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Analysis of Intra-organizational Change Implementation

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D e c l a r a t i o n o f A u t h e n t i c i t y

I hereby declare that the Master's Thesis presented herein is my own work, or fully and specifically acknowledged wherever adapted from other sources. This work has not been published or submitted elsewhere for the requirement of a degree programme.

Prague, May 15, 2019

Signature
Kateryna Zhuzha

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Abstract:

Change management has been a critical field of study for decades. Despite the variety of theories and change models developed, the success rate of change efforts in organizations remains low – only one-third of the change programs succeed to deliver the promised results. The given thesis analyzed intra-organizational change implementation through reviewing scholarly and practitioner research, aiming to find differences in the two approaches and arrive at best practices. A gap has been identified in the scholarly research in regards to concrete tools and mechanisms to implement change. Nevertheless, practitioners' research offered an insightful look into specific instruments companies can use to succeed. The author further enhanced the field of change implementation through analyzing a case study on intra-organizational change implemented in a given company. The findings provide examples of concrete mechanisms, ways and tools that can be used for implementing change projects.

Key words:

Change, Organization, Management, Implementation, Change Implementation, Change Models

Table of Contents

1. Introduction	1
1.1. Research Motivation.....	1
1.2. Research objective & Research questions.....	2
1.3. Research Methodology	3
1.3.1 Literature review	3
1.3.2. Empirical research	3
1.4. Limitations	6
1.5. Outline.....	8
2. Theory of Organizational Change.....	9
2.1. Environments that determine change.....	9
2.2. Magnitude of change.....	11
2.3. Theoretical foundations of Change	13
2.3.1. The Individual Perspective School	14
2.3.2. The Group Dynamics School.....	15
2.3.3. The Open Systems School.....	15
3. Change Management & Implementation	18
3.1. Traditional Models of Change	19
3.1.1. Lewin's three-step model.....	19
3.1.2. Kotter's Eight-Stage Model.....	20
3.2. Change Management versus Change Implementation.....	25
3.3. Practitioners' view on Change Implementation.....	29
3.4. McKinsey and Company on Change Implementation.....	31
3.4.1. Importance of Focus on Change Implementation.....	32
3.4.2. Success Factors in Change Implementation.....	33
3.4.3. Specifics of Change Implementation in Service Environment	36
3.5. Prosci on Change Implementation.....	38
3.5.1. ADKAR Model of Individual Change	39
3.5.2. Change Implementation within ADKAR.....	42

3.6. Best Practices on Change Implementation.....	44
4. Empirical Case Study	46
4.1. Overview of the Department XYZ and the Project.....	46
4.2. Profiles of the Respondents.....	50
4.3. Case Study Findings.....	51
4.3.1. Stages of the Change Implementation	51
4.3.2. Applicability of theoretical and practical models of change	62
5. Discussion.....	72
5.1. Company recommendations.....	72
5.2. Implications for further research.....	74
6. Conclusion	75
References	78
Annexes	85
Annex 1: Case study: Interview 1 - Respondent A.	85
Annex 2: Case study: Interview 1 - Respondent B.....	97

1. Introduction

1.1. Research Motivation

Organizations operate in an increasingly fast-moving environment – the rapid speed of digitization of the businesses and ever-rising consumer expectations. According to Greenwood and Hinings (2006, p.814) “Today, it is commonplace to note that the volatility of changes confronting organizations has dramatically increased”. While change is stemming from a variety of environments such as technological, legal, social, environmental and economic, the one characteristic of a company becomes critical in determining its long-term success. The company needs to possess capabilities, which enable it to flexibly adjust, implement and sustain change.

It can be argued that the importance of organizational change cannot be overlooked. Nevertheless, when looking at the change concept holistically, it is a given that change cannot be fully enabled by itself. In order for the change to be implemented and sustained, it is critical for the process to be carried out through human actions. Therefore, it can be intuitively concluded that an important role in the organizational change lies within the employees who enable and execute it.

While there have been multiple definitions and ways suggested by the researchers and academics to manage change, a vast amount of organizations still report high failure rates of the initiated organizational change management projects. According to Kottler (1996, p.32) and his work on Leading Change, it has been shown that around 70% of change initiatives in organizations fail. This has been an astonishingly high rate and more recent studies McKinsey (2010) and Burnes (2012, p.15) have confirmed the same failure rate, leading to an alarming realization – finding keys to successful change management programs in organizations still remains a pressing business need in the current world dynamics.

Scholarly research has provided a wide variety of perspectives on change models and change implementation over the decades. Yet, the question remains on whether such models are applicable in the current society and offer the mechanisms that companies need to successfully implement change. Change management has further evolved as a field of study and has been supported by comprehensive practitioners’ research. Nevertheless, the area of comparing scholarly and practitioners’ perspective remains unexplored and presents an interesting opportunity for the given thesis to further explore in more detail.

1.2. Research objective & Research questions

The objective of the given study is to analyze the theories behind the organizational change and specifically change management, their relevance in the nowadays society, as well as further elaborate on intra-organizational change implementation, along with its stages, critical factors. Moreover, the author finds it critical to focus not only on reviewing the available scholarly research on the topic but also on tapping into a huge pool of resources that has been created thanks to practitioners' research in the area. Such practitioners include consulting and change management-focused firms, that have carried out multiple transformation projects across a variety of industries and offer a different view on the change implementation, than the one proposed by scholars. The thesis will, therefore, comprise of the theoretical research on this topic, including views of both scholars and practitioners and an empirical case study of a company that has implemented an intra-organizational change.

The theoretical research will be conducted through using a combination of secondary research methods such as gathering data through analysis of related articles, journals, publications and published books on Management, Change Management, Organizational Psychology and Social Psychology of Change Management.

The case study analysis is to be done through conduct of semi-structured in-depth interviews with change agents and affected employees in the chosen organization, as well as analysis of the data from the satisfaction survey that has been filled by the employees after the change has been implemented. Upon the conduct of the analysis, the author will develop recommendations for the company's future change efforts.

The thesis aspires to seek answers to the following research questions:

1. How does scholarly and practitioner research view organizational change implementation?
2. What are the best practices for intra-organizational change implementation?
3. What is the process of intra-organizational change implementation in the chosen Company's department?

The author aims to arrive at meaningful answers to the above questions through performing a critical review of the data, finding up with actionable findings and drawing parallels between the case study in question and the analyzed literature.

1.3. Research Methodology

1.3.1 Literature review

The theoretical part of the given thesis is derived from a literature review of relevant studies, publications, studies and books on organizational change. A literature review is meant to provide a summary and an overview of the topic (Lynn, 2013). The objective is to provide an understanding of terminology, various typologies, and models of organizational change. The literature review sets a stage for the empirical part of the study and will serve as a point of reference when exploring the case study. Findings emerging from the empirical data gathered will be further related to the literature (Saunders et al., 2009).

The following steps have been taken in order to conduct the literature review:

1. Defining the relevant theoretical topics, such as Change and foundations of Organizational Change.
2. Further investigating the models and theories behind organizational change management and implementation, that are considered of prevailing importance in academia.
3. Supporting the theoretical studies through further research of research done by practitioners on organizational change implementation.

To obtain the literature, key sources of relevant studies have been e-libraries of University of Economics, Prague, international e-libraries such as EBSCO, JSTOR, SAGE, publications in such journals as Organization Science, Management Science, Harvard Business Review, as well as resources published online by the practitioners in the field of change implementation.

1.3.2. Empirical research

Empirical research of the given thesis is conducted through a case study research approach. Case study research has grown in reputation as an effective methodology to investigate and understand complex issues in real-world settings (Harrison, Birks, Franklin, Mills, 2017, p.4). Case study research is a versatile form of qualitative inquiry most suitable for a comprehensive, holistic and an in-depth investigation of a complex issue, in context, where the boundary between the context and issue is unclear and contains multiple variables (Creswell, 2014). Due to the fact that author focuses on filling the gap in the research in regards to concrete tools and mechanisms to implement change,

case study research is viewed as the most promising one in regards to providing a full overview of the change implementation in a given company.

According to multiple researchers (Stewart, 2014; Flyvbjerg, 2011; Harrison et al., 2017), a case study is used to gain an understanding of the issue in real life settings and is recommended as a method to be used, when answering how and why research questions.

The chosen case study has been crosschecked and chosen based on the criteria suggested by literature and is summarized in the below Table 1.

Table 1: Empirical case study elements

<i>Element</i>	Description	Chosen Execution
<i>The case</i>	The object of the case study identified as the entity of interest or unit of analysis.	It has been decided to choose a specific change project in a chosen organization, that affected a significant group of employees and was a transformational change in the organization.
<i>A bounded system</i>	Bounded by time, space and activity	The chosen case has happened within a fixed period, in a chosen office and affected a fixed amount of employees.
<i>Studied in context</i>	Context is significant to understanding the case and therefore the case has to be studied in a real-life setting.	Given that the author has worked in a chosen company during the time of the change project, specific context variables will be included to enhance the in-depth understanding of the case.
<i>In-depth study</i>	A method chosen has to be of an intensive analysis. Subjectivity is a consistent thread and has to be	The chosen case has been analyzed from an in-depth perspective, through conducting in-depth semi-

	addressed by the author. Reflexive techniques are pivotal to credibility and the research process.	structured interviews with multiple persons involved in the project. Moreover, due to the author's previous experience in the given project, reflexive techniques are used.
<i>Multiple sources of evidence</i>	Multiple sources of evidence for comprehensive depth and breadth of inquiry are preferred. Triangulation is highly valued and commonly employed.	Triangulation has been used in the given case analysis, through conducting several interviews with project participants, looking into the data of the satisfaction survey, analyzing the documents used during the project and reflecting on the organizational change implementation from the author's personal point of view.
<i>Case study design</i>	Has to be carefully chosen for either descriptive, exploratory, explanatory, illustrative or evaluative (Yin, 2014), based on the purpose of the research.	A mix of descriptive and exploratory case study design approach has been adopted, with a goal to answer the 'what' research question as well as look in-depth into implementation methods

Source: Author's chart, extended and adopted from Harrison, Birks, Franklin, Mills, (2017)

The case study is based on a combination of qualitative and quantitative research. Qualitative research involved interviews with the managers of the project, participants of the project as well as contextual reflexive impressions of the author, who took part in the project. Interviews have been conducted in semi-structured format, which allowed higher divergence from the subject and a more in-depth view on the case, as the author had the ability to ask clarifying and follow-up questions. Quantitative part of the research

comprises an in-depth analysis of a satisfaction survey that measured employees' satisfaction with the change management process of the project in question as well as supporting documents, when it comes to the structure and the details of the project. The satisfaction survey that is analyzed was sent out to the entire Service Line / Department, which comprised in total over 200 people. The response rate to the survey varied across 40-60% across different sections and is considered to be a representative sample. Since the satisfaction survey has been developed and launched by the company earlier, the author had the opportunity to analyze the final results of it and the insights that have been derived by the company itself.

The interview guide which was used to interview the two Respondents has been based on insights from literature review and related studies. In order to regain a level of trust with the interviewees, who author had encountered previously while working on the project, all of the interviews have been commenced with the short introduction of the study and its goals. Moreover, personal contact has been established with interviewees through thanking them for their cooperation and time.

Due to the specific context of the industry, in which the Company operates, they have requested full anonymization of the findings and interviews. The author ensured confidential treatment of the data collected and had sought approval for recordings of interviews. Because of the fact that no physical documents could be shared by the organization due to confidentiality reasons, document review has been done verbally with author re-creating the documents for the purpose of the thesis.

As the company has requested to stay anonymous in the thesis, the author has adopted a balanced approach towards anonymization – through anonymizing the details that the Respondents have explicitly asked to keep private and the ones that could cause potential harm to the Respondents (Surmiak, 2018, p.3).

The case study is meant to be a representative case that could bring together the theoretical research in the given thesis and equip the author and the readers with a more empirical and in-depth understanding of the organizational change implementation, in order to best answer the research questions.

1.4. Limitations

The limitations of the given thesis concern both theoretical review and the empirical case study. When it comes to the review of theory, due to the fact that the author noticed and validated a gap in the academic research when it comes to specifics of change implementation – it has been decided to look into the findings published by practitioners. Practitioners, in this context have been generalized to be consulting firms who deal with

change implementation. This presents a limitation, as there could be other potential companies and/or individuals with sufficient practical experience with implementation. Moreover, the choice of the consulting companies has been limited, based on the amount of information that these companies had in open access on their websites and in the reports. Therefore the scope has been limited in terms of the sample of the studies explored. Furthermore, due to the fact that consulting companies cannot reveal the specifics of their data collection methods, for protecting client confidentiality, it has been assumed that their results are representative and have high accuracy rate.

The limitations concerning the empirical case study are present both in terms of the scope and the data collection method. Firstly, the scope of the case study is very specific to the company and the environment in which it operates. Therefore, the findings of the case study cannot be generalized and projected onto other companies without undergoing specific analysis of the circumstances of the company. The tools, processes and methods that the company used could be replicated in other organizations, however it's important to note that they have proved useful in the particular environment of the company. That is, with its specific demographics, history and way of working.

Secondly, the limitations of the empirical case study concern the data collection method. Due to the hesitance of the company to disclose any confidential information, only two interviews have been allowed to be conducted. Despite this fact, key actors in the implementation project were interviewed. However, as none of the persons interviewed were the employees who perceived and received the change – a potential perspective from their view is missing. As the author of the thesis has been involved in the project during its initiation stage as well, some context and additional insights have been provided thanks to reflecting techniques. This, on the other hand, might have created certain bias to the situation, as the author cannot completely identify as a third-party, irrelevant to the context of the situation.

Because due to the company rules, it is not allowed to share company-created documentation with outsider parties, the leadership of the project could not send over these materials to the author. Nevertheless, a review of the documents has been performed verbally and the author had a possibility to re-create the documents. It still presents a limitation due to the fact that certain additional details included in the documents could have been left out for the purpose of easy-comprehension for the readers of the thesis.

Given the fact that the entire case study, including names, cities, company details has been anonymised certain limitations apply in this regard. For example, Nespor (2000, p.547) has argued that anonymization of research site may lead to omitting historical and geographical context of information, which in turn could affect interpretation of the

research findings. A balanced approach towards anonymization, as specified in the methodology, has been adopted to avoid such harmful omissions, however they may still be present.

1.5. Outline

The given thesis is divided into six-interconnected parts. Chapter 1 – Introduction covers the research motivation, objectives, research questions, methodology and the limitations for both literature review and the empirical case study. Chapter 2 – Theory of Organizational Change covers the theoretical foundations of change and the three schools of thought, in order to provide the reader with a theoretical base for further comprehension of the topic.

Chapter 3 – Change Management & Implementation dwells into more specific models and best practices of change implementation and management. It explores an overview of traditional models of change, and looks in detail into models of Lewin's and Kotter's. Furthermore, it discusses the gap in the research when it comes to specifics of change implementation. With a goal to bridge this gap and to look at both theoretical and practical views on change implementation, it further looks into practitioners' views on change implementation. Insights of such companies as McKinsey & Company, Boston Consulting Group, Bain & Company, PricewaterhouseCoopers and Prosci are explored in detail and tailored to the context of the case study – services environment.

Chapter 4 – Empirical Case Study provides a view on a case study through descriptive and exploratory case design approach. It discusses the overview of the department and the context of the project, provides an overview of the profiles of the Respondents and further presents the case study findings. Case study findings are split into two parts: firstly, they discuss the stages of change implementation in the given project, with an aim to answer a research question. Secondly, the case study is looked at through the lenses of theoretical and practical models of change. Chapter 5 – Discussion, presents recommendations for the company, building on the analysis of the project in Chapter 4 and moreover – provides implications for further theoretical and empirical research of the topic of change implementation. Chapter 6 – Conclusion, finalizes and concludes the thesis through offering an overview of the work and providing a summary of answers to the research questions, that were set out in Chapter 1. The additional parts of the thesis include a comprehensive list of references and annexes, comprising of transcripts of the interviews with the Respondents for the case study.

2. Theory of Organizational Change

2.1. Environments that determine the change

Different internal and external factors stemming from various environments lead to the need for organizational change. Globalization, economic changes, developing technology and socio-cultural changes push companies to implement operational and strategic changes in order to remain competitive on the market. Two main types of research carried out on the reasons for the organizational change, that comprise previously developed theory, are the ones of Kotter (2012) and Francke (2014).

In the business world, nothing is fully stable and appears to be increasingly volatile (Kotter, 2012, p.16). Each organization will face a need for change at a certain stage, and therefore it is important to understand the common reasons for the organizational change and be able to predict which environments might push the company towards it.

The following Table 2 includes the common reasons for the organizational change in the company (Francke, 2014, p.35; Kotter, 2012, p.14).

Table 2: Common reasons for the organizational change in the company

Francke	Kotter
Cost reduction	Technological drivers
Culture change programs	International economic integration
Altered employment terms and conditions	Maturation of markets in developed countries
Organizational restructuring	Privatization
Voluntary redundancy	Globalization
	Increased competition
	More opportunities

Source: Francke (2014); Kotter (2012)

As can be seen from the above table, the reasons for change can greatly vary and stem from the external environment as well as internal changes. The way in which a driver for change will impact the change in the organization will also lead to different outcomes. Paton & McCalman (2008, p.165), further elaborate on the key differentiating factors between internal and external sources of change (see Table 3).

Table 3: Internally and externally generated change

Internally Generated Change	Externally Generated Change
Proactive stance	Reactive response
Positive feelings	Negative feelings
Greater driving force	Greater restraining force
Viewed from an opportunistic position	Viewed from a problem-solving position
Greater certainty	Greater uncertainty
Greater control	Reduced control
Less disruption	Greater disruption
Closed boundaries and fixed time scales	Vague boundaries and variable time scales

Source: Author's own, adapted from Paton & McCalman (2008)

The current worldwide trends of globalization and ever growing speed of organizations' evolvement have also contributed as new factors that cause change. According to McMillan (2004, p.1), "many approaches to organizational change are drawn from a world view that is no longer consonant with the early twenty-first century". Organization face uncertainties that are in line with the modern world, developed by globalization and technology. As described by McMillan (2004, p.1), there are six factors which are responsible for the changes happening in the nowadays organizations, namely:

- 1) New technologies, that are transforming communications, consumer market, electronics and which speeded up the industries;
- 2) Globalization, which has resulted in a world that is connected and interdependent as information, money, and goods move around the planet;
- 3) Globalization, which together with new technologies has sharpened competition and precipitated the rise and fall of market leaders;
- 4) New change processes and practices, which are now happening faster than ever before;
- 5) Speed – an incredible increase in technological speed is matched in business (decrease in product life cycles from years to months) and people's every day lives
- 6) Complexity and paradox which are increasing as a result of these changes and therefore impose more complex demands on managers, that are used to certainties and 'either/or' type solutions in order to bring about the ideals of stability and order.

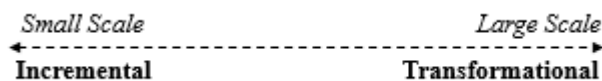
It can be concluded that organizations need to carefully consider the potential reasons for change and the different environments from where they might stem. Moreover, given the speed with which organizations are expected to be moving, it is believed to be crucial for a company to explore the different methods of change management and implementation. Preparing a contingency plan and having a concrete set of actions in place will help the managers in the turbulent times of managing change. Another aspect that needs to be considered is the magnitude of change, as depending on its scale, the management might want to approach the change management process differently. The next section, therefore, develops on the levels and the magnitude of change.

2.2. Magnitude of change

The pace and the character of change can substantially vary from one company to another. Change can be distinguished by its scale or magnitude and by several levels.

Starting the analysis from the magnitude, it has been defined that change continuum can range from incremental to quantum changes (Burnes, 2004, p.349). Incremental change focuses on continuous fine-tuning, whereas quantum change requires the transformation of the organization as the whole. Figure 1 below shows the continuum of change.

Figure 1: Continuum of change



Source: Author's own, adapted from Burnes (2004, p.349)

As these are two extreme sides of the continuum of change, there are multiple scaled of change that falls in between. Nevertheless, most of the change processes in the organization can be characterized to be more incremental or more transformational.

Hiatt and Creasey (2012, p.21), further elaborate on the magnitude of change in their book 'Change management: the People Side of Change'. Whilst, they refer to the two types as Incremental and Radical, the underlying theory behind it remains the same as developed in earlier scholarly research. They view the two scales of change, as an underlying environment in which change management process can be applied. Moreover, they elaborate on the differences that stem in the change management process, based on what is the magnitude of change.

Incremental change is viewed as a changing environment where change takes place over a prolonged period of time. The objectives of the change are small and deliberate

improvements to a business process. This kind of change is usually driven by a general focus on improving key processes in the organization or the specific operations. Example of programs that fall under incremental change could be Six Sigma (Hiatt, Creasey, 2012, p.22). Another example could be the process of so-called 'continuous improvement process' which companies establish to seek for improvement areas and immediate solutions over long periods of time (Bhuiyan, Baghel, 2005, p.765).

Radical change environment (Hiatt, Creasey, 2012, p.22), or the transformational change as defined by Burnes (2004, p.344) is defined as an environment in which an immediate or dramatic change is required over a short period of time. This type of change can be triggered by a crisis or a significant opportunity that a firm faces. Radical change intends to produce a result of an improvement in the business processes, which is most often characterized by a replacement of the old process by a brand new one. Examples could be reengineering of business processes, regulatory changes, crisis or its consequences, mergers, and acquisitions and complex organizational restructurings.

The below table provides an overview of the differences between the incremental and transformational change based on various dimensions.

Table 4: Incremental and transformational change

	Incremental Change	Transformational Change
Scale of change	Small scale.	Large scale.
Form of change	A moderate form of change.	A radical form of change.
Drivers of change	Focus on continuous improvement, fine-tuning of the organization's processes.	Crisis, immediate need for change triggered by external or internal environments.
Type of change	Operational changes.	Strategic changes.
Involved organizational levels	Limited dimensions and levels of the organization – specific sub-units.	Multiple levels in the organization, including top management, at least two or more departments, workgroups and individual jobs. Involves several dimensions, such as culture, work design,

		structure and reward systems.
Objectives	Improving status quo, improving the given processes within existing strategy, structure and culture.	Altering of how the organization operates.
Examples	Implementing Six Sigma in one department. Improving decision-making of groups. Solving the problem of employee absenteeism.	Downsizing. Mergers and acquisitions. Business process reengineering. Change of organizational culture.
Need for change management	Low to moderate.	High.

Source: Author's own, adapted from Hiatt, Creasey (2012); Burnes (2004)

When a gradual or incremental change is happening in the organization, employees usually have more time to adjust to the new processes. On the other hand, transformational changes require change management as a critical success factor (Hiatt, Creasey, 2012).

2.3. Theoretical foundations of Change

When defining change, there has been a variety of theoretical perspectives and theories that have been developed. Given the high degree of variability of the quality and credibility of the approaches, the reoccurring theoretical foundations of change have been introduced (Coghlan & Rashford, 2006, p.75). These theoretical foundations are the three schools of thoughts that underlie the theories of change management (Burnes 2004, p.8). The focus of this theoretical review will be on understanding the group dynamics and organizations themselves, as open systems.

Foundations specifically comprise of:

- Individual Perspective School
- Group Dynamics School
- Open System School and Change.

2.3.1. The Individual Perspective School

The Individual Perspective School is peculiar due to its specific focus on the individuals and their perception of change. While in the current world organizational change is mostly driven by economic pressures and external triggers, the emotional elements of it are often neglected. The result of downplaying the role of employees in the change process is therefore cited by many studies and managers when reflecting on change programs (McKinsey, 2014). Thus, the need to further evaluate this school of thought still remains present.

The supporters of the Individual Perspective School have been divided by Burnes (2004, p.8-9) into two groups, namely, the behaviorists and the Gestalt-Field psychologists. They mainly differ in defining behavior and what leads to it. Behaviorists view behavior as a product of solely positive reinforcement. On the other hand, the Gestalt-Field psychologists argue that positive reinforcement is only one piece of the puzzle and that behavior is influenced both by the environment and a reason.

In management practice, the behaviorists view on change, could be explained by statements that purely financial and merit awards will motivate an employee to change. They are conditioned to engage in a new behavior if the behavior positively reinforced (Coghlan & Rashford, 2006, p.77). Building on this, managers might choose to reward employees for all types of desirable behavior and use it as the key driver for change. Examples of such reinforcement include incentives, bonuses, and stocks paid.

The Gestalt-Field psychologists look at behavior from a dual perspective and argue that a change in the behavior is a product of the interaction between the environment (external stimuli) and the interpretation or reasoning of it (internal stimuli). By this theory, in order to achieve a change in behavior an individual must interpret the external stimuli to understand that the current situation is being changed (Todnem, 2005). Proponents of Gestalt-Field view, see achieving organizational change through enabling and helping the organization members to change their understanding of the situation and themselves. In management and organizational practice, this theory could be reflected by allowing employees to participate in key strategy meetings. Workers who are able to understand the external environment that the company faces could make conclusions for themselves and come up with viable ideas, as well as be more open to change.

2.3.2. The Group Dynamics School

The Group Dynamics School was originated with a work of Lewin (1947) that first brought up the view of seeing organizational change as a group process, rather than an individual one. The main driver is that people in organizations are more prone to work in groups instead of individually.

The argument of the group dynamics school is that the group behavior directly influences individual behavior. Group behavior is defined as an intricate set of interactions and forces, that affect both the group structures and the behavior of individual members. The individual behavior in this logic appears to be a function of the group environment, which Lewin termed as “field”. The field exercises force on all of the group members through prevailing norms, roles, and values.

In the perspective of this school, it is, therefore, more important to focus on changing the behavior on the group level. Organizational change is in this context viewed as change carried through teams and group works.

The view on the importance of group-level influence has been widely accredited in the theory and practice of change management (Todnem, 2005). It can be also seen as an accepted practice of most of the international organizations now, who are giving an increasingly important role to teamwork and team structure, as well as the team building activities.

2.3.3. The Open Systems School

The Open Systems School has emerged as a school of thought that aimed to mitigate the potential disadvantages of the Individual Perspective School and the Group Dynamics School. In order to understand the given school of thought, it is critical to align on the key concepts and the terms used in it, that are presented below in Table 5.

Table 5: Key Concepts of Open Systems School

Key Concept	Definition
System	A set of interrelated parts that function as a whole to achieve a common purpose.
Open System	A system that interacts with the external environment.

Closed System	A system that does not interact with the external environment.
Systems Theory	A set of concepts and relationships that describe organizations as open systems characterized by synergy and subsystem interdependence.
Synergy	The concept that the whole is greater than the sum of its part.

Source: Daft, (2010)

Furthermore, Open System school of thought focuses on the sub-systems. According to Miller (1967) organization can be viewed as a product of four organizational subsystems:

- *Organizational goal and value sub-system*: For an organization to successfully pursue its goals, it needs to have values in place. The goal needs to be non-contradicting with internal and external environmental expectation. (Hallgrímsson, 2008).
- *Technical sub-system*: The combination of technologies and knowledge needed for the functioning of the organization.
- *Psychological sub-system*: The culture and the climate in the organization. Combinations of norms, values and other critical elements of an “organizational bond”.
- *Managerial sub-system*: The sub-system responsible for directing the company towards its goals. Includes determining values, setting short and long term goals, designing strategy and the organizational structure.

Upon looking at the two schools of thoughts that focused on individuals and groups in the organization, the third school of thought – Open System, looks at the organization as a broad system. The system is viewed as a unitary whole composed of parts, subsystems, and subunits. (Daft, 2010). It serves as a point of integration for various parts. An organization system includes the various departments, such as production, IT, sales, marketing, and human resources. Such a system, viewed as a modern company, needs to be able to coordinate the activities of its various elements (departments) in order to achieve organizational goals. Synergy is viewed as a result of a process where the organization functions as a whole). It is argued that organizational units, regarded as the sub-systems within the organization, are interdependent and their joint actions lead to the success of the organization as a whole.

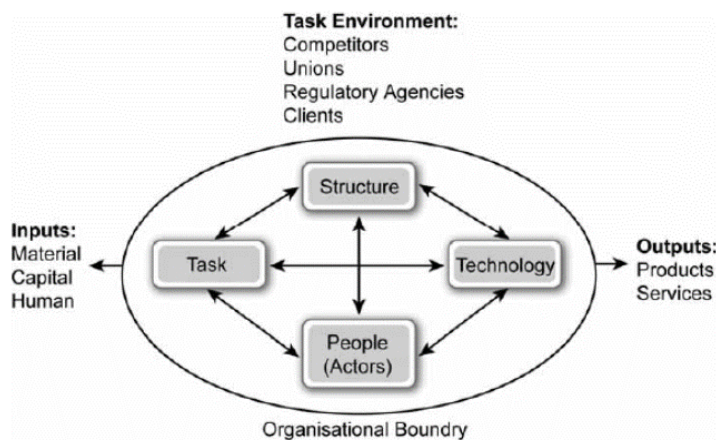
Open System school of thought views an organization as an open system. Quick & Nelson (2009), have created a framework that depicts how an organization functions in the environment.

When analyzing the framework, it is critical to first understand the four major components of an internal environment. It comprises the following elements.

- a) Task – described by the vision, mission, value, and purpose for existing of the company
- b) People – the staff and the human capital of the organization
- c) Technology – the tools and know-how that a company uses to transform an input (material, capital, human capital) into output (products, services)
- d) Structure – the systems of authority within the organization, workflow, and communication within and between them

Depending on a flow of resources, personnel, and information, organizations are furthermore shaped and supported by the external environment and its elements (Baum & Rowley, 2005). Such include government and regulatory agencies; competitors; suppliers; customers; unions and stockholders. The Figure 2 below depicts the model itself.

Figure 2: The internal and external environment of an organization



Source: Quick & Nelson (2009)

Going forward, the organization system acquires input from the external environment, transforms it into the output and delivers the output back to the external environment. The Open School System, views actions of the government, competitors, clients, and other stakeholders as the elements that affect the internal environment and all of its elements, which were presented earlier. The organization is therefore viewed as open from two ends:

firstly, it is open to the external environment and its influences, and secondly, it's open within itself. When looking at the change in the Open System School, it can be seen that the change in one environment (external) will influence the other environment (internal). This is also in line with the previously explored concept of transformational change, which usually happens due to an external influence on the company.

The organization, according to the given theoretical model, is composed of a number of interconnected parts or subsystems. These sub-systems, or sub-units as they could be labeled in a modern day organization, are interdependent. Any change occurring in one sub-unit will influence the organization as a whole. The success or failure of the organization is thus viewed to be dependent on the contribution of its sub-units.

Change is viewed from a holistic, rather than a particularistic perspective according to the Open Systems School (Sundarasaradula, Hasan, 2004, p.18). Change in one sub-unit of the system must take into consideration the potential impact it will have on other parts of the organization. The emphasis is put on reaching an overall organizational synergy, rather than on optimizing a performance of a single sub-system.

When comparing the three major theoretical foundations of managing change in organizations, their context and prepositions have been carefully analyzed. Open Systems School of Change has been chosen as a prevailing system in which the author aims to analyze the case study of the given thesis. This school of thought has been chosen, due to the fact that it more vividly reflects the current nowadays realities, where organizations need to act as one unit and to have cross-collaboration and interdependencies between the different departments. Moreover, this theoretical foundation assumes that organizations are dynamic and complex entities. It is believed that this resonates with the setting of the empirical case study, which analyzes a change that happened in a chosen company in 2017. It most vividly depicts the reality of businesses in the 21st century and offers a sound foundation for further analysis of organizational change implementation.

3. Change Management & Implementation

Building on the theoretical foundations of organizational change, the following chapter aims to focus on the analysis of change management models. Whilst, these are long-established models, they still present relevance for the twenty-first century. The two models that are to be explored in the given chapter is the Lewis 3-step model and Kotter 8-step model of change management. These two models have been chosen as the primary base for further analysis, due to their wide-spread recognition in management literature

and in scholarly research. Upon analysis of the two models, the author aims to draw conclusions on how the models are applicable in today's business world and specifically on how they address the intra-organizational change implementation.

3.1. Traditional Models of Change

3.1.1. Lewin's three-step model

The Kurt Lewin change theory model is based around a three-step process, which aims to provide a high-level approach to change. It is meant to provide a manager or an organization a framework to plan and implement a change effort. Lewin claimed that effective change can occur when an organization starts by unfreezing the current situation, by moving to the desired condition and consequently refreezing the condition so that it remains in the desired state (Burnes, 2012(b)). The given model of Lewin is regarded as a fundamental base of change management models (Robbins and Judge, 2009; Sonenshein, 2010). The three steps of the model, according to Lewin (1947) are further explored below.

1. Unfreezing

The first step of the model is focused on the status quo. The aim is to establish a motive for change by reducing the forces that are holding the organization's behavior at its present state. Unfreezing occurs when driving/changing forces are significantly stronger than the forces that restrain change. This can be achieved in several ways: either increasing the power of the driving forces, by weakening the restraining forces or by combining the two. Employees may show resistance at this stage (Balogun, Hope Hailey, 2004). Therefore, the goal during this stage shall be to create awareness of how the status quo is hindering the potential impact the organization could be having. It is critical for employees to understand the motivation behind the start of the change process. It is argued that communication is especially important during the unfreezing of the change, in order to educate the employees, show the logic and the benefit of cooperating during the change process (Walker, Armenakis, Bernerth, 2007).

2. Moving

The second step in the model is moving. It entails the process during which the old behavior of an organization (or a sub-unit) is abandoned, and instead, new behavior is adopted. This is the step which involved the development of new behaviors, attitudes, and values in the organization. In a modern business world, this step could be regarded as an implementation – which entails actual instilling of the new processes in the company. This is the step when a change becomes a reality for the employees. They start to learn new behaviors, processes, and ways of thinking. Their preparation during the unfreezing step

plays a critical role – the more ready and motivated employees are to cooperate during the change process, more successful the implementation will be (Burnes, 2008, p.989). Current studies (Walker, Armenakis, Bernerth, 2007) argue that continuous communication during this step is also essential, to convey to employees on an ongoing basis the rationale behind the project and their benefit from following it.

3. Refreezing

The third step of the model was originally called as freezing by Lewin, however, the majority of scholar researches nowadays refer to it as refreezing (Burnes, 2008). This step is characterized by the act of reinforcing, stabilizing and institutionalizing the change. All of the changes that in the previous step have been introduced in the organization are now accepted, established and “refrozen” as the new normal in the company. Lewin argued that refreezing is especially important so that employees do not revert back to their previous ways of conducting processes. Managers, at the same time, are to institutionalize and cement the change into the organization’s culture. Often rewards and acknowledgments are present at this stage in order to reinforce and reward the employees’ motivation to accepting change. This is highly in line with the Group Dynamic School, from the theoretical foundations of organizational change, that has been explored earlier in Chapter 1.

There have been speculations by the researches on whether or not Lewin’s three-step model is an outdated tool in change management. Some researchers (Child, 2005, p.17), argue that the third step of the model is unnecessary because, when spending time freezing the new state, companies are locking their potential to be agile and adapt to a new change in the future. It can be argued, that due to increasing expectations for firms to quickly adapt to changes, this remark holds true in the current business world.

Therefore, while the model holds true in its attempt to draw out on how to instill a change in an organization, it needs to be carefully examined when being implemented in the current times, as it does not account for the current turbulent and changing business environment.

3.1.2. Kotter’s Eight-Stage Model

In 1995, John P. Kotter has published an article that became a base for the change management practice for the next two decades. He outlined the eight critical success factors, which come in a chronological sequence and therefore form a model for implementing change. The article has since then become a guide for the scholars and practitioners around the world, due to its relevance. Re-published with adjustments in 2007, this work on leading change remains definitive. The eight stages that Kotter sees

critical in order to carry out a change process in the organization are therefore presented below.

Stage 1: Establishing a sense of urgency

This stage is focused on building a sense of urgency, that is – create an awareness of the need for the company to change. According to Kotter, the first stage is the one where 50% of the companies fail. This shows the pressing importance.

“Establishing a sense of urgency is crucial to gaining needed cooperation. With complacency high, transformations usually go nowhere because few people are even interested in working on the change problem. With urgency low, it is difficult to put together a group with enough power and credibility to guide the effort (Kotter 1996, p.36).

Kotter argues that the norm in the organization is the complacency of employees. Complacency is defined as a feeling of content and satisfaction with your own abilities or situation that prevents you from trying harder (Cambridge Dictionary, 2018). Indeed, the employees are often satisfied with their current state and do not possess a desire for change (Kotter, 2007, p.15). It may take significant efforts to motivate the personnel to invest their time and efforts, as well as to convince them to put up with the inconveniences of change (Ansari and Bell 2009, p.157).

Stage 2: Creating the guiding coalition

The second stage of the model involves forming a group that has enough power to lead the change. This entails forming a group that is going to consist of the people who are all passionate and committed to implementing the change in the organization. Kotter argues that in both small and large organizations, a successful guiding team may consist of only three to five people during the first year, however, has to continuously expand and grow (Kotter, 2007, p.5). Moreover, he states that a high sense of urgency within the managerial ranks helps enormously in putting the guiding coalition together. Kotter argues that companies might often underestimate how difficult it is to produce change and consequently underestimate the importance of the strong guiding coalition.

Stage 3: Creating a vision

This stage is meant for creating a vision that will help in directing the change effort. At this stage, the guiding coalition combines their efforts in determining a picture of the future that is relatively easy to communicate, appeals to customers, employees and stockholders. The vision draft is often continuously refined by the coalition as the change project progresses. Kotter argues that without a sensible vision, a transformation effort can

dissolve into a list of confusing projects. He states that failed transformations are often characterized by plenty of programs and plans yet no shared vision within the employees.

Stage 4: Communicating the vision

The fourth stage is focused on communicating the vision for change. Kotter states that a common pitfall of managers is to underestimate the amount of communication, that is required to develop a consistent understanding, an effort which may be hampered by inconsistent messages and lead to a stalled change implementation (2005, p.85). This step was further appraised by Ansari and Bell (2009, p.163), who have found the fourth stage of Kotter's model to be one of the two most important ones.

Kotter further elaborates that this stage is to be successful also due to the guiding coalition. The guiding coalition is meant to teach new behaviors and to communicate the vision to the rest of the employees by their concrete examples.

Stage 5: Empowering others to act on the vision

Empowering others to act on the vision is the fifth stage of the model. It involves removing obstacles that impede change, altering the structures or systems that undermine the established in stage 3 vision, as well as encouraging innovative ideas from employees and everyone involved in the change process. Kotter argues that to some degree, the guiding coalition empowers others through successful communication of the new direction. On the other hand, communication is not sufficient by itself, as other obstacles need to be removed. The risk at this stage of the change process is that while employees might be keen on helping the change happen, they could face a sudden challenge that would impede their actions. There can be different types of obstacles:

- Organizational structure, that impedes the speed or facilitation of the change
- Compensation or performance-appraisal systems, that induce employees to act in their own self-interest, instead of the common vision
- Organizational culture, that does not support the vision of the change program or its objectives
- Requests from the leadership that are not in line with the overall effort

While at the beginning of a transformation, no organization will have the resources or power to remove each obstacle, the major ones are to be confronted and removed. This will empower the employees involved in the change process and maintain the credibility of the change effort as a whole.

Stage 6: Generating short-term wins

Short-term wins are meant to demonstrate the viability of the change and to build momentum, according to Kotter (1996, p.123). Short-term wins need to satisfy several criteria to yield a desired outcome. Firstly, they need to be visible to all the stakeholders involved in the change process and in particular to the ones who are involved in the change to a large extent. Secondly, they need to be unambiguously successful. Such short-term wins will show to the employees that their efforts are valuable and lead directly to the desired impact. Lastly, the short-term wins need to be in the direction of change, so that they cannot be attributed to any other process in the organization. While this stage has received some criticism, as it was not considered of importance in the change programs (Ansari, Bell, 2009, p.159), it is still acknowledged as an influential stage by most of the scholars in the change management field. Moreover, Kotter claims that most employees will not continue on the long march unless “they see compelling evidence in 12 to 24 months that the journey is producing expected results”.

Kotter further elaborates that storytelling can be a powerful tool at this stage in order to raise awareness and give appraisal to the employees. He notes that “Neurologists say that our brains are programmed much more for stories than for PowerPoint slides and abstract ideas” (Kotter, 2008, p.142). Multiple other scholars (Roberto, Levesque, 2005, p. 56) also identified the importance of using compelling stories and using metaphors to develop awareness.

In the given stage, an important distinction is made between creating short-term wins and hoping for the short-term wins. While the first one is fully active, the latter one is a passive action. In a successful change program, the managers need to actively look for ways, which will induce the performance of their employees, show the achievement of goals or reward people with recognition, promotions, and money. At this stage, a connection can be drawn with the Group Dynamics theoretical foundation of organizational change, which also encouraged the reward system to be deployed for successful change implementation.

Stage 7: Consolidating improvement and producing still more change

The seventh stage of the model focuses on using the increased credibility in order to change systems, structures, and policies that do not fit the vision, established in stage three. It also involves further enabling the staff within the organization who can implement the vision. This may include hiring new employees or promoting and developing the current ones.

Kotter states that at this stage some managers may want to declare a victory and mark the change program to be accomplished and successful. While there is nothing wrong in reaping the success of the project, it must be noted that until changes sink deeply into the

culture of the company, the new approach remains fragile and a subject to regression (Kotter, 2007).

Stage 8: Institutionalizing new approaches

Stage number eight includes articulating the connections between the new behaviors and corporate success. Kotter characterizes it by expressing that change sticks when it becomes “the way we do things around here” (2007, p.8). This stage is characterized by new behaviors rooting in the social norms and shared values. Two factors are particularly important in institutionalizing change.

First, one is the conscious attempt to show people how the new changed approached helped to improve performance. Kotter argues that when people are left on their own to make the judgments, they might not connect the dots in the correct manner. Helping people spot these connections is, therefore, a critical communication technique that needs to be deployed.

The second factor is ensuring the development and succession of leadership in an appropriate manner. This includes, but is not limited to, making sure that the new top management personifies the new vision and change that has happened.

Some criticism of the Kotter’s eight stages model involves statements of oversimplification of the model. Sikorko (2008,p.310) notes that Kotter does not allow for complexities to occur within the process, such as for example changing the guiding coalitions or establishing them at different points of time during the change process. Others have described it as a sequential procedure and a linear progression (Pfeifer et al. 2005, p.297; Nitta et al. 2009, p.483). Moreover, as it can be observed, Kotter does not have a clear stance on whether a change has to be managed as a single instance or as multiple instances throughout the organizations. Lack of statements on this issue might be deliberate, with a goal to keep the given model easy to comprehend and applicable (Pollack, 2015, p.13).

Another critical piece of criticism concerns the validity of the findings by Kotter. It may be reasonably assumed, that given the acceptance of this work in the change management area of research it does not evoke any doubts in regards to credibility. Nevertheless, the review of the change management literature by Applebaum et al. (2012), found out that most of the evidence that was found when searching to data that Kotter mentions has been combined by Kotter himself. Academics might have appeared to use Kotter’s findings as if verified, due to the applicability and the popularity that the model has gained.

Despite the criticism, Kotter’s eight-stage model is regarded as the foundation of the change management and implementation models by scholars and practitioners.

The change management models that have been discussed above, namely the Lewin's and Kotter's change management models remain relevant as they have been in the past. Researches, however, note an important single exception – the speed at which the steps, stages or phases of the models occur (Pryor et al., 2008). In the current era of rapid change, technological advancements and sophisticated communication systems, change becomes more complex and fast-paced. In order to win in this sort of environment, it is crucial for processes and relationships to be streamlined, non-value adding activities to be eliminated and employees at all levels of the organization to be empowered to make decisions and be held accountable for them.

3.2. Change Management versus Change Implementation

During the theoretical research and literature review of the change management, the author has stumbled upon a pressing ambiguity of defining change management versus change implementation. In various scholarly articles, the change models of Lewin and of Kotter have been named them as models of change implementation (Kotter, 1996; Liu, 2009). Whereas at the same time, other articles reverted to it as change management models (Burke, 1992; Armenakis, Bedeian, 1999).

Upon careful analysis of the models explored above, the following has been concluded. Lewin's three-step model of change focuses on change management as it looks into how the various processes can be managed from the soft side and managing people's expectation and worries. The second step of the model – moving, specifically focuses on the implementation, as it defined it as 'abandoning the former way of conducting processes' and 'adopting a new one'. Yet, at the same time, a critical piece of information on how exactly the change would be implemented is missing. No specific tools, techniques or mechanisms on how to instill change within employees and implement it in the workplace are presented. When analyzing the model of Kotter's eight stages, it has been concluded, basing on multiple studies (Erwin, 2010; Burnes, 2005), that it addresses specifically the management of the change. None of the eight stages included concrete examples and propositions on how the change can be implemented in the organization – in which way the new processes will be created and in which way the employees will switch from the old ways to the newly established process.

Looking into this matter further, it was discovered that researchers have previously found out a similar inconsistency in scholarly research. Sullivan, Kashiwagi & Lines (2011, p.258), have cross-checked eleven of the most relevant scholarly change models (including these of Kotter and Lewin) and have tested them against each other in order to identify similarities and differences between them. Notably, for the given thesis, the following findings were made:

- 91% of the explored models shared the same components for successful planned change efforts, which were identifying desired solutions, goals or vision and implementing the full change program;
- After these four steps, there has been a drop in the consistency, whereas only 64% of the models addressed the following steps: actively create motivation for change, establish a core team to lead implementation, convey the change message and plan the implementation strategy.

It can be therefore concluded, that while the majority of the models recognizes the importance of the implementation step (or the how in the change management), only 64% further elaborate on the implementation steps. Moreover, it can be seen that the explored models also do not propose a specific set of actions that can be taken in order to tangibly implement change in the organization.

The research conducted by Sullivan, Kashiwagi & Lines (2011, p.258), further justifies that upon analysis of whether or not the change models have been placed into real-time implementation, it has been found that 0% of the models were developed through the real-time implementation. The organizational change models were developed retroactively when looking into previous experience and literature findings. Important to note, this statement does not mean that none of these models have been validated in real time. Researches certainly used various pieces of it at different times. Rather, what has been documented is that the fact that from a research perspective the reviewed models were not implemented from the outset of a change process and empirically shown to bring about change (Sullivan, Kashiwagi & Lines, 2011, p.261).

Therefore it can be concluded from the research, that while the literature models serve as a base of knowledge for implementing organizational change, they have not yet shown a direct application of this knowledge in real-time research efforts. Sullivan, Kashiwagi & Lines (2011, p.264) suggest this field as a large opportunity for future research and thus justify the concern raised within the given thesis on the ambiguity connected to change management versus change implementation in scholarly research. Given the high rate of failure in change efforts, that is currently documented (McKinsey, 2018), along with the discovered fact of the change management models being developed retroactively, it can be stated that organizational change models and their specific components when it comes to implementing remain an important field for future change management research.

Going forward, additional literature research has been carried out in order to validate the hypothesis that there is an evident lack of concrete implementation guidelines in the change management literature. Connor et al. (2016) have also looked into the subject by studying expert literature and case studies on managing change and have concluded the following.

Firstly, there's an abundance of theoretical perspectives and empirical work devoted to organizational change. Secondly, however, most of the work is done from a general

perspective, rather than looking at actual mechanisms that may be used to implement change. A study by Ostroff, Kinicki, and Muhammad (2012) reviewed the literature on change management and confirmed that it received more theoretical development than the underlying empirical support. Preceding to this study, Martins (2011) has confirmed the same insight. It was found by the author through a review of multiple studies, that while many scholars (e.g., Fernandez and Rainey, 2006; Kotter, 1996; Burnes, 2004; Burke, 2002; Burke, 2014; Sathe and Davidson, 2000) emphasize the importance, the process and the possibility of implementing change, there has been ambiguity on the exact procedure and ways to implement the change in various organizational contexts.

According to the summary of the literature review by Connor et al. (2016, p.15), change efforts should be undertaken with the knowledge that “evidence-based practice guidelines for specific mechanisms and timing of implementation of organizational change are lacking”. They further state that the specific prescription of how the process of change implementation occurs is more of an art than science.

While a significant gap in the concrete mechanisms of change implementation has been noticed and proved through supporting studies in the relevant literature on organizational change, an opposite observation was made about the research of practitioners. The author has come across multiple articles and research extracts from consulting companies such as PWC, BCG, McKinsey, Prosci, Bain, etc. A wide variety of specific implementation mechanisms has been proposed by these companies, with a clear indication and separation between managing change and implementing change.

In order to assess the validity of these studies, additional research was carried out into the role that such consulting companies play in the implementation of organizational changes.

According to Creasey (2017), consulting companies, represented by individual consultants play an important role in managing change by applying structured change management tools and processes. Consultants, therefore, work within the corporate structure to resolve business issues and to help the clients directly implement change.

The experience of consulting companies in implementation is consequently shown by the wide Implementation Practices that they form, which comprise specifically of experts in implementation and the implementation agents, which support implementation at the clients' site. For example, McKinsey's Implementation Practice has supported clients on delivering substantial results in over 3,000 projects, in various industries from mining to services, to banking and retail sales (McKinsey Implementation Practice, 2018).

A conclusion that can be drawn from the above findings, is that due to the fact that consulting and change management-focused companies often act as practitioners in implementing change and moreover do so over a wide variety of projects worldwide, they develop an exceptional expertise in the subject, which is fully based on the empirical findings and the specific cases that they have solved.

This finding is quite contrary to the insights obtained from the scholarly research on organizational change, which states that while there's an abundance of scholarly approaches to organizational change, little to no models offer concrete mechanisms in implementing change, that is based on empirical research.

One of the research questions of the given thesis has been chosen as what are the best practices of intra-organizational change implementation. Driven by the finding of the inconsistency of addressing change implementation in scholarly research, the author aims to review the key findings done by the practitioners' research and thus arrive at an answer. Therefore, the following sections of Chapter 3 focus on reviewing the prepositions and insights derived from the research and projects done by consulting companies in the area of implementation. Upon analysis of these finds, the author aims to develop a consolidated set of best practices for implementing intra-organizational change by combining the scholarly findings and the practitioners' approach.

In order to define the scope of the research of the second part of the given chapter, the author reverted back to the known details of the case study, which will be analyzed in the empirical part of the thesis. Due to the fact that the case is focusing on a change implementation program, that focused on merging two departments, that focus on providing service, the findings by the consulting companies were narrowed down to the ones that are most relevant to the case. Ideally, the information has been found that is specifically applicable to a service company environment. However in other cases, when the type of work done by the department in question was not specified in the research, the articles were filtered through judgment on whether or not the findings are said to apply for intra-organizational change implementation, in a similar context as the case study.

The underlying rationale for defining the scope of the research was the aim to arrive at a meaningful conclusion and best practices that could be later on compared to the process that the company in the case study has gone through. By this, the author aspires to find practical implications that could contribute to the gap in the scholarly research on implementation and also potentially aid the company's future efforts through providing relevant and actionable recommendations. The scope of research focuses on the insights derived by five consulting firms (McKinsey & Company, BCG, Bain & Company, PWC) and one research and change management implementation company (Prosci) which have shown an established presence online with a wide amount of their findings being published and available. The in-depth analysis of the findings of the practitioners was done in particular for two companies – one consulting company McKinsey & Co and one research and change management expert company – Prosci. This presents itself as a limitation to the research and has been previously outlined in the first chapter of the thesis.

3.3. Practitioners' view on Change Implementation

The research of the publications done by practitioners has offered an insightful look into the change management and particularly change implementation process in the organization. Practitioners were in this context defined as firms who have an abundance of practical experience with implementing change in the organizations. Publications and online resources made available by these companies have been analyzed with a goal to find similarities, differences and identify their most prominent pieces of work on change implementation.

Across all of the publications made available by practitioners, a similar thread of thought has been shared – around two-thirds of change implementations effort fail (McKinsey, 2018; BCG, 2018; Prosci, 2019; Bain, 2016; PWC, 2010). Another similarity was found in their views for reasons for the change. All of them have claimed that the main reason why change does not stick in the organization is due to the people's factor. McKinsey further elaborated on this idea, by supporting it with survey findings which indicate that clear, organization-wide ownership and commitment to change across all levels of the organization has been the strongest most-decisive factor in making the change effort successful (McKinsey, 2014). This statement is further validated by a survey conducted by Bain & Company in 2018, which reported that business leaders must “trust and empower people” in order to reach change, rather than attempting to control them (Bain, 2018).

PWC, further stated that change is at its core a people's process and the change programs rarely fail because of the strategy or a specific technical solution (PWC, 2010). Many employees habitually revert back to the old ways of conducting processes. Prosci, leading change-management research, and implementation organization further validated this through emphasizing the need of reinforcement being part of the change process (Prosci, 2019). Bain & Company (2019) further supports this argument by stating that one-way communication from leadership to employees will never be effective in winning hearts, no matter how much logical and objective information it delivers.

Interestingly, several of the organizations have emphasized the importance of capability building during the implementation (BCG, 2018; PWC, 2010; McKinsey, 2016). They have furthermore specified the specific ways that such capability building can be performed: through official training, informal sit-ins, experiential learning or one-on-one coaching with the employees. This has been a major gap in scholarly research, as none of the models analyzed have proposed capability-building as a critical step to ensuring the change happens in an organization.

Two of the firms – McKinsey and BCG have looked further into how the change project is managed in an organization and have proposed that establishing a PMO – project/program management office in the company is a win-win solution for equipping a change project with credible backbone and providing employees help and continuous support (BCG, 2013; McKinsey Implementation Practice; 2015). PMO is defined in the practitioner's literature as - an enterprise-level unit that works on a portfolio of strategic initiatives across the organization (BCG, 2013).

The connection can be made that the PMO is, therefore, a critical player in the change process, who is directly responsible for managing the change, monitoring its outcomes and helping employees build capabilities needed to instill the change in the organization. PMO in this context does not physically execute the change, however, plays an enabling role, serving to provide interactions with the leadership team and support the change team on an ongoing basis. This finding is a critical piece for the given thesis, as in the empirical case study that is explored in Chapter 4, the change program has been under the umbrella of the company's PMO.

When it comes to the specifics of change implementation, there has been found a general alignment throughout the practitioner's insights. Firstly, Prosci (2019), McKinsey (2016) and PWC (2010) have all found critical building awareness and spell out the impact of the change on the employees. This is the first step in ensuring their support and engagement and moreover, according to Prosci (2019) an essential point in the sequence of actions to make change implemented. Role-modelling the change as a leadership team has been a consistent step in the models of BCG (2018) and PWC (2010).

An important finding has been derived regarding the teams responsible for the change. McKinsey (2018) and BCG (2018) have both emphasized the several soft characteristics that are critical to making the teams be effective in implementing change. Such include sharing a common language and understanding of the company's objectives, being held collectively accountable, having strong interpersonal connections and embracing different points of views, working styles and ways of communication. A finding, done by PWC has further supported this insight, by concluding that the tools for implementing change are distinguished between formal and informal. Formal tools encompass established strategy, structure, process, procedures as well as performance metrics. Whereas, informal tools include shared values between the employees and the teams implementing the change, informal networks, communities, pride and an overarching element of peer-to-peer interactions (PWC, 2013). PWC states that if a change program does not leverage the informal organization, it could possibly work against the change effort itself and undermine the transformation. Therefore, from the findings regarding the interpersonal communication and teams, it has been concluded that it is critical to tap into the full

potential of informal ties and networks and to build peer-to-peer interactions, through letting employees contribute and take ownership.

The success factor that companies such as PWC (2010) and McKinsey (2014) find vital during the change implementation and as a way of reinforcement is institutionalizing change through HR. This is a rather formal way of embedding the change in the organization. While it does not concern the fact that change is accepted by the employees, it recognizes individual acceptance as a pre-requisite of institutionalization. Aligning HR processes with the change helps with securing change, reinforcing its effects and reflecting it in the future hiring and sourcing practices of the company. Ensuring that the new joiners and newly coming leadership are within the mindset that change has tried to instill is critical to making it sustainable in the long term.

Lastly, the research of findings published by practitioners showed a clear alignment when it comes to accelerating the speed of change on which companies need to operate nowadays. A recent study published by BCG (2019) emphasizes that traditional transformation management approaches force change programs into cycles with long delivery and are not able to keep up to speed with the agile ways of working. Since traditional program management approaches, such as the ones explored earlier in this thesis in Chapter 3 require detailed milestones and a full overview of dependencies, they are not adequate in the current dynamic environment where the non-linear process is the usual.

In the following sub-sections, the view on change implementation of two practitioners is explored in detail. These two firms – McKinsey and Prosci have been chosen due to the extensive degree of their publications being available online, as well as several empirical findings from surveys of companies worldwide that further support the practicality of these insights.

3.4. McKinsey and Company on Change Implementation

McKinsey and Company is a global management consulting firm. The firm presents itself as a trusted advisor to the world's leading businesses, government, and institutions. When working with clients, McKinsey focuses on building capability and leadership skills at every level and supporting the clients throughout all continents, functions, and industries (McKinsey, 2018).

Specifically, in change management and change implementation, McKinsey has an established function which focuses on change implementation and related matters. Throughout their experience, they have worked on over 3,000 projects, aimed at change

implementation in various industries. Consultants working in this function, bring deep pattern recognition and a track record of delivering results in organizations (McKinsey, 2017). They play as change agents, co-leaders and implementers on the ground. The average experience of an implementation consultant is 10 plus years, which helps one bring strong leadership and coaching skills to the client. In this domain, they specifically provide support to the clients in areas such as strategy implementation, capability building, and coaching, program management, improvement replication, cash generation from operational and commercial improvements and change management.

Due to McKinsey's extensive involvement in change management and change implementation efforts, they have developed and published a wide variety of articles, featured as McKinsey Insights. Backed with project validation and opinions of experts in the firm, these articles provide an overview of the firm's stance on change implementation efforts.

In the following sub-sections, the author aims to provide an overview of McKinsey's view on change implementation, best practices of managing and executing change, as well as specifics of change implementation in a service environment, which is applicable to the empirical case study in question.

3.4.1. Importance of Focus on Change Implementation

The previously presented and discovered by the author gap of defining and focusing on implementation mechanisms in scholarly research has also risen a question of defining change implementation. While multiple scholars labeled change implementation and change management interchangeably in the literature, McKinsey Implementation Practice gives a clear cut and understanding of the two terms. In the podcast, focusing on change implementation, McKinsey implementation experts Blake Lindsay and Nick Waugh specify that change management is a core part of what McKinsey thinks of as implementation. (McKinsey Implementation Practice, 2018). Yet, they clarify that if you look at ensuring that an organization is going to continue and to do things differently in the future, this means that new capabilities and new processes have to drive to the organization. So implementation goes beyond change management. It is defined in this context as an ability to achieve the desired outcome and continue sustaining and improving it. At the same time, Waugh specifies that change management aspects are more focused on the mindsets and behaviors. This was one of the conclusions made previously when analyzing the change models, where the author stated that the focus is found to be more on the 'soft' side of managing change, that is managing the people, rather than the

specific mechanisms and procedures on how to implement change. Therefore implementation is seen as an implementation of processes, new ways of working or new technologies. It is supported by actual concrete work on the ground of the organization's team or the implementation consultants.

When looking at the importance of change implementation, McKinsey further supports the findings made by scholarly researchers (Kotter, 2012; Burnes, 2004) that only one-third of the change efforts in organizations succeed. Moreover, this insight is further supported by the research that McKinsey conducted in 2014, through interviewing over 2000 executives worldwide. What was found is that executives say that the implementation is the most important stage of the change effort (McKinsey Global Survey Results, 2014). McKinsey views a change effort as composed of four different stages:

1. Setup of the change effort
2. Piloting of the change effort
3. Implementation of the change effort
4. Sustaining the change

The third stage of implementation is reported by the largest share of 36% to be the most important one to lock in. This validates the previous finding of seeing a clear gap of research on change implementation programs, despite the importance the organizations give to this specific stage. McKinsey investigated this even further and proved that the companies with strongest capabilities to implement change manage to sustain more post-change financial value, than the others, who do not possess these capabilities (McKinsey Global Survey Results, 2014, p.1).

3.4.2. Success Factors in Change Implementation

When assessing the success factors in change implementation, McKinsey came up with two relevant outcomes to the given research: 1) overview of what best practices companies are best at and what are the best practices that are worst performing; 2) The seven key capabilities for implementing major change efforts.

Firstly, analysis of the most adhered to best practices in the organizations that perform change management efforts conducted with over 2000 executives in 2014 (within the McKinsey Global Survey, 2014 structure) and additional 151 global executives (conducted at an earlier stage by McKinsey Implementation Practice) showed the following key outcomes.

The top three best practices which organizations adhere to during change effort are:

1. Developing and using standard operating procedures (SOPs).
2. Employees are regularly assessed against their individual targets.
3. Leaders conduct regular performance discussions with their teams.

The bottom best practices, to which organizations adhere least during change efforts are

1. Employees conduct effective meetings.
2. There are processes in places to quickly identify issues and problems, as well as the root causes of these problems.
3. Employees at all levels of organizations receive effective feedback.

The survey further investigated 32 accumulative best practices, which have been deemed by McKinsey experts as the key capabilities for a successful change implementation effort. The executives were to share their experience about major change efforts, the approach of their companies to these change efforts and the implementation capabilities that their organizations possess. The top performers were identified through analysis of whether or not the objective of the change effort has been achieved, what was the continued financial value from the changes two years after implementation and whether or not the change led the company to have a stronger overall financial performance relative to its competitors (McKinsey Global Survey Results, 2014).

The following Table 6 presents the seven factors/capabilities that organizations executed throughout the change effort. Column one presents the factor in question. The second column shows the percentage of successful change efforts that exhibited the given factor, while column three shows the percentage of unsuccessful change efforts respectively. The last column shows how much is the score of a good implementer (as defined previously) higher than the bottom-quartile companies on a given factor. The percentages might not add up to 100, as the survey is a combination of two surveys held at different times.

Table 6: Capabilities of the organizations executing the change effort

Factors most responsible for change outcomes, past 5 years	Successful Change efforts (%)	Unsuccessful Change efforts (%)	The strength of the good-implementer score
Clear, organization-wide ownership and commitment to change across all levels of organizations	67%	65%	1.79x

Ability to focus the organization a clear prioritized set of changes	53%	44%	1.72x
Sufficient resources and capabilities to execute changes	48%	46%	1.95x
Clear accountability for specific actions during implementation	47%	50%	1.85x
Continuous ongoing improvements during implementation and devising alternate plans, when needed	39%	29%	1.79x
Planning from the start of the change effort for the long-term sustainability of changes	32%	36%	2.01x
Effective program management and use of SOPs	30%	31%	1.79x

Source: Adapted from McKinsey Global Survey Results (2014)

As it can be seen from the above set of factors, the presence of clear, organization-wide ownership and commitment to change across all levels of organizations plays a key role that leads to either success or failure of the change effort. Relative to the bottom-quartile companies, the good-implementers specifically excel at this factor. Moreover, they're also strong on continuous incremental improvements throughout the change effort, planning the sustainability of changes as well as performance and program management. McKinsey argues that while over the course of a change effort, all companies lose value at the implementation change, the good-implementers are much likelier to obtain financial benefits after their change efforts are over. Furthermore, they report higher levels of achieving success metrics of their change programs overall.

Interestingly, McKinsey Implementation Practice published a more up-to-date study in February of 2018, where they set on to validate the insights derived from the discussed survey of the executives. They have come to a conclusion that while the same factors of success remain relevant in the organization, but when comparing to the previous results, a smaller amount of employees report the ownership and commitment to change of leaders (McKinsey Implementation Practice, 2018). When assessing the employee engagement during change efforts overall, it was found that the employee commitment is declining, which shows an alarming trend for companies in the future, that has to be reflected in their practices.

McKinsey found that a potential solution to fostering clear ownership and commitment during change efforts is to have established a project management office (PMO), which is “a formal entity directly responsible for leading the change effort and monitoring its progress” (McKinsey Implementation Practice, 2015). PMO acts as an agent that has shared goals related to transformation, is comprised of high-performing employees and at some times the “roadblocks” (people who may initially be opposed to transformation).

In the newest findings, Respondents also indicated that the key performance indicators (KPIs) are critical to ensuring that the solution is having the desired effects. Success is reported to be three times more likely when organizations focus on training employees, establishing a clear process for handing off solution to specific sub-units and enable employees to master solutions and new processes once they are implemented (McKinsey Implementation Practice, 2018).

3.4.3. Specifics of Change Implementation in Service Environment

As mentioned earlier, the scope of the analysis was also narrowed down into looking specifically on the peculiarities of change implementation efforts in the customer service companies, given the context of the empirical case study explored.

McKinsey Global Survey has looked into this specific and concluded that for consumer-facing companies, resources were another key driver. Forty-three percent of the Respondents from consumer-facing and service focused organizations attributed the success of the change effort to have sufficient resources and capabilities. This highly confirms another relevant insight by McKinsey Implementation Practice that emphasizes that knowing the context is critical for the success of an implementation program. The leaders are to assess their specific situation and plan their approach to implementation accordingly, as there’s no solution that fits all (McKinsey Global Survey Results, 2014, p.7).

McKinsey emphasizes the importance of one specific element when it comes to change implementation in the services context. That is – capability building (McKinsey Operations, 2015). Its importance stems from the variability of the work in the services environment. Variability is seen from two angles: firstly in the terms of content (customers may have a wide range of questions, that service providers need to deal with effectively) and in form (there are swings in demand that may occur depending on the time period). On top of the variability, it is given that providing services is a cornerstone in relying on other people on a continuous basis.

Effective capability building in the services environment involved not only teaching people how to complete their daily tasks. It instead focuses on a wider set of skills and competencies that increase employee's value to the organization. Such competencies can include learning to reach the root cause of problems, providing effective feedback and focusing on specific culture and needs of the company (McKinsey Operations, 2015).

Once a service organization has gained a clear understanding of which capabilities it needs to build, the challenge is then to embed them in the organization and to do so quickly and at scale. McKinsey identified four techniques on how to build and sustain capabilities in the services environment. This is relevant both for the companies seeking to enhance their performance and to the companies that are going through organizational change. The four techniques are as follows:

- Engaging every level of the organization;

This success factor is focused on the scope of the capability building. The process of teaching and practicing new competencies has to happen at every level of the organization for it to be successful. This means that coaching should happen to start from line workers up to the C-Suite.

- Creating excitement and pride;

This second point is critical as to ensuring that capability building will endure beyond the change effort. People must see it as an opportunity for the future rather than a critique of the past. When this vision is instilled, employees will be looking at capability building as not "just another box to tick", but rather as a way through which they can build an individual reputation. McKinsey Operations Research (2015) claims that over a longer period of time, robust and effective capability building can deepen the connection people feel to their employee due to the fact employees will be fully aligned on the vision and value that they're delivering.

- Applying a range of learning techniques;

Many of the traditional corporate training programs are relying on so-called "classroom learning". However, it has been found to be a poor choice of learning for adults (Ross-Gordon, 2003). It is argued that a mix of several types of learning is preferred, including but not limited to reflective observation, conceptualization, concrete experience, and active experimentation. A mix of such techniques, when used in the corporate setting is most effective in capability building, particularly for services focused companies. McKinsey

states that this step is particularly important in back-office operations, which will be highly relevant for the empirical case study

- Institutionalizing through HR;

This is the final step to a successful and embedded capability building in a services organization. It's critical for the changes to become part of the organization's culture and be recognized company-wide as the only appropriate processes. This institutionalizes the changes that employees have learned how to apply and understood the vision behind.

Overall, it can be concluded that capability building is an essential step that any organization in the services context has to go through in order to embed and institutionalize the organizational change.

3.5. Prosci on Change Implementation

Prosci first started as an independent research company with an aim to explore change management and business processes (Scheid, 2010). According to Prosci, it's value proposition is to help organizations build their own internal change management competencies through delivering tools and methodology (LinkedIn, 2019). Prosci developed several methodologies, that are research-based, holistic and easy-to-use. It consequently sells/provides these tools along with accompanying training programs for change management practitioners, executives, leaders, middle managers, and project teams.

At the moment, Prosci possesses over 20 years of experience in change management research, has trained and certified 45,000 people worldwide and has partnered up with 80% of the Fortune 100% companies (Prosci, 2019).

Due to the fact that Prosci focuses exclusively on research and implementation in the change management area, they have developed a concrete set of principles and tools to help the organization's build effective change capabilities. Prosci combines scientific principles and rigorous research through multiple organizations worldwide, with a focus on the "people side of change" (Prosci, 2019).

As it has been mentioned earlier, Prosci developed a set of tools and also a certification process which the companies can undergo. The most prominent development by Prosci has been its ADKAR model which is a model for change management and implementation that has been widely recognized in the world as an effective methodology to manage change projects. In the following sub-sections, the author elaborates on the ADKAR model

and specifically on the parts of it that concern implementation of intra-organizational change.

3.5.1. ADKAR Model of Individual Change

The ADKAR model, released by Prosci in 1999, is a structured approach to individual change, based on the idea that a successful organizational change depends on the ability to manage change with just one person (Prosci, 2019). When comparing this to the theory of organizational change, which has been explored in Chapter 2, this type of view on organizational change is highly in line with the Individual Perspective Change, which puts individuals and particularly employees in the center of change and specializes in securing a change first and foremost with them. It can be therefore concluded, that this school of thought is also reflected in the practitioners' models, such as the one by Prosci.

ADKAR is a tool that executives, managers, change managers and other employees involved in the change projects can use. It is moreover a foundation of the Prosci Change Management Methodology.

ADKAR is an acronym that stands for the first letters in five milestones of change which individuals need to achieve in order to change and sustain the change successfully (Prosci, 2019). The milestones are defined as follows:

- Awareness of the need for change
- The desire to participate in and support the change
- Knowledge on how to change
- Ability to implement change
- Reinforcement to sustain change

The outcomes that ADKAR leads to are sequential and cumulative and must be achieved in order. Therefore, for a change to be implemented and sustained, an individual in an organization must progress through all of the steps. Ultimately, ADKAR shows an individual's successful journey through change (Prosci, 2019). Looking at each of the steps individually, the following outcomes/goals have been concluded for each of the steps (Refer to Table 7 below). According to Prosci, the ADKAR model is an efficient tool in diagnosing resistance to change, helping employees transition through the change process, creating a successful action plan for personal and professional advancement as well as developing a change management plan.

Table 7: Steps of the ADKAR Model

Step (in the given order)	What is the step an outcome from
Awareness of the business reasons for the change.	Awareness is the goal/outcome of early communications and information flows in the company related to organizational change and the reasons for it
The desire to engage and participate in the change	Desire is a goal/outcome of sponsorship throughout the organization and effective resistance management
Knowledge on how to change	Knowledge is a goal/outcome of training and coaching
Ability to implement required skills and behavior	Ability is a goal/outcome of additional coaching, practice and time
Reinforcement to ensure change is sustained	Reinforcement is a goal/outcome of adoption, measurement, corrective actions, as well as a recognition of successful change

Source: Author's own, adapted from Prosci (2019)

Prosci, further develops that change in an organization can be seen from two dimensions: the business/project side of change and the people side of change. For a change to be successful it needs to be a result of both dimensions, with change maturing simultaneously in both of these. Throughout the process of the changing maturity, two complementary disciplines that are meant to lead to producing desired outcomes are project management and change management.

The business dimensions of change, are identified by Prosci (2019) as standard steps of a typical business change project and comprise of the following:

4. Identifying a business need
5. Defining the project's scope and objectives
6. Designing the business solution
7. Developing new processes and systems
8. Implementing the solution into the organization

Prosci states, that even with an effective project plan most common reason for project failure is the problems with the people side of change. This has also been supported by

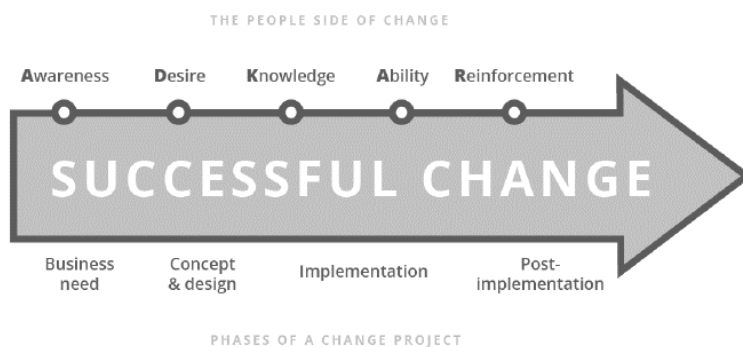
previously stated findings of researches (Kotter, 2012; Burnes, 2004) and practitioners (McKinsey, 2018).

Therefore, Prosci views its model as a summary of people dimension of change. In parallel with the business dimensions of change, it comprises of the five elements of ADKAR:

1. Being aware of the need for change
2. Having a desire to participate and support the change
3. Possessing knowledge on how to change
4. Being able to implement the change on a day-to-day basis
5. Having reinforcement to keep the change in place

As the below Figure 3 shows, the phases of a change project from a business perspective directly correlate with the steps of individual (employees) side of change. During the identification of a business need, awareness needs to be built within the employees. During concept & design formulation, a desire for participation needs to be instilled in the individuals. Stage of implementation combines building knowledge within the employees on how to change and equipping them with the ability to implement change on a daily basis. The project stage of post-implementation focuses on reinforcing the change.

Figure 3: ADKAR model within the phases of a change project



Source: Prosci, 2019

It can be summarized, that Prosci thus clearly defines the difference between change management and change implementation, which has been previously lacking in scholarly research. Prosci views implementation as a specific step in a business process as well as a step for the company's employees to fulfill. On the other hand, change management is viewed as a supporting discipline for all of the steps of a typical change project.

3.5.2. Change Implementation within ADKAR

As shown in the above sub-chapter, the five elements of the ADKAR model are spread through the four stages in the project. As defined by the scope of the given thesis, the emphasis is on exploring the implementation part of the organizational change. However, it also is meant to incorporate the post-implementation phase, with a goal to ensure that the change becomes embedded in the organization's processes after its implementation.

Given the scope of the thesis, it is, therefore, the author's intent to focus specifically on the parts of the practitioner's model that concerns implementation. In the case of Prosci, the ADKAR model steps that spread through implementation and post-implementation phases are namely: knowledge, ability, and reinforcement.

Before discussing these three steps in more detail, it is crucial to note a limitation emphasized by Prosci. It is highlighted that the five elements of ADKAR are cumulative and must be performed in the specific order for the change to succeed (Prosci, 2019). Therefore, it is impossible to skip through the desire to start the change right away to the ability to implement change. Thus, when analyzing the case-study in the empirical part of the thesis, it will be critical to look at the fulfillment of all the previous parts of ADKAR before looking in detail into the implementation.

Knowledge, within ADKAR, is defined as a comprehensive understanding of the employees on how to act on a specific change. For example, if an organization is implementing new software, at the knowledge step employees are to be taught how to specifically use the new software. Awareness and Desire steps are critical before moving onto this stage, as employees need to be engaged and clearly understand the rationale for change before receiving coaching. It is noted by Prosci (2017), that often Knowledge is the first step in a change project in an organization, as the leadership decides to send employees off for training. This, however, often fails, as employees are not motivated and determined to learn. Some of the key concerns raised by employees at the Knowledge stage could be expressed as follows: "I'm not interested in changing", "what's in it for me?", "I doubt they are really serious about this". The Knowledge step is aimed to erase these concerns and to provide employees with the understanding that the company is indeed implementing the change, it is important for a given employee and the company strives to provide specific knowledge on how an employee can act on the change.

Ability is the fourth step in the ADKAR model. After helping employees gain an intellectual understanding of how to act on a change, there might still be some gaps

between “knowing how to do something” and “being able to do it”. Therefore, this step is meant to bridge the gap between theoretical understanding and practical ability. An employee could express such concerns as following: “I’m not getting these new steps right”, “I eventually get there but it taking me quite long”, “I understand the manual but when I have to do it, I don’t manage”. At this step, it’s important to provide employees with sufficient practice. Prosci (2019) proposes that the practice can be provided through hands-on coaching, in a formal training environment or by simulated real work situations. During this step, it is critical to let employees make mistakes, identify any misunderstandings and practice in a safe environment.

The third step which is relevant to implementation and post-implementation stages of a change project is reinforcement. It is also the final element in the ADKAR model. According to Prosci (2019), the need for this step is wired in the human nature. It is natural for employees to come back to their old habits and be psychologically programmed to revert to the old ways of conducting work. When reinforcement is lacking from the change implementation, it often happens that employees go back to their old routines. Such phrases as the following could alert of the lack of and a need for reinforcement: “The new way just takes too long; I don’t see what’s wrong with my way of doing it”, “I keep forgetting to include X, as we were told.” Prosci practitioners emphasize that in order to reinforce change, it is critical to monitor whether the change is sustained. Building on an example provided earlier of a new software implementation, during this step it would be important to track whether employees are following the procedures in the new software, or quickly switch to the old one, do they realize the new efficiencies in their work. Follow-ups and additional coaching can be some of the ways to understand what barriers employees are facing and how the project team can help them overcome these.

Concluding, the ADKAR model provides a clear model for change management and including particularly implementation. The steps of individual change are directly correlated to the stages of the process and can help managers monitor and embed change on the go, during the project. Unlike many of the 11 scholarly models for addressing change, that was discussed earlier in Chapter 3.2, the ADKAR model equips practitioners with specific tools, mechanisms, and proposals that can be used along each of the steps. When it comes to the limitation, it can be seen that the model is quite linear and does not account for sudden or unexpected alterations in the change projects. For example, it is not clearly communicated how should the ADKAR steps of individual change be addressed if the stage of a project, suddenly changes from Implementation back to Concept & Design. Nevertheless, despite shortcomings, the model offers a practical view on change

implementation and completes, yet not fully replaces, the models developed by the scholars.

3.6. Best Practices on Change Implementation

Based on the scholarly models and the practitioners' models on change implementation that have been discussed in the given chapter, the following best practices on change implementation have been arrived at.

1. Ensuring support and engagement at every level of organization

The first best practice that is overarching through traditional and non-traditional change management models is ensuring support and engagement of employees at every level of organization. This is a critical pre-step of change implementation, due to the fact that as it's been discussed – implementing of change is not possible, unless there is a shared sense of urgency among the employees, as well as a personal engagement. In order for a change to be implemented successfully, each individual in an organization – starting from the line workers and ending on the top leadership, needs to have a clear understanding of why the change is happening, why is it important and how it will personally positively impact his/her work. Moreover, as lack of engagement of employees is cited by many practitioners'' as one of the biggest mistakes in implementation, it has to be ensured that a comprehensive communication plan is set in place and executed throughout the change effort.

2. Focusing on forming a strong change team, leveraging on the PMO unit

The strong team responsible for executing the change appears to be a backbone of any successful change implementation project. This team should comprise of individuals that are highly motivated to drive the change as well as have the necessary skills, knowledge and leadership abilities to lead the employees. An example of a team that could be overseeing change implementation could be a PMO unit, as outlined by several consulting companies. The unit focuses on keeping the leadership fully aligned the project's progress, as well as motivating and instilling the change within the employees.

3. Continuously assessing the change program status

Assessment of the change program status is an important best practice, as several consulting companies outline the lack of tracking of the change efforts leading to implementation failure. Defining clear goals and key performance indicators prior to engaging in change implementation is therefore key. Maintaining assessment of the

progress based on these metrics has to then be continuously carried out by the team responsible for the change and reported to the leadership. In case of any potential problems, the change team will be able to spot it immediately and address the problem at the spot, rather than facing a failed implementation effort further along the road.

4. Focusing on capability building of employees through various techniques

Capability building has been a major discovery as a practice leading to the success of change implementation specifically in the practitioners' literature. Consulting companies and the research company Prosci have all highlighted in their change models the need for capability building. Specifically, capability building is viewed as a combination of providing knowledge to the employees on how to operate within the change / newly changed processes and consequently ensuring that they also have the ability to operate within it. Ensuring ability has to happen through specific experimental and experiential practice techniques, to allow individuals to learn in a safe space with a hands-on focus.

5. Exercising agility and adaptability

Given the current speed and magnitude of change in the organizations, coupled with digital disruption, linear change program cycles no longer exist. The traditional change management models that allowed for specific steps to happen in a specific order no longer prove to be effective, according to practitioners' views, such as Bain (2019). Being able to quickly adapt to change and exercise agility is therefore critical for the success of the change efforts. It is important that this best practice is instilled within the change team, as often they appear to be at the forefront of change and be guiding by their example the other employees.

6. Institutionalization of change within the org structure of the company

An overarching element for finalizing change implementation, that has been consistent both in the scholarly and practitioners' research is the institutionalization of change. Due to the fact that employees tend to revert back to the old ways of conducting work and can easily lose track of the new abilities and procedures they have to keep up with, it is vital to institutionalize change within the organizational structure of the company. This also entails institutionalization of the change within HR, with a goal to focus on retaining staff that is "on-board" with the change effort and consequently recruit new employees that share the mindset and the attitudes the change program aimed to deliver.

4. Empirical Case Study

This chapter is devoted to the qualitative research conducted within the scope of the thesis. It aims to answer a research question: What is the process of intra-organizational change implementation in the chosen Company's department?

The first part of the study focuses on presenting the overview of the company and the department where the change occurred from a general perspective, as well as the context of the change project. The second part briefly outlines the profiles of the Respondents who have provided input for the case study analysis. The third part focuses on the discussion of the specific case findings and their analysis in relevance to the theoretical and practical approaches developed in Chapter 2 and Chapter 3. The qualitative research for the empirical case study has been conducted in accordance with the methodology outlined in Chapter 1. Due to the fact that the company desired to remain anonymous, because of confidentiality reasons, all of the figures, names and company-specific definitions have been anonymized. The limitations that might stem from this case study approach are detailed in the Chapter 1.

4.1. Overview of the Department XYZ and the Project

Company A is a multinational consulting company that focuses on advising clients in various industries worldwide. It is a corporation with a significant history of operation in various markets and has a vast pool of employees, which accounts for over 25,000 employees. The site of the company which is being discussed in Chapter 4, is a Shared Services Center (SSC), which has been established in a given country XYZ in 2011. The goal of the Shared Services Center is to remotely support colleagues in Europe, Africa, and the Middle East in various functions. The functions include administrative services, reporting and finance, visual communication and business operations. The SSC has grown to be a successful center which currently employs over 1000 colleagues. The Department XYZ, which is the focus of the given empirical case study is called the Assistants Service Line, which employs young administrative professionals. The daily tasks of the employees, the so-called Assistants, include being the first point of contact for various type of queries, analyzing, responding and sending different communications, providing complex schedule management and travel support. The employees in the department focus on providing high-quality support and proactively supporting the colleagues of Company A worldwide. Employees usually hold a higher education degree and are characterized by such qualities as having great attention to detail, being self-starting, organized, confident communicators and flexible team players. The Service Line at the time of the finish of the project in question comprised of 234 people (Company A, 2019).

The structure of the Department XYZ is set-out and governed the general conduct of rules of the Company A. The department consists of young administrative professionals, who are providing assistant services to colleagues worldwide. The Assistants are divided firstly by the scope of their work into Executive Assistants (EAs) and Team Assistants (TAs). These administrative professionals, the Assistants, are divided into teams. Teams are determined both by the level of seniority of the colleagues that the Assistants are supporting and also by the geographical location of these colleagues. Due to the fact that the service that Assistants provide has to be provided on a continuous basis and does not account for the time outside the office, a back-up procedure is set in place. When a given assistant is absent, his/her colleague provide back-up support, based on the free capacity that they have. Moreover, a specific type of the team – Relief Team is focused on providing back-up support for when the Assistants are out of the office. Each of the above-discussed teams (usually comprising of around 20 people) is managed by a Team Leader. The Team Leaders are responsible for the following:

- Ensuring smooth operations of the teams, coordinating back-up coverage to ensure service and quality
- Monitoring teams service quality, improving workflow processes
- Monitoring performance of the individual members and the team as the whole
- Conducting timely and thorough evaluations by gathering and delivering feedback
- Supporting managers
- Overseeing the administrative duties

The Team Leaders, are in turn supervised by the Operations Managers (OPM), who are responsible for monitoring the performance of the department, analyzing its results and coordinating with other departments in Company A, when needed.

The department also includes an independent unit – the Project Management Office (PMO), which is responsible for supporting office-wide initiatives, also of the Assistants Service Line worldwide. The unit is comprised of three members - Project Manager, Project Analyst and a colleague responsible for learning & development as well as service design. PMO helps leaders and young professionals of the department, takes them through methodologies, processes and supports grass-roots initiatives in the SSC and worldwide (Respondent B, 2019).

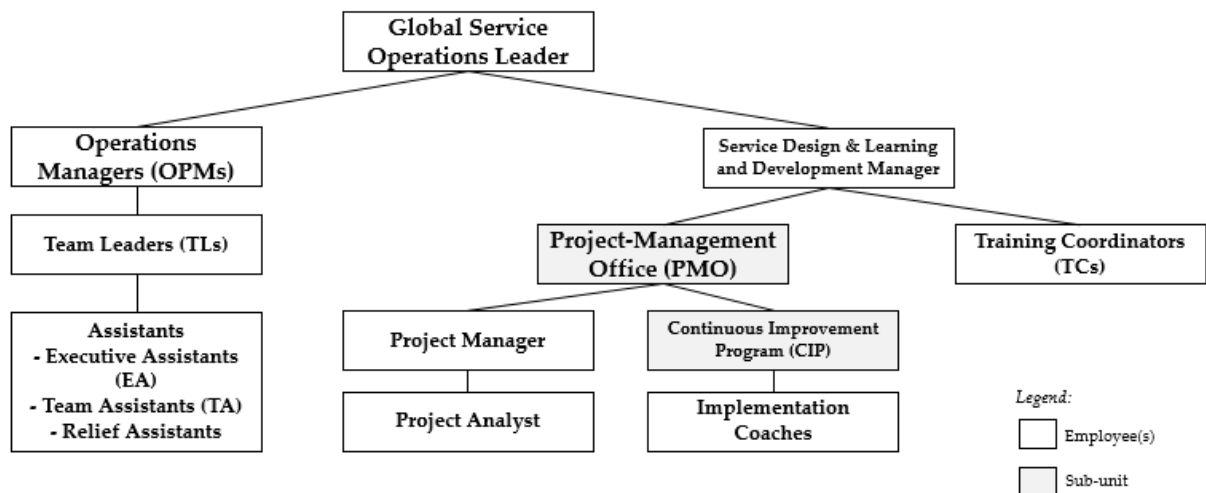
The PMO and the OPMs are further supervised by the Global Service Operations Leader.

The Department XYZ or the so-called Assistants' Service Line operates in a dynamic environment, to which it needs to quickly adapt. The digital transformation and change that the Company A undergoes, in turn, influences the SSC and the department in question. Moreover, due to the large employee turnover, it remains critical to train and

bring new employees up-to-speed in a quick and efficient manner. Therefore, a sub-unit of Training Coordinators is also part of the department. The Training Coordinators focus on conducting induction training for the new joiners, developing sessions for further skill-development and cooperate with colleagues who wish to conduct sessions in the subjects they're knowledgeable about.

The Department XYZ, in line with the best practices of Company A, also focuses on continuous improvement of the operations and the service it provides. With this goal, a Continuous Improvement Programme has been put in place, which focuses on supporting the improvement of the internal processes on an on-going basis. The Program is supported by a small team of so-called Implementation Coaches. The Implementation Coaches are splitting their capacity in the following manner: 80% of their time is dedicated to the role of an assistant and 20% of their time is dedicated to the Implementation Coach role. This possibility provides an opportunity for young administrative professionals who have a drive for project management, desire to learn and a will to support the Department XYZ with various initiatives. The CIP team is supervised by the PMO unit, previously described. The structure of the department is summarized and presented in the Figure 4 below.

Figure 4: Current Structure of the Department XYZ



Source: Author's own, adapted from the document's discussion and interviews with Respondent A.

The structure of the department presented above outlines the structure that is currently in place. The intra-organizational change has occurred in the Department XYZ in 2017 and was focused on restructuring the department/service line. Previously, the service line has been separated into two specific departments: Department E, which comprised of

Executive Assistants (EAs), governed by Team Leaders and their Operating Manager and Department T, which respectively comprised of Team Assistants (TAs), governed by Team Leaders and their Operating Manager. Further, each of the departments had their own Training Coordinator. The Continuous Improvement Program (CIP) sub-unit and the Project Management Office (PMO) fell under Department T. It is important to make a distinction between the differences and similarities of the two departments. The main similarity is around the type of work that both departments performed. Young administrative Assistants, working in both, supported colleagues and consultants from around the world, provided the same service and followed the same principle. Moreover, these colleagues were sourced and recruited in an identical way. Both of the departments were located in the same office park as the SSC and therefore colleagues had the same informal points of contact, such as the cafeteria, office celebrations, and office space.

The difference that has primarily led to this specific division in the past was the fact that colleagues in Department E and Department T supported consultants and company-colleagues of varying levels of seniority. This however fluctuated over time, as colleagues from one department/service line would move to another one and remain supporting the old colleagues. The major difference between the two was rooted in the operations. While both the departments focused on carrying out the same time of work, the employees were doing it in very different ways. For Assistants that meant that everyone was free to organize their emails, important documentation, and correspondence in any way they desired. On a team-operational level, each team had a different way of requesting vacation, deciding on important matters and structuring the division of work. Department E and Department T used different digital solutions in their daily life and had no consistent method for storing information. Therefore, when a colleague from a specific team was absent, the other colleagues providing back up had to adjust to the unique way that person operates. Other differences between the two teams, when it comes to the work of Assistants, included varying practices of coaching, reporting their capacity and sharing information internally. Thus, colleagues also shared very different views on the “ideal” set up of the workplace and “how” the work should be done.

The differences also spanned across the Team Leaders, Training Coordinators and the Operations Managers. While all three of the roles have served the same function in both of the departments, the particular process of how to serve it – differed to varying degrees.

Lastly, the two departments sat on different floors in the office and at times different buildings. The physical distance between them also accounted for the lack of direct

integration between the two, despite the fact that colleagues had to still cooperate on work matters daily via phone calls.

In February 2017, the change has been initiated internally by the senior leadership to merge the two departments – Department T and Department E. Due to strategic motives of the leadership and Company A's objectives, there was the need for an internal merger. At that time, both of the departments together combined over 200 people. The merger had to happen urgently and within 1 month, both of the teams were supposed to become one department, work under the same leadership, move into one building and act as a coordinated unit. This has been the context of when the project in question originated.

4.2. Profiles of the Respondents

The two respondents who have been interviewed for the empirical case study have been key actors in the project. The following paragraph aims to provide an introduction to their involvement and role within the organization and the project.

Respondent A is currently holding a position of the Project Analyst within the PMO sub-unit. During the time of the initiation of the merger, he was holding a role of an Implementation Coach, and therefore was pursuing a role as an assistant, specifically TA and being involved in the Continuous Improvement Program as well. Respondent A was one of the initiators of the change project and a key player during both initiation and implementation phases.

Respondent B is responsible for service design and learning & development globally within the Assistants' service line. During the time of the project, she represented the leadership, supported and initiated the effort as well as connected the various stakeholders involved. She has been the key promoter of the methodologies used during the project and a facilitator of discussion between the different levels of employees.

Further input for conducting the case study and deriving case study findings has been provided by myself, as the person who has been involved in the project during its initiation and implementation. My role at the time was identical to the one of Respondent A and comprised of assistant responsibilities as well as Implementation Coach commitment. Along with Respondent A, I have been one of the initiators of the change project that has arisen after an announcement of the merger was made. Therefore, personal reflection and understanding are at times included in the analysis.

4.3. Case Study Findings

4.3.1. Stages of the Change Implementation

The following sub-chapter focuses on discussing the findings that were uncovered during the case study analysis. The research question that it aims to answer is - how Department XYZ implemented change, based on the given project?

As previously discussed, the context of change has been an organizational restructuring effort that was communicated on a short-notice and all of the leadership of the two departments has been informed about.

After the communication has been sent out to all the employees, there were mixed feelings about the change as it meant a sudden change in workplace environment for all of the employees. Moreover, since the change has also been connected with changing office spaces and a physical move it further increased the complexity. According to Respondent B, there has been no time to reflect and think on how to approach change because the change was basically already happening (Respondent B, 2019). Within a month, the employees have been restructured under one department and moved together into the same buildings and teams. At this point, there has been no project in place for managing the change, due to the limited resources and a lack of a change management unit in the department (Respondent B). However, it was at this point, that a project “United” has been initiated. In the following paragraph, the case findings will be described based on the project stages and its flow. The stages will be as follows: business need, designing solutions, implementation, and post-implementation. These stages have been mentioned by the Respondents when describing the case, however, they’re also closely in line with the ADKAR model, which describes the four change project stages as business need, concept & design, implementation, and post-implementation (Prosci, 2019). Each of the three changes is described in detail, based on the interviews with the Respondents and personal reflection. A specific emphasis is put on the implementation of change and specifically on such aspects of – how was the proposed change developed and implemented by the employees, what were the techniques of the capability building, what were the tools, methods and methodologies used, what was the involvement of the leadership and what were the main successes and pitfalls.

Stage: Business need

Once the restructuring has been formally in place, the operations of the department started to get influenced by the merge and the changes that have started to come to the surface. It was unclear on how the Assistants should carry on working and whether or not they all should be adjusting to the different ways the other group has been operating in. Same held

true for the Training Coordinators, who needed to now jointly approach the induction training and ongoing learning and development and yet had varying ways for doing so. Team Leaders and Operation Managers have also experienced turbulences due to their different ways of approaching daily work. According to Respondent B, it was clear that “this wasn’t working well or at least could have been managed differently” (Respondent B, 2019).

At the same time Respondent A and myself, both held the roles of Implementation Coaches and were involved in the CIP project. Having reflected on the change in the department, we saw it critical to step-up and unite all of the Assistants, with a goal to make our operations smooth again. The initiative was therefore taken by us and brought up as an idea to the PMO unit. The proposal we have prepared was to run a project, which would unite the young administrative professionals who previously worked in Department E and Department T, with a goal to come up with a coherent way of structuring their daily work. The idea behind was that instead of going “our way or their way”, we would find a completely new approach that would take the best of the both worlds (Respondent A, 2019). The PMO unit has received the idea with great enthusiasm and expressed their willingness to support the project. According to Respondent B, who was the key stakeholder at the PMO unit, “the colleagues associated with it [PMO] – the implementation coaches were very driven” (Respondent B, 2019). The initiative was approved and the team proceeded to the stage of setting up the scene of the project.

The PMO has played a role of bringing this project further to the leadership attention and showed that the potential for standardizing operations was present not only at the level of young administrative professionals but also at each level of the department, including Team Leaders, Operation Managers, and Training Coordinators. Playing as a “patron”, PMO unit, and specifically Respondent B, had a buy-in for the project from the senior leadership. The project was therefore established as an overarching initiative between different levels in the Service Line. Therefore, the project was first initiated as a bottom-up initiative, however also received support from the leadership. According to Respondent B, this combination of having the initiative come from the bottom but also having some reinforcement from top-to-bottom ultimately proved to be very successful (Respondent B, 2019). The project has consequently been given a name “United”, with an objective to reflect that the two departments are becoming one organism. Notably, this has been done in a very tight time frame of around one week, during which the decision has been taken and the project was initiated.

Stage: Designing Solutions

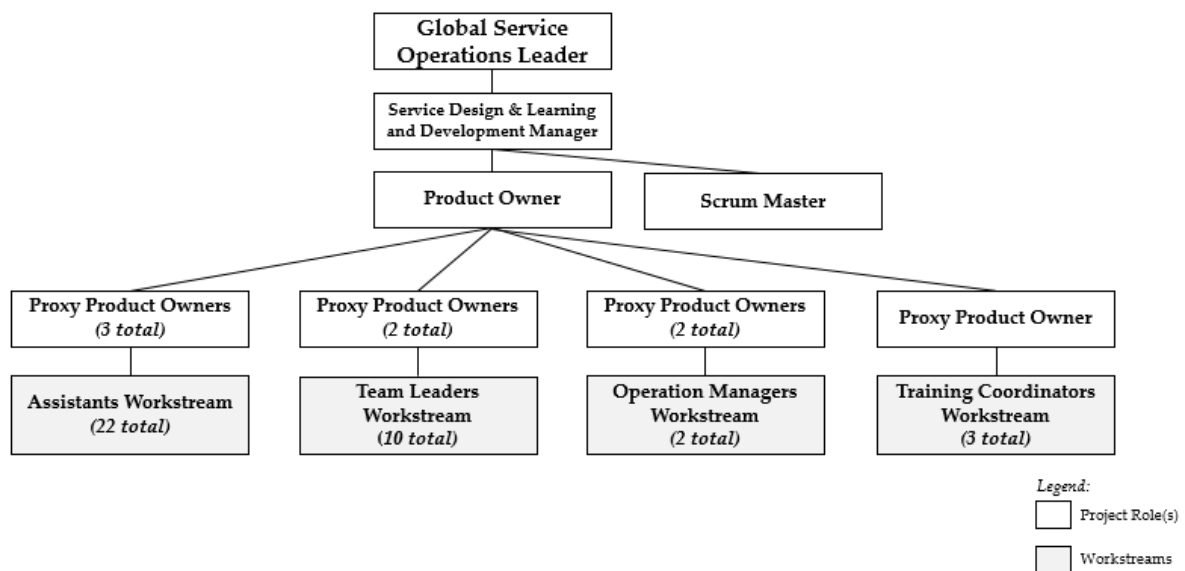
When the project has been established and set out as a priority initiative for the newly formed Service Line, it became critical to organize the project team efficiently. Given that the Service Line accounted for over 200 people, the PMO unit saw it crucial to establish a way that would work in favor of efficient and collaborative teamwork. The objective, according to Respondent B was: “to empower people...to now work together in this new reality that we’ve all found ourselves in”. On the other hand, the idea was “to show that we didn’t know what’s the right thing to do, but people doing the job – the specialists – knew” (Respondent B, 2019). Therefore, the objective was to empower the people to come up with solutions that concern their daily life instead of shifting this responsibility to someone external. PMO saw it critical that the people who know the job are also the ones to figure out the solution, instead of bringing external consultants or stakeholders who would tell employees “how to do their job”. According to the respondents, this was the first step in change management and that was simultaneously the first step in creating a different working environment – the one fueled with the culture of empowerment, responsibility, and ownership.

Due to the fact that different employees and profiles were now involved in the project, it was important to establish a coherent structure. The PMO team together with the Implementation Coaches decided to categorize the different project teams based on their level of ownership. Therefore, the young administrative specialists – the Assistants, would represent one group, the Team Leaders – second group, Operational Managers – the third group and finally the Training Coordinators – the fourth group. This was it would be ensured that people who are working on the solutions are also exactly the people who will be using these solutions. The next challenge came in deciding how the project teams would be governed and formed. When it comes to the OPMs, TLs, and TCs, it was pretty clear that since the group is quite small (up to 8 people each), all of the people holding these roles could be involved in the project, without making it too disperse. When it comes to the Assistants, the Service Line at that moment in time consisted of over 200 people, thus the challenge was in deciding who will participate. It was decided that since this commitment would be an on-top assignment of the regular job of the employees, a call for the volunteers was needed. The Team Leaders have communicated this during regularly held team meetings – the team huddles, by explaining the goal of the project, what would be expected from them if they got involved and the approximate time commitment. Moreover, the communication from senior leadership – the Global Service Operations Leader followed via email, with a goal to convey the same message. Assistants from both Department E and Department T were encouraged to get in touch with Implementation Coaches and finally, their representation in the team has been equal.

When discussing how the project would be carried out, PMO came to the conclusion that there were multiple methodologies that the people getting involved in the project were interested in. Such methodologies as agile, scrum, design thinking, service leadership, and human-centered approach were some of the most prominent ones. Knowing that the project had to be carried out in short period of time, as the department was already operating in a new set-up, it has been decided to use scrum as the guiding methodology, yet also incorporate the other ones on the go. According to Respondent B, none of the members were “too religious” about the particular method and this proved to be efficient as everyone was adjusting on the go.

When it comes to the governance of the project, it has been decided a Project Manager, team member of the PMO unit, would take on the role of the Product Owner and coordinate all the workstreams of the project simultaneously on the top level. Project Analyst, also a team member of the PMO unit, would take on the role of a Scrum Master and would take on the responsibility of guiding the team through scrum methodology and equipping them with the needed tools and guidance. The team breakdown has been the following, as presented in Figure 5.

Figure 5: Project “United” Structure



Source: Author’s own, adapted from Company A documents review

Therefore, Product Owner and Process Owner were coordinating the entire project team. The project team was then consequently split into four workstreams: Assistants, Team Leaders, Operation Manager, and Training Coordinators. Each workstream had a Proxy Product Owner. From the workstreams of TLs, OPMs, and TCs this was one person in each who was willing to coordinate their workstream and report to the Product Owner. From

the workstreams of Assistants, the two Implementation Coaches who have initiated the project and came from Department T took on this role. Further along, the line, when receiving feedback on unequal representation on this level, they were joined by another Proxy Product Owner, who came from Department E.

Due to the scope of the project, the further focus will be put on the Assistants workstream, as it is most represented by the Respondents' interviews as well as is the biggest in scale implementation initiative in the project "United".

In terms of how the design of the solutions went, the most critical step has been the first meeting within the Assistants' workstream. During this meeting, the Proxy Product Owners initiated a discussion around which specific bulks of work are solely under the Assistants' ownership. Upon continuous brainstorming, a list of over 13 items has been created. These items were further checked and united into categories that could fit them relevantly. Consequently, the employees had the possibility to volunteer for the team that would work in the specific item. They would also choose the leader who would be in touch with the Proxy Product Owner in terms of updates. This allowed for clear accountability and clarity in terms of the scope of work. Each team has been comprised of employees that came from Department T and Department E, thus showing the fair split. The breakdown of the items that the workstreams have scoped down, is represented in Table 8. Assistants workstream has focused on time & workflow management, paid time-off and covering procedures, new joiners' integration, client facing tools and information storage, team integration and organizational structure and internal communications. Team Leaders workstream worked on five categories – firm professional development strategy, client feedback, service delivery, client relationships, team/performance management and team feedback. The workstream of Operation Managers worked on two broad categories of managing resources and service line budget. While the Training Coordinators workstream, put effort into working on induction, professional development and training.

Table 8: Breakdown of implementation categories for project "United"

Assistants Workstream	Team Leaders Workstream	Operation Managers Workstream	Training Coordinators Workstream
Time & workflow management	Firm Professional Development strategy	Managing resources	Induction
Paid-time-off and covering procedures	Client feedback	Service line budget	Professional Development

New joiner's integration	Service delivery	Reporting	Training
Client facing tools and information storage	Client relationships		
Team integration & organizational structure	Team/performance management		
Internal communications	Team feedback		

Source: Author's own, adapted from Company A documents review

The scope of the design of the solution has been broken down into sprints, which were aligned with the best practices of Scrum methodology. In each sprint, each of the teams had specific tasks that they had to accomplish. Workstream-wide meetings were held in the beginning and at the end of each spring. The goal at this stage was for each team to interview multiple Assistants within both of the former departments and jointly come up with a uniform way of the solution formulation. This technique, according to Respondent A, allowed for the specialists in the service line to feel empowered – “it made people realize that there were a lot of processes that they were responsible for and they fully owned; and so, they are in charge of them and can shape them as well” (Respondent A, 2019).

A similar way of coming up with solutions has also been adapted in the other workstreams – specifically TLs, OPMs, and TCs. However, due to the fact that the groups were much smaller in size, there was no need to conduct broad research as they could discuss all the possible ways in a single meeting. When it came to the Assistants’ workstream, they carried out over 100 interviews total in the period of 14 weeks, in order to be able to come up with the recommendations (Company A document review, 2019).

Later in this stage of the project it became apparent that some of the items were misaligned in terms of the levels of ownership. At this point, they turned to the Proxy Product Owners to seek help. These, in turn, united with the PMO unit and decided that this was a time to “look across” (Respondent B, 2019). Therefore, in the analysis of the different items the team started looking into the task journeys. When it was confirmed that the different levels of ownership were involved in certain items (for example – planning paid-time-off or overseeing spare capacity, fell under the ownership of both Assistants and the Team Leaders. Thus, there was a need to change the original plan of the project and re-construct the teams in a way that could allow them to work cross-functionally. New teams have been assembled that had a mix of colleagues from different levels of ownership working on the

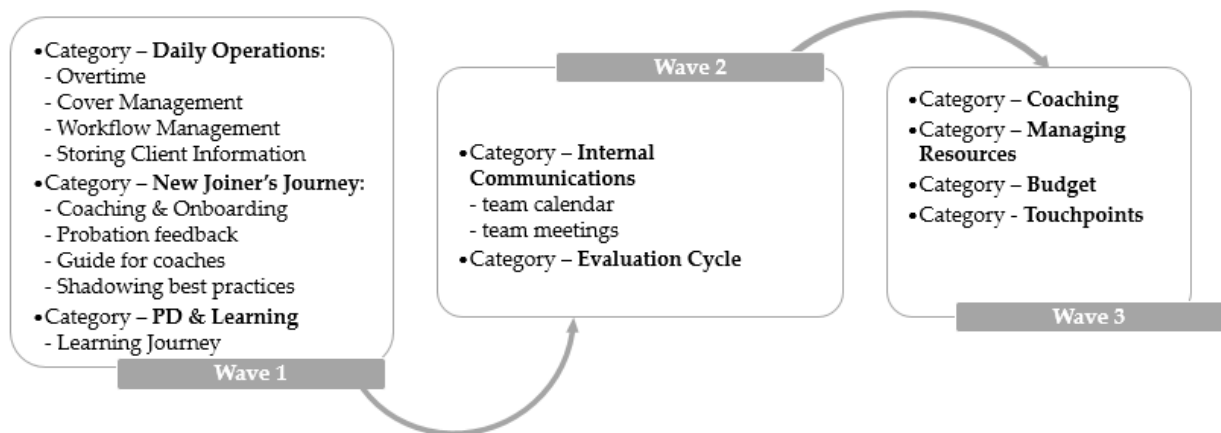
same item. This allowed for more speedy decision-making and more instant alignment on the particular recommendations.

Stage: Implementation

After comprehensive research has been conducted via over 100 interviews, each group in the Assistants workstream had finalized their final recommendation. The groups documented these recommendations in various ways and were extremely enthusiastic to implement these in the department (Respondent A, 2019). Once a sprint kick-off meeting has been organized for the implementation phase, the Proxy Product Owners, the Product Owner, and the Process Owner have realized that the number of recommendations that was prepared was bigger than the amount that was theoretically expected. They realized that they cannot just start releasing such big quantities of recommendations for the new colleagues and this process requires coordination. The PMO unit together with the Proxy Product Owners developed the implementation plan which encompassed releasing items in so-called waves that would span over 30 weeks and each include several categories of the items being implemented. The categories at this point have been compiled cross-functionally and included some items on which 2 or more members came from different workstreams. This allowed for the implementation plan to act as an overarching mechanism, jointly incorporating recommendations of all four of the workstreams.

The following Figure 6 provides an overview of the 3 waves that have been determined for the implementation phase.

Figure 6: Implementation waves of project “United”



Source: Author's own, adapted from Company A documents review

Adapting such a plan also meant communicating to the team members on all of the workstreams that recommendations they have worked on might not be implemented now but in the near future. As Respondent A recalls, it has been one of the pitfalls at that point,

as communication of the message “to take a step back and think about it”, was not perceived so positively by the people who have been enthusiastically working on their solutions (Respondent A, 2019). At the same time, he deems that this was frustration at that specific moment, but after some time – employees were able to realize why it had to happen the way it did. According to Respondent B, speaking from a leadership perspective, the difficulty during this stage was to understand “if you have a team that’s really driven to deliver and ready to action – how do you work with them to make sure that they see value in the reflection?”. The other issue came from the fact that people who were working on the project were not external consultants and not even a separate function managing it. “We were not just managing change, we were *in* it” – Respondent B. Therefore, due to this the dynamics have been quite emotional as people felt quite close to the subject of change.

Once the waves have been determined, employees on all the workstreams knew whether or not the item(s) they’ve been working on is going to be implemented in the first wave or not. At this point, in case their item was not in the first wave, they had a choice of whether to stay out of the project or get involved in the implementation of the item that they were not working on previously. According to Respondent A, this provided a solid opportunity for many employees who wanted to try themselves in different settings and working with different recommendations.

When it comes to the implementation of the recommendations, the particular way on how to do it varied from one solution to the other. Every group was responsible to come up with a way that they seemed most suitable for the implementation of their recommendation. During this step PMO unit offered open office hours, during which each team could stop by and consult their ideas, or ask for guidance when it comes to using specific methods (scrum for example) and tools (PowerPoint, OneNote, etc.) and then discuss it with their Proxy Product Owner(s) and the PMO unit. The various ways the employees came up with are listed below:

1. Sending out department-wide emails with instructions and visual support
2. Creating an easy-to-use guide with a concrete step by step instructions
3. Facilitating a workshop/training for each team and explaining the new process in detail
4. Conducting sit-ins with the employees: training them on how to use the new process and answering any questions they might have
5. Having open hours, during which all employees can stop by and ask any questions about a particular tool/process
6. Asking Team Leaders to facilitate a discussion explaining the new procedure

7. Having a floor-walk, during which colleagues from the relevant workstream would share their tips on how to use new tool/process

Tools that have been used during this stage included:

1. Lotus Notes – for email communication
2. One Note – for storing and sharing the information
3. PowerPoint – for designing the guides
4. Trello – for coordinating the work of the team as well as implementation waves
5. Slack – for informal communication within the teams on a daily basis

Methodologies that have been applied:

1. Scrum
2. Agile
3. Design Thinking
4. Human-centred Design
5. The traditional problem-solving approach of Company A

Respondent A pointed out that there was no “one way fits all” method on how to implement a particular change. It highly varied based on what was the change, how many people was it affecting, how critical was it in their daily jobs and how difficult was the change process/tool to comprehend. Teams used various methods and a combination of methods that they saw most suitable for their particular tool. Moreover, since each of the people on the implementation team was also part of the audience that was receiving change – they were able to quickly react to any questions their colleagues had on the spot, or at least provide contact details to the person who could help out.

Upon compiling together the particular ways, the Proxy Product Owners organized a schedule by which each of the teams could know when their item gets released. This allowed for full transparency and clarity in regards to the flow of implementation.

When it comes to the reinforcement of the change in the teams, it also varied depending on the item that was implemented. While Company A, does not have the culture of micromanagement, the Team Leaders were all made aware of the change that needed to happen and was supposed to execute it (Respondent B). At the same time, one of the biggest values that prevail in the culture of the given organization is focused on feedback. Therefore, employees were consistently sharing feedback with one another on how the tools are working and whether or not their colleague has space for improvement.

A particular way of communication has been naturally adapted during the implementation stage. Due to the fact that all of the recommendations that were

implemented on the specialists level were developed based on the interviews with specialists themselves – it was a given that the proposed items were work of the entire team and not a “chosen” group of people (Respondent A). The message that was sent out was: “we asked for your input, we collected all the best practices and now we come up with a way that we deem will be useful for all of us and unite us as a team”. The proposed changes were branded as “recommendations” – to emphasize that there are the recommended best ways to do the job, instead of something that’s being simply imposed from the top. This proved to be powerful as there have been no major difficulties in implementing the items, according to Respondent A (2019). On the other hand, there has been a struggle in the implementation, that was voiced by the Team Leaders to the PMO unit. The problem occurred with senior colleagues, who had difficulty adopting the new way of conducting their daily work, as they “have been here for a million years and it’s always been done differently”.

The other issue that was pointed out by Respondent B was around the agile way of working during the project. While this was one of the biggest advantages and allowed for the project to flow faster, than it would with a regular waterfall approach, it also meant accepting and welcoming failure (Respondent B, 2019). The idea was that the leadership lets people who worked on the particular solutions implement these to the department, who will be using them and then the department will be the voice that’s going to tell if the solution is working or not, and now the other way around. This has been a challenging bit to be managed during this stage (Respondent B, 2019).

During the implementation phase, the solutions have been tested and iterated with the colleagues in the department. The employees working on the given workstreams were continuously seeking feedback and tweaking, as well as adjusting the solutions on the go. According to Respondent A, one exemplary item has been the capacity tool, that was meant to measure the spare capacity of the employees, as well as monitor ongoing trends in the department when it comes to staffing and workload. When it has been implemented, it seemed to have been understood well, thanks to the training and sit-ins the workstream conducted. However, during testing and iteration of the tool (which was the case for all of the items implemented), it was found that there was only a small group of colleagues that found it useful. Therefore, the workstream group reverted back to the designing solutions phase and instead of implementing the solution within entire service line, has established and documented this process as one of the best practices that could be used optionally. Therefore, certain moving between the stages has naturally occurred for many of the items implemented.

Stage: Post-implementation

After the initial implementation of the newly developed tools and processes has happened, these introduced items were considered to be embedded in the operational flow of the department. Following the implementation, the PMO unit together with Proxy Product Owners launched a survey to ask for employees' opinion on the proposed tools. This survey was launched exclusively on the specialists level of ownership, due to the fact that other levels of ownership did not represent such big groups and therefore aligned on feedback and needed alterations internally. The results of the survey are briefly outlined in the Table 9 below.

As it can be seen from the satisfaction survey, majority of the newly introduced tools within the daily operations category, which was the most pressing category in the project and also the initial cornerstone of why the project originated – was perceived with an overall high satisfaction rate of the employees. Certain additional insights have been derived and further worked on by the change team – therefore somewhat jumping stages of the project.

Certain tools, for example – the capacity tool, did not fulfill the expectation of bringing benefit, as expected. 60% of the people reported that it does not give any benefit to them and they do not see using it further. 10% of the people reported that they use it and find it value-adding with its original purpose (tracking time and measuring trends in workload), and 30% found it useful but only in specific cases, outside of the original purpose. Therefore, it has been decided by the change team to keep the tool as a best practice, and instead document these specific situations in which it will be useful for the employees (Respondent A, 2019). Therefore, it can be seen that the team was highly flexible with the results of the survey and was willing to make amendments to the original plan. This is also highly in line with the values of agility and flexibility that the team agreed to adopt early on from the project.

Overall, however, the project can be regarded as successful, as the major category, that incorporated most crucial and biggest number of changes – Daily Operations, yielded an overall high satisfaction rate of 80-91%.

Table 9: Results of Satisfaction Survey

Category/Process	Response Rate	Overall Satisfaction Rate	Additional Insights
Daily Operations	32%	80-91%	Five areas of improvement were identified and further worked on by the change team and/or TLs

Coaching New Joiners	60% of coaches 40% of new joiners	90%	Four areas of improvement were identified and further worked on by the change team and/or TLs
Capacity Tool	43%	40%	The satisfaction rate represented the people who found the tool useful. However, 30% of the people – found it useful outside of its original purpose. Therefore, it has been eliminated from mandatory tools and only offered as an optional best practice.

Source: Author's own, adapted from Company A documents review

According to Respondent A (2019), one of the drawbacks was that the feedback was collected quite late after the implementation phase, as at that point some of the solutions have already been in place for over 2-3 months. He deemed that the team could have carried this out faster, yet at the same time, this was not “anything that could hinder the project in any way” (Respondent B, 2019).

4.3.2. Applicability of theoretical and practical models of change

An analysis of the case study has been carried out by comparing the theoretical and practical models of change that have been developed in Chapter 2 and Chapter 3. The insights derived from this analysis are further presented in this subchapter.

According to Francke (2014), several reasons exist that determine whether an organizational change is driven by an external or an internal environment. In the situation of the case in question, it falls under a category of organizational re-structuring and therefore can be defined as a fully internally driven change.

When analyzing the magnitude and a level of change, according to the continuum of change developed by Burnes (2004), it can be concluded that the change the Department XYZ has undergone can be classified as transformational. As further elaborated by Hiatt and Creasey (2012), this type of change is defined by an environment where an immediate or dramatic change is required over a short period of time. The authors mention that triggers could be a crisis or a significant opportunity, or re-engineering of business processes. In the case of the change that happened within the project “United”, the transformation has been driven by a complex organizational re-structuring. The change is further classified under transformational change, due to the fact that it involves strategic changes (re-structuring the departments with the goal to adhere to a new strategy),

involves multiple organizational levels (in this case – four levels of ownership have been identified in the project) and has an objective of altering the way of how the organization operates. Concluding, Hiatt and Creasey (2012) emphasize that in case change is considered transformational the need for change management is high. As it has been discussed in the case findings, according to Respondent B, the department found itself in a position where change was already happening, however, no change management unit was in place to coordinate it. However, due to the pressure of the change and an intrinsic understanding of the employees that the need for change management is high – they have themselves initiated a bottom-up initiative in order to manage change and facilitate it better.

Analyzing the context in which the change project “United” originated, several parallels can be drawn with the Group Dynamics School, that was primarily developed by the work of Lewin (1947). Firstly, it stipulates that people in an organization are more prone to work in groups instead of individually. As it can be seen in the case of the given case study, the employees have expressed their desire to unite together with other employees from the different department and to come up with a “united” way of conducting daily work. This further proves that the group has seen a greater potential in uniting together, rather than remaining content with their original processes to manage work. Moreover, Lewin (1947) states that group behavior directly influences individual behavior. What can be seen in the case of the project “United”, the employees have not shown significant resistance to the proposed recommendations, or the ways of addressing change, primarily due to the fact that majority of them have been involved and voiced their opinions during the project. This set-up, according to both Respondent A and Respondent B has been a cornerstone of what yielded the significant success of the project.

Further exploring the theoretical foundations of change, several connections can be drawn between the empirical case study and the Open System School of thought. According to Miller (1967), several sub-systems exist within the organization. Looking at it more precisely, it can be summarized how each of the sub-systems influenced the change and change project origination in the Department XYZ.

Organizational goal and value sub-system: during the change initiation, the goal of an organization has been clearly communicated, both when it comes to long-term vision and to the results of the change. The goal was not deemed contradicting with internal and external environments and was in line with the organizational values.

Technical sub-system: was largely utilized specifically during the implementation stage of the project, when the combination of technologies was used to best communicate and implement the recommendations.

Psychological sub-system: had a significant effect during the change process itself. As according to Respondent B, all of the employees involved in the project “United” were also the ones undergoing the change and therefore have been closely attached to it on a personal level. This at some times, according to Respondent B, created certain bias. However, when reflecting on the vision of Respondent A, this psychological tie has also increased the enthusiasm and the spirits of the team during all stages of the change project.

Managerial sub-system: this sub-system was the original initiator of change, yet not the initiator of the change project. The managerial sub-system played a significant role in supporting the project in moving forward and removing any obstacles on the way to success.

Regarding the traditional models of change, the case study has been analyzed through the lenses of two traditional models – Lewin’s three-step model and Kotter eight-step model.

According to the Lewin’s three-step model, the effective change can be reached in an organization when the organization goes through three phases: firstly it unfreezes the current/status quo situation, secondly it moves to the desired condition and thirdly – it refreezes the new condition so that it remains in the desired state (Burnes, 2004).

When analyzing the change that has occurred in the case study and the corresponding project “United”, that has originated the following model can be applied.

1. Unfreezing.

During this stage, the leadership of the Department XYZ has communicated to the employees that a change is needed and has to happen within a specific time frame. They have therefore established a motive for change, which Lewin sees critical at this point. The unfreezing usually occurs when the driving forces are significantly stronger in their magnitude and influence than the forces that restrain the change. In the case of the Department T and Department E, the need for the merger was a non-negotiable item, therefore it has been strong in its influence. Moreover, since the merger involved an actual physical movement of the two departments towards sitting together, it was fully reinforced. Therefore, it can be concluded that the unfreezing stage did indeed correspond with the actions that had to be taken during this time period.

2. Moving

This stage is associated with changing the old behavior of an organization and adapting it towards a new one. According to Burnes (2004), the preparation of the employees during the unfreezing step plays a critical role – the more ready the employees to cooperate, the higher are the chances for the success of the change initiative. In the case of project

“United” – moving consisted of several stages: setting up a project group, jointly working on research and coming up with recommendations, capability building, and the actual implementation. Moreover, still, during this stage, certain elements of the unfreezing had to be done – such as additional communication about the need for change and its rationale.

3. Refreezing

Lewin characterized this stage as reinforcing the change in the organization. Reinforcement of change can be done in the form of institutionalization. Such step did indeed occur within the project “United” when certain recommendations needed to be institutionalized and set-in-stone either with the Team Leaders or with HR. On the other hand, refreezing has not been done to a full extent. Certain comebacks were performed when it comes to specific recommendations. In case the project team has seen the change not being perceived useful and helpful by the colleagues, they were able to revert back to it and change the recommendation, as if they were in the moving stage. This helped the company to quickly adjust and also reflected the value it puts into agility. Therefore, this stage of the Lewin three-step model does not show compatibility with agile and scrum methods, when constant iteration is needed. According to Respondent B (2019), when working on this project it was essential for success to accept failure. That some of the proposed ways might not “stick” with the group of the employees, while others will fully do so.

The validity of this model in the current times, therefore, is subject to further research. As more and more practitioners (McKinsey, 2016; PWC, 2013; Bain, 2016) show the need for agile ways of working to be adapted. As can be seen from the empirical case study, it has been greatly reflected in the success of the project “United”.

Kotter’s eight-stage model, that is widely praised in management practice looks at critical points, that has to happen in a specific chronological order for a change to be a success (Kotter, 1995). The eight stages have been analyzed in regards to the empirical case study and the following insights have been derived.

Stage 1: Establishing a sense of urgency

Clearly present in the case, both with the leadership actions, who have alerted Department T and Department E of the change and with the initiators of the change project – Implementation Coaches, who raised their view on the need of a change management project to the leadership

This stage was given importance, particularly due to the circumstance of a physical merge between the departments that was happening. According to Respondent B: “we’ve all found ourselves in this change, that’s already happening”

As Kotter (2007,p.15) states, this stage might be difficult, as employees are mostly satisfied with their current state and do not have the desire for change. This has also been the case for some of the employees in both Department T and Department E, however, as they inevitably found themselves having to work with and within each other – the need for change was obvious and pressing.

Stage 2: Creating a guiding coalition

A guiding coalition was naturally assembled in the case of project “United”. According to Respondent B, there were clear profiles of colleagues who had interest and initiative in the project – the Implementation Coaches.

The guiding coalition also has to have enough power to lead the change. Since the Implementation Coaches, in the case of Department XYZ did not have sufficient organizational power, PMO took on this role. In particular, Respondent B was the one who communicated with senior stakeholders and involved the broader group on the progress of the project. As consequently, several groups within the project emerged – such as TLs, TCs and OPMs workstreams – leadership was naturally incorporated in the project and therefore became advocates for change later on.

Stage 3: Creating a vision

While there has been a common understanding between all the players of what is the mission – becoming one united service line, the levels of involvement in executing the mission were varying.

According to Respondent B, specialists – that is Assistants involved in the project, were potentially expecting a higher involvement from the leadership, which they did not see.

Stage 4: Communicating the vision

Communication of the vision was happening through various means in the project. These included verbal personal and team presentations, informal communication about the project between involved and non-involved colleagues, non-verbal communication in a form of consistent email updates and supporting documentation.

Moreover, the branding of the project was a crucial point in communicating the vision. The PMO together with Proxy Product Owners from the workstream of assistants, created visual materials that conveyed the concept of being “united” – such as everyone in the department, boarding the same plane and departing to a destination that would be known as the new service line, or the Department XYZ.

Stage 5: Empowering others to act on the vision

As this stage includes removing obstacles that impeded change, it was continuously executed by the PMO team during the entire project. Eliminating challenges and altering the structure was an effort that was critical through all stages of the project and therefore could not be separated into an exclusive stage, as Kotter's model proposes.

The constant support of the efforts of the employees involved in the project provided them with empowerment and allowed to maintain the credibility of the project as a whole.

Stage 6: Generating short-term wins

Generating short-term wins was an important aspect of the project "United". That was due to the fact that at the moment of initiation of the project, Department T and Department E have already been merged into one service line, and employees were finding inconsistencies in their work daily.

Short-term wins were generated with the first wave of the implementation. The waves of implementation have been prioritized based on which items and recommendations are most crucial for daily work. Due to this, the first wave was called Daily Operations. Implementing small and bigger by scale tweaks of daily work allowed the project "United" to quickly show the usefulness that it brings. This also allowed for decreased resistance of the employees later on in the process, as certain implemented items have proven to work.

Stage 7: Consolidating improvement and producing still more change

This stage includes the adjustment of existing structures and elements in the organization to fit the change (Kotter, 2007). While this was partially executed in the project "United" as well – by guiding coalition or the leadership team, the focus, nonetheless, laid more on the people to adopt the new ways of working on their own terms.

The pitfall during this stage that Kotter (2007) emphasizes is that managers often declare victory, while in fact it must be taken into consideration that before the approach sinks into the culture of the company, the change remains fragile and a subject to regression. In the case of the given empirical case study, Respondent A (2019) mentioned that certain alterations to the original recommendations still occur, however majority of them are taken as default. Going further, it might be due to the fact that the department faces a high attrition rate (Respondent B, 2019), and therefore the new joiners are automatically learning the new changed process and thus carry it forward in the organization.

Stage 8: Institutionalizing new approaches

The last stage is characterized by change becoming the natural “way how we do things around here” (Kotter, 2007, p.8). According to Respondent A (2019), this has come to be the truth in the case of Department XYZ, given the change has been implemented around 1.5-2 years ago now (depending on the specific recommendation).

The second factor of this stage is ensuring that development and succession of leadership are arranged in an appropriate manner to support the change (Kotter, 2007, p.9). In the Department XYZ, this has naturally happened, as the majority of participants of the project “United” from the specialists have shown initiative which played a positive turn in their career development, and they have been promoted to various leadership roles. Therefore, these employees became advocates not only for the change itself but also for the new ways of working – such as scrum and agile in the organization (Respondent A, 2019; Respondent B, 2019).

When reflecting on an analysis of the project “United” through the lenses of the Kotter’s eight-stage model, it can be clearly seen that while all of the stages Kotter mentioned have been important in the success of the project, they do not cover the whole process fully. Certain specifics such as capability building, implementing the practices and ensuring sufficient knowledge and awareness within the employees – are missing from the model. Moreover, the stages of Kotter’s model have not occurred in the given specific order in the project “United”. They have been present through some or all stages of implementation and sometimes were utilized two or more times during the project (such as stage 5: empowering others to act on the vision).

It can, therefore, be concluded, that while the model provides a useful overview of some of the important stages in the project, it does not cover all the crucial points and is not empirically supported to be executed in this specific order. This is also in line with the criticism that the model received from other academic researchers.

When analyzing the empirical case study within the context of the practitioners’ research, the author looked into the analysis that’s been carried out in regards to insights and studies published by BCG, Bain, McKinsey, and Prosci. Several parallels have been drawn between these studies and the project “United” and they are briefly outlined below

PWC (2010) and Bain (2019) have both stated that rarely the implementation efforts fail because of specific technical solutions and what is more critical is winning the hearts and minds of the employees during the change effort. This is highly in line with the insight that Respondent B (2019) shared: “the process is a process, and you can have an approach or a methodology, but what comes first in engaging with hearts and minds”. It can be seen that

while specific credit goes to the methodologies and tools used to implement a specific change, the success of it is highly dependent on the soft factors and the adaption of the change lies within the hearts and minds of the employees, rather than a specific trick that can be repeated.

Capability building has been emphasized to be an important element in implementation by multiple companies (BCG, 2018; PWC, 2010; McKinsey, 2016) and has been proven to be true based on the empirical case study carried out. During the project “United” capability building has been performed in distinctive ways based on what was the recommendation or an item for implementation. Techniques such as training, team and one-on-one meetings, floor walks and sit-ins have been performed. It can also be evident that the step of capability building was critical for the success of the project as it allowed employees to accept and adapt to the change. As it has been discussed earlier nonetheless, academic researches have not focused and included this element in their models.

An interesting insight can be derived from the fact that the project “United” was majorly supported by a PMO-unit in Company A, who acted as a facilitator, supporter and an enabler of the project team. This is highly in line with recommendations of McKinsey (2015) and BCG (2013), in regards to establishing a PMO unit for equipping a change project with credible backbone and providing employees help and continuous support. A clear validation of this recommendation can be seen in the empirical case study in question. Moreover, on top of playing an enabling role and serving to provide interactions with leadership, which are some of the functions that McKinsey and BCG mention PMO would be responsible for in the project, PMO in case of project “United” – fulfilled additional functions. It also equipped the group with the knowledge of needed methodologies and provided a ground for working with different methods and processes that the team saw interesting (such as agile, scrum, etc.).

Role-modelling the change as a leadership team has been a consistent step in successful models of change management and implementation of practitioners (BCG, 2018; PWC, 2010). According to Respondent A (2019) and Respondent B (2019), it seems that one of the drawbacks in the project was varying levels of involvement. Assistants’ workstream expected to see a higher level of engagement from the leadership and has voiced this concern. One of the potential reasons for why they raised this issue is because role-modeling is indeed seen highly critical within the employees for change management projects.

When it comes to assembling of the change team, practitioners viewed it critical to look at soft characteristics which should be shared among all the members of the team. In the project “United”, according to Respondent B – the initiators and participants of the change

team emerged from a group that was connected to the PMO, the so-called Implementation Coaches who shared the drive and the passion for project-work. Therefore validation of the practitioners' finding can be derived – a strong bond and a network of shared values are highly valuable for ensuring proper and smooth functioning of the change team. Building on the finding of PWC (2013) on the formal and informal tools for successful implementation, such formal tools as concrete strategy, the breakdown of workstreams, the breakdown of items to work on and the performance metrics – have been utilized in the project “United”. Informal tools such as bonding between the employees, informal networks, informal get-togethers of the team and the workstreams, as well as a shared view on being a united service line – have been used.

Institutionalization of the change, deemed critical by PWC (2010) and McKinsey (2014), following the change implementation has also been shown in practice by the empirical case study. PMO, together with the OPMs and TLs have imposed specific rules and new procedures that employees were to follow. However, important to mention, that because Company A possesses a strong culture of feedback, many of the recommendations were reinforced by the colleagues themselves. For example, colleagues who would cover for their absent co-workers, and noticed a non-optimal setup of work that does not follow recommendations – would share this feedback informally within themselves. This was a more common and preferred way of reinforcing change and worked quite well within the Department XYZ.

Due to the fact that literature analysis performed in Chapter 3 has also looked in particular at change implementation in a service environment, it is vital to discuss how these insights can be compared to the empirical case study.

McKinsey Operations (2015) emphasized that capability building is vital in the services environment, due to the variability of the work. Variability is then regarded to stem from two sides: in terms of context (customers might have a wide range of requests) and in form (fluctuations in demand for the service). In the given empirical case study it has been shown that capability building was given specific focus during the implementation stage. It was executed through various means with a shared goal of establishing a solid knowledge, understanding, and awareness of how to use new tools in daily work. Moreover, when it comes to the workstream of Assistants specifically, during the stage of research and coming up with recommendations, a specific sub-group has been formed. This sub-group focused on Client-facing tools. They, therefore, in-depth explored all the pros and cons of using various ways to work with the client within Department T and Department E. Having jointly come up with recommendations, they, therefore, brought together the best of both worlds, and arguably, increased the overall performance that Assistants could deliver to the clients.

McKinsey has further identified four techniques through which to build and sustain capabilities in the services environment.

These techniques are further analyzed in the context of the project “United” in regards to whether or not they have been used.

- Engaging every level of organization

This has been clearly deployed within the project “United”, as it established workstreams based on different levels of ownership (and therefore levels) in the organization. Moreover, as the project moved on and a need for cross-collaboration between the different ownership levels was identified – PMO unit enabled this cooperation to happen. It can be seen that not only every level of organization has been engaged, but their engagement was also boosted through working across silos. However, when speaking of this technique, it’s important to mention that both the Respondents, mentioned the varying levels of involvement of the different levels of ownership within the project.

- Creating excitement and pride

This technique is focusing on ensuring that capability building is not seen by the employees as “just another box to tick” (McKinsey, 2015). Much of the excitement and pride has been created in the project “United” due to the fact that a large portion of employees has been directly involved in the project themselves. Therefore, when the project was over, these employees became catalysts of the change (Respondent B, 2019). However, as it can be seen from the analysis of the results of the satisfaction survey, not all the response rates have been high (above 80%), therefore it can be argued that involvement of the service line as a whole has not been fueled with sufficient excitement and pride.

- Applying a range of learning techniques

McKinsey & Company (2015) emphasizes that the traditional training programs in corporations have not proven effective, which is also supported by research of Ross-Gordon (2003). Thus, a mix of learning techniques is preferred. Given the fact that Department XYZ operates within the environment of back-office operations, it’s critical to emphasize that experiential learning is particularly relevant and important in these environments. Despite the fact that a variety of learning techniques have been used in the project “United”, they have been used selectively for the given items. Therefore, even though roughly eight methods of learning were utilized, they were not used together for one item – rather each item had a specific singular method. This offers an opportunity for improvement for future projects.

- Institutionalizing through HR

Embedding of the capability building has to also be carried out through the official structure. In the project “United” this has been clearly depicted through establishing reinforcing mechanisms within the teams for executing the new recommendations, which were critical for smooth operations. However, this has not been the case for all of the recommendations and many of them were reinforced simply through peer-to-peer feedback.

Building on this analysis, it can be concluded that some of the specific recommendations for the change implementation in services environment have been clearly seen in project “United”, some of them have not been so vividly used. It is also arguably on whether or not using these techniques would yield different results in the satisfaction survey sent out to the employees. This could be an implication for future research and future projects of Department XYZ.

5. Discussion

This chapter is devoted to the discussion of the analysis that has been carried out in Chapter 2, 3, 4. The first part includes recommendations for Department XYZ, based on the empirical case study performed in Chapter 4. The second part includes implications for further research that stem from the work the given thesis has carried out.

5.1. Company recommendations

Building on the fact that the analysis of the empirical case study has been carried out in the context of project “United”, the recommendations will be derived specifically based on this research. The recommendations may serve as an additional information to take into consideration for Department XYZ when carrying out similar change projects in the future.

Before presenting the recommendations, it is important to highlight that based on the analysis of the case study performed in Chapter 4, it can be seen that project “United” followed many of the best practices that are emphasized in the academic and practitioners’ literature and therefore can be generally considered as a successful case of change implementation. Nevertheless, certain improvement areas are still present and they’re presented below with specific recommendations.

1. Establishing a response-to-change system that can be used in case of transformational and rapid change.

As it has been discussed, project “United” emerged as a bottom-up initiative when the process of inevitable merger of the department has already been initiated. This has been an unforeseen change, in which all of the employees of the Department XYZ found themselves “in” the change, including the leadership. Due to the fact that no change management unit exists within the organization, planning and executing the change plan could not happen. An initiative was therefore taken forward by the Implementation Coaches. However, as later on been seen – due to the fact that everyone was also part of the change themselves, they found themselves quite emotional and at times biased. A pitfall stemming from this was then the complaint from the Department E on an un-even power distribution on the level of Proxy Product Owners. These issues could be potentially eliminated by establishing a response-to-change system, that could provide the team navigation at the time of specific changes occurring. It could include: potentially useful contacts that could support the department in the process, potential best practices of Company A when it comes to change readiness as well as some structured best practices from previous change projects. While, obviously, that could not be established a perfect ‘fit-all’ solution, that would be easily applied – this sort of system would provide the management and the PMO unit with additional navigation leverage when it comes to managing change.

2. Encouraging and building consistent role-modelling of leadership during change projects

Role-modelling was emphasized to be one of the critical success factors by multiple practitioners, when it comes to implementing change. It’s also been consistently sited in academic literature and present in most of the widely acknowledged academic change models. In the case of project “United”, both of the respondents have mentioned that there was a certain concern expressed by the specialists (who represented a specific workstream) about varying levels of involvement – in particular this one of leadership. This concern has been rightfully voiced, as it was discussed that empowering and leading by example is one of the top game-changers when it comes to successful change implementation. Role-modelling of the leadership during such times could potentially be achieved through additional coaching, one-on-one meetings and support through providing specific guidance to the leadership by either senior leadership or the experienced PMO unit. If it is possible it would be even more beneficial to equip leadership with such skillset during the stable times in the department, so in case a rapid change project comes along – they will be already empowered and enabled to act.

3. Applying experiential learning techniques for capability building during implementation

While there has been a vast amount of learning and capability techniques that were used in the project “United”, including: team and one-on-one trainings, sit-ins, guides and team meetings, there has been lack of experiential learning techniques that was used. This type of techniques is specifically useful in the companies working in services environment, as emphasized by the research. Due to the fact that employees are facing a variable setting in work, their learning should also be set in such a set-up. For example, for coming up with an alternative recommendation of how to best structure client-facing tools or info storing, a simulation of a real-life client interaction could be performed to find more optimal setup.

5.2. Implications for further research

The given thesis has looked into the subject of change implementation. Upon a review of theory of organizational change, an analysis of the literature on change management and change implementation has been performed. It has been found that traditional academic literature on change does not include specific information on change implementation, instead it simply states the need for it and includes it as a stage of change process. However, no specific tools and processes have been specified as useful. Therefore, the author performed an overview of the insights of the firms who are actively involved in implementing change – consulting companies and change-management focused companies. With the empirical case study that has been analyzed, certain best practices became validated. Moreover, it offered insight into specific methods, techniques and tools companies can use when implementing change.

In the future studies, it would be vital to analyze on whether or not these methods, techniques and tools can be applicable in a wider variety of change projects and what are the prerequisites for them to be used. Going further, there remains a gap in the research on connecting theoretical and practical approaches to change implementation. While the author bridges the gap through performing an overview of both, it is still subject to further research to see whether theoretical and practical approaches can be combined and yield a better outcome. When it comes to Department XYZ, an implication for their further research might focus around other projects that they carry out in their department. Finding synergies between these project and project “United” might offer an interesting view on how change implementation process is adapted based on the differences of the specific project settings.

6. Conclusion

The given thesis has analyzed change implementation from two perspectives: analysis of academic literature on change management and change implementation and analysis of the literature of practitioner firms on change implementation. It has focused on defining what are the different methods of change implementation and what are the best practices according to practitioners. It has also performed an analysis of an empirical case study, on the given project “United”. The goal of carrying out an empirical case study was to study the specific methods of change implementation, based on the experience of Company A with the given project. Through these efforts the thesis has arrived to the answers to the following research questions.

Research question 1: *How does scholarly and practitioner research view organizational change implementation?*

Scholarly researchers look at change implementation as a stage in the change management models. They also interchangeably use the management and implementation terms. Such models as Lewin’s three-step model and Kotter’s eight-step model are regarded both as change management and change implementation models. Despite this homogeneity in the definitions, the two models, arguably, do not offer precise mechanisms, techniques or tools for implementing change in the organization. To support this insight, Connor et al (2016) has also arrived to a conclusion that most of the work in the field of change is done from a general perspective rather than looking at actual mechanisms that may be used to implement change. A further study by Ostroff, Kinicki and Muhammad (2012) concluded that change literature received more theoretical development within the academic researchers than an underlying empirical support. Therefore, it is derived that while most of the academic researches emphasize the importance of change implementation, practically no advancement has been done in the field to find out specifics and the particular ways for implementation.

When it comes to the practitioners’ view on the implementation, studies by such companies as BCG, Bain & Company, McKinsey & Company, PWC and Prsoci have been explored. These companies draw a clear difference between change management and change implementation – with change implementation being the specific embodiment and installation of change in organization’s processes and its adaptation (McKinsey, 2015). They further elaborate on specific best practices for change implementation as well as the potential mechanisms for implementing it. Concluding, it has been found that there’s a

significant difference in the view on change implementation of change practitioners and researchers.

Research question 2: *What are the best practices of intra-organizational change implementation?*

The best practices of intra-organizational change implementation have been discussed in detail in Chapter 3. The following summary is a consolidation of the most prevailing best practices. Establishing clear, organization-wide ownership and commitment to change, spelling out the impact of the change, role-modelling the desired behaviors, engaging employees at every level of organization and empowering them with trust. On a practical side, best practices include constructing a clear plan with accountability and actions in place, focusing on capability building through a variety of methods and experiential learning, establishing a PMO unit within the company to support the change effort and institutionalizing the change in an organization to further sustain it.

Research question 3: *What is the process of intra-organizational change implementation in the chosen Company's department?*

The process of change implementation in the Department XYZ has been looked at based on a project "United". The concrete steps of the entire project included the following, and the implementation formats, tools and mechanisms have been thoroughly analyzed.

1. Defining the scope of the project and the relevant levels of ownership in it
2. Assembling a team, based on the different levels of ownership and establishing workstreams, as well as deciding on Product Owner and Proxy Product Owners
3. Conducting extensive research and coming up with optimal recommendations – the proposed changes
4. Preparing the implementation plan which included three waves, that covered all of the items based on the priority of their implementation and spanned across 30 weeks
5. Adopting multiple and combined ways for implementing the change
 - Using formats such as: step-by-step guides, facilitating workshops and trainings, conducting sit-ins with the employees, having open hours, Team Leaders facilitating team meetings, having floor walks.
 - Using tools such as: Lotus Notes, One Note, PowerPoint, Trello, Slack.
 - Applying methodologies as: scrum, agile, design thinking, human-centered design and the corporate problem-solving approach.

Based on the analysis of the case study, three distinctive recommendations have been introduced for future reference of the company. These namely included: establishing a

response-to-change system that can be used in case of transformational and rapid change, encouraging and building consistent role-modelling of leadership during change projects and applying experiential learning techniques for the capability building during implementation. The given thesis has advanced the topic of change implementation by bringing together academic and practitioners' views and analysing a supporting empirical case study. The goals of the thesis have comprehensively been accomplished. The author hopes that future work in the topic of change implementation will help to shed more light on the specific mechanisms, tools and methods companies can use for implementing change. Since the high failure rates of change projects are present corporations worldwide – the topic remains highly important. Hopefully, the given work has helped in moving further towards understanding how a successful implementation can be done and bridging the gap between academic and practitioners' views on it.

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Annexes

Annex 1: Case study: Interview 1 - Respondent A.

I: Thank you very much for taking the time and clarifying your preferences for confidentiality and data sharing. Let's begin the interview: what is your role right now and what was your role during assistance United? I believe the project originated at 2016 am I correct?

P: I think the whole idea of the project originated in what I think was 2017 period. I'm just looking at my notes I tried to prepare myself. The project originated in March 2017.

Now, my role organization right now is a Project Analyst In the Project Management Office - PMO, for the Global Assistants Service Line. At the time when the project launched, I was still in my previous role of Assistant / Implementation coach. So I was still working as an EA for 80% of my time and 20% of my time was dedicated to what was then known as a continuous improvement programme - CIP. A little bit off topic now...The reason why you might have thought the project originated in 2016 is because in 2016 we were working on the second part of a project with CIP when we decided to put it on hold and started focusing on Project "United". That's why you might have thought of 2016. All of the team members on the continuous improvement programme ended up on the core team for the project "United" at that time. There was some continuity, but the project itself - that is, the announcement, actually involving everyone, and actually uniting the Assistants - that happened in 2017.

I: Ok, understood and what was your involvement in the project?

P: Well when it comes to involvement in the project apart from being one of the people who was popping into the idea that we actually need to do this, as you might remember [laughs]. Being advocates for shifting the priorities given the whole merger situation. As the project started we were the key representatives of the Assistants' workstream. I believe we were officially called proxy product owners. We were responsible for driving the workstream and organizing the Assistants part of the project.

I: Got it, thank you. would it be by any chance possible for you to share with me the original structure of the project that we had with all of the work streams and how they were coordinated hierarchically?

P: Absolutely, give me a second.

I: No rush, we can take it offline and do it after the interview. Thanks!

P: Awesome. But basically, if you remember, the levels of ownership were the driving principle behind the structure of the project. The idea was that whatever type of operational work is managed by a specific group. This group should be the one responsible for this part of the change. So we basically had the specialists level which was represented by the Assistants, we had Team Leaders, we had Operations Managers.

I: And when it comes to the beginning of a project, you mentioned that you were one of the people who kind of sparked the idea and promoted the beginning of the project itself? Who had the final say in deciding that a project needs to actually start and whose initiative was it to launch it as a project that would involve so many levels and people?

P: Well the credit goes...still I'm not exactly sure how it was but then I think the Global Assistants Manager, she was ultimately responsible for the project so I'm guessing that it was her who gave the green light.

I: What were the stages of the project and have the stages remained as planned, through the course of it?

P: So I think in the very beginning when we were talking about getting the phone here starting to work on forming a new team, it was all going according to the plan. Then after completing the first couple of sprints, when we were working on the recommendations for the new tools and processes rollout, we thought that this was going to be final. So once it's approved, we're just going to roll out. So, at that moment, I feel like that was one of the learning moments for me and I think for a large portion of the group, that sometimes we need to adjust the plan. Realizing how many recommendations were developed, and how disruptive that might be for the people. So you might want to go ahead and start releasing one thing on Monday, one thing on Tuesday, one thing on Thursday..

I: Yeah, I remember!

P: So that was a moment when we took a week or something break and we validated the plan and came up with an idea of releasing things in waves. And one more thing, that I don't think was something we really planned in the very beginning was actually closing the project, so sometime in January 2017, focusing on just all the metrics, gathering results of the survey. When it comes to the actual stages, it went like this. First, forming the project group, understanding the different levels of ownership, understanding the buckets on which we should be working - what are the processes, what are the kind of categories in place, then working in sprints on the recommendations. Then once the first wave recommendations were ready, we orchestrated everything at the project level - came up with the implementation plan. And then, after the waves of implementation were completed, we did summaries and that was about it.

I: Let's focus a bit more on the stages that happened prior to the implementation. That is - before the time when on a project level we started orchestrating the change. How did it evolve step by step? As you said, in the beginning, there was the idea that we sparked, and then came the assemblance of the team. Could you specify a bit more how did that go?

P: Assembling the team...Well, as far as I remember, when it comes to the different ownership levels, here talking apart of the specialists level, so: OPM (Operations Manager), TL (Team Leader) - that was pretty clear from the beginning. Everyone had to be involved at these levels of ownership. I don't think there were any questions about that [laughs]. It was pretty straightforward. Everyone who needed to be was involved, and the group at these levels was already small enough to ensure that we can actually do it, right?

I: Yep.

P: When it comes to the specialists level, here we were dealing with a pretty big group - over 200 people at the time. So once, we got the buy-in from the operational managers, then we announced that this was something that was going to happen in the service line and that's when we were asking for volunteers to join the group. From this group of volunteers some of them said right away: "Ok, I'm in! And I'll be actively participating", some of them after some time realized that maybe this wasn't for them or maybe it was too much workload, so they opted out. I think that was the initial mechanism on how the group was assembled.

I: Do you remember how many people, in the end, there were involved in the project from the specialists level? Was it around 20?

P: I would say slightly over 20. I can get back to you with these figures later.

I: Amazing, thanks. And what would you say was the main goal of the project prior to the implementation? Both on the side of the people's management and on the business side?

P: Uhm...The main goal, I think was on one hand, from the business side - was keeping the operations afloat, and smoothly merging the two teams, that are now working side by side and operating in totally different ways. So I think the goal was kind of overarching both on the business and the people's perspective - actually keeping the operations afloat and at the same time come up with like a common platform, common language that we can all agree with - not necessarily taking the solution from one side, but rather learning from each other.

I: Do you think both of these goals were achieved during this stage?

P: Uhm, I would say yes! Yeah. When it comes to working out common processes to handle all the operational stuff, you could see that definitely - we established a common ground. Of course, even after the project there were some areas, in some areas there were gaps. But still - we had that common ground on how to work together and find solutions and act as one basically. This also influenced the way how we in the future worked on other office initiatives and in a way cooperated.

I: Mhm. And what do you think were some of the main successes and pitfalls during this initial stage?

P: Well one of the successes from the entire project that I can still see right now was that we actually adapted to working together in some way. Also thanks to the usage of the scrum, it kind of became our go-to methodology to learn or change something in the team, in a way even an ideology. And when reflecting on it now, the oh so many iterations and iterations, if you think about it that's the whole agile mindset. Focus on learning and constantly adapting, not getting too attached. That in itself was an achievement. And then of course, when you think about it - we came up with a lot of good stuff. Still haha, the moment when the people who worked so hard on these recommendations, are so enthusiastic and they're asked to take a step back to think about it... [laugh]. But that's like one of the typical drawbacks that frustrates at the moment, but only after some time, you're able to fully understand why it had to happen.

I: Haha, that was a bummer indeed!

P: When it comes to the pitfalls, I would say it would be the varying levels of engagement. So you'd see different levels of engagement and output, from the specialists level and for example the OPMs. But of course, they have important jobs. Then, ultimately, you'd see that from this stage most of what was coming out was the recommendations from the specialists level.

I: Do you think that people on the specialists level were in a way lacking example from these in the other workstreams, during this stage?

P: I wouldn't go that far. Because later on in the implementation, everyone was working cross-functionally. So the previous levels of ownership were not so important at that moment anymore.

I: So you think that the dynamics of the group were different during pre-implementation and the implementation itself, is that correct?

P: Well, before the implementation it was more theoretical in a way - making research, coming up with plans, making powerpoint presentations. Whereas you know, during the implementation it was more heated in a way - sparks flying [laughs]. Everyone had to come together. When before we were just coming up with ideas, now was the time for everyone to actually unite and get things done.

I: Can you describe please the implementation in more detail? Which mechanisms, tools and communication channels were used for this stage? Also, focusing on how did we actually build the capabilities in the employees for them to be able to work in a new way?

P: I think it will be different for particular items that were being implemented. Overall, there was some communication throughout the top level - sending out updates from our Global Service Line Manager, with like "ok the team worked on this and that". So, there was some wider communication in terms of updates. Then we were announcing the new improvements during team huddles - every Friday morning. So, representatives from all the different workstreams that were there creating the change, were the ones walking the other employees through the change - so showing "you do this". Telling to the employees: "Treat it as recommendations". I think one of the main points was calling the outcomes of our work as recommendations - treating it like that. So: "These are the outcomes of our research, that's what we heard from our fellow colleagues. We think that this could be the way forward. We would love if you could test it for some time so that we could collect your feedback and see if this way makes sense". I think this was the best way to get the buy-in from people and to also keep them informed. For some of the changes, that were far-reaching, for example, the whole process of requesting vacations. So like the whole process of - how do we approach it. I think that the members of that workstream...Were you involved in that? I think yes! They organized a whole session for people to walk them through it, gather their questions and to create a document that would guide the employees through that. And then based on the feedback of how the people were taking it. At the same time a Relief Team was established so there was a prevailing mindset of like - we should all agree on how we do these things. Things to look out for, check-lists, specific things. So the way these changes were introduced was not like: "Here, we have the instruction", but more like having it an ongoing evolving open dialogue. Basically giving these people the space to voice their concerns. That was key - to actually treat the solution as a prototype, as a recommendation, still open to a wider discussion. The attitude was that of "We didn't just come up with the recommendations out of the blue, we created in as a united team, through interviews, with you!".

I: And now coming back to the capability building...So there was one aspect - the people who were actually on the workstreams, communicating that there's a change coming up at the Team Huddles. I believe that was like the first step to make people aware. And what happened after that?

P: I think this is the situation where we should talk about concrete examples because it differed...

I: Ok, so let's take maybe one example of a recommendation that was relatively difficult to implement and another recommendation that was relatively easy to implement. Would that work?

P: Okay, yeah. If you think about the process-based recommendations, so, for example, standardizing the way for requesting PTO (Paid-time off). It went this way: so okay, this is what we come up with, let's talk about it, let's discuss in the team. For tools related, on the other hand, it was different...So let's take an example of the capacity tool. We saw there was some appetite from the entire service line, so we established our next step - to try to do the trial of releasing it. First, it was communicated by the team who was responsible for the implementation, during the Team Huddles. And then we went on to organize a meeting with each team, explaining how to use it, giving them instruction, showing how to use it, actually doing it with them. So that they get an understanding of firstly - why are we doing this, what's the origin of the idea, what are the actions we expect out of that, what do we expect to do with all the data. Explaining to them that we're going to be looking at the historical trends, peak times, whatever - the benefits of doing it. And technically - how do I use the tool, how do I set it up, how do I fill it in and what do I do in terms of technical questions.

I: And who were the people who were actually doing this training with the employees? I don't really remember whether it was us, or was it just everyone from the workstream of Assistants.

P: No, it wasn't everyone. It was the team responsible for the workload management on the workstream of Assistants. I think I was involved in that and a few others. I believe at that time, the entirety of that team was on the specialists level. They were the people who volunteered and worked on it as well. Yeah, it was fully in their ownership to make sure that the tool rolls out.

I: So, if I understand correctly when it comes to implementing change - it was the team who originally came up with a recommendation that was consequently implementing it within other employees?

P: It's correct in a way that people who were implementing the changes were all involved in the AU2017 project. However, it didn't have to necessarily be that if you were working on something during the phase of coming up with recommendations, you were tied to be responsible for the implementation of it as well. For example, I wasn't working on the

capacity tool during the first stage, but when the recommendation was in place, I saw if the team needed some help with implementing it and offered my help, as I had knowledge about the actual tool prior to the project as well. And this was kind of the guiding principle behind the implementation stage - most of the people who were involved, were also the ones coming up with that solution, but if they needed some help and there was some other person who was willing to help and learn more, as a way to develop their skills - it was an open invitation. So it was totally ok to be switching and mixing between the teams. Does that make sense?

I: Yep, that makes sense fully. Do you think that this set-up proved effective or do you see it could be done some other way, retrospectively looking?

P: To be honest, I can't recall if it was 100% smooth or there were any specifics mess-ups. I do, in principle, think that it did accomplish a couple of good things. One - the heart of the implementation team were the people who were in the team responsible for coming up with the solutions, so they had the motivation to push it forward to the finish line. Second - it was a learning opportunity for the members. So they were thinking: "Ok, I was working on different recommendation or workstream, but now my workstream is maybe not so active, and I can actually help with something else - I can learn more about the solution, develop myself or help the implementation team in any way I can. I have that opportunity." So, I think this was the second differentiating factor. And the third was, that if for example, we have 40 people total on the different workstreams and during the first wave of the implementation we decide to release around 5 recommendations, which involves let's say, 20 people. Then, the remaining 20 people can either kick back, chill and wait until their wave of releasing their solution - they have this opportunity. Or, instead, if they decide to join and help out already in this wave - they also have that option. So we were giving the space to actually opt-in the implementation and help someone else. I think this was ultimately a good idea. So, I think these principles they did work. If there was any hesitation or misunderstanding, because "I wasn't involved in the previous stage", I do not recall these moments. I think that even if these did occur, they were just managed [laughs].

I: I also cannot recall any difficulties in regards to that. So, again to kind-of summarize it: we had the team huddles where the person from the AU2017 would communicate that there's a change coming up. Then, there would be a team who either came up with the change or got involved with the recommendation already in the implementation phase, they would be the ones working with each team on the floor, talking them through the change, explaining how to do things. I believe there were also some guides and documents that were sent out via email, is that correct?

P: Yep, yep. If something needed documentation or a particular guide. Then the implementation team produced it and shared it in one way or another. If this was a solution that needed explaining and showing, then the implementation team would focus on that. And if this was simply as a new way to conduct something, for example, a process - then we would just share that this is a new way of doing it. Something like that.

I: And what was the process to check if the change “sticks”? Meaning, how was it checked that the people are actually following the new method?

P: Uh, once again, I think that’s something that differed for each of the items produced.

I: Let’s take maybe the same examples we were working with before. So the capacity tool, which was quite a major change. And something minor - like how people were organizing their folders or something like that.

P: So, let’s take the capacity tool first. How did we check whether it works...Well, we’ve sent a survey to the people on how they perceive it and at that point, it turned out that we have a smaller group of people that were very-very satisfied, and the majority of the people that were either indifferent or dissatisfied. So that let us to a conclusion that we should change our approach and offer it as an optional tool that can help people in specific situations. And we gathered sort of a list of use-cases, when using this tool actually does prove useful. So we packaged it in a way that “you don’t have to do it, no one is forcing you, but still, it could be helpful checking it out, you can reach out to this group of people in case you need help. And here are the instructions. So on the basis of the survey, we were deciding on what do we do with that tool. When it comes to like the folder organization, within the category of having a cover-friendly workspace. It’s very specific in its category as we also had the feedback from Relief Assistants and we had feedback from them whether or not the recommendations are sticking with people. So, when I recall it, we were stressing that there’s a specific group highly affected by the changes and that this is critical for their daily life. Ultimately, our approach was to empower that group to share feedback. But, please correct me if I’m wrong, I’m going to say I think it’s more of a soft skills issue - with people not following the procedure, when we clearly communicated that this is important, especially if anyone needs to do it, so let’s just all agree to do it - and do it. And in case someone doesn’t do it let’s just all point it out, because we actually need it to be done. So I think for this item, there was a need for some corrective action at times. I think the key was that with measuring the success of the solution and how the people are following it - was designed specifically for each solution. Not to over-engineer it, but more like thinking “what’s the best way to collect feedback if something is working or not?”. And if we do it as a project group, or we do it through someone who’s enacting the change - it was really not a “one-overall” measurement category for the entire project, it was more like coming up with minor criteria for measuring the success of each solution.

Ultimately, most of it was done through either survey or data collected by the team leader on the regular touchpoints that he/she has with a team throughout the year.

I: Got it. I do not remember now, were there any cases when we were reinforcing the change to stick to the Team Leaders? Through the top-to-bottom approach so.

P: Yeah, mhm. I think still through the call to action we had in the very beginning: "Let's come to action and let's figure out together the best way how to take it further and work together as a team!". Showing each other more like we have this or this, we had the option to choose whichever one of the solutions or to come up with a solution that works best for all together. This is the narrative that people followed and I think this was present throughout all of the project and more specific implementation. Basically, the idea that this is the product of our joint work, this is something we come up with together as a recommendation, and it won't be something that's just shoved down your throat - it's something that's a suggestion, and now let's see how it works in practice, collect feedback and if it needs some alterations - well, that's great. This was a good example. Because indeed we did put considerable effort into rolling it out to the entire service line and relatively quickly, so it served a very specific purpose. The idea was that if you don't like something - you let us know and then we can all jointly work on it together and create like the 2018 version or something. And I think that people appreciated this way a lot. We showed them that this is a recommendation and something we will be testing and we're listening to your feedback - and boom, your feedback reaches us.

I: I see! I've heard a few times from you now using the "narrative" to describe the story behind the project. Do you think that storytelling played an important role in the implementation of the recommendations?

P: Yeah. I don't know if it was that important throughout the implementation. Sorry, what I mean is that having a consistent narrative and following through that as the project goes - that's important and truth throughout the entire project (like for example treating recommendations as suggestions). When it comes to storytelling, I think that what I most remember is from the very beginning when we just first established the project - making the connection with the name of it as an airline, and inviting everyone on board. I think this is when we used storytelling to get people enthusiastic. This is when we wanted to convey that this is a different initiative than just having meetings and discussing, without anything coming out of it. It was about doing specific actions together and arriving at a specific destination, that destination is the newly coordinated team. So I think the overall change narrative and sticking to the point of what this is supposed to be - was present through the entire project. Storytelling, as a metaphor to visual identity, I think it was more present in the beginning with a goal to get the buy-in.

I: When it comes to sticking to the name of the project and the visual communication of it,

that we adopted early on...Do you think that this made a big impact on the project reaching its goal in the end?

P: I do not have any hard data to support that question [laughs]. But, I think it was just something entirely different. The United project had a goal that we very explicitly communicated - coming together and becoming a one united service line. It emphasized that in the core of it, were the specialists, who made the service line function - it was the people themselves. Then going together with the ownership level, making people realize that there was a lot of processes that they were responsible for and a lot of them are fully owned by them, and they're in charge of them and they can shape them. That was a pretty empowering message.

I: I agree. I think to put the focus on their hands really played a big role. Especially when looking into how the implementation was conducted, I think there would be much more resistance if this was pushed down to them by someone from above. And if your colleague is just coming to you and saying "This is our new idea, we took it from many interviews with your colleagues, I'm excited to show you, this is a recommendation" - this just changes the whole dynamic.

P: Yes, that's true! And the thing is, it ultimately wasn't coming from above at any point. Everything was worked out when it comes to solutions - it all came bottom down. It was actually something worked out together and now we're implementing together.

I: Given this set-up that you're describing, that everything was developed and implemented by the specialists, what do you think should be the role of leadership in such project and what was it for us?

P: For us, I think, the role of the leadership function was in a way taking over the leadership over the group in the beginning by the PMO. One person from the team acted as a product owner. And I think it's adapting this mindset of adopting the agile way of working. And actually that the leader - is a good service leader, so her role was to keep everything organized. To structure it to a degree - that was a responsibility of person C from the PMO Team, in a way. It's also a lot about focusing on what's going to be the end result and then pushing the team while giving them enough autonomy to give them the power to come up with their own solutions. Ultimately, the operation manager - is not going to be the best person to tell you how to approach planning for your cover, or whatever else. That is fully your job and is on you. So leadership role was being very clear and putting the ownership into the hands of people where the process was actually happening and making sure that these recommendations come from that place. I think that it was very important. And then, removing any obstacles or impediments that we encountered on the way. And then it's possible to think about capability building...If you're missing any skills or knowledge, then

just pointing you in the right direction. Let's say, if you're having trouble mapping the process, here's the operations manager that can help out. If you want to talk something through about the implementation - then PMO has specific open hours when you can just stop by and ask for advice. If you're missing a skill, like putting together a powerpoint presentation - there are people who can help with that. So it's not just about dividing work, but it's a lot about enabling.

I: Coming back to successes and pitfalls, what do you think were the successes and the down points of the implementation stage?

P: I remember that one of the biggest successes was coming together in an agile way of working - not sticking religiously to the plan. We knew what we wanted to do, we had an initial plan to do it, but then we knew we needed to adapt. Like with the whole capacity tool. That being and willing to change...I was going somewhere with this, let me collect my thoughts [laughs]. In the implementation, I think that the products of the implementation phase, at least some of them, came at a very very good time. Like you know, we had a lot of the processes already tested and proof-checked and at the same time, we had some emerging offices, like for example on in XYZ (another office of the company in a different country). And so we had something that was truly representative of our best practices and was also something that we could share with them. And I think that this is something still continuing to this day. So that whenever we have like a new emerging service line or location, or for example start-ups. And then the work that was done with the United project comes together, we can adapt and iterate it. Now we truly have something that's truly coded and depicts our way of approaching specific processes. This is something we can easily export if we want to.

I: And the pitfalls?

P: Now I know where I was going with not sticking to the plan too religiously. Some of the ones I remember, specifically in the later waves, and when you think of our measurement criteria and validating the success - that whole bit took a lot of time, so we should have been...In my opinion, a little bit more organized, when it comes to sending out the surveys, learning from what we've just done. For some of the solutions we've implemented we were actually asking people for feedback a couple of months after the item was released. So we could have been faster with that. But ultimately, it didn't translate into anything that could hinder the project in any way. I guess that's my observations from being a person who was later on helping people and hearing their concerns, so I guess we could have done better on that.

I: And what were the employees' satisfaction with the change and the results of the survey? Were there some recommendations that were particularly “not sticking” in the department?

P: So the capacity tool, that was something that wasn't perceived well. But for the majority of other recommendations, the feedback was overwhelmingly positive. You could have things that...For example, the newly established approach to selecting coaches, and like a guide to being a coach. That was not actually existent in the very beginning. There were just some documents from like 5 years ago that no one was really following and basically creating something from scratch and creating something for the vibrant community. “From everything we've heard and collected from you, we think that this is something that's going to be helpful”. And you know the feedback was pretty good. The group themselves didn't have time to come up with something like that.

I: And you mentioned before that now, given it's been 2 years since the project, the changes are kind of taken at face value, as if they've always been there?

P: Yep, that's right! I think the Relief Assistants biggest problems are now that someone's Onenote is not properly organized [laughs]. But it's kind of funny when you think from a perspective that in the past each team had a different method for storage. It's still a problem that people don't fill it in, but at least it's in Onenote, it's still a common platform at least! And now this is being adopted at XYZ and YZU (two similar offices of the company in different countries). This stuff is still fully working. A direct impact of the “United” project.

I: That's pretty cool!

P: Yep, that's indeed pretty cool! You have some of the stuff that stuck from the beginning. For example - people like working in the scrum. So we do it all over the other projects that evolve: planning for the development day, etc. And that really stuck as a way of how we approach work. And then we have some actual outputs, like with the cover procedures...I remember I was asked at the beginning of this year to do a remote VC training for new people in XYZ. And the materials that I was presenting to them, all the best practices - it was still the Onenote stuff that “United” project came up with. It basically became a new standard. It came from a vacuum in a way - with so many different standards, which is very problematic, when you think from a perspective of having Relief Assistants for example. But now we have something that is common and that's being replicated.

I: Amazing, thank you so much for your time! I think this is all when it comes to my questions. Do you have any questions for me or any issues you'd like me to focus in particular on?

P: Thinking how the interview went, was there anything I didn't elaborate on?

I: I think I will see what kind of input I will get from Respondent B, and how it plays out. It would be great if I could follow up with you for any data and documents you might have.

P: Sure thing, I've noted out what to send you and let's keep in touch!

Annex 2: Case study: Interview 1 - Respondent B

I: Thank you very much for taking the time to interview!

P: I'm happy to help you out.

I: Could you please tell me what's your role in the organization?

P: So for the Service Line I'm globally responsible for Learning & Development on one side. So that is upscaling and so on. On the other hand, I'm responsible for the service design. That's revolving now mostly around start-ups, especially in Asia right now. But it's really around helping out the leaders, taking them through methodologies and processes and kind of focusing on service design, which is quite generic and broad, but for the purpose of this study, I think it suffices.

I: Could you please tell about your involvement in the project and what was your role in the project?

P: This was a new experience for all of us, I think...Kind of like taking a first step at applying the agile way of approaching change and projects and creating solutions. I would want to say my role was close to one of the product owner, but it wasn't really. I think it was more the role of Mart, who was in a traditional sense like the project manager type of person. Because of how we approached, she was the product owner and then the teams working on individual workstreams would be kind of reporting to her on progress and so on. And then I was this kind of... if you think about how product owners work, they typically have someone in the business, who's closer to the business, and acts as a patron for it in a way and as the main stakeholder. So I'd say my role was a little bit of a mixture of this plus the person who would be pushing for the work to be done in this format and following blend of agile, design thinking and so on in terms of methodology, rather than doing the waterfall standard corporate problem solving step-by-step approach that we would typically have in the organization. So it was a mixture of "okay, I'll probably be

signing off on some of the results and probably providing insights coming from the business”, but at the same time - be the person who helps the product owner and the different leaders on this project to think through the methodology, to think through the process, to think through how we want to empower and include others. And then also play it to the broader stakeholder community and kind of build momentum and conviction there. I don’t think there is any formal way to describe this role, but if I were to explain what that role was - it was that. And I think that was very much in line with working agile. Because during that time everyone truly played the role that was needed, rather than trying to corner the traditional kind of “and now you will be ABC”. It was more about responding to what was needed and then on the other side - acknowledging that we haven’t done this before in this way, and this is a sort of chaos and there are a lot of triggers and emotions going on in the team, and so we need to have some assumptions and then just test & learn, not only in terms of the solutions that the team was working on but also in the terms of the ways of working on the project itself.

I: And when you’re saying that this was not following the typical waterfall approach, would you be also saying that this project was following more of a bottom-up rather than top-to-bottom initiative, and why so?

P: Yes, definitely. In the end, I think it was a mixture. I think what we realized was that the kind of top-down attempt at managing that change that was happening at the moment - which was the merge of two established service lines, that previously have had a separate government. This really wasn’t working well or at least it could have been managed differently. And I felt like the Project management unit and the colleagues associated with it - like the implementation coaches, who were both very driven but at the same time, they were not service lines leaders. So there was the potential for this function to get involved and support the change management bottom-up. I felt like yes there was some initiation of the change management coming top-down, but at the same time, this initiative per-say which proved to be very successful, was pretty much bottom-up. And I think that if not that there wouldn’t be any change management...So in a way, that bottom-up approach then was supported by enough leadership support - was ultimately very successful.

I: And what was the goal of the leadership behind the project and did leadership have to actually communicate this goal to the employees?

P: Okay, so, the objective...And when thinking ‘leadership’, I’ll think about myself. So the idea was the change needs to happen and we have now without much warning or without much time, sort of inherited a group of 200 people, who we don’t know very well. We don’t know too much about how they do work and what they need and so on. So my objective was - we need to empower the people, so-to-say, to now work together in this new reality that we’ve all found ourselves in. And the objective also was that the leaders on the project have to understand that we didn’t know what was the right thing, that

people doing the job - the specialists, knew what's the right thing to do. And then the ultimate objective would be to empower them to work on the solutions that concern their everyday job and to provide them with supporting structures and materials. And some other people, who are driven by the project work - to make sure that we drive that home. Ultimately - to shift the responsibility from: "You're going to have someone external coming in and telling you what to do", to "You know how to do your job, we want to listen to you, we want to equip you, but ultimately - it's on you!". And linking it to the whole change management bit, I think it was really the first step to building the culture of "You need to tell us!". The thoughts were that you're intelligent, you're driven, you're a professional, so you shouldn't be just told how to do your job. We hire you, so we believe in you knowing how to do this job the best, you know? So ultimately, we want you to drive this. So it was the first step in the change management piece, but also now, reflecting on it since some time has passed, - it was also the first step into creating a little bit different working environment, with the culture of empowerment, responsibility, and ownership. Having that shared responsibility. And with the communication piece, that was the second part of your question, to be honest, I don't want to make it up, as I don't remember everything at the moment. But, there was a lot of communication happening at that moment anyway, so the project was just like one bit. I remember we were doing several rounds of communication to make sure we communicate it to everyone. And in terms of teamwork, of course, there were regular meetings set-up and the team ceremonies almost that happened regularly in each of the groups/workstreams on the various levels. So definitely, yes, there was communication, but I can't give you more detail [laughs].

I: I think one of the biggest involvement in communication, as far as I remember was in the very beginning, where we had to "pitch" the idea to the department...And then it went off to people, as in the end, in the implementation, it was the employees who were communicating their solutions.

P: Yes, so I think we really had to kind of coordinate it. It was more about touch basing and Mart being with all of the workstreams. Each group was responsible end-to-end right? You come up with a recommendation, you test it, you validate it and also you implement it. Ultimately, it was Mart and Luk asking these questions - how did you communicate it? How did it go? The responsibility level and the time that they had on hand was the choice of each group in the end.

I: I see. And moving on to the team - how was the change team composed and what was your thinking from a leadership perspective on the composition of the team?

P: On the composition, what I remember for sure is that we had people who we knew were taking on different roles in the service line. When we looked at the whole demographics, we had Assistants - young administrative professionals, playing also different roles in

there with some variety but overall, we categorize them as one cohort. Then we had Team Leaders - colleagues who manage assistant's teams and then we had the managers - who manage Team Leaders. So the differentiation was - firstly, the impact level of each of the cohorts and the other differentiation was they work on different things. So there would be different solutions needed for these particular groups. So then, initially how we structured it was around the impact level. We wanted to make sure that we had representatives from each impact level and proxy product owner on each of these levels, and then Mart who was the product owner for the project itself. Then, later on, in the research and discovery area, we then had a workshop and correct me if I'm wrong - where we wanted to map everything out and then we kind of looked across. So we stopped looking only at the impact level but we further looked into the task journeys and categories. And then each task/process we had, at least for some of them, we had colleagues from different cohorts play a part in this. So later on, as we've learned about this, we've regrouped how we worked to work around this. So ultimately we had teams working on one item/category of tasks from different levels. So I remember we started with just the impact level but then we regrouped to reflect the kind of task journey.

I: Exactly, in a way, the group started working cross-functionally at some point?

P: Yes, exactly.

I: What methodologies were used and why were they chosen? So you've already started talking a bit around that it was more agile and not the corporate way. How was this decided?

P: I think again, it was necessary to do something quickly and it was necessary to...Since we didn't have a separate change management unit or managers who were focused specifically on that, but we had people who had everyday jobs and felt like "Ok, we have this change going on and we see an opportunity to do things differently and perhaps do that better". So ultimately we had the PMO rise to the challenge, and the implementation coaches, who were people working closely with the PMO - come together and say "Ok, given that we have our everyday jobs, how can we do this?". And then I think in that group there were a lot of supporters of working in an agile way, there were supporters of design thinking and also supporters of service leadership. So kind of all those approaches and methodologies were combined. Also, I think one very important differentiator of people in that group, who later on kind of rolled the program and run it and were the owners of it...No one there was really too prescriptive. So I felt like yes there are methodologies that we would rather follow than not, but then no one is too religious about them and everyone recognizes that yes there are agile and scrum. But scrum isn't agile and agile isn't Scrum. So we shouldn't focus on it blindly and just follow one way. Agile is more about what you find out on the way and really taking into consideration your environment and your

demographics and your specific situation. This was a major success factor - there was no one in the team who was like "oh yeah I know Spotify has this awesome agile operating model" or something...And that's not what agility is about. So I think one of the critical success factors in that group was that - yes, there are certain kinds of values and methodologies, that the group was keen to follow, at the same time recognizing that our company is not a start-up, that there's a lot of emotions going on, there are a lot of constraints. So in a way, trying to navigate these constraints and specifics of the situation. So I feel that we didn't neglect the typical corporate problem solving, we still did use elements of it when it was appropriate, but at the same time we wanted to use elements of scrum because it was helpful, we wanted to use agile principles, we wanted to use design thinking when designing solutions, we wanted to use journeys...So you know, it's kind of like the majority of tools was stemming from agile and design thinking. However, we didn't neglect the..."good-old" corporate problem solving [laughs]. And I think it was right! It was a good approach. It's an established organization and you have very senior leaders, who've been around for very very long. It was the right move because it did work in the end. This way had some nomenclature that was known and ultimately we didn't meet a lot of resistance, because it felt like yeah - "ok, it's a been hyped and has a lot of energy and is moving very fast", but at the same time because there were some elements that were recognizable, it was easier to build momentum and to gain trust, I think.

I: Do you think that looking retrospectively at it now, it was the best idea to do it this way?

P: Uhm, I mean I think it was the best that could have happened at that time. I think it was really successful. I think that the solutions that were built - many of them are still in place. So while they did change when necessary. I think it was great because there was an education piece in it with involving a lot of people and ultimately - you cannot really teach agile or teach design thinking in a sort of typical classroom setting, you have to experience it. So I feel like we've taken a lot of our colleagues on that journey, and once they have experienced that sort of process. For them, at least for some of them, I think it stopped being like "Ah, we're doing agile", it became "how we work". And so I think, because of that it was very valuable and went on beyond the initial change management piece because it then built a solid foundation for a large group of colleagues who later on became catalysts for small changes here and there, as we moved on. So I feel, that it was the right thing.

I: And now talking a bit more about the stages of the project. If we focus on the stages that happened before the actual implementation. So that is everything before the meeting when all the implementation waves were defined. What do you think were the main successes and pitfalls up to that point?

P: Mhm, trying hard to recall that...

I: One thing I always think of is that when we just started and we had the first meeting with the Assistants' workstream together with Respondent B, it felt like we were off to a great start. And later on in the day, we've heard from either you or the Product Owner, that there was some concern expressed that the representation on the proxy product owner level is not fully fair, as we both come from the same team and there's not equal representation. I think it happened mostly because we were so involved, so we didn't fully reflect on what was going on or how it could be perceived...

P: Yeah, like you know I think the ultimate challenge with this was that we didn't have the luxury of "you know what, we've got this great change coming our way in a few months, now we can really reflect on how to do everything perfectly", which of course it wouldn't be perfect in the end anyways [laughs]. It was more like - the change is already happening, people are emotional, lots of them are unhappy, the Team Leaders seem to be lost - what do we do? And I think it was almost like an advantage and disadvantage at the same time. An advantage was that even though it didn't feel completely comfortable, we were pushed for action, which also pushed the project team to be really agile and test & learn, God knows how many times and improve as we go. But the disadvantage was that it wasn't perfect at all times, though it wasn't. So kind of like the example you made - we really wanted to have this meeting, it was very important that we reach out to people and talk to them. But then - did we represent everyone equally? No. But we learned that fast and we changed that, and I think it was great.

I: It feels like it was a lot of learning on the way.

P: Exactly, it was like test & learn, test & learn, test & learn...And that's agile! [laughs]

I: So it's an advantage!

P: At the same time, correct me if I'm wrong. Agile isn't about doing crap work fast. Of course, there were some mistakes, which could have been avoided if we had more time. But also there was a lot of time pressure, and the team working on the project wasn't dedicated just fully to that. So recognizing that is critical. Everyone did a very good job. The lesson learned for me is that - do whatever you can to allow enough time. And also, if you have a team that's really driven to deliver and ready to action - how do you work with the team to make sure that they see value in reflection, you know? At the same time, I felt that another pitfall was that because we were not external - we were not external consultants or function, or even a function that was just managing it. We were very much in it. We were going through change as well. So a lot of people on the project were quite emotional themselves. So it was an essential pitfall as well, I think. I believe it was unconscious and I think each of us has some unconscious bias. And then when you're

going through something that might trigger you a bit - either you want it or not, it's likely to come up with one way or another.

I: And what was the involvement of the leadership during this step? As you've said Team Leaders and operational managers were already in their own workstreams, working on the recommendations for themselves, basically. Did they have any other involvement on a higher level?

P: No, not really. Some of them later played the role of owners of the solutions later on in the implementation, but not really. It was quite egalitarian the way we ran it. I think another piece around managers was that they were kind of trying to figure out what was their reality going to be. And I think that the project team hoped that they would be more involved, but they weren't. Then again, the upside of it was that the other people had the opportunity to rise up to the occasion. And which they did. And a lot of them, we had reflected on it like a year after the project - a lot of people who did rise to the occasion at the time and took ownership, they all either became Team Leaders or had other promotions. So I think it was a good leadership school.

I: Indeed! I also think that it could be a nice way to institutionalize the change - you have people who've already gone through it and know what is this mindset about, so you do not need to teach new people when you have these ones just catalyzing it through the organization.

P: Yeah exactly!

I: And how did the role of the PMO office evolve through the different stages of the project? Did it remain the same or not?

P: I think if I remember correctly our involvement time-wise was greater in the beginning, later on, it was still considerable, but as people became more comfortable with the ways of working that were introduced and were bearing the ownership for their own solutions. There was still some coordinational and communication needed to be centralized to make sure that the right people talk to the right people at the right time. But I think the involvement was less than in the beginning. So I think in the beginning it was a lot about building the momentum, and then once the momentum was there - forces were working and it was almost natural for us to back off. In a way like "we told you, in the beginning, you're going to be able to do it, and now you're doing it and we're here if you need us". Yeah, but I think it's part of the empowerment journey.

I: Now talking a bit more about the implementation. There has been a meeting to map out the three different waves of implementation, which was done with the idea that now there

are so many recommendations to implement that it cannot be done overnight. Then the teams working on the solutions were responsible for implementation. From your perspective, what were the main challenges during this phase and how they were overcome?

P: What I feel was a challenge with implementation was managing the more tenured colleagues and helping them back off. When I spoke to person C (member of the PMO Team, Product Owner of the “United” project), or the other leaders, I remember that the challenge was - everyone really worked hard on their own proposals and even if it means to really allow for everyone to have a meaningful journey on the project, no one can really step in and say “Ah no, it’s not going to work anyways, because I’ve been here for a million-billion years and we’ve always done it differently”. It was more about letting that go and knowing that they really did some work and you might think that it won’t work, but actually, it might just work. So this was one bit, and the other bit was that if we really want to encourage that culture of innovation and bottom-up problem solving and iteration of solutions, we need to welcome failure. So even if some of these solutions will be rolled out and won’t work perfectly, this is completely fine, because it’s part of the journey. It’s more important that we roll them out, gather feedback, improve them and then maybe roll them out again and gather feedback again. Because that’s what it’s all about, it’s not about now just think how we historically did them, or have one single manager rolling out all the solutions. But rather, we let people who worked on particular solutions to the population of people who are supposed to be using them. And this is the voice that’s going to tell us if it’s working or not, and not the other way around. So I think managing this was a challenge a little bit.

I: Following up on this, since the implementation was done in such an agile way where no recommendations were being forced down on the employees, was there a need for any reinforcement mechanisms for the change?

P: Yes and there was one done. What we wanted to do was that now that the solutions are ready to go, there was one iteration of feedback and they were approved and now this is a new way of working as a new service line. We then had another pulse check after a few months and then after that, that the official project was done-done. And later on, colleagues said that they’ve learned if there’s a change in a way we operate, some of the ways of working or solutions or processes or ways of working - need to change. So now there was no longer a need to run this huge project as people were creating solutions just on the go and that became kind of part of how we work.

I: So this was one of the effects that lasted beyond the project in the service line?

P: Yes, I think so.

I: And could you elaborate a bit more on the pulse check that was done? What exactly was being checked?

P: That was the satisfaction with the solutions.

I: And what were the results?

P: I can't remember this much, but I remember that some shadowing, sit-ins, discussions were done. I can remember that overall the satisfaction was high, but I'm sure that some of the solutions will need to continue to be tweaked, as our operations and service change. But this was a wrap-up and check up just to provide everyone and ending to the project, and also recognizing that the continuous improvement stays.

I: So looking back now, do you think that the set-ou objective of the project was achieved and what were the effects on the service line?

P: I think yes, it was achieved. Ultimately, everything was renewed, new solutions were proposed and implemented, as well as received with relatively high satisfaction. Another bit was that people were empowered to drive this and they did drive it. And we also checked the satisfaction on how we worked on the project and this was validated. Another bit is that because everything was kind of checked with population, everyone was very involved in it, so the adoption of the change was quite smooth since it was done in a collective method, so yes. I think also that a side objective for a project team was to start working in a different way. And it was a big learning for us. Ultimately, what went beyond the project was encouraging and putting that way of working into the fabric of service line. I'm not sure for how long we're going to maintain it [laughs], because you know we have quite a lot of turn in terms of talent, but I think there are people who are almost evangelists for this. And yeah, given that almost two years have passed - we would probably need to once in a while to continue to check on things and the PMO already continues to educate our community about the ways of working. It's not like we only rely on this project for two years ago [laughs]. But I feel like this was the first step to change in the working culture a little bit.

I: And after it was checked that the solutions are valid and deserve to be in place, were there any steps done for institutionalizing the change? Here I'm talking about HR-related, leadership, recruitment-wise.

P: Leadership-related - yes definitely. Ultimately the solutions that were implemented were to be followed, and some of the solutions that were more on the formal way of things - became institutionalized, so Team Leaders would then have to execute it. I'm not sure about the HR, I believe that if necessary - yes.

I: And in terms of the ways things are done by employees, how is the reinforcement of the change done?

P: I think that when it comes to the cover procedures and folder organizations and so on, Team Leaders are aware of how it should be and they should be executing it in case someone's not following it. Because this is part of the formal requirements - so you need to keep things in place so when you're unexpectedly absent - anyone will be able to jump on your desk and work. So this is quite formal. I think, as an organization, we are not micromanaging, or ideally we don't want to be micromanaging. So I'm not saying team leader is walking around and looking at people's computers. I think with the nature of how we work and with the idea that we're feedback-driven, I think it's a good thing that there's peer-to-peer feedback. So when your colleagues find out there's space for improvement - they will turn to you rather than going to your team leader and complaining to them. But it was formalized in a way that this is now the requirement. Also, when the new joiner is coming - this is what they learn about how they should be doing things.

I: Understood. So I guess in the end the most difficult part was educating the employees who've been in the organization for a long time?

P: Yes, exactly. And also we're constantly evolving and finding out more about ourselves and our clients. So I think what's important for me is that people recognize that things need to change sometimes and if they see that something should be changed - they should feel empowered to bring it up and then work on the improvement.

I: Sounds great! I think from my side that's about it. Do you have any wishes on what you'd like me to focus on my analysis?

P: No, I think you'll have your analysis and in any way you see is best. I think that the longer I'm here, my learning is really...the process is a process, and you can have an approach or a methodology, but what comes first is engaging with hearts and minds. Some storytelling, empowerment and also believing in the talent you have in the group. These are probably some of the core success factors and having almost like the courage to know that you can change the way you work any time and it means okay, even if initially you came up with a framework and you structured things in a specific way and you decided to follow a certain cadence of meetings or whatever - if along the way it stops supporting you but starts getting in your way, it's not a religion, you will know it and you should feel that you can change it. So I feel like it's the most important learning - it's almost about your principles and thinking on your feet, allowing yourself to change the approach if it stops helping you, but starts to constrain you. I would focus on that element if I was to analyze

any change management approaches. This bit of - do we need to have this step by step procedure, or is it something else. You might have a blueprint, but it's not working out - you're not going to make the world follow your blueprint [laughs]. And then what do we do? You really want to follow it, but then people happen, and life happens and all the other variables come into play - what do you do then?

I: Haha, and that's when you change! Thank you very much for your time and sharing!