Drivers and Implementation of Change:
An attempt to depict successful factors

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Abstract

The ability to deal with change gains in importance due to the fast moving environment. The current crisis reveals that it is not sufficient for companies to react. They need to be prepared and implement change continuously. The significance of Change Management is justified as the competence to deal with change can be considered decisive for gaining competitive advantage. Organizations need to change in order to sustain.

Several theories and concepts exist to increase an organization's efficiency in terms of handling changes. The theoretical framework is settled on four issues within Change Management: change, drivers for change, implementation and roles in an organization. It is of prior importance to identify the nature of the specific change as well as the driving forces for it.

By this, information for the implementation process is provided. We present strategies for implementing and also steps or ingredients which have to be unconditionally considered. We try to point out some facilitators for implementation such as organizational learning.

We finally describe four key roles that are influencing implementation of change. However, we especially focus on leaders and employees and compare top-down and bottom-up implementation.

We proceed with the same basis of four parts to analyze the discussions we led with change agents. Finally we propose key factors we believe that organizations need to lead a change process successfully.

Key concepts:
Change management; Change drivers; Implementation; Change agents;
Crisis; Organizational learning; Leadership; Employees empowerment; Ambidextrous organization.
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I. Introduction

“I can’t change the direction of the wind, but I can adjust my sails to always reach my destination.”

Jimmy Dean (1928- )

1. Problem background

Today’s organizations confront the deepest downturn since the Great Depression. Many companies worldwide face bankruptcy or suffer severe lay backs, not being restricted to the financial sector. (McKinsey Quarterly D 2008). Just take General Motors as an example: a company known for its unquestioned success and extraordinary position within the automotive industry. The brand is now more or less dependent on the willingness of the American government to support its restructuring plan. CEO Rick Wagoner can be quoted from an interview with Fortune at the beginning of 2008: “We have some fairly severe headwinds: the weaker economy, high commodity and steel prices, and energy prices” (Taylor & Bergtraum, 2008, p.70). This phenomenon is valid for many more companies, from multinationals to small and medium sized ones. Therefore, it has become first priority to lead and navigate companies through the current financial crisis which is becoming an economic crisis. The basic objective is to avoid even worse damages. The “Growing Global Threats” represent a denotative managerial challenge (Mathis, Kallberg & Tuzzolino, 2009, p.103).

Nowadays, no manager can ignore the global crisis and its effects have to be taken into account. Now it is time for managers and leaders to be perfect sailors and adjust their sailing responding to this structural upheaval within the world economy. Muriel Jouas, who is a specialist in crisis communication, states in an interview for Les Echos that:

“When the ship pitches, the captain must be able to reassure by giving the course” (Amiot, 2009)

If external happenings appear with an impact of the current financial crisis, the public will become aware of the necessity to be able to change or at least adapt in order to survive. The topic of Change Management in general is therefore of a great presence these days.

Confronted with the concern of their teams and employees, declining budgets and pressure for objectives to be held, managers are highly exposed to the period of economic storm. To keep their
collaborators mobilized, many have to change their practices and hustle their organizations (Amiot, 2009).

“The world is changing faster, that is a cliché, but it is also the truth, no matter what we do today, we will be doing something different tomorrow” (De Jager, 2007)

Raha (2004) states things that change: people change, climate changes, technology changes, fashion changes, regimes change, champions change, leadership changes. Everything changes with time. Fossum (1989) looks upon change as the only constant we live with. A fact already noticed and analysed by Heraclitus five centuries before Christ.

Today, companies evolve in a different environment where change is omnipresent. De Jager (2007) examines several shifts in our current environment, such as global warming, new political system, new values. No matter what companies decide to do, the world is moving around them.

Earlier, Kotter (1996) observed new challenges. Globalisation not just increases the level of uncertainty but also the level of opportunities. This forces companies to realize impressive improvements to be able to compete and prosper but also to simply survive. In his opinion “The rate of change in the business world is not going to slow down anytime soon” (Kotter, 1996, p.161) He even predicts acceleration over the next few decades caused by the globalization, and the new technological and social trends. The typical twentieth century organization will be rapidly outdated since its structure, systems, practices and culture are described as obstacles in the current changing environment.

Hence we can consider that change is a hot topic especially nowadays where the world faces an unprecedented crisis. Gunilla Masreliez Steen, owner of Kontura International, took position during a phone interview with us. She argues that the current crisis changes the market drastically. Nevertheless, for actual and future managers there is an enormous knowledge to be taken out of this crisis. The stakes are enormous for the organization all over the world.

According to Sullivan and Lytton (2000), change is big business. The shelves of every bookshop groan under the weight of volumes expounding the latest theories of Change Management. In fact the demand for Change Management expertise will be greater than ever.

As future managers we should try to gain a profound knowledge in the complex domain of Change Management. Especially in regard to the fact “that about 70% of all change initiatives fail” (Beer & Nohria, 2000, p.133). Two representative studies on effectiveness of “corporate TQM programs” were conducted in the early 1990s by Arthur D. Little and McKinsey&Co (Senge et al, 1999, p.5).
The result depicted that about two thirds failed in reaching the aimed goal within Total Quality Management (TQM). According to John Kotter (1996) the majority of initiatives does even not endure the primary phases. The result of businesses that are not able to “sustain significant change” is to encounter crisis (Senge et al, 1999, p.6).

In order to introduce the main characteristics of Change Management, we refer to a business approach for this term: “the coordination of a structured period of transition from situation A to situation B in order to achieve lasting change within an organization. Change management can be of varying scope, from continuous improvement, which involves small ongoing changes to existing processes, to radical and substantial change involving organizational strategy. Change management can be reactive or proactive” <http://dictionary.bnet.com/definition/Change+Management.html?tag=col1;trackDictionary>. From an organizational point of view the definition of Change Management is the following “Change in an organization essentially means a modification of the way things get done in the system” (Fossum 2002).

Nothing today has higher media coverage than change. The necessity of change in response to this event represents a prior issue for managers all over the world.

2. Objectives

The focus of this thesis is on drivers and implementation of change. We want to acquire a deep understanding of the reasons and the different ways to implement change.

We first have to get the basic picture of the nature of change. This is necessary to be able to go further and describe the implementation of change from an organizational point of view.

In addition, the general human aspect is a guideline throughout this thesis. Our motivation is to find a way to implement change successfully. One possible approach is to examine the different roles within the organizations. So far, the literature on change management is dominated by describing a change driven from the top. We want to balance this by emphasizing the employees’ involvement in the implementation of change.

3. Research issue

The aim is to draw a map of what could constitute an organization able to deal with change successfully.
4. Previous research

“The only constant is change” Heraclitus (c.535 BC - 475 BC)

Nowadays, Change represents one of the most “in the air” topic, despite the fact that it has been around and discussed for years.

The topic of change and Change Management has been analyzed by various authors. Hence, various types of theories exist. Although this represents a great opportunity for us and our work, the theory is sometimes simplistic and not really relevant and applicable in the real life. We will only focus on the well recognized specialists and consider their models with the crisis context.

Our framework is essentially constituted by more up-to-date articles to cope with our requirement of topicality. We fall back on articles from Business Harvard Review, The McKinsey Quarterly, The Economist Business Week and the Journals of Change Management to quote only some of our sources. But also newspapers from our own countries are of interest, as for example Les Echos, Gérer et comprendre, La Tribune, Le Monde, L’expansion, Challenges or Frankfurter Allgemeine, Süddeutsche Zeitung, Spiegel.

5. Mapping

To be able to discuss Change Management efficiently, it is not enough to stay with the literature on this issue. It represents the basis for our thesis and covers already many different aspects. Still, it is important to think outside the boundaries and regard the topic of Change Management with different backgrounds.

Management and Leadership will be our focus of course, but we will moreover use some notions from other fields, such as:

- Entrepreneurship and Consulting (e.g. Björn Bjerke “Understanding Entrepreneurship”; data from Kontura, Stockholm and Business Advantage, Lund)
- Strategic approach (e.g. De Wit and Meyer “Strategy”)
- Crisis management
- Re-engineering to fall back to some models and tools (e.g. TQM)
- Human resource and sensemaking/sensegiving approach (e.g. Journal of Organizational Change Management, Compendia “Leadership as Construction of Meaning”)
- Psychology in order to reason some of the human aspects that appear within the process of
Change Management

-- Innovation as this is closely connected with change

We will try to show that these various fields are interlinked.

6. Balancing the words

This part should enable the reader to gain a better view on the topic by providing different angles of reflection about change. The importance of balancing the words is rooted in leadership style. “21st century leadership of change issues is not simple. [Paul Evans] draws our attention to the need for leaders to accept the challenge of navigating between opposites.” (Esther, 2004, p.3). Leaders are confronted with different contradictions, like e.g. short versus long term goals. They have to search for the appropriate balances in accordance to the individual situations. To get already an overview of these contradictions that we will refer to in our thesis, this paragraph states the basic contradictory expressions:

Change and Management:
The first paradox can be found in the expression “Change Management” itself. Management means control. Change is however more about creativity. In regard of this basic contradiction, can we actually really manage change? A better expression would be that we don’t manage change but we manage for change.

Stability and Change:
Dealing with literature on Change Management could lead to over-emphasizing the necessity of change. It is therefore significant to adjust the importance of change with the importance of stability. Core values and visions are indispensable for the long-term sustainability of a company.

Exploration and Exploitation:
It is not sufficient for organizations to look forward and concentrate on breakthrough innovations. They always have to look on the past experiences as well in order to improve the organizational transformation and identify core products/ values etc.
Evolutionary and Revolutionary Change:
Depending on external developments and the individual situation of a company, the demand of the necessary change will be different. Therefore, it is not possible to focus on either evolutionary/incremental changes or revolutionary/radical changes.

Change and Legitimacy
It is not about a paradox but about a fact. Change processes can be problematic, only for the reason that the person taking the initiative does not enjoy any credibility within the organization. Often the factor which will make a decision of change being adopted and perfectly followed will depend on the word “trust”.

Change and Learning:
A learning culture is a change culture. The starting point is however to understand the meaning of non-learning respectively non-changing. Talking about change includes the more radical approach whereas learning covers the incremental stages for changing. Can organizational learning be considered an approach for effective Change Management?

7. Outline of the thesis

After having introduced our focus for the thesis, we continue by presenting the methodology in our second part. We do not go deeper into the theory of methodology but focus on displaying our motivation for this subject and the way we collected further data.

The third part is the theoretical framework that represents the foundation for our work. It is mainly subdivided into four chapters which are represented in the figure below.

Figur 1 Model for our Theoretical Framework

Source: from own authority
We decided to represent our model as a puzzle to illustrate that change can take different varieties of shape. Organizations try to solve this puzzle by arranging roles within the implementation. To deal with change most efficiently, is always the underlying intention of every change management process. Nevertheless, we prescind from the idea of perfect matching puzzle pieces. The puzzle image should also indicate that there is not only one way to deal with change. Different pieces and possibilities can fit.

We abstain from showing further interactions between these parts to remain a clear arrangement. The model is used as a guideline for the reader and presented at the beginning of each new chapter. The issue discussed will be highlighted and the subthemes exposed.

The first chapter constitutes the basis to examine the nature of change. We deal with the general questions of “what is change?”, “what is management?” and “what is Change Management?”. This should constitute the frame of reference in terms of our focus within the topic. The second chapter points at the drivers of change in order to answer the question why organizations need to change. We continue by discussing implementation of change in our third chapter. Next to steps and stages that should be followed within the implementation, we present the concept of organizational learning as facilitator. The fourth chapter brings the roles inside an organization into the focus. Traditionally, literature tends to deal with leaders´ role in implementation processes. As authors like Peter Senge claim that this approach is going to be outdated, we balance this with employees´ role. Moreover, we come back to managers and consultants in their specific roles in order to cover the key roles in accordance with Bjerke (2007a).

As many concepts and ideas are depicted in these four chapters, we make use of a problem oriented case. In addition, we ask the question “what could actually constitute an organization that is able to deal with change” and discuss the concept of ambidextrous organization, as well as the staircase of problems.

The fourth part is our interpretation of the conducted discussions.

The fifth part is written from a rather personal point of view. We introduce this chapter by presenting the metaphor of marathon for Change Management. Furthermore, we come back to the background of crisis and try to figure out its influence on the general idea of change. The closure of this part is a kind of personal assignment to underline our personal points of view on change.

The last part of our thesis is a mapping of the successful elements we pointed out within our thesis. These keys factors come from our descriptions, understanding and analyze of the theoretical and empirical data.
II. Methodology

"Change is such a hard work". (Cristal 1948 - )

This chapter of methodology represents the basic thoughts and choices for our conducted study. We introduce this part by describing and justifying our motivations and the nature of our investigation. This should enable the reader to follow our procedures and understand our choices and underlying intention. We continue by providing an overview of the problems that we faced during our research and we finally expose the way we analyzed the collected data.

1. Motivation of the following study

All the courses within our Master's Programme of “Management and Leadership in International Context” dealt with the topic of change and covered various aspects of it. The course of “strategic leadership in international contexts” approached the concept of change from a strategic point of view. We got to know more deeply about the differentiation between radical and evolutionary change. This knowledge was intensified with the seminar “the Japanese experience” and the introduction of the Kaizen concept. This workshop and its theoretical background enforced our interest in the topic of change generally and especially in terms of employees’ role within the process of implementing change. The course of “leadership as construction of meaning” showed the importance of communication. This is also significant in our approach of taking a closer look to the roles of leaders and employees in an organization. For change to be implemented successfully, leaders and employees have to share the same understanding of the aimed goal.

Finally the course of “Consultancy” gave us the opportunity to meet consultants from different firms of Sweden. The numerous workshops we participated in and the meeting with these professionals gave us a better insight on Change Management and an opportunity to create a network to lead interviews for our thesis.

2. Data collection and approach

There are two approaches to collect information. Using primary data means to collect new data. Secondary data is the use of material previously collected. We used on the one hand interviews (primary data) and on the other hand books, articles and internet resources (secondary data).
We tried to find a good synergy between primary and secondary data in order to gain a better insight, a new understanding of the change phenomenon. Our objective was not to challenge and compare primary and secondary data.

**Figur 2 Our approach**

![Diagram showing the combination of primary data and secondary data leading to new insight.]

Source: from own authority

2.1. **Nature of the investigation**

2.1.1. **Primary data**

During the course of consultancy, Dr. Philippe Daudi, Head of the Programme, introduced various consultants. We have presented our thesis topic to them and submitted our help for some of their projects. In return they were agreeing to share their understanding and experiences with us. Thus we had the possibility to discuss with Gunilla Masreliez Steen, owner of Kontura International, Mats Lindblad and Stefan Nilsson who own Business Advantage and Richard Köhler (an experienced consultant and CEO). We agreed with our respondents to reproduce their statements and ideas and we are allowed to depict their names. This arrangement is important to be mentioned for coping with the ethical premises that have to be obeyed for primary data.

Due to limitation of time and money we conducted phone conversations. The purpose of a conversation is to collect subjective data. The researchers try to collect other people feelings and opinions. Bjerke (2007b) employs the metaphor “to fish or to mine”.

However, interviews and conversations can be combined. We led conversations because we were interested in the particular opinions, experiences, or feelings of the respondents.

The conversations that we have led were semi-structured. The main strength is the freedom provided. We have prepared a set of questions that are grouped within our four themes. The advantage with semi-structured conversation is the opportunity to improvise new questions depending on the answers, but also the possibility to explain questions to our respondents.

Moreover, a conversation permits to put both researcher and respondent in the situation of an ordinary conversation like in an everyday situation. Thus, contrary to structured interviews, there is a large flexibility in the way questions are asked or answered. That is why the researcher can try to
“fish out” the information. Nevertheless we kept the same basis of questions each time; it permits to compare the answers of the different respondents afterwards on the four main themes that we approached.

2.1.2. Justification of the participants

We will study four main roles for change implementation that have been described by Björn Bjerke (leaders, managers, consultants, employees) in the last part of our theoretical framework. We asked our contact persons about their personal opinions with the purpose to increase our understanding of change processes. The special characteristic of our respondents is that they have occupied these four key positions during their career.

Gunilla Masreliez Steen is the owner of Kontura International. She has a background of 35 years of consultancy experience in 31 countries. One of her specialized fields is management with the linkage to culture. Kontura emphasizes the work with organizations at all levels. This aspect is matching our own interest on the active role of employees.

Mats Lindblad and Stefan Nilsson, are consultants and the owners of Business Advantage. They have a professional background in different fields such as psychology and engineering. They are currently developing an internet model that should support companies for supervising their change processes. They therefore try to isolate some key factors that are present in every change process. This idea is very interesting for our thesis topic.

Richard Köhler has a professional background and worked in many different countries, holding different positions in the companies. Although Change Management is not his special area of research in a purely academic context, his life experiences as a CEO, in consulting or as a teacher or employee are a significant help for our thesis.

2.1.3. Secondary data

Because the issue of Change Management has already been broadly discussed, there are several books, articles and websites to help us to develop our knowledge of the subject. We have tried to find the references providing the best information for our study. Using existing data is particularly helpful in terms of time and costs for students writing a thesis. Thanks to such literature we have been able to build a theoretical framework and we have now a better understanding about drivers and implementation of change.

We also tried to update as much as possible with articles and internet resources. Moreover these readings gave us the opportunity to reflect and to come up with our personal input to the topic.
2.2. Problems and limitations

2.2.1. Primary data

First of all, all the conversations that we have led were phone conversations due to costs and time reasons for both researchers and respondents. Hence, we missed the non verbal communication like for instance body expressions. These messages can be very revealing. Skilful researchers are recognized as good observers. (Bjerke 2007 b)

Although the questions we asked were about personal points of view, and opinions, it was about Change Management and not about private life. The questions we asked touched only the respondents’ professional experiences and we only interviewed trustworthy people, in the sense that all of them have already been involved as guest lecturers at the Baltic Business School and are specialists in Change Management, working with it on a daily basis. Moreover we used a recorder during our phone conversations. The respondents may be unhinge and do not behave as usual because they know that they are recorded. But as already mentioned above, we did not address sensitive, personal or intimate subjects. (Bjerke 2007 b)

Furthermore, it is important to notice that in conversations like we have led; the wording of questions can result in ambiguity and misunderstanding. It is particularly true when both researchers and respondents are not speaking their mother tongue. (Kumar 2005)

2.2.2. Secondary data

The researchers need to be careful with secondary data sources. Problems of availability, format or quality can appear. The scope of the problem is different from source to source. (Kumar, 2005, p.141)

The best procedure for students to cope with this problem is to make comparisons between the different sources to find out what is basically accepted as scientific. We tackled this problem by mainly using articles from Harvard Business Review, McKinsey Quarterly, or from the main economic newspapers. We referred to authors specialised in the field of Change Management and widely recognized.

Another problem with secondary data is that it is sometimes difficult to assess the researcher’s motivation. Moreover we have to keep in mind that researches are often made for a specific purpose, and this might create a bias in the data.
3. Data analysis

Our emphasis in leading discussions was to gain a better understanding of the reality of change processes. With three discussions of forty-five minutes each we got a huge mass of data. The first step of our analytical procedure was to reduce, sort and reconstitute data. (Ghauri and Grønhaug, 2005, p.206).

Thus we selected and abstracted the key data from our transcripts to create a meaning from the mass of words. It is an arduous step because numerous alternatives exist. In order to do it, we identified themes and subthemes in accordance with the four main chapters of our theoretical framework.

The next step is to organize the data, which is called data display. This step allows the researcher to draw conclusions and then turn to interpretations.

We used this model from Miles and Huberman (1994) to analyze our data (p. 23). To notice, we did not follow the last step of verifying due to the limitation of time. We could not collect additional data to verify our findings.

**Figur 3 Model of Miles and Huberman**

Interpreting data is “grasping the meaning of others” (Ghauri & Gronhaug, 2005, p.212). We tried to translate the sayings of the respondents through our own terms by using concepts and theories to reach our goal of a better understanding.
III. Theoretical framework

“You can’t manage change. You can only be ahead of it. You can only meet it. “

(Drucker, 2001)

1. Change

Figur 4 Model for our Theoretical Framework: Change

- What is change?
- What is change management?
- Change management: a physic metaphor

1.1. What is change?

De Jager (2007) explains that there is no point in discussing any topic until we define the terms. We can define change in an easy way: change happens when something moves from one situation to another. Even if the expression Change Management became commonly used and is subject of several books and articles, it can be viewed as a non sense if we analyse the meaning of this two words separately.

Senge (1999) examines the contradictory meanings of the word change. In business and organizations, this word refers on the one hand to external change in term of technology, customers, competitors, market structure, or the social and political environment. And on the other hand also refers to internal changes as for instance program of reorganization or re engineering. Some managers and authors might prefer the word transformation. In our case, we decided to still use the
word change. Mainly because a big part of our literatures uses the term change, so we do not want come with truncate interpretation of these resources.

1.2. What is Change Management?

“The verb manage comes from the Italian maneggiare (to handle — especially a horse), which in turn derives from the Latin manus (hand). The French word mesnagement (later ménagement) influenced the development in meaning of the English word management in the 17th and 18th centuries” (Oxford English Dictionary)

Some have defined management as an art, while others have defined it as a science. Management is considered as a process that is used to reach organizational goals; a process used to accomplish what an organization wants to accomplish. By organization we can consider a business, a school, a city, a group of volunteers, or any governmental entity. Managers are the people in charge to achieve the organizational goals through the key functions of planning, organizing, directing, and controlling.

Thus we can see a first contradiction within the association of the words change and management. PhD Nils Nilsson, lecturer and vice director of Baltic Business School in Kalmar, underlined the paradox during a personal feedback meeting. In his opinion, change is linked with creativity and innovation, and management linked with control. But we do not manage creativity, we manage for creativity. Thus we do not manage change but we manage for change. Björn Bjerke suggested during a feedback talk to use the expression Balance Management instead of Change Management. De Jager (2007) shares this point, he exposes the idea that we do not manage change, but the people who will make this vision of change a reality. He also wonders if the association of these two terms is not an oxymoron. De Jager (2007) proposes then some terms which could replace Change Management as Problem Solving, Leadership, Innovation, Making Progress, Implementation, Transition Management and Process Improvement. His conclusion is that even if the expression Change Management has its own problems, it is still the most common way to refer to this ongoing process. <http://www.technobility.com/docs/article086.htm>

The Kaizen Consulting group defines Change Management on its website as “the process of developing a planned approach to change in an organisation. Typically the objective is to maximise the collective efforts of all people involved in the change. At its core, change management is primarily a human resource management issue. This is because implementing new procedures, technologies, and overcoming resistance to change are fundamentally "people issues"”. <http://www.kcg.com.sg/default.aspx>
The website Mindtools denotes that theories about Change Management are drawn on many disciplines ‘from psychology and behavioral science, through to engineering and systems thinking’. <http://www.mindtools.com/>

The principle of change is not something that we can isolate within the organization; change processes affects the internal mechanism and the people inside.

Nickols (2008) considers a deeper definition which is divided in four parts: the task of managing change, an area of professional practice, a body of knowledge, a control mechanism. The first part exposes the idea of reactive and proactive approach to manage change.

**Reactive and proactive approach**
To explain it in a few words, the reactive approach is a change in response of a change happening outside organizations, they do not have control on it. The proactive approach is when a company anticipates. Changes planned are totally controlled by the organization.
But can change be totally controlled?

**An area of professional practice**
The author claims that a process of change has to be led by professional change agents. These professional change agents can be independent consultants, consulting firms, experts or managers. The task of change needs a strong expertise.

**A body of knowledge**
Nickols (2008) states that Change Management comes from different fields such as psychology, sociology, business administration, economics, industrial engineering, systems engineering and the study of human and organizational behaviour it is consequently not really clear if Change Management should be termed a profession, a discipline, an art, a set of techniques or a technology. However, it is sure that Change Management represents an eclectic body of knowledge consisting of models, methods, techniques, and other tools.

**A control mechanism**
The last part of his definition exposes that Change Management requires standards, processes and procedures. Implementing change is a mechanism where every step has to be exactly respected.
Thus “Change is not an event, it’s a process” (De Jager, 2007)
1.3. **Change Management: a physic metaphor**

Everybody knows Isaac Newton physics law on motion, at the first sight it is nothing to be linked with Change Management, but Peter De Jager built a really good description of what change management is around this theory.

As a starting point he uses the easiest definition of change: Change happens when something moves from one situation to another. And he analyses why it is so arduous to implement change by adapting the three laws of motion of Newton.

The first law is the law of inertia, “An object at rest tends to stay at rest and an object in motion tends to stay in motion with the same speed and in the same direction unless acted upon by an unbalanced force”. De Jager adapts this first one to “People in one situation, tend to stay in that situation, unless they have a reason to Change”. The change requires efforts and justifications, it does not just happen. We will see later how executives make people moving from one situation to another.

The Newton's Second Law of Motion is the Law of Acceleration

“The acceleration of an object as produced by a net force is directly proportional to the magnitude of the net force, in the same direction as the net force, and inversely proportional to the mass of the object.”

This time Peter De Jager rephrases the name of the law and renamed it law of Status Quo.

“The more people have invested in the past, the more difficult it is for them to Change into the future.”

The more people have been involved in past processes, technology, teams, the more difficult it is for them to adopt new ones.

It leads irreversibly to the third Newton’s law: “For every action, there is an equal and opposite reaction.”

It can be translated in Change Management by the law of resistance: “When we try to change people, they’ll resist.”

If companies force people to something new, they will naturally resist. The main learning here is that resistance is natural. But they resist because they want to know why change is necessary. To ask people to change without a good reason is the same than expecting stones to roll without giving them a push.
2. Drivers of change

Figur 5 Model for our Theoretical Framework: Drivers

- Why do organizations change?
- Tools:
  - The Force Field Analysis
  - The Pareto Analysis
- Examples:
  - External driver: the crisis
  - Internal driver: stability

Source: from own authority

2.1. To change or not to change, that is the question

Before implementing change, it is essential to understand the reasons for it. According to Sam Palmisano, CEO of IBM since 2002, “the question why do I have to change is a problem that everyone running a company wrestles with” (Hemp & Stewart, 2004, p.62)

To lead change, it is crucial to become an expert in every single change that is faced. People look for guidance. It is vital to find answers for the very basic question "Is the Change necessary?" (De Jager 2007)
2.2. Why do organizations change? A McKinsey Quarterly survey

McKinsey Quarterly conducted a survey in July 2008 with the first question being “why change”. A total of 3,199 executives from industries and regions around the world responded. They highlighted the variety of goals that organizations are trying to reach through change processes (see following figure).

Figur 6 A McKinsey Quarterly survey

Thus, with 35% of respondents, the main reason to change is to be more competitive. A point shared by Gunilla Masreliez Steen, owner of Kontura International. “The main reason for an organization to change is always to do something better, to be more efficient in regard of the customers’ needs”. The second principal reason can complete the first answer; organizations reduce cost in order to obtain better performance. So around 50% of changes initiatives are directly focused on being more efficient.

Merger and acquisition may be one way for organization to obtain a better efficiency, and 12% of the respondent noticed it. 9% of questioned executives see the geographical expansion as the main reason to change. By this, their organization can probably obtain the critical size permeating to reach economy of scale and attract a more international audience.

Nevertheless, the survey shows that 5% of the respondents did not transform anything within their organization in the past five years.

Evolution of customers and competitors, innovations or the evolution of the context, these are some drivers that organizations search, react to, or encourage. But what is the main reason for organizations to change or not, and how to figure out this problem. A lot of tools are available to help organizations to answer the question why change, and what they should change. To get a precise overview of these tools, we give further information on the most common ones.

2.3. The Force Field Analysis

Force Field Analysis (Lewin 1951) is a classic tool in Change Management and can be used to help companies to identify the main drivers for change. It is a well known tool to support organizations in the decision making process. The theoretical idea behind this concept can be visualized with the Force Field Diagram.

*Figur 7 Force Field Diagram*

Change Issue
Driving Forces
Restraining Forces

Source: (Lewin, 1951)
This diagram is a simple go – no go decision tool. It helps to weight the pros and cons about a decision of change. The Force Field Diagram shows arguments as arrows, pushing for or against. The different matters of the driving forces or restraining forces are represented with different lengths of arrows.

However, there is another way to represent it (see figure 7 below). The first step is the same, to list the factors for and factors against a decision. The team in charge of the decision making process has to agree and specify the situation and the desired situation. Then, a score is given between 1 and 5 to weight the matters of each factor that are also represented by arrows. The last step is to review the pros and cons to obtain the final score.

Finally a plan of action and implementation can be developed.

Source: (Lewin, 1951)
Noticeable is a parallel with the SWOT analysis. SWOT was designed for a research conducted at Stanford Research Institute from 1960-1970 by Albert Humphrey. Both models point at the helpful and harmful for organizations. The SWOT analysis is an often used tool for decision-making in organizations. SWOT is the acronym for Strengths, Weaknesses, Opportunities, and Threats. The strengths represent attributes of organizations that are helpful to achieving the objective. The weaknesses are factors of organizations that are harmful to achieving the objective. The opportunities are external points that are helpful to achieving the objective. And the threats correspond to external conditions which could influence business performances in the wrong way.

Nevertheless, major criticism for these models of Force Field Analysis and SWOT exist. First of all, both are strongly subjective. Westbrook and Hill (1997) suggest that the SWOT analysis is rarely much more than a very general tool, with a low structure and with insufficient verification of the factors highlighted. Moreover a lack of communication, discussion and verification of both external and internal factors has been noticed in a majority of organizations using the SWOT analysis. Such results are less than reliable. Absence of precise references and unverified factors will lead to inferior outcomes of strategic analysis. The main reasons why organizations fail to use the SWOT analysis are the insufficient levels of skills and diligence and the lack of strategic information. (Hill and Westbrook 1997)

According to Mintzberg (1994), SWOT analysis leads to an excessive theorization of the decision making process. The website “Mindtool” balances the efficiency of the Force Field Analysis. It shows on the one hand that it is more effective and helpful when change is unavoidable. Thus, people will accept the idea of change differently, depending on existent solutions for the organization. For example in a period of crisis that companies face nowadays.

On the other hand, when organizations draw up the Force Field Analysis, they are prompted to either reduce the strength of the forces opposing a project or increase the forces pushing a project. Thereby just trying to force change through which could cause new problems. When change is forced, people can be uncooperative. (Mindtools)

2.4. The Pareto Analysis

The Pareto analysis is a technique that helps organizations to choose the most important changes to embrace. Vilfredo Pareto was an Italian economist who observed that more or less 80% of wealth was owned by only 20% of the population. This was verified in almost all the societies he studied. This is only one application of this important 80/20 empirical law. It underlines the lack of symmetry that almost always appears between work input and results achieved.

<www.economypedia.com>
From an organizational point of view, it means for a company to focus on the 20 percent that matters. This 20 percent can generate 80 percent of the advantages (see figure 8 above). Thus, the Pareto analysis is a tool to find the changes that will give the biggest profits. It is useful where many possible change opportunities are in competition.

(ibid)

2.4.1. Steps to conduct the Pareto Analysis:

First, people in charge of the change initiative create a list of all possible changes. Second, they score the different items. Obviously the scoring method is dependant on the sort of problem an organization is trying to solve. Hence, the first change to confront is the one that obtained the highest score. To solve the problems with the lowest scores may cost more than the solutions are worth.

(ibid)

However, this change decision making process presents some limits. It excludes possible important problems which may be small at the moment of the scoring, but which can grow with time. To conclude about this model: it is helpful but has to be combined with other analytical tools.

2.4.2. Pareto 80 / 20 consulting:

It is not a hazard that we decided to describe the Pareto rule. First it is one of the most used tools in terms of decision making. In addition, it is due to our meeting with Mr Patrick Utter, who is consultant for the firm Pareto 80/20 at the IDEON Science Park of Lund. According to Patrick Utter “too often, we look for a quick change. In these cases, effects will be very low”. His vision is that the learning process is central in Change Management. De Jager (2007) states that learning is crucial
when organizations face the decision to change or not. “Any real change in your life is going to place you in the situation where we do not know how to act. You have to learn to do new things, and learning takes time. The bigger the change the more time you will need. All change has one thing in common it forces you to learn, it forces you to grow”. <http://www.technobility.com/>

Organizations have to learn from their mistakes to make the best decision about the change they want to embraced, and how to embrace it. For him the reflection is the most important. Patrick Utter provided his own 80/20 rule about change: 20% preparation, 60% training and 20% post preparation – implementation. The consulting firm Pareto 80/20 makes use of this model to explain change decision (see figure 9 below).

To figure out if they should change or not, organizations may consider their past references, their good or bad experiences with change. New knowledge will derive from this reflection. The three first phases constitute 20% of the time that will generate 80% of benefits. The last phase is the implementation of change. A good implementation is deeply dependant on the preparation. The two big arrows show that change is an ongoing process. The good way to look upon change is to look both backward and forward.

(Pareto 80/20 – IDEON Science Park Lund)
2.5. **An example of an external driver: the current crisis, an opportunity to change?**

“In a situation like the current one, when you face a crisis (financial situation in the world), the outside need forces you to change” (Masreliez Steen 2009)

In the survey of McKinsey Quarterly we described before, the third most identified reason to change is to turn around a crisis situation. Moreover, the panel, titled "Innovation: Change Happens" examined the key opportunities for a company to change. The first match given by the panellist had been the need for a crisis or some kind of “burning platform” to motivate transformational change. This panel was featured by Dow Corning Chairman, CEO and President Stephanie Burns, Eastman Kodak President and COO Phil Faraci, and Procter & Gamble Chairman and CEO A.G. Lafley. (Anthony 2008)

Hence, can we see crisis as an opportunity to change?

Although deep downturns are destructive, they can also have an upside.

A survey conducted by McKinsey Quarterly, with 1,820 executives from around the world and representing a full range of industries and functional specialties, shows companies’ reactions to crisis. (See figure 10 below)

**Figur 11 Reactions to the current crisis**

<table>
<thead>
<tr>
<th>Action</th>
<th>Jan 2009, n = 1,820</th>
<th>Nov 2009, n = 1,424</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce operating costs</td>
<td>74</td>
<td>75</td>
</tr>
<tr>
<td>Increase productivity</td>
<td>45</td>
<td>44</td>
</tr>
<tr>
<td>Reduce capital investments</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Restructure</td>
<td>29</td>
<td>37</td>
</tr>
<tr>
<td>Introduce new products/ services to gain market share from weakened competitors</td>
<td>30</td>
<td>34</td>
</tr>
<tr>
<td>Hire talent that would not have been available otherwise</td>
<td>16</td>
<td>22</td>
</tr>
<tr>
<td>Seek merger or acquisition opportunities</td>
<td>21</td>
<td>22</td>
</tr>
<tr>
<td>Leave certain markets</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Increase hedging</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>No steps</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

*Respondents who answered “other” or “don’t know” are not shown.


Obviously in a period of downturn, organizations try to cut their costs and increase their productivity; it is also logic to see that 38% of the respondents reduce their investment. However,
36% plan to introduce new products/services to gain market share from weakened competitors and 22% to hire talent that would not have been available otherwise. These respondents see the crisis as an opportunity.

According to the Austrian economist Josef Schumpeter, downturns may lead up to positive consequences such as destruction of underperforming companies, the release of capital from dying sectors to new industries, and the movement of high-quality, skilled workers toward stronger employers. Ideas and cash can provide great opportunities for companies in hard time.

Change analysts are referring to the Great Depression. They look especially at the parallels (banking failures, a large spike in real-estate foreclosures, and global uncertainty, for example) and the points of contrast (such as the speed and coordination of the response of central banks and finance ministries in 2008).

We may wonder about the usefulness of such a comparison. Indeed, the business practices of the 1930s are beyond compare. Nevertheless, if we stay focused on change, particularly in the scope of innovation and investment, there are interesting points. (Nicholas, 2008)

The majority of companies hesitated to innovate during the 1930s as executives preferred to wait and see. However some companies chose another strategy and decided to innovate. One good example is the company DuPont. In that time, their prices and sales were falling by 10 and 15 percent. Though, DuPont decided to increase R&D spending to develop and to commercialize new technology and they succeeded. Neoprene became one of 20th century’s major innovations.

There are other examples such as Hewlett-Packard and Polaroid, which benefited from the crisis to enter the market during the 1930s. Indeed, in hard times, the arrival of new entrants can be facilitated.(ibid)

Obviously, we can not generalize and conclude that aggressive investments are the miracle solution for every single organization facing the current crisis. But the success of some companies in a period of deep economic downturn like the Great Depression shows that delay is not the only response to uncertainty. Continuing to innovate and invest during a crisis can be an opportunity to consider. It is especially true for long commercializing processes like in the Pharmaceutical industry for example. (ibid)

It is a point of view shared by Gunnila Masreliez Steen, owner of Kontura International and one of our respondents. “When a crisis like this occurs, there is a lot of new ideas that will come out of creative people for surviving purposes. That changes the market drastically, what tells me my experience to several crises. You need to take risks. If companies know how to change these days, it is a chance for them. Those who will be able to meet the new request that the market got, will survive.”
2.6. **Example of an internal driver: from stability to change & changing for stability**

"History is a process of transformation through conservation" (Unknown)

The universe is driven by the law of Change and Stability. It is a vast law that can be applied in physics, biology, psychology, politic, but also in economics and social.

Without stability, nothing could exist for more than a single moment and without Change, things would forever remain the same. It is the combination of both that makes everything become possible. Forces are balanced between change and stability, between chaos and static every time (see figure11 below).

**Figur 12 Change Versus Stability**

Source: <http://www.truehealth.org/comchang.html>

2.6.1. **“Unfreezing, Moving and Refreezing”**

The process of change and stability has been divided in three stages by Kurt Lewin (1951): Unfreezing, moving, and re-freezing. The first and last points of the unfreezing-moving-refreezing model are stability, considered as luxury for some organizations. This model is the counterpart of the Force Field Analysis that we presented before.

During the first step, organizations unfreeze the driving and restraining forces (necessity of change, nature of change needed, methods planned to achieve the change, needs of those affected, ways that progress). Within the second stage, organizations introduce an imbalance to the forces (define the problem, identify solutions, devise appropriate strategy to implement change, implement solutions) to permit change to take place. The ending step is reached when change is complete. Thus organizations face again a quasi equilibrium (stabilising the situation, building relationships, consolidating the system, evaluation and support, preventing any going back to the old ways) and are refrozen.

(Lewin 1951)
According to Syque (2007) there are both benefits and disadvantages in this model. The main benefit is the simplicity of the model: organizations have to follow steps, and the model is used and recognized as efficient (Mind tools 2007). Nevertheless some disadvantages are described by Syque (2007). He states that during the refreezing period, people are scared about the possibility of a new change taking place; they are in a change shock and are thus less efficient. Moreover this model is most effective where restraining and driving forces are readily identified. There should be time for a detailed analysis before changes are made. An enhancement of Lewin’s model was carried out by Schein (1987). He criticizes the simplicity of three steps, though he nevertheless carried out a modification based on these three steps. The three steps were framed and broadened, the second step was rephrased to “changing” and the indiscrete characteristic was emphasized. Another adjustment was conducted by Weick and Quinn (1999) to make the model more compatible with continuous change. They substitute “moving” of the second step with “rebalancing”. This expression is more applicable as moving implies a more radical change. Rebalancing otherwise is more about incremental changes to lower inter alia the existent barriers.

2.6.2. Problem oriented examples

Ernesto Poza interviewed for Business Week fourth-, fifth-, and sixth-generation leaders of 16 companies that are at least 100 years old to analyse the balance of change and stability. These companies, founded more than one century ago, remained competitive over the years and the different generations while reinventing themselves. The respondent companies have revenues from $18 million to $5 billion and are part of different industries such as newspapers, textbook distribution, bricks and tiles, food and beverages, insurance and auto retailing.

The author found out that in all these businesses, the next generation had a commitment to change. The successive generation has to ensure the survival of the success and to reinvent. The challenge can be called continuity and change.

Guy Renkert is the fifth-generation CEO of Ironrock Capital in Canton, a company founded in 1866. In his opinion, the most important to ensure the continuity is to stay focused on the evolution of customers needs and to adapt the business in evolving markets progressively. Ironrock has successively been the world leader in manufacturing paving bricks, and moved to the structural bricks market to respond the growing demand. During the 1960s, Ironrock started an unglazed quarry tile business and during the 1980s they added glazed decorative tiles. Nevertheless, nowadays the company came back to brick manufacturing and continues to produce quarry and decorative tile. (Poza, 2007)
IBM experienced almost the same sequence of events. The company was first specialised in tabulating machines, scales for weighing meat, and cheese slicers. In 1914, Thomas Watson Sr, stated three corporate principles, called the Basic Beliefs: "Respect for the individual," "The best customer service" and "The pursuit of excellence." These principles were the success formula for more than half a century for IBM; they supported the transition for each generation. The companies succeeded to transform continuously over the years thanks to these vision statements. IBM transformed as a computer maker and finally in the 1990s as provider of integrated hardware, networking, and software. (Hemp & Stewart, 2004)

To keep being successful these multigenerational companies had to hire people with new skills, to implement new information technology and to adapt the company’s structure. These changes can create conflicts between generations. The author examines these conflicts as crucial because helpful to reinvent the business. Thus, Poza (2007) examines change as a way to reach stability and sustainability, to stay competitive in a moving environment.

We have shown in this chapter that some of the drivers of change and the importance to take the right decision in front of the various change opportunities.

We will now present implementation of change.
3. Implementation of Change

Benjamin Franklin wrote that the definition of madness was “doing the same thing over and over again and expecting change to happen”. But this is exactly how many change programmes - in organisations both large and small - can be described, and one of the reason why they fail.
3.1. **Strategies to implement change**

Bennis (1976) identifies four basic Change Management strategies to implement change:

- **The empirical-rational** can be conducted when people are led by their own interests. A special need of communication of information is necessary.

- **The normative-reeducative** is a strategy of implementation focused on the norms and values that people believe in. Organizations need to create a certain culture for the company in this case.

- **The power-coercive** strategy is based on a strong leadership and authority. This strategy can only be applied in case of extreme compliance of the followers.

- **The last strategy is called environmental-adaptive.** This strategy can be implemented when people are ready to adapt from an old organization to a new one. The resistance needs to be extremely low because the change is deep.

Bennis (1976) lists factors for organizations to be able to choose one of the fourth or a mix of the strategies presented above. The larger the scope and scale and the target population will be, the more organizations should implement a mix of the four strategies. Moreover, if the resistance is high then the organization should base its strategy on a mix between power-coercive and environmental adaptive. However when the resistance is low, then it will be better to combine the empirical-rational and normative-reeducative strategies. High stakes for the company should lead to a mix of the four strategies. The time frame, the level of expertise and the degree of dependency play also strong roles in the choice of implementation. For instance, if there is a high level of expertise within an organization then the company can decide to implement a change around a mix of the four strategies. Otherwise, implementation will be based on the power coercive strategy. Obviously it is risky to describe a general way to deal with change, but still some key factors can be isolated. That is what John P. Kotter (1996) did in the theory we will present in the following chapter.

3.2. **Procedures to implement change**

Change Management is an on going process.

We observed during our research, that specialists’ authors in Change Management divide implementation processes in different steps. The amount of steps varies. We decided to concentrate our efforts on two theories: the models of John P. Kotter (1996) and of Björn Bjerke (2007a).

We chose Kotter because readers found the eight stages change framework compelling. This model helped, helps and will continue to help thousands of companies all over the world. Moreover, Kotter is considered as the guru of Change Management and had been read by almost all executives. Even if his model is already quite old, it still got legitimacy and reliability.
We picked the model of Björn Bjerke because he had been our tutor and he gave us a personal guidance about it. Moreover this model can be distinguished between the others because it is not about steps. Indeed Bjerke did not follow the trend of modelling change implementation with the help of steps, but he created a model referring to ingredients. We will see the interest of such a conceptualization later on.

3.2.1. Implementing change step by step: the eight stage theory

John P. Kotter is a professor of the Harvard Business School and regarded as an authority on leadership and change. He is well known for his contribution through many books on the topic of change. Leading Change was published in 1996 and quickly became the change bible for managers around the world.

He developed eight steps that can explain why companies fail or not in their process of implementing change. He uses therefore his observation of one hundred companies in their strategy of change, from very large ones like Ford or General Motors to smaller ones. Thus he studies strategies used by companies who want to increase their competitiveness, such as for instance the installation of a total quality management, re engineering, right sizing, restructuring, cultural change, or turnaround in order to cope with a more and more challenging environment. He shows through these eight stages the importance to be patient in the process of Change Management, and the importance to not jump any stages.

As the author acknowledges himself, this study can appear simplistic “I realize than in a short article everything is made to sound a bit too simplistic “ (p.67). However, Kotter (1996) draws up a list which, even without being a cookery book and not guaranteeing success, can avoid many errors to be made.

The first mistake Kotter (1996) observed is to not establish a great enough sense of urgency. Half of the companies observed failed at this first stage. Companies need a great leader to carry out this sense of urgency. In this stage, he also evokes at which point it is complicated to convince about the need for change in times of success for a company. In this first stage it is necessary to examine the market, with realism, and to consider potential crises or to deal with actual crises, and to read opportunities into.

The second stage is about forming a powerful guiding coalition; this means to be united to lead the change. Change is teamwork. You can not change an organization alone. It is thus necessary to form a coalition with other people, who gather the necessary talents: power, expert, leadership, credibility.
To mobilize men and women in a company, leaders must define a vision, a description of the future, which is ambitious but realistic, precise and flexible. This vision leads each one to provide the required efforts, replaces hundreds of details by fixing the direction to be followed, and makes it possible to coordinate the actions of everyone. This was the third step. We would like to make the analogy with a political election: the slogan (the vision) is a crucial factor for a good progress of a campaign and is determinant for the final victory. This vision needs to be communicated, it is the fourth stage.

Thus, leaders or managers must make important efforts of communication and dialog a lot with employees. He/She particularly takes benefit from all the different channels available: meetings, small committees, newsletters, memos, informal discussions, etc.

The fifth stage consists in empowering others to act on the vision; leaders must take care to reduce the most important obstacles, so that operational teams can conclude the change. For instance by evolving the structure evolve, if this one proves to be an obstacle for the change. It is a particular moment in change processes where we really face the resistance to change.

Showing short-term results is the sixth stage. To preserve the mobilization of all this is essential to obtain visible intermediate results.

The first results often reveal that other evolutions are necessary. It is essential to urge the corresponding efforts to maintain the dynamic of change. Thus, in the seventh stage, it is a question of consolidating improvements and producing still more change.

Lastly, it is necessary to anchor the new practices in the culture of company. But this evolution can be made only at the end of a change process; new values can be established only from new ways of doing, with shown success.
Figur 14 The 8 steps theory of Kotter

Eight Steps to Transforming Your Organization

1. Establishing a Sense of Urgency
   Examining market and competitive realities
   Identifying and discussing crises, potential crises, or major opportunities

2. Forming a Powerful Guiding Coalition
   Assembling a group with enough power to lead the change effort
   Encouraging the group to work together as a team

3. Creating a Vision
   Creating a vision to help direct the change effort
   Developing strategies for achieving that vision

4. Communicating the Vision
   Using every vehicle possible to communicate the new vision and strategies
   Teaching new behaviors by the example of the guiding coalition

5. Empowering Others to Act on the Vision
   Getting rid of obstacles to change
   Changing systems or structures that seriously undermine the vision
   Encouraging risk taking and nontraditional ideas, activities, and actions

6. Planning for and Creating Short-Term Wins
   Planning for visible performance improvements
   Creating those improvements
   Recognizing and rewarding employees involved in the improvements

7. Consolidating Improvements and Producing Still More Change
   Using increased credibility to change systems, structures, and policies that don’t fit the vision
   Hiring, promoting, and developing employees who can implement the vision
   Reinvigorating the process with new projects, themes, and change agents

8. Institutionalizing New Approaches
   Articulating the connections between the new behaviors and corporate success
   Developing the means to ensure leadership development and succession

Source: (Kotter, 1996)
3.2.2. Cooking the implementation of change: the six necessary ingredients of change

According to Bjerke (2007a) there are six ingredients which are necessary for change in an organization:

1- An awareness of that something is wrong
2- Support from senior management of the notion that something has to be done
3- A vision of something new or at least a feeling of a new direction
4- Agents of change that take it upon themselves to carry changes through
5- A commitment from all key actors to be there with their brains (to understand what it is all about) and their guts (to dare to be part of a genuine change)
6- Time

Figur 15 The 6 necessary ingredients of change

Source: adapted from Bjerke (2007 a) 1

Bjerke (2007 a) took as a starting point an article of the Harvard Business Review and his experiment as a consultant to build this model. The idea of the author with this model is that implementation of change will not be effective if one ingredient is missing. Obviously, although

1 the placing of always two ingredients together is only due to the usage of the Windows Vista image
functioning like a cookery recipe, the author recognizes that there is not any miraculous formula to implement change, but however these six elements are obligatory to be successful.

The chosen concepts have shown that implementation can be regarded from different angles. Some authors, like Bennis (1976), refer to strategies while others, like Kotter (1996), subdivide implementation into single steps or parts. In terms of strategies, it is important to choose one in accordance to a company's culture and the specific change and context. Significant in terms of steps is the fact that implementation processes take time and all the described measures have to be taken into account.

3.3. Organizational learning as facilitator

Several theories exist that are discussing organizational learning (OL) and its role within the business environment. The expression of organizational learning has gained much popularity over the last years. Large companies like Coca-Cola, Shell Oil or General Electric are aware of the importance and consider themselves as learning organizations in their annual reports. “Hundreds of large organizations have newly created positions of […] Director of Organizational Learning” (Dixon, 1999, p.218).

Moreover, processes in organizations are gradually designed based upon collective organizational learning principles. “Organizational learning has become increasingly important as a mechanism for establishing dynamic capability and strategic renewal” (Kang & Snell, 2009, p.65).

OL is necessary, if not crucial, to any organization aiming to develop and to remain profitable. According to Mats Lundblad from Business Advantage (2009), OL enhances organizations' abilities to deal with change. According to his working experience, “they have the habit [of changing] all the time, a culture for changes and improvement”. This statement clearly helps to classify organizational learning. We consider organizational learning as one possible structure for organizations. Nevertheless it is also fixed in an organization's culture as it represents a companies' values and norms. Denton (1998) differentiates between the expressions of organizational learning and learning organizations:

“organisational learning is something the organisation does; a learning organisation is something the organisation is” (Denton, 1998, p.3).

Structure:

The role of organizational structure has been subject to several studies. The general intention was to discover some linkage to organizational performance. Organizational structure includes “task methods, job design and organizational design” (Burke, 2008, p.116). The aspect of organizational design is
of interest for our purpose. Another description would be “the system of working relationships that divides and coordinates the tasks of people and groups working with a common purpose” (Lusthaus et al, 1999,p.65).

Peters and Waterman (1995) segregated three characteristics for efficient organizational structures within their research: decentralization, flat hierarchies and cross-functionality. All of these attributes indicate that employees should take an active part and be involved in processes.

Culture:

If organizational change should have a significant impact, it is above all the culture that needs to be affected. “Organizational culture is the set of collective meaning structures that organizational members use to interpret the nature of their world and themselves in relation to it” (Dixon, 1999, p.199). It is the culture that not just symbolizes an organization’s stability but that is further regarded as being able to influence a company’s performance. A strong culture is claimed to lead to a successful performance. Peters and Waterman (1995) conducted their research within excellent companies for their book “In Search of Excellence”. Their purpose was to analyze the attributes that are responsible for excellency. They isolated eight attributes with one being about “the centrality of organizational philosophy and values and a hands-on approach to managing” (Genus, 1998, p.34). A well-established culture is thus still dependent on the commitment of employees. Peters and Waterman (1995) regard it as a key issue to build the culture upon the employees’ attitudes and values.

3.3.1. Defining organizational learning

The issue of organizational learning (OL) has been subject to intense research for a long time. One rather general definition has been given by Chris Argyris and Donald Schöen (1978) who explained OL with “the detection and correction of error”<http://www.12manage.com/methods_organizational_learning.html>. Although general, one of the most important characteristics of organizational learning is depicted. It is about reflection on past failures and the revision and improvement on this.

More precise is the definition provided by Dodgson (1993). He refers with OL to “the way firms build, supplement, and organize knowledge and routines around their activities and within their cultures and adapt and develop organizational efficiency by improving the use of the broad skills of their employees”<http://www.12manage.com/methods_organizational_learning.html>. This definition covers more aspects of the concept of OL. It also already hints at the employees’ inclusion and importance.
Peter Senge (1999) points out that learning is far more about doing things in a new way than doing things new. “Organizational learning occurs through a process of acquiring, sharing, and integrating new knowledge from outside the firm as well as inside the firm” (Kang & Snell, 2009, p.67). Learning is moreover only appearing in real life context. The concept of OL has gained popularity, because of the increasing need for organizations to become adaptable for changes. As organizations change gradually all the time, OL can be considered a dynamic concept. OL is built upon individuals’ learning abilities. Individuals need to share their own ideas by confronting others with their ideas. “It is not difference itself but the resolution of differences through self-confrontation that is at the heart of learning” (Dixon, 1999, p.95).

Although emphasizing the need for learning, the aspect of unlearning should not be kept outside. This aspect can be important in terms of changes. “Many people are reluctant to unlearn what they know” (Braham et al, 1995, p.61). People tend to keep on working the way they have always worked. Everybody knows this justification that it has always been like this. While learning increases the knowledge by adding continuously new ideas, unlearning is necessary for out-dated knowledge. Therefore, unlearning is especially important for the technological sector.

3.3.2. The learning cycle

One approach for emphasizing the aspect of continuity is to regard learning as a cycle. “The idea is to make learning and improvement an ongoing and routine part of all aspects of daily life in your organization by building it into a repetitive cycle“ (Stankard, 2002, p.65). It is thus about making learning a habit and deeply rooted in every employee's mind. Moreover the image of a cycle matches with the dynamical characteristic of learning. The learning cycle enforces the achievement of very good business results. It is also a preparation to be able to deal with all kinds of external changes.

An organization's ability to continuously learn constitutes the basis for sustainable high performances, independent of good or bad times. “Since learning takes time, the more your organization knows, the longer it will take competitors to catch up, so you achieve a lasting competitive advantage“ (Stankard, 2002, p.66). Knowledge has to be strengthened and increased throughout the whole organization. According to Grant (1991) knowledge is a human resource which cannot easily be copied by other organizations. This helps to further create competitive advantage. Nonaka und Takeuchi (1995) state in their book “The Knowledge Creating Company” that knowledge can be only created by double-loop learning. It is not sufficient to learn without actually implementing and realizing.

Stankard describes the cycle as “virtuous” as it always leads to an improvement for organizations. The most effective virtuous cycle is going back to Shewhart and known as “Plan, Do, Check, Act cycle
"of continuous improvement" (Stankard, 2002, p.67). The abbreviation is PDCA- cycle. W. Edwards Deming dispersed this concept and other researches took the PDCA-cycle as basis and made some adjustments. For example, PDSI refers to “Plan, Do, Study, Implement” to aggravate the aspect of learning.

Another arrangement of the four steps was carried out by Dixon (1999). He entitled the steps as “Generate, Integrate, Interpret, Act” and named the cycle “the organizational learning cycle” (Dixon, 1999, p.64). Dixon points out that these steps are conducted in many organizations but most of the time in a not efficient way. To reach collective learning, all the steps have to be linked to each other. Organizations though tend to divide the steps to different departments. The effectiveness of the cycle is dependent on understanding the whole context. Although the steps are named differently, the underlying meaning of each step is mostly similar to the PDCA-cycle.

The original abbreviation of PDCA is the most known and managers worldwide link this expression with continuous improvement. Spears and Bowen (1999) stated that the four elements of the cycle are followed by some of the most competitive production systems, like for example Toyota. This shows the significance of the maybe too simplistic looking model.

We are going to describe the four elements of the cycle in a more detailed way (refer to figure 15 below).

**Figur 16 The continuous improvement cycle**

Source: (Stankard, 2002)
The phase of planning is primarily about observation and generating new theories based upon these observations. This phase is quite similar to compiling hypotheses. It is about finding new ways to improve, independent on one specific area. The ongoing process is to describe how it should be. Once an observation and prediction is made, it must be proved. This can take place with help of different measurements for the performance and is already part of the stage “do”. “To minimize disruption when any organization tests a should-be process, it is usual to plan a pilot test that provides a reality check on an improvement theory” (Stankard, 2002, p.69). A pilot test should take some time for an organization to gain the real life experience. These tests are also helpful for learning in what ways to be able to improve further.

The title of the third phase “check” already says that it is about comparing the results of the pilot test with the original prediction. The two possible outcomes are either a proof of the prediction and thus a success or the generated theory was proved wrong. Nevertheless, the fourth phase will follow in both cases. It is most probable that not everything went the way it was expected to be. The fourth phase is dependent on the lessons that were learned within the third phase. If the prediction could be proved, the should-be process will be expanded. Otherwise, a new strategy has to be developed. The fourth step of Dixon's learning cycle adds the need for “authority to take responsible action” (Dixon, 1999, p.75). We want to mention this characteristic as most of our interviewees emphasized the role of authority to finally initialize change.

Repeating the cycle continuously leads to an accumulation of knowledge in the specific area where the objective was settled. To increase the return on investments, the gained knowledge should be spread in the whole organization. This positive effect is compromised by the need to get people of different processes working aligned. “Although a cycle of continuous improvement represents change and is not easily implemented, the current ISO9000 standard requires firms to make a start on continual improvement” (Stankard, 2002, p.71). Stankard states the basic conflict between change and stability as one reason for the difficult implementation. In our opinion, the continuous learning approach represents already a smooth way to prepare employees for changes.

### 3.3.3. Exploration and Exploitation

As the field of organizational learning is scattered, we focus on the aspect of exploration and exploitation. Most researches in the field of organizational learning also focus on these two approaches to learning. These qualities also constitute the basis for the so-called ambidextrous organizations, that we are going to present later on as one example for effective organizations.
To explain the expressions of exploration and exploitation, we refer to the article “Exploration and Exploitation in Organizational Learning” by James G. March, 1991. This article can be considered the basic work on exploration and exploitation. March provides a range of nouns for each of the words. Exploration is described by “search, variation, risk taking, experimentation, play, flexibility, discovery, innovation” (March, 1991, p.71). Exploitation can be paraphrased as “refinement, choice, production, efficiency, selection, implementation, execution” (March, 1991, p.71).

Exploration falls back on a “broad and generalized search” as it is about discovering new domains (Kang/ Snell, 2009,p.67). Exploitation is more narrowed due to its characteristic of adjusting already existent processes or products. Another way of describing both terms is thus “opportunity seeking” for exploration and “advantage seeking” instead of exploitation (Schindehute & Morris, 2009, p.244) Both approaches refer basically to the paradoxical issue of evolutionary versus revolutionary changes. It is important to see that theory on organizational learning is not only about incremental changes but also including changes of radical nature.

It is proven that both, exploration and exploitation, are necessary for the sustainability and successful performance of an organization. Nevertheless, they are rivaling for the limited resources. Thus, the appropriate balance between both has to be figured out. March describes this approach of balancing as “The Exploration/ Exploitation Trade-Off” (March, 1991, p.72). His paper is examining to what percentage exploration and exploitation should be applied to be the most efficient. Therefore the short-term and the long-term view are compared. The balance has to be found by deciding whether exploration or exploitation is getting more melioration. The difficulty within this decision is strengthened by another fact. It has to be decided on the same matter not only on the organizational level but also on the individual and the social systematical base. Uotila et al (2009) state that “the optimal balance between exploration and exploitation depends upon environmental conditions” (p.221).

Models concentrating on the evolutionary theory, balance exploration and exploitation based on the two processes of variation and selection. In practice, organizations also get to know about the right equation by learning from their past experiences. Especially in terms of a changing environment, the focus on innovative alternatives is significant and resources are more likely to be utilized for exploration.

However, generally spoken, investment in exploration is connected to higher risks. Not only the revenues are less certain but also “more remote in time, organizational more distant from the locus of adaption and action” (March, 1991, p.73). The incidental advantages for exploitation can be reinforced when
making use of organizational network. The common process of learning represents one factor that moreover tends to limit the scope of experimentation, according to the paper of March. This statement is revised yet later in the paper by stating some learning processes that “increase both average performance and variability” and thus provide the organization with a competitive advantage (March, 1991, p.83) Nevertheless, if the exploration is reduced as a result of the just mentioned factors, the adaptive processes are most likely to be not successful and efficient at all.

3.3.4. Outlook

The depicted theory provided insight into the concept of organizational learning. Although organizational learning can be regarded a facilitator for dealing with change, there are further effects that have to be considered: committed employees, qualitative products, a good business plan and strategy are crucial factors for an excellent business performance.

Learning constitutes the basis for continuous change. Senge (1999) critically notes that supporters of change quite often disregard the “importance of learning abilities” and thus cannot reach the possible potential (Senge et al, 1999, p.9).

We mentioned the learning cycle to emphasize the continuous aspect of learning and the inclusion of employees. The four steps should moreover facilitate the process of introducing changes based on the aspect of learning. The focus on exploration and exploitation showed the importance of balancing innovating for the future and analyzing the past. Therefore looking both forwards and backwards in order to reach superior performance.

Academics as well as managers will continue to try specifying the idea of organizational learning. Academics focus on the aspect of explaining organizational behavior while managers regard it primarily “as a useful source of competitive advantage” (Denton, 1998, p. 197). Though there are still many open questions in regard of organizational learning, its positive effects can be taken for granted.
4. Roles in change implementation

A majority of the Change Management literature describes a top-down implementation of change. Employees are often considered simply for their resistance to change and analysed as a work force only. However, more and more, some specialists describe the importance of employees’ involvement in change processes.

We will balance the various roles within change implementations in this part to provide different points of view and trends on this factor.
4.1. **The four necessary people you need to lead change.**

Figur 18 The 4 necessary people you need to lead change

Source: (Björn Bjerke, 2007 a)

This model describes four key roles in implementation of change.

To initialize the process of change, firstly someone with an idea is needed. This is somebody able to think differently and to come up with a vision. This is one reason why the topic of change is often mentioned within the field of innovation and creativity. According to Jean-Baptiste Say, a French economist, an Entrepreneur first is "one who undertakes an enterprise, especially a contractor, acting as intermediary between capital and labour" To implement change successfully organizations needs an Entrepreneur. He or she will bring an idea to application and use. Nevertheless, they can not lead the change alone. They have to require the rest or at least the decisive part of the company to agree with your proposal. They are people who will support the project. Then, the practical knowledge of the experts is essential to make the change process a success. They know the technical details to implement the vision. These gate keepers can be consultants for example.

Hence, our main goal in the following chapters is to analyse four different positions in the implementation of change within organizations that can be regarded as complimentary to the four
4.2. Leaders and change implementation

4.2.1. Leadership

A leader is “the person who leads or commands a group, organization, or country” (The Oxford Dictionary of English (2nd edition revised))

Leadership is a “set of processes that creates organizations in the first place or adapts them to significantly changing circumstances. Leadership defines what the future should look like, aligns people with that vision, and inspires them to make it happen despite the obstacles.” (Kotter, 1996, p. 25)

Bennis (1989) defines leaders as innovators in the book On Becoming a Leader. Leaders are people who are doing things other people have not done or do not do. They do things in advance of other people. They make new things and make old things new.

4.2.2. Leaders’ qualities

Tom Peters (1995) contributed to define the role of leaders in the management of change. In A Passion for Excellence, Peters and Austin (1995) examined different qualities of chief executives who have led successful organizations. Six key aspects are highlighted:

- passion
- care
- intensity
- attention
- drama
- implicit/explicit use of symbols

Peters (1995) found that every single successful leader interviewed was deeply “in love” with his/her organization. This love (passion) makes change processes easier. On the one hand, executives feel really concerned (care, intensity, attention) and can come with a vision more easily. On the other hand, implementation of change and particularly its communication will be a smoother process with such kind of leaders who love their company. In the sense that they are more credible when they use rhetoric like for instance story telling (drama) or symbols. The rhetoric tools are viewed as a crucial
Leaders who believe in their stories and have legends to support them, will be more efficient and will obtain the precious legitimacy they need to influence peoples’ behaviour and make change happen. Gardner (1996) argues in his book *Leading Minds* in the same way “It is important for Leaders to know their stories (…) to get them straight, to communicate them effectively and above all, to embody in their lives the story that they tell” (p.58).

### 4.2.3. Leaders as sense givers

One important aspect in terms of leadership is sensemaking and sensegiving. These two processes can effect a change implementation. Leaders are the visionaries of organizations. They are primarily responsible for providing the direction and embodying organization's norms and values. Within this thesis, we separate between sensemaking and communication. Sensemaking can be regarded the basis for effective communication. Nevertheless, we regard leaders as especially important for functioning as sensegivers and managers as responsible for communicating a leader's message to employees. The role of communication will be thus discussed within the manager part.

Leaders as sensegivers are of importance as “*any substance change leads to the alteration of existing value and meaning systems*” (Gioia & Chittipeddi, 1991, p.434). Therefore leaders need to implement change in a way that makes sense for employees. It is important that employees know about the sense of any implemented change. This understanding is probable to decrease their resistance and enhance their support. Sensegiving is about influencing whereas sensemaking is similar to understanding. On its own, sensegiving is not enough. In order to show the expected results and to be efficient, sensegiving and sensemaking have to be complementary. The sensegiving role of a leader is dependent on the followers as sensemakers.

Sensemaking always occurs on the individual level first and is of interpretative nature. Also leaders create first of all their own meaning for the internal and external organizational environment. The process of sensemaking is dependent on an individual's frame of reference. The same understanding is rooted in sharing the same frame of reference. The expression of frame of reference primarily refers to past experiences and individual knowledge. Dealing with sensemaking and sensegiving on an organizational level makes it necessary to leave the individual level and talk about “*collective sense-making*” instead (Genus, 1998, p.67).

One possible way for ensuring collective sensemaking is to build a strong organizational culture. As mentioned before, it is most effective to construct the culture together with the employees. “As a
result of the sensemaking and sensegiving efforts, the original abstract vision is likely to become more well-defined and undergo some modification” (Gioia & Chittipeddi, 1991, p.434). The mutual interdependency is also valid for the concept of leadership. It is important to remind that leadership represents a social phenomenon and is developed by leaders and their followers together.

4.2.4. Leading change is an art of balancing:

Leading change is about finding the good balance between managing the business and finding a good response to people’s need within organizations. If leaders do not, resistance of change will be more important (destabilization of the organizational culture, lack of trust, fear) and change implementation will be more complicated than expected. (Bunker & Wakefield 2006)

In addition, leading a change is about weighing the pros and cons of the six following balances (see figure 18).

**Figur 19 Balancing for trustworthiness**

The first balance is to catalyze change but manage to cope with transition at the same time. Leaders need to recognize the need for change and be able to communicate their vision in order to be followed.

The second balance is about showing a sense of urgency and demonstrating realistic patience. One of the most common reasons why organizations fail in the implementation of change is impatience (Kotter 1996). However the process of change has to stay energised. If organizations decided to change, it is because there was an urgency to change. Leaders will obtain a better outcome if they do
not force people to change and frustrate them. People will probably have some difficulties to cope with change; they need time of adaptation.

The third balance states the tension between being tough and being empathetic. A leader is someone who needs to take hard decisions sometimes, fire employees for instance, but in order to serve the organization. But being tough does not mean not to be sensitive. A leader with empathy who is able to think in other people’s shoes can keep the motivation of the followers even in hard times, as the current crisis for example.

The next balance is between being optimistic and being realistic. In time of crises, people look to their chief for optimism, energy and confidence. However, it does not signify for leaders to not be realistic but honest about the future prospects.

In the fifth balance the authors examine that leaders need to be self-reliant but also able to trust others. Being confident is recognized as a great quality for a leader. We can make an analogy with sport; the most talented individual cannot generate victories alone, without support of others. It is also true in the business world: there is no heroic leader, especially in hard times like we face nowadays, it is important to delegate and place trust in others.

The last balance is about capitalizing on strengths and going against the grain. “In times of crisis, people have a tendency to draw on the traits and abilities that forged their success in the past” (Bunker & Wakefield 2006). Nevertheless, overreliance on strengths can lead to Icarus Paradox, concept developed by Danny Miller in 1992. This paradox is about failing due to a past period of much success. To transform efficiently, leaders need to think outside the boundaries, to find new ideas while preserving a respect for the past history of the organization.

Obviously, it is not possible to perfectly balance all the time and it could lead to status quo, but leaders have to face all these paradoxes, challenge the different views, and make sense of it.

4.2.5. Legitimacy

The previous figure illustrated the importance of trustworthiness in the change initiator. Indeed, the heart of the figure is trust; the goal for a leader is to make people believe him/her. In a change implementation, leaders must enjoy an exemplary legitimacy; they will face a high resistance otherwise. According to the head of the Master’s Programme, Professor Philippe Daudi, not any change process can be carried out without legitimacy.

According to Porter et al. (2004) a leader needs to keep in mind that his/her position does not give the right to dictate others his/her decisions. The legitimacy derives from the support to a vision. People will support and believe in their leader if he/she is convincing and leads actions espousing the vision. Legitimacy is more easily obtained from voluntary commitment than forced obedience.
Edmond Melina, president of Transitus Management Consulting, built a model to explain the different ways to reach this legitimacy. First of all, people need to be persuaded of the rationality for change. They need to understand why the organization wants to change. People must be excited, interested and valued within change processes. Secondly, people want to be reassured in order to be confident about the ability of the organization to deal with change successfully. Third, the legitimacy for the change initiative will be obtained if people feel that they are able to implement this change. Thus this pyramid shows the states of mind needed to acquire legitimacy for the leader.

**Figur 20 Reaching legitimacy**

Hence, the first step is a persuasion step. Leaders need to win the brains of their followers. They will reach their brains by convincing them thanks to a good rhetoric for instance. The second step is a seduction strategy in order to win the hearts. Leaders need to embrace the values, interest and beliefs of people. The third step is coaching strategy in order to give the confidence to people that they are in a winning process. The next step is a training strategy, to educate people and give them the necessary skills to be competent facing the change implementation. The last step is thus an immersion strategy. It is time for a leader to be confident in his/her team and make them experiment the change experience.

Showing a sense of fairness and being confident in his/her organization is the basis to obtain legitimacy. A high level of legitimacy can be reached by delegation actions. Allowing decision making and letting a freedom area to employees is very important in order to make them contribute to change processes. It is very important for employees to have the feeling of being useful for company’s interest. However legitimacy is not eternal and it is necessary to maintain it in the long
run. Especially in time of crisis as nowadays, people doubt, and need to be reassure. The credibility is challenged, a special effort needs to be done to respond why the change is so necessary, and why this person is chosen to lead the organizations through the change process. Legitimacy is one of the great challenges that leaders have to cope with.

4.2.6. Leaders are not Super Heroes

Senge (1999) comes back to the myth of the heroic CEO. In his book Dance of Change, Senge states that this idea is obsolete. He argues that organizations should search leadership in many people and many places, not only in one person at the top. In his opinion the myth of a hero-CEO creates a vicious-spiral of radical changes driven from leaders, and reduction of involvement and participation within organizations, leading eventually to a crisis and to a need of new heroic Leader.

The response to this problem is expressed by Kotter (1996, p.175) and it is leadership, leadership, and still more leadership. Saving the problem of hero-CEO by more leadership sounds paradoxical. The Harvard Business School professor explains that in the next decades, organizations will move to a new form to be able to cope with the faster-moving environment. In twenty-first century organizations, leadership will be more diffuse throughout the enterprise. Employees will need to know about leadership. The twenty-first century organization will be a learning organization where the traditional vision of leadership will no longer makes sense. From a concept of “chosen one” the leader notion will move to the concept of “masses of people”.

4.3. Employees and change implementation

“People love change, if they are involved in change and their input to the process is valued, they will readily engaged with it” (Parsley 2006)

4.3.1. Empowerment of employees

The term empowerment is not new and has been analyzed since the eighties. “Empowerment is the process of enabling or authorizing an individual to think, behave, take action, and control work and decision making in autonomous ways” <http://humanresources.about.com/od/glossarye/a/empowerment_def.htm>. Our goal here is not to overdo this increasingly popular idea. The more this term is used, the less meaning is retained. The concept is still not well applied in twenty-first century organizations. Already in 1996, Kotter recognized the abusive use of this concept but stated that empowerment of employees is crucial in a changing environment.
The automatic reaction to a downturn for an organization is to go more top-down than bottom-up (Torinus 2003). However, according to Fossum (1989) the fast moving environment nowadays forces organizations to rethink their behaviour about change processes. A change decision imposed without employees’ support will go nowhere. Sims (2002) argues in *Changing the way we manage change* that employees always have been the key resource in change management. Employee involvement must be maximized before, during and after any change initiative. He adds that employee empowerment has always been synonym for successful change implementation. Employees can highly help to evaluate, design, implement and support change processes. Grawitch (2007) looks at employees as people who possess knowledge and expertise that senior leaders do not have. Employees know how organizations work at a lower level and on a daily basis. They are more aware of which kind of improvements can be made.

“The employees who work in the process to be developed posses the important, often tacit experimental knowledge that has to be included in the knowledge creation for valid process redesign. They are also the key actors in realising these ideas through Implementation. Participation creates a common understanding and commitment to change and the implementation of ideas into innovations is facilitated” (Mumford 1981, p. 5-19).

Employees can have a central role within the whole process of change, from decision to implementation of change. Thus, Kotter (1996) noticed that successful results for change efforts are found when people help each other to find problems and solutions. Tannenbaum and Schmidt (1958) define employees’ involvement as the creation of an environment where people have influence on decisions and actions. Moreover they state that employees’ involvement is not a tool but more a leadership and management philosophy to lead continuous improvement within the organization.

As we have mentioned in our part about leaders’ role, Senge extends the traditional image of leaders by stating the importance of “leadership capacity throughout the organization” (Senge et al, 1999, p.11). We equate this statement with the empowerment of employees. Trying to achieve sustaining change is closely linked to employees’ commitment and involvement. Moreover “sustaining any profound change process requires a fundamental shift in thinking” (Senge et al, 1999, p.10). This shift has to take place in the whole organization and not just on a top level. To make employees active for change implementation, they need to have the feeling of being involved. Referring to Richard Beckhard “People do not resist change; people resist being changed” (Senge et al., 1999, p.14). Including employees as active participants in implementation processes of change is consistent with the organizational development approach (OD). This approach is built upon work psychology and team development.
4.3.2. Obstacles

The fifth stage (of the eight stage theory of Kotter) is about empowering people to act on the vision. Kotter (1996) additionally highlighted the barriers to empowerment in his book *Leading Change*.

Figure 21 Obstacles for employees’ involvement

Formal structures make it difficult to act.

<table>
<thead>
<tr>
<th>Bosses discourage actions aimed at implementing the new vision.</th>
<th>Employees understand the vision and want to make it reality, but are boxed in</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lack of needed skills undermines action.</td>
<td></td>
</tr>
<tr>
<td>Personnel and information systems make it difficult to act.</td>
<td></td>
</tr>
</tbody>
</table>

Source: (Kotter, 1996)

After having stated these four biggest obstacles, Kotter (1996) balanced them with five key factors to reduce these barriers. Firstly, communication is central to create a shared sense of purpose for employees. Secondly, the structure should be compatible with the vision. A third advice is to train employees to gain right skills and attitudes; otherwise they cannot feel useful within the process. In addition, information and personnel systems should be aligned to the vision. All this needs a great leader who is able to delegate. Delegating does not mean to lose power and involving workers does not refer to no leadership. Contrary to this belief, empowering people is also about leading people to provide them a good environment to effectively change themselves.
4.3.3. Kaizen

One basic approach for involving employees as active participants in the change process is Kaizen. “Kaizen means improvement. Kaizen means ongoing improvement involving everyone, including both managers and workers”. (Imai, “Kaizen”, in “Strategy -Process, Content, Context: An International Perspective” by De Wit & Meyer, 2004, p.191). This concept was originated in Japan. In Japanese, “kai” means change or an action to correct and “zen” means good.

This concept was considered as the major difference for interpreting change in Western countries inter alia in Japan. Westerners apply a conceptual approach, where they attempt to change the reality; Japanese apply a reactive approach, where they try to create small changes, give feedback, and again create small changes.

The idea behind Kaizen is based upon the general idea of ongoing improvement and addressing every person. Applied for a company, Kaizen refers to the collective organization and thus involves not only leaders and managers but also employees. The Kaizen idea of improvement has to be balanced with the need for maintenance. The concept itself can be regarded as balancing maintenance with innovation. Innovation, on the one hand, represents a radical change. Maintenance, on the other hand, is synonym with status quo. Kaizen represents a step to step approach, where long term is privileged; it is a gradual development system.

The Kaizen approach is strongly linked to several practices and methods. Most commonly known is the Total Quality Control (TQC) Approach or Kanban. “TQC in Japan is a movement centered on the improvement of managerial performance at all levels” (Imai in DeWit & Meyer, 2004, p.195). It is based on the idea of increasing an organization's performance. Thanks to the Toyotism model, the Total Quality Control, with its five zeros and the quality control circles became popular. Participation and research of quality carry out to improvement. In the long run, Kaizen allows a better employee loyalty.

Based upon the same belief than Kaizen, is the concept of “Total Employee Involvement” (TEI). <http://www.scodanibbio.com/site/access/homeaccess/54.html>. This conception became popular due to the general shift from focusing on task and function towards process thinking and involvement. Kaizen and TEI can be considered as more or less equivalent titles for the same underlying assumptions.
4.3.4. Advantages to involve workers in change processes

Kotter (1996) illustrates the broad-based empowerment by describing organizations of companies which evolve in fast moving industries, such as high-tech companies, or professional service firms. According to him, delegation leads to better performance. Workers’ involvement in change processes create better employees’ attitude and results.


In other words, empowerment of employees creates loyal customers who create bigger profits. Richard Branson built his success with Virgin thanks to this idea. His vision for Virgin is summarized in the following statement: "We embarked on consciously building Virgin into a brand which stood for quality, value, fun and a sense of challenge. We also developed these ideas in the belief that our first priority should be the people who work for the companies, then the customers, then the shareholders. Because if the staff is motivated then the customers will be happy, and the shareholders will then benefit through the company's success."

According to an article of Parsley (2005), a study led in 2005 showed that companies with high employees’ participation increase their net profit by 2.01 per cent on a thirty-six month period when companies with low employee’s involvement see their net profit falling by 1.38 per cent over the same period.

Locke et al. (1997) look at employee involvement in terms of quality of results and decision making. Thanks to a better motivation, workers will put more efforts to realise the tasks and then a better result is probable to emerge from these efforts.

Employee’s motivation derives mostly from understanding the task and the feeling of contributing for the organization. Sagie and Kolowsky (2000) argue that workers desire to have their ideas noticed and considered. For instance in the automotive company Toyota, workers provided 1.5 millions suggestions a year, and 95 percent of them were put to practical use. That is one of the strength of the Kaizen model as employees are used to provide better solutions.

Savery and Soutar (1992) show through a study led in Australia, that the level of interest for a task depends mainly on the involvement. It sounds obvious but however it seems that a lot of companies nowadays are still not fully confident in their workforce.
4.3.5. Implementing empowerment

Beer and Nohria (2000) describe key dimensions that are essential to implement employee’s empowerment in their so-called Theory O:

- Goal: Develop organizational capabilities
- Leadership: Encourage bottom-up
- Focus: Corporate Culture
- Process: Experiment
- Reward System: Commitment

Without knowledge, not any process of employee involvement is possible. It is essential to give the necessary skills to people to enable them to understand the vision and to come up and contribute with new ideas. By this way, the company will develop its organizational capabilities. It relates to leaders to make it possible by delegating the power of decision and action. Some freedom in the process is also important; leaders should not be viewed as tyrant. It is crucial to let people experiment. In other words it is the concept of do it yourself or learning by doing. And finally people need to be rewarded for their contribution. Otherwise they will feel frustrated and not well recognized for their action.

The Conference Board published in the year 2006 “Employee Engagement, A Review of Current Research and Its Implications”. This report is the result of twelve studies from major research firms in the United States such as “Gallup, Towers Perrin, Blessing White, and the Corporate Leadership Council”.

After analysing the huge mass of data collected, the Conference Board highlighted eight key drivers to implement successful employee’s involvement:

-“Trust and integrity”: the confidence and space of laissez-faire led by the superiors to the employees to allow them to be driver of change.

-“Nature of the job”: it influences strongly the motivation. The higher the level of interest, the better the motivation will be.

-“Line of sight between employee performance and company performance”: employees need to see that their actions have an influence for the performance of the organization.
- “Career Growth opportunities”: employees want to see that their actions can lead them to new opportunities.

- “Pride about the company”: employees need to be proud of being part of the organization and part of a change initiative.

- “Co-workers/team members”: the relations within the teams and between co workers are obviously very important to lead an efficient change process.

- “Employee development”: the educational part is also crucial, it is essential for workers to learn new skills and being “updated” with the help of seminars, or formation week for instance.

- “Relationship with one’s manager”: A great communication between employees and manager is more than necessary to ensure the success of a change initiative.

This chapter shows the increasing importance of employees’ involvement in our fast changing world. “In an environment of constant change, individuals, even if supremely talented, won’t have enough time or expertise to absorb rapidly shifting competitor, customer, and technological information. They won’t have enough time to communicate all the important decisions to hundreds or thousands of others. They will rarely have the charisma or skills to singlehandedly gain commitments to change from large numbers of people”. (Kotter, 1996, p. 163)

According to Kotter (1996) teamwork is clearly one of the main ingredients to lead a successful change initiative.

Do people hate change?
The answer is clearly no. They need to be considered and involved. However nowadays, ninety percent of employees feel disengaged or only moderately engaged in their work position. Thus an enormous opportunity exists for organizations to be more efficient by integrating their employees more and more in decision making processes and implementation of change. (Soldati 2007)
4.4. Managers and change implementation

4.4.1. Controlling change processes

Bennis (1989) defines “Managers are people who do things right, while leaders are people who do the right thing”. He balances the different roles of a leader and a manager: manager is an administer while leader is an innovator, manager is the one who maintain, leader is the one who develops. Indeed the manager must make sure that the decision of change is perfectly implemented.

Kotter (1996) goes further and states “management is a set of processes that can keep a complicated system of people and technology running smoothly. Leadership is a set of processes that creates organizations in the first place or adapts them to significantly changing circumstances. Leadership defines what the future should look like, aligns people with that vision, and inspires them to make it happen despite the obstacles”. (P.25)

According to Zaleznik (1989), leaders will take the decision that organizations need to adapt in a shifting world. They encourage change. Managers will help companies to find the stability to be efficient daily. Kotter (1996) came back on Zaleznik’s thinking and argued that leaders and managers are the yin and the yang of organizations.

4.4.2. Communicating change processes

Managers are not only in charge of controlling processes. They are also regarded responsible for interacting with employees. Interaction refers primarily to communication with employees. Leaders need to communicate changes of course as well. She/He needs to incorporate change and thus to walk the line. Nevertheless, managers are more close to employees due the general organization's hierarchy. Their communication with employees can thus be more effective. To us, leaders have the primary function as sensegivers whereas managers are the ones to communicate the message to employees and ensure that they will make the appropriate sense out of it.

We understand communication as “information that changes behavior”, with this definition going back to TJ and Sandar Larkin (Larkin & Larkin, 1994, p.245). This definition is matching with our purpose. We consider communication as a means for achieving employees’ participation. Their willingness is based upon real understanding and commitment in best case. As communication can be a decisive factor for a successful implementation of change, we are going to consider this more closely.

Many different channels for communicating exist within an organization. Most commonly, information is spread by “employee reports, company newspapers, videos, posters[...]]” (Larkin/ Larkin, 1994,
By means like this a broad mass of employees can be addressed. However, employees do not value these channels too much. In the scope of a survey at British Telecom in the late 1980s, employees were asked about their level of information. The result was that they only referred to face-to-face communication to answer this question. The “International Association of Business Communicators and TPF&C” conducted a study in the United States, United Kingdom and Canada, asking amongst others “how employees want their information” (Larkin/Larkin, 1994, p.89f). The result shows that more than two third prefer face-to-face communication.

This insight should be taken into consideration when initializing a change. TQ and Sandar Larkin (1994) take a rather extreme position in their book “Communicating Change”, entitling one of their chapters “If It's Not Face-To-Face, It's Not Communication” (p.86). According to them, communication is solely about interaction. Dependent on a company’s size, this request is more or less easy to be implemented. And although managers should function as communicators, it is not their primary task.

The basic intention of communication in businesses is to improve performance. A research at General Electric and Hewlett-Packard examined the influence of communication with the outcome that “the better the manager’s communication, the more satisfied employees are with all aspects of their work life” (Larkin/Larkin, 1994, p.15). Contented employees will be by trend more willing to support change implementation.

One main function of communicating is to create and strengthen credibility and reliability for the message delivered. When communicating an upcoming change, legitimacy is basic. The reason for this has already been discussed within the role of leaders. The case of British Airways (BA) in the 1980s depicts one way of making use of communication to reach trustworthiness. Due to political adjustments and increasing deregulation, BA's CEO Colin Marshall decided to change the organization radically. To intensify his commitment and sincerity, he communicated his message again and again. The main purpose was to become “consistent with the message” and thus to walk the line (Burke, 2008, p.257).

That it is only managers to communicate “to the workforce”, therefore solely top-down communication, is rather out-dated (Sullivan & Lytton, 2000, p.45). In terms of change, it is dependent on the context whether it is the CEO or people of specified departments to see the necessity for change first. Independent of the kind of person to see the need for change, it is nevertheless senior executives to communicate this to employees in an official way (Burke 2008).
is one of the first steps to create awareness for the necessity to change for all organizational members. This aspect has already been named within “the six necessary ingredients of change” by Björn Bjerke. “If people in the organization see or feel no need for change, they are not likely to embrace the idea” (Burke, 2008, p.253). Communicating the necessity of change is though not enough. “Aristotle told us, in 350 B.C., if communication is to change behavior, it must be grounded in the desires and interests of the receivers” (Larkin & Larkin, 1994, p.xii). The essential message is for us that employees need to have a feeling of being involved. They should have the impression that their requirements have been considered. It is also important to ensure that employees get the right sense in terms of implementing change. The vision should be communicated in a very clear and precise way. Moreover, the aspired direction should be comprehensible for everybody in an organization. If employees know what they have to expect from the change for their own positions, they will be more willing to support the implementation (Gunilla 2009).

TJ and Sandar Larking look at communication between CEO and employees rather critically. They argue for “increasing the power of [...] supervisors” instead in order to achieve better performance and raise employees’ satisfaction (Larkin & Larkin, 1994, p.14). This observation is going back to Donald Pelz, 1952, and referred to as the “Pelz effect” (Larkin & Larkin, 1994, p.14). Both authors, who work as consultants, also point out the general difficulty that organizations have with middle managers. Top-down communication flow is most probable to stuck there. As this is widely spread, bigger companies have coined specific names for their middle management. GM is talking about the “frozen middle”, while Polaroid refers to the “muddle in the middle” (Larkin & Larkin, 1994, p.19). Possible solutions for this phenomenon could be to enforce direct communication between senior managers and supervisors and to work on the middle management communication.
4.5. **Consultants and change implementation**

"The consultant is a specialist able to provide organizations a set of solutions that have to be matched to firms' problems" (Creplet et al. 2001, p.1518).

Consultants can be considered as problems solvers within the process of change. Organizations will use consultants to help them to find an appropriate response to a problem. The problems are generally well identified preliminary by managers, or other people of the company. Thus, they will give the consultants some assignments in order to solve the problem. "Consultants are supposed to have more experience and knowledge since they occupy, by the very nature of their activity, a privileged position in several companies" (Hargadon, Sutton & Sarvary in Creplet et al. 2001, p.1518)

So consultants are aware of a large set of solutions to cope with different kinds of problems. They can be considered as knowledge brokers. Consultants will use their background to deal with the problem and provide matching solutions. They will suggest a way to implement the solutions to the organization they work for. Implementation can be lead with or without the help of consultants depending of the choice of the organization.

Hence to summarize, the role of the consultants is to link real life problems with knowledge that they conceptualize through their previous experiences. Thanks to these theoretical tools they are
able to provide solution to implement change successfully in the real life for the organization they work with. Thereby, consultants can have a role in the identification of the drivers for change, but also in the implementation of change. Indeed, they have an important position in the decision of the necessary change by interpreting the problems preliminary identified by the management. They are also a central part of the implementation by providing the good toolbox to the organization.

4.6. **Outlook on the four necessary roles to lead change**

At first sight, it would have been easy to look at the model of Björn Bjerke (the four necessary people you need to lead change) by affiliating leader, managers, employees and consultants (change agents) to one single box. Thus, without any look at literature, we could have introduced the leader as the one with an idea, or the employees like the supporters and followers. However this chapter showed that it is impossible to lock up people in only one single role. Change requires the participation of all change agents in a flexible way. Indeed leaders, employees, or managers and consultants can be the drivers of change initiatives. Implementation of change requires also the active participation and knowledge of all the different change agents. Thus commitment is crucial to allow creativity from all the change agents and to favour acceptance by all for the change and to avoid any resistance.
5. Problem oriented case

5.1. Problem background

To gain more insight into real life practice, we refer to the article "Bottom-up or top-down? Evolutionary change management in NPD [New Product Development] processes" by Riitta, Päivi and Jukka (2003). This article is based upon the method of evolutionary change management. This change approach was observed within the process development projects of two Finnish companies from 1998 to 1999. One of these companies is settled in the telecommunication sector and the other company is of the pharmaceutical industry. The major difference in the implementation can be seen in the top-down management of the telecommunication company and the bottom-up management of the pharmaceutical company. The authors were actively involved in the implementation process and could thus gain helpful insight. The comparison of the bottom-up and top-down is in the focus of their article.

We present this case in accordance with our four main parts of the theoretical framework. Thus, the case content is conditioned to refer to change, drivers, implementation and roles within an organization. This way of displaying should show the interlinkage of all these parts and their relevance in real life. The central question of whether to apply bottom-up or top-down is of interest in terms of employee empowerment. We don’t deal with the technology sector in our thesis. Therefore, we are just going to describe that technical expressions in a more detailed way, that are necessary for understanding.

5.2. Change

As we have already emphasized within our part of change, it is first of all about defining the nature of change that a company is facing. The right expression for change is in this case "business process changes" (Smeds et al, 2003, p.888). These kind of changes are initialized by companies themselves. To deal with business process changes successfully, implementation is needed and additional value has to be created. "Business process improvement can be defined as the analysis, redesign, and subsequent change of organizational processes to achieve performance and competitiveness gains" (Kock, 2005, p.32). It is one possible sign for an efficient implementation, when business process changes prove to be business process innovations. These innovations are in turn necessary for strategic innovations which represent a "key competitive advantage" (Smeds et al, 2003, p.888).

The administration of change is accomplished within change management. We mentioned Nickols (2008) with his approach for defining this term in our part of change. To come back to his
differentiation of reactive and proactive approach, this case is displaying a proactive approach. This is due to the companies` initializations of the changes. The article doesn`t describe any triggers that cause the changes. As both companies plan their changes, they have as much control as possible when dealing with change.

The handling of business process changes takes place in the scope of the so-called "evolutionary change management" (Smeds et al, 2003, p.887). The theoretical background for evolution management is primarily constituted by two learning theories. The theory on knowledge sharing and creation dates from Nonaka and Konno. The second theory is hearken back to Wenger and about communities of practice. The method for this kind of change management is developed through action research projects. The technique that is described within the article "integrates process simulation games and project management into an evolutionary yet systematic process development approach" (Smeds et al, 2003, p.890).

5.3. **Drivers**

The driving force for the described change is of internal nature. The decision making process of both companies is not subject of the article. We therefore don`t know which tools were used to give the greenlight for initializing the changes. Aspired goals of the change and thus also driving forces, are savings in costs and time and increased quality. The general purpose is consequently to enhance profitability. These target variables are concordant with the two primary reasons for companies to change (referring to the McKinsey Quarterly Survey of July 2008).

We have introduced Lewin`s model of "unfreezing, moving, refreezing" (1951) within our discussion of stability and change. This model can be also applied for the existent case in order to provide a more precise overview and gain more structure.

In the first step of unfreezing, both companies must have evaluated the driving forces as exceeding the restraining forces. The necessity to change was ascertained by stating the aspired goals and assessing the initial situation. The pharmaceutical and the telecommunication company established their "NPD process development projects" in accordance to the business process changes (Smeds et al, 2003, p.893). They decided on their targets and on applying simulation games as method to achieve the change.

The scope of the second step, moving, can be settled from 1998 to 1999. This matches with the period of implementing the two process projects. By conducting the simulation games, the changes took gradually place.

The third step of refreezing is regared as accomplished with the process of change being finished. As the described change processes were built upon simulation games, we would say that the official end of the process is consistent with the end of the last simulation game. To gain a realistic
impression of the achieved results, companies should wait with their evaluation. Smeds et al (2003) conducted interviews with "both companies 14-18 months after the last simulation game" (p.898).

Both companies were evolving "their new product development processes" (Smeds et al, 2003, p.891). The main goal for the pharmaceutical company was to reduce the period for the time-to-market process. Moreover, more attention should be paid to the quality and scientific base of the products. The telecommunication company wanted to change from a functional organization to a matrix organization and needed to reengineer its R&D process rather fast. Although no additional information is provided in the article, external drivers for initializing the change are imaginable. The aspired object could be due to an accelerating competition on the markets, for example. (p.892)

5.4. Implementation

"The outcome of a process innovation cannot be predicted; it is an emergent phenomenon of organizational creativity and learning along the road of implementation" (Smeds et al, 2003, p.889).

This statement already refers to the theoretical framework of the implementation. The process of implementation is described with the theory of organizational learning. Smeds et al (2003) regard thereby the empowerment of employees and their participation as key part. The implementation implicates "huge learning challenges to individuals and to the whole organization" (Smeds et al, 2003, p.888). To ensure that an implementation will become effective, the process should be guided from the beginning on. This refers to a properly defined, well communicated and established vision. This complies with Kotter’s (1996) steps two until four of his eight stage theory. As process innovation is rather radical in its effects, the implementation is accompanied by many adjustments within an organization. The implementation takes place on a strategic level which makes the use of most means necessary (see: The Staircase of Problems). Quite often, functions and roles are renewed, practices and information channels are changed and new technology is established.

The change method of the pharmaceutical company was "incremental with radical objectives" and based on the bottom-up approach (Smeds et al, 2003, p.893). Although the approach is entitled bottom-up, we think that it is only bottom-up when falling back on a wider definition of this term. The initialization and construction of the development process was imposed from the top level. It is moreover only mentioned that for this specific case, bottom-up was backed up. The telecommunication company implemented the change "radical with radical objectives" and top-down (Smeds et al, 2003, p.893).
5.5. **Roles in an organization**

As the article compares the two possibilities of top-down and bottom-up implementation, the persons of the two companies take different roles. Most striking is the different emphasis on the leader’s role. Unfortunately, Smeds et al (2003) do not consider the roles in the implementation process more precisely. Previously we showed that people should not be locked up in only one single role. However, this case show that the four key roles for the implementation (according to Björn Bjerke) can be detected precisely. It shows that even if organization attempt to empower more and more the employees and to be as much flexible as possible the “classic” repartition of roles remain. Thus we present the repartition of the different roles with the help of the model of Björn Bjerke (the four necessary people you need to lead change).

**Someone with an idea:** As this person is referred to as the visionary, we would say that the leaders of both companies take this role in the implementation.

**The Entrepreneur:** Within the description of the pharmaceutical company, so-called "change champions" are mentioned (Smeds et al, 2003, p.894). They are named the responsible persons for executing the project. In the telecommunication company, managers were organizing the first simulation game and for the subsequent games, R&D personnel was regarded responsible. The example of these two companies exemplifies already the various possibilities for persons to take the key role of entrepreneur.

**The Supporters:** In both companies, supporters are the employees. Nevertheless employees are deeply involved in the change process and represent a proposal force.

**The Gate Keepers:** in this case, the authors can be described as the gate keepers of the change process. They are described as "facilitators" and were taking part at each step of the process (Smeds et al, 2003, p.894). They were not only assisting in modeling the simulation games but also in organizing them.

Smeds et al (2003) conclude their article by stating the importance of combining both approaches for implementing. This means to fall back on top-down as well as bottom-up management. Bottom-up implementation increases interaction and facilitates the establishment of a common platform for change. Top-down management is important to tap the full potential and "implement fully the results"
Dentinger & Derlyn

Baltic Business School, Kalmar. Sweden

(Smeds et al, 2003, p.899). However, the real effectiveness can be just proved with continuing to monitor the process innovations.

6. What could constitute an organization able to deal with change successfully?

6.1. Ambidextrous organizations

Our theoretical framework is aimed at isolating some key factors that could constitute an organization able to deal with change. One research trend is about the organizational structure of ambidexterity. In regard of breakthrough innovations, “more than 90% of the ambidextrous organizations achieved their goal “(O’Reilly III/ Tushman, 2004, p.76). This observation is the result of a study conducted by O’Reilly III and Tushman (2004). They observed 35 companies which represented four different approaches for conducting innovations: functional designs, cross-functional teams, unsupported teams and ambidextrous organizations. Another study by Birkinshaw and Gibson (2004) examined the connection between ambidexterity and business unit performance.

![Ambidexterity and business unit performance](image)

Source: (Birkinshaw & Gibson, 2004)

This figure depicts a highly significant correlation. The explored success rate of ambidextrous organizations represents the main factor for presenting this organizational structure. Another factor for choosing ambidexterity as an example is it’s linkage to organizational learning.

*Michael Tushman: “There is only one way for companies to deal with change – with both hands”*

He predicts that the successful organization of the future will be ambidextrous.

(Boardman, 2000, p.1)

This organizational model is centered around exploration and exploitation. These two expressions have already been discussed in the scope of organizational learning. Ambidexterity is about analyzing
past results and products while at the same time “preparing for the innovations that will define the future” (O’Reilly III/ Tushman, 2004, p.74). To remain efficient in the long run, incremental as well as radical innovations of existing products are needed. The main focus is to balance exploitation and exploration in a way that is most efficient for organizations.

Kang and Snell (2009) refer to three ways for balancing both approaches:

- **Structural ambidexterity** is about the physical separation of exploratory and exploitative units.

- **Contextual ambidexterity** is present when all individuals of an organization show a behavior “for dual capacities” (Kang/ Snell, 2009, p.66).

- **Punctuated equilibrium** refers to sequenced phases of exploitation and exploration. Exploitation constitutes the usual phase for a company’s business, with exploration appearing only when necessary.

The traditional focus was on the separate treatment of both approaches, thus structural ambidexterity. O’Reilly III and Tushman (2004) argue for this separation based upon their examination of companies. Separated units allow different cultures, structures and processes that match with the specific purpose. According to them, it is the senior management’s responsibility to ensure integration. “*Ambidextrous organizational forms are composed of multiple integrated architectures that are themselves inconsistent with each other*” (Tushman et al, 2004, p.7). Newer studies argue more for the integration of both characteristics and are settled in the field of contextual ambidexterity. This approach refers to “a company’s ability to simultaneously execute today's strategy while developing tomorrow's arises from the context within which its employees operate” (Birkinshaw & Gibson, 2004, p.47).

Employees’ behavior is regarded as important as executives’ behavior. Structural and contextual ambidexterity can be regarded as complementary.

**Figure 24 Structural Versus Contextual**

![Source: (Birkinshaw and Gibson, 2004)](image-url)
In practice, most companies tend to concentrate on adjustments of their present products but miss to be innovative. This is especially true for mature and traditional companies. Kodak can be named as one example. This company held a dominant position in the market for a very long time but finally failed to realize the new customers’ demand for digital cameras (O’Reilly III/ Tushman 2004). Innovations represent a significant competitive advantage. To come back to Kay’s (1993) three distinctive capabilities, innovation represents one of the factors to create added value. As Kodak represents a negative illustration, the case of Zara depicts a good way of implementing. ZARA is the only company in the fashion industry that has managed to offer their customers new outfits and trendy cloths at affordable prices every 10 to 14 days. Their turnover of clothing is said to be the fastest compared to all of its competitors in the fashion industry – through this the company creates an image of scarcity in the head of the consumer and hence makes their products more appealing. The only way the company has been able to achieve this is by relocating most of its production facilities back to Europe, compared to the majority of other fashion retailers that still have most of their production facilities in countries with lower labor costs. Nevertheless, despite higher production costs the company has been able to react quicker than any other company to changes in consumer demand and hence offers exactly those products that consumers want.

Ambidexterity improves a company's short-term and long term success. Exploitation is dealing with short-term goals, while exploration is about the long-term goals. Adaptability as well as alignment are in the focus of contextual ambidexterity. Due to the always changing environment, adaptability is indispensable for a company's sustainability. However, it is not sufficient. Adaptability needs to be balanced with alignment and thus with short-term goals.

In contrast to the contextual view, the role of managers in terms of determining the effectiveness of change initiatives is emphasized within the paper “The Ambidextrous Organization” by O’Reilly III and Tushman (2004). It is crucial that managers fully support the ambidextrous structure. The authors accentuate that managers have to be attentive to diverse businesses and though “consistently inconsistent” (O’Reilly III & Tushman, 2004, p.81). Dealing with ambidexterity may represent one of the most difficult tasks for managers working in the 21“ century. In-depth researches on how managers can deal with this issue are so far however rare.
6.2. USA Today: a problem oriented illustration

“A model for driving sustainable innovation within a mature business”

<http://www.innovation-point.com/Ambidextrous.htm>

In the following, we present the newspaper USA Today as it describes the transformation to an ambidextrous organization. This took place in the late 1990s and the ambidexterity is of structural nature.

6.2.1. Context

In the beginning of the 1990s USA Today was “the most widely read daily newspaper in the United States” (O’Reilly III & Tushman, 2004, p.77). However, with the advent of internet, the company started to lose its readership. Especially younger readers increasingly started to make augmented use of the alternative sources of television and internet to get informed. On top of that, rising printing costs have further contributed to declining sales.

All of those external influences forced USA Today to change its strategy in order to remain profitable. Tom Curley, publisher and president of USA Today, realized this necessity of a revolutionary change. His solution was to innovate in excess of the traditional printing business.
6.2.2. Transformation

The first initiative towards innovative change was the launch of the website USAToday.com by Curley and Lorraine Cichowski. It was aimed at operating independently from the print business and set up a new culture that was matching with the internet business. Despite the fact that internet usage was increasing considerably, the website of USAToday.com did not show the expected positive results. Curley saw as main reason for this failure that the website business was too remote from the print business. Executives from the traditional business regarded this new department as competitive. They were therefore not willing to share the financial scarce resources.

To counteract this conflict, USAToday.com should become more integrated. “In 1999, he decided that USA Today should adopt a “network strategy”, in which it would share news content across three platforms: the newspaper, USAToday.com, and Gannett’s 21 local television stations” (O’Reilly III/Tushman, 2004, p.78).

The way to implement this strategy was to create an ambidextrous organization. By this, the focus could be settled on the traditional print business as well as on the innovative multimedia business. To ensure his vision, Curley appointed a new leader and supporter of the network strategy for USAToday.com. Moreover, USAToday Direct was introduced as a television channel. For the new organizational structure to work, other significant adjustments within the organization and its management had to be conducted. Programs were adapted and Curley made sure that only senior executives who shared his idea retained their position. As a consequence, 40% of executives were fired. All of the three organizations remained in spite of the strengthened integration separate.

“While the units were physically separate in process, culture and staffing, they were integrated at the top under a distinct operating structure to promote cross-media sharing” <http://www.innovation-point.com/Ambidextrous.htm>. The integration took part on the senior leadership level. This integration secured new potential synergies between the organizations. Reporters were becoming more willing to work together with USAToday.com for example, as their stories could thus reach a much larger audience.

6.2.3. Result

The network strategy could be proved very successful and profitable. While other companies suffered from the internet collapse, USA Today made profits of $60 million. To what extent this result originated from the ambidexterity is just to guess. A positive influence is however for sure. This example shows that it is important to integrate the separate units for creating synergies and reaching their fullest potential. Although the ambidexterity was based upon distinct units, the specialized senior executives worked strongly together and knew exactly about the other
organizations’ current businesses. This case is limited in terms of solely representing structural ambidexterity.

6.3. The staircase of problems

![The staircase of problems diagram](image.png)

Source: Based on Björn Bjerke’s experience

This model shows the importance to identify with what kind of problem a company is coping. It is a question to do not employ more means than necessary to implement change. According to the metaphor of this model, a company should not climb higher than needed. That is why it is important for change agents to identify the drivers for change. It can be a problem in terms of communication, of conflict or of structure. The general approach before analyzing a problem is to describe it first, then understand it and finally be able to analyze it. Without sticking to this order, the analysis is probable to lead to an insufficient solution.

Thus, if a problem of communication (misunderstanding for example) is recognised, it can be resolved by providing better information. Nothing has to be changed in the two other levels. If a problem of conflict appears, then the communication level is touched too. However, still the structure level is not touched. It has to be dealt with the conflict. To be solved, a good communication is the basic. For instance, a conflict can appear because two departments within a
company are dealing with the same mission. One possible solution for such a problem is a clear job description. This takes place with help of good communication within the company.

A structure problem will always include communication and conflict problems. The transformation of structure needs great efforts within the communication to be accepted. Moreover the factor of trust is really important here.

Hence, the effective organization will be an organization able to identify change drivers and to effectively use its resources to implement change.
IV. Empirical findings and interpretation

“Change can either challenge or threaten us. Your beliefs pave your way to success or block you.”
(Sinetar)

Our questionnaire was structured in accordance to the four subjects of the theoretical framework. This should simplify linkages for the readers. Our purpose is to gain new insights for the topics that we have already discussed in the theoretical framework. It is not at all about mirroring, justifying or criticizing the literature but about highlighting certain aspects and deepening the understanding. We presented all of our four respondents in our methodology part. They possess a huge professional background in diverse fields. Concerning Gunilla M.S. and Richard Köhler 2, also in various countries. Their answers are therefore built upon profound job-related experiences.

1. Change

1.1. Vision on Change Management

We asked our respondents for their vision on Change Management according to their past working experiences. The specification to organizational change was due to narrow the generality of the expression change. We did not want to get their opinion about change in private life (be married, have children) but about change within organization.

We tried to cover the spectrum of change in our first chapter. Due to our respondents’ background and past experiences, they got their own vision of change. Hence, they grasp the phenomenon of change in different ways. However, some common points can be underlined.

Thus Richard understands organizational change as a “realignment of goals and priorities”. This reorganization should already prepare future implementation. According to him, reorganization should be done with a special “empathy for those who will implement change and acceptance of responsibility for their well-being”. Gunilla shares the idea, defining change as the fact to”do something in a new way, a new thinking. Not just better but more efficiently.” According to Gunilla, people tend to generally underestimate the scope of organizational change: “My main opinion of change out of my personal

2 During this part we will only refer to the first name of our respondents
experience: most people believe they have done change when they have done the factual things that have to be done in a new way. But change is not taking place until the organizational culture - that supports the behavior within the organization - has changed."

We think that she distinguishes hereby between the operational and strategic level. Pointing out that people do not go deep enough into change. Chief executives or managers who start the process know often too little about how people are functioning and culture is created. Gunilla regards changing organizations' culture as the basic step to initialize an effective change process.

We have already mentioned within our theoretical framework that culture is standing for stability of an organization. All organizational values and behaviors are rooted in the culture. To achieve strategic change is therefore not working without adjusting the culture. One emerging problem that we see is to accomplish organizational change without losing a company's underlying identity and philosophy. According to our opinion, it is about balancing new needs with traditional focuses. This view has been described within March's "Exploration/Exploitation- Trade Off", as one focus within organizational learning.

Mats looks at change from an internal point of view as a “switch between different areas of responsibilities and suppose that change occurs after that.” He points out that a change initiative does not lead automatically to change or success. Stefan examines change from an external point of view. He is already considering the drivers for change in his attempt to define organizational change. He argues that change means “to adapt to outside factors, the external drivers who force the company to change.”

1.2. Opinions on change

We also submitted a series of quotation from the literature to our respondents. The general nature of these statements makes it possible to underline the various attitudes of our answerers.

“Change is everywhere.”

Here is a real consensus; all of our respondents agree on this statement. Richard examines that “It is only to look around for proof”. A point shared by Stefan. Nevertheless, the co-owner of Business Advantage introduces the pace of change in his answer. According to him, change is “all over the road” but “it depends on the speed things are changing”. Gunilla confirms but balances: “Of course change is everywhere but those who claim that change is always there and it never ends, those do not know what they are talking about. Each change process should have a starting point and an ending point and it should be possible to measure the results”.

Obviously change is an ongoing process, as we discussed beforehand. A change process is about continuously balancing stability and change, as Lewin showed with his unfreezing, moving,
refreezing model. Measuring results is crucial to reach the goal of being more efficient in the competitive environment.

“Change is constant.”

This quotation challenges the incremental and radical visions of change. Gunilla and Stefan share the same interpretation: they do not believe in this statement. According to Stefan, change cannot be constant because “it is depending on a lot of factors. And these factors can be very intensive in some periods”. He probably wants to express that there are different steps within implementation of change. As Kotter demonstrates, these different steps can be more or less time consuming for the organization and thus require more or less attention. Gunilla recognizes that change “is always around you” but nevertheless states that “as long as you say this you will never be able to actually work in an efficient way with the change process. You need to identify each process and need to set priorities”. She argues that the best change opportunities have to be embraced and not every single one. Thus organizations need to identify which change opportunities are the most profitable.

However, in the opinion of Richard “life is one continuous change”. According to him this can lead to resistance because “it can be sometimes not so exciting or even intimidating. It is the latter, intimidation or threat, which makes change so difficult for many”. We developed in our theoretical framework the importance for people to understand the necessity to change to prevent resistance.

“Change is messy and chaotic.”

We demonstrated the importance to structure the process of change all over the theoretical framework. Nevertheless, change is described as messy and chaotic by several authors. Our respondents agree on one point: change is often chaotic and messy but it should not be like this. Gunilla explains that it is frequently “due to lack of methods. If you know the methods, it doesn’t need to be like this”. Richard has the same vision than the owner of Kontura International: “All too often that is the situation, but it need not be that way if good communication channels are created and used effectively”. Stefan shows that also organizations are responsible to lead change processes correctly “that does not need to be but most of the time yes. It depends and how they are managed and in what situation the company is”. He emphasizes on the importance to possess qualified people to lead change: “I believe that change is generally not managed that good, they also introduced false cross on some facts”.

We developed the importance of roles within change processes in the fourth chapter of our theoretical framework. Change process is people oriented; every implementation will be unsuccessful without any talent to drive the change. A point illustrated by Björn Bjerke with his model of the four necessary people you need to lead change.
“Dealing with change means balancing paradoxes.”

Within our theoretical framework, we identified and tried to balance paradoxes in change processes such as change and stability, or change and legitimacy.

Mats agrees and identifies the following main paradox: “very often the company is going to improve but on the other hand it will be difficult for people during that period to see whether they have a good situation when the change is over”. Obviously, change and improvement are linked; nevertheless people are always scared to change to a maybe worst situation. According to Stefan “you have to be aware that change means that it can be worst before it get better” and it challenges the basic instinct of people “you as a human being search something stable or a kind of foreseeable situation. And change is not foreseeable in the future, so you have to adapt to changes but your basic instinct does not.”

Nevertheless Richard comes back to the definition of a paradox first: “It depends greatly on the definition of paradox, my point being that if we consider paradox as a “contradiction” or absurdity it has one meaning. Impossibility is another meaning, but these are all negatives and change need not take on a negative moniker. The above statement suggests that change is a process of balancing negatives that is the reason why he disagrees with this statement.”

Gunilla believes that change is about challenging paradoxes since “people are different”. People search different things from change processes and look upon change from different points of view. “As soon as you have a large group of people you have this “clock curve” that you can find in all the behavioral work. Because you have people at the one end and people at the other end and this is what leads to the paradoxes.”

The paradoxes are born from the differences in the perception of change. People have different expectations of change. Every time people feel that their comfort zone is threatened, they tend to react in opposite directions.

“Every change initiative is unique”

We try to identify the key aspects of what could constitute a successful approach to change in our thesis. It is clear that it is an impossible mission to totally generalize change process. Some authors even state that we shall look at every change initiative as a new and unique one. This statement leads our respondents to speak about our next subtheme; namely drivers of change. Gunilla joins this quotation because she thinks that “the companies need to adapt to their markets, to their clients, to their people and to their business and it changes over time and there is no way you can see that everybody should go so exactly the same process.”

Stefan divides change processes in two parts: the reason to change (drivers) and the way to implement change. According to the co-owner of Business Advantage: “the incentives to have a change are not unique all the time, but all change processes will probably be unique based on the different companies, different people involved and all that.”
Thus, different companies can have the same reason to decide to change as we showed with the survey of McKinsey Quarterly. However, it is interesting to observe that Stefan does not believe in a more or less general way to implement change. It is even more surprising when we know that Business Advantage is currently conceptualizing a website to help companies from different industries to implement their change process. On the one hand, we saw that Kotter’s model with the eight stages to implement change was an attempt to generalize change process. But on the other hand, we also showed in our last part, that no roles in organizations are settled within implementation of change.

2. Drivers

We described the drivers which are leading organization to change in the second part of our theoretical framework. According to Sam Palmisano, CEO of IBM since 2002, “the question why do I have to change is a problem that everyone running a company wrestles with” (Hemp & Stewart, 2004, p.62)

That is what we asked our respondents, who had to face this question several times in their career. We also asked the contrary question why and what companies do not change.

2.1. To change...

We distinguished internal and external drivers in our theoretical framework. We identified the main reasons for organizations to change and different ways to figure out these reasons. Richard argues that the main reason to change “is or it should be, to meet real or perceived threats or opportunities.” For Stefan these threats and opportunities are mainly “the external factors that affect the company, but there are obviously other reasons as well.”

In a time of a serious downturn like the world economy faces nowadays, it sounds normal to focus more and more on external factors. Nevertheless, Gunilla summarizes well and examines that “the main reason for an organization to change is always to do something better, to be more efficient in regard of the customers’ needs. To organize themselves in a way that underlines the way of working they got, to merge in order to be able to invest and in order to gain more economical background. It has always to do with the business of the organization. That is the driving force of change. She identifies that the current crisis “forces you to change. It means that you lose a lot of your business and then you need to diminish or you need to adapt to the situation. One effect is also the forced change of your customers’ behavior.” Hence, the crisis obliges organizations to change; we almost cannot speak any longer about drivers to describe the reaction caused by the crisis. It is clear that organizations do not really have the choice to change or not. They need to stay competitive and cope with the crisis efficiently. In other words, companies have to find solution to react and try to adapt to the crisis. That constitutes a first driver. The second driver in reaction of the crisis, is to succeed to take advantage of it. Gunilla underlines “the crisis is always the basement for
development, there are lots of opportunities, even though you won’t have the financial support. But those people dealing with it anyway, will develop.”

2.2. …or not to change

As change literature deals above all with issues that organizations need to change, we also wanted to know what and why organizations generally do not change.

Stefan looks at the whole industry to explain it: “I think it is more depending on the industries you are in. For instance if you have customers and competitors who are changing all the time, you are force by these external factors to change yourself. Otherwise you are out of market. But in companies dealing with customers with very long term perspectives then change is not directly introduce in the companies.”

Richard is sarcastic to describe what companies do not change. According to him, organizations do not change “their existing bad practices”. That is a way to explain why so many change initiatives fail and to point out the need for organizations of external consultants to help them. He adds that “too often organizations ignore the existing procedures or policy that prevents the very change sought.”

Gunilla, owner of Kontura International, tackles the problem from an organizational point of view. She shows that companies fail to change their culture many times and it is “is also one reason why everything goes back all the time to the way they have always done it before. They have to change the way of working, way of talking, approaches, behaviors and way of thinking. If this is not done, the change will not sustain”, Gunilla examines that organization should be more efficiency oriented and differentiates “between the goal for a change and the effects. The effects will not take place until the culture is changed and the implementation has taken place. And it is through the process of implementation that you change the organizational culture.”

Thus our respondents identified the main weaknesses explaining why and what companies do not change. The major reason to do not change is when nothing is changing around you (industry, competitors, economic environment). Nevertheless companies can be blind for the necessity to change. This is most of the time due to a lack of expertise. We identified elements in our theoretical framework model that allow organizations to discover the real opportunities to change. When companies change, they too often forget or do not succeed to change the culture of the whole organization in an efficient way, in order to profuse the vision within the company. This requires a good implementation.
3. Implementation

Different literature offers various steps or stages that should be followed in a successful implementation process. We for example described Kotter’s (1996) eight stage theory quite elaborately. It is therefore interesting to get some personal opinions that are based on our interviewees’ practical experiences.

3.1. Leading a successful implementation

Gunilla generally emphasizes the importance to subdivide implementation into different steps. As implementation makes up a big and time-consuming part of change processes, it is not sufficient to regard it as a whole. To ensure that a change process is still in alignment with the settled goal, continuous checkups have to be integrated. Each achievement with the single steps has to be measured and feedback has to be provided. Gunilla does not refer to any specific steps that companies need to take. This is probably also due to the variety of changes that make all kinds of strategies and steps possible. Bennis (1976) identified factors that influence the choice of strategy. We have the impression that it is of greater importance for her company to provide its customers with the right methods for measuring. “Making it visible. And we have techniques of how to do this. To make them able to follow every step of every stage of the organization at every time.” To make implementation the most effective, everybody who is involved in change needs to know about its current status. “What you need to do in an implementation is to know exactly which steps you pass through in your process. You need to know what you are aiming for. And then you need to work process-oriented with people involved in the change. It is a question of getting everybody involved. Obedience is not a way of changing a culture.” We also think that one basic reason for this statement is to decrease resistance to change. By providing information of the implementation progress and thus disclosing the change process itself, people get the certainty of what is going on. “To get the glue for the organization to function, you need to go into the soft areas”.

Stefan and Mats also argue for the necessity to provide sufficient information to increase the possibility of a successful change implementation. Stefan sees the importance especially for initializing steps: “Preparation and information. It is important to inform about the reasons for the change.” His reason is that “for instance companies make a change, and it gets worst in the beginning.” This explanation indicates that changes are quite possibly conducted by negative occurrences first. If people are however aware of this phenomenon, thus prepared and informed, they will not question the whole change implementation.
This general awareness is not only missing for employees but also for a majority of change agents. Stefan states that it is rather common to introduce a new change when the original change goes wrong in the sense of the just described happening. His advice: “It is very important to be patient in change and to be aware of the process.” Mats adds that information which is early enough is still dependent on effective communication. It is not enough that managers know about the planned change process. It has to be arranged with the all people who are involved. Richard regards “two-way communication” as most important for a successful implementation. His understanding of this expression is thereby “willingness to listen and dialogue over the entire organization at all levels”. People need to understand change, independent of being affected by it or effecting it themselves. The explicit conclusion is for Richard that changes are going to fail when they are not communicated in an open dialogue.

The fact that a general awareness for change should be nurtured becomes obvious with the example of Mats. “I have a client who tells everybody during the recruiting process that change is the normal “step”. We interpret this answer that organizations should focus more on creating a general consciousness for change than on concentrating on isolating different steps. Awareness has already been mentioned as one of the six necessary ingredients of change. Björn Bjerke also presented his ingredients in a way that is not restricted to a certain order.

To outline the most important information that can be figured out in our respondents’ answers: they all do not stick to a certain order of steps in their change implementations. Nobody named definite stages that should be followed. This is one more indication for the complexity of change. Although the literature represents many models that should support managers for implementing changes step by step, this does not seem to be used in practice. At least, they are not executed consciously. We think that these step-by-step models are more important to make people who are actively involved in change processes more aware of change being a process. These models should remind people of the most important aspects when dealing with change. Like Kotter’s model (1996) which is representing decisive factors for a successful implementation out of his real life observation. According to our interviewees, success is above all dependent on information, communication and involvement within the whole organization, respectively those who are going to have to deal with it.

We regarded organizational learning as a facilitator for change implementation. The authors on this subject all agree on a positive impact of organizational learning. Nevertheless, it is difficult to exactly
source the main reason for an increased efficiency or lower resistance. We regarded organizational learning in terms of organizational structure, with special focus on ambidexterity. The influence of organizational structure is thus also of interest.

3.2. **Facilitator to change: learning ability and organizational structure**

All respondents agree that organizations which have embedded organizational learning are better prepared to deal with change. Gunilla emphasizes that "there is a strong connection". Mats regards organizational learning above all as "the habit of changing". This expression covers the incremental and continuous characteristic of organizational learning. As we have discussed in our theoretical framework, organizational learning is not restricted to this attribute of exploitation. However, this is what most people think about when being confronted with the issue of organizational learning.

According to Stefan: "If you have the whole organization involved in continuous improvement, you will make the change a lot easier. But if you have an organization that is very top down, […] it will be very difficult because it will take long time for people to accept the change." This answer indicates that companies which conduct the practice of continuous improvement are more likely to take employees' role into consideration.

According to Mats, "the habit of changing" is rooted in "a culture for changes and improvement". Mentioning change and improvement in one sentence, shows that Mats regards changes generally as positive. As he is talking about the culture, we assume that he regards dealing with past experiences as very important. Culture represents the values and norms of organizations and is therefore anchored in the past.

That organizational structure influences implementation of change is also true for all respondents. Although Richard adjusted this statement by stressing "that it is not so much the "structure", but how the structure is organized". He adds that the strength of influence is dependent on "organizational size and complexity". Mats and Stefan take the example of a "process oriented organization" for being particularly efficient when dealing with change. This structural characteristic is closely linked to having the habit of changing for them. Gunilla refers to organizational structure by stating that this should enable "companies […] to see the new needs of their customers". It is important "to see the future and the changing needs. So, if you don't change, there is no survival".

She moreover provides the image "that every organization is standing on two legs. One is the delivery in the here and now time to their customers. Then you have the other leg, which means that you […] know what changes need to be done in order to continue to deliver for the new needs your clients got".

We have not mentioned the concept of ambidexterity in our question but her answer is covering the underlying idea. Ambidextrous organizations are described as looking both backwards and forwards.
This is exactly matching with Gunilla's image of two legs. “One leg for delivery in the here and now and one leg, where you always work on how you are going to look like tomorrow in order to keep your market”. She remarks critically that “managers are most of the time concentrated on the delivery. The staff people that you find around chief executives is facing the development of tomorrow”. In her opinion, managers should be also more involved in developments to gain a more precise overview.

3.3. Facilitator or inhibitor to change: influence of the current crisis for organizations

Due to the ongoing economical crisis, we tried to take its effects on change implementation into account, whenever possible. As our respondents work in this time of the economical crisis and moreover take positions that allow them to have a better overview, we wanted to get their opinion as well.

Gunilla gets to the point: “It forces us to change. You cannot work in the same way than you have done”. This statement seems to be rather obvious but still the consequences can vary a lot. She points out that the market is going to change drastically. It is dependent on a company’s ability to react or even improve due to this context. “There is enormous knowledge to be taken out of this, [...] I think, it is a chance that is vivid for development, for the new knowledge and for building your companies. You need to take risks. [...] Those who will be able to meet the new request that the market got, will survive. The key is to know what new request will appear out there”. Gunilla's overall attitude towards crises is rather challenging. She regards this situation above all as a chance. Even as crucial for development. The positive outcome is basically dependent on an organization’s facilities. Gunilla also reminds that crises will always appear and that it is inevitable to be prepared. This preparation is in her opinion “to have ways and the knowledge in your company”.

Also Stefan emphasizes that times of crises reveal the gap between companies that are efficiently dealing with change and companies that are not able to adapt to the new situation. If the external environment is rather stable, this difference is not visible to that extent. He states that “the bigger entrepreneurs, they all say that in that kind of situation they are doing their best. Because you can make structural changes in the business areas for example and you can buy cheap. So if you are well positioned, you are doing your best in hard times”.

Richard focuses within his answer more on the disproportionate “sense of urgency in some sectors”. The majority of organizations rushes with their implementation processes due to the crisis. “The classic drivers of change such as competitive situation, risk, cost reduction, new product development, etc., are unchanged conceptually, but the rush to implementation is clouding common sense”. He is the only one of our respondents to concentrate more on the negative impact that the economical crisis has. We stated within our
theoretical framework the importance of taking sufficient time for implementation processes. Kotter (1996) emphasized to be patient and not to jump any stages. Time represents furthermore one of the six necessary ingredients of change. Like Björn Bjerke said in a feedback meeting about his model; change will always take twice the time that has been planned. It is also important to take all ingredients into consideration and not to try leaving out some parts.

3.4. Personal advices for companies to implement change successfully

With all the experiences of our respondents and their specializations in different areas, we wanted to get to know what their personal counsel is like.

Gunilla answered that it is most important to “always start with the aims”. Talking about an aim is for us comparable with Kotter’s (1996) step three: “Creating a Vision”. This is of importance in terms of directing the change and getting people in alignment with the implementation. In Gunilla’s opinion, it is the first step to discuss how to measure the effects and to clarify when the aim has been actually reached. “The measurement will tell you whether you are done or not. But you need to measure. In order to measure, you need to cut it into pieces and be able to measure every single piece of your process. […] The measurement is the key”. This advice is similar to what Gunilla answered for the question dealing with a successful change implementation. A general suggestion of Gunilla is to remain flexible and always construct the implementation process in accordance to a company's needs. “We do not do the job for them; we coach them through building up the methods for their organization that could function for them”.

Another basic advice for companies is “to ask for the driving forces of the change. How you get energy with this process, how you get people to work with it. Telling is not enough”. Her statement depicts the importance of analyzing driving forces, in order to have an efficient implementation following. Our theoretical part for drivers showed some tools that are helpful to analyze driving forces. One example described was the Force Field Analysis which supports companies to understand the driving forces and weighing them with the restraining forces. Richard summarizes his advice by saying “listen first and evaluate carefully before implementing change”. We conclude that both, Gunilla and Richard, regard it as meaningful to spend much time in the analyzing stage, before actually implementing.
4. Roles in Organizations

Our special focus within the roles in an organization was on leaders and employees. The following two questions cover the empowerment of employees. One topic of discussion is whether a leader is always necessary for implementation.

4.1. Bottom-up or top-down?

In accordance to Gunilla's experience, “change is always driven from the top”. We described all the important quality characteristics of leaders in our theory part. These mentioned attributes have already showed the demand of a leader within an organization. It was also pointed out that the concept of leadership could be of even more importance and that people should no longer rely on one single person to be responsible for an organization’s sustainability. The traditional image of leader is currently an issue of discussion. We refer Gunilla's statement not necessarily to a leader, as she is only talking about the top. For her, top management has to set its priorities and provide the structure for change processes.

In addition, she stresses that “you have to link the process all the way down in the organization. And you need to get it to work from top-down and bottom-up. So it goes in both directions”. This statement qualifies her opinion that change has to be advanced from top level. An initialization from the top is thus only working when implementation is also accepted by employees who will be involved. “Top managers usually believe that they have done things which have not even started at the operational level of the organization”. Her personal experience shows that there is a need to link decisions that have been made on the strategical level with the operational level. Decisions that have been made on the top do not seem to reach an organization's bottom. We provided as one possible solution the enforcement of effective communication. Gunilla's expert knowledge shows that lack of communication is rather common in practice. She does not see any obvious shift in employees’ role or participation. “Employees take part of the change process. They always face it”.

Another prevalent problem in terms of communication is that if her company “asks the management of an organization about their number of processes that are taking place at the same time with them, [they] need to do an investigation because [managers] don't know”. This statement shows that it is not solely about top-down respectively bottom-up communication inefficiencies but only inefficiencies on the top level. An additional problem is the general amount of processes. “We usually find 100 different ones at the same time. And no wonder, that they don't know what is going on. No wonder, nobody knows, when it ends”.

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Mats is more moderate in answering whether change can only appear when driven from the top. He states that “even if the change is mainly driven from the top that does not mean it only occurs like this”.

His suggestion for avoiding solely top-down implementation is to introduce “change continuous improvement groups”. This solution represents one of their working tasks within companies. These groups “observe everyday problems and opportunities to improve and they write it down and they handle it in small groups every fourth or fifth week. And they actually start changes in the company, so that is another view on it”. We also regard this as a good starting point, as these groups can be formed in different departments and are consequently more specialized and more close to the issues. Continuous improvement groups could be also discussed within the scope of organizational learning.

Nevertheless, Mats says that “the management view is very important”. He points out that employees tend to be rather skeptical when managers are too open for discussions and debates. Especially in times of crises like the present days.

Richard sees no need for top driven change “premised on an organizational setting that both allows and encourages the communication of change in all directions”. However, he admits that a majority of organizations is not yet organized in such a way. “The reality of the corporate world suggests otherwise”. We think that his answer brings the dilemma to the point. Like literature describes and case studies prove, organizations can benefit from employee empowerment. Even so, the real work life is still primarily rooted in the traditional way of functioning.

Richard has the same critical view on literature and the correspondent realization in real life in terms of employees’ role. “It is tempting to think that employees have a more proactive position in the change process today, but do they really? Consider for example the classic management-union negotiation (any industry-any business) and the real negotiating position of individual workers, the so-called “white-collar” and “blue-collar” employees. Both groups are dependent on their particular negotiating representatives to bargain on their behalf for a positive position in the change (change being the result of a new contract in this illustration) process. What is their realistic level of influence? On the union side they can try (“try” is used purposely) to vote in new leadership, whereas white-collar workers typically have little or no voice in selection of their management. Of course they, the white-collar group, can be stockholders in the company (if a public shareholder company) and try to influence change via votes, assuming they can muster a collective block to get past the board of directors”. His example illustrates that there is still a huge gap between employees’ role as described in literature and as it is taking place in real life. This example is also significant to demonstrate that theories as described in our theoretical framework are important to be known but not of any impact as long as not implemented in real life organizations.
4.2. General attitude of people involved in change implementation

The next question is aimed at differentiating between the different roles. We thought that according to the roles, people might have different perceptions towards change.

According to Gunilla, “When it comes to the managers, they are driving. When it comes to employees, they hide or bend over but recover very quickly. When it comes to consultants, I believe you should put much more demand on them to actually show you that they got a method which will help you to move forwards in your change process”. This attribution of special tasks to specific roles seems to be rather determined for Gunilla. Her statement on employees shows that she regards them in a more passive role due to her experience with different companies. Her depiction indicates again that communication is missing.

Mats does not divide between the different roles but states that “most people are afraid of changes because it is challenging their security which is one of the basic needs people have”. Richard states that it is too simplistic to question for a general attitude of people as this represents “a deeply cultural and value based subject”.

Changes are generally associated with negative feelings. People try to avoid uncertainties and thus prefer staying with the established. This fundamental antipathy represents one main reason for complicating implementation of change.

4.3. Conflicts between the different roles and resistance

Gunilla states that “resistance comes out of several factors”. One major reason is the arising uncertainty. “When change is coming up in the organization, the predictability goes down. Nobody knows where they are going to end up. That is one of the main reasons, why it is of this importance to structure and to cut it up in different pieces all the way”. Stefan regards the same reason as origin for possible resistance: “It is all about protecting your own responsibilities and you are afraid that the organization change will be something negative for you and your job”. Also Richard names this reason and states as solution “effective communication”.

That uncertainty is most of the times regarded as a negative word is due to people past experiences. Like Gunilla illustrates “If they got negative experience, and what I am saying is that most of the people working in organizations got negative experiences out of changes, then, you are more resistant”. These negative experiences are the reason why organizations start nowadays “on minus level” when initializing change implementation. We also noticed within our theoretical research that resistance to change is one decisive factor for an implementation becoming successful or not. Authors focus more and more on these human relations.
Within our theoretical part on managers’ role, we pointed at the difficulty that companies seem to have with middle managers in the implementation process. The communication tends to be stuck on this level. Gunilla also mentions this phenomenon. “If you take middle managers in any organization, they get all the changes on their lap. They are the ones who are expecting to get the change done. But nobody tells them how to do it. The people of the organization take part of the factual change that should be done. And then they dump it on the middle management to follow them”.

4.4. The influence of consultants

All respondents are working or have past experiences as consultants. As this represents one of the four key roles, we wanted to see how they themselves regard their employment. Moreover, what they consider as their most important task and what are important qualities for the profession of consultancy.

Considering Kontura, Gunilla describes their task like this: “We work as coaches. We coach the managers to do their job. We go never in and take over the job. Because if we do it for them, their learning process will be zero.” Consultants are helpful as they “give another point of view”. To make a good job, consultants are in need of structure. Richard names as traits “Creativity, empathy, and direct communication with continuous feedback for purposes of fine tuning change and adjust it accordingly.” Stefan regards it as most important to have follow-ups for any implementation. It is not enough to work with a company on the initializing but to stay for the whole implementation. We described consultants above all as problem solvers in our theory.

5. Learning

The questions on change revealed that organizations generally lack of good ways and methods to implement change. In terms of drivers, it was striking that all the respondents referred solely to external ones. However, even if change of internal nature (as a company wants to increase its performance and become more effective), the reason is still rooted in the environment. Companies want to improve as they face competition. Implementations should be initialized with sufficient preparation and dispersion of information. The process itself needs to be split into single parts. Each part should be measured and everybody involved should reflect on the achievements and check whether the process is still in alignment with the settled goal. It is moreover important to take enough time and enforce two-way communication. According to our respondents, implementation can be facilitated by having the habit of changing rooted in organizations. Gunilla pointed out that
organizations stand on two legs and exemplified thus the concept of ambidexterity. The current crisis forces companies to change. Nevertheless, they should remain patient and do not follow the overall rush. Crises also represent a chance for companies to develop and take new knowledge. Referring to the roles in an organization, change is always driven from the top in Gunilla's experience. Mats and Stefan point out management's importance but focus on ways to increase involvement of employees. Richard alludes to the gap between literature depicting employee empowerment and real life. Resistance to change is mainly due to losing the feeling of security.
V. Personal input

“All change is a miracle to contemplate, but it is a miracle which is taking place every second”

(Thoreau, 1817-1862)

This chapter can be considered as the culminating point of our thesis. It represents our reflection based on the previous chapters in which we described, tried to understand, and analysed process of change. We introduce here the added value of our thesis by showing our personal point of view on the phenomenon of change.

1. Change process is a marathon: the author's analogy

“I have to change a lot of things before I become a good marathon runner.” This quotation comes from Haile Gebrselassie, the world record leader in marathon. We may wonder about the link with Change Management. We will show that change is a long run process in this part. Organizations view change as a way to improve and to be more competitive. Like a marathoner, change processes need to follow three major stages: before, during and after the race.

1.1. Before the race

1.1.1. A decision

The second chapter of our theoretical framework and our empirical findings show that the decision to change is not an easy work and constitutes the basis whether implementation will be successful or not.

First and foremost, becoming a marathoner is a big decision coming from different drivers. People may decide to run a marathon for personal or external reasons; for instance some will decide to experiment a new way of life, some others to follow an entourage who is running as well or others will try to resolve a health problem by running.

1.1.2. A preparation

During our discussions led with specialists of change, all mentioned the importance to prepare for changing. They referred to the importance to create a structure that allows change. They also emphasised more continuous improvement than radical and stressed the necessity to fix goals and measure the results. It is more or less the same process for a marathon runner.
Becoming a marathoner cannot be improvised. Running a long-distance foot race with an official distance of 42.195 kilometres requires a serious preparation. To be able to reach the final line, runners will execute a training program including also a special diet. Thus, the body will be better prepared by continuous trainings with different stages to be reached all over the year.

1.2. **During the race**

The race can be compared to implementation of change. Above all for its toughness and its length but also because finishing a marathon with success depends on several factors as it is the case for a change process.

1.2.1. *Control your rhythm for a long run*

"Rien ne vort de courir, il faut partir à point" (La Fontaine 1668)

According to La Fontaine, it is always better to act calmly in a reflected way rather than to act precipitately.

Authors in Change Management describe implementation as a hard, long and time consuming process. We exposed the model of eight stages of Kotter (1996) in our theoretical framework. According to the Harvard Business School professor it is highly important to be patient and to do not jump any stage. One of the major reasons that so many companies fail in their change initiatives is that they act too quickly and stop before the process is totally finished. Marathon runners’ coaches advise their athletes to maintain the pace as steady as possible when they are running.

This is one of the main factors for success in Change Management: being patient and controlling the evolution step by step in a continuous way. A point shared by Stefan Nilsson "It is very important to be patient in organizational change and been aware of the process and what they can expect from the process."

1.2.2. *“The art of leading others comes from the art of leading oneself”*

Our programme’s motto fits totally with our attempt to compare marathon runners and change agents. Indeed, we showed that change requires nowadays the participation of all change agents in a flexible way. Empowering people in the process, delegating responsibilities and focus on communication are the keys to lead change in a moving environment.

Generally in sports and even more in marathon, runners need to be a great leader of themselves.

As a leader, the runner has a vision and a plan to reach his goals. Runners are the ones who possess the knowledge and expertise of their body. They are the only ones able to feel the pain during the race and know when they should increase their pace or not. In this direction, runners can also be
compared to employees within an organization. They are the ones in charge to implement the vision, and the ones able to find out where an improvement is needed. However, sometimes runners will use external people (coaches) to help them to prepare and to implement the race. These people will provide another point of view thanks to their expertise and experience and thus help runners to progress. Organizations make use of consultants for exactly the same reason.

1.3. **After the race**

Too often organizations do not even know when a change process can be reported as a success or a failure because they do not measure the effects efficiently. Moreover Gunilla states that “each change process should have a starting point and an ending point and it should be possible to measure the results”.

1.3.1. **The results**

Being a competitor in sport or in business means to try being ahead. As the owner of Kontura International illustrates, “the main reason for an organization to change is always to do something better, to be more efficient in regard of the customers’ needs”. Obviously, most of the marathon runners do not run to be better than others and the majority of them just run for personal pleasure. But for those who are professional, the goal is to be better than the competitors. Anyway, both amateur athletes and professionals will take care of their result. On the one hand by curiosity and for their self esteem but also to check-out if the goals have been reached. Hence it is crucial to do not forget to measure the results of change implementation. It is important for the future of organizations to have references and to understand why a change process was successful or not.

1.3.2. **Never being satisfied, continuous improvement**

"You have to forget your last marathon before you try another. Your mind can't know what’s coming."

(Frank Shorter, 1947-)

First of all, we think that this quotation of the winner of the 1972 Olympic Games Marathon is not worthy once applied to the business world. We underlined in our theoretical framework that a successful change organization should look backwards and forwards (the ambidextrous organizations). Organizations should be aware of their past successes and failures when they face a new change initiative.
Only focusing on past success could lead to over-confidence and finally might cause their own downfall (Icarus Paradox). And focusing exclusively on future threats could lead to a status quo due to the fear to fail.

Like athletes, organizations should be never satisfied with their achievement and try to improve continuously. That is why we believe that each change process should be tackled as a continuous loop or as a time clock.

By developing this analogy we highlighted six major periods (decide, prepare, control, lead, measure and keep improving) in change processes. These periods are subdivided in three different stages (before, during and after the race).

2. The crisis: a turning point in people’s vision on change

The issue of crisis was outlined throughout the whole thesis. For us, the financial crisis influenced our work to a great extent. It is first of all due to its global impact. Like Gunilla stated within our interview, she herself has never experienced a crisis of such an impact before. It is seriously affecting companies worldwide. Moreover, we both are going to start to work in this time. Thus, we will be confronted with the context of crisis right from the beginning of our working careers. This might be a beneficial experience as further crises are going to occur in the future. If we take the crisis as an opportunity to increase our knowledge, we will be better prepared for the next crunch. The financial crisis influences companies in all fields of their work. Thus, to stay efficient or to improve, organizations should be able to deal with change successfully.

During our research on the thesis, we came up with our personal ideas of how the crisis might influence people's idea or vision of change.

2.1. A new understanding

In our opinion, the current crisis could lead to a new understanding of change. We assume that this crisis could be a turnaround in people's mind by pointing out the necessity to change around them. Thus the change's relevance is reveal to people and the crisis represents a move from age of uncertainty to age of certainty in regard to change. We showed that people do not want to change unless they understand the necessity for it and feel involved. Due to the financial crisis, the majority of people does not need to be convinced to change these days. They are willing themselves to implement change processes as they face the necessity. According to Gunilla the crisis” forces you to change.”
Change is too often linked to negative feelings. We think that people start reconsidering their image of change because they experiment a hard downturn and face the importance to change. This tendency was also affirmed by Gunilla. These days, there is no way to not change. If organizations want to sustain they need to try to adapt and change. In consequence, the crisis represents an opportunity to show the positive impacts of change.

2.2. Employees’ empowerment: a solution to restore competitiveness

We think that companies will be more and more willing to fall back on the concepts of organizational learning and employee empowerment. Literature and researches depict the positive consequences of integrated organizational performance. A company can be much more efficient when not only taking the top level into consideration. This concept has been analyzed since more than two decades but there is still resistance to apply it in real business life. The current crisis could reveal the participation of employees as one solution to restore the competitiveness.

Implementation processes should be more transparent and traceable for employees. They are after all the ones to actually conduct the implementation. A good communication between top and bottom relieve from managers may allow employees to feel included and more secure to cope with change.

By reducing fears, organizations ensure an easier implementation without any resistance. Building a corporate culture with the “habit of changing”, as stated Mats from Business Advantage, allow organizations to be more reactive in front of external threats or opportunities such as the current crisis.

Nevertheless, we think that leaders still take an extraordinary position in companies and do not question their significance at all. Indeed, involvement of employees does not necessarily decrease the leader’s position. We believe that leadership will be more diffuse in the future and not only in the hand of one person.

2.3. Searching revolution: implement incremental changes

The main reaction to face a crisis is to try to find a revolutionary concept or product. Nevertheless, the best solution should be to implement continuous changes. We may wonder about the efficiency to respond to an important external shock with an incremental improvement strategy. The adage “an ounce of prevention is worth a pound of cure” corroborates with our belief. Indeed organizations with continuous improvement groups are more efficient to deal with external happenings. We believe that the crisis could permit to highlight the better efficiency of incremental change strategies such as Kaizen for instance.
The financial crisis represents thus the perfect time for companies to rethink their ways of approaching and implementing change. Moreover it is a clear opportunity to adjust their organizational cultures to be even more efficient in the future. Organizational learning could become the code of practice for the future. We propose that leaders and managers make use of these possibilities and communicate in a more optimistic way around the crisis.

3. Personal vision

The Master’s Programme in Leadership and Management in International Context is designed to enhance individual growth and team building. This thesis is a teamwork result. However, throughout the year we have been encouraged to deliver our insights within personal assignments. Thus, we would like to provide a brief overview of our personal vision on change to the reader. In the following part, we will develop our individual points of view before to present some advices for future change agents to deal with change that our respondents developed during our discussions.

3.1. Erwan Derlyn’s vision for change

Positive – A peer to peer process – Do not forget milestones – Being offensive

From a general point of view I do not look at change as something negative. Obviously in personal and professional life change processes can lead to a better or worst situation than it was before. But personally I look at change from an optimistic perspective. Indeed I believe in the following saying: “nothing ventured, nothing gained”. Although it is very general, my vision is that I prefer change rather than status quo, I am not following a risk avoidance strategy even if I am well aware of the advantages of stability.

According to my opinion, a perfect implementation of change is utopian. However, it seems clear that successful change processes contain similar key factors that we can underline. That is what we have tried to do with this thesis.

I cannot guess which position I will hold down in the organization I will work with. But from this thesis, I will keep the following learning for my future career.

Change implementation is teamwork. It is not easy to change; organizations need the expertise of everyone to succeed. The quality of teams and commitments are a solution to face change in a more easy-going atmosphere. I would propose the idea of a peer-to-peer process to deal efficiently with change. By peer-to-peer I mean that the more people are sharing within the organization the best the results are. People should share not only ideas and information but also power. I totally agree with Kotter (1996) that leadership should be less and less centralised and more and more diffuse within the organization in the future.
We described change as a long run process (the marathon analogy). In my opinion for this reason organizations should particularly emphasise in continuous measurement with progressive milestones during change processes to never lose track of the departure vision and drivers for change.

“A good offense is the best defense”, I think offensive changes are the best defense to the current crisis. It is of course a huge downturn faced by organizations and people all over the world, but as we tried to demonstrate in this thesis, it is possible to take advantage of the current crisis situation. Implementing meaningful and sustainable changes in reaction of the actual downturn is from my point of view a better choice than waiting for better days. The companies having chosen the stratus quo will have problems to catch up those who seized the opportunities of the crisis.

The work on this thesis provided me an interesting background in Change Management. And as we showed in the thesis “change is everywhere” so I am sure that everything I have done for this work will be useful both for my personal and professional future life.

Moreover it gave me a better knowledge in term of methodology and organization of my thought since a thesis work requires a meticulous work ethic.

Finally, it has been a great teamwork experience, being done in an international context, sharing different backgrounds and ways of thinking. This changed me to a more open minded person and has been for sure a memorable experience.

3.2. Stefanie Dentinger’s vision for change

Everywhere – Plan importance – Think outside the boundaries – Inter relations

I personally have learned much during the work on the thesis. Primarily, I have increased my knowledge on Change Management and implementation processes. Now I know about the importance to be aware of changes and to deal with them independent of ones job. The knowledge I have gained will be thus of help independent of my future career. Concepts like organizational learning or ambidexterity represent new angles for considering organizations for me. Within my studies in Germany I have only viewed organizations based upon financial or logistic criteria. Now I see that organizational structures and cultures are meaningful as they influence the performance to a great extent.

The intense examination of Change Management led to new associations of change for me. My personal idea of change is best represented with the statement that change is everywhere. It is important to be aware of continuous change independent of external occurrences. Moreover, to be aware that it is impossible to grasp the complete nature of changes. According to my opinion,
changes are above all not entirely predictable. This is independent of being initialized internal or external. However, I do not think that changes need to be entirely reducible. It is still in an organization's power to influence changes and give a direction. The extent of "control" is of course dependent on the scope of the specific change and the ability of organizations to deal with it.

As changes are in my opinion always unique, organizations must be flexible and adaptable to the external environment. This is basic to remain competitive and sustain in a long term view. Nevertheless, organizations must be able to introduce own changes that result from their organizational culture. I think this is one of the most decisive factors for an organization's performance. Moreover, I believe that culture is crucial for a successful change implementation. Culture is said to represent stability. In my opinion, stability in the business world is not possible. If something is described as stable, incremental changes and adaptations are included.

In terms of implementation, I see the importance in taking as much time as necessary. I regard Gunilla's idea of implementation processes as best matching. It is most important to subdivide processes and provide feedback after each part. This feedback should include reflection on the so far achieved and be based upon a comprehensible and well-grounded measurement. The aspect of transparency is another meaningful characteristic of implementations in my point of view. Everybody who is involved in the implementation should be kept informed about the present status and the present work tasks of other people involved. Thus transparency could be considered as an instrument of control as it becomes possible for everybody to see if the process is still matching with the goals.

On the other hand, I think that there are necessary ingredients for change implementation. I am not sure about the nature of these ingredients as I do not have the practical experience. Bjerke’s concept sounds reasonable for me as his ingredients depicted could be recovered in real life cases that we have read during our literature research.

As we showed it is important to have a good balance between the key roles identified by Bjerke. To assign the tasks fixed to certain roles is probably easier to handle but I do not think that an organization is then able to reach its fullest potential. Organizations should remain flexible to a certain extent. I think that the specific roles are still too deeply rooted in everybody's mind as to talk about complete flexibility within the roles. In addition, it would be counterproductive as nobody would know about one's responsibility. Nevertheless, it should be encouraged to think outside the boundaries. I am also of the opinion that not the specific roles are of priority but the connections between the different roles. Thus, the concept of leadership and communication should have higher priority than the discrete view on the roles. According to my understanding, efficiency and
effectiveness are created first of all in the inter-relations. This is also connected to transparency. The persons in their different roles should know about the responsibilities of the others. Then synergy effects are probable to emerge.

The work on our paper was also important for my personal development. It showed me the importance of structuring and focusing to a greater extent. The issue of picking specific conceptions out of a mass of data can be considered my biggest personal challenge. It continued throughout the biggest part of the work on the thesis. Even after we have decided on our focus and the best matching theories in our opinion, I had problems to stay focused within our choices. Change itself represents a multifaceted subject. Our intention was to refer to different aspects in order to indicate the diversity by this. This approach was aligned with the problem to depict each aspect not just on the surface but provide a precise overview. Also the mapping was helpful to show me the interdependencies of the various fields. Within my earlier studies, I had lectures that were only synthesized in accordance to a main field, like marketing or production. I know about the importance to broaden my frame of reference now and not just to stay with the obvious concepts and literatures.

The interviews we led were very helpful to increase our understanding. While conducting the theoretical research, we had developed our own focus by deciding what concepts are important in our opinion. We formulated questions that were covering our focal points. It was interesting to get response on our questions in the sense of their relevance in real life and according to the opinions of experts. All of their answers were rather elaborate and partly accentuating new aspects. The interpretative work on their answers also forced me to reconsider the chosen theories once more. I had to deal with the literature even more intensely and it was helpful to get the critical initial position back.

Our personal input and the conclusion on the key aspects that we have figured out for our research question represent the climax of my personal challenge of being more focused.

4. Advices for future change agents

We would like to refer to our interview respondents and their personal advices for young people like us, starting their careers in this fast moving environment.

Gunilla advice is a one-way answer. She argues for “Reflection, reflection and reflection.” She stated that average work routines are so demanding and tightly scheduled that time for reflection gets lost. Future change agents should build up their own knowledge through the experiences they are going to make. It is not only about completing the tasks but about working on themselves. First step is
consequently learning. This is followed by systematizing the acquired knowledge. Just then, it is possible to draw conclusions. This order is basic to reach our fullest potential possible.

Stefan and Mats consider the awareness for change as meaningful. “Continuously work with change processes even if you are not aware for the moment that it is needed”. This advice should enable us to become more confident and secure when being confronted with change. If we are generally aware of change as omnipresent, it doesn't affect our feeling of security that strongly. The awareness should not be solely dependent on external drivers.

Richard is really precise in his advice, providing a formula to follow for future change agents: “First, listen. Second, observe. Third, analyze. Fourth, empathize. Fifth, when creating plans understand clearly who will be affected and how they will be affected. Sixth, communicate openly and with full disclosure. Seventh, revisit point one (again and again).” We see this advice as the perfect link to lead to our conclusion.
VI. Conclusion: Mapping of successful elements

“Being ready is not enough”
(Riley, 1945- )

![Diagram of Change, Implementation, and Roles]

- Being aware that change helps to meet tomorrow.
- Organizations manage for change and do not manage change.
- Past investments represent an obstacle to change.
- Change needs to be prepared and a vision.
- Learning from past change experiences. (The ambidextrous organization)

- People need a reason to change.
- Increase competitiveness is the top priority.
- Organizations research stability.
- The current crisis underlines the necessity to lead continuous improvement to be reactive.
- It is possible to find out opportunities in all factors influencing organizations. (ex: the current crisis)

- Four key roles are identified.
- Organizations should not lock up people in one singular box, but let them the freedom to be creative and to be involved in change processes.
- Leaders are not Super Hero, they need the whole organizations behind them to lead efficient changes.
- The empowerment of employees is crucial to obtain continuous improvement.
- Organizations should evolve to a peer-to-peer process where everyone shares ideas, information and power.

- It is important to fixed milestones and to measure the evolution of the process.
- Being patient and trying to transform step by step.
- Creating a habit of change, a culture for change in the organization.
- Divide change like a puzzle, in several single pieces.
- Implementation is a marathon race; organizations should not stop before the final line.

Source: from own authority
As our figure for the theoretical framework provides an overview on the key issues dealt with in our thesis, we want to return to it. Even if it is utopian to obtain a perfect puzzle, we get back to the four subjects: Change, Drivers, Implementation and Roles in an Organization and tried to draw an image of the successful elements in change processes. Our intention is to remind the principal conceptions and important matters of fact from the theoretical part as well as from our discussions with change agents. We hope to trigger a feeling of déjà-vu.

Change itself represents an issue that is widely scattered. This awareness has to be strengthened first as people tend to focus too much on trying to find a perfect recipe for dealing with change. People generally need to have everything being more or less predictable. Change is however most of the times not at all like this. That represents the most basic but nevertheless most serious problem with change.

Instead of concentrating on finding the perfect way of handling change, people should accept the intangible nature of it. They should begin to deal with change by creating the awareness that change is always happening and never completely under control. It is not about dealing with change in the perfect way but about dealing with it the most efficiently.

However, it is not working and productive at all to tell people solely that change is not to be entirely predicted. People are in need of some rules or guidelines that enforce a feeling of security, influence and control. Therefore, general applicable advices, like those of De Jager, are important. They also make the handling of change easier to grasp. Within our part on implementation, we also showed efficient ways for dealing with change.

The expression of Change Management is widely used without people making sense of it consciously. Therefore it is important to start by taking a closer look on the single words. In our case the rephrasing to “Balance Management” is the best matching. As we have showed in our theoretical framework, Change Management is much about balancing paradoxes. It starts with the general paradox of change and management or change and stability. Further paradoxes can be found in all areas of Change Management, like exploration and exploitation in the theory of organizational learning.

The importance of drivers has already been named within the advice of Peter De Jager: people need first of all a reason to change. Or to quote Gunilla: “how you get energy with this process, how you get people to work with it”. The driving forces for changes can be more or less visible. The example of the current global crisis represents a driver that is broadly discussed in the media and influencing almost all companies and employees. These days, everybody knows about the relevance to change.
Nevertheless, the growing global competition and always changing environment make improvements always necessary. Thus, it is important to make use of the current awareness and ascertain its importance in a long term view. We come back to our point that it is now the best time for companies to work on their change culture.

Implementation is important as companies can influence and guide changes by this. We set our focus on strategies and steps in implementation processes as well as on organizational learning as facilitator. We could have written a complete paper only about strategies or steps for implementation. Authors try to discover the best way for dealing with change. As we have already mentioned in the part of change: our research on implementation led us to the conclusion that there is no general recipe possible. Nevertheless, it is possible to learn from companies’ past failures in implementation processes and to isolate key aspects that need to be considered. These approaches are consistent with Kotter’s (1996) eight steps and Bjerke’s (2007a) necessary ingredients. Kotter (1996) based his theory on a broad practical research and his advices are of applicatory importance. As Gunilla pointed out, implementation processes have to be split up and the single steps need to be measured.

Due to our focus, we regard an organization’s culture as decisive for any implementation. Culture is standing for a company’s values and norms. We therefore regard the normative-reeducative approach of Bennis (1976) as most representative for our focal point. Effectiveness of implementation is moreover always dependent on the effectiveness of communication. It is important to have employees truly aligned with implementation right from the beginning on. Efficient information and preparation constitute the basis for every change process. The process itself has to be transparent and comprehensible for employees.

We presented the aspect of organizational learning as facilitating the implementation process. This concept is built around learning in the sense of continuous improvements. We consider it as basic that organizations are aware of their dependency on ongoing refinement as well as on their employees. Companies need to stay competitive in order to sustain. This is based on adapting to new customers’ needs or creating new customers’ needs. In both cases, it is about moving on. We have pointed out that innovations have to be balanced with analyzing the past failures and successes. Especially past failures are important for learning processes.

The concept of organizational learning is also pointing at employees’ involvement. Organizational learning takes place on the organizational level but is built upon individuals’ learning processes. The effectiveness is thus dependent on employees. The concept is considering organizations as a whole.
Although we present different tasks in accordance with the different roles, we want to reinforce once more that the assignment is still rather flexible, depending on the context. We present the most common ways of how the roles are regarded. Like Richard said: although theory is praising the empowerment of employees, this is not yet common in real life. We also think that a majority of employees sees leaders or managers as the responsible ones. In order to get them more involved, they need to be given more accountability. This goes along with risks.

Leaders and managers should be working together closely. Traditionally, it is a leader to give the vision and managers to ensure that this vision will be followed by employees. However, there is a shift noticeable. Like we have described before, instead of leaders it is the concept of leadership which is getting more into the focus of literature.

The depiction of consultants’ role shows that it is helpful to gain an external view on processes. Leaders and managers of organizations also tend to stay with the established. Consultants can provide a different point of view and give new input. Nevertheless, they should always supply solutions that match with a company’s business and profile. Consultants moreover work as coaches, leaving leaders and managers the responsibility. Their work could be described as help for self-help.
VII. Further research propositions

“All change, all production and generation are effected through the word”
(Senghor, 1906-2001)

The research issue of this thesis was to isolate key elements that strengthen and increase the ability of organizations to deal with change. Within our literature research, we dealt with various concepts and theories that all approach this question. We examined especially implementation and roles in an organization as means to take competitive advantage of changes. Due to the intense examination of these subjects, we developed our own suggestions for future researches.

In regard of the financial crisis, it would be interesting to concentrate researches on testing existing concepts in a crisis context. This could be done for Kotter’s (1996) eight steps theory or Bjerke’s (2007a) necessary ingredients of change. The question could be about including further steps/ingredients that are basic to be regarded in a crisis situation.

We moreover want to take the expression of Change Management up again. We stated in the theoretical introduction of change that we perceive the association of these two words as paradoxical. The increased awareness about Change Management due to the crisis could activate a further discussion of this expression. In accordance to our own research and understanding, we would suggest to develop the expression of Balance Management. Within our focus, we were confronted with various paradoxes. The concept of ambidextrous structure represents one example. Moreover the concept of leadership is all about balancing.

Finally, we think that it is now a time where the traditional arrangement of roles in an organization becomes questioned and reconsidered. One question we thought about, is tackling employee empowerment within different cultural contexts. We mentioned the Japanese concept of Kaizen as one example for implemented empowerment. The owner of Kontura International also stated in the conversation that Sweden represents a model example “when it comes to responsibility”. The researches on employee empowerment should be conducted in different countries to gain further insight and to compare the different ways to deal with change in accordance to the international context.
**Reference list:**

**Books:**


Dentinger & Derlyn

Baltic Business School, Kalmar. Sweden


**Articles:**


**Websites:**


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