Developing a Model for Change Management

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	Abstract
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Half of change initiatives meets their initial objectives. Only 1 out of 4 organisations are able to sustain those gains of change over long-term, discovered by a study of *Towers Watson*. Nevertheless, the literature about change continuously grows. However, only a small amount of empirical evidence, supporting those suggested theories, is discernable.

The intention of this thesis is to provide a deep insight into the broad topic of change management. Driven by the high failure rate and small amount of empirical evidence, an answer to the research question of *What should be taken into consideration when managing change?* is aimed to be found. For supporting this goal, conceptual understanding of the thesis topic is firstly established, followed by the development of a change model characterised by extensive degree of current relevance based on literature review and improved by managers' conceptions of change management. Potential success factors and pitfalls are likewise identified as a research objective of the thesis study.

To explore the complex phenomenon, semi-structured interviews and qualitative content analysis as part of qualitative research were applied. Managers, working in the service industry, were chosen as participants, whereby this sector is considered as demarcation. The duration of the study encompassed three months. Apart from perception of change, people involved and involvement, communication, leadership, framework and measurement were deduced as themes from data which were in turn used for improving the theory-based model.

Concluding, the research implies that it is impossible to fully control change by predefined, incremental change models, as a recipe for successful change management does not exist. Instead, understanding the complex and multifaceted character of change is decisive. Therefore, the developed model focuses on the most crucial components of change management which were abductively derived from both theoretical and empirical findings. Hence, it seems based on this research that they are more useful in today's ever-changing business world, compared to the best practices promising the accomplishment of initial change objectives.

Keywords Change management, model development, managers' conceptions, change models, success factors, pitfalls

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1 Introduction

The purpose of the first chapter of the report is to guide the reader to the thesis study by providing, for instance, information about the topic, research area and a general overview of the thesis structure.

Hence, the first section of this chapter is dedicated to the thesis topic by scrutinising its background, so that afterwards the research design can be presented which includes not only the research question including objectives, but also the methods used for generating the data. This is followed by the demarcation of the research area. The last section provides an overview of the thesis structure by shortly describing the content of each chapter.

1.1 Topic Background

Looking at daily life, change is everywhere. Change is when you change your cloths, preparing breakfast, leaving the house, on the way to work and at work when you encounter your colleagues. Consequently, change is everywhere and continuous. This previous assumption is further reinforced by the following slogan of *Rotterdam School of Management*'s Master of Science Programme called Organisational Change & Consulting. "In the world of business, change is the only constant. Master it." (Rotterdam School of Management, Erasmus University 2015.)

Consequently, the same constant change is required from today's business organisations. Due to the ever-growing competitive environment, they have to deliver rapid results and sustainable growth. In order to keep the pace and stay competitive, companies are forced to adapt and change to an unpredictable degree. Some of those master the art of changing quickly and therefore gain a competitive advantage and others do not. (Ewenstein, Smith & Sologar 2015.) For instance, *Apple* belongs to the winners. It started with simple computing business, expanding to music listening devices, mobile phones, tablet computers and the online sale of digital content like music, movie and apps. At present the company supplements watches to its product range. Constantly keeping in mind to be innovative. (MacIntosh & O'Gorman 2015, 94.)

Whereas other organisations fail in this discipline, *Apple* is able to adapt, learn and act fast (MacIntosh & O'Gorman 2015, 94). However, the latter only refers to 55% of change initiatives meeting their initial objectives. Only 1 out of 4 companies are able to sustain those gains over long-term, as shown by a study "How the Fundamentals Have Evolved and the

Best Adapt. Change and Communication ROI study" by *Towers Watson*. (Towers Watson 2013.)

One of the "gurus" in terms of change management, John P. Kotter (2012) attended these failures by identifying the eight most common mistakes in the early states of change management. According to him, companies, for example, allow too much complacency or underestimate the power of vision (Kotter 2012, 16). Derived from these errors, the *Harvard* professor developed his traditional eight-stage process of creating a major change.

However, although Kotter's (2012) step approach might be a useful tool for organisations, the rates, identified by the aforementioned study, nevertheless indicate a lack of profound expertise including a valid framework for change management. This is additionally reinforced by weaknesses that many change failures are not caused by the strategy itself, but rather evoked in implementation process (Waldersee & Griffiths 2004, 424). Thus, even though there exist extensive offers of change management companies and study possibilities like the above master programme, a high level of failure in change management cannot be prevented.

This can be further clarified by implying that despite a continuously growing amount of literature about change including suggested ways for approaching it, small amount of empirical evidence, supporting suggested theories and approaches, is discernable (By 2005, 370).

Derived from that, the questions arise: What should be taken into consideration when managing change and which success factors and pitfalls can be identified?

This thesis is dedicated to have a deeper insight into the broad topic of change management by discovering new and innovative angles. Hence, driven by the high number of failures and small amount of empirical evidence, the author intends to find an answer to the aforementioned research question of *What should be taken into consideration when managing change?.* This is supported by the objective to first establish a conceptual understanding of change management, followed by the development of a change model characterised by extensive degree of current relevance based on literature review and improved by managers' conceptions of change management. The result will additionally include potential success factors and pitfalls when implementing change, so that the author is eventually able to make useful recommendations for people being part of change management. By doing this, high level of practical relevance to business world will be evoked.

1.2   Research Design

In order to achieve the aforementioned goal of developing the most suitable change model and identifying potential success factors and pitfalls, it is crucial to first define the research question and further research objectives. These essential parts of the current study are formulated as follows:

Research Question:
Formed by the previous goal, the author will find an answer to the following research question by means of the thesis study:

What should be taken into consideration when managing change?

Research Objectives:
By means of the following research objectives, the aforementioned research question will be answered. Hence, they intend to assist during the thesis process by guiding through the literature review and particularly, form the fundament for the research including corresponding methods.

1. Establish conceptual understanding of the broad topic change management.

2. Build a model derived from the most suitable characteristics of theoretical change models.

3. Improve the theory-based model by managers' conceptions of change management.

4. Provide useful success factors as well as pitfalls.

In order to fulfil the above mentioned objectives and especially find an answer to the research question, several methods for the thesis study were chosen.

The author decided to not only present an overall literature review in chapter 2 "Change Management" on page 8, but also to put high emphasis on analysing the existing change models. In order to make it logical and easy to read, concept analysis as a research method will be integrated in the whole research framework of the thesis study. Even if the research method is not followed rigorously, its purpose is to deliver a logical structure and overall clarification for the reader regarding the theoretical background knowledge. The conducted concept analysis is inspired by characteristics of the systematic concept analysis method explained by Nuopponen (2010) and further adapted to wider investigations. According to Nuopponen (2010, 5), concept analysis is described as part of terminology work in which

concepts belong to a whole. Thus, it encompasses the activity, whereby concepts' characteristics and their relations within systems of concepts are described as well as clarified.

Concerning the empirical part of the thesis, semi-structured interviews and qualitative content analysis are applied as methods of qualitative research, which will be further specified in the corresponding chapter 3 "Research Methodology" on page 31.

Furthermore, the thesis work relies on both primary research over the qualitative research as well as on secondary research during the theoretical background study.

1.3   Demarcation

As already implied before, the backbone of the thesis change management is recognised as a broad topic caused by its vast and varied character. Apart from that, due to the size limitation of a bachelor thesis, it is highly recommendable to demarcate the thesis scope instead of trying to cover all aspects. Consequently, the author decided to concentrate on change models and potential success factors as well as pitfalls.

A further differentiation of change management and the limited research area will be clarified in chapter 2.1 "Understanding Change Management" on page 8, so that the reader immediately comprehends the link between the topic and the thesis limitation.

Considering the examined discipline, it must be said that the interviewees for the qualitative research were chosen due to their professional experience within the service sector. Hence, the research is restricted to the service industry. Moreover, the author focuses on the management perspective by only interviewing top managers like managing directors of companies, instead of employees.

1.4   Thesis Structure

The thesis generally comprises six different chapters guiding to the achievement of the thesis goal.

Chapter 1 "Introduction" on page 2 begins by introducing the reader to the overall thesis topic and its corresponding background justifying the existing lack in research. Therefore, it additionally presents the goal of the thesis, the research design including research setting and methods, the research scope and finally a general overview of the thesis report.

Chapter 2 "Change Management" on page 8 provides a solid background knowledge concerning the backbone of the thesis change management. By means of concept analysis, various change methods are presented, so that afterwards the most suitable model convenient for the current business environment can be established. Potential success factors and pitfalls are likewise identified.

Chapter 3 "Research Methodology" on page 31 indicates how and why the research is conducted according to qualitative research and corresponding methodology.

Chapter 4 "Managers' Conceptions of Change Management" on page 35 consists of the presentation of the research findings by describing, analysing and comparing the conducted data. Thus, the purpose of this chapter is to approach the research question including the corresponding objectives defined in chapter 1.2 "Research Design" on page 4.

Chapter 5 "Discussion" on page 53 builds the bridge between the theoretical framework and empirical part of the thesis. This means that the model developed on theory-based change methods will be further improved and adopted according to the research findings. Success factors and pitfalls will be likewise modified.

Chapter 6 "Conclusion" on page 69 finally summarises the thesis work by addressing the most crucial aspects of the thesis study. In particular, the comparison of aforementioned findings and the final model will be highlighted. Moreover, limitations are indicated and future research areas are suggested. Afterwards, the thesis study will be examined with reference to the concepts of reliability and validity in consideration of thesis process including the overall learning effect.

The thesis report ends with the list of used references and provides some attachments.

The figure 1.1 below additionally illustrates the overall thesis framework as well as the links between the different chapters.
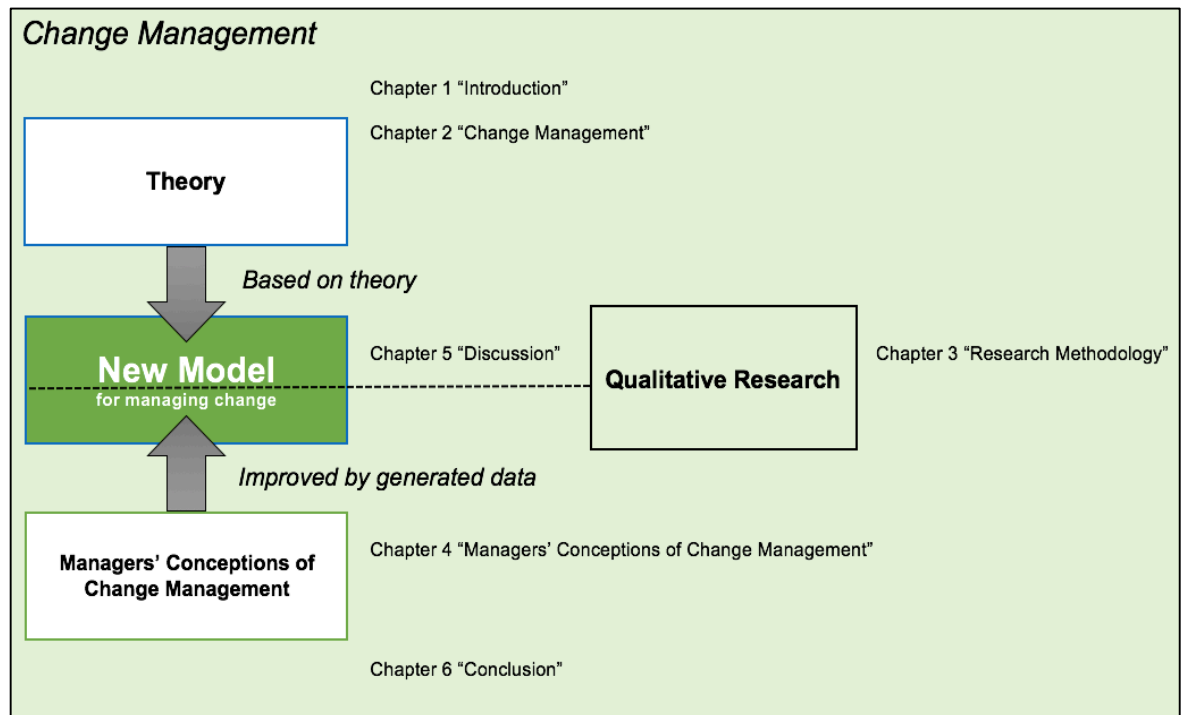
Figure 1.1: Research overview combined with thesis' chapters

2 Change Management

The purpose of the following chapter is to present a profound literature review focusing on the major topic change management. Before carrying out own research in this field, it is imperative to investigate the already existing theories as well as models about how to manage change successfully from various points of views.

The intention of the following part is to apply concept analysis as described in chapter 1.2 "Research Design" on page 4 to the literature review of change management in order to receive a logical structure making it easier to follow. In addition, a simplification of the complex thesis topic will simultaneously be evoked. Chapter's end will not only conclude with a theoretical approach how to manage change successfully, but will also indicate success factors as well as possible pitfalls.

Derived from the structure of concept analysis, the following chapter is divided into four subchapters. The first subchapter starts by creating a general idea of the field change management including connected terminologies, while the next subchapter, on the one hand, compiles the material. On the other hand, it elaborates the chosen concepts by means of a systematic, descriptive as well as contrastive analysis, so that similarities and differences can be identified and clarified. Furthermore, in order to compare the concepts not only as a whole, but particularly according to their individual steps, the author divides each model into the three following phases. The pre-phase describing the preparation of change is followed by the transition phase presenting the actual implementation, whereas the post-phase encompasses the change review.

After carrying out the aforementioned analysis, chapter 2.3 "Building a Model for Change Management" on page 22 will deal with the construction of a model based on the previous literature research, since according to Nuopponen (2010, 13), it is the purpose of concept analysis. Thus, a new concept will be created and success factors as well as pitfalls will be recognised. The last subchapter eventually summarises the findings and the context referring to the whole thesis study.

2.1 Understanding Change Management

The high volume of free and rich research about change creates certain lack of clarity and even confusion in literature, therefore the following subchapter aims to reorganise this situation by clarifying at first the backbone of the thesis change management and related terms, so that afterwards key dimensions can be introduced based on various angles.

2.1.1 Definition of Change Management and Related Terms

When introducing the thesis topic to the reader in chapter 1.1 "Topic Background" on page 2, various information concerning change management has already been mentioned, such as the failure rate of managing change. However, the central question of how is change management defined has not been answered so far.

It is only deducible that due to the increasing pace of the ever-changing world, change cannot be longer perceived as transition from one stable environment to another. Instead, it adapts the characteristics of a constant evolution with the focus on organisational agility, speed and learning. (Perlman & Leppert 2013, 60.) This continuity is further enhanced by Jabri's (2012, 2) perception of change, as all things are determined by continuity, so that it is equal to a never-ending process and vice versa each process embodies change. The following statement is an appropriate conclusion of the previous assumptions in terms of change, "In a changing world the only constant is change" (Carnall 2003, 171). This additionally justifies Mintzberg and Westley's (1992, 46) assumption that "Organisations are always changing". On the other hand, in case of failure in change, the loss of being in synchronisation with the surrounded environment might arise as a consequence (Mintzberg & Westley 1992, 46).

In comparison with change, Beech and MacIntosh (2012, 3) define change management as the basis of personal skills in terms of assessing situations, adapting and learning from previous experiences in order to build new ones based on the understanding behind it. Thus, the participants can be described as active learners, continuously confronted with enquiry and action. (Beech & MacIntosh 2012, 3.) In contrast, according to Bevan (2011, 216), change management can rather be associated with a set of plans, actions, processes and decisions whereby change is executed on a sustainable basis. This thought is narrowed down by Moran and Brightman (2000, 73) indicating that change management is determined as continuous process for renewing company's entire framework, direction and resources to meet constantly changing needs of economy, customers as well as staff.

However, compared to the literature, the American change management firm *Prosci* identifies change management more as a guidance preparing and supporting individuals for successfully embracing change and moving from their current state to potential future state. (Prosci Inc. 2016a.) Derived from these definitions, it seems that people including their competences play the decisive role in terms of change management, beside the assumption of change as continuous process. This person-related aspect is additionally emphasised by

Campbell's definition of successful change premised on people's agreement that reward was worth the risk and the value created was worth the investment (Campbell 2014, 5).

Apart from the previous assumptions of change and change management, there are numerous other terms and concepts confirming the large volume of research and thus, the fact how broad the interpretation of change can be. Hence, it is essential to define as well as understand other related terms.

Whereas change has already been characterised as constant process and change management as highly people related, organisational change is inevitable and takes place in each company (Lynch 2009, 563). In contrast, according to Dawson and Andriopoulos (2014, 8) organisational change is the movement from the present situation to an emerging and unsure future state, which can either be planned and managed or occasionally unforeseen. The latter definition is in agreement with Chen, Yu and Chang's (2006, 1303) notion of organisational change, since it is viewed as the process moving from current state to the desired future state by aiming to find improved ways of exploiting resources and to finally enhance organisation's effectiveness and value.

Considering strategic change, there are likewise various definitions available that do not exactly state the same meaning. For instance, Lynch (2009, 564) demonstrates strategic change as proactive management of change in an organisation established for achieving clearly defined strategic objectives. However, according to Alvesson and Sveningsson (2016, 17), strategic changes are results of ground-breaking, bigger incidents, such as mergers and acquisitions caused by external forces like internationalisation, technological innovation as well as competition.

Concluding, it reveals that there does not exist one single, clear definition of change management and related terms. Instead, some definitions of different terms are more similar than those of the same term. For instance, change management is defined as diverse set of plans, activities and decisions and thus, likewise as process for renewing organisation's framework, while organisational change is described as process as well. The movement from current state to desired future state can be equated with the aforementioned set of plans, activities and decisions. Hence, the wide possibilities of interpretation, the lack of clarity and even the creation of certain confusion in literature regarding change are justified by these findings.

Not surprisingly, Mintzberg and Westley (1992, 39) further define change as a complex and multifaceted phenomenon, whose dimensions are often reduced to disconnected aspects,

such as change of culture, by the existing literature. However, they have to be seen holistically, contextually and retrospectively, thereby the coherent understanding of the context is ensured, which in turn evokes effective management (Mintzberg & Westley 1992, 59).

Due to this recognition, it must be eventually said that although change management is the backbone of this research, it cannot be inevitable that the earlier explained terms and concepts will be construed as part or entire change management. In order to avoid confusion, the terms will be used as synonyms, as there are no clear and identical interpretations discernable, as shown above.

2.1.2 Key Dimensions

In order to fully understand change management, it is not enough to only define the term and related expressions, but also wider impacts need to receive attention by scrutinising the key dimensions of change.

Due to the vast, varied and complex character of change, there are various views including different interpretations concerning this topic, as already discovered before. According to Mintzberg and Westley (1992, 41), change can be further separated into four cycles dealing with contents and levels of change, means and processes of change, episodes and stages of change and the last cycle encompasses sequences and patterns of change.

Compared to the elder researchers, Alvesson and Sveningsson (2016, 17) assume that the key dimensions include scale of change, source of change, content and the political aspect. In addition, Al-Haddad and Kotnour (2015, 241) establish the taxonomy of change management as change types, change enablers, change methods and change outcomes. Hence, it is important to explain the various assumptions according to the purpose of the thesis.

Starting with the older assumption based on the four cycles established by Mintzberg and Westley (1992, 39), the first one, called concentric cycle, indicates that, on the one hand, change can exist from the broadest and more conceptual level to the narrowest, most concrete level. This can be illustrated by changing mindset or culture compared to machinery or staff. As shown in the below table, they further specify the terms according to change in organisation and change in strategy. Hence, it results that structure as conceptual and systems as concrete are mentioned for organisation, while positions as conceptual and programs as concrete represent change in strategy. (Mintzberg & Westley 1992, 40.)

Table 2.1: Contents of organisational change (Mintzberg & Westley 1992, 40)

	Change in organisation (state)	Change in strategy (direction)
More conceptual (thought)	Culture	Vision
	Structure	Positions
More concrete (action)	Systems	Programs
	People	Facilities

On the other hand, in order to describe the scale of change, Mintzberg and Westley (1992, 40) uses the example of scaling from market economy down to replacement of office equipment. In contrast, the circumferential cycle includes besides the means of change, being equal to planned and emergent change, processes of change. Another key dimension of change are episodes and stages summarised in the tangential cycle. Hence, the form of change can be defined as episodes thereby shifting occurs, while stages represent organisation's entire behaviour such as stage of development or struggle. Apart from concentric, circumferential and tangential cycles, the last one, called spiralling cycle, comprises sequences and patterns of change. This is connected to the aforementioned cycle, since episodes and stages structure themselves to build patterns of evolution symbolising organisation's history considering, for instance, the broadest level. (Mintzberg and Westley 1992, 40-49.)

Examining Alvesson and Sveningsson's assumption (2016, 17-18), the scale of change can be further categorised into revolutionary and evolutionary. The latter only affects a part of the organisation and therefore is defined as operational change. As the author seeks for the bigger picture of change, one only concentrates on the revolutionary scale, which involves larger-scale changes having impact on organisational culture, management control systems, organisational structure, reward systems and leadership caused by external factors like internationalisation, technology and competitive situation within an industry. (Alvesson & Sveningsson 2016, 17.)

The latter can be further deepened by considering the general triggers of change management. Kotter argues (2012, 21) that major drivers for change in the organisation are triggered by economic and social forces. Technological change, international economic integration, maturation of markets in developed countries and the fall of communist and socialist regimes represent the backbones that in turn characterise the globalisation of markets as well as its competition. (Kotter 2012, 21.) In contrast, Dawson and Andriopoulos (2014, 49) emphasise the clear separation intro three layers. The internal environment is characterised, for example, by the organisational culture and structure, whereas the next layer, on

the one hand, includes labour markets and competitors and, on the other hand, suppliers and customers. In particular, regarding the external environment, Dawson and Andriopoulos (2014, 49) share the same view as Kotter (2012) by identifying triggers such as technology, business markets, social values and demographics. Consequently, it reveals that there are not only economic factors forcing an organisation to change, but also social aspects are of great importance.

Since the intention of this chapter is to ultimately present a proactive change model as well as the identification of success factors and pitfalls derived from literature review, the focus in terms of change source will be on planned changed instead of emergent. This means that the managerial ambitions and plans will be considered, instead of the spontaneous experimenting executed by lower-level managers and non-management employees. (Alvesson & Sveningsson 2016, 18.)

Concerning the politics of change, they describe them as different forms encompassing participation, negotiation and resistance, for instance. While the "what" question in terms of the content of change such as strategies, organisational cultures and management control are of secondary importance, one will pay attention to how to change and thus, the implementation. (Alvesson & Sveningsson 2016, 18-19.)

According to Al-Haddad and Kotnour (2015, 242), change management can be characterised within different types describing kind and form of change including qualities. Whereas Kotter (2012), Dawson and Andriopoulos (2014) highlight more the importance of the driving forces of change, Al-Haddad and Kotnour (2015, 244) emphasise the change enablers that are knowledge, skills, resources and commitment. Subchapter 2.2 "Change Methods" will discuss the third element of change taxonomy change methods which can be defined as actions carried out by managers to deal with change (Al-Haddad & Kotnour 2015, 244).

It seems that the elder researchers focus more on expressing the complexity of change caused by its various facets and continuity illustrated by interlocked cycles. In contrast, the modern authors indicate less theory, instead they use basic terminology that are easier to understand and concreter such as change content, change enablers and change methods.

Due to the previous explanations and particularly, the understanding of the complex and multifaceted term change, it is also advisable to diagnose the change context, before starting the change management process. Since the approach will highly vary depending on the context in which it takes place. (Johnson, Whittington, Scholes, Angwin & Regnér 2014, 471.) Mintzberg and Westley (1992, 39) simultaneously address this recommendation as

one of the most crucial aspects, even though existing literature reduce change including change management mainly to some disconnected dimensions. In order to avoid the afore-mentioned state, one can, for instance, either apply Mintzberg and Westley's (1992) four cycles of organisational change or the framework change kaleidoscope. By means of Ba-logun and Hailey's (2008, 19) framework, one can easily identify the contextual features like readiness, diversity and preservation.

2.1.3   Why is Change Management Important?

The previous introduction to the backbone of the thesis change management has already discovered various angles of the topic. Hence, one can now intensify the examination by asking the question of why is change management important?

Not only the reason that companies are forced to change in order to keep pace and stay competitive in the ever-changing competitive environment, already presented in chapter 1.1 "Topic Background" on page 2, provides an answer to the above question. But also afore-mentioned economic and social forces of change reply to the question regarding the signif-icance of change management. This can be further deepened by the following part.

As earlier mentioned, change is an ever-present component embodying never-ending pro-cess. Due to this continuity, it is obvious that the pace of change has never been greater than in the current business environment. As a consequence, organisations adapt accord-ingly by also constantly changing and therefore, successful change management is indis-pensable. Otherwise, as Mintzberg and Westley (1992, 46) indicate, the loss of being in synchronisation with organisation's environment is likely to occur.

Additional purposes of change management have also revealed so far, when explaining other terms of the research area. For instance, according to Moran and Brightman (2000, 73), change management intends to serve the ever-changing needs of the economy, inter-nal as well as external customers, while Chen & al. (2006, 1303) specify its goal as finding improved ways of exploiting resources, so that company's effectiveness and value can be strengthened.

Whereas only few purposes could be derived from the literature, the change management company *Prosci* clearly names several reasons why change management is important for organisations on its website. Hence, companies, applying change management, are, on the one hand, able to supply change results more effectively. On the other hand, they can han-dle a greater amount of changes at the same time, due to the creation of competences

growing one's capacity. Moreover, the likelihood to finally meet the objectives is increased by three fold, so that ROI is significantly bigger including the general success rate of effort. Change management does not only improve the corporate performance, but also helps people involved to change. Thus, it provides staff with preparation, support and required skills in order to succeed in change management. By doing this, people are proactively engaged and receive important value. (Prosci Inc. 2016b.)

2.2 Change Methods

After establishing the general understanding of change management and restricting the research field, the following subchapter is dedicated to a systematic analysis, comparison and conclusion of distinct change models. For deepening the insight into the thesis topic and creating a coherent understanding, apart from older and traditional approaches like Kotter's (2012) ones, the author mainly focuses on publications not older than 2000 in order to ensure a high level of current relevance.

This chapter is further divided into three sections, according to the process procedure of change management and therefore, into pre-phase, transition phase and post-phase. Firstly, the different models are analysed, followed by a profound comparison for identifying their strengths and weaknesses, thereby finally the most suitable and contemporary model can be derived. As above already implied, the activities executed by the responsible managers for dealing with change, can be defined as change methods.

2.2.1 Pre-phase

According to Kotter (2012, 24), the first steps of change management possess the purpose of unfreezing the status quo. This means that in order to obtain the needed cooperation from people, it is first imperative to create a sense of urgency. However, sense of urgency is not equal to a long list of activities, but it is described as the passion of finding the real solution and realising something important. (Kotter 2008, 5-7.) After conveying the need of change, building a team is the next essential step, because no individual has the ability to implement a major change successfully alone. (Kotter 2012, 53-54.) In particular, the appropriate composition and trust amongst the team members are decisive factors of efficiency and success. (Kotter 2012, 57.) Furthermore, developing a change vision and strategy also belongs to the pre-conditions of change management. By means of such statements, high chance of breaking through people's resistance to chance exists. As the fundamental component of great leadership, people, on the one hand, receive an appealing

picture of the future and, on the other hand, they understand how the vision can be achieved logically. (Kotter 2012, 70-74.)

Similar to Kotter (2012), Luecke (2003, 33) highlights the importance of commitment and mobilising energy at the beginning of change. In addition, he defines the central question as: Why must we do this? being helpful to understand reasons for change. Besides the development of a shared vision, there is also high emphasis on the clear identification of leadership. (Luecke 2003, 33.)

Whereas Hamel (2000, 188-193) has almost the same point of view regarding the pre-phase as Kotter (2012) and Luecke (2003), Bevan (2011, 26) suggests starting to form the team by identifying team members, inviting participants and bringing the team together. Required knowledge, clearly defined purpose, time commitment, process definition, clear role allocation and time management are seen as the most decisive aspects in the first phase. (Bevan 2011, 26.) The next step deals with the initial evaluation and possible challenges affecting the business process. However, instead of formulating a concrete vision or strategy, as suggested by Kotter (2012) and other authors, Bevan (2011, 26) prefers the formulation of questions based on core factors. Another distinct step in this pre-phase is the integration of stakeholders' opinion. This means that after identifying the most involved and affected stakeholders, their input will be collected, so that afterwards a combined feedback results. (Bevan 2011, 26.) Jabri (2012, 20) shares this opinion and additionally underlines the customers, since they assess the desired state. When further considering his suggested aspects concerning the pre-phase, similarities to the previous mentioned point of views reveal such as priority, readiness for change and participation. (Jabri 2012, 20.) In contrast, Dawson and Andriopoulos (2014, 155) propose the pre-phase for analysing and preparing, which means that at first external triggers are examined that should indicate the need for change. Afterwards, a diagnose and the determination of the desired future state is carried out, so that corresponding implementation strategies can be established. (Dawson & Andriopoulos 2014, 155). Campbell (2014, 14) additionally highlights the importance of the starting point, so that organisations should firstly find answers to the question of what changes should be carried out and when? Apart from culture and capacity, commitment as well as capability are decisive factors regarding change as well (Campbell 2014, 14).

For receiving another perceptive regarding the pre-phase of change management, systematic change models are also presented. When comparing lean thinking with the previous models, there are no similarities discernable except for the customer focus mentioned by Jabri (2012, 20). Thus, according to Womack and Jones (1996, 141) the specification of value required by the customer is the essential first step, followed by the identification of

value stream for each product adding value to the customer. Hence, customers and their wishes receive the whole attention in the pre-phase. Nevertheless, the aim behind lean thinking is to eliminate as much waste as possible (Womack & Jones 1996, 141). The customer focus can also be transferred to the assumption of Chen & al. (2006, 1307). After evaluating the total performance, re-evaluation takes place whereby customer segments, their needs and suitable service system design are identified. (Chen & al. 2006, 1307.)

At the beginning of this subchapter, Kotter's (2012) first steps have been introduced by using the term unfreeze. This metaphor is also applied by another founder of change management Kurt Lewin (1946). He argues that a quasi-stationary equilibrium is the fundament for human behaviour's stability. Therefore, this balance needs to be unfrozen before old behaviour can be abandoned and new behaviour adopted. (Burnes 2004, 985.) As a consequence, it can be recognised that Lewin (1946) possesses the same assumption of the pre-phase like the previous authors, but he concentrates more on the psychological and sociological disciplines.

After describing and comparing the pre-phase of the methods with each other, certain similarities have revealed. However, on the other hand, there are differences regarding the point of views discernable. Generally, it seems that each author attempts to provide a recipe for managing change by means of their models. This is shown by their precise allocation of steps in a chronological order for managing change successfully.

Furthermore, having a closer look at the first three authors Kotter (2012), Luecke (2003) and Hamel (2000), a clear agreement regarding the required steps of the pre-phase can be identified. Hence, sense of urgency, involvement of people, commitment, team, clear vision and leadership are the key factors mentioned by them. Particularly, finding the answer to the question of why must we do this possesses a significant role according to Luecke (2003). The agreement is attributed to the fact that the authors belong to the *Harvard Business School* and their books were published by the same publisher after year 2000.

However, the more current authors like Bevan (2011) and Jabri (2012) put high emphasis of involving external parties like shareholders and customers to receive additional input. Moreover, Bevan additionally stands out, as he suggests starting by forming the team, identifying the potential challenges and formulating questions, which no other author mentions. Nevertheless, it seems that the input from stakeholders is nowadays increasingly more important compared to the past. In contrast to the *Harvard* professors, Campbell (2014) does not suggest finding answers to the why question, but rather to what should change and when? Thus, the opinions also differ in the type of questions.

Compared to the previous authors, the analysis indicates that the systematic approaches possess high focus on end-customers including their desired product value. Hence, the suggested steps should be carried out from the customer perspective in order to finally receive their satisfaction. This results from the characteristics of a systematic approach being more rigid and linear, whereas Lewin (1946) focuses on achieving a human behaviour's stability and being therefore more flexible. Concluding, one can say that the core essence of the first steps might be similar, although authors' focuses vary.

2.2.2 Transition Phase

After understanding the status quo and preparing for the further process, the transition phase defines the actual implementation phase of change methods.

The next steps of Kotter's (2012) change model introduce many new practices over the transition phase. In the previous subchapter, the author has already described the importance of a shared vision and strategy, according to Kotter (2012). However, it is not enough to only develop a vision, but its communication is even more important. Thus, Kotter (2012, 92) suggests some key elements such as simplicity, metaphor, analogy, example, repetition and leadership by example that contribute to an effective communication of vision. Furthermore, for successful change implementation, the *Harvard* professor argues that empowering employees for broad-based action is the next necessary step. This can be carried out by, for instance, making the structure in alignment with the shared vision and providing training required by the employees, as without having suitable skills, people feel disempowered. (Kotter 2012, 119.) Since the implementation of change takes a long period of time, the generation of short-term wins plays an important role in the process. They do not only help to fine-tune the vision and strategies, but also build momentum, which means that those wins turn neutrals into supporters and reluctant supporters into active ones (Kotter 2012, 127).

Whereas in the pre-phase, Kotter (2012), Luecke (2003) and Hamel's (2000) perceptions could be summarised as almost the same, their steps vary in terms of the transition phase. Thus, compared to Kotter (2012), Luecke (2003) emphasises more the significance of results and the starting point of change (Luecke 2003, 39-44), while Hamel argues that it is more recommendable to choose the right targets, create big impact from small targets and find an appropriate translator (Hamel 2001, 7).

The aforementioned authors have already defined their plans during their previous model steps, whereas Bevan (2011, 27) implies this development as the first step in the transition phase. This includes data review, answering the established questions, identification of resources and particularly, the sharing of the developed plans, so that the real implementation can start. (Bevan 2011, 27.)

Compared to the other perceptions presented above, Jabri (2012, 20) highlights the importance of involving others, which he determines by, for instance, keeping top management informed, get support and intervene for helping others. Moreover, instead of focusing on results or sharing a developed plan, it is more advisable to firstly carry out a pilot study before full implementation (Jabri 2012, 20). In contrast, Dawson and Andriopoulos (2014, 155) are the only researchers mentioning continuous review and feedback for embarking on the change process. In comparison, direct, drive and deliver are the verbs used by Campbell (2014, 14) for the transition phase which should take place quickly. Thus, she shares the opinion with Bevan (2011) of starting planning change in this phase.

During the previous section, it has already revealed that the chosen systematic change methods have a high orientation to the end customer. Hence, for ultimately fulfilling the desired value of the products, the lean thinking model, on the one hand, focuses mainly on the value-creating steps flow over the transition phase. On the other hand, there exists the high need of providing a product, only when the customer wants it. (Womack & Jones 1996, 141.) In comparison to that, Chen & al. (2006, 1307) imply that according to their *ERA Model*, change implementation encompasses activities such as development of change strategy, creation of change climate, provision of training and social support. Hence, an agreement regarding planning change with Bevan (2011) and Campbell (2014) is discernible.

According to Lewin's (1946) three-step model, the transition phase is defined as the actual implementation phase in which activities are carried out to reach the desired future state. In addition, he puts high emphasis on reinforcement. Since without having it, there will be a great likelihood that change will be short-lived. (Burnes 2004, 985-986.)

Reviewing the previous analysis, it was shown that the *Harvard* professors do not share exactly the same opinion concerning the transition phase. This disagreement can be further transferred to the other authors, because the steps of the transition phase vary much among them. Kotter (2012) highlights the importance of communication, empowerment and short-term wins, while Luecke (2003) mainly focuses on results including the starting point of change. Hamel in contrast suggests choosing right targets and creating impact. However,

Bevan (2011), Campbell (2014) and Chen & al. (2006) still suggest the preparation for change, for instance, by identifying resources and developing change strategy, while others already focus on results. Thus, it seems that nowadays the preparation for change gets more and more important, so that organisations spend more time on that, as indicated by the modern authors. Moreover, it has revealed that the opinions are generally diverse, which is further strengthened by the following authors.

Jabri (2012) continues with underlining the involvement of others and carrying out a pilot study, whereas Dawson and Andriopoulos (2014) point out the process of continuous review and feedback. Not even the systematic approaches indicate a similarity among each other, but as already mentioned the *ERA model* concentrates on development, while Womack and Jones maintain their customer focus. Eventually, Lewin (1946) only focuses on the real actions including reinforcement for achieving the desired state.

Concluding, there only exist few agreements over the transition phase. Thus, the vast, varied and complex character of change is proved once again. Not even the *Harvard* professors as well as the more current authors share same opinions. Nonetheless, due to thesis aim of creating the most suitable model for the current business environment, it is advisable to focus more on the modern authors later on when building the model for change management. Since they have already considered and especially experienced the characteristics of today's business world. Moreover, due to the restriction to the service sector, the systematic change models are of secondary importance.

2.2.3 Post-phase

By accomplishing the transition phase, it does not simultaneously mean that the end of change management is reached. But, in turn, it is now decisive to consolidate the changes in the corporate culture on a sustainable basis (Kotter 2012, 24). Therefore, Kotter (2012, 150) establishes different qualities that characterise a successful and major change effort. Instead of decreasing the volume of change, additional and bigger change projects are approached. Likewise, there are more people brought in to support these changes. Furthermore, leadership from both senior management as well as from lower hierarchical ranks can be identified as a characteristic of quality. (Kotter 2012, 150.) Compared to Kotter's (2012) high emphasis on change expansion, leadership and anchoring, Luecke (2003, 45) underlines more the modification and adjustment of strategies according to upcoming change problems. Isolation, penetration and integration are the key terms describing the last step of Hamel's *Insurrection method*, which indicates that he shares the same point of view as Kotter (2012) (Hamel 2001, 7).

However, when examining the increasingly modern points of views of Bevan (2011), Jabri (2012), Dawson, Andriopoulos (2014) and Campbell (2014), it becomes clear that they do not share exactly the same opinions regarding the post-phase. Bevan (2011, 27) agrees with Luecke (2003) by highlighting the assessment of the change process as well as taking corresponding steps, while Jabri further develops his approach of the pilot study. This eventually means that even if it fails, opportunities should be clearly pointed out, so that the learning effect still exists. (Jabri 2012, 20.) Apart from reviewing and assessing, Dawson and Andriopoulos (2014, 155), on the one hand, emphasise the ensuring of change to stick on a sustainable basis, like Kotter (2012) does. On the other hand, they underline the review and assessment of the change process. (Dawson & Andriopoulos 2014, 155). As in the previous phase, Campbell also uses three verbs for the post-phase which are prepare, propagate and profit (Campbell 2014, 14).

Whereas the *ERA Model* is already completed in the transition phase, Womack and Jones (1996, 141) imply that it is essential to begin the change process again until perfection is reached in order to implement change successfully. Compared to this, considering the psychological and sociological approach of Lewin (1946), it reveals that his last step refreezing aims to stabilise the group at a new balance for avoiding behavioural regression. Thus, successful change can be defined as a group activity and needs changes to culture, norms and practices, so that the organisation likewise keeps the potential productivity. (Burnes 2004, 986.)

Examining the last steps of the models, it seems that not only differences, but also similarities can be identified. For instance, Kotter (2012) and Hamel (2000) agree with each other in terms of the consolidation of change on a sustainable basis. In particular, Kotter's (2012) characteristics of successful change effect such as increasing change volume and bringing more people might be useful for defining the success factors in the next subchapter.

In contrast, Luecke (2003) shares the same point of view as Bevan (2011), Dawson and Andriopoulos (2014), which means that all highlight the reviewing and assessing of change. Hence, one can assume that this is an essential step in the last phase to correct the change process. However, Jabri (2012) only focuses on the pilot study and indicates the importance of the learning effect and derived opportunities, while Campbell's (2014) opinion likewise differs from the others. Consequently, it implies that neither the *Harvard* professors nor the more current authors totally agree with each other. This can be further transferred to the systematic approaches. While one of them is already completed by the transition phase,

Womack and Jones underline the continuous repetition until perfection is reached. However, due to the characteristics of Lewin's (1946) method, it is not surprising that his last step differs from the others, as he focuses on the human behaviour by attempting to maintain the new behaviour. Therefore, he highlights the awareness that change is not limited, but rather an ongoing process.

Concluding, one can recognise a different understanding of the post-phase of change management. Nevertheless, derived from that one can point out that assessment and modification, learning effect, consolidation into the organisation and awareness of an ongoing process are terms characterising the last phase.

Taking these findings as basis, chapter 2.3 "Building a Model for Change Management" on page 22 will continue on concluding and mainly creating the new concept. Identification of success factors and pitfalls will also be carried out.

In order to provide a general overview of the previous methods, a table can be found in the attachments summarising their steps (see Appendix 1. Change Methods).

2.3   Building a Model for Change Management

After carrying out the descriptive as well as contractive analysis, the following section aims to draw a conclusion based on the previous subchapters by eventually building the most useful model. Afterwards, potential success factors and pitfalls will be identified based on the prior analysis.

2.3.1   Building Process

The various definitions of change management have already shown that people and their competences play a key role, apart from the assumption of change as continuous process. However, the forces are mainly economic and social related aspects. Due to the vast and varied character of change, it is additionally advisable to see the dimensions of change holistically, contextually and retrospectively, so that particularly the context plays the major role and should therefore be identified.

As already mentioned earlier, one can assume that all authors intend to provide a recipe for managing change successfully. Since they clearly describe the steps that are carried incre-

mentally. When reflecting each model as a whole, it seems that the older ones can be defined as stricter and more planned, due to their linear character. This is especially shown when comparing the systematic approaches, which is characterised by the military that possessed a higher level of importance in the past compared to nowadays.

In contrast, the more current models increasingly consider perspectives from external parties like shareholders as well as customers and likewise involve employees. Additionally, they spend much time on planning the change, because it does not only take place in the pre-phase, but also in the transition phase. Moreover, the language styles of the modern research seem to be more practical oriented, despite their own highly academic background. Some of them also include worksheets in their books. While the older models possess a certain name, the modern authors do not call them specifically. Hence, one can assume that primary purpose of the more current books is to function as manuals for managing change, instead of clarifying the theory. Concluding, although these researchers possess highly academic background, it appears that their assumptions are less theoretical and especially less abstract, but they rather provide concrete recommendations for daily business operations. In addition, one can assume that these authors have already been working in a consultative role and therefore developed such assumptions. Nonetheless, the linear characteristic can also be found by the more current authors, because of their incremental presentation. Campbell (2014) makes an exception by using a cycle to demonstrate the model instead of a linear approach. Since the majority of the authors use a step approach for illustrating their models in a linear manner, the new model will follow this characteristic.

Regarding the pre-phase, it appears that the core essence of the first steps is similar, although their focuses vary as well as their step allocation. Kotter (2012) can be described as an appropriate starting point for organisational change, as he puts high emphasis on getting the early steps right. Hence, the pre-phase of the new model applies his assumption of creating the felt for change and is dedicated to the question: why must we do this for involving the employees and establishing commitment. However, beforehand the new model is influenced by Bevan (2011), which means that the first step is forming a team with clear roles, so that later on the status quo can be examined. Likewise, characterised by modern authors, the identification of the desired future state and potential challenges is also part of the new model. As shown by the previous analysis, external parties like stakeholders get increasingly more important and therefore the model will consider their input.

Combining the previous assumptions, the following steps can be derived, as shown in figure 2.1.
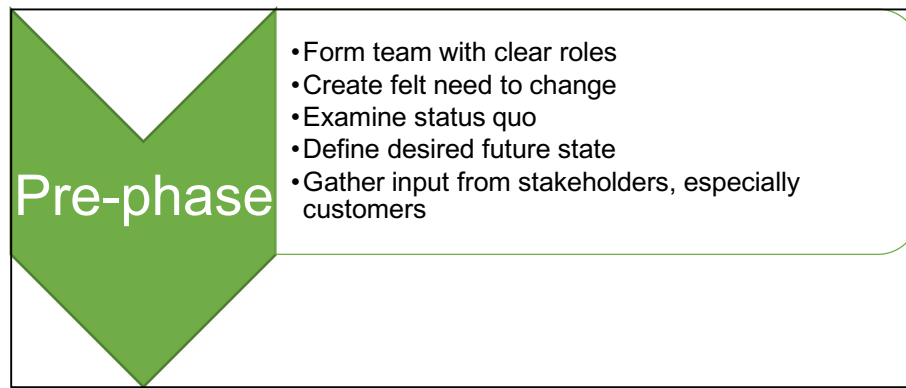
Figure 2.1: Pre-phase of the change model

When examining the transition phase, only few similarities can be identified and therefore, the author will mainly concentrate on the more current authors, when creating this phase. One decisive difference is the allocation of the step development of plans and strategy. Since the modern authors assign it to the transition phase, the new model likewise takes it into account in this phase. Apart from communication and support, involvement by keeping all parties informed can be conclude as essential step as well. Due to the fast pace of to-day's business world, it is advisable to not only review the change and give feedback in the post-phase, but already in the transition phase, as suggested by Dawson and Andriopou-los (2014). Hence, required trainings can be conducted afterwards.

As a result, the following steps, shown in figure 2.2, are established.
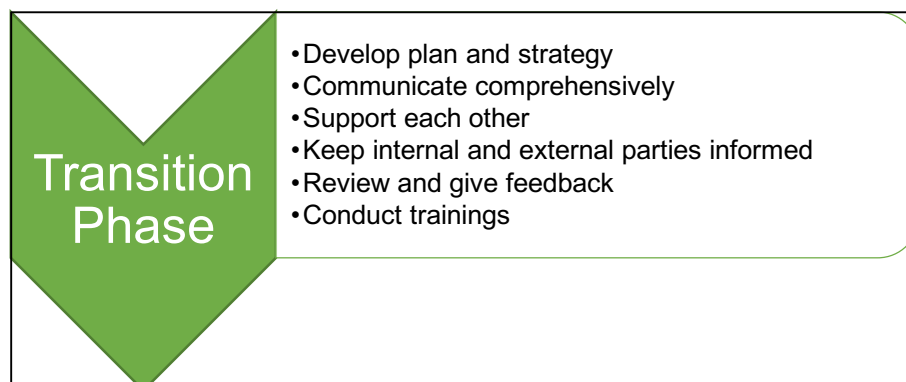
Figure 2.2: Transition phase of the change model

Whereas Kotter (2012), Luecke (2003) and Hamel (2000) suggest to anchor the imple-mented change within the corporate culture, the more current researchers underline the significance of monitoring and adjusting the change process according to the circum-stances. Furthermore, Kotter (2012), on the one hand, provides quality indicators for suc-cessful change like change expansion and leadership. On the other hand, in case of failure,

Jabri (2012) recommends to appreciate the opportunities and especially the learning effect gained from the change process. The model does not only take over these recommendations, but will also consider Campbell's (2014) assumption of an ongoing process which also consolidates with Lewin's (1946) aim of not falling back into old behaviours. Therefore, the awareness of an ongoing change exists.

Derived from that, the steps of the post-phase can be constructed, so that the following phase results, demonstrated in figure 2.3.
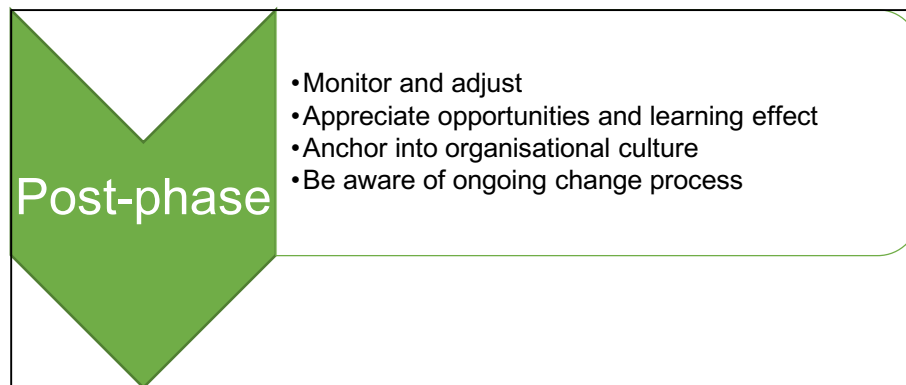
Figure 2.3: Post-phase of the change model

Putting all prior pieces together, figure 2.4 can be inferred consisting of pre-, transition and post-phase.
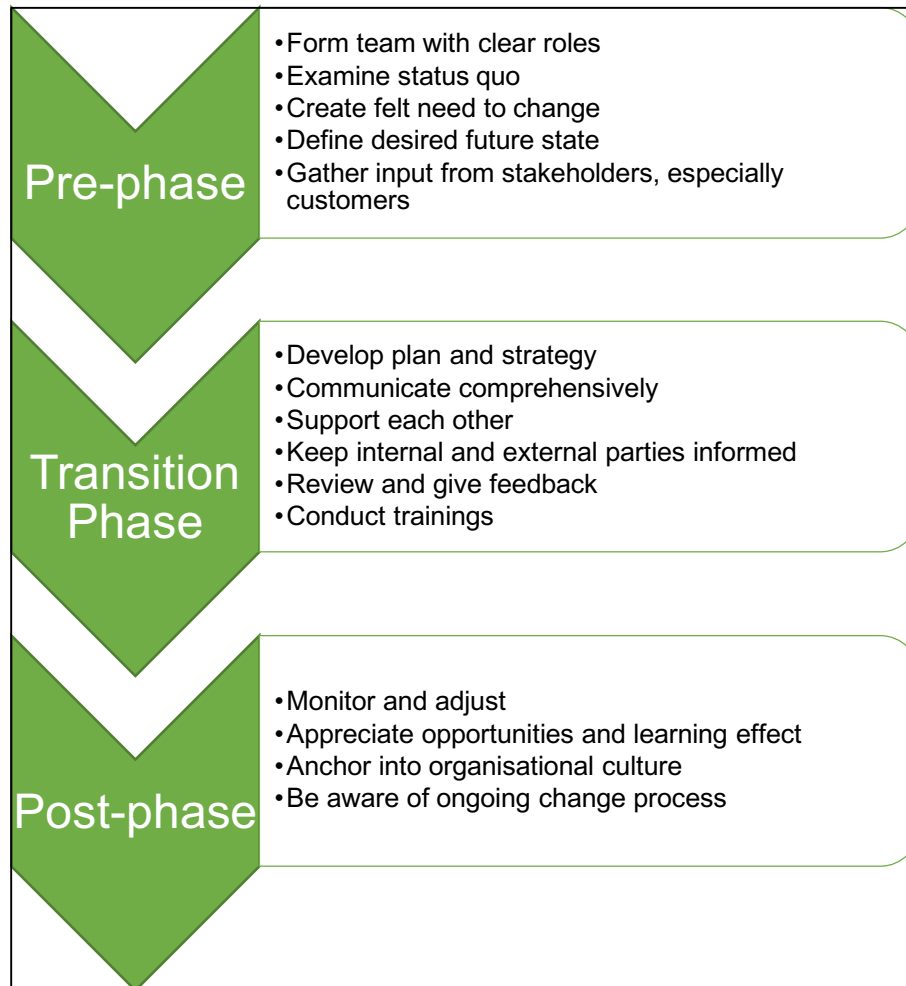
Figure 2.4: Theory-based model completed

However, in general, it must already be said that even if the author aims to elaborate various angles of the broad topic change management including change models, it would be increasingly advisable to focus more on post-modern authors. Rational, psychological and systematic change approaches imply interesting assumptions, as shown above. Nevertheless, post-modern authors do not only challenge the traditional theories about change, but also deliver other interesting starting points like the assumption that change results from discourse within organisations. (Graetz & Smith 2010, 147.) Whereas systematic approaches, for instance, follow the best practice thinking, post-modern theories refute this assumption, because there is no right or wrong about anything, according to Graetz and Smith (2010, 148). Hence, it seems that this type of literature is more useful and evokes higher current relevance instead of the other approaches.

2.3.2   Success Factors and Pitfalls

After carrying out various analysis and finally constructing a model for change management, several success factors and pitfalls can be identified. Hence, based on the results from the

literature research, it appears that a clear purpose and process of change management is one decisive aspect, which should be characterised by prioritising and a realistic view. By means of answers to why, what and when questions, the aforementioned aspect is ensured.

In addition, not only the participation of employees and their commitment, but also the involvement of shareholders and customers contribute to success. Consequently, clear and constant communication is imperative which is additionally reinforced by trust, right people involved and leadership by example. This can be further developed to the overall leadership, which, on the other hand, aims to evoke empowerment and reinforcement by considering the transformational character.

A certain level of vigilance is required to keep on track and therefore, constant assessment, reviews and feedback can also be defined as success factors. This results in a great learning effect and opportunities that are appreciated to the fullest potential. In addition, the most stressful aspect of change can be to remain a full overview of the whole situation, which is nevertheless one of the most beneficial factors leading to success.

On the other hand, organisations have to expect that their change processes cannot be executed according to their plans, due to characteristics of today's ever-changing world. Thus, it is recommendable to create an awareness of potential challenges before implementing change, as suggested in new model's pre-phase.

Derived from the different analysis of the thesis, numerous pitfalls reveals. It is obvious that the aforementioned success factors can easily be turned into pitfalls by establishing the contrary meaning. However, the author aims to deepen this and therefore, a further source explaining why change programmes fail will be considered.

If there is no understanding of change by not answering the question why, it will be, on the one hand, difficult to overcome people resistance. On the other hand, achieving the desired future state will be unrealistic. This is supported by identifying the wrong key concerns. Nevertheless, the answers to the questions what and when have likewise to be find. Moreover, not only unclear and limited communication hinders the successful change process, but also one-way communication.

Whereas some of the previous researchers put high emphasis on the planning of change, it is essential that organisations guarantee a delivery of change. Hence, too much planning and no real focus are potential risk in change management. Furthermore, misinterpretations

can reveal based on the old corporate characteristics, which simultaneously can lead to a disconnectedness to the reality. (Johnson & al. 2014, 489-490.)

The below figure provides an additional overview by illustrating the indicated success factors as well as pitfalls derived from the literature.

Success Factors	Pitfalls
• Clear purpose, process • Prioritising, realistic view • Why, what, when question • Staff participation, commitment • Involvement shareholders and customers • Clear, constant communication • Trust, right people, leading by example • Transformational leadership • Vigilance • Constant assessment, reviews, feedback • Full overview	• People resistance • Wrong key concerns • Unclear, limited, one-way communication • Only planning, no delivery of change • Missed potential risk management • Misinterpretations • Disconnectedness to reality

Figure 2.5: Identified success factors and pitfalls

2.4 Summary

In particular, due to the large amount of information provided in the previous chapter 2 "Change Management" on page 8, it is advisable to reflect its key aspects. By doing this, preparation for the following chapters, dealing with the actual research study, is simultaneously evoked. The aim of the chapter is to create a profound literature review concentrating on the topic change management structured by concept analysis and ending up with a developed model.

The chapter begins by several definitions of change management including related terms. It appears that despite different terms an overlapping of their meaning is discernable, which

additionally confirms the wide scope of interpretation as well as the lack of clarity. Hence, never-ending process, continuity, constant factor, moving from current to desired future state and people involved are the key characteristics. Apart from key dimensions like change scale and enablers according to several researchers, an answer to the question of why is change management important is additionally given. Consequently, change management does not only improve corporate performance, but also supplies guidance for employees.

Moving on to the comparison of some change methods, the pre-phase is characterised by elements such as forming team, urgency, challenges, involvement and commitment. While this phase indicates overall agreement, the transition phase shows more divergent opinions. Nevertheless, it seems that planning and involving external as well as internal parties into the change process get increasingly more important. Regarding the last phase, not only the review and assessment are essential steps, but also opportunities and the learning effect possess significance. This can be further expanded to consolidation into the corporate culture and the awareness that change is an ongoing process required continuous repetition.

As a result, it appears that all authors intend to provide a recipe for successful change management. Moreover, the older models seem to be more planned and strict evoked by their linear character, whereas the more current methods appear to be less theoretical and abstract, but rather provide direct recommendations to the reader which are very closely connected to daily operations.

Derived from the previous analysis, the new model is built. Its pre-phase begins by forming a team, followed by the examination of status quo and the creation of need to change. Definition of desired future state and gathering input from stakeholders belong to the last steps. Moving on to the next phase, the development of a plan including strategy is the first step, while comprehensive communication and mutual support follow. Apart from keeping internal as well as external parties informed, review, feedback and trainings are crucial components of this phase as well. Compared to prior phases, in the post-phase the change will be monitored and adjusted accordingly, whereby appreciation of resultant opportunities and the learning effect are important. By doing this, the change can afterwards be anchored into the organisational culture. However, the awareness that change is an ongoing process is indispensable.

As already mentioned, beside building a model, the chapter additionally aims to find success factors and pitfalls. Consequently, clear purpose, clear communication, transformational leadership and vigilance including full overview are only some examples of success

factors. In contrast, wrong key concerns, missing delivery of results and lack of risk management belong to the identified pitfalls that can occur when changing something within organisations.

However, it has already appeared that it would be more recommendable to focus on postmodern literature, since they indicate higher current relevance and seems more useful in today's business world.

Concluding, one can say that despite the wide, varied and complex character of the backbone change management, a coherent, conceptual understanding of the topic is evoked and thesis goal is followed by building a model and identifying success factors and pitfalls. Hence, the following chapter will deal with the research study, so that the theory, particularly the theory-based model, can be compared to the key findings of the empirical study in chapter 5 "Discussion" on page 53 and finally improved.

3   Research Methodology

After providing a coherent understanding of the existing literature in terms of change management, the intention of the following chapter is to explain why and how the thesis research was conducted. Thus, it is divided into three sections by starting with the presentation of the used research design and corresponding methods. This is followed by the discussion of the tool for generating the data, whereas afterwards the method of how the data was analysed will be described.

Before introducing the research methodology, it is recommendable to review the research design from chapter 1.2 on page 4 to create a better understanding of the conducted data. Consequently, the research study aims to find an answer to the research question of *What should be taken into consideration when managing change?*. In order to achieve this, one research objective comprises the establishment of conceptual understanding of change management. Moreover, the research does not only intend to build a model derived from the most useful characteristics of theoretical change models, but also to improve it by managers' conceptions of change management. The last research objective encompasses the identification of useful success factors as well as pitfalls.

Whereas concept analysis was used as framework for the theoretical part of the thesis, semi-structured and qualitative content analysis are applied as methods of qualitative research. According to Ghauri and Grønhaug (2010, 196), this type of research is most suitable when scrutinising unstructured problems in an exploratory and flexible manner, whereby explanations or theory are constructed afterwards.

Due to the objective of answering the question*: What should be taken into consideration when managing change?* and the corresponding objectives, qualitative research is the most appropriate research methodology for this thesis. This is additionally reinforced by the vast, varied and complex character of change. Hence, understanding the phenomenon of change management plays the major role by exploring the meaning of people, their feelings, mindsets and experiences in the service sector.

Qualitative research is usually inductive by letting key categories and concepts emerge from data (Schreier 2012, 25). Referring to this thesis study, firstly deductive research exists due to the development of the theory-based model. This however changes to abductive reasoning, because the findings of the research data do not match these previous theoretical assumptions (Kovács & Spens 2005, 139).

3.1 Semi-structured Interviews

In order to explore the above mentioned aspects, the research was conducted by means of manager interviews.

The participants were selected according to the following criteria:

- The interviewees are in a managing position in the service industry.
- They have experience in change management.
- They possess sufficient English skills.

Moreover, it is discernible that all managers are in top management positions such as a managing director of a company. Thus, they have not only participated in implementing change, but also in planning it, as members of managing teams. An additional perceptive can be discovered, because some managers possess a consultative role, due to their employments in consultancy companies. Furthermore, the interviewees have strong educational backgrounds in diverse areas. On the other hand, when considering international working experience, the minority has not been working internationally so far. International experience due to international working environment is nevertheless discernable. Apart from business-related aspects, one can also add that six out of eight participants were male. In addition, one assumes that almost all managers can be assigned to the same age group, except one interviewee standing out, as the person has already been retired. Apart from one manager, the others were all born in Finland. Further detailed information about the participants is given by the attached table (see Appendix 2. Information about Interviewed Managers).

Enquires for participating in author's qualitative research were sent via email. Consequently, eight interviews were in total conducted. The data was generated within a time frame of three weeks at the end of May 2016 and in the beginning of June 2016. The duration of the interviews was approximately one hour and most of them were located in Helsinki or its surroundings except one, as the interviewee was in Eastern Finland.

The data was conducted as semi-structured questionnaires, which means that only a list of themes and guiding open-ended questions were used (Saunders, Lewis & Thornhill 2016, 391). Thereby, on the one hand, the gathered data is comprehensive and organised. On the other hand, the speech is informal as well as conversational. However, a difficulty can occur in analysing and comparing the data, due to the given freedom of speech. (Eriksson & Kovalainen 2016, 94-95.)

Apart from semi-structured, almost all interviews were carried out face-to-face, whereas one manager was interviewed via phone. The interviewee can take more time when answering the questions via phone. In contrast, conducting face-to-face interviews, the person cannot only answer faster, but also cannot hide his or her emotional response. Thus, face-to-face interviews are the most suitable and especially, valuable method for gathering qualitative data. (Rubin & Rubin 2012, 30.) For ensuring the most accurate and detailed information afterwards, the one-hour interviews were recorded with managers' consents. After transcribing the actual word spoken of the interviews, 75 pages of transcriptions resulted.

3.2   Qualitative Content Analysis

Whereas semi-structured interviews were conducted for data generation, qualitative content analysis has been applied as method to analyse the gathered data afterwards. This method seems to be the most suitable, due to its focus on data content by emphasising on what is really said as well as on what is done in data. Instead of transforming qualitative data into variables like the traditional content analysis does, qualitative content analysis purposes a holistic as well as factual description about the phenomenon. This further leads to a detailed and nuanced interpretation of contextual meaning of data. (Eriksson & Kovalainen 2016, 119-126.)

In order to reduce the aforementioned difficulty of analysing interviews caused by the freedom of speech, the author orientated herself by the seven suggested steps regarding the analysis of responsive interviews by Rubin and Rubin (2012, 190) and combined them with suggestions from Miles, Hubermann and Saldaña (2014, 71-72). Thus, the following steps were executed, which are summarised in figure 3.1 below.
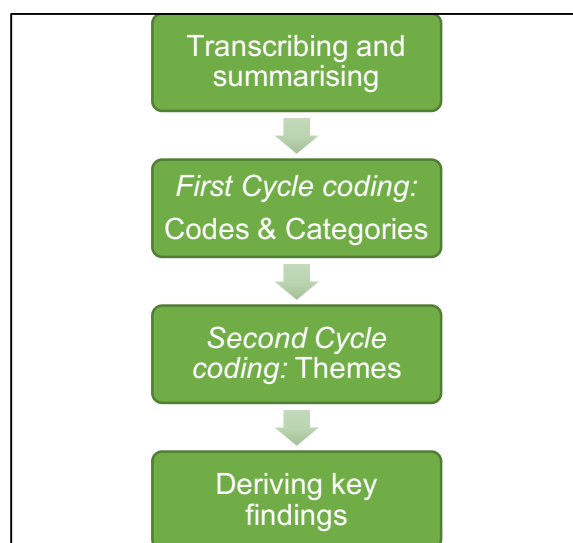
Figure 3.1: Data analysis process adapted from Rubin and Rubin (2012, 190)

After conducting the interviews, each was transcribed by a full and verbatim written repetition of questions and answers, whereby forgetting important details has been avoided (Rubin & Rubin 2012, 190). Moreover, notable quotes, helping to answer the research question, were sorted out. In order to emphasise specific key facts, provided by the managers, the transcripts were additionally summarised.

This was followed by scrutinising the transcripts for understanding the gathered data including the research question by means of codes. Codes can be defined as labels allocating symbolic meaning to the gathered data. In addition, they are appropriate tools for categorising similar data, so that the researcher can easily conclude themes referring to the research question. (Miles & al. 2014, 71-72.)

However, in order to receive the most reliable and viable results, the coding was divided into two major stages as proposed by Miles & al. (2014, 73). Over the *First Cycle coding*, codes were initially assigned to text excerpts by searching for specific coding types such as descriptive, process and emotion codes. Due to this step, the author was afterwards able to find categories for similar codes.

Compared to the first stage, inferential codes were further analysed by the *Second Cycle coding* and the resultant categories from the *First Cycle coding* by means of pattern codes. Hence, seven major themes could be eventually inferred which were combined afterwards to generate own theory.

During this analysing process, the coded data has been examined critically by identifying differences as well as similarities among interviewees' conceptions of the research area. Thanks to the aforementioned steps, the author was able to systematically approach the generated data, so that answers to the research question could be derived from the gathered data.

4 Managers' Conceptions of Change Management

The purpose of this chapter is to present the findings gathered through the semi-structured interviews. By using the aforementioned methods, the results were described and analysed, so that explanations and comparisons with the theory can be presented in chapter 5 "Discussion" on page 53.

Each of the seven themes will be introduced and further explained by means of the resultant categories. Corresponding managers' conceptions are presented and compared with each other to receive the essential key results. This chapter ends by summarising the content of it.

4.1 Derived Themes of Change Management

As part of qualitative content analysis, by means of *First Cycle coding* and *Second Cycle coding* seven themes could be eventually derived from the generated data. This means that, for instance, the theme communication was deduced, since during the *First Cycle coding* the author could assign several text excerpts to a code encompassing assumptions for example that communication should be open. As other managers talked about how to communicate as well, this aspect was identified as category. Over the *Second Cycle coding*, it seemed that not only the question of how to communicate was addressed, but also other perspectives such as what to communicate. Therefore, communication was identified as theme. Similar procedures were executed for finding the other themes.

4.1.1 Perception of Change

Due to the vast and varied character of change and the wide topic of change management, the empirical research began by clearly asking for managers' personal definition of change including change management. This was expanded to several basic questions such as why change management is needed and how it can be carried out, so that the overall theme perception of change resulted.

Whereas one manager answered that change can mean everything and anything, the majority generally described it as something positive and good. Additionally, they saw it as an opportunity. However, uncertainty was, on the other hand, mentioned. Moreover, the research implies that all managers did not define it as something spectacular, instead it is common sense by being part of everyday life. Regarding this, one manager emphasised

change as "normal way of life" and added the idea of what makes sense supporting his prior assumption.

Going deeper into managers' statements, more differences were discernable. While some managers associated change with a clear path towards the future including required actions, one manager highlighted change as mindset being the only constant and predictable factor in business. He went further by saying that *"Change is the only thing that is standard".*

Comparing to the meaning of change, the opinions regarding change management increasingly varied. Some managers described change management as negative and sensitive work which is difficult to accomplish, so that in case of wrong execution, counterproductive things can happen and it often goes the wrong direction. No one really talked about risk management, which however was mentioned in theory. It encompasses managing the probability of something going wrong during the change process and corresponding negative consequences. Finding a solution is a very important part regarding this as well. Whereas one manager had a clear idea of change management as the path to get from the current state to the desired future state, some managers emphasised person-related aspects. In particular, diversity, defined as accepting different ways of thinking and behaving, was mentioned by one manager, which further leads to expectation management.

After asking for the general meaning, the managers indicated some needs for change. Generally, one can assume that the factors are of different nature. However, they can be categorised into external and internal factors. Some of the managers mentioned company's performance, recruitment process as internal factors, which can be influenced and therefore it is recommendable to put high emphasis on them. Compared to internal factors, external factors like competition, politics and new regulations cannot be influenced. For example, the government has been cutting down funding, consequently the company has no other choice as to react and adapt. When considering the weighting of both external and internal factors, one manager pointed out that in the end everything is driven by external factors. Another manager pursued this thought by underlining that it is always the customer need that is ultimately crucial. Concluding, all managers shared the same opinion that change is indispensable for a company in order to survive on the market and outperform its competitors.

The perception of change as part of everyday life can be continued, when talking about how change management can be carried out in general. Consequently, almost every manager saw it as a continuous and constant process, which corresponds to the aforementioned idea that it belongs to daily life. Moreover, they highlighted the way of proceeding step by step,

in which clarity and simplicity play key roles. While some managers also underlined constant repetition, improvement and critical rethinking, others put high emphasis on planning in advance by additionally stressing proactive behaviour.

Apart from characteristic of the process, the interviewees also named various types of change, which were almost the same. Nevertheless, they all emphasised the dependence of the context, so that no single definition of change type exists. There are, on the one hand, changes relating to the personal life, which means change coming from the person itself. On the other hand, the business world causes various types starting from concrete changes such as physical changes and change of business models, routines and technology to the abstract level. Change of the overall culture, mindsets, knowledge and attitude are appropriate examples of this. Particularly, the latter can prove to be difficult, according to all managers. This is especially reinforced by companies being well-established and possessing a strict tradition, long history and strong heritage.

In order to consider the research area not only from the positive angle, some managers addressed the downside of change management independently. During the change process, some issues being difficult to talk about can reveal, mainly referring to employee's work such as effort, energy and input. Furthermore, sometimes it is not avoidable to cut hours or reduce people's working days. According to all managers, final redundancies belong to change management, even if those processes were perceived as highly difficult and create bad feelings and very high tension.

After considering various angles of the research area during the interviews, the research implies a further angle of the thesis topic, which can be defined as the essence of the theme perception of change. One manager clearly named three important aspects that are required in order to change. Firstly, one needs the head to think about the whole situation and the value. Apart from hands for getting something done fast, one also needs the heart to commit to it, since fake is not useful. The other managers agreed with this assumption by, for instance, highlighting the belief, proudness and especially willingness to change. However, if the ground work is not rock solid, change will most likely fail. In addition, it is recommendable to adapt enough by, for example, reading the mindsets. Otherwise, the downside described by the following metaphor can occur which came up in the interviews: *"If you continue the same way with shrinking boot, yourself will be on the bottom of the ocean".* Hence, embrace the change is a suitable motto as well as solid basis for organisations. Nevertheless, another manager pointed out the most crucial aspect regarding change that there are no laws of nature precisely specifying change. In contrast, one way of change

being suitable for every organisation does not exist, but it varies according to different context, whereby psychology plays a major role.

4.1.2 People Involved

During the previous part, when concretising the theme perception of change, the research has already implied that people-related issues play a significant role in terms of change management. Thus, the author could derive the second theme out of managers' conceptions, which means that the following passage is dedicated to the people involved in change process.

By approaching employees' reactions to change management, it seems that all managers described them as different depending on the situation. However, some interviewees indicated questions like why should we change when it has worked and is safe, what is happening and what does it mean to me, while the majority emphasised a negative attitude as first reaction. Shock, frustration, no willingness and general carefulness can, for instance, be recognised.

Furthermore, each manager divided the reactions independently into young and elder employees based on their age. One manager assumed that, on the one hand, elder employees are more difficult and even easily resist change. On the other hand, young employees clearly see the change and are able to adapt easily. However, the majority expressed the exact opposite. Elder employees are a bit sceptical due to previous attempts. Nevertheless, the optimism overweighs and they feel secure. In contrast, young employees are usually scarier and even reluctant to change.

Besides the category of age, one can separate employees into either a group for or against change. The latter cannot only be caused by fear, worries, being scared of having not enough skills for change, but also due to the general avoidance of stepping out of one's comfort zone, according to some managers. This can even lead to the fact that employees leave the organisation on their own. In contrast, people for the change see it as an opportunity to move on and benefit from it, due to better guidance and instructions of what needs to be done. In order to execute the change together, several managers suggested to find the people of both positions and especially, convince the ones against the change. The rest will automatically follow based on previous experience.

The previous example has already provided a possibility of how to change employees. However, a more decisive aspect according to several managers is the fact that people change

when it makes sense. Consequently, the creation of an overall understanding of change is discernable, whereby clear descriptions including clear goals, benefits, support and the belief in change contribute to its success. Based on these aspects, some managers assumed that motivation, commitment, energy and particularly trust are enhanced. On the other hand, nervousness will be avoided.

While only one manager highlighted rewarding of employees, everyone agreed with each other that involvement and communication are key factors in terms of changing employees. Therefore, these two aspects will be further deepened by means of two independent themes in the upcoming text of the thesis.

However, before presenting a new theme, another category called differences is explained derived from the gathered data as well. According to some managers, there are not only differences in age, gender, working positions, change roles and reactions discernable, but also cultural differences affecting the change process. Even though the majority of the interviewees have not gained any experience in this matter, a small group gave interesting comments that should not be withheld.

In today's world the clash of cultural diversity plays an increasing role and hence, possesses an impact on organisational change as well. Staff should be aware that there is no right or wrong. In contrast, the awareness of different national cultures dealing differently is necessary. According to one manager, considering and especially understanding different mindsets cultural wise and making sense out of it is one crucial aspect when aiming to change something in an international environment. For instance, in a higher power distance culture, there is no need for open discussions as nobody will really speak up. Moreover, in order to gather some business related information, the manager can ask German or Dutch employees straight, whereas French or Spanish staff would not answer, due to manager's position in the company. Therefore, he or she has to ask trusted persons being willing to talk openly. However, one manager did not only address the cultural differences, but also other different backgrounds referring to age and education, for example. It is necessary that one understands different backgrounds including how they work and what it means. It eventually becomes visible when communicating with people having various backgrounds. For avoiding miscommunication and misunderstandings, communication has to fit into the external circumstances.

4.1.3 Involvement

Since involvement belonged to one of the most mentioned factors in the empirical research and thus possesses high importance in change management, the following part of the chapter will scrutinise this theme.

When talking about how to involve people in change management, it is not surprising that communication also plays a major role concerning this theme. Thus, all managers agreed with each other that communication like open discussions helps to succeed in involving various people in the change. In addition, some participants highlighted that not only employees should be involved, but also shareholders by gathering input and feedback and keeping them updated. In contrast, the majority mainly focused on the involvement of staff. While some interviewees described the allocation of responsibilities as well as big roles and encouragement to make own decisions as supportive actions, other managers emphasised staff's feelings. Especially, the expression of the feeling that they can influence their work by contributing and taking part in the change process is important. Hence, some managers pointed out that leading by example is an appropriate way to reach this, whereas others continued this thought by indicating that not only leading, but showing by example would be more beneficial. This disagreement can also be found when considering the clear participation, which means that one group of the interviewees highlighted that employees have to think and finally do the change by themselves. However, some other managers underlined the group aspect and collectivism, because they held the opinion that one has to find the answer together. Therefore, the more people are engaged and empowered from the very beginning, the better will be the final outcome. However, it must be clear that somebody "has to have the last word" in order to ensure the progress of the change.

Thus, one manager concluded that when talking about involving people, one has to give them sense of value. Otherwise, if a company does not involve people in change, it is an unethical company. When comparing managers' opinions in terms of ethics, it has shown that no other manager did clearly address this issue, although it is an imperative part of the whole conception of change management.

After discussing the possibilities how to involve people in change management, it is now interesting to introduce specific methods already executed by the managers. Few interviewees explained that before implementing the change, it will be tested by means of a pilot study. Hence, on the one hand, the team can recognise what needs to be improved and on the other hand, they involve people by letting them try the change. Apart from a pilot study, co-design is used by managers, which means that a mixed team, consisting of external

including internal parties like potential clients and staff, takes part in developing the change. They come together in workshops to make the whole change issue better understandable, so that they are able to create ideas. Afterwards, prototypes are generated that are then further improved by means of feedback. Concluding, the change is designed together with the most important parties according to managers' opinions.

During the previous passage, several answers to the question of who would be important to involve in change management have already been provided. As a consequence, the author can summarise that all managers agreed with each other that it is indispensable to let staff participate in change. However, when considering the involvement of customers, the opinions were diverse. A small group of participants mentioned that they have not involved customers enough in their business so far, whereas one manager underlined excluding them, since they only buy company's products, instead of the way it works. Nevertheless, the majority highly recommended the constant involvement of customers, which is attributed to the earlier mentioned external factors of change, where customer needs have been accentuated. In terms of shareholders, one can say that the managers, naming shareholders as part of change, suggested the involvement of them by, for example, gathering input and keeping them updated.

Nonetheless, the data also implies that shareholders, particularly firm's owners play a bigger role in the process, than earlier assumed. Almost every interviewee mentioned existing conflicts or fights with them that can be caused by contradicting opinions and resulting in negative impact on operational effectiveness. It is possible to start something under the table without involving shareholders, but it is more likely to fail. In particular, the managers eventually have the responsibility to fulfil the expectations and therefore, they require shareholders' support and freedom. Hence, in order to gain these aspects and to enhance company's success, the necessity exists to talk openly and accept comprises.

4.1.4 Communication

The term communication was not only mentioned several times during the previous part, but also verified why it is important in change, as shown, for instance, by the last example of shareholders' involvement. Hence, one can summarise that communication is an essential element for involving people, building trust, pushing change forward and creating an overall confidence. After discussing why communication is needed, the question of how to communicate will be answered in the upcoming passage.

The majority of the managers described the most successful communication regarding change as consistent, clear, understandable and logical which should be simultaneously connected to everyday work, whereas other participants stressed the significance of openness, honesty and especially, transparency. Since it is difficult to understand and believe in something for people, when it is hidden and not demonstrated openly. Nevertheless, too much openness can, on the other hand, be counterproductive, so that even fear and worries are caused according to some interviewees. In order to recognise such negative feelings as soon as possible, some managers suggested informal talks, because they help to disclose people's concerns including their way of thinking. Furthermore, all interviewees talked about verbal communication, but only one manager indicated non-verbal communication superficially. A deeper description is appropriate at this point. Apart from constant communication, few managers additionally highlighted the repetition of the content, particularly due to the varied reactions of the employees.

The theme involvement has already implied slightly the participants of communication. Thus, not only employees and shareholders, but also other stakeholders like customers are part of communication, according to several managers. This can take place in big group discussions, but one-to-one conversations are of great importance as well. In addition, all managers preferred face-to-face talks. Instead of giving instructions via email, one manager, for example, aimed to increase the presence of company's management board and hence, face-to-face communication, which finally leads to better working relationships and a pleasant atmosphere. Furthermore, in-house communication has been described as more important and challenging, compared to outhouse communication. Nonetheless, it is recommendable to first communicate issues in-house, because they will become public anyway eventually, based on some managers' points of views.

Concerning the communication level, it seems that only one interviewee addressed this part by stressing to ensure that one talks on the same level. This means that a common language either on the strategic or operational level is required, for instance. Moreover, considering the communication flow, all interviewees agreed with each other that communication coming from bottom up is increasingly supported, whereas top-down communication will be reduced. Consequently, both ways are significant, so that one manager equated the communication mode with a dialogue by talking and listening with patience.

After answering the question of how to communicate, the content what to communicate was derived from the interviews. The most aspects have already been mentioned before. Nevertheless, in order to receive a coherent understanding of the research area, the author will

summarise the key aspects with reference to the content of communication. While one manager suggested to communicate everything that is not a business secret, most managers stated concrete things such as meaning, benefits and effects of change. Some additionally underlined the evaluation aspect including measurements, whereby one interviewee implied the advantage of giving constant feedback and updating each other. Apart from talking about leadership or communication style, another manager addressed the downside of change. This means that personal things such as feelings, worries and wishes are taken into account and particularly, redundancies are not avoided communicating.

One manager provided a summary of the aforementioned aspects regarding content by suggesting that the communication starts with answering the question why to change, continuing to how to change and finally ending up with what to change. The challenge is to link the abstract level of goals with the more concrete and practical level.

In terms of when to communicate, there were only few statements. As earlier said, some managers indicated that communication has to be constant, while another manager emphasised communication in the planning phase. However, only one manager stressed the communication after carrying out the change. It is important, since due to communication a faster reflection of the change is possible and therefore, corrections can be executed more quickly.

4.1.5 Leadership

Based on the conducted qualitative content analysis, leadership was also selected as theme due to the categories derived from the coding. The communication aspect of the last passage can be further continued with reference to this theme. This means that when asking the question of how to lead a change, the data implies that all participants highlighted communication by suggesting open discussions, whereby answers to why, how and what to change will be found.

Moreover, involvement is additionally an important part of leadership, so that directly asking for employees or shareholders' opinions can also be mentioned at this point based on the research. However, according to some interviewees, openness cannot only be applied to involvement and communication, but also to the leadership style. Consequently, transparency and honesty are crucial factors as well, so that, for instance, an existing crisis within the company will be openly admitted, otherwise trust or confidence amongst staff does not exist. This is underlined by the following statement mentioned by one of the participants:

"The fact that you're open about it also gives people the trust that we don't make life look more beautiful than it is […]."

Furthermore, according to one manager, a leadership style, which is highly structured and very organised, encourages employees to follow. This can be further enhanced through support by, for example, offering trainings as well as workshops. Nevertheless, some managers emphasised that conveying a sense of urgency is indispensable in order to ensure that change will be carried out. While one manager suggested high targets and being ambitious, another interviewee put again high emphasis on actions such as communicating, involving and motivating people, whereby the creation of emotions is the final goal. As when emotions are established, all people will follow and change can be done successfully. This does not mean evoking negative emotions by frightening people or creating horror, even if it can work. Furthermore, it is advisable to not only repeat and rethink the process, but also to take a wider view by crossing everyday life's boundaries.

Compared to all other managers, one interviewee had a clear idea of his own leadership style and described it as follows: forcing employees to get out of their comfort zone by taking responsibility and making decisions independently still in a safe environment due to high esteem of learning, instead of criticism are the key aspects, as stated below.

"I kind of dump people in a swimming pool in other words you can dump people in the ocean. So sink or swim. I do a little bit of the same. I don't hold people's hands. I perhaps give a bit too little direction, but it's because in my opinion the real professional will stand up. They will either learn to swim or they will ask for help. But, it's still in a safe environment. In other words, if people fail they won't ground, because it's a swimming pool. So it's still safe, it's still…I expect people to make mistakes. I expect to take…I would say that's the most important thing I expect to take responsibility and I think that kind of people appreciate most that I give them freedom. And I do not criticise them if they fail. I simple ask what did you learn."

This manager additionally held the same opinion with other interviewees that leading by example characterises a successful leadership style, which has already been contradicted in the theme involvement. As already mentioned, some managers stated that leading by example is not enough, rather showing by example is reasonable.

Likewise, in terms of external support of consultants, the opinions are divergent. Some managers are in a position of consultants, whereas some managers have employed consultants. Nevertheless, the latter tried to reduce this influence by hiring internal coaches. This internal aspect can be seen as very important, according to some managers, because leadership and its commitment have to come from inside. Company's manager leads the change, so that the risk that employees do not commit to the change, due to outside leaders,

can be reduced as much as possible. Thus, the internal leader is forced to show and convey commitment in the organisation.

Apart from commitment, some other characteristics and descriptions of the leader could be identified during the interviews. All managers underlined that the leader has to believe in the change including selling the idea of why, how and what to change in a positive way. Otherwise, it is unlikely that staff will believe in it and eventually change something. Whereas some interviewees saw the leader as driver and facilitator organising discussions and meetings, the majority implied that he or she is the face of the change by executing activities such as supporting, talking, motivating, empowering and creating emotions. More-over, the person has to ensure that the business including change is steadily progressing, as in the end he or she is responsible for the outcome and has to meet owners' expecta-tions.

In order to succeed as a leader, one manager summarised all the required qualities of a leader by means of the Greek philosopher Aristotle. As already said, the leader should pos-sess the ability to evoke emotions, which is called Pathos based on Aristotle's rhetoric. This also means that negative emotions like fear, anxiety and worries about losing the job or not being capable to handle the change, have to be taken into account. For overcoming these negative feelings, it is useful if the leader is minded and clear about explaining very easily what is important regarding the change. In addition, based on Logos, evidence, facts and rationality are also required in order to make people follow. Besides Pathos and Logos, the last quality Ethos deals with authority and creditability of the leader. This can be highly dependent on person's history and overall reputation. For instance, if the person has al-ready carried out several projects and all of them failed, it is rather unlikely that employees will follow and show respect for he or she once again.

In order to avoid the last scenario, the interviewees were also directly asked for giving per-sonal advice for a leader being responsible for a change within an organisation. Hence, they recommended all the aforementioned aspects and particularly the three described qualities of Pathos, Logos and Ethos. However, a small group additionally emphasised that learning by doing is remembered and followed. Apart from the already mentioned belief in change, the responsible manager just talks about the change by being honest and never lying if it does not work well, since it will finally get caught anyway. Furthermore, it is advisable to stand behind one's words to avoid any conflicts. The latter can also be handled by being open-minded, approachable and always showing presence, which does simultaneously mean that the leader does not distance oneself from the group, but rather attempt to be part

of it by accentuating equality. Whereas some interviewees stressed the positivism, willingness including motivation to change, a few managers suggested patient, stamina, passion and the courage to change as crucial properties for a successful leader. And even if the circumstances are not favourable and things turn out to be bad, it is important that one keeps moving constantly and at the same time always tries to be and do better tomorrow.

4.1.6 Framework

After scrutinising the themes perception of change, people involved, involvement, communication and leadership, the following passage of the thesis is dedicated to introduce another angle of the research area, namely the theme framework referring to change management.

When asking the managers, whether they have used a specific model or framework for changing something in their organisations, one can assume that the majority did not. In contrast, the exceptions dealt with a framework such as the earlier explained method co-design. However, these methods do not provide concrete instructions how to change step by step, but rather concentrate on the abstract level.

Despite the lack of experience with certain change frameworks, all managers were able to suggest several consecutive activities in order to manage change successfully. While almost all managers proposed starting the change process by understanding the current state and other related aspects like the context, culture and values of the firm, few interviewees highlighted the people involved. The latter implies that, on the one hand, the right management team and the right employees have to be picked for the change at first. On the other hand, discussions, whereby various angles are scrutinised, should take place, so that one can come to agreements concerning the further process. Few managers did not only underline the overall importance of the people involved, but also the finding of convincing reasons and benefits for staff to change and think differently. Motivation and the creation of emotions are key concepts regarding this.

Before beginning with planning the change, some interviewees shared the opinion that right targets, clear goals and appropriate measurements have to be established beforehand. Afterwards, the content of the change can be created by developing structure and plan. Instead of adapting flexibly and freely, few managers also recommended to establish plan B in case the initial plan does not work. As already explained during the previous passages of the thesis, the involvement of staff is of great importance in terms of change management. Therefore, it is essential that the employees receive the chance to take part and help

forming the content supported by the responsible leader advancing and believing in the change.

After gathering facts and creating an understanding of the current situation, all managers suggested putting the established plan into practice as if to say enough words, just do it and look forward. However, this action was interpreted differently. Some managers followed the principle of learning by doing, try and fix the plan, while other managers indicated more specific activities such as the allocation of responsibilities and people to various duties, building a playground by making lists, talking together and rethinking the whole process constantly. In particular, the latter possesses great significance in the change process. As in order to avoid in the end the necessity to start from scratch again, rethinking in between is indispensable even if the change program is already formulated. Additionally, for completely preventing the failure of change, a pilot study is suggested, whereby the learning effect and improvements will be evoked.

Moreover, some interviewees have already emphasised measurements when putting the change into practice. Measuring staff satisfaction, processes procedures and monetary aspects are some examples regarding this. However, the majority considered it as one of the last steps, thereby the overall success of change is simultaneously measured. Almost all managers mentioned and repeated several times that the right and appropriate measurement is an essential aspect in change management. Therefore, the author will deepen this issue after this current theme by examining other angles such as methods to measure and signs for success.

Furthermore, almost every manager underlined the process of correcting and adjusting the change process by following the goals, whereas only one manager put high emphasis on rewarding employees. Thus, reviewing, giving feedback and rewarding people are appropriate issues for more detailed specification at this point.

Likewise, as part of the theme framework, aspects, hindering the clear and simple usage of change models, exists according to managers' opinions. Consequently, few interviewees addressed the characteristics of the service sector as making the change process more difficult. By looking more in detail, it seems that human feelings and behaviour play an important role, due to the people-oriented business. This additionally indicates that everything could happen, which makes it challenging to plan the change. Particularly, planning too much and too many details, creates not only fear when something has to change, but rather increases the likelihood to finally fail in change. In order to avoid this, higher flexibility and suitable adaption are required.

The majority of the interviewees attributed the difficulty in using frameworks and concrete models for change to the overall world aspect. This means in detail that the world changes so fast that one never knows what will happen next. One manager described the world as messy and complex, where everything changes constantly, whereas another interviewee highlighted the change based on business aspects. Economics possess high pace in further development such as new business models including areas and new established value driven by the upcoming generations. Digitalisation is probably the most crucial development in today's business world, also affecting other areas of life. Apart from business related issues, few managers also underlined the ever changing environment which eventually influences and activates the change of the human being.

All these aspects make it increasingly difficult to apply a certain model or even carry out change according to established plans and systems. Although all managers were able to suggest specific steps in a certain order for organisational change, they also took the ever changing environment into account. In order to provide clarification and a coherent picture of the last theme, few managers stated independently that there is no recipe for carrying out change successfully, indeed due to the aforementioned characteristics of today's world. Nevertheless, one tries to focus on the starting point of change and think about the desired future state. The path towards the goal will be designed flexible, so that easy adaption is possible, as already mentioned before. However, few managers totally disagreed with this assumption, because there does not exist any recipe and especially no recipe that suits every organisation. The only aspects, which can facilitate change management, are openness, involvement of people and the acceptance of national culture component by welcoming diversity. This thought of a manager is further justified by the below statement that was identified in the interviews:

"There is no magical receipt. The only magical receipt is that…just be open why you do it, how are you going to do, involve the people, give them a voice. I would say those are probably the critical factors."

Derived from the last issue, few managers additionally gave some comments independently concerning the literature of change management. One manager clearly described the problem of models explained in the literature that the authors write about change without defining the meaning and the context of it, while another manager pointed out that those models forget the people aspect. This signifies that one has to take into account that we are all people following the principle of group animals. Hence, the mindset part reveals again. Furthermore, most literature is mainly characterised by Anglo-Saxon and therefore the provided models are strongly action oriented, while this characteristic does not make sense for every

other culture. For instance, Germans usually analyse and gather facts for long period, so that afterwards actions can be carried out, due to their uncertainty avoidance. Consequently, most of the literature does not consider this national cultural component.

Even though, because of the challenging world aspects mentioned above, those models are hardly applicable in reality, they provide managers and employees with confidence, guidance and clarity.

4.1.7 Measurement

Coming back to measurements, the data has already implied that all managers described it as crucial aspect in terms of change management. The reason for this is according to several interviewees that one always has to know whether the organisation goes into the right direction or is on the right path for finally achieving the desired future state. Consequently, evaluating own activities, upcoming strengths as well as weaknesses and potential dangerous areas belongs to the change process by, for instance, focusing on customer needs and involvement of staff. This can take place by asking them for their thoughts and needs through questionnaires, so that measurements can be established. Afterwards, change is conducted and by means of the developed measurements it is eventually evaluated.

Besides these possibilities, the informants indicated some other ways how to measure the change process and by means of which type. While one manager put high emphasis on management meetings as the environment where change measurements are discussed and executed, all the others concentrated on the various types of measurements. One group categorised them into hard and soft facts, whereas some other interviewees called them key performance indicators. Nevertheless, everyone agreed with each other that financial, customer and staff measurements belong to the most important ones such as efficiency of staff working and customer satisfaction. However, regarding their weighting in relation to each, the opinions were divergent. Whereas few managers highlighted the financial measurements, a smaller group described soft facts like satisfaction and efficiency as more valuable. This is because those types are closer to staff's work and have finally greater impact on it and therefore, they are increasingly more meaningful.

Apart from the types of measurement, some managers indicated that they have to be clear, easy to implement and communicable and valuable for company's business, whereby continuity plays an important role as well. When looking for concrete examples provided by the

managers, it appears that almost each interviewee was able to explain a certain measurement executed in the organisation. Some key performance indictors were determined by the headquarters, which results in not entirely suitable measurements, while others have been established by the subsidiary itself.

With reference to the time of measurements, the author could already stress that no concrete order or time was implied by the managers. Nevertheless, everyone emphasised that it is an ongoing process, but the time intervals were named differently. While a small group mentioned measurements every two years, the majority carries out such activities monthly. However, it must be said that it depends on the characteristic of the measurement. Customer satisfaction is measured more often than change of organisational culture.

In order to also receive a coherent understanding of the outcomes of the measurements, the managers were additionally asked how the success of change is determined. Some managers stressed the achievement of pre-defined goals and staff related issues. The latter means that everyone took the change seriously and it was a common decision, for example. Some employees even show gratitude to the management team, although they lost their jobs. Compared to that, business growth and process optimisation were also described as success indicators. In particular, the latter was further explained that if one is able to create a new tool forcing people to think differently and making it impossible to act as they used to do, then one will succeed in change.

However, even if the contrary situation occurs, it is important to take the circumstances as they come by looking forward and accepting that it is just a small period of disruptions. There is no possibility to prevent such situations, therefore it is increasingly necessary to be prepared and incur up to handle such situations by adapting accordingly. As already implied during the previous part of the thesis, almost all managers emphasised the significance of constant improvement. One interviewee commented that being happy and honest with success are also part of the change process. However, without constant improvements including measurements, there is a substantial likelihood that troubles occur. Hence, one should never be satisfied.

4.2   Summary

Before moving on to the next chapter, the author will shortly summarise the findings presented in the previous chapter. By doing this, better understanding and links are evoked, so that the reader is prepared for the next chapter consisting of in-depth discussions and justifications formed on the basis of these research findings.

Concerning the first theme, perception of change, diverse conceptions could be identified and different meanings were given based on the gathered data. Whereas change was described positively as normal way of life including mindsets and path from current to desired future state, the latter was also used for defining change management. People-related factors like diversity additionally plays a crucial role. Apart from internal as well as external forces, the managers extensively talked about how to change. Hence, continuity, clarity, constant repetition and improvements are only some examples. Concerning change types, the research implies that they can range from concrete to abstract level. However, the downside of change like redundancies has to be addressed as well. The theme can be concluded by emphasising the required components of head, heart and hand, whereby one can assume that no laws of nature exist that simultaneously ensure one suitable way for all organisations.

The second theme people involved derived from the data implied beside the different reactions of people, additionally the separated characteristics into, on the one hand, long-term and young employees and, on the other hand, people against and supporting the change. Moreover, best ways for changing people are mentioned as well, which shows that people mainly change when it makes sense. Not only differences in terms of position, gender and culture, but also overall background differences were indicated that are necessary to consider for avoiding, for instance, miscommunications.

With reference to the theme involvement, the question of how to involve was addressed as well. Consequently, responsibilities, feelings, doing by themselves and as group together are some characteristics. Particularly, providing a sense of value is crucial for successful involvement. Apart from specific methods such as pilot study or co-design, staff, shareholders and customers were mentioned as important parties to be involved.

Not only the previous themes, but also the theme communication provided a deeper understanding by means of the how question. Hence, successful communication can be evoked, when it is consistent, clear, open and transparent, whereby communication level and flow are significant as well. Referring to the content, the research implies that by answering the questions of why, how and what to change the most important aspects are covered. In contrast, regarding the time, especially the continuity was emphasised.

Continuing with the theme leadership based on the research, it seems that being open, transparent, involve, communicate and providing support are useful aspects leading to suc-

cessful leadership. Besides internal and external leadership, several characteristics like Aristotle's rhetoric for a successful leader were mentioned. This was further deepened by personal advice. Thus, a good leader is, for instance, honest, approachable and possesses high level of passion including stamina and always tries to be better tomorrow.

Although none of the interviewed managers had followed a specific model so far, the theme framework was derived from the interviews. The participants were also able to suggested several steps regarding change process. Hence, starting by understanding the current state, involve people and clarifying reasons for change is followed by clear goals. Afterwards, it will be put into practice, so that finally measurements can be carried out and corrections including adaptions can be made. However, characteristics of the service sector and particularly due to the ever-changing world aspect, it is impossible to execute a change framework like planned. Besides methods, literature about change and their difficulties were also addressed in this theme.

The last theme of the research encompasses measurements. In addition to the question of how to measure, financial, staff and customer measurements were highlighted. Furthermore, it is necessary that they are, for example, easy to implement and communicable. Whereas the time for measurements were indicated differently, indicators for success were similar. Hence, staff's gratitude, business growth or process optimisation are signs for successful change. Nevertheless, it is advisable to be never satisfied, instead constant improvement is required.

5   Discussion

After presenting the derived themes and describing them, the intention of the upcoming chapter is to find an answer to the research question of *What should be taken into consideration when managing change?*. This means that the key findings are not only enlightened from other angles in chapter 5.1 "Key Findings of Managers' Conceptions of Change Management" on page 53, but rather justifications including reasons for their identification are presented.

Apart from the overall theory presented in chapter 2 "Change Management" on page 8, the theory-based model including the success factors and pitfalls will be taken up afterwards. Thereby, managers' conceptions can be compared, evaluated and assessed against the theoretical part. By doing this, the chapter particularly focuses on improving the theory-based model by means of the research findings and further identifies possible success factors and pitfalls. After presenting the improved model, this chapter ends by a summary.

5.1   Key Findings of Managers' Conceptions of Change Management

The previous chapter has already provided the reader with a solid description as well as analysis of the research findings. Thus, this section concentrates on a further in-depth discussion and explanation empirical based by presenting justifications formed by the findings of the research study.

Starting with the theme perception of change derived from the data, it seems that every interviewee possessed a positive idea of change, mainly associated as normal way of life and opportunity. This is attributed to their previous working experience and educational background. However, a clear and precise definition of change could not be identified. Even though one manager, being highly familiar with this research area due to former studies, was not able to clearly define the phenomenon. Instead, he described it as anything and everywhere. Now the question arises: Why were they so reluctant? By answering the question, the vast, varied and complex character of change is justified again, so that even defining the phenomenon seems to be highly difficult.

Moreover, despite almost the same positive perception of change, the meanings of change still varied. Some interviewees associated change more with actions, whereas others with person-related issues, which can be explained by company's orientation. For instance, the work of some managers concentrates on internal culture, while others are engaged in more

concrete things like processes. The latter can be additionally the reason why some interviewees associated the execution of change as incremental, clear and simple. Change management also received the previous characteristics, which however, can be generally seen as more negative compared to change. Based on the interviews, it also appears that triggers for change, which can be influenced, are of greater importance and therefore, adaptation accordingly is recommendable, whereby customer needs are especially significant.

By means of three words mentioned by one of the interviewees, head, heart and hands, the essence of the theme perception of change can be summarised. However, the most interesting insight is that laws of nature, clearly defining and limiting the concept of change, do not exist. Therefore, the different views on this theme are not surprising. In general, one can recognise that one third of the managers possessed a high level of expertise in the research area of change both theoretical as well as practical based. Nonetheless, majority's points of views were based on personal and working experience.

With reference to the second theme, the research implies that despite few interview questions, every manager deepened people-related aspects referring to change management. Thus, the theme people involved was derived from the data. According to managers' conceptions, one can assume that employees generally possess a relatively negative attitude towards change. In addition, their reactions when informing about change highly differs. This can also be extended to the questions asked by them. Different atmosphere including experience within the company and different types of change are possible causes for this. Furthermore, almost all managers categorised people involved into elder and young employees independently by pointing out the differences among both. Despite some minor differences, the research implies that young employees usually have more negative attitude and mixed feelings of change than elder employees, which can be attributed to their previous working experience and confidence within the organisation. In particular, the differences in age are probably caused by the interviewees' age, as, for instance, one manager being retired took part in the thesis study. Apart from age, staff was also separated according to their positions regarding change. Hence, data implies that employees with strongest positions being either for or against change have to be found, in order to make the rest follow in a supportive way for change. Due to managers' previous experience, the creation of emotions is the key role. Apart from emotions, it additionally appears that people only change when it makes sense and therefore, it is imperative to create coherent understanding of change by providing clear descriptions, goals, benefits, support and the belief in change. This evokes the enhancement of motivation, commitment, energy and especially trust amongst each other. As a consequence, the awareness that people involved play a decisive role in terms of change is advantageous.

Furthermore, differences in culture related issues have to be considered as well. Because of the national culture component, not each change approach makes sense for all companies including their staff. This assumption can be attributed to managers' orientation and working environment, because not all interviewees have international working experience and experience in working with international staff and only some deal intensively with various national cultures.

Because of high emphasis on involving people, the next theme involvement was deduced from the data. Although the author did not ask direct questions referring to involvement, every manager mentioned it independently. When considering the question how to involve employees, managers' conceptions were diverse, due to different experiences and focus on work. Nevertheless, one can assume that communication, responsibilities, input and keeping updated are key aspects.

Showing by example, finding the answer together and the encouragement to make own decisions are advisable principles to follow. Hence, people involved receive sense of value and therefore, the more they are engaged, the better will be the final outcome. No involvement can simultaneously be equated with an unethical company, according to the opinion of one manager. This reference to ethics is attributed to company's specialisation. Moreover, some managers have working experience in consultancy companies. Thus, one can assume that this is the reason that they were able to name specific methods for involving employees such as pilot study or co-design.

Concerning the parties of involvement, according to this data, it seems that participation depends on the type of company, as the opinions differed. Staff and shareholders were involved by the managers from the very beginning of change. Even if customers were excluded by some managers, they also take part in change due to the characteristics of the service sector. Nevertheless, shareholders' role was especially emphasised caused by several negative experiences such as conflicts. This is also reinforced by the responsibility towards business and their expectations to succeed. Consequently, based on managers' previous experience, it is advisable to evoke shareholders' support, trust as well as appreciation.

As already implied, communication is one of the most important aspects when changing something within an organisation. Similar to the previous themes, only one question about

communication was directly asked during the interviews. Nevertheless, every manager emphasised the great importance of communication by discovering various angles of it, so that finally this theme could be identified.

Pushing change forward and to involve people are only two examples why communication is decisive. Besides previous experience, this awareness is also a reason why all managers used similar words to describe how communication is carried out. Hence, continuity, clarity, openness, transparency and repetition are the key elements. Apart from group or one-to-one conversations, informal, face-to-face and in-house communication are the most valuable characteristics for communicating change. Moreover, using the fundamental idea of a dialogue, which signifies constantly listening and talking, will likewise lead to successful communication, whereby feedback can support this.

Considering the content of communication, it was indicated that besides effects, beliefs and feelings, also the downside of change has to be addressed. In order to summarise the content, one finds answer to the questions of why, how and what to change. Nevertheless, even if communication after the change was hardly mentioned and the corresponding causes are not obvious, it is recommendable to take it into account. In general, regarding this theme, one can assume that some managers possess a profound knowledge formed by a high academic level as well as practical aspects, similar to the first theme. This is additionally strengthened by the several references to the literature, which emphasises their profound educational background and general curiosity.

In particular, after the discussion of involvement and communication, leadership is a significant element of change as well. Similar to the previous themes, despite one interview question about leadership styles, a whole theme could be inferred when analysing the research data. Hence, it seems that leadership is a crucial element of change management. Furthermore, some words used for determining theme's characteristics such as openness, transparency, emotions, repetition, communication and involvement are already familiar, due to previous themes. Consequently, it appears that the themes involvement, communication and leadership are highly linked and influenced by each other. One can assume that for some managers, it was easier to explain their conception of leadership. This can be caused by the fact that they have not only executed it, but experienced particularly good and bad leaders or thanks to discussions and feedback from staff. On the other hand, the research implies that some companies have clearly defined and characterised their own leadership style.

Hence, the limitation to the above characteristics is not possible based on the research findings. Therefore, it can be further expanded by leading from inside, offering support and setting high targets. Additionally, in order to push change forward, the leadership also comprises sense of urgency and wider view across daily boundaries.

Apart from commit, support, motivate and believe in change, the leader has the overall responsibility. Thus, it is recommendable that the person possesses the three qualities of Ethos, Pathos and Logos based on Aristotle's rhetoric. It likewise seems that some managers had a sound theoretical background in terms of leadership, as even from their position as leaders, they were able to describe and explain their own leadership characteristics. Furthermore, they were able to provide personal advice being highly valuable and beneficial for leaders. Besides the previous mentioned qualities, one should stand behind one's own words and be approachable, positive as well as willing to change. These key recommendations can be expanded to continuous improvement by aiming to be always better tomorrow and therefore passion, patience, stamina and courage are indispensable elements. Concluding, based on the research, it appears that the leader is not only the face of the change, but rather the driving force with key function, due to the various explanations provided by the managers.

In particular, with reference to the goal of this thesis, the theme framework possesses the most crucial part and therefore most of the interview questions referred to change models. Even if hardly any managers have already applied a certain model of change, they were able to suggest certain steps for managing change. Understanding the current state, especially the context of change and already involving people is an appropriate starting point. The wide and varied character of change can justify this and therefore clear goals and measurements are decisive elements as well. This can be deepened by building the entire content of change by means of structure and plan, so that afterwards corresponding activities can be implemented. This means putting the evolved plan into practice by building the playground, which signifies the allocation of responsibilities and people, but pursuing the principle of learning by doing. In order to reduce the failure rate, a pilot study is nonetheless a suitable tool. After measuring and executing resultant corrections as well as adjustments, staff will be rewarded.

Concluding, one can assume that even if it first seemed impossible to find same or similar steps for managing change, the previous key findings of the conducted research have shown the contrary. Regarding the steps, it must be additionally said that not only differences in managers' opinions could be recognised, but also in terms of their professional expertise. Likewise, for some interviewees, it was simpler to allocate certain steps of

change, which is attributed to company's orientation, as already mentioned. This reason can be further transferred to the thought regarding the assumption that there is no recipe for successful change management, since some managers contribute to the study based on their consultant perspective. Hence, they have not only dealt with internal changes, but rather possess high level of know-how as well as experience in such transformations from an external point of view. However, even if there does not exist any recipe for successful change management, the consideration of the current state, the desired future state and the corresponding path provides guidance when changing something within an organisation, whereby required adaption and flexibility will receive high level of attention.

The characteristics of the service sector and the ever-changing world were mentioned as reasons for the difficulty of applying change methods by the managers. This also justifies the previous thought about non-existing recipe for successful change management. On the other hand, it is however surprising that only few interviewees specifically indicated these aspects such as constantly developing new business models, increasing importance of digitalisation and overall complexity of the world. The profound theoretical including empirical expertise of some managers, already shown several times, was confirmed at this part of the study once again. As some participants were able to refer to the literature by additionally identifying its problems. Hence, according to managers' conceptions, it seems that the literature forgets, on the one hand, that human beings including mindsets possess the major role in change and therefore national culture component has also to be considered. On the other hand, there usually does not exist any definition of the meaning of change, so that the context is completely unclear. As a result, the assumption of one recipe suiting every organisation was refuted again. Instead, individual adaption is indispensable.

As part of the above mentioned steps, measurement was highly emphasised being decisive for change success, as organisations need to know whether they are moving towards the right direction or not. Concerning the type of measurements, the research implies that the most important ones are financial, staff and customer related, whereby non-financial ones can be even more essential. Since they relate directly to one's work and especially, in the service sector, people-related issues are of great importance. When additionally describing the characteristics of those measurements, it appears that they should be clear, ongoing and easy to implement. Particularly, one manager extremely highlighted the importance of measurements, which is attributed to his expertise in process optimisation.

Apart from the time intervals depending on the type of work, the question of why the managers succeeded in change management discovered interesting findings as well. Even if

people appreciate different things, people's gratitude, business growth, process optimisation and developed tool forcing staff to think and act differently can be viewed as indicators for successful change. This variety can be attributed again to the various specialisations of the companies. For instance, a company, focusing on lean management, interprets the latter as success. In case of failure, one should never lose the positive attitude and optimism, instead looking forward and making required adaptions are recommendable. In order to even prevent such situations, one should never be satisfied, but rather constantly improve and measure the change. Concluding, apart from professional expertise, managers were additionally able to provide personal advice.

5.2   Comparing Managers' Conceptions to Introduced Theory

Thanks to the previous section providing profound presentation as well as justification of the key findings, the next part can now follow the original goal of the thesis. This means that the theory-based model including identified success factors as well as pitfalls will be adjusted by means of managers' conceptions of change management, introduced above. Before starting with making improvements, the author will compare the derived theme perception of change with the theoretical part of understanding change, due to the complex character of change management.

5.2.1   Theme Perception of Change Towards Understanding Change

Comparing the content of chapter 2 "Understanding Change" on page 8 with the first theme perception of change derived from the interviewees, some similarities as well as differences can be assumed. While the findings from the gathered data focus more on positive and standard manner viewed as opportunity and part of normal way of life, change is defined in theory as continuous and never-ending process being the only constant in the ever-changing world. Considering change management, the interviewees saw it more negatively, associated with activities moving from current to desired future situation, whereby people-related issues are of great importance such as diversity. Likewise, theory highlights human beings and describes change management as continuous process from present to desired state executed through, for example, a set of plans, actions, processes and decisions. However, in both cases, no clear definition of change can be identified. On the one hand, the managers were not able to clearly define the term, but rather possessed a positive idea of it. On the other hand, when comparing various related terms of change in theory, it appears that no clear definition could be identified. Hence, the interpretation of the phenomenon

change strongly differs both theoretical and empirical based, which again justifies its varied and complex character and the wide scope of interpretation.

Instead of mentioning certain key dimensions, the interviewees only addressed types of change that range from most abstract level to most concrete level. This assumption also corresponds to theory. Moreover, the research findings imply the insight of focusing on triggers that can be influenced. Nonetheless, customer needs are most important, which receives disagreement in theory, because there economic and social forces are only mentioned in general. In order to also find an answer to the question asked in theory of why is change management important, one can assume from the interviews that organisations have to embrace the change, otherwise they cannot survive on the competitive marketplace. Hence, similar reasons for change management are noticeable by comparing theory and empirical part.

When limiting both sources on its respective essence, it seems that based on managers' conceptions, the empirical part first provides more practical and personal advice by using the key words head, heart and hand. In contrast, the theory restricts itself on the term change by defining it as a complex and multifaceted phenomenon. However, secondly another interesting insight could be identified from the empirical data encompassing the fact that any laws of nature, precisely determining change do not exist. This indicates an agreement with the aforementioned theoretical assumption.

Concluding this comparison of understanding change with the theme perception of change, one can assume various similarities and agreements such as the last example mentioned above. It appears that change is a continuous process, indispensable to survive in today's world, which makes it to be standard as part of normal way of life, whereby people play a crucial role. The influence of external forces is only one of numerous key dimensions reinforcing the fact that change is a complex and multifaceted phenomenon. Consequently, it seems that change characterised by high complexity is anchored in every day's life with high level of importance.

5.2.2   Theme Framework Towards Theory-based Model

Before introducing improvements based on managers' suggested steps, it is advisable to first review the theory-based model from chapter 2.3 "Building a Model for Change Management" on page 22.

After having a closer look at the theory-based model again, the following passage is dedicated to improve and adjust it according to managers' conceptions. Thus, the author will firstly mention the theory and research-based aspects of the pre-phase, so that they can be compared with each other and afterwards improvements provided by managers' conceptions can be indicated. Same procedure is carried out for transition and post-phase.

Starting with the initial steps, which are executed incrementally according to the findings, understanding the current state including related aspects appears. Context and culture are appropriate examples. This is followed by the involvement of right people through big discussions, for instance. Referring to the theory-based model, the first two steps are arranged conversely. Further agreements regarding the steps cannot be identified as well, since the change process shown by key results continues with the creation of emotions that evokes motivation, additionally supported by convincing reasons and benefits to change. Moreover, the establishment of clear goals and measurements follows, so that afterwards the whole content by means of concrete plan and structure can be developed. Regarding this, alternative solutions are simultaneously considered. Derived from the previous aspects, the model is improved as follows:

- Understand the current state
- Involve the right people
- Create emotions
- Establish clear goals and measurements
- Develop concrete plan including structure of change
- Seek for alternative solutions

Continuing with the transition phase, various differences are discernable as well. Consequently, the study results suggest putting the developed plan into practice by building the playground. This signifies the allocation of responsibilities including big roles, discussions and rethinking process, characterised by the principle of learning by doing, whereas in theory the development of plan and strategy is recommended at this point. According to the empirical research, a pilot study can be an appropriate and useful tool, on the one hand, to assess change's practicality and, on the other hand, to involve people.

In general, the theory-based model instead mainly deals with development of strategy, communication and reviewing the present process and therefore, it is adapted as follows:

- Allocate responsibilities and big roles
- Just talk and rethink together
- Execute pilot study to assess practicality and evoke involvement
- Follow the principle of learning by doing

After improving the first two phases, the phase after change implementation can now be modified, so that few similarities and differences can be identified. Whereas the managers put high emphasis on measurements, the theory-based model starts the post-phase without indicating measurements, but only monitoring and adjusting. These last activities are carried out after measuring the process, according to the research results. While they only further mention the rewarding of employees, the theory does not only clearly underline the appreciation of resultant opportunities including learning effect and change consolidation into corporate culture, high emphasis of an ongoing process additionally exists. Nonetheless, due to the goal of developing the most suitable model based on recommendations from managers, the author adjusts the theoretical model accordingly, as seen below:

- Execute measurements
- Make adjustments and corrections accordingly
- Reward staff

Similar to the first comparison of change, there are some agreements and disagreements in terms of change models discernable, which leads to improvements for the theory-based model. At the beginning of the change process, it seems that understanding the current state and related aspects builds the fundament for the further steps. Regarding involvement of people, although the interviewees have not specified the term people when suggesting steps, one can assume that at this point employees are mainly addressed. Likewise, the establishment of the change content appears nowadays even more important than indicated in theory. This is additionally reinforced by the suggestion of a pilot study, which receives greater approval by managers than by researchers. Furthermore, it seems that apart from solid groundwork, suitable playground is advisable to evoke, particularly through involvement of staff. However, not only building the content, but rather measuring the change is an essential element as well. Nonetheless, the data implies that the interviewees eventually appreciated concrete results more than the perception of the change such as opportunities, as stated in theory.

The previous comparison has already implied that the interviewees did not pursue the goal of creating a concrete model, even though the author asked corresponding questions referring and according to the introduced phases from the literature review. But, they rather indicate crucial elements of change management, which were implied by means of the derived themes. For instance, as already mentioned in section 5.1 "Key Findings of Managers' Conceptions of Change Management" on page 53, every manager deepened the topic communication by discovering various angles, although only one interview question directly referred to it. Due to this fact, it is not surprising that the steps were less precisely explained

than in theory, despite related interview questions. Having a closer look, it seems that the introduced theory and the conducted research mismatch due to the previous mentioned differences. This means that the theory-based model was not only improved by managers' conceptions, but it also appears that they do not support the assumption that a pre-defined, planned and incremental change model guarantees successful change. This thought will be further elaborated in section 5.3 "The Continuous Change Approach" on page 64.

5.2.3 Managers' Recommendations Towards Success Factors and Pitfalls

When continuing the assumption from the prior part, one can assume that instead of providing a concrete model as well as clear list encompassing success factors and pitfalls, the derived themes represent the most important components of change management. This was deduced, although the author clearly focused on change approaches when carrying out the interviewees, consequently evoked by long-term working experience, personal feelings and professional opinion.

Even though success factors and pitfalls were hardly described in theory, it seems that some correspond to the themes from the research study. Before comparing them, it is recommendable to review the derived factors from chapter 2.3.2 "Success Factors and Pitfalls" on page 26.

Consequently, involvement, communication and leadership are the most often mentioned terms both in theory as well as in the empirical research. Even when becoming more concrete, it appears that additional agreements are noticeable such as clear and constant communication, involvement of shareholders including customers, leading by example, right people and full overview. In terms of pitfalls, approval could be recognised as well, for example, when considering the aspects of too much planning and unclear communication.

However, it is necessary, on the other hand, to also take the differences into account. This signifies that instead of asking why, what and when to change, research results prefer the questions of why, how and what. Moreover, as already mentioned, measurement is highly emphasised in the empirical research, whereas in theory one only addressed assessment, reviews and feedback. Regarding pitfalls, it seems that characteristics of the service industry as well as of the ever-changing world create the most significant challenges regarding change concluded by the empirical part, whereby people-related factors such as scepticism, negative attitude and comfort zone are crucial to consider. In contrast, theory focuses on, for instance, wrong key concerns, risk management and disconnectedness to reality.

Concluding, one can say that despite some differences, the derived success factors and pitfalls mainly receive agreements from both theoretical and empirical part. Nonetheless, it must be said that a justifiable comparison is difficult, because of the different in-depth analyses and evaluation. This means that theory-based success factors and pitfalls were only discussed superficially, due to the focus on change models and its derivation, whereas the interviewees increasingly focused more on crucial change elements independently.

5.3   The Continuous Change Approach

Because of the previous discussion and evaluation, it is indispensable to further elaborate the improvements and adjustments of the theory-based model. The interviewees not only implied rather the most crucial elements of change instead of concrete change models, but also the challenges of service sector and especially of ever-changing world were addressed. Therefore, the author concludes to highlight more the components, instead of an incremental model. This is additionally supported by the empirical findings saying that it is impossible to fully control change through various predefined change approaches, because there is no recipe for successful change that simultaneously suits every organisation. These assumptions were additionally strengthened by one manager's opinion indicating that no laws of nature, precisely defining and limiting change, exist. In contrast, a general framework for understanding the wide, varied and complex character of change in an ever-changing and messy world is required. As the research implies, the consideration of the most crucial components is more intensively useful, compared to the best practices guaranteeing accomplishments of change goals because of previous success.

As an alternative, the new model is illustrated by means of a cycle to convey its continuity, which however belongs to a set of cycles as shown in figure 5.1 below. This additionally enhances the existing persistence and consistency. Moreover, five out of the seven themes derived from the data stand in the centre of the cycle, so that one can recognise their importance illustrated in figure 5.2. People involved, involvement, communication, leadership and measurement belong to the most crucial aspects, whereas the theme perception of change mainly evokes a general understanding and clarification of the topic and therefore represents, the bounds of the cycle. As the theme framework is of secondary importance, only the outer ring encompasses the suggested steps by the research. The author additionally adds context to this circle, because it appears that it is another important aspect influencing the further change process. However, it must be said that the allocation into the three phases pre-, transition and post-phase is avoided, because it seems that a clear allocation is impossible. Derived from the previous description, the model results in the two below figures as follows:
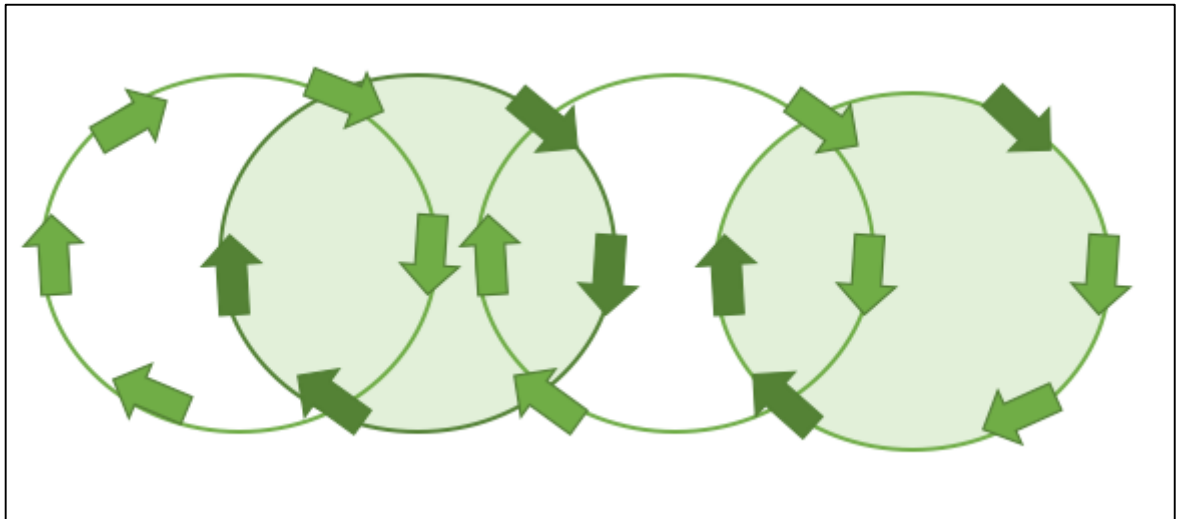
Figure 5.1: Illustration of new model's continuity, persistence and consistency
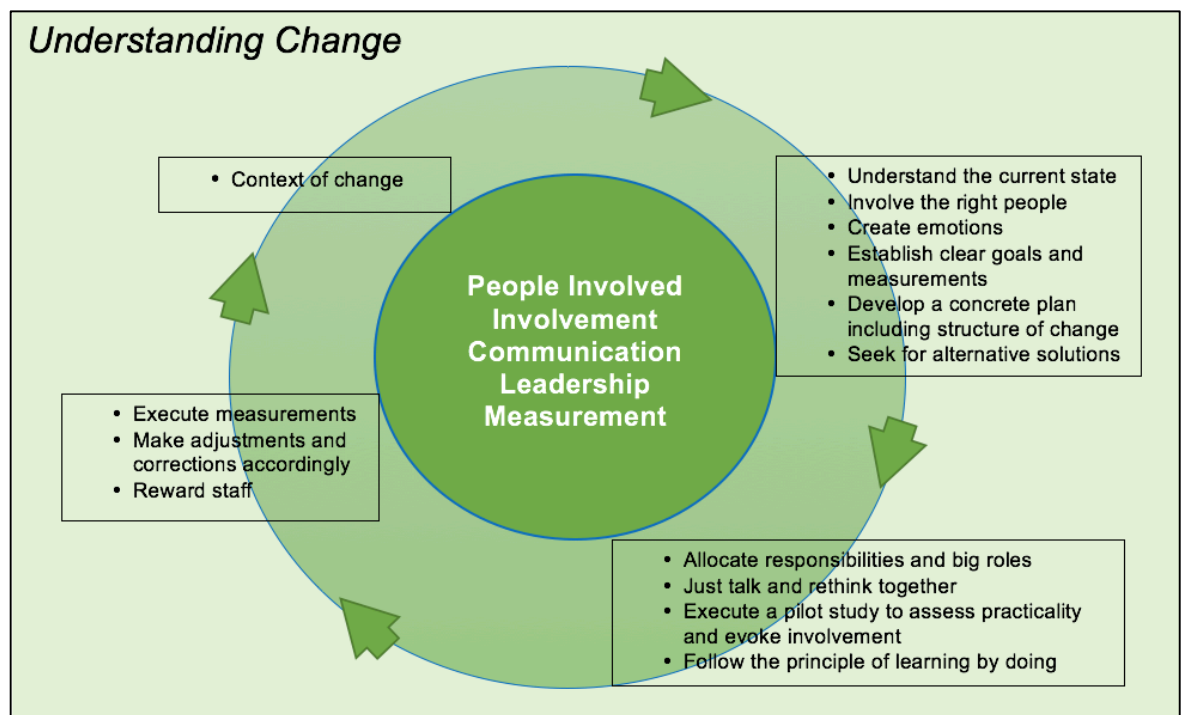

Figure 5.2: The developed model

Similar to the change methods scrutinised in the literature review, the author summarised the most crucial aspects of the five themes, standing in the centre of the cycle, by means of mind maps (see Appendix 4. Overview Five Themes).

5.4 Summary

The aim of the previous part of the thesis is not to describe the findings, but rather to provide profound justifications and deepen the understanding regarding the backbone of the thesis change management. Consequently, beginning with the first subchapter in terms of key findings, the derived themes are taken up again. With reference to the theme perception of change, one, for instance, assumes that change is a positive part of normal way of life and highly people-related. Apart from focusing on forces, being easily influenced, the essence of change is eventually concluded by mentioning head, heart and hands as crucial components. Particularly, the assumption of non-existing laws of nature is the most valuable finding. However, instead of identifying a precise definition of the phenomenon, only some vague ideas are discernable. Moving on to the theme people involved, when informing the people taking part in change, one can expect different reactions, whereby many questions arise and a negative atmosphere as well. Moreover, it is possible to group the people into, for example, young and elder employees. Creation of emotions and the consideration of differences such as cultural wise are of great importance. However, the most significant aspect is that people change when it makes sense to them.

As a result, involvement is an indispensable component as well. Not only communication, responsibility, input and being updated, but also showing by example and finding an answer together are key aspects. In order to be ethical, people have to receive a sense of value by supporting, appreciating and trusting them. Moreover, summarising the key results of the theme communication based on the conducted data, it implies that successful communication is constant, open, repeated and face-to-face. Developing a dialogue is the key component. Referring to assumptions of content, it seems that why, how and what to change are the central questions, whereby the downside of change has to be addressed as well. The data also implies that the themes involvement, communication and leadership are highly linked with each other through similar characteristics. When leading a change, it is, for instance, recommendable to lead from intern, to support each other and to possess high targets, so that pushing change across boundaries can also be evoked. A good leader is characterised by three main qualities, which are Ethos, Pathos and Logos, additionally reinforced by high level of patience, stamina, passion and pursue of continuous improvement. One of the most important themes framework indicates that there are some general steps advisable to execute. Starting by understanding the current state and involving people, continuing with clear goals and putting the plan into practice, so that afterwards it can be measured, corrected and staff can be rewarded. Due to the great importance of measurements, an independent theme was deduced from the empirical research. Thus, suitable measurements are required to see, for instance, whether the change goes into the right direction,

whereby financial, staff and customer measurements are the most essential ones. Moreover, it is recommendable that they are clear, ongoing and easy to implement. People's gratitude, business growth and process optimisation are only some indicators for successful change.

When considering justifications and reasons for managers' assumptions and opinions, it appears that there are several aspects building and influencing it. On the one hand, the company and related conditions such as corporate type, specialisation and working environment are factors forming managers' conceptions of change. On the other hand, personal characteristics, beginning by the age, continuing with working experience and ending up by academic background, are reasons for their opinions. In particular, referring to the latter, great differences were discernable. Hence, some managers were able to refer to the literature and explained their opinions, for instance, in terms of leadership style more easily, compared to others.

After indicating the key findings of the thesis study, the connection to the literature review is built. When comparing the theme perception of change with the theoretical part, the ideas of change differ. However, the characteristic of a never-ending process is used by theory and empirical study. Whereas change management receives same assumptions, the forces varied. Having a closer look at the essence, it appears that empirical assumptions are more practical, in contrast the theory focuses on the complex and multifaceted character of change. Summarising, change is a never-ending process, crucial for surviving nowadays. Therefore, it is standard by being part of everyday life, whereby people play a decisive role.

Continuing with the comparison of the theme framework with the theory-based model, one assumes that the initial steps are arranged conversely and the upcoming steps have to be improved, as already mentioned above when talking about key results of the theme framework. It finally appears that although the author has clearly asked for change methods and related aspects over the interviews, the managers rather provided crucial components of change management, indicated by the seven themes inferred from the research.

Theory-based success factors and pitfalls have additionally been compared to the interviewees' recommendations. Various success factors presented in theory like communication, involvement and leadership meet with approval. Too much planning and unclear communication are some examples for pitfalls that were mentioned both in theory and during the interviews. On the other hand, diverse opinions exist when considering measurements as success factors. Furthermore, in terms of pitfalls the empirical study indicates characteristics of service industry and today's world, while theory, for instance, focuses on wrong key

concerns and risk management. In general, in spite of few disagreements, the success factors and pitfalls mainly receive agreements.

Instead of developing a predefined change approach trying to fully control the process, a framework for understanding change including the most crucial components was established. The model is illustrated by a cycle being part of set of cycles. It consists of various rings representing managers' conceptions. The themes people involved, involvement, communication, leadership and measurements are, for instance, located in the centre of the cycle for emphasising their importance for managing change.

The previous chapter intends to finally approach the research question including research objectives, so that the next chapter 6 "Conclusion" on page 69 can draw a general conclusion based on the main results of the thesis study. Apart from limitations and suggestions for further research study, concepts of reliability and validity including the thesis process are elaborated as well.

6 Conclusion

The last chapter of the thesis is dedicated to reviewing the whole study by concluding its content mainly focusing on the key findings, the comparison of introduced theory with the empirical results and the final learning effect.

Consequently, the first subchapter deals with the previous mentioned aspects, whereas the second section aims to present limitations of the research and hence, implications for further research. In order to deliberate thesis' trustworthiness as well as credibility, the chapter will end by discussing the concepts of reliability and validity, by additionally emphasising executed adjustments, the thesis process and the overall learning effect.

Before beginning with the conclusion, it is recommendable to review the purpose of the thesis. It was dedicated to have a deeper insight into the broad topic of change management by discovering new and innovative angles. Hence, driven by the high number of failures and small amount of empirical evidence, the author aimed to find an answer to the research question of *What should be taken into consideration when managing change?.* Apart from establishing conceptual understanding of change management, the development of a change model belonged to the research objectives as well. The developed approach should be characterised by extensive degree of current relevance based on literature review and improved by managers' conceptions of change management. Potential success factors and pitfalls when managing change were also identified.

6.1 Conclusion of Thesis' Main Results

Coming back to the example of *Apple* introduced in chapter 1.1 "Topic Background" on page 2, after elaborating various angles of the broad topic of change management, it seems that *Apple* is able to show an astonishing success story. Since it does not only change continuously and keeps pace with its competitors, but also explores new horizons. Hence, *Apple* belongs to the world leaders in terms of technology companies. This success is additionally indicated by the first place of *Forbes'* "The World's Most Valuable Brands" ranking (Forbes Media LLC 2016a). Not only regarding this ranking *Apple* outpaces its biggest rivals of the technology industry, but also referring to *Forbes'* "The World's Biggest Public Companies" the organisation receives a better placement, namely in the top 10 (Forbes Media LLC 2016b).

However, one can assume that *Apple* belongs to the exceptions, as the already mentioned failure rates have shown a different situation in terms of companies succeeding in change

management. It appears that this thesis study indicates various challenges of change management providing simultaneously reasons for the high number of companies failing in change management. For example, Kotter (2012), also used for guiding the reader to the thesis topic, might be a useful tool for some companies. However, the research implies that such traditional change models cannot cope with the requirements of today's ever-changing world. This has already been indicated by the theoretical part, in which change is defined as varied, complex and multifaceted. Apart from the difficulty of defining change management and related terms, it also appears that the interpretation of its key dimensions does not possess any limitations. Hence, a missing clarity and an extensive scope of interpretation can be assumed.

These last assumptions can be reflected in the empirical part as well, because the managers were also not able to clearly define change management. Instead, they mentioned vague descriptions characterised by terms such as opportunity, standard and part of normal way of life. This simultaneously does not correspond to the definition of the literature describing change mainly as continuous process. However, both sides highlight person-related aspects. Nevertheless, the wide, varied and complex character of change appears again. Whereas the key dimensions are interpreted differently, the reasons why change management is important meet approval. Hence, in order to survive on the highly competitive marketplace, it is necessary nowadays that companies embrace change.

The theory-based model deduced from various theoretical change models such as Kotter's (2012) approach has already implied interesting findings. According to some literature, the planning aspect gets more and more important nowadays and one puts high emphasis on involving external parties like shareholders and especially customers. In order to examine various perspective of change models, one decided to use rational, systematic, psychological and post-modern approaches. However, due to the characteristics of the service industry and the focus of the thesis, it would be more recommendable to take more post-modern researchers into account. Clear and constant communication, trust, vigilance and full overview are only some examples of success factors, whereas people resistance, wrong key concerns and no delivery of change are mentioned as pitfalls. The research findings encompass similar success factors and pitfalls.

When comparing the theory-based model to managers' conceptions of change management, several improvements to the model are made. At first, the suggested steps from the researchers are adjusted by the gathered data. Consequently, the initial steps focus more on understanding the context, involving the right people, clarity through, for instance, clear goals and structure and alternative solutions. While the implementation is mainly dedicated

to involving people through activities like allocating responsibilities and communication, the last steps suggested by the managers deal with measurements, corrections and rewarding staff. Not only referring to the suggested steps, differences in theory and empirical study can be identified, but in particular when considering the modality of the presentation of the models. Due to the linear character of the compared theoretical change models, the theory-based model is presented by means of a list illustrating incremental, planned and predefined purpose. However, the managers have often indicated assumptions that, on the one hand, there is no recipe for successful change management suiting every organisation. On the other hand, no laws of nature, precisely describing change, exist. Therefore, the author decided to develop a new model, but illustrated by means of a cycle as part of set of cycles to indicate consistency and persistency. Moreover, as the suggested steps are of secondary importance, they are located in the outer ring by additionally adding context of change due to its increasing importance. Compared to that, managers' conceptions about general understanding of change build the boundaries. The heart of the cycle is dedicated to the five most important themes encompassing people involved, involvement, communication, leadership and measurement. As the interviewees put high emphasis on them, one can assume that they are the most crucial components of change management.

Consequently, even though some agreements and similarities from the theoretical and empirical part are discernable, the most important aspect, namely the theory-based change model and the improved one differ intensively. Hence, in order to approach the thesis goal of developing the most useful approach for change management, the theory-based model had to be greatly improved. This cannot only be assumed by the illustration, but particularly by the respective focus, which means that the empirical research does not evoke an incremental, predefined change model guaranteeing accomplishments of initial goals due to prior success. Instead, components like people involved, communication and leadership build the fundament for successful change management as part of a general framework for understanding the wide, varied and complex character of change. Thus, the thesis study indicates that it is impossible to fully control change in today's ever-changing and messy world. Therefore, it is not recommendable nowadays to try to manage change according to a recipe. But, instead understanding the change including the context and managing it by means of the aforementioned key components seems to improve and enhance the chance of successful change management.

6.2 Limitations and Implications for Further Studies

Continuing the previous thought of understanding change rather than searching for the best practice that can be rolled out across every context, it seems that limitations and implications for further studies are necessary. Consequently, not only due to the size of a bachelor thesis, but also since the thesis topic change management possesses a high level of complexity, it was impossible to cover all aspects.

As earlier said, since too less post-modern literature regarding change was used, the author recommends to examine this area in further studies. Another limitation is implied by only interviewing managers, so that just top management's perspective is considered. Therefore, it is advisable to also scrutinise other angles, for instance, by interviewing employees. Even though there exists a certain level of internationality, one could expand the empirical research across Finnish borders, in order to reduce cultural bias and to get diverse international conceptions. In addition, the sampling size should be increased to get richer data and in-depth understanding of the phenomenon.

For proving the practicality and usefulness of the improved model in business purposes, it is recommendable to apply the new framework to a real company in terms of a case study. By doing this, various perspectives such as management and employees' opinions can be considered. A case company additionally facilitates the research area.

Generally, it is recommendable to execute further research that only focuses on the practical aspect and creates empirical evidence instead of establishing more theories, because profound literature already exists. Hence, the central question has to be based on the organisations. How does it really work within organisations with reference to change management?

6.3 Reliability and Validity

After reviewing the whole thesis report, this section presents now the concepts of reliability and validity. The intention is to evaluate the conducted research on the topic change management in terms of credibility and objectivity.

According to Silverman (2016, 414), reliability encompasses the accuracy and inclusiveness of the conducted data. Therefore, if the data is generated correctly, it is more likely that the researcher receives similar replies, regardless of the interviewer. Compared to re-

liability, validity is defined as the credibility of analytical assumptions and refers to the interpretation of the research data. For instance, one examines whether the interviewees' expressions are based on own experiences and opinions existing outside the interview or whether they only result from the interviews. (Silverman 2016, 414.)

In terms of reliability and referring to the chosen research methodology, it seems that qualitative research has been an appropriate choice for finding an answer to the research question of *What should be taken into consideration when managing change?* and achieving the established research objectives. Hence, the semi-structured interviews and qualitative content analysis contributed as well to the prior aspects.

Having a closer look at the interviews, it appears that the established criteria, after which the eight managers were selected, have been helpful. Since due to the similar basic requirements, their points of views did not vary dramatically, but the interviewer obtained similar answers. Conclusions could be derived from the research findings as well. Despite similar selection criteria, the participants possessed different backgrounds. This starts from their general working experience, the position within the organisation and corporate type to their internationality and even age. Based on that the author was able to scrutinise various angles of the research area, whereby interesting and valuable findings were deduced. Nonetheless, even more managers from different types of organisations and service sectors could have participated in this qualitative research to acquire richer data and deeper understanding of such a varied and complex phenomenon like change management.

It must additionally be said that the used questions in the semi-structured interviews were not only based on traditional theory, but they were also too detailed. This leads to a limited scope of talking for the managers, which should normally be as open as possible, according to qualitative research. On the other hand, by doing this, the level of interviews' accuracy increased. Nonetheless, after some interviews, the author recognised this problem and tried to solve it in the next interviews by providing more freedom of speech in order to receive an adequate balance.

Despite some different levels of English skills, a communication barrier hardly existed. This was additionally reduced by means of face-to-face interviews taking place in a favourable atmosphere, either manager's own office or public café. The usage of semi-structured interviews, evoking an informal as well as conversational speech, contributed to it as well. Moreover, not only the recording, but particularly the 76 sided transcripts built a solid fundament for the research study, related analyses as well as evaluations and made it possible for the analyst to go into details.

Since the author additionally wanted to receive managers' impressions regarding the conducted research and especially the interview questionnaire, they were asked for feedback. Hence, the questionnaire was described positively, even if the questions were viewed as challenging. Therefore, they could have been slightly operationalised. Nevertheless, the fact that the interviewer had sent the questions beforehand simplified the interview process a bit. In terms of the whole research, the managers described the chosen theme of change management as difficult, but highly interesting and particularly valuable for business purposes. They are additionally interested in the outcome of the thesis study and would enjoy reading the report.

Considering the validity of the research including the conclusions, the aforementioned aspects support data's credibility as well. Hence, the research findings were derived directly from managers' conceptions of change management which are based on long working experience and highly academic backgrounds. Some assumptions were even supported by various literature references that are shown by the introduced similarities and agreements when comparing theory and empirical part.

However, due to author's subjectivity regarding the choice of more traditional literature, instead of post-modern authors, the outcome of the study can be viewed as slightly distorted. Consequently, the theory does not match the findings of the empirical research, which is particularly implied by the improved model. The theoretical part is mainly based on assumptions that change can easily be controlled, whereby success is guaranteed. In contrast, if more post-modern researchers had been used, this traditional literature would have already been refuted in the theoretical part. Since post-modern authors preclude the best practice thinking. According to them, there is no right or wrong, no one single way to view things, instead everyone sees the world differently. Hence, by applying more post-modern literature, it appears that not only a higher level of current relevance, representing the needs of today's business world, could have been evoked. But, one can likewise assume that instead of a mismatch, it would have been more likely that the theoretical and empirical part of the thesis could have matched. By doing this, it seems that greater credibility of given assumptions could have been achieved, which simultaneously would have led to higher validity of the thesis study.

With reference to generalisation, it must be assumed that instead of delivering a clear extension of the research results to wider context, it is rather possible to view them as indication and guidance for change management. This is caused, on the one hand, by the previous mentioned aspects referring to traditional literature and the overall character of change

defined as complex and multifaceted. On the other hand, the number of conducted interviews is additionally not sufficient for generalising the results. Hence, it is recommendable to execute more interviews in order to make the study more representative.

Nevertheless, no replication is discernable, because the author has continuously drawn conclusions based on own analyses and findings over the thesis process. On the other hand, particularly the comparison of theoretical and empirical part, resulting in the new model, does not indicate replication. Instead, it was carefully and comprehensively formed on well-grounded and well-argued analyses carried out by the author. Apart from the small sampling size, it must be said that only top managers were interviewed. In order to examine other angles, it is advisable to also include other perspectives by interviewing employees, for instance.

Apart from reliability, validity and generalisation, it is recommendable to reflect the whole process of the thesis study. Due to author's subjectivity, Kotter's (2012) eight step approach was the main cause of the choice and following development of the thesis topic. Therefore, it built the first basis for the research. Using Kotter's (2012) idea as starting point, the pre-assumption that change can easily be handled by means of incremental models existed. However, after couple of hours of conducting empirical research, author's assumption of the existing simplicity as well as comprehensibility regarding change was strongly refuted. Instead, the more research was conducted and various angles discovered, the more complex and varied was the phenomenon of change perceived. This additionally ensured the steadily increasing complexity and difficulty of the further study process. Hence, finding an interesting and beneficial research question with a high level of current relevance was not easy. But derived from Kotter's (2012) idea the question of *What should be taken into consideration when managing change?* was established. The development of thesis goal, consisting of building a theory-based model to improve it afterwards by means of manager interviews, was persistent, whereas corresponding research objectives had to be revised several times. Nevertheless, one decided to stick to the change models by comparing various approaches in the theoretical part of the thesis, mainly focusing on more current authors. Selecting appropriate models was not shown to be difficult, since the amount of available and rich research material is enormous. However, reflecting the chosen models, it is advisable to focus more on post-modern authors, as already explained above.

Finding clear definitions of change management was likewise challenging, which was reinforced by the high number of various terms such as change management, organisational change and strategic change describing all the same key aspects. Hence, during the research process several adjustments, especially referring to chapter 2.1 "Understanding

Change Management" on page 8 were necessary, in order to clarify the research area and move into the right direction. This was unavoidable despite the usage of concept analysis as framework for the theoretical part.

Furthermore, it was at first planned to continue the separation of the change steps into pre-, transition and post-phase to the empirical part and therefore the interview questionnaire was structured correspondingly and related questions focusing on change methods were asked. Nonetheless, due to the identification of themes and managers' emphasis, it was not possible to fulfil this plan. Moreover, the focus on change implementation, which was aimed to receive at first, was hardly realisable as well. Thus, reviewing the research design, it was appropriate to change the research question to *What should be taken into consideration when **managing** change?*, instead of when implementing change. Even though the author tried to limit the research area by focusing on the specific implementation of change, but both theory as well as the empirical study considered the change management process as whole, instead of providing possibilities to only examine change implementation. Apart from that, it is also recommendable to narrow down the research area even more, because of the aforementioned aspects. A commissioning party can be useful at this point, as it can limit the research area by possessing a concrete context and probably ideas including goals of the research. Generally, the author had to cope with a tight time frame, which, on the one hand, created a certain level of pressure, but, on the other hand, forced the author to work in the most efficient and effective way.

Apart from the topic choice, author's subjectivity influences other parts of the thesis study as well. Hence, it guides several aspects such as choosing research methodology and in-terpretation of gathered data. However, the author tried to limit the degree of subjectivity to the lowest possible level by obtaining a profound theoretical background knowledge and especially providing theoretical or empirical evidence for each established assumption. This has evoked sound as well as profound analyses, explanations and final conclusions.

Despite the aforementioned review, a comprehensive framework for change management was deduced from the thesis study that will be beneficial for business purposes by aiming not to cover all vastly different change situations, but focusing on the crucial components of change. Consequently, one assumes that a great significance of the research findings, providing a general novelty and extensive value for the service industry, exists.

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Appendices

Appendix 1. Change Methods

Model Name	Author	Year	Pre-phase	Transition Phase	Post-phase
Lewin's Model	Lewin	1946	1. Unfreeze	2. Act & Move	3. Refreeze
Lean Thinking	Womack & Jones	1996	1. Define value precisely from the perspective of the end customer in terms of a specific product with specific capabilities offered at a specific price and time 2. Identify the entire value stream for each product or product family and eliminate waste	3. Make the remaining value-creating steps flow 4. Design and provide what the customer wants only when the customers wants it	5. Begin the progress again until reaching perfection
Leading Change Method	Kotter	1996	1. Establishing a sense of urgency 2. Creating the guiding coalition 3. Developing a vision and strategy	4. Communicating the change vision 5. Empowering broad-based action 6. Generating short-term wins	7. Consolidating gains and producing more change 8. Anchoring new approaches in the culture
Insurrection Method	Hamel	2000	1. Build a point of view 2. Write a manifesto 3. Create a coalition	4. Pick your targets and pick your moments 5. Co-opt and neutralize 6. Find a translator 7. Win small, win early, win often	8. Isolate, infiltrate, integrate
Luecke's Method	Luecke	2003	1. Mobilize energy and commitment by jointly identifying problems and solutions 2. Develop a shared vision of how to organize and manage for competitiveness 3. Identify the leadership	4. Focus on results, not on activities 5. Start change at peripheries and let it spread without pushing from top 6. Install success through policies, procedures and systems	7. Review and adjust strategies in response to arising problems

ERA Model	Chen, Yu & Chang	2006	1. Evaluate total performance 2. Re-evaluate system design management & culture	3. Develop a change strategy, an action plan & conduct training	
	Bevan	2011	Phase 1: Form a team • Identify team members: look for individuals • Invite participants • Bring team together Phase 2: Identify and document the issues • Make initial evaluation of key issues, obstacles and impact on business process and results • Asset status of change Phase 3: Gather input from stakeholders • Identify stakeholders • Collect input from these individuals • Combine feedback with results	Phase 4: Develop tactics and take action • Review data and develop plans for ad-dressing issues • Identify resources, responsibilities, timing • Share resulting plans with others	Phase 5: Assess progress and course-correct • Monitor progress by evaluating results against business goals • Apply course correction as needed
	Jabri	2012	Most stressful part of change is keeping „a bird's eye view" of change process 1. Diagnose current situation. Know your stakeholders – let the customer drive diagnose (desired state) 2. Select highest priority, process or issue, work on creating readiness for change. Consider the requiremenets	3. Keep top management informed/ involved to ensure that their sponsoship continues 4. Gather data, systems information. Capitalize on information needed 5. Consider your strategy on the „depth" of your intervention 6. Get support 7. Intervene 8. Go for a pilot study; make sure it is thorough and realistic before moving into full implementation	9. Approach breaksdowns of pilot study positively, transform them into opportunities and breakthroughs 10. Disseminate information and use pilot study to gain more support

	Dawson & Andriopoulos	2014	External triggers: 1. Need for change: recognize need and start the change process (awareness of potential problems and opportunities) People issues: 2. Diagnosis: gather and interpret information in reviewing present stage and identifying future desired state (developed vision) 3. Planning: develop implementation strategies and prepare for change selecting appropriate interventions	People Issues: 4. Implementation: embark on process of managing change (act, observe, interpret and plan for further action) through continuous review and feedback (experiential learning)	Review and assess: 5. Sustaining change: review, revise if necessary and ensure changes desired stick (also involves the spreading of change)
	Campbell	2014	Before embark needs to be realistic about starting point Culture, capacity, commitment, capability → what changes can or should you attempt and when?	1. Direct 2. Drive 3. Deliver	4. Prepare 5. Propagate 6. Profit

Appendix 2. Information about Interviewed Managers

Managers	Gender	Education	Position in Company	Characteristics of Company	Focus	Internationality
1	Female	MBA Service Excellence	Business area director	• Catering company • Large enterprise (approx. 450 employees) • Traditional, Finnish	Catering	International working experience
2	Male	PhD Social Psychology	Managing director	• Management consulting • Small enterprise (approx. 17 employees) • Multinational workforce	Organisational culture	International study, working experience
3	Male	MBA General Management	Managing director	• Restaurant catering company • Large enterprise (approx. 350 employees) • Traditional, Finnish	Catering	International working experience
4	Male	PhD Strategic Implementation	Managing director	• Management consulting • Medium-sized enterprise (approx. 60 employees) • Asian business partner	Service design	-
5	Female	Master Social Sciences	Managing director	• Wellness manor • Small enterprise (approx. 30 employees) • Traditional, Finnish	Wellness & health	International working experience
6	Male	Master Hospitality Management	Division director	• Hospitality and tourism business • Large enterprise (approx. 320 employees in own department) • Traditional, Finnish	Hospitality & tourism	-
7	Male	Bachelor Business & Economics	Former managing director	• Entertainment company • Large enterprise • International parent company	Entertainment	International working experience
8	Male	PhD Sociology	Project director	• Health care company • Large enterprise (approx. 7,000 employees) • Traditional, Finnish	Health care	-

Appendix 3. Interview Questionnaire

Question-naire section	Central Questions	Key points supporting questions
Introduction	**Background information:** Name Position, company Professional and educational background Working experience (duties, internationality)	
Understand-ing change	**Describe your own view/ perception of change:** 1. What does change mean to you? 2. What does change management mean to you? 3. How would you describe the context of change? e.g. re-garding time, diversity, capacity 4. How would you characterise the need for change? e.g. driving forces 5. With what kind of change have you dealt so far?	• Definition of change • Triggers for change • Context of change • Need for change • Kind of change
Preparing for change (Pre-Phase)	**Think of the ways you have prepared for change:** 6. Which key activities have you carried out? a. Have you followed a specific change programme or model? 7. How was the reaction of the employees, when they were informed about the change? 8. Which role have you had? 9. Which role have external parties like stakeholders and customer played? 10. How would you describe the leadership carried out? e.g. leadership styles Describe this phase of change management by means of three words	• Team up • Status quo • Felt need to change • Vision, strategy • Leadership • Planning • Controlling • External parties • Success measures
Implementing change (Transition Phase)	**Think of the ways you have implemented change** 11. What kind of steps have you executed? 12. What have been the most important aspects? 13. Which role have you had?	• Communication • Empowerment • Support • Information • Review

	14. How would you describe employees' behaviour, reaction, feelings? 15. How would you describe the communication taking place? Describe this phase of change management by means of three words	• Feedback • Training
Reviewing change (Post-Phase)	**Think about the time after the change implementation:** 16. How did you evaluate the change? 17. How did you succeed with change implementation? And why? 18. How did you feel about the current state? 19. What have been the biggest challenges? 20. How was the feeling and reaction of the employees? 21. How would you describe the learning effect? Describe this phase of change management by means of three words	• Review • Opportunities, threats • Learning effect • Anchoring in culture • Ongoing process

Forces of Change	**Think about the whole process:**
	
	22. How would you characterise the factors supporting the change?
	    a. Could you name three?
	    b. How would you attract them the next time?
	23. How would you define the factors hindering the change?
	    a. Could you name three?
	    b. How would you avoid them the next time?
	24. What kind of role has the cultural backgrounds of the people involved had?
	25. What has been the biggest learning effect for you personally?
	26. What advice would you give an employee or manager being part of change?
		• Success factors
		• Challenges, pitfalls
		• Recommendation
		• Advice

Conclusion	**Thank you for your time:** 27. What comments or questions do you have for me? 28. Is there anything you would like me to explain? 29. Have you any recommendations or feedback for me?	

Appendix 4. Overview Five Themes

Reaction
- Asking many questions
- Negative attitude
- Shock, frustration, no willingness
- Carefulness

Who
- Staff
- Shareholders
- Customers

People Involved

How to Change
- Make sense
- Clear descriptions, goals, benefits, support
- Believe in change
- Communicate, involve, reward, motivate
- Commitment, trust

Separations
- Young and elder staff
- Against and supporting change

Differences
- Age, gender
- Working position
- Change role
- Cultural mindset
- Educational background
  → Understanding different backgrounds

How
- Communicate
- Allocation of responsibilities, big roles
- Encourage
- Convey feelings that can influence work, take part
- Leading by example vs. showing by example
- Let staff do change by themselves vs. find the answer together
- Somebody "last word"
- Sense of value

Involvement

Who
- Staff
- Shareholders: support, freedom, trust, compromises
- Customers

Concrete Methods
- Pilot study
- Co-design

Communication

Why
- Involving people
- Building trust
- Pushing change forward
- Creating confidence

How
- Consistent, clear, understandable, logical
- Connected to everyday work
- Open, honest, transparent
- Too much: worries, fear evoked
- Informal talks
- Verbal communication
- Repetition of content

Who
- Employees
- Shareholders
- Customers

When
- Constant
- Planning phase
- After change

What
- Meaning, benefits, effects of change
- Evaluation, measurements
- Feedback, updating
- Downside of change
- → Why, how, what to change

Tool
- Email, but more effective:
- Face-to-face talks
- One-to-one conversations
- Big group discussions
- In-house first, then outhouse

Level & Flow
- Strategic
- Operational
- More bottom-up than top-down
- → Dialogue

Leadership

How
- Communicate, involve, motivate
- Open, honest, transparent
- Highly structured, organised
- Support, sense of urgency
- High targets, ambitious
- Create emotions
- Repeat, rethink
- Take wider view
- Leading by example vs. showing by example

Leader
- Show and convey commitment
- Believe in change
- Sell idea of why, how, what to change
- Face, facilitator of change
- Motivate, empower
- Steadily progressing
- Responsible for change outcome
- Qualities: Ethos, Pathos, Logos
- → Driving force

Personal Advice
- Qualities: Ethos, Pathos, Logos
- Learning by doing
- Believe in change, talk
- Honest, stand behind own words
- Open-minded, approachable, present
- Positive, willing, motivated
- Patience, stamina, passion
- Courage to change
- Constantly improving by always trying to do better tomorrow

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Why
- Checking whether right direction to achieve goals

How
- Evaluate own activities, strengths, weaknesses, potential dangerous areas
- Involve staff to receive thoughts, needs
- Management meetings
- Clear, easy to implement, communicable, valuable, constant

Measurement

Types
- Hard and soft facts
- KPI
→ Financial, customer, staff measurements

Indicators for Success
- Achieve goals
- Staff's gratitude
- Business growth
- Process optimisation
- Accept disruptions, adapt accordingly
- Constant improvement

When
- Ongoing process
- Time intervals mainly monthly