Executing change of organizational culture

The case of a commercial bank in Finland

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Abstract:

The topic of this study is execution of change in organizational culture at one branch office of a commercial bank in Finland. The aim of the research was to find out how the employees at the branch have experienced the change initiative launched in the spring of 2016, and what their perception of it is. After receiving this information, the goal was to benefit from it in creating an action plan for future development of cultural change at the branch. Another objective of the study was to find information that could be used in a broader sense in other parts of the bank. The literature that was used for the research comprised the topics of organizational change, practical guides of implementing organizational change, Must-win battles (MWBs) and the 4 Disciplines of Execution (4DX). A survey was conducted by using a semi-structured questionnaire with open-ended questions. Based on the received knowledge, a plan for all three different teams at the branch were created by using action research in the form of a workshop, with the managers of the branch as participants. The plans were built by using the MWBs of the change initiative and with the 4DX-model as structure of implementation. Another part of the research was to analyze the MWBs of the initiative by comparing them to the characteristics of a good MWB, given by Peter Killing and Thomas Malnight. The survey revealed that respondents had a quite good idea of what the basic idea with the change initiative is, but it had not made any real impact on their way they act or work. The action plans created during the workshop could have been more compliant to the 4DX-model and contained ideas that have previously already been used. The managers experienced following problems during the workshop; too many business targets given from top management, fear of creating more time-consuming activities, 4DX not suitable for implementing soft values. The MWBs of the initiative need some refinement, but they still were under construction during this study, it is difficult to draw conclusions of the shortcomings. Although the analysis was affected by the knowledge of the author, who works at the studied branch office, the study can certainly provide some useful information for similar research in the future.

Keywords:	Organizational change, organizational culture, cultural change, change management, action research, workshop
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1 INTRODUCTION

1.1 Introduction

This work will study the execution of an Organizational Culture Development-program (OCDP) at a commercial bank in Finland. The goal is to find out what employees at the bank's most important branch office think of the OCDP, how they recognize it in the workplace, and how it has affected their own work during the past two years. This will help to understand what measures should be taken within the upcoming years of the process. The gathered information will also be used as a base for a future action plan made by the managers at the branch. The aim is to use this action plan in practice for future development of the OCDP at the branch office. Furthermore, the action plan will hopefully also offer guidelines for making the whole organization more committed to the process and thereby help seeking vital development for future success of the bank.

In this introductory chapter, the reader should get a solid view of the concept of organizational culture. A clear picture will be painted of why the bank in question has launched the OCDP and what the initiating forces behind it are. There will be a thorough explanation of the reason for this study, what the purpose of it is, and which questions the study will seek answers to.

The author of this dissertation is currently an investment advisor with the bank and has been working there since 2008 at five different branches, in three different positions, all of which have included regular contact directly with customers. He has been a change agent for the OCDP since late 2016.

1.2 Background and need

Before going forward with the research, it is vital to get a grasp of the challenges that the whole industry faces today. The banking industry has been going through a heap of major changes in the aftermath of the international financial crisis, which happened almost a decade ago. Changes in legislation concerning financial institutions have forced banks to re-think their way of making profitable business. An increased need of cutting down costs has been necessary, because all the monitoring that has been forced upon banks, has eaten up profits.

In need of cutting down costs, many banks have been concentrating on developing their digitalized service offering while shutting down smaller branches and cutting down on their face-to-face services. The digitalization trend and new upcoming legislation in the form of EU Markets in Financial Instruments Directive II (MiFID 2) and other updated directives, which will be taken into use in 2018, will bring new hazards to traditional commercial banks all over Europe.

For example, the updated Payment Services Directive II (PSD2) will force banks to give out their customer information to third parties, if the customer so wishes. This means that banks will have a much broader range of competitors in the future. There is an actual risk that traditional banks are diminished into a role of up keepers of infrastructure, while new digital actors take over as the user interface of the customer. In a situation like this, the banks run a risk of becoming faceless, which in turn will most likely effect customer loyalty negatively. Therefore, all possible measures that can enhance customer satisfaction, loyalty and customer retention are very welcome.

This calls for changes in organizations, company culture and customer service. The key to survival of traditional commercial banks in the future, seems to be the ability to change at a constantly accelerating pace, into a more customer friendly direction. Therefore, the topic of the dissertation is very current and interesting.

1.3 Statement of the problem

The OCDP was launched in the beginning of 2016, approximately two years ago. The program is the cornerstone of a five-year plan with the goal of becoming the most trusted financial partner on the Finnish market. The OCDP was launched with great ceremonies in early 2016. It left staff at the branch in mixed feelings. Some were enthusiastic and some were left doubtful. At least the more experienced colleagues who had seen countless changes, or attempted changes, during their time with the bank, were skeptical about the new launch with its trendy slogans originating from the social media. Despite of some doubtful employees, most were still somewhat impressed and eager to hear more.

During the spring of 2016, all employees who are in regular contact with customers, were sent to the service center of the bank for one day filled with different workshops. The workshops were related to detecting and recognizing the emotional state of the customer during different parts of a meeting, and learning how to be more empathetic. This had shown to be a method that customers preferred. It had generated better than average customer feedback during a trial period conducted by one team at the same branch participating in this thesis.

After everyone had attended the workshop day at the service center, the program continued with workshops at every unit with the goal of really implementing the learnings into daily activities. It was also important to customize methods and ways of working to the different surroundings that every team and branch has. When the workshops at the branches had been done, it felt like a check-box had mentally been ticked and the job was done. During the following months, no greater efforts related to the program could be seen, just some side notes during normal team- and branch meetings.

In late 2016 the author of the thesis was chosen as a change agent in the OCDP. One reason for the selection was that the idea of the topic for this thesis had started to take form. The reason for this was that little had really happened with the program for a while and the author noticed that people at the office were beginning to forget all about the initiative. This was worrying and it was obvious that something needed to be done.

The practical problem, which gave the spark for this thesis, is that the whole staff does not seem to be fully engaged in the program and the change it pursues. The research problem is to find out how the staff portrays the OCDP right now. This is presently not clear, which makes it very hard to evaluate the right way of moving forward. This is something that needs to be examined before any future action plans can be made.

1.4 Purpose of the study

Firstly, the purpose of this study is to find out how the OCDP is perceived by the employees to get a grasp of the current status of the initiative. Secondly, the branch managers are to use the gathered information together with the Must-win battles of the OCDP, for creating an action plan for future execution of the initiative. The 4 Disciplines of Execution-theory will give the structure for the plan, which will point out measures that need to be taken to strengthen the implementation of the initiative at the branch. Thirdly, the created action plan will be presented to the director responsible of the OCDP with the aim of using it as guidelines for other branches and teams in the organization. Thereby, hopefully contributing to the efforts working towards the goal of becoming the most trusted financial partner for the customers on the Finnish market.

1.5 Research questions

The research questions stand as follows:

1. How do the branch employees comprehend the OCDP, the reasons for its launch and the purpose it serves?
2. Do the MWBs chosen for the OCDP fulfill the characteristics of a good MWB introduced by Killing & Malnight?
3. What actions should employees at the branch take according to the 4 Disciplines of Execution, to strengthen the implementation of the OCDP during 2018?

1.6 Significance to the field

As mentioned earlier, the OCDP was launched at the end of 2015. There has not been an initiative as comprehensive as this program at the bank during the past ten years at least. The OCDP and its development has not been researched by anyone so far, which means that this thesis will give unprecedented information about the program. The research is made in agreement with, and has the approval of the director in charge of the OCDP. The received information will be directly presented to the director and will thus have the best possibility of being taken into actual use.

From a more general point of view, the research is not unprecedented. To name a few that touched the topic very closely, would be Oden (1999) who had the aim of writing the first ever guide for transformation of organizations with the book Transforming the Organization. Boonstra (2013) has certainly touched the subject with his practical guide to successful change in organizations in the book Cultural Change and Leadership in Organizations. A more hands on approach has also been written by Louis Carter et al. (2013) with their strategies and tools for leading change in the organization.

1.7 Definitions

At this point a clarification of the most central concept of the dissertation would be appropriate. What does the concept 'organizational culture' stand for? According to Swedish professor Mats Alvesson (2002, p. 3) the concept of organizational culture is very complex and has been formulated in several different, but similar ways. He agrees with a few of them and indicates that the definition of the term often adapts to the situation at hand.

Edgar H. Schein (Sloan Management Review 1984 p. 3) described organizational culture more than three decades ago, formally as "…the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation or internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems." A somewhat simpler definition is given by John McLaughlin (study.com) as follows: "Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations."
The concept is seen in this thesis as a mix of the above-mentioned and the reader can certainly form a comprehension of the term with the help of the above-mentioned descriptions.

1.8 Disposition of the thesis

The thesis will continue with a some more information of the bank and the OCDP. After that the literature review will present the basics of organizational change and dive deeper into previous studies in the field, while staying as close to practice as possible. The literature review will end with comprehensive recensions of the two major models of this study; the Must-win battles by Killing and Malnight (2005) and the 4 Disciplines of Execution by McChesney et al. (2012). Thereafter the work will take to the methodology, and more closely, to action research. When the research is completed the findings will be presented in chapter five, which will be followed by in depth discussion concerning the results. Limitations of the study and recommendations for future research will be briefly discussed, before concluding the dissertation with chapter seven.

2 THE BANK AND THE OCDP

2.1 The bank

The bank, or its predecessors, have been operating in Finland approximately for a decade. Its market position is quite strong, but it has been slightly deteriorating over the past few decades. Its market share is mostly between ten and thirty percent, depending on the customer segment. The clientele consists of everything from personal customers to large corporations and institutions. Services are offered in a wide variety, and do not fall short compared with any of the competitors. Since 1990s and the start of the digitalization within the banking sector, the bank has been striving towards being a frontrunner in the field of digitalization.

The bank does not have any visible obstacles or deficiencies that would hinder it from reaching its goals in the upcoming years. This means that the OCDP and similar significant projects will determine how the bank will manage in the future. Whenever a change project is initiated it will have to be executed as well as competitors do, or even better, to maintain market share or win some ground from the competition.

2.2 The OCDP and the reasons for its launch

The OCDP was launched because the executive board of the bank had set a goal in 2015 of becoming the most trusted financial partner for customers on the Finnish market. This goal had been generated since the need for making customers more committed towards the bank was recognized as a vital mean of survival. According to Järvinen (International Journal of Bank Marketing 2014 p. 556), Finnish bank customers trust their banks second most of all European countries. This indicates how important trust is to the Finns and that is why development of it between bank and customer is on focus. Trust, on the other hand is seen as the glue which will make customers stick with the bank. The commitment of customers is vital because the business environment is becoming more complex with the development of financial technology (FinTech), changing legislation and the transformation of customer preferences.

2.2.1 Transformation of customer preferences

A few decades ago customers wanted mostly that the bank would have many branches so that cash could be withdrawn and bills payed conveniently. During the 1970s and 1980s automated teller machines and machines to pay bills with became commonplace (Leinonen 2011). These technological inventions started to deteriorate the importance of bank branches. In the 1990s came Internet banking which ultimately opened the doors for total transformation of how customers interacted with their bank. This has not only led to mass closings of bank branches, but also sparked customers to constantly expect greater ease and convenience whilst performing their banking needs. For example, many customers prefer nowadays a web meeting instead of a face-to-face meeting with the bank, although they would have a branch office nearby.

When Holmlund et al. studied the mental models of top executive team members at a Finnish bank (Journal of Service Theory and Practice 2017 p. 213), they found out that all top executives had one main concern. Changing customer preferences were regarded as the main challenge by all participants in the study. The concern seems to be the same in other parts of the world too. In 2014 an American bank executive stated, according to the Wall Street Journal (Chaudhuri & Glazer 2014), that they are “following where customers really want to go”, when asked why they had closed more than three hundred branches in one year. At the same time the bank had had an increase of 20% in the number of mobile-banking users. Previous examples can be regarded as clear proof of changing preferences.

Why customers prefer digital communication with their bank is well answered by Jaspal Singh and Parminderjit Kaur in their research. When they examined satisfaction towards banking services in India (International Journal of Commerce and Management 2013, Iss. 23, Vol. 1, p. 56), ease of use, trustworthiness and convenience were among the key factors to success. On top of trust, ease and convenience seem to be keywords for banks when seeking for customer satisfaction today.

2.2.2 Legislation changes

As mentioned in the introduction, MiFID 2 will bring major changes to the European financial sector in 2018. Its predecessor MiFID 1 has been the cornerstone of the EU's regulation of financial markets since 2008. However, mainly the Financial Crisis, which took place the very same year as MiFID 1 was taken into use, pointed out several flaws and weaknesses with the regulation. The new MiFID 2 aims to:

- Introduce a market structure framework, which closes loopholes
- Increase equity market transparency
- Provide strengthened supervisory powers
- Improve conditions for competition in trading and clearing of financial instruments
- Introduce trading controls for algorithmic trading activities
- Strengthen investor protection
- Ensures effective and harmonized administrative sanctions
- Harmonize the regime of market entry for firms from third countries
  (European Commission, 2014)

The philosophy behind the MiFID 2 is encouraging and admirable, because everyone certainly wants to prevent the events of the Financial Crisis from happening again. There are, however, some downsides with it, at least if one looks from a banks perspective. Firstly, the costs generated from the necessary changes are significant. According to the Financial Times (Mooney 2017), the consultancy firm Opimas has estimated the cost of implementing MiFID 2 regulation to be 2,5 billion euros. Most of this will fall on the shoulders of banks. The improved conditions for competition in trading and clearing, and the harmonized regime of market entry for third country firms, will undoubtedly increase competition and test how well banks are able to hold on to customers. Increased transparency regarding the costs of investments, will make it easier for customers to compare banks, and thus, put the customer retention abilities of banks to test once more.

The Payment Service Directive II (PSD2) which will come to effect simultaneously with MIFID 2, will further stir things up. PSD2 will threat the European banks by allowing third-parties to get standardized access to customer data and banking infrastructure. Therefore, it will encourage development of revolutionary new business models by FinTech companies and a new breed of banking services. The new directive will force banks to adapt new strategies and probably new partnerships, renewing the European banking sector. (Sandrock & Firnges 2016 p. 4)

According to a PricewaterhouseCoopers' study from 2016, 88 percent of European consumers use third-party providers for online payments. This can be regarded as an indication of the existing demand for seminal digital services. Not surprisingly, some 68 percent of European bankers see PSD2 as a threat to their business and believe that they will lose control of their client interface because of it. Despite of the general opinion, some banks, and many more third-parties and FinTechs are welcoming the change with a strategy, which aims at exiting the approaching turbulence as a winner. (Sandrock & Firnges 2016 p. 4)

2.2.3 Development of FinTech

Financial technology, FinTech, refers to the marriage between technology and financial services. FinTech companies are often thought of as start-ups, which offer mobile apps or other digital platforms for consumers but big technology companies, such as Apple and Google, are also taking part in the business. The idea is to offer existing financial services at a better price with the help of technology, and also to offer new kinds of technology driven solutions. (Garfinkel & Nicolacakis 2016 p. 1-2)

Today, bankers see FinTech as their major threat, but in history, technology has been a good friend to the finance sector and given it the possibility to greatly evolve during the past 65 years. In everyday life, most people take advantage of the fruit of the past cooperation, without recognizing that they are using financial technology. In the 1950s came the credit cards, 1960s brought the ATMs and electronic trading saw daylight in the1970s. Wider computerization began in the 1980s with bank mainframe computers and more sophisticated record-keeping systems. In the 1990s, it was time for the start of Internet banking and online stock brokerage for retail customers. During those fifty years, banks had only profited from technology, which had allowed the business to grow immensely. (Desai 2015)

It has not been until the 21st century, that FinTech has started growing into a direction where it has become more of a competition to conventional banks, than just an enhancement to banking services (Desai 2015). A good picture of the seriousness of the FinTech business is given by the fact, that the sector received investments of 8,4 billion dollars, during the second quarter of 2017 alone (KPMG 2017 p. 4).

2.3 Cornerstones of the OCDP

To answer the previously mentioned uncertainties, the different actions of the OCDP are supposed to generate better customer experience and -satisfaction. Higher quality of customer experience and -satisfaction, are expected to help gain the trust of customers, which has been pointed out as the glue that will make them stick with the bank in the future. In 2017, the OCDP had four cornerstones upon which it is built.

- **Maintaining a high-class value chain with the customer in focus.**
  The purpose of this point is to have everyone in the organization to embrace their importance in the customer experience creation process, share all available customer information and not shy away from responsibility.

- **Identifying the essential for the customer and committing to it.**
  Personnel in direct customer contact are expected to empathetically do their best at sensing the customers emotional state, strive to understand the essence of what the customer wants and commit to their matter. Employees are also encouraged to use all available means within their authority in the benefit of the customer.

- **Executing a policy of one handover maximum.**
  The intention is to always make sure that the customer knows who oversees their need at hand. Avoiding responsibility is frowned upon and customer needs should be immediately fulfilled if they do not dramatically interfere with the employee's core tasks.

- **Leadership by coaching**.
  Managers should encourage personnel to take advantage of their authorities and pursue the best customer experience in Finland by coaching.

These cornerstones have been selected as the most vital points in the development of customer experience and -satisfaction, which is measured with the help of the Net Promoter Score (NPS).

2.3.1 The NPS

The Net Promoter Score was introduced in 2003 by consultant Frederick F. Reichheld in a Harvard Business Review article (DeMeré 2017). The main idea is to have one simple number which will tell you how loyal your customers are. To get this number you only must ask two questions. Reichheld had originally been introduced to the basic idea behind NPS by Enterprise Rent-a-Car CEO at a consultancy meeting. Enterprise had used their Enterprise Service Quality Index (ESQi) since 1994 (Swallow 2014). It contained only two questions:

1. How would you rate your last Enterprise experience?
2. Would you rent from Enterprise again?

This concept of finding out how loyal customers were created was then further developed by Reichheld and eventually named the NPS. After modifications by Reichheld the questions were formulated as follows (DeMeré 2017):

1. On a scale of 0 to 10, how likely are you to recommend this product/brand/company/service?
2. Why did you give us that score?

Those who score 0-6 are considered Detractors, those who score 7-8 are Neutrals and those who score 9-10 are Promoters. The NPS is calculated by subtracting Detractors from Promoters and the outcome can range from -100 to 100. Although the NPS was basically invented more than two decades ago, it remains a very popular option when companies want deeper insight of their customer loyalty. Today, more than two-thirds of the companies on the Fortune 1000 list use the NPS. (DeMeré 2017)

3 LITERATURE REVIEW

3.1 Introduction

This chapter will commence by giving the reader a deeper understanding of the term "organizational change". It will be followed by an introduction to previous literature concerning research in the field of organizational change. The research has been chosen with the aim of giving practical advice on change efforts and the implementation of change. Some common points found in the literature will briefly be pointed out. Previous research will be followed by an introduction to Must-win battles (MWBs) by Killing & Malnight (2005). MWBs will be discussed because the model closely touches the cornerstones of the banks OCDP. Some practical examples of implementing the MWBs will also be presented. To finish the chapter a thorough introduction to the 4 Disciplines of Execution (4DX) will be given. The 4DX model is essential to this dissertation because the workshop, which will be held with the managers at the bank branch, will be based on this model.

3.2 Organizational change

Almost everyone who has been a part of an organization for a year or two, has experienced organizational change during their life. Before diving deeper into the discussion of change in organizations, let us first establish the concept of an organization. The Cambridge dictionary defines the organization as “a group of people who work together in an organized way for a shared purpose”. Brunning et al. (1997, p. 8) suggest, that the organization can be perceived in many ways. An employee from the human resources department sees it as an organization chart, number of employees and different job descriptions. An engineer can see it as a collection of machinery and equipment in need of maintenance and repair. An accountant sees it as profits, losses and balance sheets. A clinician thinks in terms of patient services and coping with multiple demands. Each view is valid but only gives a part of the whole picture. Environment, resources, history and strategies are the core elements of an organization and define the culture and behavior within the organization (Brunning et al. 1997, p.8).

In 1997 (Brunning et al. p. xi) it was stated that organizations are experiencing massive changes for prolonged periods of time, and that by the end of the millennium the surviving organizations will be forced to learn how to transform themselves continuously in order to adapt to their environment. This was the time when technology seriously started to transform the business environment with the help of the internet for example. However, Fossum and Crisp wrote already in 1989 (p. iii) that the US Patent Office had granted one million patents during the last fifteen years, compared to three million patents during the previous 175 years. According to them this represented a tremendous change in both organizational and personal lives and it was happening all around the world. Fossum and Crisp (1989, p. 1) continued by telling that businesses, industry and even homes have been affected by automation and computerization, and that a world community had truly begun to take form. They added that the rapid pace of change was forcing organizations to reevaluate their beliefs about the change process.

More recently it has been stated that innovation is an important partner of change and it is the wellspring of social and economic progress. Organizational change is defined as a difference in form, quality, or state in an organizational entity. It may be an individual’s jog, a work group, the overall organization or communities of organizations. Change can be determined by measuring the same entity at different points on a set of dimensions and comparing the differences in the dimensions over time. Change can be planned or unplanned, incremental or radical, and recurrent or unprecedented. The basic concept of organizational change requires a difference, at different temporal moments, between states of an organizational unit or system. (Poole et al. 2004, p.11-12)

3.3 Previous relevant research

This chapter aims at discovering and presenting the most central learnings of some of the previous research, done in the field of organizational change and changing organizational culture. This glance into relevant literature will give a picture of what characteristics should be emphasized and what has been seen functional when working with organizational change. This chapter will mostly concentrate on the learnings of three different works. The first of the books was chosen because it is claimed to be the first ever guide for transformation of organizations. The two latter, are more recent, and they also focus on finding out and giving practical advice for the execution of organizational change.

3.3.1 A socio-technical approach to transforming the organization

Closing in on the 21st century, Howard W. Oden had recognized the ever faster changing business environment, which was getting more complex. The change required of organizations were in his view so vast that transformation was a more suitable description than change. Therefore, he aimed to create the first practical guide for companies in their pursuit of effective and efficient transformation of organizations. Oden divides his work into four parts. (Oden 1999, p. IX)

In the first part Oden discusses the importance of different actions before the initiation of transformation. For example, the lack of necessary personnel and insufficient planning, both strategically and culturally, will mean that the transformation is doomed to failure before it has even started (Oden 1999, p. X). Since the goal is to thoroughly transform the organization, it is essential to construct a plan which helps to redesign both technical- and social structures. Another vital aspect is to plan how to use both employees and managers to promote the change initiative. This will help to get the necessary muscle behind the transformation. (Oden 1999, p. 89)

The second part is focused on the technological aspects and engineering every necessary piece of the puzzle to perfection. The main idea is to develop process maps for both the old and the new organization, to determine how processes should be improved. In this part, the importance of information technology (IT) is highly stressed (Oden 1999, p. XI). The move from a functional organization to a process organization is essential when technically redesigning the organization. The idea is to break through departmental boundaries, silos, and to manage across functional areas, rather than managing down the functional structure. This is the right way of making the organization focus on the customer rather than the interests of different functional areas. Employing a process organization and management, aimed solely at satisfying the customer, is the only way of becoming truly customer focused. (Oden 1999, p. 113)

Part three concentrates on the social and behavioral aspects of organizational redesign. It starts by designing a draft of the whole organization and then taking it into detail with the help of team workshops and networking. A vital part of the big picture is the planning of supporting human resource operations for the transformed organization (Oden 1999, p. X-XII). Social redesign is a much harder to do than technical redesign since people do not conform rigorously and reliably to norms and expectations. There are two different aspects to social redesign; tangible- and intangible outputs. Tangible outputs are something that need to be produced to support the new processes. It means that new positions must be invented and established, new organizational structures drawn up and training programs conducted. Reinforcing mechanisms, such as contracts and remuneration must also be put in place. The intangible aspects of social redesign are often called cultural change. New processes demand realignment of the values and attitudes of the people in the organization. It includes for example management of change resistance and enhancing commitment of the personnel. The intangible assets must also be backed up by constant monitoring and feedback activities. (Oden 1999, p. 203-204)

The last part is defined as the most difficult one, since it deals with integrating the improved processes into the existing operations. Problems in this phase range from technical to behavioral ones, with the latter being the more difficult ones (Oden 1999, p. X-XII). The meaning of integration is to form, coordinate, or blend components into a smoothly functioning unified whole, and thereby making the process as productive as possible.

Translated into a business context it means, the degree of alignment between strategy, work, people, structure and culture determines the organizations ability to compete and succeed. Oden sees three main elements that need to be aligned in the process of integrating the transformation; hardware, software and peopleware. The effectiveness of each element is dependent on how well it is meshed with the two other components. (Oden 1999, p. 309-310)

Oden (1999, p. 310) discusses thoroughly how better results can be achieved via more effective integration. He sees that integration during the transformation process can be divided into two primary types; cross-function- and cross-stage integration. Cross-function integration comprises work redesign, IT redesign, and social redesign. Improving how these major functions work together in the transformation process, helps to achieve optimum results. Cross-stage integration concentrates on improving the coordination of the change process across different stages of the process. Since transformation is usually a long process, it is usually wise to divide it into stages to ease manageability and performance. Oden also (1999, p. 90) offers an organizational chart to help preparations for transformation.

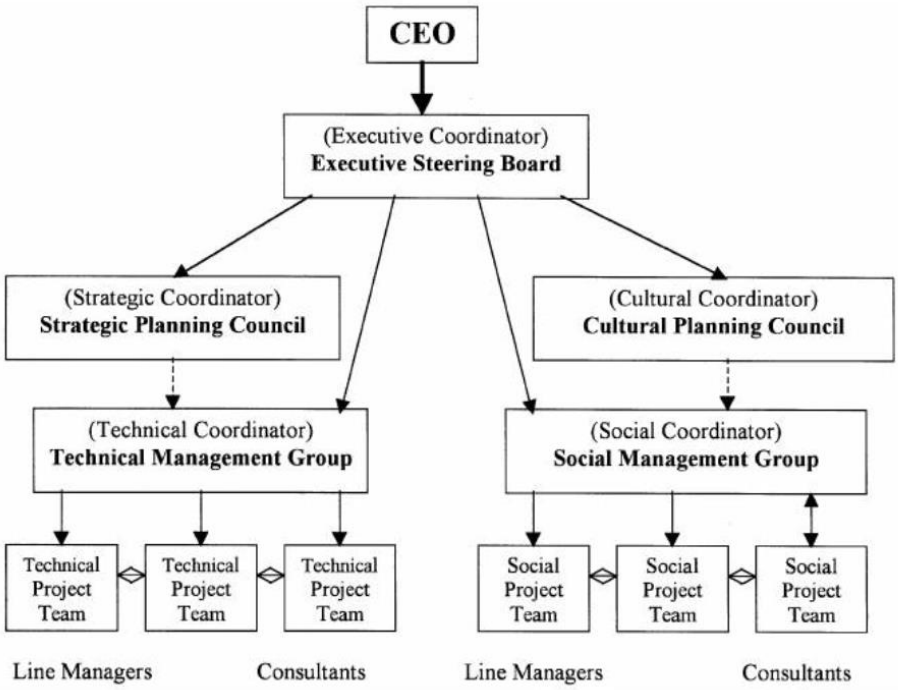

Figure 1. Organization for transformation. (Oden 1999, p. 90)

3.3.2 Cultural change and leadership in organizations

According to Jaap Boonstra, cultural change can be driven from inside a company, or by external pressures which are demanding it. He states that organizational culture reflects the values and purposes of an organization, therefore playing an important role in shaping the future of it. Successful cultural change is closely connected with strategical change and this book offers strategies, interventions and leadership advice to drive cultural change in organizations. The strategies and interventions can be used as methodology for cultural change in practice. (Boonstra 2013, p. 1)

Boonstra stresses that people in organizations create a common reality together, which helps them give meaning to events and with which they define their own truth. That truth will then guide their behavior and therefore define the culture of the organization. At the end of the day, it is about how employees perform their work and what customers and other groups in the business environment notice about that. Organizational culture influences the business idea of organizations because it comprehends social meaning, customer value, unique competences and specific strengths of an organization. Cultural change can sometimes be mistaken as the goal itself, but the need for change originates from future ambitions such as surviving crisis situations, international expansion, reinventing business propositions or maximizing customer value. Companies do not use the words "cultural change" of their change processes. The process must be continuous and it usually takes several years. Boonstra writes; "People who work successfully on cultural change do not call it cultural change". (Boonstra 2013, p. 300-301)

According to Jaap Boonstra, cultural change requires forming a group of people who are willing to stick their necks out for a mutual vision of the future. He lays out ten success factors that need to be fulfilled in order to change organizations. The factors are:

- Initiate profound change with a vital coalition which takes the lead
- Appreciate past success and value the strengths of the organization
- Create trust through dialogue with business partners, customers and employees
- Develop the business idea and envision a desirable future
- Balance between existing identity and breakthrough innovation

- Deliberate and discuss the change strategies and roles in the change process
- Engage management, employees and customers in the change process
- Invest in professional development and learning
- Monitor the change process continuously to adjust when necessary
- Visualize results and contributions to the business idea and share success stories

(Boonstra 2013, p. 302)

People who take initiative, question existing patterns and stick their neck out, are the leaders in cultural change. Taking leadership is a sign of engagement to the change and it is possible to lead change from any position in the organization, because change is not always driven by managers, even though it is much easier with support from the management. Leaders concentrate on possibilities, rather than problems, and work on making cultural values concrete in behavior, therefore being role models for co-workers. Authentic leaders are conscious of their environment, which helps them to sense what people allow themselves to be controlled by. This helps them to direct the energy of the people in the organization towards the future. Meaningful leaders step forward during crisis, they are explicit about what they think is valuable and what they do not want. They are able to paint an attractive image of the future, tell captivating stories and thereby inspire employees to participate in change. Transformational leaders have a deep understanding of the fundamental values in our society and they are curious, explorative and have broad interests. They are capable of detecting connections between widely varying developments and know how to put tensions to use for renewal. (Boonstra 2013, p. 304-305)

To ensure continuous change, leaders usually use interactive interventions. It is a method, which also allows to stimulate people to develop a shared vision and undertake communal action to bring about renewal. Anyone in the organization can lead interactive interventions. Meaningful interventions are also often used in cultural change. Meaningful interventions assume that people who work together give mutually a meaning to the reality they live in. Structural and instrumental interventions affect structures, systems and work practices, thereby changing the context in which people work in. Learning interventions invite people to experiment with renewal and to learn from that. They are always connected to interactive and meaningful interventions. Conflict interventions are used to create space for renewal or pay attention to emotions. Power interventions are often used by top managers in businesses that are under pressure or in crisis with the intention of breaking through old working patterns, thus creating space for renewal. They go together with interactive, meaningful and structural interventions, but rarely with learning interventions. (Boonstra 2013, p. 305-307)

Eight routes, or ways of intervention, for cultural change can be distinguished and all of them affect just about everything in the organizations; the strategy, structures and systems, and the culture. When leaders build their change strategy, they always choose a mix of different approaches for change and specific interventions to fit issue and the context of change. The initiators of change are people within the organization who demonstrate leadership by taking initiative. Change leaders are often managers but they can also be common employees without hierarchical power. (Boonstra 2013, p. 307-308)

3.3.3 Strategies and tools for leading change in an organization

Since leadership and change is such a broad topic, Louis Carter and his co-authors divide change leadership into four phases in the book "The Change Champions Field Guide" (2013, p. xxxiii). The phases are prelaunch, launch, post-launch and sustainment.

3.3.3.1 Prelaunch

The prelaunch phase is the most comprehensive. It includes self-examination, examination of external environment, establishing a need for change, and a vision and direction for the future. Within self-examination there are three major themes; self-awareness, motives and values. (Carter et al. 2013, p. xxxiii-xxxvi)

When thinking about self-awareness it is firstly imperative to have *tolerance for ambiguity*, since change rarely goes as planned and can be chaotic at times, therefore it is important to tolerate unpredicted events. To be able to *control* change efforts, the leader must have a strong will to make a difference. Some degree of emotional intelligence is vital for a change leader, because there will most certainly be recipients with *feelings and emotions* of resistance during the change journey. Some knowledge of *understanding personality* is important so that the leader can treat co-workers without major personality clashes. Being decisive when *making decisions* is imperative since change needs a clear direction. With motives it is vital to concentrate on what motivates us specifically in leading change? It can be an above-average need of power, ambition or a sense of achievement, but wanting to make a difference is still most fundamental at the end of the day. Values are another deal breaker. If the leader's values do not match with the values of the organization, followers will undoubtedly detect a lack of commitment in the change leader and change will fail. (Carter et al. 2013, p. xxxiii-xxxv)

Forces in the external environment of an organization are the marketplace with its customers, competitors and trends. Other external forces can be the availability of resources, view of stakeholders and changing technology. The assessment of the environment helps when deciding the actual need for change. External forces should be the primary drivers in of change of organizations. (Carter et al. 2013, p. xxxv)

Establishing the need for change is an extremely crucial part of the prelaunch of change. If most of the members in an organization cannot see any need for change, change will probably not happen. It is up to the change leader to clearly show evidence that the current way of working is destructive and communicate clearly that change is inevitable and urgent. However, establishing a need for change is not enough, because nothing will change if there is not a new vision of the future, which the members in an organization can follow. (Carter et al. 2013, p. xxxv)

The establishment of a vision for the future for an organization is often done best by telling a story. The vision is usually tightly linked with the aspired identity of an organization, which communicates qualities it stands for and how it wants to be known. The prelaunch phase starts with self-examination of the change leader, continued by analyzing the external environment, leading to establishing a need for change, to end with a new vision, which is communicated clearly with a sense of urgency. (Carter et al. 2013, p. xxxvi)

3.3.3.2 Launch

The launch of a change effort is basically done by communicating a need for change by making a clear distinction between the present and future aspirations. The launch and the way it will be communicated, has carefully been planned in the prelaunch phase. The person who communicates the launch and the need for change does not have to be a CEO or any top executive. It can be anyone from the organization, provided that the person is widely respected and thought of as trustworthy. The content of the message can also differ a lot between different kinds of organizations, it is merely a question of finding the right fit for the existing culture. (Carter et al. 2013, p. xxxvi-xxxvii)

One of the most important task of the change leader is to deal with resistance and to detect the difference between resistance and ambivalence. A change leader must be careful not to create a confrontational setting against the resisters, because resistance is still much better than apathy. Resistance has energy which can be redirected in the desired direction with delicate diplomacy and understanding of different opinions. Resistance can even strengthen the change initiative in many situations. (Carter et al. 2013, p. xxxvii)

3.3.3.3 Post-launch

With the advancement of the change effort, the chances of something going wrong also grows. Feeling of things being out of control are common amongst change recipients. At this point the change leader must keep a clear focus on where the change is headed and be patient, because creative solutions can be invented in the middle of hopelessness. There are five things that can be seen extremely important concerning the post-launch stage; multiple leverage, being able to take the heat, being consistent, perseverance and repeating the message. Multiple leverage is needed because one single initiative is not enough for most organizations. Change leaders must be able to take the heat since they are the first ones under attack when the change process is not evolving according to plan. Consistency is an utterly important quality for change leaders since they will undergo strict scrutiny during the change effort and their actions must match their sermons. Large-scale change efforts last usually several years which require profound perseverance from its leaders. Repeating the message is vital because recipients need to be reminded of new things and when they hear it enough they start believing it. (Carter et al. 2013, p. xxxvii-xxxviii)

3.3.3.4 Sustaining the change

The final phase is the most challenging one. Unanticipated consequences, momentum, choosing successors and new initiatives, are four important factors to take into consideration when keeping future goals in sight and maintaining change. The likelihood of unanticipated consequences is high when dealing with organizational change. One single meaningful event that has gone wrong can derail the change effort quickly, and in these situations, it is vital for the change leader to get the problem instantly fixed. Otherwise important momentum will be lost. (Carter et al. 2013, p. xxxviii)

Momentum is hard to maintain since organizations tend to seek for balance, which is the biggest threat of change. Being off balance means that the organization is forced to continuously find new ways to do things. Celebrating milestones, launching new initiatives and rewarding people who actively support the change effort, will help to keep momentum going. (Carter et al. 2013, p. xxxviii)

By choosing the wrong successors, a change leader can jeopardize all the progress that has been accomplished. The safest bet is to choose someone within the organization who has been a key player in the change process and who is therefore known throughout the organization. The need of choosing a successor can present itself faster than expected since the work of a change leader can be extremely strenuous. (Carter et al. 2013, p. xxxviii-xxxix)

Continuing too long with the same initiative can easily diminish the benefits of change efforts. Launching new initiatives is usually beneficial for maintaining momentum in the big picture. Some examples of new initiatives are launching a new product line, establishing new alliances or even acquiring competitors. It is vital to remember that making a plan of the different phases in a change effort is very easy, compared to actually making the change. (Carter et al. 2013, p. xxxix)

3.3.4 Common central topics of previous research

The three works under scrutiny in this chapter have four different detectable similarities. Both Oden (1999, p. 89) and Boonstra (2012, p. 304-305) suggest that anyone in an organization can be a change leader. Having managers as change leaders is usually easier, but basically anyone with credibility and passion can be a leader. Another point that seems to be common with both Carter et al. (2013, p. xxxvi) and Boonstra (2012, p. 302) is that those who are leading the change must be able paint a desirable image of the future. Giving a vision of the future is vital so that people get an understanding of why they must change. Carter et al. (2013, p. xxxviii) and Boonstra (2012, p. 302) also agree on the importance of consistency and repeating the message. Being consistent helps at keeping the organization focused on the task at hand. The last common point is shared by Oden (1999, p. 204) and Carter et al. (2013, p. xxxvii). It is the importance of handling change resistance in a way that benefits the change effort the most. Carter et al. (2013, p. xxxvii) argue, that resistance has energy which can be redirected in the desired direction with delicate diplomacy and understanding of different opinions, thereby strengthening the change initiative.

3.4 Must-win battles

What is the definition of Must-win battles (MWBs)? MWBs are 3-5 issues that must be taken care of before the organization can reach its key objectives. Most decision makers agree that a short list of battles is a good thing. The difficulty is to reach consensus of which things to prioritize. A list of more than five priorities is certainly going to end in failure and nothing will ever change, because resources and attention will not be sufficient for every target. The five main characteristics of a good MWB are mentioned below. (Killing & Malnight 2005, p.3-7)

1. **The ability to make a real difference**. A relevant MWB has to make a huge difference if achieved. It will have to impact the organization as a whole, not just one part of it, and thereby help achieve its overall objectives. Therefore, it is also vital for everyone involved to agree and be passionate about the mutual objectives that the organization is reaching for.

2. **Being market focused**. Do not create MWBs that aim for winning internal battles and are more about soothing managers egos than making profitable business. Concentrate on creating MWBs that are focused on battling opponents in the marketplace than fighting internal battles. If five MWBs are chosen, then one of them can be about an internal battle if necessary.
3. **Creating excitement**. The ideal MWB should create excitement and demand collective efforts within the organization. It can be a challenge which has previously been seen impossible. This will create excitement get people to pull on the same end of the rope. If the MWB is not seen as meaningful and possible to achieve by the majority in the organization the battle will most likely be lost. Some MWBs can be defensive and others offensive. The defensive ones are used when trying to avoid difficult or even catastrophic situations. Offensive MWBs are those that aim to create something totally new or move into new markets for example. Both defensive and offensive battles can be highly motivating and depend on the predominant circumstances.
4. **Being specific and tangible.** An MWB needs to be tangible and specific so it can be measured. If it seems difficult to create specific targets and actions to win a battle, then the MWB is probably not sufficiently specific. It is important not to give too long timeframes for achieving MWBs because then the needed efforts are likely to lose energy and be displaced by "more urgent" matters. Both company and industry conditions should have a clear effect on the time to victory for MWBs.
5. **Being winnable.** There is usually a fine line between winnable, exciting battles and those that are impossible. One common reason for the creation of unwinnable MWBs is the fact that managers do not take into account the changes in the marketplace when competitors react to the initiatives caused by the MWBs. It is quite apparent that the market usually reacts to changes that are made and that is why the false assumption of a "frozen market" must be acknowledged and avoided. (Killing & Malnight 2005, p.4-8)

3.4.1 The MWB Journey

Before starting with the creation of MWBs the leader first needs to assemble a team and invite them to a kick-off event. It is also relevant to have a clear view of what the actual problem is. Usually top managers feel the need for a stronger approach to change when the organization is drowning in too many conflicting priorities and initiatives. Another common problem is that the managing teams are not functional because they are full of individuals trying to enforce their own agenda. (Killing & Malnight 2005, p.8-9)

This is where the MWB journey begins. The journey consists of two simultaneously ongoing processes; the management group becoming a genuinely functional team and the identification, battling and completing of MWBs. Since the marketplace and organizational objectives change, new MWBs will regularly arise. The management group will most certainly also change over time. Therefore, the shared agenda needs to be strongly embedded in the core of the team so that newcomers will effectively be drawn into the journey. The journey is divided into two phases. In the Phase One the top managers will be gathered to a remote location out of touch with the normal work environment for a kick-off event. At this event the starting conditions will be assessed, MWBs will be decided and all participants agreed to commit to the same agenda. In Phase Two the whole organization will have to be motivated to lured on board and mobilized to win the MWBs chosen in phase one. Phase two can last several years consisting of keeping the whole organization aligned and maintaining momentum to keep changing. It is important to acknowledge that both Phases involve both an emotional, and an intellectual aspect. (Killing & Malnight 2005, p.10)

3.4.2 MWB Journey – Phase One

What should be achieved during the kickoff event in Phase One are seven key outcomes:

1. **A shared understanding of the challenges the organization is facing and the options available for proceeding.** The kick-off should promote openness and stress the importance of getting everyone on the same page. Key is to help managers break through organizational silos and appreciate each other’s opinions.

2. **An agreed list of 3-5 MWBs.** The critical battles that will need to be won during the upcoming one or two years.
3. **A committed team for each MWB.** Assigned team leaders for every MWB who will take ownership of the battle in question.
4. **A high-level action plan for each MWB.** A more detailed plan will be created when additional team members have been selected by the team leader.
5. **New ways of working together.** The group will commit to a broader agenda which should lead to permanent change in ways of working together.
6. **Individual commitments of top managers.** Everyone will individually commit to changing personal habits and take actions that will support successful completion of the MWBs, support group behavior and help to keep each other accountable for their actions.
7. **An initial assessment of the starting conditions for engaging the organization.** Before returning home, the managers need to think of possible reactions to the MWBs within the organization and how the effectively engage them in the process**.** (Killing & Malnight 2005, p.18-19)

3.4.3 MWB Journey – Phase Two

Phase Two was about engaging the whole organization. That starts with communicating to a group of key people what the managers have gone through, why they have done it and what will follow. Here it is also important to talk about both the emotional and the intellectual side of things. The group of top managers should appear for the whole organization as a committed team with a common agenda and make it clear for everyone that this in fact is a turning point for the whole organization. It is also vital to prepare for the hazard of being swamped with “real” work when the managers get back to the office after the kick-off.

The next step is to start embedding the message of the MWBs to the core of the organization to make it the priority and center of attention. To be successful with this, channels of communication will have to be established throughout the organization. These channels will be used during the change process over and over again so that momentum will not be lost. Simultaneously the MWB teams will need to be reinforced preferably with people across different silos to maintain openness in communication. One of the most important aspects is to ensure the teams have enough time and opportunities to get together and work without being constantly interrupted with daily tasks of running the business.

No company can win its battles without having a broad support within the organization to the new agenda. It is very important to have realistic anticipations of how the agenda is welcomed by the broad audience so that necessary preparations can be made. This will be of significance when the new message is cascaded through different units in the organization. To keep the momentum going it is vital to start monitoring the MWB progress both within hard and soft targets within the first six months of the process so that adjustments can be made instantly if change efforts are derailed. Regular encouragements are important and perhaps even some changes in personnel if things are not moving forward as desired. When the process is well underway it will be necessary to declare victories as soon as targets are reached and come up with new MWBs so that the progress will not dissipate.

3.4.4 Practical implementation of MWBs

One very successful example of using the MWB model is Kone, a Finnish elevator manufacturer, where Matti Alahuhta started as CEO in 2005 and spent nine years with the company (Alahuhta 2016 p.30). During that time, Kone went from being an underdog with a three percent market share to number one in the booming Chinese market in 2012 (Alahuhta 2016 p.85), and nearly became the world leader in installations of new elevators and escalators in 2013 (Alahuhta 2016 p. 71).

When Alahuhta started at Kone the company's operating profit had declined to 8 percent and its market share was standing still at 9 percent globally. This also meant that the company was continuously losing ground to the market leader Otis. To kickstart change the new CEO spent his first two months traveling around the world getting know his staff and looking for people who were eager to make a difference. The next step was to invite 25 top managers and a few enthusiastic younger employees to Finland for a one-week workshop. During that week Alahuhta and company came up with the first five MWBs of Kone for the years 2005-2007.

In a company of 27000 employees it is not possible to make organizational change just by making the board enthusiastic. Therefore, the next step was to organize workshops where approximately three percent of the company's total workforce were invited. The workshops were held in Helsinki, Chicago, Hongkong and Brussels, with the agenda of selling the MWBs to middle management and other key personnel. The second major move towards involving all employees to the change process, was to build up a network of more than a hundred facilitators, or change agents, throughout the whole organization. The change agents were given the task of ensuring that all team managers familiarized their teams to the MWBs and to keep a monthly log of the information flow. The third important measure was an email that Alahuhta himself sent to the whole company every second month, reminding everyone of the MWBs and giving updates on progress. This was a way of making sure that everyone knew that change was constant, progress was made and everyone including top management were engaged. Internal newsletters and the intranet also offered news and reminders of all progress that had been achieved (Alahuhta 2015, p.33-38)

From the very start of the change process, Alahuhta kept both employee- and customer satisfaction as the most important priorities and according to him, the direction in which they are evolving is more relevant than the current reading they give. The customers satisfaction point was in part accomplished by reorganizing the board and the organizational hierarchy so that several of board members had continuous contact with managers who dealt with customers. Next up was the renewal of Kone's process architecture. The company's processes were divided into customer-, delivery-, service-, solution development- and leadership & support processes. At the end of his first year with Kone Alahuhta charged on to create new values for the company. The new values became to be Delighting the Customer, Energy for Renewal, Passion for Performance and Winning Together. (Alahuhta 2015, 39-44)

What is essential with all the changes and new processes that Kone went through, were that they all supported the MWBs that had been decided first. All MWBs and processes in the new architecture had one responsible manager who reported directly to the CEO. This is extremely essential, according to Alahuhta. Originally the MWBs were decided by thirty key persons in the company but the following workshops were held with approximately one hundred employees to ensure diversity and to avoid being narrow minded.

The greater mass of employees can only be persuaded by making them participate in the change process. In Alahuhtas words; “Managers must constantly remember that the whole staff needs to be involved in the change process. Top managers can be very excited, but that will serve to nothing if everyone is not actively involved.” (Alahuhta 2015, p. 45-48) All the changes made during Alahuhtas first year spurred Kone towards an unprecedented 46 consecutive quarters of growth. (Bhose 2017)

3.4.5 MWBs of the OCDP

The bank which provides the surroundings for this research has a set of MWBs created for the OCDP. The MWBs are a result of a workshop with key people of the bank, as instructed by Peter Killing and Thomas Malnight (2005, p.10). The MWBs are the cornerstones, which were previously presented in chapter two. The main idea with the MWBs are the development of customer experience and -satisfaction, which is measured with the help of the Net Promoter Score (NPS). As of April 2018 the bank has updated its MWBs and the new ones are listed below.

1. **Common work procedures ensure the best employee experience.**
   - I know my own role on our way towards a common goal
   - I have confidence in my colleagues and I am also trustworthy myself
   - I am open to change
   - I value both my own expertise and the expertise of my colleagues

2. **By recognizing the customer’s need and committing to it, I secure the best customer experience.**
   - I truly listen to the customers and their needs, and use all my expertise to help them find the best solution

- I am committed to using the commonly elected tools and rules to ensure a seamless customer experience
- I am organized and systematic in the use of my daily working hours
- I am committed to take responsibility for every customer promise I, or my colleagues, have made

3. **Partnerships are the key to future success.**
   - I know all our partners and I understand the purpose of the partnership
   - I recognize the situations where customers could draw benefit of the partnership and I know what the benefits are

3.5 The 4 Disciplines of Execution

Business literature has over the years presented an unlimited number of models for building new strategies and making organizational change. However, the number of models for implementing strategies is very modest. The 4 Disciplines of Execution (4DX) is one of the few implementation models that has proven to be very effective. According to McChesney et al. there are two different kinds of initiatives; those that can be fixed by with a stroke of the pen, and those that crave behavioral change. The latter is obviously the more difficult one. A survey by Bain & Company, a management consulting firm, shows that 65% of new initiatives demand behavioral change of front-line employees. When McChesney and his co-authors investigated why most initiatives fail the main reasons were that people did not know what the goals were, they were not committed to them, they did not know what was expected from them, and they were not held accountable for it. However, the most fundamental reasons for failure of execution are the daily routines and tasks. (2012, p. 4-6)

3.5.1 The Whirlwind

The daily routines and tasks, e.g. the things that are necessary to keep the day-to-day operations going, are called the *whirlwind* by the inventors of the 4DX model. It is usually the “real work” that ironically keeps leaders from executing new strategies. Leaders have regularly difficulties to differentiate the whirlwind and new strategic goals because both are necessary for the organization. They both compete for the same time, energy and attention, and unfortunately the more urgent whirlwind of daily tasks will usually win the competition, leaving the new initiatives unattended. Being aware of this struggle between important new change initiatives and the urgent daily tasks, helps to differentiate them and be more effective. (McChesney et al. 2012, p. 6-7)

Figure 2. The clash between the whirlwind and new goals. (McChesney et al. 2012, p. 7)

When urgency and importance clash, urgency will win the battle almost every time. Most people have come across change initiatives in working life, and those who have, have most likely also witnessed the death of an initiative. When one thinks about the death of an initiative, it probably happened quietly without ceremonies. It withered out in silence, suffocated by the urgency of the whirlwind. Being able to execute under distraction from the whirlwind, and the predominant rules and traditions of the workplace is a handful. Regardless of the distraction that the whirlwind brings, it is still essential for the organization. It is the lifeline of today, without which the organization would die today. The challenge is to find the balance between the urgency of today, and the importance of tomorrow. (McChesney et al. 2012, p. 7-8)

Basically, leaders must do everything in their power to ease the daily whirlwind that their employees are battling, to give the strategic initiatives a fighting chance to survive. The following 4DX will give a straight forward model of fighting the whirlwind, and executing change in the midst of it. (McChesney et al. 2012, p. 8-9)

3.5.2 Discipline 1: Focus on the Wildly Important

Execution starts with focus. The first discipline forces you to narrow down the number of goals to one or two goals that you really think will make a difference at the end of the day. A team that focuses on a couple of goals has a good chance of achieving both, but a team that tries to accomplish ten goals will maybe achieve only one. This means that fewer goals usually translates to better results, because people can give their best effort to 2-3 goals instead of a mediocre effort to ten goals. (McChesney et al. 2012, p. 23-25)

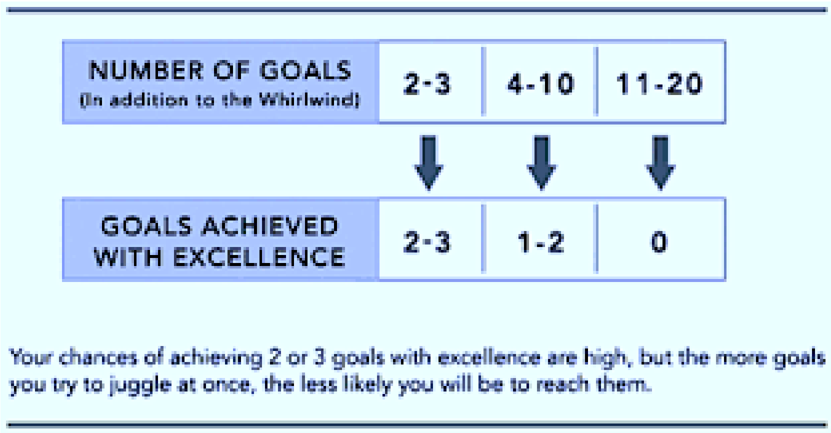

Figure 3. Loss of focus with too many goals. (McChesney et al. 2012, p. 25)

The underlying idea with Discipline 1 is that humans are genetically built to do one thing at a time with excellence. Multitasking can be used for many occasions when the end result does not necessarily have to be one hundred percent, but while working with the wildly important goals, it is preferable to give it the best possible effort. According to Earl Miller, a neuroscientist at MIT, the brains processing capacity can be overloaded already by two simultaneous tasks. Speaking on the phone and writing an email uses the same part of the brain, thus slowing down both tasks. (McChesney et al. 2012, p. 25-26)

Leaders must constantly battle with the fact that there will always be more good ideas than there is capacity to execute. This means that the greatest challenge for a leader usually is to say no to many good ideas and even some great ones. Usually the ideas also pop up one at a time, which means it is impossible to compare them before choosing the right ones. Once a leader understands the importance of saying no, the first common trap is avoided. The second common trap is to try and turn everything in the whirlwind to a wildly important goal (WIG). A good example of success by concentrating on one single goal is the Apple iPhone. Apple basically has only one phone model, when most of their competitors have dozens of different models. Apple has put all their effort in making one exceptional phone instead of a dozen quite good phones, and that has been the key to their success. (McChesney et al. 2012, p. 26-31)

What is the right way to choose WIGs then? It must be something that can make the biggest possible difference and really make an impact in the future. For example, if a company has several different product lines, which one or two of them has the biggest growth potential in the future, considering megatrends, technological development etcetera. Whether the WIG comes from the whirlwind or outside it, the real aim is not only to achieve the goal, but to make it a part of the day-to-day tasks or practices. A vital thing to remember is also that the whirlwind will continue to take up 80% of the working time and the remaining 20% can be used on the WIGs. Finally, once the WIGs have been chosen, below are the four rules which will help to get the whole organization focused on them. (McChesney et al. 2012, p. 31-34)

1. **No team focuses on more than two WIGs at a time**

   When an organization is deeply committed to the 4DX there might be a hundred different WIGs throughout the organization. The trick is to not burden any single leader, team or employee with more than two at a time. (McChesney et al. 2012, p. 35)

2. **The chosen battles must help to win the war**

   The WIGs on lower levels in the organization must ensure the success of the higher-level WIGs. Once the top-level WIG is chosen, the next step is to determine which lower level battles must be won to achieve the top-level WIG. (McChesney et al. 2012, p. 35-36)

3. **Senior leaders can veto, but not dictate**

   The top executives must decide on the top-level WIGs, but they must let the lower level WIGs to be chosen by the managers or employees themselves. This creates a deeper sense of involvement and ownership, which is vital. Without involvement it is impossible to get the people committed. (McChesney et al. 2012, p. 36)

4. **All WIGs must have a clear starting point, finish line and deadline**
   Every WIG must be clearly measurable. The time frame can be a few months or two years, depending on the goal and the organization. (McChesney et al. 2012, p. 37-38)

3.5.3 Discipline 2: Act on the Lead Measures

This is the discipline of leverage, which means that it is imperative to find out the actions that have the biggest impact when reaching for a goal. Whatever the goals are, the progress and success will be based whether the concentration is on the lag- or the lead measures. (McChesney et al. 2012, p. 11)

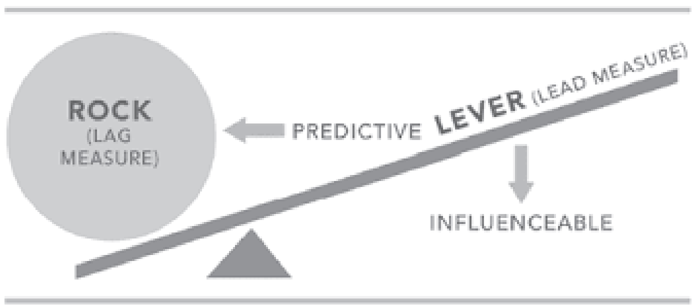

Figure 4. The relation of lag- and lead measures. (McChesney et al. 2012, p. 53)

Lag measures are the ones that keep track on past performance. For example, revenue, profit and customer satisfaction are lag measures and when the information is received it cannot be fixed anymore. It is history. Lead measures, however, will measure behavior and actions that effect the end result, e.g. the lag measures. Good lead measures have two basic characteristics; they predict successful pursuit of the goal, and they can be influenced by the team members. In the example of losing weight, lost kilograms are lag measures. An intake limit of calories per day, and a certain amount of exercise per week are lead measures. (McChesney et al. 2012, p. 11-12)

Acting on the lead measures is the secret of execution that most leaders are oblivious about and therefore ignore. Even the most experienced leaders fall easily into the trap of focusing solely on the lag measures because lead measures seem counterintuitive. Lag measures are of course the ones that are ultimately most important, but concentrating on lead measures is essential to be able to accomplish desired lag measures. (McChesney et al. 2012, p. 12)

3.5.4 Discipline 3: Keep a Compelling Scoreboard

People play with another kind of intensity when score is being kept. This allegation can be to basically any activity and it usually is correct. Who is keeping score also has an influence on behavior. This means that results are worse when a team leader is keeping score and better when the team members are scoring themselves. Bowling through a curtain can be fun for little while but interest will soon fade away if people cannot see the pins fall. The best performance comes from people who are emotionally engaged and the best engagement is achieved by keeping score. The third Discipline is therefore about getting people engaged with change. (McChesney et al. 2012, p. 12)

After the first two Disciplines the basic elements for reaching the goal are in place. To be able to get everyone engaged a compelling scoreboard must be established. The most compelling scoreboard has to be designed solely for the team members whose activities are being tracked and this often means that the team itself also has to design the scoreboard. The keyword is “simple”. Team members must be able to tell with a blink of an eye whether they are winning or losing, otherwise the scoreboard will be abandoned in the whirlwind. If the scoreboard is not clear enough and the team does not know whether they are winning or losing, they probably are losing. The following characteristics should be taken into consideration when designing the scoreboard. (McChesney et al. 2012, p. 12-13)

1. **Is it simple?**
   Let us use the scoreboard of an American football game as an example. The scoreboard shows only six pieces of data. However, the coach on the sideline is keeping

track of several dozens of different data. The scoreboard tells only the information that is necessary for the players to play the game. (McChesney et al. 2012, p. 70)

2. **Is it easy to see?**
   The scoreboard must be easily visible to the team because it is constantly competing with the whirlwind. Without visibility the WIGs and lead measures will soon be forgotten. Visibility also drives accountability since everyone can see how the competition is doing. If the team is not working in the same location the scoreboard should be in digital form and remotely updatable by everyone. (McChesney et al. 2012, p. 70-71)

3. **Are the lead- and lag measures shown?**
   The lead- and lag measures help the scoreboard really become alive. When both measures are shown the team can easily see the correlation between their actions and the outcome. This will dramatically affect the level of engagement, which will further enhance results. (McChesney et al. 2012, p. 71)

4. **Is it easy to read?**
   One must be able to see within five seconds if they are winning or losing. If a team member is forced to start interpreting the scoreboard it is no longer a game, it is just data. (McChesney et al. 2012, p. 71)

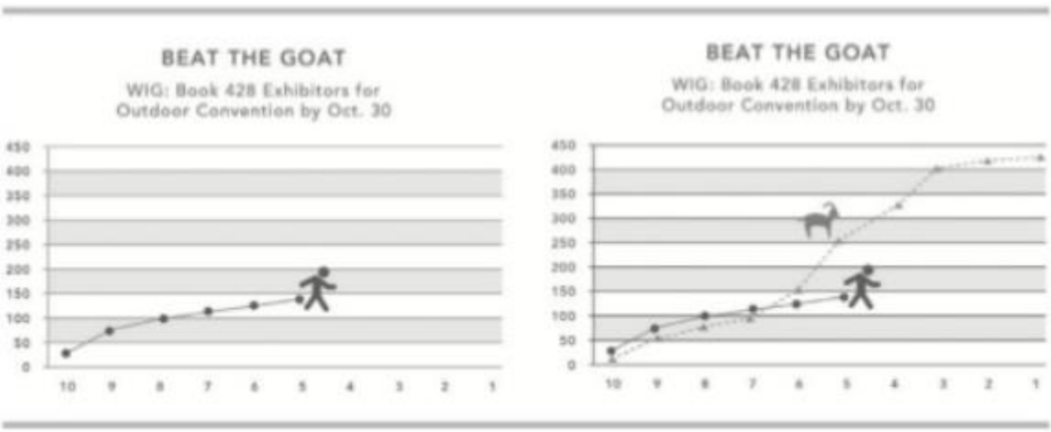

Figure 5. Simplicity is key. (McChesney et al. 2012, p. 72)

3.5.5 Discipline 4: Create a Cadence of Accountability

The last Discipline is where execution really happens because if team members do not hold each other accountable the goal will disappear in the whirlwind. Cadence of accountability means regular follow up on progress that has been made to reach a common WIG. The follow up meeting are preferably held on a weekly basis and last no more than approximately twenty minutes. A short meeting is enough for team members to hold each other accountable for producing results amid the whirlwind. Every member reports what they have done to achieve the common goal.

The most vital aspect to Discipline 4 is that the team members create their own commitments, thus taking ownership of and being more committed to the agenda. When commitment is at its best the results start piling up, and the team can see that they are winning, which will help them perform even better. Below the steps of accountability. (McChesney et al. 2012, p. 13-14)

Figure 6. The cycle of accountability. (McChesney et al. 2012, p. 83)

4 METHODS

4.1 Introduction

The research part of this study will consist of two different parts which complement each other and together will produce the best possible results. Firstly, a survey with chosen participants will be conducted at the bank branch by using a semi-structured questionnaire with open questions. The purpose of the questionnaire is to give an understanding of how employees at the branch perceive the OCDP and its goals. A starting point for the research in a way. The received information will be searched for similarities and main characteristics, which will be considered in the second part. Secondly, the findings from the survey will be used as a base for the following action research, which will be conducted in the form of a workshop. The managers at the branch will be the participants of the workshop and their goal will be to develop an execution plan for implementation of the OCDP at the branch in question. The execution plan will be built upon the 4DX model by Chris McChesney, Sean Covey and Jim Huling (2013), which has been chosen because of its proximity to practice.

4.2 Action research

Action research is very different from most research methods and from all that people commonly understand as research. It is an altogether exceptional form of research. As Eileen Ferrance (2000, p. 2) says, action research is not a library project where one tries to find all available information on a topic, with the aim of finding the correct answer. The method is often associated with smaller research projects that are very close to practice (Denscombe 2010, p. 125). According to Brydon-Miller et al. (2003, p. 11), the history of action research is complex since it is not a single academic discipline, but an approach that has emerged over time as a mix of different research fields. They say it is also a work in progress and there are still many unanswered questions concerning it.

The origins of action research can be traced back to the work of social scientists in the late 1940s who advocated closer ties between social theory and the solving of immediate social problems (Denscombe 2010, p.125). Action research perspectives can, according to Brydon-Miller et al. (2003, p. 11), be found in the early labor-organizing traditions both in the US and Europe, in the Catholic action movement and in liberation theology. McFarland and Stansell (See Ferrance 2000, p. 8) have noticed however, that action research was attacked in the mid-1950s as unscientific work of amateurs that did not give anything more than common sense. By the 1970s action research emerged to the scene again when education practitioners started questioning the applicability of scientific research designs and methodologies to solve educational issues.

It has been established that action research involves people working together to improve their skills, techniques, and strategies. It is not about learning why we do things, but rather how we can do things better (Ferrance 2000, p. 3). The aforementioned, are the exact reasons why action research was chosen as method when the goal of this thesis is to find out what the employees and managers at the chosen branch could do differently, in order to enhance their performance and optimize the development of the OCDP.

4.3 Setting

The setting for the research is one branch of a commercial bank in Finland and more precisely its most important branch office located in Helsinki. The branch has approximately thirty employees. Employees are divided into four groups; mortgage specialists, investment specialists, daily banking advisors and managers. There are twelve mortgage specialists, six investment specialists, approximately seven daily banking advisors and five managers. The branch is very centrally located and attends to a wide variety of banking needs and all sorts of personal customers daily. Customers range from normal households to wealthy investors, and everything in between.

4.4 Participants

4.4.1 The survey

The survey has the aim of acquiring the opinions from half of each employee group, except for the mortgage team. Since the mortgage team is the biggest of the four employee groups, two additional participants were chosen amongst them. The participants are chosen in a way that maximizes the diversity of the group both age- and gender wise. However, women under the age of thirty-five still make up forty percent of all participants since they are the biggest demographic group at the branch. One third of the participants are men. The survey will be sent to fifteen employees with the aim of covering the fifty percent of the employees.

4.4.2 The workshop

The participants in the workshop are a minimum of three out of the four managers at the branch. The mortgage, investment and daily banking teams all have one manager. The fourth manager is a branch manager and he is the supervisor for all the other managers. All the managers are born within one decade so they are a quite homogenous group consisting only of men. Three of them have a master's degree and one has a bachelor's degree. The author of the thesis will also participate in the workshop to some extent since he is currently one of the change agents of the OCDP. He will mostly, however, be a facilitator and give assistance concerning the theoretical aspects and the framework of the workshop.

4.5 Materials

4.5.1 The survey

The survey is conducted with a two-paged anonymous form, distributed via e-mail or on paper to the participants at the branch, and returned on paper to an envelope. The survey consists of five questions that are listed below.

1. What are your first thoughts when you hear the term OCDP?
2. What is the goal of the OCDP?
3. How have the MWBs of the OCDP practically affected your daily work?
4. How has progress of the OCDP been tracked and how have you been informed of the progress that has been made?
5. How would you describe your own commitment to the OCDP and why?

4.5.2 The workshop

The participants of the workshop will receive an information package, 2-3 working days before the workshop and with one weekend in between. The package will provide participants with the results of the survey, and thereby allow them to assimilate information about the current status of the OCDP. Participants will also receive basic information of the theory including main points of building MWBs and the 4DX. This allows the managers to familiarize themselves with the topic before the workshop and hopefully enhance their understanding of the topic and translate into better performance.

4.6 Construction of the workshop

The workshop will start with a PowerPoint-presentation consisting of a summary of the thesis. The summary will be followed by deeper insight into the theory of MWBs and the 4DX. After the theory part the workshop is divided into three topics; mortgage, investment and daily banking. The managers are given one hour for each topic and the hour will further be divided into four quarters. Basically, the group has 15 minutes to process each Discipline of Execution for each topic. The goal is to have a practical and realistic execution plan for implementing the new MWBs of the OCDP at the branch, and tools for continuously tracking the progress of each team.

4.7 Data analysis

4.7.1 The survey

The answers to the survey will be analyzed by the author with the aim of recognizing a few main characteristics for the managers to consider before and during the workshop. The answers will be grouped by their themes and a description of character will be written by the author. The number of answers for each group of characteristics will also be handed to the managers four days prior to the workshop.

4.7.2 The workshop

The action plans that the managers at the branch will conceive during the workshop will be analyzed on how well they have succeeded to capture the essential elements of the 4DX. The action plans will also be judged on how well the MWBs of the OCDP have been incorporated in them.

5 FINDINGS

This chapter will present the results and findings of the survey and the action research, described in the previous chapter. The findings will be analyzed to detect major themes and to find out how well the research questions are answered. Furthermore, the validity of the findings will be deliberated.

5.1 Major themes and patterns

5.1.1 The survey

The survey had five questions, to which the respondents were asked to give answers ranging from one to three sentences. The questions and the major themes and patterns of the answers are presented below. The major patterns are presented together with their respective number of respondents for the theme in question. The survey was distributed to fifteen respondents and thirteen of them answered, which means that the participants finally comprised forty-two percent of the employees at the branch.

1. **What are your first thoughts when you hear the term OCDP?**

- Change (4/13 respondents)
- Working in unison (3/13)
- Marketing stunt (3/13)

2. **What is the goal of the OCDP?**

- A better customer experience (5/13)
- Uplifting team spirits and positive thinking in the work community (4/13)

3. **How have the MWBs of the OCDP changed your everyday working in practice?**

- They have not affected my work in any way / I cannot remember any of the principals (6/13)
- I have cherished one principal and aim to implement it constantly in my everyday work (3/13)
- The principals have made my everyday work simpler (3/13)

4. **How has the progress of the OCDP been monitored and how has this been communicated to the employees?**

- Progress has been followed up during one-on-one meetings with the managers (5/13)
- Bulletins on the progress have been made in both one-on-one meetings and branch meetings (4/13)

5. **How would you describe your commitment to the OCDP and why?**

- I do my work as prudently as I have always done and I believe that supports the goals of the OCDP (5/13)
- I have faith in the initiative in the big picture and I do my best to support it (3/13)
- I am seemingly committed (3/13)

For the first two questions the received answers are quite positive and the respondent's basic understanding of the OCDP is almost exactly what those in charge would wish for it to be. The answers of third question are quite shocking after the nearly perfect answers to the first two questions. Most of the respondents reveal that they do not think the OCDP has had any affect to their work, or that they cannot remember any of the principals of the OCDP. The answers to question four tell that they have been informed of the progress mainly by their direct superiors. The replies received to the last question give again the impression that nothing has changed, since most people seem to carry on exactly as they have always done or there are just seemingly committed. This information is what the managers of the branch got from the preliminary survey before their workshop.

5.1.2 The workshop

The workshop itself suffered from a few adversities. The first was an unfortunate loss of participants. One of the managers at the branch got promoted a couple of days before the workshop, and because of that, one of the other managers had to replace the promoted manager at an important meeting. Therefore, only three of the anticipated five managers could participate. Out of the three managers who could participate, one was running very late the morning of the workshop. The workshop started one hour late with approximately two thirds of the reserved time left.

To kick-off the workshop, the managers were given a twenty-minute briefing with the help of a PowerPoint about the topic at hand and the 4DX model that they were going to implement. Thereafter, they were given the assignment as described in the previous chapter. After the announcement of the assignment the following hour was spent by the managers debating about how to carry out the assignment and how to benefit from it as much as possible. Quite soon it became clear that a lack of authority was making it impossible to carry out the workshop as planned. It was also clear that several aspects of the workshop should have been prepared in greater detail than expected beforehand.

One important issue that the managers contemplated was how to create a new action plan and avoid overlapping activities. An important aspect in this discussion was to make sure that they would not be forced to donate more of their weekly hours for something new to monitor. The managers were seemingly inspired by the 4DX model, and they agreed with its simplicity and its direct approach. However, it seemed that they felt torn between keeping to the original of the workshop, and fulfilling their existing duties, most of which came as given from above.

Their creativity seemed to slip like sand through their fingers as they tried to find a compromised way to execute the assignment. It seemed that the managers understood the idea with 4DX, but they were also overwhelmed by the amount of must-do’s that they already had to deal with, thus not being able to pursue ideas that might have been out of the ordinary. The number of forced priorities probably also made it more difficult for the them to come up with WIGs that would be close to practice. One feeling that was shared by the mangers was that the 4DX model is not optimally suited for implementing soft values and that it would work better with hard targets like sales objectives.

The managers thought that it was essential that the amount of MWBs for the OCDP had been cut down from four to three, and two less than originally when the OCDP was launched in 2016. As mentioned in chapter 3, the new MWBs are:

1. **Common work procedures ensure the best employee experience.**

2. **By recognizing the customer's need and committing to it, I secure the best customer experience.**

3. **Partnerships are the key to future success.**

The managers decided that the first MWB would be left for the team itself to decide. They saw that this was imperative to get optimal commitment from team members. The managers also decided that the WIG for the partnership MWB would be something that came as given from above, the WIG for the customer experience MBW from the managers and, as already mentioned, the WIG for the employee experience from the team itself. This way something from every level would be baked into daily activities.

5.2 Research questions

The research questions of the study and the analysis of the answers, made by the author, are presented below.

5.2.1 How do the branch employees comprehend the OCDP, the reasons for its launch, and the purpose it serves?

Findings: Positively enough, most of the employees at the branch seem to know that the OCDP has to do with change, which is correct. Most people are also aware of the fact that the objective is to enhance customer experience, and promote cooperation within teams and across departments, towards a common goal. However, most people unfortunately feel that the OCDP has not changed the way they act during their daily routines. Most respondents also feel that monitoring and communication of the progress has been insufficient, judging from the wide variety of different answers. Commitment to the change process can be regarded as inadequate, since respondents say that they commit to their work as always before, or they are just seemingly committed to the initiative.

5.2.2 Do the MWBs chosen for the OCDP fulfill the characteristics of a good MWB introduced by Killing & Malnight?

Findings:

1. Common work procedures ensure the best employee experience.
   If done successfully, this MWB can make a real difference. It is questionable whether it is market focused. Lean processes can give a competitive edge against competitors in the long run. This MWB does certainly not create excitement. If taken close enough to practice, it can be measured. It is winnable, but if the same MWB is optimally used only for a couple of years, it is not a perfect fit. It might be better to break this MWB down into a more specific goal from the winnability view.

2. By recognizing the customer's need and committing to it, I secure the best customer experience.
   This MWB has the power to make a real difference and it is market focused. It does probably create excitement to certain point. It is quite specific and tangible, but can still be hard to measure. Is it winnable, yes, it probably is.

3. Partnerships are the key to future success.
   Partnerships can most certainly make a real difference. By concentrating on the development of partnerships a company is also market focused. Partnerships usually have the ability to create excitement and the activities performed with partners

or for the development of the partnership are often measurable. Winning partnerships are hard to develop, but a well-developed partnership with two committed counterparts can be very fruitful.

5.2.3 What measures should employees at the branch take according to the 4 Disciplines of Execution, to improve the development of the OCDP during 2018?

Findings: Below, summaries of the action plans that the managers created for the three teams are presented in figures 7-9. The plans were the main goal of the study, and the goal was achieved. A brief analysis of the plans can be found after each one of them.

DAILY BANKING	FOCUS ON WILDLY IMPORTANT GOALS (1-3)	ACT ON THE LEAD MEASURES	CREATE A COMPELLING SCOREBOARD	CREATE A CADENCE OF ACCOUNTABILITY
COMMON WORK PROCEDURES = BEST EMPLOYEE EXPERIENCE	TEAM DECIDES	TEAM DECIDES	TEAM DECIDES	TEAM DECIDES
RECOGNIZE & COMMIT TO CUSTOMER NEED = BEST CUSTOMER EXPERIENCE	1. DIRECTING CUSTOMERS TO THE CORRECT SERVICE CHANNELS 2. ENHANCING ACTIVITY REGARDING MUTUAL RESPONSABILITIES	1. FAMILIARIZING ALL TEAM MEMBERS WITH ALL SERVICE CHANNELS 2. REPLYING TO CUSTOMER MESSAGES	1. NUMBER OF ACTIVITIES TALLIED ON THE WHITEBOARD IN THE TEAM SPACE 2. NUMBERS OF REPLIED MESSAGES TWICE A MONTH FROM THE HEAD OFFICE	- ONE-ON-ONE MEETINGS - TEAM MEETINGS
AN ACTIVE PARTNERSHIP = THE KEY TO FUTURE SUCCESS	GENERATE MORE LEADS TO INSURANCE PARTNER	OFFERING PARTNER SERVICES ACTIVELY TO CUSTOMERS	NUMBER OF OFFERS TALLIED ON THE WHITEBOARD IN THE TEAM SPACE	ENSURING KNOW-HOW AND MOTIVATION OF THE TEAM MEMBERS TOGETHER WITH THE LOCAL INSURANCE PARTNER

Figure 7. Action plan for daily banking.

Analysis: The managers decided during the workshop, that the actions concerning the first MWB will be determined by the employees themselves, in all three teams. The reason for this was that the MWB is about employee experience and also because the 4DX-model suggests that employees should be incorporated in the process to ensure best possible commitment. The actions planned for enhancing customer experience and active partnerships are quite practical surely something that the team members can influence themselves. However, the methods for creating a cadence of accountability are somewhat vague, and could be further refined to ensure success during implementation. The plan for the daily banking team is the most compliant plan out of three plans if compared to the 4DX-model. This might be because their tasks are simpler than those of the credit- and investment teams.

CREDIT TEAM	FOCUS ON WILDLY IMPORTANT GOALS (1-3)	ACT ON THE LEAD MEASURES	CREATE A COMPELLING SCOREBOARD	CREATE A CADENCE OF ACCOUNTABILITY
COMMON WORK PROCEDURES = BEST EMPLOYEE EXPERIENCE	TEAM DECIDES	TEAM DECIDES	TEAM DECIDES	TEAM DECIDES
RECOGNIZE & COMMIT TO CUSTOMER NEED = BEST CUSTOMER EXPERIENCE	1. ACTIVE NURTURING OF OFFER BASE 2. TAKING CARE OF CREDIT QUALITY	2. DAILY USE OF OFFER BASE TOOL & PARTICIPATING IN REGULAR CALL HOUR FOR OPEN OFFERS	1. AUTOMATIC MONTHLY REPORTS OF CREDIT QUALITY FROM HEAD OFFICE	- ONE-ON-ONE MEETINGS - TEAM MEETINGS
AN ACTIVE PARTNERSHIP = THE KEY TO FUTURE SUCCESS	ENHANCING COOPERATION WITH THE REALTY- AND INSURANCE PARTNERS	OFFERING PARTNERSHIP SERVICES ACTIVELY TO CUSTOMERS	NUMBER OF OFFERS TALLIED ON THE WHITEBOARD IN THE TEAM SPACE	- REGULAR COOPERATION MEETINGS WITH LOCAL REALTY REPRESENTATIVES BY ACCOUNT MANAGERS - MONTHLY MEETING WITH INSURANCE REPRESENTATIVE AND REWARDING THE BEST PERFORMERS

Figure 8. Action plan for the credit team.

Analysis: The plan for the credit team could be more refined on several points. Regarding customer experience the plan does not include any actions on lead measures for credit quality, nor a compelling scoreboard for active nurturing of the offer base. Acting on the lead measures could also be more precise with partnerships. The monthly rewarding of best performers is a common way of motivating employees at the branch, and it has not always worked. Coming up with something new instead might help in the long run.

INVESTMENT TEAM	FOCUS ON WILDLY IMPORTANT GOALS (1-3)	ACT ON THE LEAD MEASURES	CREATE A COMPELLING SCOREBOARD	CREATE A CADENCE OF ACCOUNTABILITY
COMMON WORK PROCEDURES = BEST EMPLOYEE EXPERIENCE	TEAM DECIDES	TEAM DECIDES	TEAM DECIDES	TEAM DECIDES
RECOGNIZE & COMMIT TO CUSTOMER NEED = BEST CUSTOMER EXPERIENCE	CONCENTRATING ON DILIGENT DOCUMENTATION OF CUSTOMER MEETINGS	INSTANT COMPLETION OF DOCUMENTATION AFTER CUSTOMER MEETINGS ACCORDING TO REGULATIONS AND MEETING MODEL	WEEKLY DISCUSSION IN TEAM MEETINGS	MONTHLY ANALYSE OF REGULATIVE REPORT IN TEAM MEETINGS
AN ACTIVE PARTNERSHIP = THE KEY TO FUTURE SUCCESS	1. ENHANCING COOPERATION WITH REALTY PARTNER 2. ENHANCING COOPERATION WITH INTERNAL LEGAL DEPARTMENT	TO BE DISCUSSED IN ALL CUSTOMER MEETINGS	WEEKLY MONITORING	INVESTMENT TEAM- AND BRANCH MANAGERS ARE RESPONSIBLE OF KEEPING TEAM MEMBERS INFORMED

Figure 9. Action plan for the investment team.

Analysis: In the plan for the investment team both scoreboards would need work and precision for practical actions. Creating a cadence of accountability also has weaknesses on both accounts with precision of actions and the cadence of the actions. Otherwise the plan seems valid concerning the WIGs and lead measures.

5.3 Validity of findings

The qualitative data gathered during this research has been analyzed in a researcher-centered way (Denscombe 2010, p. 273). This implies that the values and experiences of the researcher have influenced the analysis. Action research as a research method has been regarded as questionable from the validity perspective, since the method often requires the researcher to work hands-on, in close cooperation with the research objects (MacIntosh & Bonnet 2007, p. 382).

It is essential to note that the research was conducted at one single branch, which dissociates itself from most other branches in number of employees, managers and location. Since the author of the research works at the branch in question, he has also been in regular contact with the personnel. This might obviously have influenced the outcome of the study. The survey comprised forty-two percent of the employees at the branch, which can be regarded as sufficient for a preliminary survey for the actual research. The actual research was conducted in the form of a workshop. The events of the workshop could have been documented more effectively by recording, instead of making notes by hand.

6 DISCUSSION

6.1 Introduction

The objective of this study has been to find out how the progress of change initiatives could be made more effective. In this particular case, the goal was to learn how an ongoing change process of organizational culture, at a commercial bank in Finland has advanced. The research effort focused on the most important branch-office of the bank, located in central Helsinki. Firstly, an introductory survey was conducted to gain knowledge of how the employees at the branch perceive the organization culture development program, the OCDP. Secondly, an action research was conducted in the form of a workshop, which was arranged for the managers at the branch. The task was to create an action plan for optimal development of the OCDP at the branch for 2018. The action plan was based on the knowledge received from the initial survey and the Must-win battles (MWBs) of the OCDP. The 4 Disciplines of Execution-model (4DX) by McChesney et al. (2012) was used as a backbone for the action plan. The intention was also to test the MWBs of the OCDP by comparing them to the five characteristics of well-chosen MWBs given by Peter Killing and Thomas Malnight (2005).

6.2 Output of the survey

All research questions have received answers during this study. The survey performed at the branch, revealed that the attitudes of the branch employees towards the OCDP are highly variating. All questions received answers, which could be divided in a minimum of four categories. This fact indicates that the employees perceive the OCDP very differently from each other, and it became clear that the message of the change initiative has not been communicated well enough. Consistency in communications and repeating the message was regarded as a common point of importance in previous research that was discussed in this study. Most of the respondents judged that the OCDP has not had any effect on their daily work routines, or they did not know any of the MWBs associated with it. It is obvious that the employee's knowledge of the MWBs is an essential point in the progress of the initiative, it is hence imperative to correct it without delay. The level of commitment could also be interpreted as flailing, since most respondents told that they behave the same way as before, or they are only seemingly committed to the initiative. This point has a chance of being fixed by attending the previously mentioned weaknesses.

6.3 Quality of the MWBs

The second research question was about how the MWBs of the OCDP correspond with the guidelines for an effective MWB. The MWB about partnership was the only one that came clear of any proposals for improvement. The MWB about common work procedures ensuring best employee experience lacks the excitement creating factor. Having a common work procedure is hardly something that an employee in the banking industry holds close at heart. It might be effective and translate into clearly defined processes, but it is still not exciting. MWBs should generally not be created to win internal battles, therefore it is questionable if this one is market focused. It also seems that implementing common work procedures could take even a few years, which raises the question if this MWB is winnable. It is recommended that the battles are renewed quite regularly to avoid "the frozen competitor" syndrome, where top management have the illusion that competitors will not act to fight for themselves. The last MWB to discuss is the one about creating the best customer experience by recognizing the true need of the customer and committing to it. This one is mainly well thought through, however, since it is presents softer values it could be hard to measure. This can translate into defective monitoring and ultimately the MWB can fade away. The new MWBs used in this study, were still works in progress when taken into use for the thesis, which means that some of the flaws might already be fixed.

6.4 Discussion concerning the workshop

The last research question aimed at finding out what measures should be taken to effectively support the development of the OCDP at the branch. The managers succeeded at producing action plans for all three teams at the branch. The plans were, however, not very compliant with the 4DX model as they were supposed. This can partly be counted in fault of the author and the imperfect preparations of the workshop.

Several factors that should have been planned more thoroughly could be pointed out during the workshop. The surprises were difficult to predict, though. It seemed that the managers should have had a more thorough briefing of the 4DX model and some examples that could have been prepared beforehand. This would probably have ameliorated the compliance to the model. The managers received an information package four days before the workshop, but it seemed that they had not studied very hard. This exhibits the authors lack of authority towards the managers. The biggest issue that the managers had was that they wanted to avoid spending more of their working hours for possible follow-up of overlapping activities. This could have been avoided by closer discussions with the top management of the OCDP to avoid overlapping and ensure that the mangers would not create more work for themselves. As already mentioned, an important aspect that allowed the workshop to start living a life of its own was the lack of authority experienced by the author during the whole workshop. Among the three participating managers were the authors direct supervisor from the investment team, and the branch manager, who is the boss of the investment team manager. An idea that would probably have held the workshop on track, would for example have been to invite an observant who outranks all the managers at the branch.

It became very clear that the daily tasks that are necessary to run a business, or the "whirlwind" as McChesney et al. (2013) call it, really are the biggest threat to all new wildly important goals. The managers clearly felt that running the daily business should not be disturbed by the new planned actions. Even the planning of new actions was already disturbed by all business targets forced from above, which brings us back to the essence of the 4 DX; having a limited number of targets and focusing on the wildly important.

6.5 Limitations

There are several limitations to this study. The study only covered approximately fifty percent of the employees at one single branch of one bank. The survey covered forty-two percent of the employees and the workshop seventy-five percent of the managers. The topic of the research is also challenging from a scientific point of view. Organizational- or company culture is always unique and different between organizations, and is therefore a topic where it is virtually impossible to reach definite conclusions. Worth considering is also the fact that the author had never arranged and facilitated a workshop before this study. With the help of someone more experienced the workshop might have generated different results. The scope of theory and discussion concerning previous research could have been more extensive, which might have brought new views on the topic. Finally, it is important to note that despite prolonged efforts, no proven method of analysis was found fitting for evaluation of cultural change. The analysis of the results was done by using the authors experience of the topic, which has been accumulated working as a change agent for the OCDP for approximately eighteen months.

6.6 Recommendations for future research

The study met an unfortunately large number of obstacles during the process. The positive side is of course, that several recommendations for enhancing the possibility of success in future studies were gathered. Firstly, the survey suffered because of short one-word answers. This could probably be avoided by finetuning two details; having even more precise instructions in the survey questionnaire and ensuring that the respondents are not in great hurry when giving their answers. Secondly, it was established that the preparations for the workshop should have been more thorough. There were clearly several factors that could have affected this. The author should have had a better view of the concerns that the managers faced during the workshop. These obstacles could have been fought by engaging in a more profound dialogue with both the managers, and the top management of the OCDP before the workshop. This could have resolved most of the initial problematics that had the managers concerned. By giving the managers deeper knowledge and insight of both the task at hand, and the 4DX model, the results could have been more compliant to the initial assignment.

7 CONCLUSIONS

This study had the objective of exploring the progress of a change initiative at one branch office of a commercial bank in Helsinki, Finland. The idea was to find out the extent of change in the organizational culture at the branch during the previous two years and to find effective methods for future implementation of the change. The level of achieved change was investigated by conducting a semi-structured survey in the form of a questionnaire with open-ended questions. By using the understanding of the status quo, collected with the survey as a starting point, a workshop was arranged with the goal of creating an action plan for more effective implementation of organizational change. One goal was also to test if the Must-win battles set for the cultural change process embodied characteristics that have been found supportive to change initiatives. To conclude the dissertation, it is suitable to summarize the major themes of the findings.

With the help of the survey it can be concluded, that the progress and the evolution of organizational culture at the branch office has not been very successful. This statement is backed up the wide variety of major themes found in the received answers, and in the fact that respondents did not seem to remember much of the main principals set for the change process. The action plans created during the workshop are not entirely compliant with the 4DX model that was supposed to give the structure to the plans. The plans had several similarities with actions that have been used before at the branch. This shows how hard it is to achieve a state of mind, where out-of-the-box thinking is enabled. The new Must-win battles that were under scrutiny held a lot of good qualities compared to the previous ones. The number of battles had been cut down to three, which is promising even according to the 4DX model. At the time of the study, the new Must-win battles were still under development and the final versions could not be analyzed, which compromises that part of the research. As the final notes, it can be claimed that this piece of research has a place in the category of action research, and although the gained results were somewhat disappointing, some useful knowledge can be passed on for the benefit of future studies.

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