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Pilot Project in Coordination Department

Case: Coordination department. Company x

International Business

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ABSTRACT

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The aim of this thesis was through a qualitative research investigate whether the goal of the pilot project have been met and find out how the coordinators of the coordination department perceive the pilot project.

Three theories were used to support the thesis, change management (CM) is very important when a change effort is made within a company. Lean management is vital when looking to have lean and effective processes. Customer relationship management (CRM) is important when the relationships in company have to be defined.

The research indicates that all goals have been met. There is room for improvements and fine tuning but the coordinators have perceived the pilot project well and their attitudes towards it are positive.

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ABSTRAKT

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Målet med denna avhandling är att genom en kvalitative undersökning reda ut ifall målen av pilot projektet har uppnåtts och hur samordnarna inon koordinations avdelningen upplever pilot projektet.

Tre teorier has använts för denna avhandling, change management (CM) är väldigt viktigt när ett försök till förändring görs inom ett företag. Lean management är livsviktigt ifall man vill ha en effektiva processer. Customer relationship management (CRM) är viktigt när relationer inom ett företag måste definieras.

Undersökningen indikerar att alla mål har uppnåtts. Det finns rum för förbättringar och finjusteringar men samordnarna har mottagit pilot projektet väl och deras attityd mot det är positiv.

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1   INTRODUCTION

The topic for the thesis is a pilot project for a department at Company x. Company x is a global company with operations in a large number of countries. I have been working as a coordinator at coordination department at Company x since beginning of summer 2011. At that time the work tasks were not segmented. The rule was first in first out. This meant that there was a wide variety of work tasks that one coordinator had to be able to handle. Since the work tasks were connected to many different countries there were many different procedures one employee had to know about. However since April 2012 a pilot project has been implemented to improve the quality of work. This means that the tasks have been segmented into five different areas. The five areas are: (1) Mass area, (2) Middle East and Asia (MEA), (3) South Europe and Africa (SEAF), (4) North Europe (NE) and finally (5) Americas (AMER). Certain employees have been assigned to certain areas. The purpose of the segmentation is that each coordinator has more knowledge about certain procedures and requirements in the assigned area and can provide the network companies (NC) with better service. The red line through the thesis will be the four goals that were set for the pilot project:

- increase knowledge
- improve service quality
- improve workload
- improve personnel motivation

1.1 Aim and research questions

The aim with this thesis is to investigate through qualitative research, whether the goals of the pilot project have been met, to find out how the employees perceive the pilot project and what their attitudes to this change in way of working are. The

results should clearly show what goals have been reached and what can still be developed. From this purpose the following research questions have been chosen.

Have the goals been reached?
What are the problems and successes with the pilot project?
What are the attitudes to and feedback on the pilot project?

1.2 Work description of a coordinator

The coordination department is the center that many network companies (NC) around the world will cooperate with in order to get quotations completed and orders taken care of.

To give the reader a better understanding a description of the coordinator work is needed. The coordinators task is to handle orders and quotations that come into the department from the NC's. A lot of the work is done in the SAP program and the rest is often done through communication. When a coordinator picks a quotation or order s/he will take care of that order/quotation until the work is completed. This means ensuring that the quotation is complete so that it can be sent to the customer. As an example, many quotations come to the coordination department as incomplete for reasons that vary, but often the correct code has not been found for the part which the customer is about to order. One reason for this might be that the requested parts have been upgraded and a new code is available instead. In this case the coordinator will try to identify the part if possible, or send it further to be identified. During the whole process the coordinator coordinates the quotation, following up and making sure that the NC gets the quotation in time.

The coordinator has the same responsibility when it comes to orders. First the coordinator will check through the order in SAP, making sure that all the terms and conditions are correct. Next the coordinator follow up the order so that all parts are available, making sure they gets packed in time, an invoice is done in time and finally that the products gets shipped in time. If there is any problem with the parts sent or if the order is sent to the wrong destination the coordinator is responsible for finding a solution for the problem. When dealing with a market as

big as the market of Company x there are have a lot of countries to deal with. This means that there are several custom procedures to know about. A lot of NC's also have different ways of working. Before the segmentation of work there was often a daily need to check order handling instructions (OHI) to ensure that the order process was done correctly. The goal of the pilot project was to deal with these problems and so the four goals were set.

2 THEORETICAL FRAMEWORK

In the thesis the empirical part of the research was conducted before the theoretical framework was decided. This means that the theory has been chosen to fit the questions asked in the research and the research question decided upon for this thesis. Since the pilot project is a change within the organization, especially theory about change and change management (CM) will be described. The pilot project is also a change which focuses on internal relationships in the company, for this Customer Relationship Management (CRM) offers valuable information. Gummesson (2008) describes the 30 relationships within Relationship Marketing (RM) and CRM. One of these Relationships, Relationship 25 is the relationship to internal customers.

2.1 Change Management

Change seems to be an avoidable reality in today's world. With the technologies and development of new technologies the pace is fast in today's business world. Many companies try to make changes within the company; the goal is to have better chances in a more challenging market environment. Some of the efforts fail utterly with relapses back to the old ways of working, others are success stories but most of them fall somewhere in between. The lesson from each and every of these change efforts is that they go through a series of steps which are bound to take a certain time. In the successful change stories these steps have been gone

through carefully without any mistakes. Skipping steps only creates an illusion of rapid change but never produce any real results (Kotter. 2011, 1)

2.1.1 Eight steps to change

John P. Kotter has written many books and articles about change and how to manage change. Change management offers ides and ways to make change successful. Kotter has seen many companies and their efforts to make change successful. From all the change efforts eight steps have been derived which seem to be present when change is to be successful. The eight steps should be carefully followed in order to make the change permanent. This theory mainly describes how to transform the whole organization, although in this thesis the main principles were used on the pilot project which has been done in one department (Kotter. 2011,2).

Step 1: Establishing a sense of urgency

Change starts when someone or a few persons in a company or organization see a reason to make a fundamental change within. The change is usually made to improve the way of working, the service quality, quality of products or other aspects of a company. The sense of urgency needs to be established in order to get started with the change. What does it mean to establish a sense of urgency? In many companies a lot of things could probably change for the better. There however seems to be a tendency to remain in status quo. Launching into the unknown change seems worse than remaining in status quo. Therefore a lot of persons are reluctant to welcome change efforts. The sense of urgency is to show managers, persons with great influence and normal employees that there is a great risk or potential revenue in the change. The dangers of remaining in status quo or the potential revenue have to be strong incentives that force people to change (Kotter. 2011, 3-6).

Step 2: Forming a powerful guiding coalition

Change needs power to be realized. Since change affects the whole organization there needs to be enough people with high titles and power in order to make it

happen. One of the errors in change efforts is that not enough senior managers are involved in supporting the change. One of the pitfalls in this step is no prior experience in teamwork among at the top (Kotter 2011. 7-8).

Step 3: Creating a vision

Creating a vision is the third step of the ladder one has to climb in order to make change persistent and successful. The vision is usually something that is focusing further than the average five year plan. The vision needs to tell everyone involved in what direction the company is headed. The vision is something that needs to be attractive to customers, stockholders and employees. Without a sound vision most change efforts will end up being lists of odd projects that do not pull in the same direction. The sound vision can lead the way and help everyone pull in the same direction.

A useful rule of thumb is that the vision should be explainable in five minutes or less. The reaction following the explanation should be interest and understanding (Kotter. 2011, 8-9).

Step 4: Communicating the vision

Even if the previous steps are followed and successful the whole change effort can be a total failure if no one knows about it. Many companies have come up with sound visions of how to change; they then use one meeting or send out one single newsletter about the change effort. They have now used 0, 0001% of the communication within the company. In successful change efforts the vision is communicated in every possible way. Articles are written in the corporate news letter. The managers implement the vision into meetings and compare proposals and idea with the bigger picture. The main principle is to use all communication channels possible to get the vision out and know in the company (Kotter. 2011, 10-11).

Step 5: Empowering others to act on the vision

Once you have a good vision, the people in the company have something to follow. Everyone should have a clear sense of where things are heading. The fifth step is empowering others to act on the vision. In this step there are some pitfalls. In companies there can be obstacles to the new vision. These obstacles need to be identified and removed. The obstacles might be systems or structures that undermine the vision, or they can be a manager who refuses to get in line with the new vision. It might not be possible to remove all the obstacles at once, but the biggest obstacles need to be removed. If the obstacle is a person he or she needs to be treated correctly and in line with the new vision (Kotter. 2011, 11-13).

Step 6: Planning for and creating short-term wins

Creating short-term wins is important for everyone involved in the change process. There have to be some real results to see and show. The results have to be visible and real, like a higher customer satisfaction, or an increase in sales. This is important for several reasons. Most people would not go along the change-journey unless they could see some results. As the whole process might take several years there have to be short-term wins to keep the spirit up (Kotter. 2011, 13-14).

Step 7: Consolidating improvements and producing still more change

When coming to step 7 in a change effort a huge mistake would be to declare the war won too soon. Instead the credibility from earlier wins and good results should be used to remove obstacles to the vision, promoting and developing employees who can act on the vision. New projects can be started in order to change structures and systems which was not possible without the creditability that has come through the successful change effort so far. If declaring victory too soon the changes might not have an opportunity to be rooted in the company. The changes have to sink deep into the company's culture in order to remain (Kotter. 2011, 14).

Step 8: Institutionalizing new approaches

It takes a lot to make the change stick to the company and usually it does not stick before it becomes "the way we do business around here". In order to do this, the connections between the new behaviors and the corporate success have to be shown. Leadership who personifies the change has to be elected, promoted and developed. The leadership succession has to act on the new vision and build it up. If new social norms and values are not created the change might not stick (Kotter. 2011, 15-16).

2.2 Lean Management

Lean management and lean thinking were born and formed in the Toyota Company. The most visible result in their effort to excellence is their production philosophy, which is called the Toyota Production System (TPS). TPS have been documented and analyzed by production companies in the whole world. TPS is a tool and system which has been formed out of the Lean principles. Many companies have tried to implement the TPS system, such as 5S, Kanban and other systems into their companies. By doing so they have many times missed the philosophy from which it was derived (Liker. 2009).

2.2.1 14 principles of The Toyota Way

In his book The Toyota Way (2009) Jeffrey K. Liker summarizes 14 of the main principles which lay as a foundation for The Toyota Way. The Toyota Way is characterized by a certain way of thinking which is called lean thinking. These principles explain the foundation and the core philosophy behind the success story which Toyota has been and continues to be.

Principle 1: Base your decisions on long-term thinking even if it might happen at the expense of short-term economical goals.

The first of the fourteen principles in Lean, according to Liker, is basing decisions on a philosophical point of view. This is something that should influence the whole business. Decisions with the sight on long-term goals have to be made even if they are affecting short-term economical goals. The goal could be to generate value to the customer, society or the economy and all decisions should be weighed from this standpoint (Liker. 2009. 98-113)

Principle 2: create continuous process flows that brings problems up to the surface.

The creating of a continuous flow is one of the key principles in Lean thinking. All processes in the company should run in flows if only possible. There are many benefits with a continuous flow, such as bringing problems to the surface. In many companies the work process consists often of many different processes and pauses between. Products need to be produced in part processes and stored in between. This means that storage space for semi-finished products is needed. Also possible faults and errors in the product will be noticed first when the parts are taken from storage. If a company can get the production line to run continuously the production errors will be easier to spot. The flows should be created to transport material and information rapidly and to link people and processes together so that errors resurfaces immediately. The flow in the work process should be visible and clear to the whole organization. This is what makes continuous improvements and development of people possible (Liker. 2009. 116-134)

Often in traditional mass production there is a lot of waste or *muda* which is a Japanese term used within Lean management meaning waste. The waste found in different organizations might not traditionally be called waste. There are eight types of waste that do not add any value to the product (Liker. 2009. 118):

1. Overproduction
2. Waiting

3. Unnecessary transports
4. Unnecessary/faulty processing
5. Unnecessarily large stock
6. Unnecessary movement
7. Faulty products
8. Untapped creativity among employees

All of the above mentioned types of waste will not bring any added value to the product. According to Lean one should try to eliminate and minimize these kinds of wastes from the process. The reason why achieving the flow in production is beneficial is that the process of establishing the flow will bring many of these kinds of waste to the surface (Liker. 2009. 119)

Principle 3: Let demand control to avoid overproduction.

Try to provide the next in line customer of the production process with what they need, when they need and the quantity they need. This is a way to minimize the products in work and to reduce store-keeping by only producing small quantities and refilling often (Liker. 2009. 62).

Principle 4: Level the workload.

To eliminate the waste is only part of the equation in order or be Lean. People and equipment have to stop being overburdened. Also leveling the unevenness in the production schedule is important. The goal have to be to even out the production contrary to the "stop, start" tactics most companies utilize (Liker. 2009. 62).

Principle 5: Establish a culture where processes are stopped in order to solve problems, in order to have the right quality from the beginning.

The quality for the customer should be what drives the company. All decisions and processes in the company should strive towards creating value to the customer. One can use all the modern and quality safe methods that are available. Build

into the equipment the ability to detect errors and the ability to stop itself. Develop visual warning systems that alarms team or project leaders that a process needs to be fixed. In the business culture there should be a philosophy to stop the process or slow it down so that the quality is right from the beginning (Liker. 2009. 62-63).

Principle 6: Establish standardized ways of working as a means to continuous improvement and the participation of the personnel

In order to have continuous improvement there has to be a standard that can be improved. Standards can be tedious and forcing upon the personnel if they are imposed by superior and management. However there have to be standards but the standards and bureaucracy cannot be the system (Liker. 2009. 176-172).

By establishing a standardized way of working, there is a foundation which can be built upon. If improvements are being made to non-standardized ways of working each improvement is simply just another way of working. As soon as there is a standard that regulates the work the personnel can improve this standard. Standards are good for many things like minimizing mistakes and accidents and keeping high production efficiency (Liker. 2009. 176-172).

Principle 7: Use visual steering, so that no problems remains hidden

Visual steering should always be used so that no problems remain hidden. The visual steering should be some way of communication that is used within the working environment. The visual steering should immediately show how the work should be performed or if it differs from the standardized way. The visual steering shows where a tools should be or how the standard process should be performed (Liker. 2009. 189).

Principle 8: Only use reliable, well tested technology that supports the personnel and the processes

Using state of the art technology can be a good move if it supports the work. Toyota uses technology in all their processes, however, the technology being used

has passed the test. Many times companies acquire new technology only to realize that it is not working. Before implementing new technology and software these should be tested so that they indeed support the work done. It is the human being that is solving the problems, not all the technology (Liker. 2009. 197-207).

Principle 9: Develop leaders that really understand the work, lives according to Toyota's philosophy and teach it to others.

Leaders are to be born within the company, where they can dwell in the philosophy of the company and improve on what is already the company. Many companies find themselves close to extinction and import leaders from outside the company. This new leader will then radically change the way the company operates in order to avoid bankruptcy. At Toyota the foundation is already laid, there is already a standard which is continuously being improved. Leaders are raised within the company in order to carry on with the same philosophy (Liker. 2009. 210-213).

Principle 10: Develop outstanding people and teams that follows the philosophy of the company

To create outstanding people and teams there needs to be a strong and stable company culture. This culture has to enforce and strengthen the values of the company on a long-term period. Individuals and teams have to learn how to work according to the philosophy of the company to achieve outstanding results (Liker. 2009. 64).

Principle 11: Respect the network of partners and suppliers by challenging them and help them become better

The network of partners and suppliers can be seen as an extension of the company. If the suppliers cannot provide products that meet a good standard, the end product cannot meet a good standard. Toyota tries to help their supplier and even

educates them to meet the standards that they expect. By developing a similar system and working according to somewhat similar philosophies a company and its suppliers can have effective co-operation (Liker. 2009. 241-243).

Principle 12: Go look after with your own eyes to really understand the situation

Solve problems by going to the source of the problem, examining data instead of theorizing based on what other people or the computer screen says. It is always a superior way to go to the production floor and examining the problem instead of reading a report about the problem. This also includes making sure that you understand the reasons behind a problem and knows all the vital facts behind a certain process or situation (Liker. 2009. 268-269).

Principle 13: Make decisions slowly and in consensus, consider carefully all alternatives, execute rapidly.

Don't make decisions before all alternatives have been considered. When you have come up with and idea and a direction move towards the goal rapidly but carefully. By examining all the alternatives available before making a decision mistakes and setbacks can be minimized (Liker. 2009. 65).

Principle 14: Become a learning organization trough unwearied reflection and continuous improvements.

 When a stable way of working has been determined and established, this way of working needs to be protected and nourished. The tools of lean management should be used to come up with continuous improvements to any problems that might be faced. The knowledge and know-how should be protected by developing personnel and partners that want to stay and work for the organization. Learn through making the best practices of work a standard, this way you don't have to invent the wheel for every new project or every new boss (Liker. 2009. 66).

2.3 Customer relationship management –Relationship marketing

According to Gummesson (2008) the definition of Relationship Marketing (RM) is "interactions in network of relationships". RM is generally defined as an approach to develop loyal bonds to customer and increasing profitability. The basic relationship to this is the relationship between the customer and the supplier. This is the core relationship on which everything in RM and CRM is built upon (Gummesson. 2008. 5-6)

Customer relationship marketing (CRM) is defined by Gummesson as: "the values and strategies of RM – with special emphasis on the relationship between a customer and a supplier – turned into practical application and dependent on both human action and information technology" (Gummesson. 2008. 7).

2.3.1 Relationship 25 – Internal customer relationships

As already mentioned, Gummesson has listed 30 relationships in which he tries to define all the relationships within CRM and RM. The first one is **the classic dyad** which is the relationship between the supplier and the customer. We can, however, find all kinds of different relationships between a company, its competitors, stakeholders, state and market. One of these 30 relationships is the 25th in order namely the relationship between the internal customers of a company (Gummesson. 2008. 37-39)

It is important that different departments and units within a company understand each other and know how to interact and communicate. It is not always the case that a department is in direct contact with the end-customer, in those cases often the department is in contact with other departments and provides service or receives service from another department. In these cases the different departments can be seen as internal customers and suppliers to each other. Most often, as in all relationships, there might be bad communication or no communication at all. This makes co-operation very hard. Coming together from different departments can help solve big problems. If good communication and team work exist between

internal customers this will also affect the service provided to the end-customer. (Gummesson. 2008. 214-219)

3   COMPILATION OF THEORY

The following theories have been chosen since they correlate with the nature of the pilot project. Change management describes a way to manage change. Most often change is hard and has to be planned for. This way change management and its theories will be a good foundation for the analysis of the pilot project.

Lean management describes and discusses how to become lean in producing and running an operation. All the waste should be removed and the processes should be planned to eliminate mistakes, waste and improve the quality for the customer. The pilot project tries to do just that. It tries to make a more efficient process and create more value for the customer.

The 25th relationship of Gummesson describes the nature of the internal customer. Since the coordination department and NC are within the same company we talk about internal customers. Therefore, that aspect for the analysis of the pilot project is interesting.

4   RESEARCH STRATEGY

4.1 Execution

The empirical research of this thesis was among the first things to be done as explained in the theoretical framework. The empirical part is composed of a qualitative research. The qualitative research was done by interviewing the coordinators within the coordination department. At the moment when the interviews were carried out there were 39 coordinators working in the department. In order to get answers from as many as possible interviews were chosen to gather information. As

known the rate of return with a survey can be quite low and when having only 39 coordinators the highest possible rate of answer was needed.

The interviews consisted of 20 questions that where asked of all the coordinators. Some of the questions could be answered with a simple "yes", "no" or "same". The rest of the questions were qualitative in their nature and required a more detailed answer. Of the 39 coordinators 31 were interviewed, which is 79.5%.

4.2 Circumstances

As the topic of the thesis was chosen some decisions had to be made rapidly. The best alternative would have been to first try to find as much theory as possible and from that theory design the question and the interview. As this research was to be made within a company the answers were, however, needed quite fast. In fact there was no time to create a theoretical framework. The purpose of the thesis was chosen and immediately after that the research begun. The purpose of the thesis was to through a qualitative research find out whether the goals of the pilot project have been met. It was also important to see how the coordinators reacted to this pilot project. Since the pilot project was quite new it was decided that the interview would be done with the coordinators and not with the end-customers or the NC (internal customer). It would, of course, be interesting to see what the customers thought and think about this pilot project but as the new way of working was quite new the end-customer or NC would probably not have noticed the changes yet. The circumstances forced the thesis in the direction it took. First the purpose of the thesis and the research questions were designed and immediately after that the interviews were held. The interviews were carried out and the findings were compiled and given to the management of the coordination department that would use this information when making a decision about the pilot project.

In this phase the theoretical framework started to take form. It was particularly hard to find theory that fit the topic as it was so narrow. It was also hard to look at

both the pilot project, the interview and the research purpose and get it all to fit with the theory.

4.3 Qualitative research

When choosing whether to use quantitative or qualitative research the choice fell in favor for qualitative research. Qualitative research is used to understand and describe a certain phenomenon. The questions asked are: who, what, how, in what way and why. Answers received in a qualitative research are often in words and phrases. Often in qualitative research the answers have to be and can be divided into classes and categories. The answers in the categories and classes can then be counted in order to figure out what kind of opinions and thoughts are occurring most regularly. Also, what kind of sex, occupation or civil status the persons answering to the interview might have can be considered. This will help in understanding how a certain person in a certain situation in life thinks (Nyberg, R. & Tidström, A. 2012. 125-126).

4.4 Case study

In order to know what questions to ask from the coordinators the research questions for this thesis were used as a foundation:

- Have the goals been reached?
- What are the problems and successes with the pilot project?
- What are the attitude and feedback to the pilot project?

The questions asked from the coordinators are of a qualitative nature in order to understand in what way and how the goals have been reached, further to understand what problems and what successes the coordinators see in the pilot project. Finally, it was important to see the coordinators´ attitudes and collect overall feedback.

Twenty questions were made and formulated in order to get the deepest understanding of the pilot project and to answer the research questions. The first twelve questions can be answered with the answers: *yes*, *no* or *the same*. The latter eight

questions required more formulated answers from the coordinators and forced them to answer in longer sentences or phrases. The interview was done either face to face or through a communicator program which enabled both the researcher and the coordinator to chat or talk through the computers. Face to face was used whenever possible but as the coordinators are working in two cities the communicator program had to be used in some cases.

4.5 Limitations to study

There are many limitations to this study and there are many reasons to why also. The goals of the pilot project are important to mention as they also set the tone for the research and the thesis. The goals are:

- increase knowledge
- improve service quality
- improve workload
- improve personnel motivation

All of these four goals could probably have been used as a subject for four different theses. All of them offer great possibility to explore certain subjects and theories. However, for this thesis all of these goals where important and that also puts natural limitations to the thesis.

If looking only at the first goal to increase knowledge it would be interesting and useful to investigate both the coordinators and the customers. The customers would certainly notice a difference in the service quality if the knowledge level of the coordinators rises, which leads us into the second goal, improving service quality. The most natural way to find this out would be to investigate how the customer experiences the service quality both before and after the pilot project. This was however not possible as the pilot project was quite new and would probably not have had any effect on the customer yet. That kind of research would have been far too extensive. To investigate the third goal, improving the workload, a

quantitative research could probably have been useful. It would be interesting to see and measure how many orders and quotations each coordinator can take after the pilot project compared to the time before it. However, this also has to remain to be studied in the future.

For the above mentioned thoughts the decision was made to have the coordinators in the focus of the study. One reason was that it would not be very time consuming but still would give the coordinators´ opinions on the pilot project. Therefore, the customer opinions will not be considered in this thesis.

5   RESEARCH FINDINGS

It can be said that the overall response to the pilot project is good. It can be said that the goals have been met as there has been improvements in all the aspects which were set as a goal. Further, it can be said that there are still possibilities to improve and fine-tune the formula.

In the coming chapters how the goals have been met will be discussed. Therefore, four chapters can be found based on the four goals that had been set for the pilot project. In the end a summary will be given of the research findings.

5.1 Analyzing and interpreting the result

This chapter will explain how the results are analyzed and interpreted. Some of the first questions do not offer much room for interpreting. The first twelve questions are closed questions and are answered with: *yes, no,* or *the same.* The results have been recorded and will be displayed in charts.

The eight remaining questions are open questions which require more analyzing an. First of all it requires interpretation to divide the answers into classes and categories. Each open question has been divided into categories, each coordinator's answer is assigned to a category. That category then receive a point. In theory that

means that each category could receive a maximum of 31 points which is the number of the coordinators interviewed, this never happened.

The answers of the coordinators are then analyzed mainly from the perspective of the four goals set.

5.2 Increase knowledge

Increased knowledge was one of the four goals set for the pilot project. Therefore, it is important that knowledge as such is defined for this particular thesis. In this case knowledge refers to having knowledge about a certain customer and all processes required for a certain customer. For example, what kind of documents for import/export, certificates and inspections are needed? Not knowing is something that takes a lot of time from the everyday work of a coordinator. This means that the coordinator has to check the order handling instructions in order to know how to handle a certain customer. If facing many different scenarios per day it can be hard to remember everything. The time it would take for a coordinator to remember everything about every customer would be long. It would translate into several years of experience for a single coordinator in order to have that extensive knowledge. What the pilot project aimed to do was to narrow down the amount of knowledge needed to perform the everyday tasks. This was done by narrowing down the number of different countries one coordinator would handle. Each coordinator would then increase his/hers knowledge of that particular area and in this way the knowledge would increase. This was the idea and it can be seen from the answers given by the coordinators that they feel more secure about their work tasks (Figure 1).
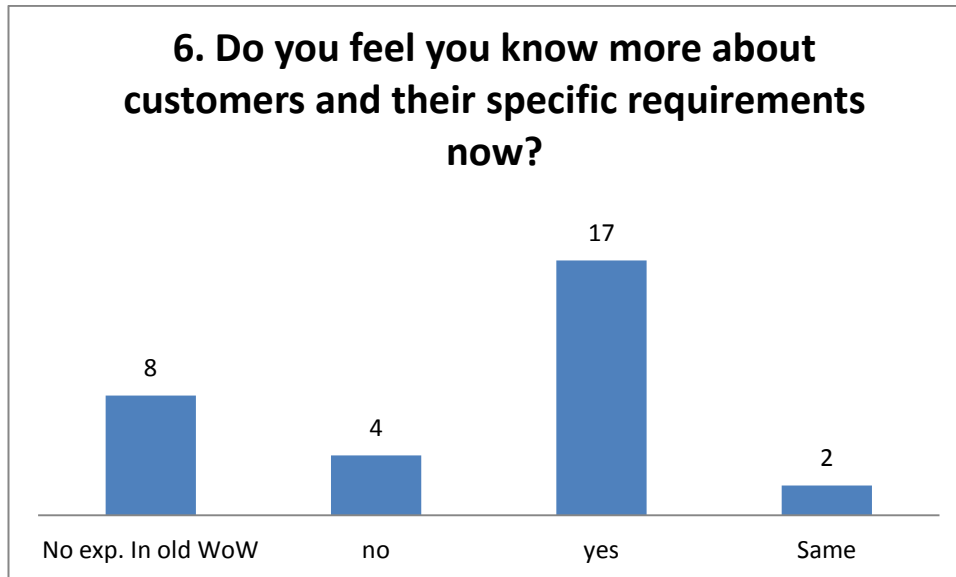
Figure 1 Know more about customer

This is, of course, based on the coordinators´ opinions and is, therefore, no solid numbers or facts that can be shown in order to prove that the knowledge has increased. It does, however, clearly show that most of the coordinators feel that they know more about their customer and specific requirements compared to the time before the pilot project. 17 coordinators´ out of 31 answered with a yes. There is quite a big number also who have not had any previous experience in the old way of working.

It can also be seen from the results of the interview that the coordinators feel that they have more control over their tasks than before. This can be seen in **Figure 2**. Here 18 persons have answered that they feel they have more control over their tasks with the new way of working compared to the old one. The feeling of control might come from better understanding of the customer, or fewer scenarios to remember for each coordinator. Regardless, this can be tied to the goal of increasing the knowledge within that specific segment that a coordinator is responsible for.

9. Do you feel you have more control of tasks now with new WoW?

Category	Value
No exp. In old WoW	8
no	2
yes	18
Same	3

Figure 2 More control

14.(Open question) Please comment in your own words what you think of the new way of working? (Positive comments)

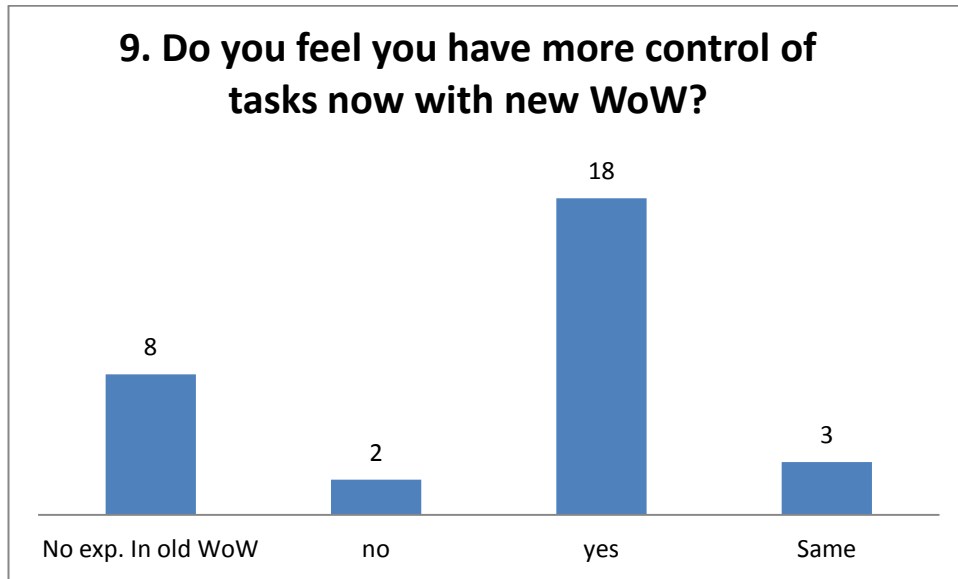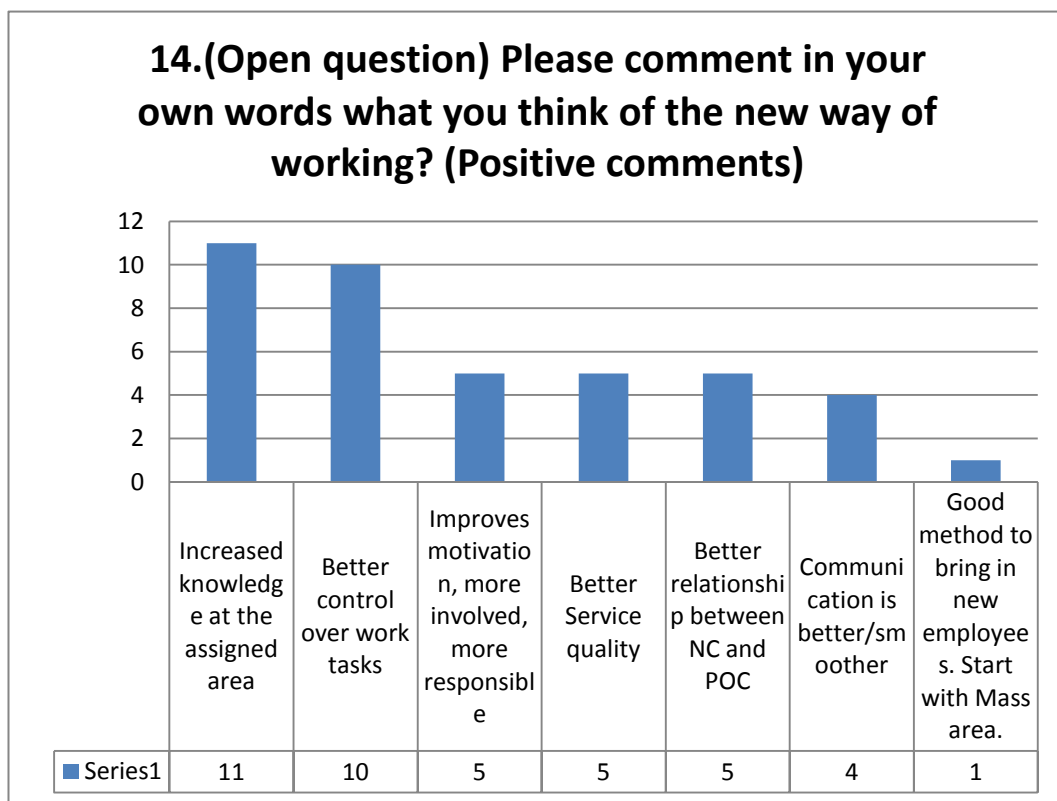|	Increased knowledge at the assigned area	Better control over work tasks	Improves motivation, more involved, more responsible	Better Service quality	Better relationship between NC and POC	Communication is better/smoother	Good method to bring in new employees. Start with Mass area.
Series1	11	10	5	5	5	4	1

Figure 3 positive comments on new way of working

Question number 14 shown in **Figure 3** also indicates the same. This question was an open question where the coordinators freely could comment on the new way of working. For this question each category was assigned a point when it was mentioned by a coordinator. Increased knowledge in a person's own assigned area was one of the most regularly mentioned with 11 points. Better control over work tasks comes as a clear number two with 10 points. It can clearly be seen that this is something the coordinators feel have been improved. On the other hand, control over other areas is not as good and the same goes for knowledge which can be seen in the negative comments for question number 14 in **Figure 4**. Only few negative comments came about the new way of working. Less control/knowledge over other areas received 6 points and was mentioned most often of the negative comments. Less control over other areas can probably be seen as a natural consequence as the coordinator will lose contact to that area.
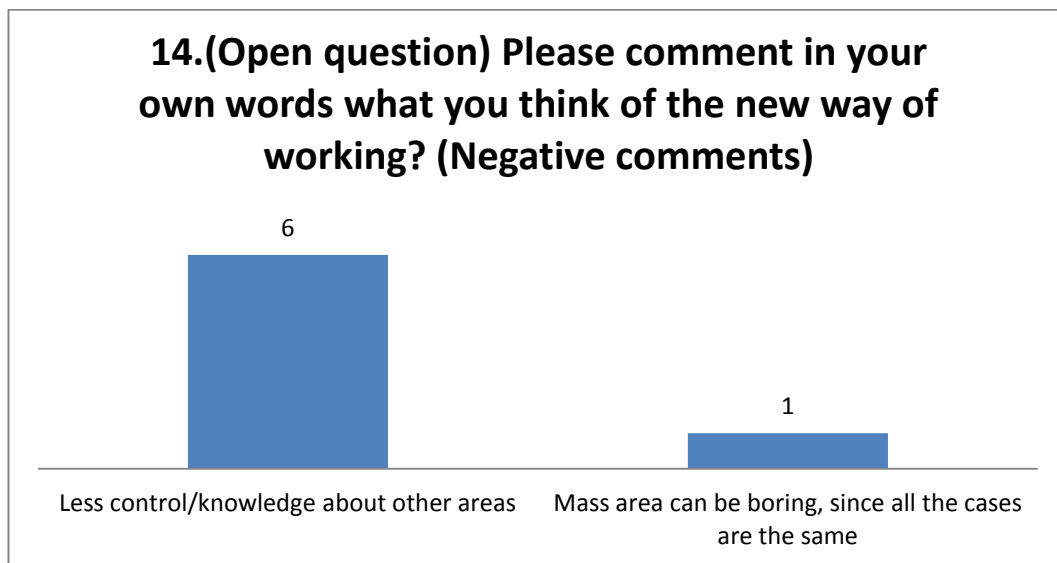
Figure 4 Negative comments on new way of working

5.2.1 Change management

It is interesting to compare what change management has to say about this. Step 6 and 7 in Kotters 8 steps to change can also be compared to this. Kotter talks about creating short term wins and planning for them. This result and the coordinators´ attitude can be shown as a short term win, something that will strengthen the change. Step 7 talks about consolidating improvements and creating still more

change. This positive win and the clear suggestion from the coordinators side show that the change was good. This success should be used as a tool to create more change and to consolidate all the improvements and suggestions available (Kotter. 2011, 13-14).

5.2.2   Lean management

According to Liker and the philosophy of lean management everything that does not bring value to the customer is waste. Every time a coordinator has to search for information it takes time from actually solving the task. It can be argued that the searching for information about a certain customer or specific requirement is something that is part of creating value for the customer, but it can also be argued that the coordinators should not need to search for this information every day in order to perform his/her work tasks. When thinking in this way the new way of working has reduced the waste (Liker. 2009. 118).

5.3 Improve service quality

Another goal of the pilot project was to improve the service quality. It can, of course, be compared to the previous goal discussed which was to increase knowledge. With increased knowledge about a customer and their specific requirements the natural consequence ought to be that service quality increases. This is, of course, nothing that can be taken as a clear fact but more as a hint. Since this thesis did not have the possibility to discuss or investigate the customers´ opinions on this lets again turn to the results from the interview.

As can be seen in **Figure 3** the category about improved service quality receives 5 points. This indicates at least that some of the coordinators think that the service quality has been increased. It can be argued that this is an effect on everything that has been improved over all. With better knowledge and control over work tasks better service quality should be the outcome.

When asked in question 18 if the coordinators think that they give higher qualitative service to the customer, the answer was clearly yes (**Figure 5**). The coordinators mention that with better knowledge about the customer and about certain procedures the response time is faster. The increased knowledge will result in fewer mistakes being made which in turn leads to fewer claims.
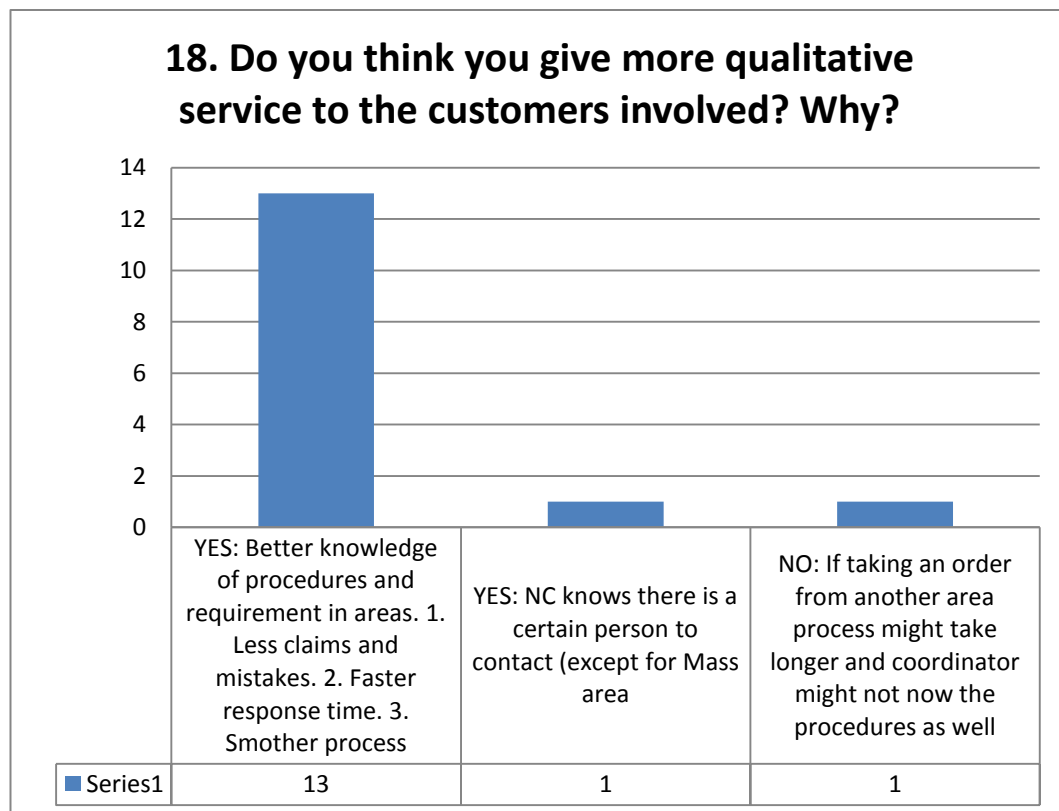
18. Do you think you give more qualitative service to the customers involved? Why?

	YES: Better knowledge of procedures and requirement in areas. 1. Less claims and mistakes. 2. Faster response time. 3. Smother process	YES: NC knows there is a certain person to contact (except for Mass area	NO: If taking an order from another area process might take longer and coordinator might not now the procedures as well
■ Series1	13	1	1

Figure 5 more qualitative service

Every time there has been a mistake in the service to a customer this affects the customer view on the service quality. If the right documents have not been sent or another similar mistake is made the customer will claim this in order to get the mistake solved.

One thing, on the other hand, which might have a negative effect on the service quality is what can be seen in **Figure 5** where it is mentioned that if a coordinator takes an order from another area it might take longer due to the fact that the coordinator might not know the procedures.
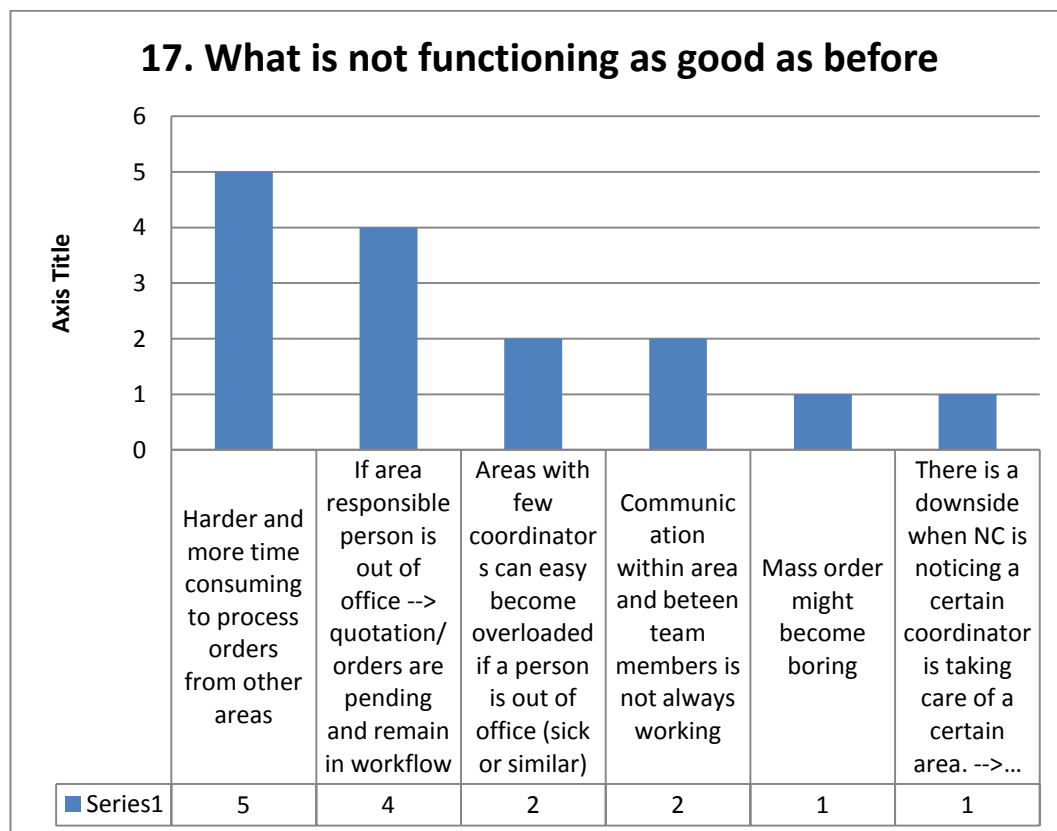
17. What is not functioning as good as before

	Harder and more time consuming to process orders from other areas	If area responsible person is out of office --> quotation/ orders are pending and remain in workflow	Areas with few coordinators can easy become overloaded if a person is out of office (sick or similar)	Communic ation within area and beteen team members is not always working	Mass order might become boring	There is a downside when NC is noticing a certain coordinator is taking care of a certain area. -->...
Series1	5	4	2	2	1	1

Axis Title

Figure 6 not functions as good as before

It can also be seen from **Figure 6** that it is harder to process an order than earlier from another area as the coordinator might have forgotten or never learnt how to deal with that specific area. The next two categories mention that there might be a problem if area responsible coordinator is out of office or sick. This means that the coordinators remaining in that area will be overloaded with work or the area will not be attended very well.

5.3.1 The 25th relationship

As discussed in the theoretical framework section there is a theory written about different relationships which can be found in the market. Gummesson lists 30 relationships and the 25th is the relationship between internal customers (Gummesson. 2008. 37-39).

The coordinators are mainly and almost exclusively working with network companies (NC) and seldom with an end-customer. This means that this pilot project in first hand affects NC and indirectly affects end-customers. It was mentioned in the interviews that one positive outcome of the pilot project was that the coordinators and NC are getting more familiar as the contact is more regular. This can make a lot of things easier. As can be seen in **Figure 7** the coordinators believed that this setup is making life easier for NC.
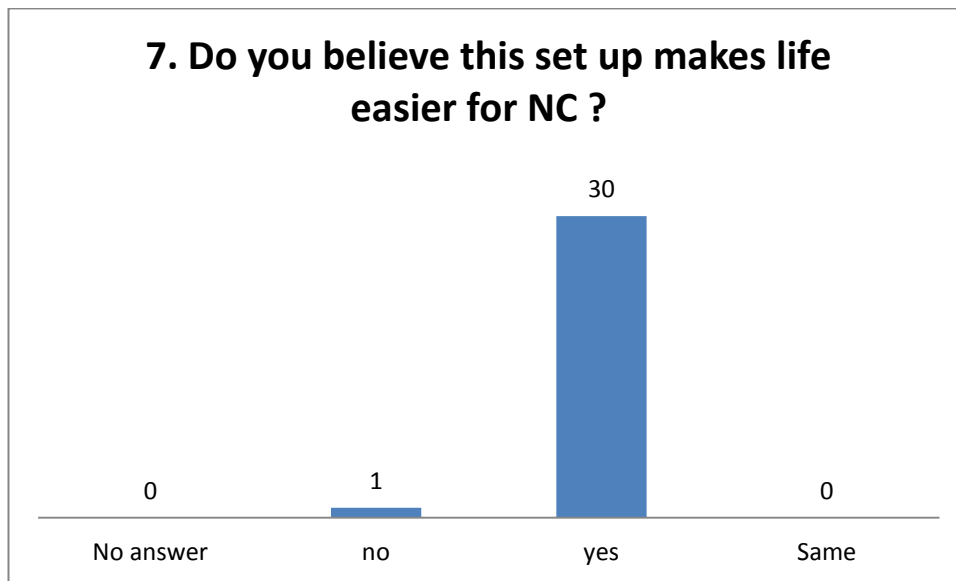

Figure 7 life easier for NC

A clear majority of the coordinators think that the pilot project makes work easier. It can also be seen in **Figure 3** that the category which mentions that NC and the coordinators get a better relationship has received 5 points and 4 points for better communication. The answers of the coordinators are consistent and based on their opinions. They think that the following improvements have been achieved regarding service quality.

1. More familiarity between NC and coordination department
2. Better communication
3. This setup is easier for NC
4. NC knows whom to contact in each case
5. Better response time

5.4 Improve workload

It is hard to get a reliable answer on whether the workload has improved. The best thing would be to follow up on the workload and the amount of tasks handled per coordinator under a longer time frame, preferably starting before the pilot project and continuing until reliable data can be shown. The most important thing with the workload is, however, from the customer's point of view. If the workload becomes so big that it delays an order for the customer, then it has reached a critical point where it has to be dealt with. That in itself does not affect how the coordinators feel about the workload.

The workload might be very burdensome but because of overtime and extra work from the coordinators it is possible to hold the work on a level so that it does not affect customer.

It is possible, however, to take a look at how the workload might have been affected based on the opinions of the coordinators. From **Figure 8** we can see in the first category that when the coordinators have more knowledge about an area they find it easier and faster to work. Also, the next category mentions that both the special areas and the mass area are handled faster. The reason is that all coordinators know their areas better. The following category shows that the coordinators think they give better service with fewer mistakes and faster responses.

At last it can be mentioned based on **figure 8** that there is less variety in the orders for each coordinator to handle. This emphasizes the same which has been mentioned over and over: faster response, less mistakes and better service.

In **Figure 9** we can see the answers to question 19. This question asked whether the coordinator believes s/he can process more orders/quotations with the new way of working. Most people thought that they could handle more orders with this system since there was not the same need to check order handling instructions for every specific order.

It was also mentioned that orders that require more attention will take a longer time and therefore the coordinator handling those might not be able to process more orders than before.
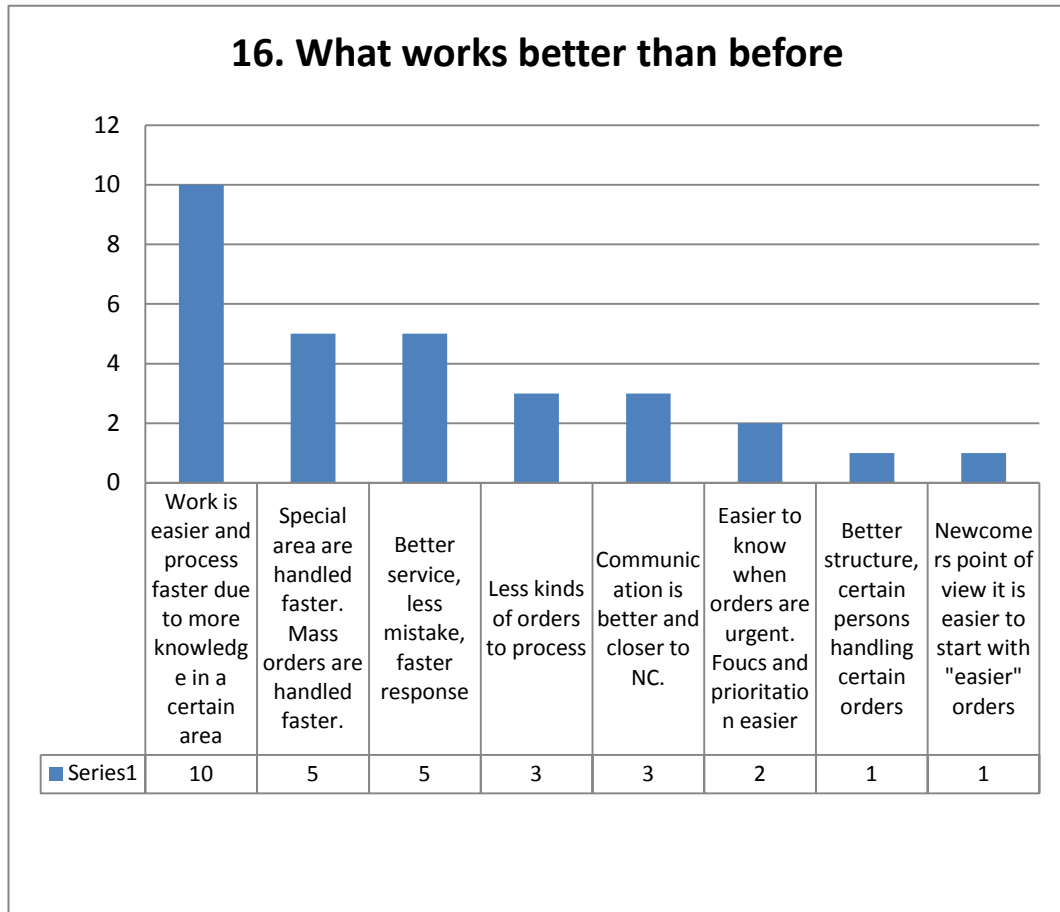
16. What works better than before

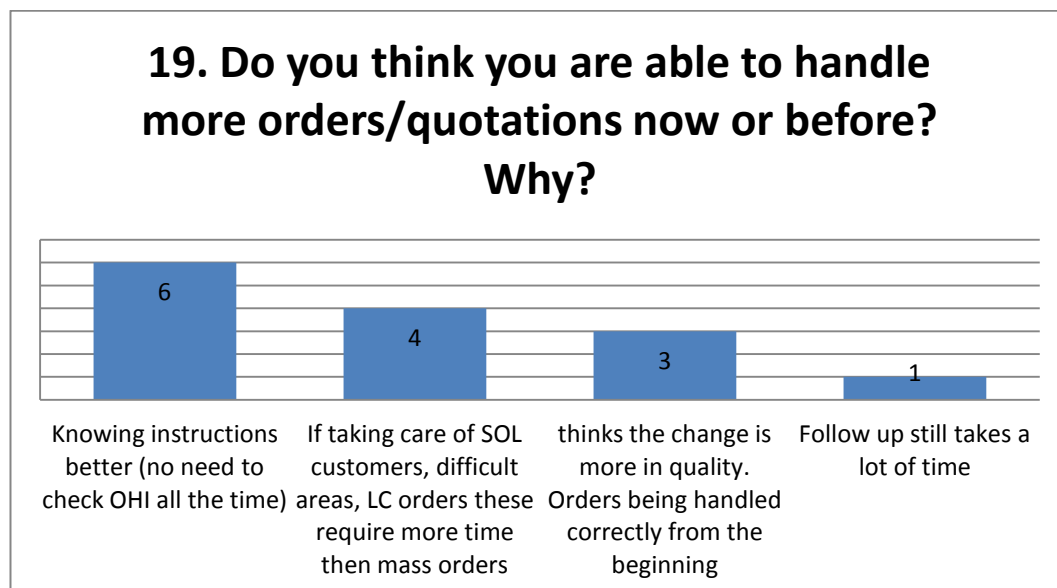|	Work is easier and process faster due to more knowledge in a certain area	Special area are handled faster. Mass orders are handled faster.	Better service, less mistake, faster response	Less kinds of orders to process	Communication is better and closer to NC.	Easier to know when orders are urgent. Foucs and prioritation easier	Better structure, certain persons handling certain orders	Newcomers point of view it is easier to start with "easier" orders
Series1	10	5	5	3	3	2	1	1

Figure 8 works better than before

Figure 9 Handle more orders/quotation

5.4.1 Level the work load

The 4th principle of Liker's lean management talks about how important it is to level the workload. In some cases the workload can be so burdensome that it depletes the coordinators of all their energy. This unevenness needs, according to lean management, be handled immediately. If running operations in such a way and speed that it wears out the employees people are overburdened with work. This causes security and quality problems. Orders and quotations are possibly handled in the wrong way and the service becomes poor (Liker. 2009. 146).

The pilot project deals with the unevenness. It can be seen in **Figure 9** that some coordinators think that the orders are being handled correctly from the beginning. Further, **Figure 8** in several ways witnesses that the coordinators feel that the work is easier, faster, better structured and it is easier to maintain focus.

5.5 Improving personnel motivation

The last goal of the pilot project was to improve the motivation of the coordinators. The though behind this was that if each coordinator was assigned to an area

of his/her interest the motivation would be improved. Also, the thought was that having responsibility over an area would be beneficial for improving the motivation.

According to the results of the research the coordinators feel more responsible with the new way of working. This can clearly be seen in **Figure 9,** where the majority of the coordinators answered that they feel more responsible now than with the previous way of working. Also, the coordinators say that they feel satisfied and motivated in general with the new way of working, as shown in **Figure 10.** As the coordinators to some extent have had the possibility to choose the area they would like to work with it is probably a factor that increases their motivation. This can be seen in **figure 11** in which 30 out of 31 coordinators say that they are satisfied with the area they are working for.

There is no figure to compare how motivated the coordinators are compared to other departments, so it is hard to know if the motivation level is on a
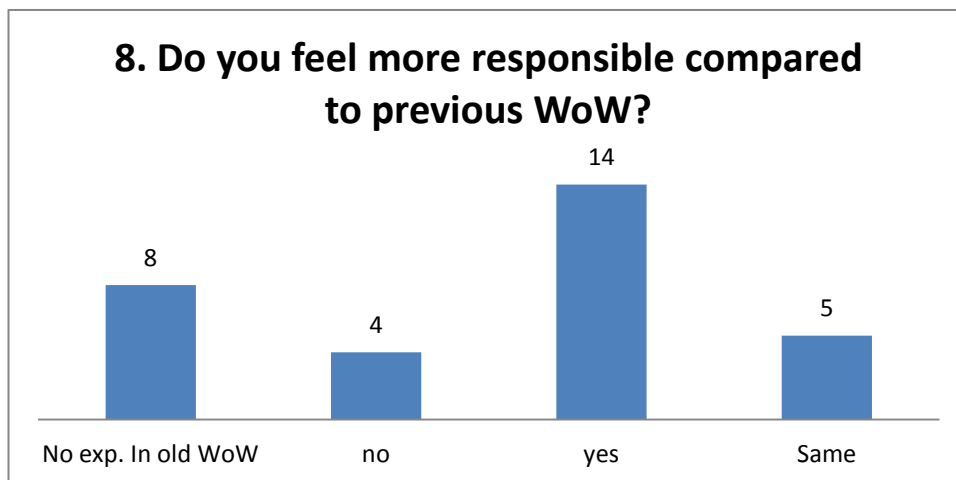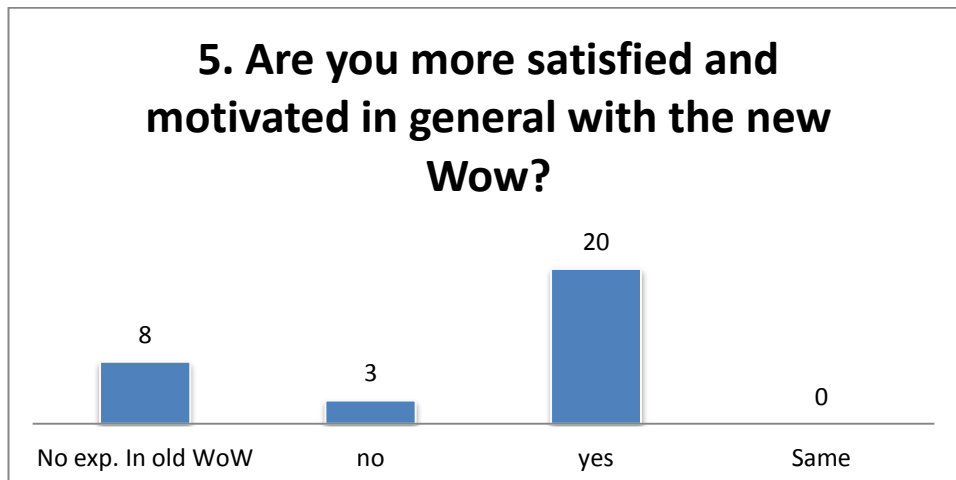
8. Do you feel more responsible compared to previous WoW?

No exp. In old WoW: 8
no: 4
yes: 14
Same: 5

Figure 10 Level of responsibility

5. Are you more satisfied and motivated in general with the new Wow?

	No exp. In old WoW	no	yes	Same
	8	3	20	0

Figure 11 more satisfied and motivated

3. Are you satisfied with the area you are working for?

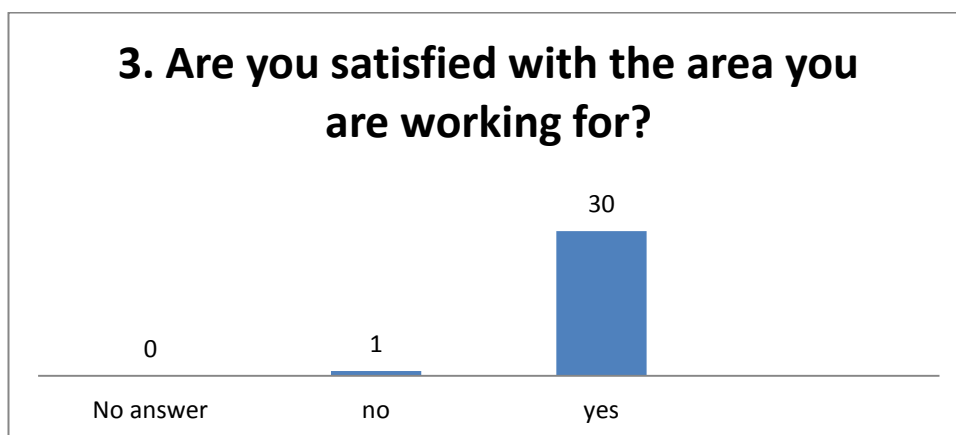|	No answer	no	yes
	0	1	30

Figure 12 Satisfied with area

good level. It can, however, clearly be seen that the work motivation has generally increased.

5.6 Suggestions

On the whole it can be said that all four goals have been met. This does not mean that there is not room for further improvement and fine tuning but the organizing of work is moving in the correct direction.

One thing that can be said about the pilot project is that the goals/vision should have been communicated more clearly. 26 out of 31 claimed to know the goal for the pilot project, which can be seen in **Figure 12**.
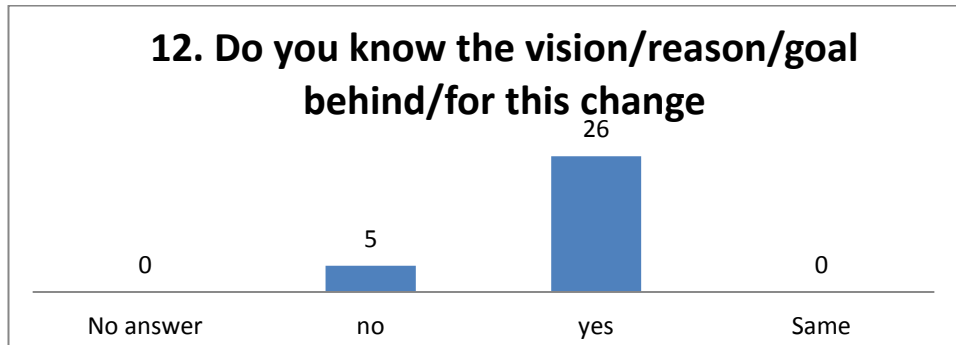

12. Do you know the vision/reason/goal behind/for this change

No answer	no	yes	Same
0	5	26	0

Figure 13 Knowledge about goal

However, when asked to explain what the goal was the result show that the coordinators only partly had understand what the goals was (**Figure 13)**
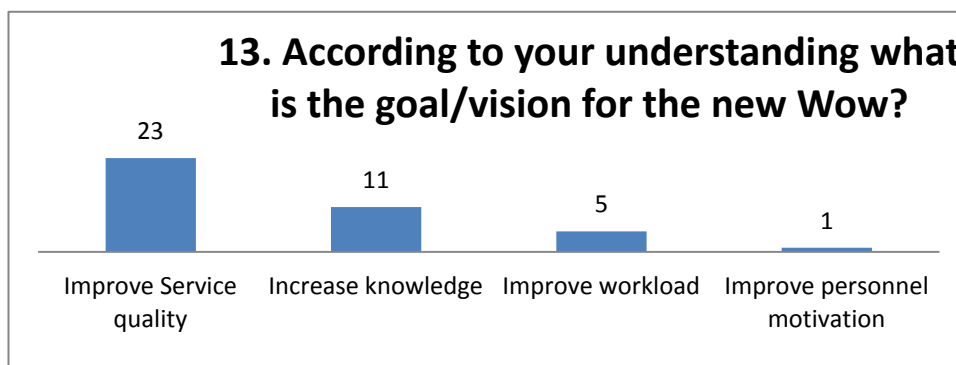

13. According to your understanding what is the goal/vision for the new Wow?

Improve Service quality	Increase knowledge	Improve workload	Improve personnel motivation
23	11	5	1

Figure 14 What is the goal

If the goals and vision would have been clear each category should have received 31 points each. Most coordinators knew about the goal improving the service quality. One out of three knew about the goal of increasing knowledge. Even fewer knew about improving workload and only one out of 31 employees knew that this was done also for their motivation. A suggestion would be to better inform about the goals to the coordinators.

The coordinators also have suggestions on how to move forward with the pilot project. Also, most of the coordinators thought it would be a good idea with further change in order to better satisfy the customer (**Figure 14**).
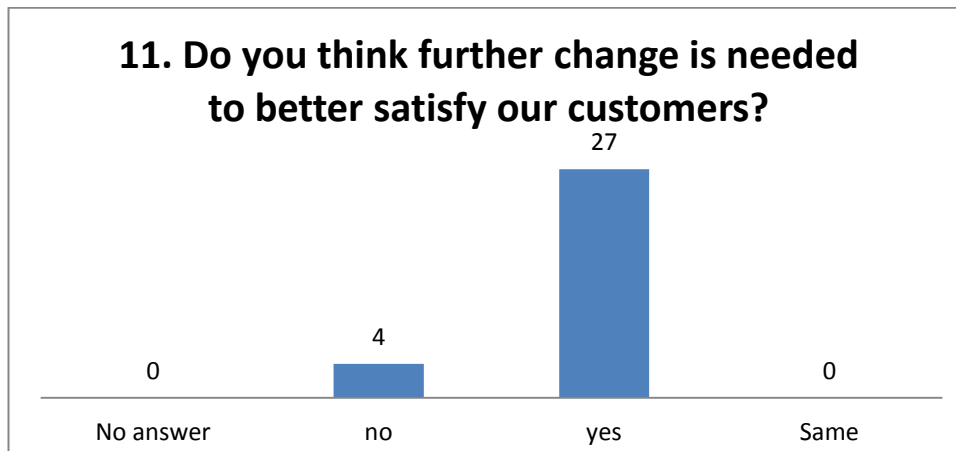
Figure 15 Further change

Finally, the suggestions from coordinators will be examined. The most popular suggestion was to rotate between areas. The coordinators commented that the work might become tedious and repetitive after a while with the same area and that rotating between work areas on a yearly basis could be a good idea in order to keep the motivation level as high as possible. Another suggestion was to add backups for areas so that an area would not be overseen. This would clearly help in getting the work done if a coordinator from one area becomes sick. One suggestion was to create a rule that forced anyone to take orders that was over a certain working age. The rest of the suggestions can be seen in **figure 15.**

20. What would you change if anything?	
Comments	**Points**
Nothing	5
Rotating between areas (once or twice a year)　-Increase knowledge	4
Add coordinators or backup for each group -->　Then area coordinators can help mass area and not the other way around	3
Rule --> if there is an old order --> everyone should be responsible for those	2
Some NC does not know our way of working --> train NC	1
Write working journal to see what cases take long time. Then collect the journal and analyse	1
Coordinators in area should be responsible for own area and ask for help when needed	1
Maybe Mass area can be divided into smaller groups	1

Figure 16 suggestions

5.7 Summary and conclusions

In this thesis Change Canagement, Lean Management and CRM have been discussed. The theory of these has been compared with the pilot projec.

The pilot project has been a success but as Kotter writes the war should not be declared won too soon. The suggestions from the coordinators and continuous improvements can be a good next step which the coordination department can take.

Each of the goals have, to some extent, been met and in that way the pilot project can surely be seen as a success. It is, however, important to continue to strive on.

6 VALIDITY AND RELIABILITY

The thesis can be seen as reliable in that sense that the issues with reliability are known. It does not claim things or facts which cannot be proven.

6.1 Reliability

As stated the customers´ opinions were not regarded in this thesis. However, it would be important and highly valuable to also know the customers´ opinions about the pilot project. Nonetheless, the thesis does not claim to know the opinion of the customers, but the opinions and feedback from the coordinators.

The researcher´s former experience as a coordinator has probably also affected the way the thesis was conducted. It is hard to say if that is a negative or positive thing. Surely both negative and positive things can be said. The positive thing could be that the researcher is well familiar with the work process and can relate to what the coordinators think.

The same can be said about the negative aspect of having former experience of this work. The familiarity with the coordinators might be that some thoughts and ideas of the researcher are forced upon the interpretation of the coordinators answers. Because of this the aim was not to interpret too much and instead try to communicate what is actually clear about the coordinators´ opinions about the pilot project.

6.2 Validity

Few sources were used compared to what can be deemed as acceptable. The reason for this was that it was hard to find theory and sources fitting the interview and the empirical research which had already been conducted. If more time would have been available before starting the research it would have been best to reverse the process and first build a solid theoretical framework. Based on that framework

the interview could then have been designed. This would have made it easier to find sources.

At last it can be said that the thesis does not claim what cannot be claimed, instead the thesis is openly declaring to look through the coordinators eyes and deem whether the goals of the pilot project have been met. Also, the thesis claims to investigate the opinion of the coordinators which it also does.

7 REFERENCES

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APPENDIX 1. Questions asked of coordinators

1. Have you worked with the old way of working? (non area segmentation)

2. What area are you working for?

3. Are you satisfied with the area you are working for?

4. Would you like to rotate between areas?

5. Are you more satisfied and motivated in general with the new way of working?

6. Do you feel you know more about Customer and their specific requirements now?

7. Do you believe this set up makes life easier for NC ?

8. Do you feel more responsible compared to previous way of working?

9. Do you feel you have more control of tasks now with new way of working?

10. Was the change needed at all?

11. Do you think further change is needed to better satisfy our customers?

12. Do you know the vision/reason/goal behind/for this change

13. According to your understanding what is the goal/vision for the new way of working?

14. Please comment in your own words what you think of the new way of working?

15. would you like to comment on any question in the questionnaire?

16. What works better than before

17. What is not functioning as good as before

18. Do you think you give more qualitative service to the customers involved? Why?

19. Do you think you are able to handle more orders/quotations now or before? Why?

20. What would you change if anything?