor relations improve firm visibility, market valuations, and investor following (Bushee & Miller, 2012; Kirk & Vincent, 2014). More specifically, research shows that companies with well-executed investor relations experience improved stock performance and lower cost of capital, which are also examples of improved market valuations (Brennan & Tamarowski, 2000; Chapman et al., 2019; Neukirchen et al., 2023).

More specifically, Bushee and Miller (2012) examine the implementation of investor relations strategies and find that the common goal is to attract institutional investors. Institutional investors and analysts typically focus on larger listed companies with highly liquid stocks. An increased investor following is linked to a lower cost of capital, and hence, firms experiencing visibility concerns initiate investor relations programs to increase attention. Further, Bushee and Miller (2012) find that initiating investor relations programs increases institutional ownership, analyst following, and media coverage. The findings also suggest that these programs cause increased market valuations, indicating a significant financial value in increasing investor relations efforts in less visible firms.

Kirk and Vincent (2014) explore the outcomes of investor relations programs, backing up the findings of Bushee and Miller (2012). They also observe that investor relations programs lead to increased analyst attention, institutional ownership, liquidity, and valuation compared to firms that do not invest in such programs. Additionally, Kirk and Vincent (2014) note that younger and high-performing firms with substantial research and development investments and promising growth prospects are more apt to establish investor relations programs. This observation is underpinned by the belief that companies that are facing greater uncertainty regarding future earnings and cash flow have the most to gain from enhanced information disclosure.

In contrast to the studies that focus on the outcome of investor relations, the research conducted by Brown et al. (2019) focuses on the process of the investor relations function. More specifically, Brown et al. (2019) elaborate on the practices performed by investor relations officers and how they, through financial communication, can shape the company narrative to investors. Similar to Laskin (2009), Brown et al. (2019) find that the most important responsibility of investor relations officers is communicating with the investment community, including sell-side analysts and institutional investors, helping them interpret corporate disclosures. In the study, the investor relations officers responded that public earnings conference calls, press releases, and road shows are more important than other disclosure forms, such as 8-k reports and on-site visits. Of all the disclosure events, IROs considered conference calls to be the most important venue for conveying the company message. Ahead of these conference calls, the companies rigorously planned the scripts, showcasing the strategic importance of conveying the company narrative in these conference calls. Furthermore, Brown et al. (2019) find that

IROs often communicate privately with analysts and institutional investors, as 80% of companies conduct callbacks after public earnings conference calls.

On the same note, Laskin (2016) elucidates financial communication as a critical aspect of investor relations. Even though financial information is often communicated to investors, Laskin (2016) highlights the importance of addressing non-financial information. Communicating corporate strategy information is nearly as important as financial information to understand the company's overall value. Laskin (2016) suggests that investor relations professionals should emphasize communicating more non-financial information to investors so that they understand the company's business and its comprehensive value properly. This aligns with the proposal that investor relations should be viewed as a strategic communication function instead of solely communicating financial data (Hoffmann & Fieseler, 2012).

Furthermore, Hockerts and Moir (2004) study the evolving role of investor relations and the role in communicating corporate social responsibility ("CSR") to investors. As a result of increasing investor concerns about CSR, investor relations has evolved to integrate this into communication. Hockerts and Moir (2004) find that investor relations is moving from a broadcasting mode of CSR information to a more interactive mode of relationship management. This is because the communication of investor relations is becoming more two-way. Investor relations communicates the investment community's concerns and views on the company to management while strategically communicating to investors.

Brühl and Falkheimer (2023) examine the role of corporate purpose and how investor relations make sense of it to shape its financial communication. The authors acknowledge that the investor relations department has two main functions: to make sense of the organization and its corporate purpose and to communicate this to the investor community. Investor relations rely on input from both internal and external stakeholders to make sense of the organization. The strategic role of financial communication is necessary as a way to reduce the information asymmetry between the company and the external stakeholders. Brühl and Falkheimer (2023) find that investor relations rely on cues when making sense of the corporate purpose, where links can be made to intangible assets and organizational values. The authors find that corporate purpose is only partially used in communication with the financial public, even though corporate purpose has the potential to be an important strategic tool in financial communication (Brühl & Falkheimer, 2023).

Several studies suggest that the investor relations function has evolved from primarily being a financial role to becoming a more strategic function that includes a comprehensive range of communication activities (e.g., Brown et al., 2019; Dolphin, 2004; Hockerts & Moir, 2004; Hrasky & Smith, 2008). As the spectrum of communication activities continues to expand, we will, in the next section, examine the role of investor relations in

connection to significant external events that pressure the communication activities of investor relations. More specifically, we want to explore how companies adjust communication strategies to leverage opportunities to achieve financial and strategic goals while ensuring long-term credibility and trust by the stakeholders.

2.1.2. Financial Communication in Response to Significant Events

The critical role of the investor relations function within modern corporations has already been touched upon. However, there are times when the function becomes even more important, and that is following significant events that heighten investor uncertainty. As information can spread rapidly in our contemporary world, financial communication performed by investor relations is critical to ensure that a desirable company image is conveyed to the investor community.

On this topic, Allen (2002) explores the increasing significance of investor relations and attributes this importance to a series of corporate scandals, with the Enron scandal as a significant example. Allen (2002) explains that the Enron scandal arose due to the manipulation of information provided to investors, resulting in ambiguity for investors in understanding the company's value and overall business operations. Following the Enron scandal, public companies' information disclosure accuracy was questioned, and shareholder scrutiny increased. The spotlight turned to investor relations as companies tried to rebuild trust and confidence among investors (Allen, 2002). The subsequent Global Crossings and WorldCom scandals caused further worry and decreased trust in the investment market (Laskin, 2009). Consequently, the role of the investor relations function became key in modern corporations, aimed at proactively addressing these information challenges and ensuring transparency. Allen (2002) argues that companies proactively managing their narrative are better positioned to influence investor perceptions, preserve transparency, and effectively mitigate potential crises.

The strategic approach to investor relations, suggested by Allen (2002), aligns with the insights provided by Laskin (2016), who highlights the importance of non-financial information and corporate strategy in shaping investor perceptions. It also aligns with Brown et al. (2019), who emphasize the role of conference calls in shaping the company narrative, and Hockerts and Moir (2004), who suggest that the investor relations function should become a more interactive role in corporations. Collectively, these findings imply that investor relations professionals should consider adopting a more proactive stance in shaping their communication strategies to handle external changes effectively.

Moreno and Jones (2022) provide another contribution to the discourse on communication strategies in response to external events. The scholars study nuances of corporate reporting during the Great Financial Crisis, examining variations in textual characteristics and attributions employed by companies. The findings of Moreno and Jones (2022) shine light on a distinct pattern within corporate reporting during this crisis.

The scholars observe a prevalence of positive attributions, favorable benchmarking, and deliberate enhancement practices in the narratives. Among various sectors, the companies that most significantly alter their narrative are companies in the finance and real estate sectors, which can be attributed to their central roles and heightened exposure during the Great Financial Crisis (Moreno & Jones, 2022).

In a related study, the impact of investor relations following the introduction of Regulation Fair Disclosure by the U.S. Securities and Exchange Commission (SEC) is explored, where Kirk and Vincent (2014) find that the regulation resulted in a doubling of public disclosures. Private conversations became a less relevant communication channel for the investor relations department because no exclusive information could be shared. This regulatory shift boosted investor relations functions' professionalism, allowing established firms to navigate the altered landscape more effectively. Hence, this highlights how exogenous events can prompt companies to adapt their investor relations strategies and communication practices to meet new requirements (Kirk & Vincent, 2014).

2.1.3. Theoretical Problematicization

The existing literature acknowledges the influential role of investor relations (Brown et al., 2019; Dolphin, 2004; Hockerts & Moir, 2004; Hrasky & Smith, 2008) and contributes to comprehending the challenges and strategies required to rebuild trust and confidence when a company's reputation suffers (Allen, 2002; Kirk & Vincent, 2014; Moreno & Jones, 2022). Yet, there is a noticeable gap in the research in understanding investor relations' financial communication in times of negative external events, creating an opportunity to reframe the industry perception. Investor relations must navigate this unexplored landscape, as traditional investor relations activities might fall short, potentially leading to counterproductive outcomes. Understanding this gap is essential, as it could redefine the comprehension of current investor relations strategies, bringing new insights into how investor relations frame the industry without endangering long-term credibility. With our research aim in mind, we want to explore this gap in the following ways:

First, we want to examine how investor relations make sense of a complex situation, providing opportunities to adapt its financial communication to influence the industry perception. Given investor relations growing significance, particularly during critical events, it is surprising that there has not been more adequate research on investor relations and sensemaking (Brühl & Falkheimer, 2023) to understand unexpected events for appropriate communication to the investor community. It is essential to understand how a negative event can contribute to opportunities for a company within a specific industry to reframe the industry perception and adapt its communication accordingly. This study aims to provide new insights into making sense of such a complex event and unveil whether existing approaches are sufficient or if alternative approaches are needed.

Second, we want to explore how the ability to communicate a specific message is challenged when a company operates within a stigmatized industry. The message needs to be easily understandable while still embodying the tension inherent in the situation. Because, in the middle of the opportunities, challenges are accompanied when the industry's success results from society's misfortune, presenting an ethical dilemma in determining the appropriate course of action. Therefore, we want to delve into the potential of metaphorical representations in investor relations communication to facilitate communication. Carlsson-Wall et al. (2016) study the role of metaphorical representation in elderly care, which gives insights into how a metaphor can explain a budget, thereby providing a bridge between the familiar and unfamiliar (Amernic & Craig, 2009). As Carlsson-Wall et al. (2016) show that metaphorical representation is a powerful tool in the accounting domain, it could be applicable in investor relations. In a related study by Havemo (2018), the potential impact of visual elements in financial communication is explored, emphasizing the importance of the visual perspective in strengthening the company narrative. We want to integrate these approaches and explore if investor relations can use this to reframe the perception of a stigmatized industry.

Consequently, this study explores how companies experiencing opportunities followed by negative events can leverage these opportunities while simultaneously being aware of the challenges. By addressing this research gap, our thesis aims to provide valuable insights for academics and practitioners. We strive to shed light on investor relations' financial communication strategies, contributing to a deeper understanding of this evolving corporate function and providing insights to companies in industries undergoing similar complex situations.

2.2. Conceptual Framework

2.2.1. Introduction to the Sensemaking Perspective

This section presents the sensemaking perspective, which will establish the foundational framework for our research approach. Although some researchers refer to sensemaking as a theoretical framework (e.g., Holt & Cornelissen, 2014), Weick (1995) argues that sensemaking is a perspective. Weick (1995) states that the sensemaking paradigm has its own unique understanding of organization and, therefore, does not align with any existing organizational theories. The concept of sensemaking is straightforward, as it means how one makes sense of something. Weick (1995) explains that sensemaking refers to the process (Sonenshein, 2010) of understanding unexpected events, situations, or issues. On the same note, Maitlis and Christianson (2014) clarify that "sensemaking begins when people experience a violation of their expectations, or when they encounter an ambiguous event or issue that is of some significance to them" (Maitlis & Christianson, 2014, p. 77). Following the situation, individuals seek to clarify the ongoing situation by extracting and

interpreting cues from their surroundings (Dewulf et al., 2009; Weick, 1995). These cues are significant for the sensemaking process, where Maitlis and Christianson (2014) highlight three main parts: noticing cues, interpreting cues, and taking action upon them. Hence, in the context of this paper, the sensemaking perspective provides a crucial lens through which we can explore how investor relations respond to unexpected and ambiguous events and how the sensemaking process influences the way they adapt the communication.

Within sensemaking, a closely related concept is sensegiving (Maitlis & Christianson, 2014). It is described as “the process of attempting to influence the sensemaking and meaning construction of others toward a preferred redefinition of organizational reality” (Gioia & Chittipeddi, 1991, p. 442). Accordingly, sensemaking primarily concerns the process of comprehending the existing situation, while sensegiving revolves around shaping the sensemaking process concerning the present circumstances. In the context of this thesis, this implies that investor relations should strive to comprehend the ongoing developments, aligning with sensemaking. In contrast, their financial communication to investors is closely associated with the act of sensegiving.

However, the capacity to influence the sensemaking of others remains a matter of debate. Giuliani (2016) posits that while individuals can present information in various ways, their ability to direct how recipients interpret it and impact the sensemaking process is limited. In contrast, some scholars assert that the sensemaking process of individuals can indeed be subject to external influences (Jordan & Messner, 2012; Kraus & Strömsten, 2012; Logemann et al., 2019). More specifically, it is argued that skilled rhetoricians can influence and guide interpretations through strategic sensegiving techniques (Gioia & Chittipeddi, 1991; Mantere et al., 2012).

Logemann et al. (2019) delve into the domain of sensegiving regarding strategic change, investigating how managers can employ particular language forms as part of the sensegiving process. In the study, the scholars investigate two distinct forms of linguistic sensegiving strategies, framing and narratives, and their influence on sensemaking. More specifically, Logemann et al. (2019) explore catchphrases, metaphors, and idioms as part of the framing process to provide an interpretive frame of reference. On the same note, narratives are “grammatically structured (discursive) constructions that actors use to shape their own and to impact others’ understandings” (Sonenshein, 2010, p. 480, as cited in Logemann et al., 2019, p. 3). Narratives, as a concept, can be translated into a storyline that involves a transition from the past to the present and further moves towards a desired future state. This narrative structure can, therefore, act as a motivating and justifying plot for driving a course of change. This perspective aligns with the idea presented by Tillmann and Goddard (2008), which emphasizes sensemaking as a social process where organizational actors strive to comprehend their past, present, and future situations. Logemann et al. (2019) further find that managerial sensegiving can be both semantic and pragmatic, where the former is about conveying a message in communication. The latter,

on the other hand, is about solely providing the individuals with a form to make sense – where the authors use symbolic framing with metaphors and contrasting narratives as a form of framing.

In another study, Fiss and Zajac (2006) investigate sensegiving via framing and, more specifically, how a specific framing language can be used as a sensegiving tool for sensemaking purposes, aligning with Logemann et al. (2019). Effective sensegiving is seen to support the revision of interpretive frames. Fiss and Zajac's (2006) research not only investigates the role of framing in sensemaking but also reinforces the idea that the strategic use of framing language can help revise and refine interpretive frames, as earlier proposed by Bartunek (1984). The interpretation of cues (Dewulf et al., 2009) can be linked to interpretive schemas or frames, illustrating how the choice of framing language and its effectiveness in sensegiving can significantly influence the construction and revision of these interpretive frames. When an external event occurs that triggers a sensemaking process, this can lead to revised frames. Consequently, with the purpose of this study in mind, sensegiving via framing is a valuable concept for understanding the influence investor relations' sensegiving strategies might have on investors' interpretive frames in times of a challenged industry perception.

2.2.2. Understanding Framing Theory as a Component of Sensegiving

To comprehensively understand framing as a key component of sensegiving, an introduction to framing will now be presented. Framing is a central concept within the fields of communication and social sciences (Goffman, 1974). According to Goffman (1974), who popularized the framing theory, it can provide valuable insights into how information is perceived and interpreted based on its presentation. The framing principle is that communication can be shaped to emphasize different facets, impacting people's perceptions (Chong & Druckman, 2007; Goffman, 1974). Frames can, therefore, be likened to lenses that focus attention on particular elements while diverting attention from others (Weick, 1995), which is aligned with the notion that frames are constructed through the processes of selection, emphasis, and exclusion (Gitlin, 2003).

As mentioned in the introduction, it is important to note the distinction between frames and the act of framing. Frames are “principles of organization which govern the subjective meanings we assign to social events” (Goffman, 1974, p. 11, as cited in Cornelissen & Werner, 2014). Accordingly, we must acknowledge that the existing frames of the investors, and thereby the underlying sensemaking, are influenced by cognitive perspectives (Maitlis & Christianson, 2014; Weick, 1995). The act of framing, however, involves how “individuals use language or other symbolic gestures in context either to reinforce existing interpretive frames or to call new frames into being” (Cornelissen & Werner, 2014, p. 18-19).

Framing theory holds a significant role in academic research across various fields. The versatility of framing theory makes it valuable in diverse research domains, and it is applied in academic research within social sciences (Benford & Snow, 2000; Entman & Rojecki, 1993; Scheufele, 1999) as well as used by scholars in financial research (Ascuí & Lovell, 2011; Dalla Via et al., 2019; Durocher & Georgiou, 2022; Ricci, 2022; Vollmer, 2019). In organizational and institutional settings, framing plays a significant role in understanding cognitive, linguistic, and cultural processes (Holt & Cornelissen, 2014). Here, framing illuminates internal cognitive processes arising from individual sensemaking and strategic external processes to enhance comprehension, legitimacy, and support (Gilbert, 2006; Kaplan, 2008; Nadkarni & Narayanan, 2007).

Furthermore, Kaplan (2008) emphasizes the interactive and social dimensions of strategic framing, advocating for framing as an integrated, interconnected process rather than an isolated concept. Kaplan (2008), as described in Cornelissen and Werner (2014), criticizes previous studies on strategic framing that overly emphasize cognitive aspects. Kaplan (2008) suggests a more holistic view of framing, one that encompasses both cognitive and symbolic dimensions – stressing that skilled actors strategically employ frames to align the beliefs and interests of others, aiming at winning them over. Additionally, Kaplan (2008) highlights the importance of interconnections between symbolic framing and the formation of collective strategic frames, further accentuating the interdependence of these framing processes.

Strategic framing is also studied as a construct of purposeful communication by leaders to shape frames of interpretation in ways that facilitate organizational change (Cornelissen & Werner, 2014). Similarly, other studies reveal that metaphorical phrases and idioms are employed to frame strategic change and gain support from important stakeholders, for example, metaphors and stories (Gioia et al., 1994; Gioia & Chittipeddi, 1991). Benford and Snow (2000) examine strategic processes and tactics of framing and primarily focus on how social movements strategically use framing to influence public perception, attract support, and shape the outcome of their efforts. The scholars explore the concept of frame alignment, which refers to aligning movement frames with the beliefs and values of potential supporters and allies (Benford & Snow, 2000).

Continuing on the topic of strategic framing, Young-Ferris and Roberts (2023) explore an early attempt at integrating sustainability in investment decision-making. This study's concept of framing takes on a novel dimension as it strategically positions sustainability considerations as pivotal elements impacting financial risk and return. By presenting sustainability as financially consequential, this approach seamlessly aligns with the investors' normative focus on monetary objectives (Young-Ferris & Roberts, 2023). This approach underscores the powerful impact of framing on investor perceptions and expectations.

The collective research body on strategic framing underscores its strategic and versatile character in various domains. Whether in social movements or as part of investor relations activities, framing is a powerful tool for influencing perceptions and facilitating organizational responses to external challenges, thereby working as a tool for sensegiving.

2.2.3. Chosen Analytical Concepts

As presented in the discussion, our research question is: *How does investor relations adapt its financial communication when a negative external event creates an opportunity for a reframed industry perception?* In our case, the attempt to reframe an industry perception begins with how an investor relations function understands an ongoing complex situation and what it means for the company and, in one way or another, tries to influence the investor community's way of perceiving the industry. The sensemaking perspective will, therefore, constitute the analytical lens to explore the collected empirics as we want to examine how a negative event that challenges the industry perception triggers the sensemaking process of investor relations and how they, in turn, use different sensegiving tools to influence the investors' sensemaking process. Hence, we have chosen three analytical concepts that we believe are important for our empirical analysis: *framing*, *narratives*, and *financial numbers*.

We build on the finding by Logemann et al. (2019) about *framing* and *narratives* as sensegiving tools, where *framing* can be divided into metaphors and catchphrases that refer to familiar expressions triggering associations and rendering interpretation easier. In this setting, the role of framing can be an important sensegiving tool for investor relations within a complex industry. This can be connected to the literature presented by Carlsson-Wall et al. (2016) and Havemo (2018), where a combination of verbal metaphors and visual elements could facilitate conveying a company message and thereby be a powerful tool in the attempt to reshape the industry perception. Furthermore, as discussed in the previous section (2.2.2), the collective body on framing underscores its strategic character with the possibility to influence perceptions and facilitate the understanding of external challenges.

As the concept of *narratives* can be translated into a storyline that involves a transition from the past to the present and further moves towards a desired future state, we believe this second concept is relevant for this study as we want to explore a potential transition of the industry perception. However, we modify the narrative and focus on a company narrative connected to an investment, thereby focusing on how a company communicates who they are and what they do to be perceived as a legitimate investment case. This is also connected to how the narrative is communicated, as investor relations must balance the opportunities with communicating the company narrative, which facilitates the communication of the narrative as more people are inclined to listen, while at the same time being aware of the risks that the increase in success is connected to a societal crisis.

The third concept, *financial numbers*, is another modification to the framework by Logemann et al. (2019) that we want to incorporate as a sensegiving tool. The reasoning behind this modification is that Porter (1996) discusses the critical role of numbers, emphasizing the credibility of numbers, and connects this to the objectivity associated with quantification. Considering the role of numbers in making sense of specific situations within the accounting domain is not something new, as scholars argue that accounting information can act as a guidance for understanding and making sense of different situations (Ahrens, 1996; Boland, 1984; Goretzki & Messner, 2016). Therefore, we believe that introducing numbers into investor relations' sensegiving tools is relevant, reinforcing the message investor relations wants to convey to both the existing investor community and potential new investors. We, therefore, believe that expanding the framework to encompass numbers as a tool for sensegiving will provide a more holistic understanding of how investor relations adapt its financial when a negative external event creates an opportunity for a reframed industry perception.

To conclude, the sensemaking perspective will constitute the analytical lens to explore the collected empirics, where the focus will be on *framing*, *narratives*, and *financial numbers* as powerful sensegiving tools, thereby assisting us in answering our research question.

3. Methodology

In this chapter, we elaborate on our research methodology by presenting the research approach and design in 3.1. This is followed by a description of the data collection process in section 3.2. The data analysis techniques is presented in section 3.3 to provide a comprehensive view of how we intended to explore our research. Lastly, the research quality is assessed in 3.4, reflecting the study's trustworthiness, authenticity, and plausibility.

3.1. Research Approach and Design

To explore how financial communication by investor relations is adapted when a negative external event creates an opportunity to reframe the industry perception, we conducted a qualitative study. A qualitative research approach was chosen due to its ability to provide in-depth insights, enabling an examination of the intricacies and nuances of this topic (Bell et al., 2019). A qualitative approach was also deemed appropriate since we wanted to understand a social phenomenon as part of the context, as we sought a holistic understanding of how different elements worked together in the investor relations function.

Moreover, the study was conducted in the interpretive paradigm of social science. An interpretive approach is “the systematic analysis of socially meaningful action through the direct detailed observation of people in natural settings to arrive at understandings and interpretations of how people create and maintain their social worlds” (Neuman, 2000, p. 71). Since we explore a complex social phenomenon, the subjective experience of individuals within investor relations, and the complex dynamics surrounding financial communication, it was considered an appropriate choice that aligns with our research objectives. This allowed us to investigate the understandings and interpretations of how individuals within investor relations makes sense of, and respond to, the evolving social world, creating a possibility for an industry perception shift. The precise procedures of interpretive research are complicated to specify; however, emphasis is put on observation, awareness of linguistic cues, and careful attention to detail (Chua, 1986), which is connected to our goal to analyze communication strategies employed in this complex situation. Therefore, the qualitative and interpretive research approach was considered suitable to explore the communication strategies by investor relations when experiencing opportunities to reframe the industry perception.

We conducted a single case study, where DefenseCo was chosen as the case company due to its relevance and significance in the defense industry. A single case study uniquely develops the current theory from insights into the empirical context (Bell et al., 2019;

Dubois & Gadde, 2002), aligning with our research objectives. Single case studies also enable the description of a phenomenon in a particular context in a prolific way (Dyer & Wilkins, 1991).

To provide background, DefenseCo is a publicly traded company and is obliged to provide information to the investor community in interim reports, annual reports, and press releases. The investor relations function at DefenseCo hosts presentations, conference calls, engages in private communication, and attends roadshows and conferences. DefenseCo has a broad product portfolio encompassing various defense sector domains, including fighter systems, weapons systems, sensors, and underwater systems. The company is committed to technological innovation, research, engineering excellence, and responsible operations underpinned by DefenseCo's mission of enabling safe societies. Furthermore, the company strives to be sustainable in all parts of the business, supporting the UN Global Compact and its ten principles.

Since the invasion of Ukraine, the 24th of February 2022, DefenseCo has experienced heightened demand for its products and increased attention in the company. In the light of increased defense spending by many European countries, DefenseCo is seeing increased interest in its product portfolio from both new and existing customers. Since DefenseCo is currently benefiting from increased defense spending following the war in Ukraine, while facing challenges in communicating this success, it was considered a suitable case company for our study.

3.2. Data Collection

This study utilized semi-structured interviews as the chosen method for data collection. Interviews enabled direct interactions with key stakeholders in the investor relations process within DefenseCo, which created the opportunity for getting first-hand insights and perspectives (Bell et al., 2019). The semi-structured nature of the interviews created flexibility, allowing the interviewees to elaborate on their experiences and perceptions, which can provide more prosperous and complete insights compared to structured interviews (Brinkmann, 2014).

A total of 15 interviews were conducted between October and November 2023. The interviews were performed in Swedish and subsequently translated into English. We decided to interview in Swedish as it was the native language of all our interviewees, possibly resulting in more comprehensive and fruitful answers. Even though our study focuses on investor relations, interviews were conducted with personnel in other functions, such as sustainability, group reporting, media relations, press, communication, finance, and strategy to understand the interactions with investor relations and the underpinnings for internal and external communication. The reasoning behind the number

of interviews was based on our view that this was sufficient for answering the research question and that further interviews would not bring significantly new insights. This is connected to Guest et al. (2006), who argue that qualitative studies do not rely on the number of interviews but rather on reaching a saturation point. The table below shows the interviews conducted with DefenseCo.

Table 1. Overview of Interviews

Interview	Employee code	Function	Length	Date
1	E1	Investor Relations	60 minutes	04/10/2023
2	E2	Investor Relations	56 minutes	04/10/2023
3	E3	Media Relations	55 minutes	18/10/2023
4	E4	Brand	49 minutes	19/10/2023
5	E5	Sustainability	38 minutes	19/10/2023
6	E6	Treasury	43 minutes	20/10/2023
7	E7	Strategy	48 minutes	23/10/2023
8	E8	Communication	41 minutes	24/10/2023
9	E9	Sustainability	47 minutes	25/10/2023
10	E10	Press	53 minutes	30/10/2023
11	E11	Group Reporting	35 minutes	01/11/2023
12	E1	Investor Relations	78 minutes	06/11/2023
13	E2	Investor Relations	87 minutes	06/11/2023
14	E12	Finance	37 minutes	07/11/2023
15	E13	Group Reporting	34 minutes	09/11/2023

Some interviews were conducted physically at DefenseCo's office, while some were conducted online, averaging 51 minutes. Both of us who were conducting this study participated in all interviews to ensure reliable and accurate interpretations of the interviewees' answers. An interview guide was employed to facilitate and structure the interviews (Appendix 1). The interviews began with an explanation of the purpose of the study. After that, we ensured consent to record the interviews and handle the data following GDPR. The interview guide was iteratively changed and improved to create the best possible structure for every interview, while the semi-structured nature allowed for flexibility and adjustment to keep the format exploratory. For example, at the beginning of the interview process, we dedicated the first few minutes to asking about the interviewees' day-to-day activities. However, we then realized that it was irrelevant to our study even though it was interesting. Therefore, we decided to focus on questions on

the collaboration with investor relations instead of solely asking about the functions' responsibilities alone. Furthermore, the interviews allowed us to collect the data necessary to analyze the observation of people in their natural settings and how they create and maintain their social worlds based on their beliefs and perceptions consistent with the interpretive research approach (Chua, 1986; Neuman, 2000).

Altogether, the data collection process aimed to gather insights to answer our research question of how investor relations' financial communication is adapted after a negative external event that creates opportunities to reframe the industry perception. More specifically, the interviews aimed to discover themes in the communication and tensions within DefenseCo when leveraging the opportunities while still maintaining awareness of the external event's negative impact on society.

3.3. Data Analysis

The data collected from the interviews was analyzed using an abductive approach, which is an approach that lies between inductive and deductive processes. An abductive process differs from the deductive process, which dominates analytical research in accounting, because it starts with empirical findings rather than from theory (Lukka & Modell, 2010). Abduction is similar to an inductive approach by having a starting point in the empirical material. However, the abductive approach relies on the thoughtful development of theoretical explanations by considering both the theory and empirical findings. At the same time, induction typically results in semi-automatic generations of theoretical generalizations (Lukka & Modell, 2010).

The abductive approach, therefore, allowed us to interactively develop the conceptual framework in connection to the empirical observations. Hence, the research question, conceptual framework, and interview questions were improved interactively based on the empirical findings to analyze and better understand these observations. Our initial theoretical framework focused on framing theory and was later adjusted to encompass sensemaking and sensegiving. We also added the role of financial numbers, as the interviews provided us with insights into the monetary focus of investors. By combining established theoretical models and new concepts, the successive modification of the original framework benefits the abductive approach, as it can generate fruitful cross-fertilizations (Dubois & Gadde, 2002).

The first step of the data analysis process was to familiarize ourselves with the data through transcription. After the transcription, the next step consisted of generating initial codes by looking at exciting features in the data. From the start, we found patterns in the historical industry perception and how to utilize the ongoing opportunity to enable a shift in industry perception. For example, the interviewees from the investor relations

department highlighted the importance of increased communication. In contrast, other departments underscored the importance of cautious communication to ensure long-term credibility and not become a war profiteer. Following the initial codes, these were sorted into distinct themes, consolidating all relevant data associated with each theme. The different pieces were reviewed, defined, and named, generating clear definitions. For example, who advocates increased communicative strategies, and who finds a more cautious approach applicable? The last step was to create the report, which consisted of a final analysis, selecting exciting examples, and relating to the research question and literature. The general goal of the data analysis was to find patterns in the empirical data that could be combined, in order to generate concepts, that subsequently could have general applicability to the domain of investor relations and financial communication.

3.4. Research Quality

For evaluating qualitative research, Bell et al. (2019) present trustworthiness and authenticity as two important criteria. Normally, reliability and validity are used for assessing the quality of research, but Bell et al. (2019) explain that measurement is not a significant captivation in qualitative research. Regarding trustworthiness, Lincoln and Guba (1985, as referenced in Bell et al., 2019) argue that it consists of four criteria: credibility, transferability, dependability, and confirmability. In addition to authenticity, Lukka and Modell (2010) highlight plausibility as another central aspect of validation in interpretive research.

We have aspired to follow a rigorous research process to ensure trustworthiness throughout the research. The empirical findings are explained in detail, supported by direct quotes to increase credibility, ensuring true and accurate findings. Even though transferability is challenging to apply in qualitative research (Bell et al., 2019), we have considered describing the research context and our assumptions in the generalizations to enhance the transferability. Complete records have been kept on all phases of the research process to ensure dependability. However, we acknowledge that replicating this study would be challenging, especially since the defense industry is undergoing this challenge right now, and the results might differ if the study is conducted post-war. During the interviews, we tried to avoid asking leading questions and letting our subjective values affect the research to provide confirmability. However, the impact of personal bias and our own theoretical inclination can not be dismissed entirely. Furthermore, we have thoughtfully presented a true and accurate representation of the interviewees' experiences to make the findings authentic. We also tried logically aligning our research findings with the collected data, resulting in plausible conclusions.

Even though we have followed a rigorous research process, we encountered challenges that may have impacted the quality of our empirical findings and conclusions. One of the

primary challenges was the scarcity of investor relations personnel, limited to two individuals available for interviews. We, therefore, decided to conduct two interviews each with these investor relations professionals to ensure a complete understanding of the role and its financial communication strategies amid the crisis. Furthermore, we dedicated substantial time to other organizational functions to comprehend the dynamics.

Another challenge was the sensitivity surrounding the topic of profiting from war. When asking questions about their success during wartime, we noticed visible reactions from some interviewees, which influenced the depth of insights we could gather. Additionally, as our research evolved through an abductive approach, some initial interviews might have been more fruitful if conducted later as the research followed an iterative process. However, these early and subsequent interactions collectively shaped our understanding of this domain.

Furthermore, it might have been beneficial to diversify our interviews beyond representatives solely from DefenseCo. By including perspectives from a broader spectrum of companies, especially those undergoing similar challenges, we could have enriched our insights and improved the generalizability of our conclusions. Moreover, we acknowledge the situational complexities of an ongoing crisis, making determining precise circumstances hard. It is challenging today to understand which strategies are successful or not in this situation. Hence, exploring a retrospective investigation of past events, rather than focusing solely on a current situation, might offer insights worth exploring.

Consequently, these challenges underscore the imperfections within our research process, and we acknowledge that they could have influenced the overall quality of this thesis. Despite these limitations, we have remained attentive to mitigating biases and limitations to ensure good research quality.

4. Empirical Analysis

In this chapter, the empirical analysis is presented, beginning with DefenseCo's internal sensemaking process in 4.1. Subsequently, we apply the three different sensegiving tools: *framing*, *narratives*, and *financial numbers* in 4.2. Finally, in section 4.3, we introduce a new perspective: influencing through *indirect communication*.

4.1. Sensemaking within DefenseCo Involving Multiple Functions

Overall, the employees at DefenseCo explain that the company has historically struggled with stakeholders' perceptions of the industry and the challenge of conveying DefenseCo's core identity and activities to society. Altogether, this has contributed to low interest and recognition of the company. Despite its roots and primary focus on defense equipment, DefenseCo is often misperceived by society as a car manufacturer rather than a defense industry player. The company stopped producing cars several years ago, but the association with these products remained heavily ingrained in the public mind and among some investors. To those familiar with DefenseCo's involvement in the defense industry, the company struggles with investors' view of the industry as non-sustainable.

"We have been lumped together with the gaming industry, tobacco, pornography, and less conventional types of defense or weapons manufacturers. And we do not feel like we belong there."
(Interview 6, E6, Treasury)

With this categorization, defense-related entities are excluded from investors' portfolios due to ethical considerations, leading to a low interest in the company. Being in the same category as tobacco and other unconventional industries creates a notion that DefenseCo contributes to a non-sustainable society. Some employees even experience the debate in some countries centered around the industry's survival.

"The dialogue before was the taxonomy of how we could even survive as an industry without actually having the state as the full owner." (Interview 7, E7, Strategy)

The non-sustainable notion is not in line with the company's own view, where one employee explains that "*our main purpose, which is to help countries keep their communities and people safe and secure, is kind of at the heart of everything we do*" (Interview 3, E3, Media Relations). However, the company struggled to get the investment community to adhere to this message, as DefenseCo approached its communications cautiously, aware that particular messages about their business or sustainability efforts might provoke criticism or adverse reactions.

“I think much of the reason why we were very closed before and did not communicate much externally had to do with the fact that we were simply afraid to receive backlash, that is, negative things being written about us and criticism for our business.” (Interview 9, E9, Sustainability)

However, the employees highlight the pivotal moment that emerged on February 24, 2022, with Russia’s full-scale invasion of Ukraine, which rapidly transformed the landscape for defense industries worldwide. This external event triggered a shift in perception, suddenly pushing DefenseCo and the entire defense industry into the spotlight. Suddenly, there was heightened interest from investors, media, analysts, and the public. This marked a turning point for DefenseCo, as this challenged the dynamics of how the company was perceived and reinforced the significance of the defense industry.

“The war has contributed to a completely different understanding of why we must exist. Why defense equipment is needed, why defense is necessary. If you are attacked, you have the right to actually defend yourself. And if you are to defend yourself, there must be defense products that enable you to defend yourself. Then, there must be a defense industry. And there is [DefenseCo].” (Interview 10, E10, Press)

“For the investment community, from excluding defense material from their portfolios for ethical reasons, now many quickly reconsidered that [in connection to the invasion] and investing in defense and in [DefenseCo] suddenly became very interesting.” (Interview 14, E12, Finance)

The sudden surge in interest in DefenseCo following the invasion of Ukraine is reflected in employees’ work. The number of new inquiries, both from existing stakeholders and a wave of new potential investors seeking information, necessitates an immediate adaptation of priorities within investor relations and DefenseCo as a whole.

“It was like overnight. I remember it well, and I got many emails in the mailbox on the 25th.” (Interview 12, E1, Investor Relations)

“In the first 2-3 weeks, we had meetings almost every day [...], and since [the invasion], I would say that our interactions have almost doubled.” (Interview 13, E2, Investor Relations)

While new doors open with opportunities, DefenseCo simultaneously encounters a new set of challenges. There is a shared sentiment within DefenseCo about the challenge of leveraging this opportunity to reframe the industry perception, expressed as follows: “*The big question now is, how do we sustain this momentum?*” (Interview 10, E10, Press), but a new dilemma emerges: should DefenseCo seize the current opportunity to increase the communication strategy to facilitate the understanding of the company and its purpose? Or should they consider a more cautious approach to avoid being portrayed as profiteers of the war?

“At first, we almost had to stop for a bit and think: what should we do now? What kind of tonality should we have? What kind of message should we have? It is a very horrible situation that no one is

happy about, so it was important for us to convey that it is a serious, horrible, and tragic situation and thus find a tonality that we could stand for.” (Interview 3, E3, Media Relations)

This underscores the importance of being aware of the difficulties of navigating and making sense of this unexpected situation to determine the appropriate course of action. However, our interviews reveal conflicting opinions internally at DefenseCo on approaching this dilemma. As exemplified below, the first quote interprets the situation as a trigger for increased communication efforts to utilize the current momentum. At the same time, another employee focuses on the ethical challenges with increased communication during this complex situation connected to an ongoing war.

“We need to actually scale up communication in all aspects, across all parts of the organization, to ensure we capitalize on the momentum that exists right now.” (Interview 14, E12, Finance)

“We should not [increase our communication] and be out there right now saying that we are going to make extra money from a terrible war. We should focus on delivering what our customers need and not squeezing out extra profits. Right now, our contribution to society is the most important thing we do.” (Interview 9, E9, Sustainability)

These conflicting opinions underscore the internal tensions within DefenseCo on how to balance the opportunities and challenges. Additionally, some employees even interpret this opportunity as an obligation for DefenseCo to educate on who they are and what they do. This recognition emphasizes the necessity for education, elucidating the fundamental reasons for DefenseCo’s existence and purpose.

“It is not only an opportunity but also an obligation for us to communicate where a portion of partially tax-funded money goes openly. It is also an opportunity, of course, for Swedes to take great pride in being one of the very few countries in the world that can actually deliver a defense product.” (Interviewee H, Communication)

This educational view is also connected to the fact that *“because many excluded the defense industry before, many investors are not used to analyzing a company within this industry, [meaning that] an educational phase needs to take place”* (Interview 8, E8, Communication). Therefore, on the one hand, DefenseCo aims to leverage this opportunity to scale up communication, utilizing the positive momentum created by the ongoing war. On the other hand, they must acknowledge that the event propelling its visibility is inherently harmful to society. In addition, there are also concerns within DefenseCo that they are subject to attacks on their facilities, which poses another tension in their communication as they do not want to be provocative.

“People wore protective vests at work because we thought we were subjected to attacks [...] but we have to continue working, and that changes the mentality in how we communicate. And then it becomes even more important that we have to weigh every word on a golden scale; we must not be provocative; we must continue to be neutral.” (Interview 4, E4, Brand)

From these quotes, it becomes clear that there are divergent views within DefenseCo. Investor relations and finance are more inclined to increase financial communication and leverage on the opportunities to ensure value-creation, while, for example, brand and media are concerned about ensuring long-term credibility. This does not mean these divisions do not want to leverage opportunities or do not care about challenges. However, tensions in the company and contrasting views on which route to take exist, where investor relations and finance seem to be in charge. The other functions are part of the process but take a more comprehensive view, where one employee explains their role in the following way:

“Our job is to keep the helicopter view and ensure all the puzzle pieces fit together so nothing pulls away. Especially after the invasion of Ukraine because then it was very clear that multiple views existed on how to utilize this.” (Interview 4, E4, Brand)

The notion that the brand function needs to have a helicopter view can be interpreted as this division needs to ensure long-term credibility and consider all stakeholders. Investor relations are narrower in their financial communication strategies as they focus on the investor community, and, therefore, they are more focused on pitching DefenseCo as a legitimate investment case. Media relations also mentions these divergent views:

“Challenges [between media and investor relations] arise when we need to mediate between different desires. For instance, there might be commercial interests and legal interests. When Investor Relations says that we need to communicate in this way, there may be others who disagree, saying that they do not want to disclose certain information. In such cases, we have to find a solution, which can sometimes be challenging. Because the interests of investors and society’s viewpoints do not always align, we have to try to find solutions that also fit the business aspect. It may require some negotiation internally.” (Interview 3, E3, Media Relations)

When asked to elaborate on the differences, it is exemplified in the way that “*Investors may want more hard facts, and the general public may be more interested in a particular angle, but usually, we can find the core of it*” (Interview 3, E3, Media Relations). Therefore, investor relations might be more inclined towards financial aspects, prioritizing leveraging opportunities through increased financial communication.

“Absolutely, it is crucial to be clear about the severity of the situation. But it is also key for us to highlight this as a major opportunity. Things are going pretty well for us at the moment, and that is something important to bear in mind.” (Interview 12, E1, Investor Relations)

Consequently, investor relations might not be as aware of the potential brand damage accompanying a too-aggressive financial communication strategy. On the contrary, looking at society at large, the stock is not the primary focus, which makes understanding these different aspects of interest crucial. Here, heightened communication poses higher risks. The tonality of the communication, therefore, needs to be carefully handled to not appear as a war profiteer, which is a concern raised within the company.

“It is a very fine line not to appear as if we are trying to capitalize on war and misery. We spent much time discussing this with the team. How do we achieve the right tone in these interviews? We have discussed the tone extensively as well. How can we discuss these products and the war in a respectful way?” (Interview 10, E10, Press)

Tensions within the company, necessitating the different divisions to negotiate and decide how to balance the opportunity and challenge, might be the key to future success. Solely performing investor relations’ sensegiving tools might lead to an exaggeration strategy, while functions like, for example, brand or media might take a too-neutral stance and limit the influence process.

In summary, this first section outlines how the invasion of Ukraine triggered a notable shift in the perception of the defense industry, prompting DefenseCo to make sense of its implications for the company. A challenge lies in interpreting the situation to utilize the given momentum by establishing a collaborative approach within the company. While the collective sensemaking within DefenseCo acknowledges the importance of balance in communication to avoid controversy, the course of action decided upon is increasing communication. Investor relations, therefore, need to establish an underlying foundation for conversations with investors, even though individual views within DefenseCo might differ. The upcoming sections will dive deeper into the education strategies designed by DefenseCo, describing their responsive actions resulting from the collaborative sensemaking process.

4.2. Sensegiving Tools to Influence the External Sensemaking Process

This section describes the strategic employment of sensegiving tools by DefenseCo in response to the notable increase in stakeholder interest and shift in perception post the invasion. The analysis is structured around three core sensegiving tools: *framing*, *narratives*, and *financial numbers* – revealing how these tools are employed to communicate and influence stakeholders’ understanding and perception of DefenseCo.

4.2.1. Communicating through Framing: The Role of Metaphorical Representations

To leverage the momentum gained from increased interest from the investor community, investor relations aims to increase its communication efforts and language usage to support the educational journey. From the interviewees, a consistent theme in the communication strategy highlighting the purpose of enabling safe societies, which can be seen as a framing language influencing the perception of the industry. The purpose is communicated through a catchphrase that frames DefenseCo’s benefit to society. The catchphrase is present in the financial reports, investor presentations, and other

presentation materials for investors. This catchphrase is not new in DefenseCo but has been a part of the company for a long time.

“That we want to protect people and society is actually an old story at DefenseCo. It is not something new. However, right after the invasion, people immediately gained a completely new understanding of it compared to before. It became much more relevant. But we have had it as part of our story for quite a while.” (Interview 10, E10, Press)

The catchphrase is one part of forming the overall mission of DefenseCo. The mission has always centered around contributing to safe societies, highlighting defense as a necessity for countries to be able to protect their people. The difference now is that more people are inclined to listen, which makes it an important communication tool.

“Now everyone understands what we have been saying for so many years: that we want to] keep people and societies safe.” (Interview 4, E4, Brand)

Amidst this shifting public perception catalyzed by the Ukraine war, DefenseCo sees an opportunity to facilitate further understanding of the company. Therefore, the company decided to launch a comprehensive marketing campaign centered around the theme that DefenseCo is a part of something bigger. Employees explain that the campaign aims to underscore DefenseCo’s integrated role in society, where the tonality is carefully thought through to avoid being perceived as a weapon manufacturer and rather protecting the country in a safe manner.

“To broaden the understanding of what we do, our capabilities, and how we contribute to defending Sweden in the event of any occurrence. So, that is kind of the ideal image from my perspective. It is that [DefenseCo] is a part of something bigger, a part of Sweden, and in various ways contributes to protecting the country.” (Interview 8, E8, Communications)

With this campaign, DefenseCo makes parallels between the company and commonplace elements like *boring Mondays*, *laundry*, and other mundane parts of daily life aimed at getting society to understand DefenseCo as an integrated part of society. This framing through everyday analogies makes it more relatable to everyday life, aiming at contributing to reframing the industry perception. However, the campaign does not only address society but also the investor community; where one employee states, “*We do not differentiate communication principles based on whether it is Investor Relations (IR) or Human Resources (HR). Our goal is to gather everything together and create a unified approach*” (Interview 4, E4, Brand), which makes the collaborative sensemaking process important to find a balance between potential conflicting views or different angles of interest.

“I believe that the campaign is intended to address both politicians, investors, and the general public, naturally driving an understanding of what we do. It certainly creates an appeal both to invest in [DefenseCo] and also to start working for [DefenseCo].” (Interview 7, E7, Strategy)

Furthermore, several interviewees discuss that this campaign would never have happened before the war. As mentioned in the previous section (4.2), DefenseCo did not communicate its purpose or efforts to the same extent before the war, as they feared a backlash. As the acceptance of the defense industry increased, so did DefenseCo's courage.

“So what we might be doing now is daring to be more assertive, being clearer about what we do and what we stand for. That is precisely what some parts of the campaign display. We probably would not have had such a campaign before the war because back then, we were a bit more reserved and hardly wanted to acknowledge working at [DefenseCo].” (Interview 12, E1, Investor Relations)

This shows how the significant event impacts DefenseCo's communication, as the shift in industry perception facilitates the understanding of the company purpose. Even though the campaign is not solely communicated by investor relations, it still approaches the investor community and is practiced by investor relations in their work. This can be seen as a way of increasing communication by still considering the tonality by using metaphorical representations to highlight the softer aspects of DefenseCo. Moreover, the campaign is visually represented in the public, spanning from metro and bus advertisements to TV commercials. The latter had never been done before, marking a significant change for DefenseCo.

“The TV commercial is a significant step for us; it is part of a rather long-term process. It is not as if you make a short campaign, and then it is done, but it is something that can continue to be discussed and talked about.” (Interview 8, E8, Communication)

DefenseCo's pursuit of a new image, detached from the old industry perception, is evident by this campaign. By launching the TV commercial, the interviewees explain that they aim at portraying a transparent image of the company, facilitating the understanding of who they are, and how they want to be perceived. This is also a way of diverting focus from the previous notion of a company that is harmful to society. To further reinforce this message, with their long-standing notion, a new approach emerged.

“We say our brand promise is about [enabling safe societies]. But when we show pictures, we mostly focus on cool products in cool places. We thought it worked, but now, as we work on our brand, we realize something is missing. We are trying to show more people in our pictures, like our employees or scenes from everyday life. We are also following the trends in communication, using soft, warm colors and specific photography styles to create a stronger emotional feel.” (Interview 4, E4, Brand)

Alongside the visual representation complementing their purpose and mission, one of the interviewees at DefenseCo explains the importance of creating a recognizable brand image. Therefore, when working with external marketing agencies, clear directions are provided that emphasize colors, grading, and hence correct messaging. This is also a way of reframing the previous image of DefenseCo as a harmful company, by focusing on softer aspects and warmer colors, trying to evoke feelings of safety.

“When working with our external agencies who further develop this campaign, they are responsible for the exact approach, but we have published the framework. So, we have said, ‘Here you go, use this.’ And then, there are clear instructions from us that they must use this color scheme for images, the grading of images, the message level should be set so that the format is recognizable, ensuring repetition, repetition, repetition of the fundamentals.” (Interview 4, E4, Brand)

The framing language from DefenseCo regarding the catchphrase and the campaign, including visual representations, can be translated to metaphorical representations serving as a bridge between the unfamiliar and the familiar. Overall, it aligns with DefenseCo’s long-term strategy of influencing society’s view on both the industry and DefenseCo. The framing language aims not only to reshape the public image of DefenseCo but also to underscore its overarching mission of contributing to the safety and well-being of society.

4.2.2. Communicating the Narrative: Increased Communication to Facilitate the Understanding of DefenseCo

From the interviews, the professionals at DefenseCo elucidate that the company narrative remains unchanged. However, there is a noticeable shift in how it is communicated after the war. This shift in communication is linked to the collaborative sensemaking process which further links to the educational journey, where telling the company’s narrative is part of influencing the industry’s perception and thereby influencing the understanding of DefenseCo as a legitimate investment case.

“When we approach individual investors [...] the narrative is exactly the same as in any other company. Why should you invest in [DefenseCo]? It comes back to our broad product portfolio, closely linked to Swedish customers who have allowed us to develop strong technology, our presence in relevant markets, and so forth. That part, which you can read in our annual report, does not really differ much. But it does not mean that we have not significantly changed our communication for our narrative.” (Interview 14, E12, Finance)

As part of the increased communication regarding the company’s narrative, DefenseCo hosted its first Capital Markets Day in five years. Investor relations views this as an opportunity to educate and inform all the new shareholders who have bought stock in the company and all potential shareholders who are interested in the company. One investor relations professional expresses, “*Let us show them the business*” (Interview 13, E1, Investor Relations).

“In connection with the invasion in Ukraine, many people found [DefenseCo], and we felt that it was time to show what kind of company we are. The idea was to reintroduce ourselves in a way. With everything happening in the world, what does this mean for [DefenseCo]? It was important to provide an update because we only want to have a Capital Markets Day if we have something new to say or if it is perceived that there is value in it beyond just presenting [DefenseCo].” (Interview 12, E1, Investor Relations)

Furthermore, the purpose of hosting the Capital Markets Day is to explain how to capture the growing market and how it will affect DefenseCo, and discuss how investors should approach defense: *“Understanding the driving forces behind [defense], how deals are made, the scale of these deals, the motivations behind conducting them – these are crucial aspects in comprehending the industry”* (Interview 2, E2, Investor Relations). Furthermore, one investor relations professional highlights that with increased interest, sustainability communication needs to ramp up, which is contrary to the opinion of one employee from the sustainability department who thinks that the communication should not increase.

“Another crucial aspect of our narrative is the sustainability factor. There is a question that arises: Are defense companies sustainable? And there are two reasons to be skeptical about it. One is that we deal with heavy products that usually emit smoke. The other reason is that it is an industry that has not faced much pressure to undergo a rapid green transition for many years because there has not been much interest in investing in the industry.” (Interview 14, E12, Finance)

Education on sustainability efforts is a notable theme apparent from the interviews. In DefenseCo, sustainability has long been prioritized, but many investors have completely ignored the defense industry due to the prevailing notion that investing in defense is not legitimate. Previously, they had been more cautious with talking about sustainability because of concerns about receiving criticism. Consequently, this perspective limited DefenseCo’s opportunities to discuss its sustainability efforts openly.

“In the past, we have been the black sheep that no one wanted to invest in, analyze, or pretend to care about. They have thought that we are not sustainable and that they, therefore, cannot invest in us and therefore have not been interested in what we do. But when the war broke out, things changed very quickly, and people realized that: okay, maybe we need a defense industry [...] that can actually contribute to protecting our way of life. Given this, the interest in [DefenseCo] became much greater and then we also had a completely different opportunity to talk about what we do, but also to actually elevate our sustainability work and become more transparent about this” (Interview 8, E8, Communications)

The investor community now started asking questions about anti-corruption, carbon emissions, and gender equality, where one employee states that *“We have been doing that for 5-10 years here at [DefenseCo] in various parts. But they have never asked about it because they have not been interested in us”* (Interview 14, E12, Finance). Therefore, the interviewees explain that the communication on sustainability efforts needs to be pushed even further. As mentioned, the sustainability department wanted to take a more passive stance on communication after the war, whereas the finance employee here says it should be pushed further.

“So then we have had to sort of push that communication even further, both because it was perhaps a bit underwhelming because no one asked for it. Also, to make it a little bit over the top, to exaggerate it a little bit just to make sure [they understand].” (Interview 14, E12, Finance)

In their own view, DefenseCo is not at all in contrast to a sustainable society but views defense as a prerequisite for sustainability, elucidating the view of safe societies being essential for focusing on other areas of sustainable development. Here, DefenseCo's purpose of enabling safe societies underpins all its sustainability work, which is often communicated by investor relations. However, they are aware that this is not enough to be viewed as a legitimate investment case from the investor community. How they conduct their operations and work on areas such as anti-corruption are also important to communicate, which is mostly emphasized by the sustainability function.

“Our purpose is [to enable safe societies] and to connect that to the fact that it is a prerequisite for sustainable development in the communication we do. But we must also put more effort into the other areas as well and show that we are also a sustainable company ourselves through anti-corruption work, carbon dioxide emissions, and gender equality. We naturally have to compare ourselves to other Swedish listed companies and have to do the sustainability job just like all other companies do.”
(Interview 9, E9, Sustainability)

To inform the investor community on these topics, information on sustainability is a major part of the Capital Markets Day, which is connected to investor relations primary activities. Additionally, it is included in all DefenseCo's presentations, annual reports, and interim reports. Overall, increasing sustainability communication is, according to investor relations, an important way for investors to view DefenseCo as a legitimate investment case. When the investment community is more open to listening, investor relations can be more transparent in communicating regarding specific sustainability efforts. While most interviewees view sustainability communication as important to influence the overall perception of DefenseCo, the investor relations professionals come with a conflicting view on the importance of sustainability.

“The thing is, investor relations, that is not a sustainability issue, that is the thing. The reason why we include [the sustainability aspect] is because we have realized its significance. We incorporate it into our presentations, but we cannot measure it.” (Interview 2, E2, Investor Relations)

“In investor relations, there is much more focus on numbers and financial information. I believe it is important to have a sustainability perspective, and it is a prerequisite for an investor. Having a robust anti-corruption framework and actively working to reduce carbon emissions are essential. However, these might not be topics discussed in detail during an investor meeting. Generally, some investors are more interested in these aspects, but the level of focus might not be as high in terms of granularity, so to speak.” (Interview 12, E1, Investor Relations)

Both above quotes reveal that investor relations' primary focus of including the sustainability aspects is not sustainability itself but the monetary aspects following. This can be connected to frames focusing attention on particular elements, where investor relations chooses to assert focus on sustainability while diverting focus from non-sustainable aspects. Continuing, the same investor relations professional explains that monetary aspects drive investors and stresses that most new investors' interest in

investing in defense now is connected to the value in the industry – not because of the sustainability efforts. The increased interest from investors could, therefore, be interpreted as being a hygiene factor and connected to the risk factors connected to an investment in a non-sustainable company.

“Sustainability contributes to the development of value in a company [...] There is a system behind it, as well as how to promote what we do, but I would like to say that so far, there is probably quite a lot in the presentation materials about how we handle various risks.” (Interview 5, E5, Sustainability)

Increasing the communication on sustainability efforts can, in that sense, be connected to transparency, where one employee states that *“transparency has increased [after the invasion], and I think we have a focus on opening up and showing everything”* (Interview 1, E1, Investor Relations), while another employee believe that the level of transparency has remained the same.

“As I see it, we have always been very transparent which is something we strive for. [...] I feel that we have not talked about whether we need to increase transparency, I think that we always have. It is nothing that we push more.” (Interview 4, E4, Brand)

DefenseCo strives to be transparent to gain the investor community’s trust. What should and could be said to investors is debated within the company, as earlier discussed in 4.1. Some employees within DefenseCo experience that the investor relations function sometimes focuses too much on pitching the company to investors. The employees are aware that investor relations tries to form a good investment story and present the company in the best possible way, but sometimes feel like they need to say stop and instead find an appropriate level of financial communication. This is exemplified below, where the sustainability manager reveals that, in some instances, other departments need to interfere to find the right balance in the communication while also ensuring that everything is accurate.

“Is it possible to back it up with facts and data so that the auditors like it? [...] It is a balancing act there, about what we can say outwardly and what we can back up. Investor Relations can push a little bit, can we say this, and then we say no, but we can rephrase it this way so we can say it externally. So it is give and take, I would say that you have to work together to find an appropriate level of external communication.” (Interview 9, E9, Sustainability)

In conclusion, DefenseCo’s employees find that the war facilitates the understanding of the overall narrative, as more people are interested in listening to their purpose. This opens up opportunities for DefenseCo to educate investors about their role in society and their sustainability efforts. However, this does not mean only one view of how to communicate this narrative exists, as there are contrasting narratives within DefenseCo, and employees in the sustainability department highlight the importance of backing up the sustainability work with numbers. In order to talk more generally about their

sustainability work, they must make sure that the foundation is correct and that there is a balance between the hard numbers and the soft descriptions.

“It is a balance all the time. You have to try to substantiate the soft aspects as well. Commitments to human rights and sustainability targets must be supported by the fact that we do not contribute to corruption, that we do not contribute to human rights violations, that we follow all our laws and regulations that may be applicable” (Interview 5, E5, Sustainability).

4.2.3. Communicating with Financial Numbers: The Importance of Monetary Aspects

Except for the statements about the need for increased communication, the interviewee from the finance function acknowledges the fact that investments are triggered by growth, which indicates that investors are driven by the monetary opportunity of investing in DefenseCo’s stock. Therefore, another aspect of the educational journey is showing the financial numbers, which can be connected to credibility. Showing the growth and how the financials have improved can be a way of appealing to new potential investors.

“All investments are triggered by growth. It is not something we need to educate or emphasize in our communication; it is given. This is because the industry will receive more funds, which is the case now. So, it is not about educating on the legitimacy of defense; instead, it is because the war led countries to declare hefty spending on the defense industry. Consequently, investors immediately saw the influx of funds and thought; there is going to be a lot of money coming in here, and I want to be part of this journey.” (Interview 14, E12, Finance)

With this growth in mind, the overall investment story has somewhat evolved. Even though the narrative of DefenseCo’s overall purpose has not changed, defense spending is rising in Europe, resulting in long-term tailwinds for DefenseCo. Therefore, the investment story now focuses more on growth.

“Now, the focus is on our growth journey, and we must seize the opportunity while more people are listening. We have to maintain our momentum and truly make the most of this to tell our story. Now that we have attention and people are listening to what we say, it is crucial to maximize this opportunity.” (Interview 12, E1, Investor Relations)

During the Capital Markets Day, the company presented its strategy for capturing future growth, which was the overall theme of the presentation. The strategy is connected to the mission of enabling safe societies, reiterating the company’s overall purpose. To emphasize the growth story, the company updated its financial targets from focusing on long-term financial targets to medium-term financial targets. The profit target changed from margin to growth.

“The new goals are more aligned with internal operational management and emphasize the diverse nature of each business area. Not every sector should aim for a 10% EBIT margin; some have the potential for higher margins. Those with high margins and profitability can concentrate on growth,

effectively increasing the EBIT proportion within the group, thus raising the average. Conversely, areas with insufficient EBIT margins need to focus on boosting their growth. Overall, these new goals were a way to facilitate both the market and our internal operations.” (Interview 12, E1, Investor Relations)

By changing the financial targets, the numbers can be interpreted as a sensegiving tool for influencing the sensemaking of the investor community. The updated targets are a way to inform investors about the improved growth opportunities and the strategy for capturing the growth. However, changing the financial targets had actually been planned before, but the war acted as a trigger, creating an opportunity for change.

“So now I got a trigger that was like, now our entire plan is at stake. This is something I wanted to do a year before. However, when I got a trigger, I felt that now we not only get a trigger with investors but also we will have many more who want to start looking at us. Do I want to wait a year for them to first read the old and then switch? Or do I take the opportunity to change as much as possible that I already have in progress with the excuse that everything will change, so there is a great reason why we must change.” (Interview 14, E12, Finance)

Furthermore, the employees highlight the role of numbers in complementing non-financial information, which is something they argue that they have been doing largely after the invasion: *“I believe we are working more on linking the strategy more explicitly to numbers, essentially demonstrating how we execute the strategy using figures. We need to connect more with key performance indicators and figures”* (Interview 12, E1, Investor Relations). Therefore, besides showing financial numbers, numbers reinforcing the communication about other parts can boost credibility. This is, for example, said when it comes to sustainability.

“When we talk about our sustainability work, there are really two tracks, and one track is that [DefenseCo] is somewhere a prerequisite for all sustainability work because you do not get sustainable development if you do not have safe societies. But then we have to compete with all other companies when it comes to the actual sustainability work. If our ambition is to be a leader in the defense sector in terms of sustainability [...] we have to work both ways and back up our claims with hard facts.” (Interview 9, E9, Sustainability)

By backing up communication with hard facts on carbon emission, framing the language to encompass their purpose, and showing that sustainability is part of DefenseCo, the narrative becomes more trustworthy. However, from the interviews, it is elucidated that the monetary aspect, like stock performance, is the primary driver for investors. Hence, it is the most important aspect in terms of investor relations, which implies that the focus is on opportunities within the market rather than risks – at least when it comes to already existing investors.

“And many investors who engage with us might have already bought into or support our approach. They believe it works and may be more interested in how others perceive it. I would say there is more

financial focus and emphasis on market opportunities and so forth.” (Interview 12, E1, Investor Relations)

Nonetheless, educating society, investors, and potential new investors on DefenseCo and showcasing the company as a legitimate investment case is a multifaceted challenge. According to the interviewed employees, an ongoing educational journey encompasses increased communication strategies in various ways, where investor relations must balance opportunities and challenges. Therefore, while traditional activities within investor relations have increased, including more meetings, calls, and conferences, the tonality of the communication has carefully been discussed through the collaborative sensemaking process within DefenseCo to ensure that the increased communication does not become too aggressive. However, when the world is watching, handling opportunities and new challenges requires more than traditional activities.

“So it is not just about crafting a story in the quarterly report about us doing good business and expecting positive cash flow. We must also write that compellingly, but in that aspect, we are similar to many other companies. So, this entire journey is much more complex and much more challenging.” (Interview 14, E12, Finance)

4.3. A New Perspective: Influencing through Indirect Communication

Despite the internal tensions at DefenseCo regarding the level of increased communication, all interviewees seem to agree that the company is on an educational journey. One aspect arising from one interview is how to educate those potential investors not interested in listening to what DefenseCo has to say – despite the overall increasing interest in the company and the defense industry.

“One must remember that in Investor Relations, and in meeting shareholder groups, there are different levels of communication depending on who the stakeholder is. Stakeholders are investors, period.” (Interview 14, E12, Finance)

In this case, these hesitant potential investors need to be approached alternatively, and another communication strategy is applied. Instead of trying to influence the sensemaking process through framing, narratives, or financial numbers, the implication from the employees is that hesitant investors need to be educated through *indirect communication*. Hence, the sensegiving tool to reframe the view of DefenseCo as a legitimate investment is through the education of others, who in turn influences the hesitant investor. More specifically, this indirect communication involves an intermediary, who DefenseCo educates directly through the abovementioned sensegiving tools, who in turn influences the target hesitant investor.

“One cannot just believe that this quarterly report being distributed is essential, but the communication alongside all reports is equally if not more important for influencing.” (Interview 12, E1, Investor Relations)

“We influence by approaching our major shareholders and ensuring they receive excellent communication alongside our report about us and our thought process. This way, we can provide a lot of information and education about how we believe one should think and why one should consider investing in defense [...] Because if we tell [major shareholder 1], if we tell [major shareholder 2], if we tell [major shareholder 3], then we know that they meet these potential investors whom we want to reach and can influence them more than we can.” (Interview 14, E12, Finance)

These quotes underscore the importance of communication alongside the reports with the third party, which are significant parts of investor relations’ everyday work. DefenseCo chooses to educate certain significant stakeholders to reach the hesitant investors. For example, one interviewee mentions, *“The Pension Authority cannot invest. They are hesitant. But once they change their stance to be able to invest in us, things will progress quickly”* (Interview 2, E2, Investor Relations). Since this potential investor would be significant for DefenseCo, and the ongoing discourse on whether investing in defense is legitimate, the communication efforts become proactive to influence hesitant investors.

“We aim to influence through politicians and other major shareholders because they benefit from increased interest. If you are a major shareholder, you are very interested in having another major shareholder who would like to enter because there is nothing better than competition for your owned stock. It is the best scenario you can get. So, it is in their self-interest to ensure that more people want to invest in this stock they already own until they decide to sell it.” (Interview 14, E12, Finance)

Individual meetings are the most critical channel when talking about influencing significant shareholders to influence those not interested in listening. Even though it is essential to craft a good investment story, the employees highlight the complexity of this information. Therefore, *“It is very important to have individual investor meetings where we have the opportunity to build trust”* (Interview 12, E1, Investor Relations).

Furthermore, the interviewees describe that it is easier to drive this indirect communication after the invasion of Ukraine because it has become more publicly accepted to invest in the defense industry. Hence, the education of the intermediary becomes easier, and the communication between the intermediary and the hesitant investor. Investor relations wants to seize this opportunity to get as many as possible to invest in defense by increasing communication on all levels to make hesitant investors rapidly become investors.

“To influence potential investors, we are also providing more education to our employees now that there is a different level of acceptance. Previously, extending the education to employees was not worth pursuing because we would never convince [hesitant investors]. When it has shifted, and the door opens the other way, [hesitant investors] still are not there, but they are now open to influence.

So now we want as many people as possible to have an impact. Then, IR communication is through employees, pension companies, politicians, and funds. The goal is to expand communication on all levels. Because the more we expand communication, the more they will influence [hesitant investors]. Because they, like everyone else, are driven by business and commercial viability.” (Interview 14, E12, Finance)

The educational journey for the employees, and not only politicians or major stakeholders, is an alternative aspect. Especially since other divisions within DefenseCo take a more cautious stand toward these alternative communicative strategies, where brand and media relations are two examples. The interviewees from these divisions mention a more passive approach to communication and, therefore, the need to slow down investor relations.

”Sometimes we have discussions, the Investor Relations may think we should go in this direction, and then we may think no, we actually do not think so.” (Interview 4, E4, Brand)

Therefore, finding a delicate balance between the education of intermediaries and their communication strategy is vital to influencing hesitant potential investors. For example, to affect the sensemaking process regarding DefenseCo as a legitimate investment case, both societal and investment aspects must be considered to avoid becoming too aggressive in the education with the intermediary. In conclusion, indirect communication as a sensegiving tool adds a new perspective on the investor relations literature, and one can consider whether this alternative form of sensegiving is a way of increasing communication without coming across as a war profiteer.

5. Discussion

This chapter discusses and relates our empirical findings to previous literature. Initially, we discuss the impact of a negative event that creates an opportunity to reframe the industry perception in 5.1 and examine how these dynamics influence communication strategies within DefenseCo. Secondly, in 5.2, we explore various sensegiving tools that can facilitate understanding a company operating within a complex industry. Lastly, we present an alternative communication approach in 5.3 – indirect communication.

5.1. Establishing a Collaborative Sensemaking Perspective within DefenseCo

Previous research on investor relations with the sensemaking perspective is limited, where the only study is conducted by Brühl and Falkheimer (2023), who study how a company needs to make sense of its purpose in financial communication. An ongoing crisis benefiting an industry but harmful to society is inherent with ambiguity, pointing to the need for sensemaking (Weick, 1995), where sensemaking concerns the process of comprehending the existing situation (Gioia & Chittipeddi, 1991). By exploring the sensemaking process within DefenseCo, aiming at reframing the industry perception, we contribute to the investor relations literature by adding the importance of making sense of a negative event that benefits the industry. Through the lens of sensemaking, this study extends previous research on investor relations with three new insights:

First, we find that in a situation that is beneficial for an industry but harmful to society, financial communication exceeds the boundaries of the investor relations function, encompassing the entire organizational landscape. Previous research examines the strategic role of investor relations (Brown et al., 2019; Laskin, 2016; Hockerts & Moir, 2014), where traditional investor relations activities have the potential to influence investor perceptions. However, in the case of DefenseCo, the entire organization actively participated and contributed to the financial communication strategies aimed at reframing the industry perception. This shift from the traditional investor relations role to the entire organization becomes integral to financial communication, underscoring investor relations' evolving nature during pivotal industry moments. While Allen (2002) finds that investor relations grow in importance following corporate scandals, we argue that internal coordination grows in importance following a negative event, creating opportunities and risks within a company that are crucial to understanding effective financial communication.

Second, we find that applying the sensemaking perspective on investor relations becomes insightful, as the role of investor relations goes beyond the function to include the organization. Naturally, this creates internal tensions, as the individual sensemaking

process differs depending on cognitive aspects and background (Maitlis & Christianson, 2014). Establishing a collaborative sensemaking perspective within DefenseCo, therefore, goes beyond gathering individuals in the same room to set the company story. Even with such efforts, varying views on the optimal course of action will arise. This leads to inevitable organizational tensions due to differing approaches among various organizational functions. This contributes to the role of investor relations in times of negative events, creating opportunities for the industry by highlighting how different organizational viewpoints need to be internally managed. Finding a tonality suitable for all stakeholders becomes crucial to leverage the opportunity while ensuring long-term credibility.

Third, we find that in this complex situation, communication is not solely aimed at framing the industry perception with the investor community. Investor relations and the organization make sense of the increased interest by educating various stakeholders about DefenseCo, thereby increasing the target audience for communication. Expanding Bushee and Miller's (2002) finding that the common goal of investor relations strategies in less visible firms is to attract institutional investors and analysts to increase the firm value, we find that a firm that experiences an increase in visibility needs to attract a diverse group of stakeholders.

Understanding these findings is essential for several reasons. For example, the findings acknowledge the expanded scope and complexity of financial communication objectives during periods of heightened visibility stemming from a negative societal event. The findings also recognize the necessity for a more inclusive approach to stakeholder engagement beyond the investor community. Furthermore, the findings underscore the importance of tailoring financial communication strategies to reach diverse stakeholder groups with unique interests and informational needs.

For example, scholars within investor relations suggest adopting a more proactive stance in shaping communication strategies to handle external challenges effectively (Allen, 2002; Brown et al., 2019; Hockerts & Moir, 2004; Laskin, 2016). However, we problematize this previous literature as we find that investor relations constantly need to make sense of unexpected events together with the organization. As stated by Maitlis and Christianson (2014), sensemaking begins when a violation of expectations is experienced. Hence, financial communication strategies by investor relations are affected by external events and are thereby influenced by the collective organizational sensemaking process. As a result of the intricate dynamics of investor relations, too much emphasis on a proactive communication strategy might be challenging when trying to reshape the industry perception, as this neglects the ever-changing financial landscape.

Overall, our first contribution is connected to the importance of establishing a collaborative, organization-wide approach to make sense of and navigate significant

industry opportunities, offering insights for companies undergoing similar transformation processes.

5.2. Utilizing Appropriate Sensegiving Tools to Influence the Industry Perception

Secondly, we contribute to the existing literature on investor relations by studying how sensegiving tools are interactively used and adapted to influence the sensemaking of the investor community and the general public, thereby trying to reframe the industry perception. We acknowledge that the existing frames of the investors, and thereby the underlying sensemaking, are influenced by cognitive perspectives (Maitlis & Christianson, 2014; Weick, 1995). However, as an ongoing crisis is inherent with ambiguity stressing the need for sensemaking (Weick, 1995), we focus on how DefenseCo tries to influence the stakeholders' sensemaking process and utilize the opportunity to influence the existing frames.

While previous literature on investor relations discusses different strategies to convey a specific company message (Brown et al., 2019; Hockerts & Moir, 2004; Laskin, 2016), this is challenging within a complex industry. Our first finding involves that we want to add metaphorical representations to the existing conversation on investor relations, as this can be a helpful tool for a company aiming at reframing the industry perception. Introducing metaphorical representations into the conversation offers an accessible communication approach for companies within a complex industry, bridging the gap between the familiar and unfamiliar (Armeric & Craig, 2009; Carlsson-Wall et al., 2016). It further contributes to the existing literature by considering cognitive perspectives that influence stakeholders' sensemaking processes, which enables DefenseCo to tailor its communication strategies effectively, considering existing frames. Using metaphors as communication tools can, therefore, enhance the effectiveness of DefenseCo's interactions with various stakeholders, as it can simplify the understanding of its role in society, thereby influencing stakeholders' comprehension. The empirical findings also indicate that DefenseCo utilizes a catchphrase to encapsulate and convey the company's purpose. The catchphrase is used to trigger associations and render interpretations easier (Logemann et al., 2019), and it frames DefenseCo as a contributor to safe societies, triggering associations with safety. In conclusion, metaphorical representations and catchphrases as sensegiving tools within investor relations offer insights for a company experiencing opportunities under a crisis to facilitate an improved understanding among stakeholders and potentially reframe industry perceptions.

Furthermore, DefenseCo increases its communication regarding the company narrative to reframe the industry perception. The company frames the benefit to society by pushing the narrative that DefenseCo is contributing to safe societies, which links the familiar and unfamiliar, as mentioned above. As earlier mentioned, Moreno and Jones (2022) stress

that companies most affected by a crisis are the ones who alter their narrative the most. However, we find that DefenseCo does not alter the narrative around its purpose. An explanation for not altering the narrative around the company's purpose could be because the external event positively impacted DefenseCo's narrative, as it facilitated the understanding of the purpose, thereby increasing attention and receptiveness from a larger audience. We find that corporate purpose is central to almost all communication at DefenseCo. This contrasts Brühl and Falkheimer (2023), who elucidate that corporate purpose is only partially used in communication, even though the authors argue that corporate purpose has the potential to be an essential strategic tool. A possible reason behind its central role in DefenseCo's communication is that they, being in a stigmatized industry, find that explaining the corporate purpose in financial communication is helpful in making the company a legitimate investment case. The implication for companies in other controversial industries is that communicating the organization's purpose can be a way to influence the perception. Another notable finding from the interviews is DefenseCo's decision to ramp up sustainability communication when explaining the narrative. Noticing that investors are more inclined to listen but also realizing that investors would start asking many more questions regarding specific sustainability efforts, DefenseCo prepares for more dynamic communication. Having an interactive mode of relationship management, including broadcasting the sustainability communication, listening to investors' concerns, and integrating them into the sustainability work, is in accordance with the findings by Hockerts and Moir (2004).

Lastly, we find that financial numbers is a critical sensegiving tool to reshape the industry perception. The monetary incentive is prevalent among investors and is a driving factor for investor relations. As the general mission of the investor relations function at DefenseCo centered around attracting more investors, DefenseCo adapts some of its communication to make it attractive to investors. Much of the previous research on investor relations has shown that increased investor relations efforts can result in a higher market valuation and a lower cost of capital (Brennan & Tamarowski, 2000; Bushee & Miller, 2012; Chapman et al., 2019; Kirk & Vincent, 2014; Neukirchen et al., 2023). By hosting a capital markets day and engaging in more communication activities, the overall mission of these efforts was to increase the company's stock market value. Therefore, financial incentives cannot be overlooked when analyzing the actions taken by DefenseCo. This aligns with Young-Ferris and Roberts (2023), stating that the monetary perspective is superior among investors. However, as was seen, investors who primarily invested in DefenseCo because of the financial aspects are also more inclined to listen to other efforts of DefenseCo, like sustainability efforts. The company, therefore, has a better ability to influence the perception of these investors.

In conclusion, our study contributes to a deeper understanding of various sensegiving tools applied when a company in a stigmatized industry has the opportunity to reframe the industry perception. Understanding how these tools can help the company leverage

opportunities is essential as it provides insights into how metaphorical representations can facilitate understanding, thereby influencing stakeholder perceptions. Moreover, emphasizing the company's purpose in communication can effectively attract investors and align its objectives with societal needs, improving its overall reputation. Recognizing the role of financial indicators as critical sensegiving tools underscores the importance of a balanced communication strategy. The sensegiving tools work in harmony, and by facilitating the understanding of the company through metaphorical representations, increasing communication about the company narrative, and strengthening this with financial numbers, the overall understanding of the company can improve, resulting in a reframed industry perception.

5.3. Adding Indirect Communication to Investor Relations

With our third contribution, we need to shift the conversation in the research domain of investor relations. Previous research consistently underscores the importance of combining financial and non-financial information for investors to give them a comprehensive understanding of the company's business and value (Brown et al., 2019; Hoffmann & Fieseler, 2012; Laskin, 2016; Marcus & Wallace, 1997). Furthermore, scholars argue for the importance of adopting a proactive stance to influence investors' perceptions, emphasizing the need to actively influence their understanding and interpretation of company information to mitigate crises (Allen, 2002; Hockerts & Moir, 2014). However, we now encounter a completely new situation where an industry benefits from a crisis and wants to seize this opportunity to reframe the previously challenged industry perception. While Kaplan (2008) highlights that skilled actors strategically employ frames to align the beliefs and interests of others, the existing body of research does not adequately address how to construct communication with those who show minimal interest or completely neglect the company or industry.

This study's third contribution is adding the role of indirect communication as a strategic tool for investor relations, which is important in these critical situations. Understanding that various communication strategies can impact the way external stakeholders interpret information (Cornelissen & Werner, 2014; Fizz & Zajac, 2006; Gioia & Chittipeddi, 1991; Logemann et al., 2019; Mantere et al., 2012), our research underscores investor relations potentially usage of indirect communication as a means of influencing sensemaking processes. Specifically, we propose that investor relations' communication strategy can involve an intermediary that influences hesitant investors. These hesitant investors pose a unique challenge for investor relations professionals. They require alternative communication strategies to capture their attention and positively influence their perceptions of the industry, thereby convincing them that the company is a legitimate investment case.

The indirect communication strategy can be linked to the study by Logemann et al. (2019), who advocate for providing people with a pragmatic form to make sense, allowing the construction of their own understanding, rather than providing the intended recipient with direct pre-packaged meanings. However, while Logemann et al. (2019) primarily focus on diverse linguistic pragmatic forms of sensegiving, our study extends this notion by integrating intermediaries as key facilitators of sensegiving. We, therefore, extend the pragmatic form presented by Logemann et al. (2019) by involving a third party as a form to make sense of a situation. By focusing on educating significant stakeholders – such as major shareholders, politicians, and employees – using linguistic forms of sensegiving, these stakeholders can become a powerful tool for investor relations in influencing the perceptions of hesitant investors. Through this indirect influence, investor relations professionals can impact how these investors perceive the industry and comprehend the company's business and value. This aligns with Brühl and Falkheimer's (2023) claim that making sense of the organization extends beyond the investor relations functions and involves various internal and external stakeholders in shaping the narrative.

Understanding the significance of indirect communication strategies in investor relations and how they can be a powerful sensegiving tool in these complex situations is important for several reasons. These findings underscore that companies should effectively engage with hesitant investors, a group often overlooked in traditional communication approaches. Furthermore, by utilizing the power of an intermediary, this leverages influential voices to shape perceptions and positively impact how hesitant investors interpret company information, ultimately enhancing their willingness to invest. Lastly, in stigmatized industries where negative perceptions prevail, employing indirect communication strategies can help reshape these perceptions, potentially attracting more investors. Comprehending and implementing these strategies could lead to a more comprehensive and inclusive investor relations approach, influencing stakeholders' perceptions positively and potentially resulting in a reframed industry perception.

In summary, our study contributes to the existing investor relations research by exploring indirect communication strategies. Indirect communication as a sensegiving tool adds a new perspective on the investor relations literature, and one can consider whether this alternative form of sensegiving is a way of increasing communication without coming across as a war profiteer. Thus, by educating employees and significant shareholders, who can then spread the message further, DefenseCo could increase its communication without it being noticed in the same way. When others talk about DefenseCo's success, it is not themselves who pitch their success related to an underlying harmful event. Then, this could increase their indirect financial communication while avoiding being seen as war profiteers. We, therefore, argue that in such a complex situation, we need to shift the conversation regarding the existing investor relations research, as the current approaches might not be applicable in these critical situations.

6. Conclusion

The aspiration of this thesis has been to research how an investor relations function understands an ongoing complex situation and what it means for the company and, in one way or another, tries to influence the investor community's way of perceiving the industry. By drawing upon theories on sensemaking and sensegiving through *framing*, *narrative*, and *financial numbers*, we intended to answer the following research question:

How does investor relations adapt its financial communication when a negative external event creates an opportunity for a reframed industry perception?

Overall, we extend the previous literature in the domain of investor relations by adding insight into how financial communication is adapted following a societal crisis, creating opportunities for a company in a stigmatized industry. We find that, in the case of DefenseCo, financial communication is increased at all levels to seize the opportunity of an educational journey aimed at reshaping the industry perception, and our contributions to the investor relations literature are threefold:

First, we contribute to the literature on investor relations by highlighting the importance of establishing a coordinated sensemaking perspective during a negative event, creating opportunities for a reframed industry perception. Our findings indicate that financial communication exceeds the boundaries of the investor relations function, encompassing the entire organizational landscape, which requires internal coordination that the entire company supports. This reveals that different organizational viewpoints must be internally managed and that finding a tonality suitable for all stakeholders becomes crucial to leveraging the opportunity while ensuring long-term credibility. Moreover, our study underscores the importance of broadening the target audience beyond the investor community. This redefines the scope of financial communication strategies by recognizing the necessity for a more inclusive approach and tailoring messages to reach diverse stakeholder groups. In conclusion, our first contribution emphasizes the value of applying the sensemaking perspective on investor relations navigating complex situations, offering insights for companies facing similar opportunities and challenges.

Second, we provide a deeper understanding of how sensegiving tools can be utilized within financial communication. We contribute to the existing literature on investor relations by advocating that introducing metaphorical representations can be helpful for a company operating within a complex industry aiming at reframing the industry perception, as metaphorical representations can serve as a bridge between the familiar and unfamiliar. Furthermore, the sensegiving tools work in harmony, and by increasing communication regarding the company narrative and strengthening this with the credibility of financial numbers, the understanding of the company as a legitimate investment can be heightened – thereby affecting the frame of the industry.

Third, we contribute to the existing investor relations research by introducing indirect communication strategies in complex situations where traditional approaches may not be applicable. We do not question the importance of these approaches in conventional situations. However, our study suggests that indirect communication involving intermediaries can be a powerful tool in shaping perceptions in this new setting to influence hesitant investors' understanding of a company's business and value. It emphasizes the potential of indirect communication strategies to reshape perceptions, attract more investors, and contribute to a more comprehensive and inclusive investor relations approach. Furthermore, it proposes that indirect communication, through the education of an intermediary, could be important for companies like DefenseCo to increase their communication without being perceived as exploiting or profiting from critical or harmful events. This approach aims to positively influence perceptions while avoiding the stigma of being seen as war profiteers. Our study suggests a need to reevaluate and shift the conversation regarding investor relations approaches, particularly in critical situations where indirect communication strategies may be more effective in influencing stakeholder perceptions, thereby reframing industry perspectives.

Additionally, this study has practical implications. For practitioners aiming to establish a collaborative sensemaking perspective, there must be awareness of necessary efforts. A course of action needs to be discussed to establish a coordinated strategy on how to leverage opportunities while considering challenges. Therefore, we suggest engaging in conversations with different organizational functions to ensure a congruent approach. Otherwise, there is a risk of multiple strategies working in different directions, constraining a reframing process rather than enabling it.

We acknowledge that the findings are subject to limitations. The first potential limitation is connected to our choice of conducting a single case study. Even though it generates deep insights into the company, we limit the study by not looking at other organizations where the same phenomenon could be found, which could generate more generalizable conclusions. Another potential limitation is that the interpretive approach is subjective, which creates room for bias. The collected data might be affected by personal viewpoints and values, impacting the generalizability of this study.

For future research, we suggest exploring a related industry where a significant event is not linked to an ongoing situation. This could shine light on the effectiveness of different communication strategies in influencing investors' perceptions. An additional suggestion is to conduct comparative industry studies using a multiple case study approach to pinpoint similarities and differences in how financial communication adapts. In summary, leveraging opportunities created by a negative event is a balancing act for investor relations, which requires further scholarly attention.

7. References

- Allen, C. E. (2002). Building mountains in a flat landscape: Investor relations in the post-Enron era. *Corporate Communications: An International Journal*, 7(4), 206–211. <https://doi.org/10.1108/13563280210449787>
- Ascui, F., & Lovell, H. (2011). As frames collide: Making sense of carbon accounting. *Accounting, Auditing & Accountability Journal*, 24(8), 978–999. <https://doi.org/10.1108/09513571111184724>
- Bartunek, J. M. (1984). Changing Interpretive Schemes and Organizational Restructuring: The Example of a Religious Order. *Administrative Science Quarterly*, 29(3), 355–372. <https://doi.org/10.2307/2393029>
- Bell, E. (2019). *Business research methods* (Fifth edition Emma Bell, Alan Bryman, Bill Harley). University Press.
- Benford, R. D., & Snow, D. A. (2000). Framing Processes and Social Movements: An Overview and Assessment. *Annual Review of Sociology*, 26, 611–639.
- Boland, R. J. (1984). Sense-Making of Accounting Data As a Technique of Organizational Diagnosis. *Management Science*, 30(7), 868–882.
- Brennan, M. J., & Tamarowski, C. (2000). Investor Relations, Liquidity, and Stock Prices. *Journal of Applied Corporate Finance*, 12(4), 26–37. <https://doi.org/10.1111/j.1745-6622.2000.tb00017.x>
- Brinkmann S. (2014). Unstructured and semi-structured interviewing. In Leavy P. (Ed.), *The Oxford handbook of qualitative research* (pp. 277-299). Oxford University Press. (n.d.).
- Brown, L. D., Call, A. C., Clement, M. B., & Sharp, N. Y. (2019). Managing the narrative: Investor relations officers and corporate disclosure☆. *Journal of Accounting and Economics*, 67(1), 58–79. <https://doi.org/10.1016/j.jacceco.2018.08.014>
- Brühl, J. K., & Falkheimer, J. (2023). The role of the corporate purpose and how investor relations officers make sense of it. *Public Relations Review*, 49(4), 102358. <https://doi.org/10.1016/j.pubrev.2023.102358>
- Bushee, B. J., & Miller, G. S. (2012). Investor Relations, Firm Visibility, and Investor Following. *The Accounting Review*, 87(3), 867–897.

- Carlsson-Wall, M., Kraus, K., Lund, M., & Sjögren, E. (2016). 'Accounting Talk' Through Metaphorical Representations: Change Agents and Organisational Change in Home-Based Elderly Care. *European Accounting Review*, 25(2), 215–243. <https://doi.org/10.1080/09638180.2014.992921>
- Chapman, K., Miller, G. S., & White, H. D. (2019). Investor Relations and Information Assimilation. *The Accounting Review*, 94(2), 105–131. <https://doi.org/10.2308/accr-52200>
- Chong, D., & Druckman, J. N. (2007). Framing Theory. *Annual Review of Political Science*, 10(1), 103–126. <https://doi.org/10.1146/annurev.polisci.10.072805.103054>
- Chua, W. F. (1986). Radical Developments in Accounting Thought. *The Accounting Review*, 61(4), 601–632.
- Cornelissen, J., & Werner, M. (2014). Putting Framing in Perspective: A Review of Framing and Frame Analysis across the Management and Organizational Literature. *The Academy of Management Annals*, 8. <https://doi.org/10.1080/19416520.2014.875669>
- Dalla Via, N., Perego, P., & Van Rinsum, M. (2019). How accountability type influences information search processes and decision quality. *Accounting, Organizations and Society*, 75, 79–91. <https://doi.org/10.1016/j.aos.2018.10.001>
- Dewulf, A., Gray, B., Putnam, L., Lewicki, R., Aarts, N., Bouwen, R., & van Woerkum, C. (2009). Disentangling approaches to framing in conflict and negotiation research: A meta-paradigmatic perspective. *Human Relations*, 62(2), 155–193. <https://doi.org/10.1177/0018726708100356>
- Dolphin, R. R. (2004). The strategic role of investor relations. *Corporate Communications: An International Journal*, 9(1), 25–42. <https://doi.org/10.1108/13563280410516474>
- Dubois, A., & Gadde, L.-E. (2002). Systematic combining: An abductive approach to case research. *Journal of Business Research*, 55(7), 553–560. [https://doi.org/10.1016/S0148-2963\(00\)00195-8](https://doi.org/10.1016/S0148-2963(00)00195-8)
- Durocher, S., & Georgiou, O. (2022). Framing accounting for goodwill: Intractable controversies between users and standard setters. *Critical Perspectives on Accounting*, 89, 102357. <https://doi.org/10.1016/j.cpa.2021.102357>

- Dyer, W. G., & Wilkins, A. L. (1991). Better Stories, Not Better Constructs, to Generate Better Theory: A Rejoinder to Eisenhardt. *The Academy of Management Review*, 16(3), 613–619. <https://doi.org/10.2307/258920>
- Entman, R., & Rojecki, A. (1993). Freezing Out the Public: Elite and Media Framing of the U.S. Anti-Nuclear Movement. *Political Communication - POLIT COMMUN*, 10, 155–173. <https://doi.org/10.1080/10584609.1993.9962973>
- Fiss, P. C., & Zajac, E. J. (2006). The Symbolic Management of Strategic Change: Sensegiving via Framing and Decoupling. *The Academy of Management Journal*, 49(6), 1173–1193.
- Gilbert, C. G. (2006). Change in the Presence of Residual Fit: Can Competing Frames Coexist? *Organization Science*, 17(1), 150–167. <https://doi.org/10.1287/orsc.1050.0160>
- Gioia, D. A., & Chittipeddi, K. (1991). Sensemaking and Sensegiving in Strategic Change Initiation. *Strategic Management Journal*, 12(6), 433–448.
- Gioia, D. A., Thomas, J. B., Clark, S. M., & Chittipeddi, K. (1994). Symbolism and Strategic Change in Academia: The Dynamics of Sensemaking and Influence. *Organization Science*, 5(3), 363–383.
- Gitlin, T. (2003). *The Whole World Is Watching: Mass Media in the Making and Unmaking of the New Left*. University of California Press.
- Giuliani, M. (2016). Sensemaking, sensegiving and sensebreaking: The case of intellectual capital measurements. *Journal of Intellectual Capital*, 17(2), 218–237. <https://doi.org/10.1108/JIC-04-2015-0039>
- Goffman, E. (1974). *Frame analysis: An essay on the organization of experience* (pp. ix, 586). Harvard University Press.
- Goretzki, L., & Messner, M. (2016). Coordination under uncertainty: A sensemaking perspective on cross-functional planning meetings. *Qualitative Research in Accounting & Management*, 13(1), 92–126. <https://doi.org/10.1108/QRAM-09-2015-0070>
- Guest, G., Bunce, A., & Johnson, L. (2006). How Many Interviews Are Enough?: An Experiment with Data Saturation and Variability. *Field Methods*, 18(1), 59–82. <https://doi.org/10.1177/1525822X05279903>

- Havemo, E. (2018). A visual perspective on value creation: Exploring patterns in business model diagrams. *European Management Journal*, 36(4), 441–452. <https://doi.org/10.1016/j.emj.2017.12.002>
- Hockerts, K., & Moir, L. (2004). Communicating Corporate Responsibility to Investors: The Changing Role of The Investor Relations Function. *Journal of Business Ethics*, 52(1), 85–98. <https://doi.org/10.1023/B:BUSI.0000033109.35980.16>
- Hoffmann, C., & Fieseler, C. (2012). Investor relations beyond financials: Non-financial factors and capital market image building. *Corporate Communications: An International Journal*, 17(2), 138–155. <https://doi.org/10.1108/13563281211220265>
- Holt, R., & Cornelissen, J. (2014). Sensemaking revisited. *Management Learning*, 45(5), 525–539. <https://doi.org/10.1177/1350507613486422>
- Hrasky, S., & Smith, B. (2008). Concise corporate reporting: Communication or symbolism? *Corporate Communications: An International Journal*, 13(4), 418–432. <https://doi.org/10.1108/13563280810914847>
- Jordan, S., & Messner, M. (2012). Enabling control and the problem of incomplete performance indicators. *Accounting, Organizations and Society*, 37(8), 544–564. <https://doi.org/10.1016/j.aos.2012.08.002>
- Kaplan, S. (2008). Framing Contests: Strategy Making Under Uncertainty. *Organization Science*, 19(5), 729–752. <https://doi.org/10.1287/orsc.1070.0340>
- Kirk, M. P., & Vincent, J. D. (2014). Professional Investor Relations within the Firm. *The Accounting Review*, 89(4), 1421–1452.
- Kraus, K., & Strömsten, T. (2012). Going public: The role of accounting and shareholder value in making sense of an IPO. *Management Accounting Research*, 23(3), 186–201. <https://doi.org/10.1016/j.mar.2012.05.003>
- Laskin, A. V. (2009). A Descriptive Account of the Investor Relations Profession: A National Study. *The Journal of Business Communication* (1973), 46(2), 208–233. <https://doi.org/10.1177/0021943608328078>
- Laskin, A. V. (2011). How Investor Relations Contributes to the Corporate Bottom Line. *Journal of Public Relations Research*, 23(3), 302–324. <https://doi.org/10.1080/1062726X.2011.582206>

- Laskin, A. V. (2016). Nonfinancial Information in Investor Communications. *International Journal of Business Communication*, 53(4), 375–397. <https://doi.org/10.1177/2329488414525458>
- Logemann, M., Piekkari, R., & Cornelissen, J. (2019). The sense of it all: Framing and narratives in sensegiving about a strategic change. *Long Range Planning*, 52(5), 101852. <https://doi.org/10.1016/j.lrp.2018.10.002>
- Lukka, K., & Modell, S. (2010). Validation in interpretive management accounting research. *Accounting, Organizations and Society*, 35(4), 462–477. <https://doi.org/10.1016/j.aos.2009.10.004>
- Maitlis, S., & Christianson, M. (2014). Sensemaking in Organizations: Taking Stock and Moving Forward. *Academy of Management Annals*, 8, 57–125. <https://doi.org/10.5465/19416520.2014.873177>
- Mantere, S., Schildt, H. A., & Sillince, J. A. A. (2012). Reversal of Strategic Change. *The Academy of Management Journal*, 55(1), 172–196.
- Moreno, A., & Jones, M. J. (2022). Impression management in corporate annual reports during the global financial crisis. *European Management Journal*, 40(4), 503–517. <https://doi.org/10.1016/j.emj.2021.08.007>
- Nadkarni, S., & Narayanan, V. K. (2007). The Evolution of Collective Strategy Frames in High- and Low-Velocity Industries. *Organization Science*, 18(4), 688–710. <https://doi.org/10.1287/orsc.1070.0268>
- Neukirchen, D., Engelhardt, N., Krause, M., & Posch, P. N. (2023). The value of (private) investor relations during the COVID-19 crisis. *Journal of Banking & Finance*, 147, 106450. <https://doi.org/10.1016/j.jbankfin.2022.106450>
- Neuman, W. L. (2000). Social research methods: Qualitative and quantitative approaches (4th ed.). Allyn and Bacon. (n.d.).
- NIRI (2023) - About NIRI. (n.d.). Retrieved November 16, 2023, from <https://www.niri.org/about-niri>
- Porter, T. M. (1996). Trust in Numbers: The Pursuit of Objectivity in Science and Public Life. In *Trust in Numbers*. Princeton University Press. <https://doi.org/10.1515/9781400821617>

- Ricci, M. A. (2022). How better client service performance affects auditors' willingness to challenge management's preferred accounting. *Accounting, Organizations and Society*, 103, 101377. <https://doi.org/10.1016/j.aos.2022.101377>
- Scheufele, D. (1999). Framing as a theory of media effects. *Journal of Communication*, 49(1), 103–122. <https://doi.org/10.1111/j.1460-2466.1999.tb02784.x>
- Sonenshein, S. (2010). We're Changing—or Are We? Untangling the Role of Progressive, Regressive, and Stability Narratives During Strategic Change Implementation. *The Academy of Management Journal*, 53(3), 477–512.
- Tillmann, K., & Goddard, A. (2008). Strategic management accounting and sense-making in a multinational company. *Management Accounting Research*, 19(1), 80–102. <https://doi.org/10.1016/j.mar.2007.11.002>
- Vollmer, H. (2019). Accounting for tacit coordination: The passing of accounts and the broader case for accounting theory. *Accounting, Organizations and Society*, 73, 15–34. <https://doi.org/10.1016/j.aos.2018.06.003>
- Weick, K. E. (1995). *Sensemaking in Organizations*. SAGE.
- Young-Ferris, A., & Roberts, J. (2023). 'Looking for Something that Isn't There': A Case Study of an Early Attempt at ESG Integration in Investment Decision Making. *European Accounting Review*, 32(3), 717–744. <https://doi.org/10.1080/09638180.2021.2000458>

8. Appendix

Appendix 1: Interview Guide

Example questions from the interview guide:

- Can you give a description of your role and your main responsibilities?
- What does the process for integration with investor relations look like?
- In your experience, how has the integration process with investor relations evolved over time?
- How did you feel that the view of [DefenseCo] was before the Ukraine war?
- Do you see that the external view has changed?
- How has your job been affected by the war?
- Can you elaborate on any specific challenges you have encountered in your role?
- How would you describe the way [DefenseCo] communicates with investors?
- What does [DefenseCo] want to convey to the investor community?
- What core messages does [DefenseCo] aim to convey to investors regarding its mission and values?
- Are there any particular strategies for the way you communicate?
- Are there specific tactics or channels [DefenseCo] employs for effective communication with investors?
- Has the financial communication strategy changed after the invasion?
- What challenges do you experience when it comes to external communication?
- From your point of view, how do financial numbers contribute to the company's overall communications strategy?
- How do you ensure that financial information is communicated in a clear and understandable way to both internal and external stakeholders?
- How would you say the balance between financial information and softer values (such as strategy) is incorporated into the communication?
- Do you experience any difference in how financial information is presented externally and internally?
- How do you perceive the alignment between [DefenseCo]'s communication strategies and the expectations of the investor community?