Building a concept manual for new ELIXIA Club Managers

Saara Uusitalo
ELIXIA is the biggest health and fitness chain in the Nordic and the second biggest in Europe. A large chain requires fast and efficient concepts that guide the actions in the clubs. Leading change is everyday business in ELIXIA. The business environment of ELIXIA is hectic and constantly changing. The new Club Manager needs to know the basic background of launching a new club and the services and selling concepts in an opened one.

The choice of methods in this project was action research. The choice was made according to the nature of this project. The action research took place in ELIXIA Tikkurila and was executed at the same time as the change projects were launched. Producing the information and correcting practical errors walked hand in hand with the change projects. Many different cases were done and two biggest cases of leading change in ELIXIA Tikkurila were chosen as an examples in this thesis. With the help of the theoretical framework and the information received from the example cases and other key personnel from ELIXIA the leading change steps were made.

A ready concept manual for a new Club Manager could be a practical tool to help the new Club Manager to start the work. It helps the Club Manager to realize the background of launching new clubs, understand the selling structures in ELIXIA and to lead changes in ELIXIA. The steps to lead change in ELIXIA were: Get Yourself Onboard – Know it Yourself, Get the Staff Onboard – Teach & Coach, Walk the Walk – Talk the Talk and Anchor the Change by Rewarding short-term wins.

The object of this development project is to create a draft of a concept manual for new ELIXIA Club Managers. ELIXIA has concept manuals for many different departments but there is not one for new Club Managers. The manual will help the Club Manager to understand the background of the launching new clubs, the selling in ELIXIA and give the steps to lead changes in ELIXIA. The development project behind this thesis will create a draft of a manual that can be modified to an official concept manual.

The concept manual for a new ELIXIA Club Manager could help to lead the changes and start to build an own style of leadership and the change steps. It can also help the current Club Managers to measure their own work and maybe try to do some things differently. The final manual for leading change in ELIXIA can be done after getting this drafted manual assessed after using it several times and in more than one club.

**Keywords**
Leading change, leadership, Club Manager, ELIXIA, Sales
# Table of contents

1 Introduction .................................................................................................................. 1

2 Leadership and leading change in theory .................................................................... 4
   2.1 Leading individuals ............................................................................................... 5
   2.2 Leading teams ...................................................................................................... 6
   2.3 The eight-staged process of leading change ....................................................... 7
      2.3.1 Stage one: Understanding the urgency of change ....................................... 7
      2.3.2 Stage two: Creating the team .................................................................... 8
      2.3.3 Stage three: Developing a clear vision and strategy .................................. 10
      2.3.4 Stage four: Communication ..................................................................... 10
      2.3.5 Stage five: Empowering employees ......................................................... 11
      2.3.6 Stage six: Make short term wins visible ................................................ 12
      2.3.7 Stages seven & eight: Establish the change and anchor it to the culture .. 13

3 Chain management and branding ............................................................................. 15
   3.1 ELIXIA and chain management ....................................................................... 16
   3.2 ELIXIA Brand’s story ....................................................................................... 18

4 The objectives of the development project ................................................................ 23

5 Phases of the development project ........................................................................... 25
   5.1 Choice of methods and timetable .................................................................... 25
   5.2 Interviews of the personnel ............................................................................. 27
   5.3 Drafting the leading change model in reality: Example case 1 ....................... 28
      5.3.1 Creating a team and planning the vision ................................................ 30
      5.3.2 Planning the strategy and communication .............................................. 31
      5.3.3 Planning the implementation and empowering employers .................... 32
      5.3.4 Establishing the change? ....................................................................... 33

6 Results: The concept manual for new ELIXIA Club Manager ................................ 34
   6.1 The background of launching an ELIXIA Club ............................................... 34
      6.1.1 Inhabitants of the region ...................................................................... 34
      6.1.2 Average income of the inhabitants ....................................................... 35
      6.1.3 Exercise habits of the inhabitants ............................................................ 35
      6.1.4 Possible competitors in the region ......................................................... 36
      6.1.5 Other meaningful elements supporting the profitably of a club .......... 36
      6.1.6 Expenses and revenue ........................................................................... 36
   6.2 Recommending health = Selling in ELIXIA ................................................... 38
   6.3 Using the staff as brand icons ........................................................................ 40
   6.4 Using the steps in reality: Example case 2 ....................................................... 40
      6.4.1 Step one: Get Yourself Onboard - Know it Yourself ............................. 41
      6.4.2 Step two: Get the Staff Onboard – Teach & Coach ............................... 42
1 Introduction

SatsELIXIA is a part of a bigger company Health and Fitness Nordic (HFN). SatsELIXIA is the biggest brand in the company and the biggest health and fitness chain in the Nordic and the second biggest in Europe. This gives ELIXIA brand in Finland some head start in launching new clubs and growing. The brand ELIXIA is the strongest and the most known brand in Finland at the moment. The next competitor Fitness 24/7 being quite close. The aim of ELIXIA is to be the biggest and the strongest brand in all the three countries: Sweden, Norway, and Finland. To be the one and only in health and fitness industry requires strong concept manuals that guide the staff to create a powerful chain. The power of any chain is always the same as the weakest link so those weak links should be strengthened. To lead the health and fitness industry ELIXIA also needs to reform itself and the services all the time. The business environment of ELIXIA is continuously changing and there is a constant need to build new products and services but also structures and systems. The change in ELIXIA is a reality all the time and every day.

In ELIXIA the chain management and the concept manuals make the structures of the actions and operations in the clubs. The Club Manager is the leader of the local club but because of the nature of the big chain the role of the Club Manager is to implement the things that are given from the Nordic or Finnish management. The role of the Club Manager is to guide the staff in the club to perform as profitably as possible with the given changes and new systems or structures. This role, being in the between of the management and the staff is not easy and usually the implementation leans only on the Club Manager’s skills. There are 28, soon 29 clubs in Finland and the current situation is that the leading change is done using 28 different styles. Well-proven techniques and planning are of course shared but a concept manual for leading change does not exist. The changes that must be implemented in ELIXIA clubs can be smaller or bigger but the common denominator is the fact that they have to be implemented very fast. When the information is presented there is usually one week to coach the staff in the club. The implementation and the coaching continues when the change has been piloted. The Club Manager needs to be able to make fast decisions about the local planning and efficient communication to the staff. Even though ELIXIA is a big chain with developed chain concept manuals that guide the actions in the clubs, the actual leadership has not been developed. Centrally, there is no concept manual for a Club Manager to lead changes using certain stages or phases. Only the targeted change, the new system and the timetable are available.

ELIXIA recruits personnel from inside and outside the organization. The Club Manager coming outside the organization has a lack of knowledge in certain subjects. There are
many things that can be assimilated while working but to understand the way the chain management works a little guidance is needed. The subjects that are good to know when starting as a Club Manager in ELIXIA are the background of launching new clubs, the sales structure in ELIXIA and the leading change process. With these the new position can be easier to adapt in.

Leadership has changed a lot through times. The definition of a good leader in the 90’s is not the same as today. The hierarchical structures and the top-down monarchy style leadership has been replaced with leaders who empower employees, lead teams more than individuals, listen to the employees and use intelligent leadership. The power of leadership today is in the teams and delegating. Leaders cannot know everything and need experts besides them. Leading change is a big and very important part of the leader’s work. Today’s business world requires constant innovation and the customers are much more demanding. That leads to constant changes in organizations. The leader must be well prepared when leading change in reality. The leader of today must be very well prepared of the use of the different intelligences. It is important to realize that the rational intelligence is not enough when leading an individual or a team. Beside the rational intelligence, the emotional, spiritual, and practical intelligences must be acknowledged and used. The constantly more demanding business environment makes the leadership structure more complex.

There are different theories of leading change efficiently. In this thesis the theory of eight-staged process of Kotter (1996) is been used as a theoretical framework. The eight-staged process is a very good ground to build any new processes to organizations. In these eight stages the whole process of change is been explained from the urgency of change to the anchoring the change to the culture. This theory with the theory of leading individual and leading teams by Sydänmaalakka (2009) made the ground for the leading change project that had to be developed. Leading change is never easy and the different stages and phases cannot be underestimated. The well-planned groundwork will build a trusting and efficient work environment where the changes can be more easily led.

The objective of this thesis is to build a concept manual for a new ELIXIA Club Manager. The concept manual includes the background of launching new clubs and what needs to be taken in consideration when planning the launching in certain area. The manual also explains the sales system in ELIXIA. The main part of the manual is the leading change part. In that part the leading change steps will be presented. Those steps will develop the leadership and most importantly the leading change in ELIXIA. These steps can be used
in the sales processes that change often in the clubs. This manual will be a pilot of a manual that can be tested in other clubs. The final concept manual that will be used in ELIXIA can be done after this manual has been assessed. The ready concept manual can help the new Club Manager to understand the basics of the chain management and the leading change processes in ELIXIA. This concept manual will be a brand-new manual and the leading part has not been developed yet in ELIXIA. This thesis will ease the start in the club for the new Club Manager.
2 Leadership and leading change in theory

Leadership and managing styles has developed considerably through time. The twenty-first century leader wants to be remarkable and develop constantly ones managing skills. The life-long learning has become more and more important and even trendy. Rapidly changing environment and business world are also causes for this change in leadership and also, it is simpler and faster to learn things virtually. It is still very important to realize that one cannot learn it all immediately and the ability to constantly develop managing skills is the key to economic and individual success for organisation. (Kotter 1996, 177-178.)

Traditionally, leadership has been seen as a process in which a leader pursues to affect the individuals so that they would work as effectively as possible to reach their own and the organization’s goals. The management has been quite hierarchical and the leader’s position has been very powerful. Almost all leadership theories or models have been based on this old hierarchical thinking, from leading with goals to leading situations. In 1990’s the focus was more on the processes and mind started to open more to team leading and collective teamwork. The leadership was more doing together rather than leader setting the goals and managing the actions. It was important to realize that the employees must also be active in the process of leading.

Creating a major change in an organization is not at all simple. It includes planning, organizing, effecting, controlling, problem-solving and decision making. The leaders must have all the strings strictly in their hands and it can be stressful and challenging but it must be remembered that leadership is more than just controlling. It is having different types of intelligence to guide individuals in practice. There are nine steps for leading individuals in practice. These steps must be differently managed by using four kinds of intelligences that leader must acknowledge to be effective: Rational intelligence, emotional intelligence, spiritual intelligence, and practical intelligence. In these intelligences are the steps to lead individuals in practice. Leader’s will to life-long learning plays an important role with learning these intelligences. (Sydänmaalakka 2009, 156-159.)

In leading sustainable change, the leader must also first get the staff onboard, get the best and all there is to get from the staff, prevent negative brand image and lead by example. (Gulati etc. 2015, 20-36), It is also very important to monitor the actions and results. (Andreasen & Kotler 2008, 167-180). The process of leading change in an organization requires the managing of the new systems and relationships. The execution of the change is
not simple and it can take years, at least if the change concerns big part of the business unit. (Hyötyläinen & Nuutinen 2010, 60-61.)

Leadership and motivation go hand in hand. How you can motivate your staff if you can’t lead them and how is it possible to lead your staff is you can’t motivate? It is individual how much motivation the person needs, but certain is that it is needed. (Adair 2009, 5-11.) Usually the leading of change can go wrong if you expect too much too fast from your staff. There are few errors that an organisation can do that lead to failure rather than good change-leading: lack of guidance, permitting obstacles and failing to create short-term wins to name a few. (Kotter 1996, 4-17)

Every organization needs leadership. The definition of a good leader has changed through time but a good leader is mandatory to an organization or a group of people who need a sense of direction. Organizations have a vision and a strategy. A strong leader plays a big role in getting the people to work towards a common vision. For a leader there are few differences on how to lead an individual or how to lead a team. The leadership today is different than twenty years ago. Today’s leadership is often called intelligent leadership and it is leading innovations instead of leading with people. Leading is happening in teams and networks rather than in hierarchical structures. The old system of leadership is not coping with the fast-changing environment. Therefore, the old ways of management must be replaced. Intelligent leadership is leadership in six different levels. The six different levels of leadership are leading yourself, leading an individual, leading a team, leading virtual reality, leading an organization and, leading networks. These levels are also the development phases of the intelligent leadership. Leadership faces many challenges now and in the future and therefore it is important to learn to live in these turbulences. Two of the levels of intelligent leadership are leading individuals and leading teams. In the next chapters these levels are explained shortly. (Sydänmaalakka 2009, 143.)

2.1 Leading individuals

Before a manager can lead anyone else it is necessary to learn to lead yourself. To get from leading an individual to leading multi-cultural environments the leading yourself must be established. It is the ground to the whole leadership. When a leader knows herself or himself and learn to control the actions of management the leading individuals can happen. Leading individuals means that a leader tries to control the actions of experts to reach a certain goal efficiently as possible. Leading an individual is not easy. It is very challenging and important, so the leader must know how to do it well. Leading individuals is communicating with the employee. At its best this communication is a real dialogue and not dictating. (Sydänmaalakka 2009, 156-158.)
Leading individuals is not just having rational intelligence and actions but a system where rational intelligence meets emotional and spiritual intelligence and together these factors create efficient concrete actions. Leading requires a lot of practical intelligence, too, and to lead with these intelligences the process of leading is successful. It is essential to lead the actions, not the people. Leading actions is setting goals, monitoring the results, guiding, and coaching, and developing. The power of communicating is strong in creating a good ground to leading the execution. Good communication is talking and listening to build visibility and trust in the organization. Good leadership requires time and practice. (Sydänmaalakka 2009, 156-160.)

One of the important factors of leading individuals is motivating. Everybody has motivation, but the key to good leadership is to learn the different types of motivations and how to lead people with these differences. The different motivations lead to different needs of employees. When these differences are acknowledged in a work environment it is possible to lead the staff individually. This creates an environment where people feel that they are trusted and important. This is an essential way of leading a change for example. (Mayor & Risku 2015, 147-149.)

2.2 Leading teams

The leadership of today is more about leading teams rather than about leading individuals. Not a single leader can cope with the continuously changing business environment alone. (Kotter 1996, 66). The structures of organizations are more complex today than they used to be and the expertise is much more multipolar. This means that the leader can be an expert in only a small part of the organization. That is why the team leading works better in the current environment. (Sydänmaalakka 2009, 160.)

Leading a team is communication. It is management that is both vertical and horizontal. In the horizontal management the expert who is a team member can also lead the manager by affecting to the opinions of the leader. A good team that works efficiently includes 4-8 members. These members are people that are engaged to the same goal using same systems and protocols. Their expertise fulfils each other and everyone take responsibility. (Sydänmaalakka 2009, 160-162.) To create a working team the organization must be built with trust. Without trust the team would not be committed to overall excellence. Trust helps to create a shared goal and objectives. (Kotter 1996, 65.)
2.3 The eight-staged process of leading change

There should always be clear stages in the leading change and the stages should be visible to the employees too. The change, small or big is easier to follow and lead if everyone knows the different phases and knows their own roles in the phases. There are theories of the different phases of the leading change. All the different theories claim that the phases are very important and to reach a well-managed change the phases are mandatory. One of the theories of John P. Kotter (1996) is about eight different stages where establishing a sense of urgency is the phase to start and anchoring new actions in the culture would be the perfect result of a well-planned leading change case. There is also a theory of six critical success factors by David Miller (2011). There are a lot of similarity in these factors and stages. In figure 1 Kotter's eight stages of leading change are shown visually and in the next chapters the differences and similarities of these phases are explained.

![Diagram of the eight-staged process of leading change by Kotter (1996).](image)

2.3.1 Stage one: Understanding the urgency of change

When leading change usually the errors come when underestimating the need of the different phases and the enormity of the first phase: Establishing a sense of urgency.
Whether leading a small simply change or changing bigger models or systems of an organization the great cooperation is required. (Kotter, 1996, 35.) The importance of the clarity in the people that need to adapt to the change is enormous. If the organization wants to be successful everyone will know about the purpose of the change because the leader has shared it well. This shared change purpose means that everyone in the organization together are making the case for change. Everyone knows why and what. (Miller 2011, 47.)

The importance of the committed employees is huge in the first phase. About 10-15% of the employees must be ready to go further with the change. Good cooperation is the key to success in leading change, and the sense of urgency must be established to get good cooperation. With low urgency it is impossible to create a group big enough for sustainable change. It is possible to get short-term wins fast with couple of very enthusiastic employees but that kind of winning is also very short-term. The employees must feel complacency in the change and that is possible if the shared urgency of change is established. (Kotter 1996, 35-36.) Good start for a leading change will create strong personal connection and commitment and that is the key to success (Miller 2011, 47-49).

There are ways to create and raise the urgency level. Organization need to act towards the change first to get staff’s attention. The leader can start to set the goals so high that they are unreachable or make the employees talk to very disappointed customers to name examples. It is still very difficult to know if the urgency is high enough. The leader must listen carefully in and outside the organization to find that out. If the staff does not feel that the change is absolutely essential the next phases cannot fix the lack of urgency. (Kotter 1996, 44-49.) The organization must get the people to feel that they cannot stay where they are. The change is always terrible, even if there is a shared purpose. So, to get the people moving the staff must feel that the status quo is an unattractive and untenable place to be. (Miller 2011, 53-55)

2.3.2 Stage two: Creating the team

Leading change requires a strong leader. Good leader provides direction, guidance and support and also gets the staff’s attention. (Miller 2011, 48, 65.) Is it then impossible to be a good leader without these qualities or can one learn these? Usually, there is a strong leader behind any successful change. Or at least the most famous cases of leading change have had a strong leader. The importance of a good team is then forgotten and the change will not be implemented successfully. Not even the greatest leader can do the change successfully if the work is done alone. (Kotter 1996, 51.)
Today's fast-moving business environment demands processes of decision making where a strong team is used rather than a strong leader alone. The decisions must be done rapidly because of the big number of changes and because the market cannot wait. A strong and convincing leader can lead the change to some point but today's market and the law of demand and supply have changed the idea of leadership. (Kotter 1996, 55.) In the last twenty years the culture and nature of actions in organization has changed so much that the new way of leadership, an intelligent leadership is needed. The leader today needs balance in the management, a whole perspective in the humanity, delegation, and a complex leadership. It is not easy to be a leader in the today's business environment. The importance of teams is also mentioned in this point of few. (Sydänmaalakka 2009, 149-150.) No individual can make a good change alone and have all the knowledge needed (Kotter 1996, 55).

In making of the team that can direct a change effort the key is to find the right members. There are a few persons that are essential in the good team: Someone in a powerful position in the organization, a person with the type of expertise that is needed, a person with good credibility in the organization and someone with proven leadership in the organization. (Kotter 1996, 55-57.) The leader must identify and understand the different roles in the team and the role that these influencers play. They all will have influence but the leader needs to know at what part of the change process the assistance of these influencers is necessary. The more the leader knows of the people the easier it becomes. (Miller 2011, 77.) It is also very important to pay attention to the people left out from the team. Are they capable of blocking the process of a good change? If the people are clearly and rightly informed, they are also engaged to the case and will most likely be committed to the change and key decisions. (Kotter 1996, 55-57.) It has been studied already in the early 1990’s that when staff is committed and engaged to the organization the productivity and effectiveness increases (Barley & Kunda 1992).

An effective team must be based on trust and a common goal. The good team can be built in many ways but most important component is trust. Without trust even, the best leaders and team-players cannot build a team that will work towards a common change. Trust helps enormously in working towards a common goal. (Kotter 1996, 61-65.) Trust is built slowly but can be crushed in a heartbeat if not taken seriously. Trust is often easier to build if the people know each other better and understand each other’s resources of motivation. Therefore, it is essential to have the kind of motivation that builds trust and efficient work environment. (Mayor & Risku 2015, 156-157.) Unfortunately, trust is not present in all the organizations. Lack of communication and visibility creates a lack of trust and that creates the mission impossible in the leading successful change. (Kotter 1996, 61-66.)
2.3.3 Stage three: Developing a clear vision and strategy

When leading change in an organization it is necessary that the employees work towards a common goal. The goal should always be clear and reachable and the steps to reach the goal visible. Almost all organizations have a vision and a strategy. The vision is usually the general goal for the organization to plan the work. The strategy has the practical steps to reach the vision. In leading change, the clear vision and strategy is also very important. The vision is not the organizations vision but the vision of the change when done: How much more easily the work could be done after getting through this change together? How does it look like? It is important to the staff to know why certain changes are required. The leading change without a vision and a strategy does not work at all in complex organizations. A successful transformation is possible only when approaching the change with clear vision and strategy. (Kotter 1996, 67-69.)

Vision is a picture of the future that the key personnel in the organisation should strive to create. There are three important purposes that the clear vision serves. First, it gives the general direction rather than million detailed ones that are not simplified. Second, it motivates people to work towards the common goal, even if the phases are personally hard. Third, it helps remarkably to guide the actions of large group of people in big companies in a fast and efficient way. The clear vision helps people to see the big picture and helps them to work further than used to. (Kotter 1996, 68-69.)

A good vision is efficient and imaginable. If the vision told the staff is something no one can imagine the power of the vision and the three purposes disappear. The vision and the strategy has to be the reality in the organization after the change process has been done. A good vision is also desirably that it appeals to the people working towards it. The good vision must also be flexible and communicable. It should be easily explained and lightly changeable in different conditions. (Kotter 1996, 72-73.)

2.3.4 Stage four: Communication

Communicating a good and efficient vision is never easy. The good vision can work to some point even if it is understood by only some of the key personnel in the organization. The best way to get the real power of the vision is when most of the involved people have a common understanding of the direction. That shared vision helps motivating and guiding the staff to create actions towards great transformations. It is very important to get all the
employees not just to understand the vision, but to get them understand it the same way. Understanding the vision is not a case of intelligence. The acceptance of the vision of the future can be both intellectually and emotionally challenging. People naturally ask lot of questions when pushed to change. The coalition gathered must first answer the questions themselves and then answer to everyone. Therefore, the process usually takes time. (Kotter 1996, 85-88.)

There are ways to communicate the vision powerfully and when using these ways, the possibility to fail decreases. The vision and the communication of the vision must be kept simple. It is good to use metaphors and language that the average employee uses. Usually, the organization has a common language with the abbreviations and words that only those working in the organization know and this internal language can be used efficiently. The vision is understood and made clearer when the leader is also working towards it. The leader must lead by example and talk about the vision when walking the vision: talk the talk, walk the walk. The best way to get the vision visible is to use as many forums as possible when communicating it. Usually, the emails and putting the message to the organization’s own intranet are not enough. The vision must be communicated via different forums too. Talking about it, making visual information, and repeating it constantly helps everyone to understand the vision. (Kotter 1996, 85-100.)

2.3.5 Stage five: Empowering employees

All the four previous stages have been about the background of the change process, the first steps where the urgency and the vision has been explained. Those stages are of course very important, but the stage where the employees take part is the stage where action begins. “Empowering people” has been a mantra repeatedly used in cases of organizational transformations. It has become so increasingly popular that it has almost lost its meaning. Everybody seems to know what it means but the application of empowerment is still not very common. (Kotter 1996, 101.) The involvement is still the key to a successful change. It has been seen that through involvement the power of change is increasing rather than slowing down. Involvement creates a momentum that in turn keeps the change moving forward. (Miller 2011, 87.) That momentum is the place when the change is almost anchored to the culture. There are still few stages before that to be implemented.

If the empowering is so important and the key to success then why so many organization fail to use it? There are obstacles that need to be attacked before the involvement can fully work. These obstacles can be structures, skills, systems, and supervisors. The structure of the organization can be so heavy and have so many layers that it is impossible to
empower the lower-level employers. The trust between upper-level, middle-level and lower-level staff is mandatory. To create a change that empowers people certain structural changes need to be done. The organization must be willing to provide training to ensure the staff’s ability to be involved to the change process. Also, the systems that do not enable the involvement must be changed and developed. The training and the system development will require money and time and that needs to be acknowledged in the process. The last obstacle that must be tackled is the supervisors that are not capable of cooperation in the change. It is possible that the change process has been successfully started to this point but if there is one supervisor who is not willing to empower people the success stops here. There is not an easy solution to this problem. Usually, the protesting supervisor is manipulated to change the direction or laid off. These are not the best solutions as an honest dialogue could be the better way. The rational and thoughtful dialogue also help to minimize the damage the supervisor could cause when cornered without one’s will. (Kotter 1996, 101-115.)

Involving people creates high overall engagement among the employees. It also adds their feeling of commitment and engagement to the company. Their loyalty and sense of belonging increases causing accommodation to the change. To make the involvement successfully the organization must be ready to educate the staff, to show possible rewards and communicate with the staff visibly. (Miller 2011, 87-97.)

2.3.6 Stage six: Make short term wins visible

The process of leading change is long and never easy. When starting from the urgency and landing well to the empowering people the process could stop there. The bigger transformation still needs few stages that are crucial to the success. The transformation takes time so the vision could seem to be very far away. Therefore, it is important to show the possibility of short-term wins so that the concrete accomplishments are easier to follow by the employees. If all the attention is focused only on to the big dream or vision it can cause the lack of management in the current reality. The staff need visible evidence that their hard work is paying off and clear data indicating that the changes are working. That is possible if the short-term wins are acknowledged from the beginning of the process. Short-term wins can be smaller goals during the whole process of the transformation. (Kotter 1996, 117-119.)

Good short-term wins are visible. Large number of people can see them or at least are told about them. The short-term wins are also unambiguous. There can be arguments about them but their clearance makes them strong. The short-term wins must also be related to the effort made in the change process. The short-term wins give concrete data to
the people that their work load is essential. The concrete data of short-term wins helps also the leader to prove improvement to the difficult people. It is also easier to see if the change process is in the right track if the short-term wins are acknowledged in the planning. The short-term wins must be concrete and reachable. (Kotter 1996, 121-130.) Clear short-term goals and reaching them help the employers associate their workload towards the common bigger goal and see the clear structure of the change process (Mayor & Risku 2015, 159). Short-term wins can have a large impact on people’s opinion of the change. It is easier to adapt to the change and feel positive about it if the wins exceed people’s expectations. The short-term wins should be shown as soon as possible the work towards them is done. The short-term wins should also create personal rewards to the employees. (Miller 2011, 93-95.)

2.3.7 Stages seven & eight: Establish the change and anchor it to the culture

When the change process is going on, the understanding of the change as a current and permanent situation is vital. It is very important to the staff to realize that the change itself is a permanent standing. Anchoring the new systems or actions to the organization’s culture is the targeted situation. In change processes the motivation of the staff is very important. (Kotter 1996, 131-133.) Motives are desires, ambitions, and psychological needs. Motives show why people act the way they act and think the way they think. The leader must affect somehow to the motives of the staff but the inner motivation is something that can’t be fully affected. (Mayor & Risku 2015, 35-37.)

The resistance may have been invisible in the earlier stages. However, it is always present and must be acknowledged. Often the employees who resist are just waiting quietly for an opportunity to make an attack and make the mistakes visible. Anchoring the new systems can be very difficult with the resisters being present. It is common that the resister celebrates the short-term wins too but believes that that is enough. The resister can show that now this much have been accomplished, and a little break would be necessary. This kind of behaviour can be deadly to the transformation process. (Kotter 1996, 131-133.) It is good to realize that people do not resist the change process itself but the fact that somebody wants to change them. The change may come outside, but the process of change start in the organization or the team. (Sydänmaalakka 2009, 76.)

Establishing the change in the organizational culture is the key to successful transformation. The interdependence of the organization can slow down this remarkably. This means that if something is being changed in the organization that affects to other parts of the organization too. It is impossible to change a little thing without affecting a big number of other things. That usually builds resistance and it is hard for the leader to understand
why the staff do not change their behaviour to the wanted direction. In these cases, it is good to slow down the process and divide it smaller pieces that are easier to work with. (Kotter 1996, 134-139.)

Culture refers to norms of behaviour and shared values among a group of people, says Kotter (1996). It can take time to get the transformation established in the organization. It is better to realize that it can take years rather than months. In a fast-moving business environment, the changes are usually implemented rapidly but the anchoring takes time. The speed of processes is often faster among managers. It is easier to work faster with the nature of management processes. It still takes time to ensure that all the new practices are firmly grounded in the culture of the organization. To get the new practices to the old culture requires the eliminating of the old practices. It is necessary, yet difficult to stop people doing something that they used to do. (Kotter 1996, 143-155.)

The culture transformation is the hardest part of the leading change. Smaller changes and short-term wins are easy to be adapted but to change the whole culture requires long and persistent road. It needs to be acknowledged that the cultural change comes last, not first. This can be hard for the manager to understand who has had more time to organize the thoughts and adapt to the change earlier. The new approaches sink into the culture much efficiently if the results of the new actions are visible and better than the results with the old work methods. To get the change anchor to the culture the leader must communicate. Talking about the new approach constantly makes the transformation more visible. Sometimes, to get the old culture disappear it is necessary to let go of some of the key personnel. The need of eight stages instead of for example two is understandable because of the difficulty of leading change to the point that it is anchored to the culture. (Kotter 1996, 155-158.)
3 Chain management and branding

Branding starts from analysis, like everything else in marketing. A company analyses needs, the value of the product or a service and then launches it on the market. In building a brand, the trust of a consumer plays a big part. It takes time to get consumers’ trust but building a successful brand helps the organization grow. A good brand is a brand that is clear and visible to the customer. Brand only exist if the customer thinks so. (Lindberg-Repo etc. 2009, 22.)

Branding is storytelling, it is a great manuscript from an organization to stakeholders. In branding these things must be taken in consideration: the brand must be unique, it must stimulate some emotions, it can have a clear media voice or face, the service must be different from competition and it should also try to build a tradition. The planning is the key thing and the innovation part is the fruit of the planning. (Andreasen & Kotler 2008, 167-180.) Technology and the business environment is changing so rapidly that the pressure to innovate even more increases all the time. The fact that the customers are more segmented and demanding forces the innovation of new products and brands that replace the old ones. (Lindberg-Repo etc. 2009, 23.) In the innovation process these things must be solved: name, logo, slogan, look some symbols, the feel. It is possible to have a spokesperson who tells about the brand-promise. If possible, the use of outside help for creating an innovative side of the brand is very helpful. (Andreasen & Kotler 2008, 167-180)

In branding it is mandatory to know the company and its service or product. How it reflects to customers? What are the mission, values or goals and can the company fill the brand promise with actions? In other words, are the actions linked to the mission or values and do they reflect to the brand? Can the customer see it? Important thing to realize is that the customer makes the brand, not the brand-makers. It is a thin line where a customer either makes it or brakes it. That is why it is very important to always monitor the strategy and the actions. Next the phases of creating a brand is explained shortly. (Andreasen & Kotler 2008, 167-180)

1) First think of what do you want to do? Who are your customers? What are your mission, values and goals? And last but not least: who are your competitors and how do you differentiate yourself form them?

2) Then do some quality research among small group of “customers” and learn from the results. It is also important to do some quantitative research among the same group of your potential customers.
3) Know your position and determine if you want to keep it or lift it. Be united with the future. Everyone must “sing the same song”.
4) Develop and pre-test your strategy, use results from the research to develop your actions
5) Always monitor the impact of the brand. (Andreasen & Kotler 2008, 167-180.)

To create a successful brand the internal marketing in an organization is a huge factor. The staff must “walk the walk” and understand how they can either help or hurt brand equity. The internal marketing or branding has tools that help the employees know the brand and be inspired about the brand. A good and well-known brand is crucial for companies that products services. The customer need to feel that the brand is worth buying and the service is something that the customer wants to live. Big chains have the possibility to develop the brand better and protect the brand with their bigger footprint in the industry. A well-planned branding helps the organization to lead the actions and lead possible changes. The strong brand gives the guidelines to all the changes. (Kotler & Keller 2012.)

3.1 ELIXIA and chain management

SatsELIXIA is a for-profit Sport Organisation. SatsELIXIA corporation is the biggest health and fitness company in Finland and in the Nordic region. In Europe, it is the second biggest. SatsELIXIA has almost 200 fitness clubs in Norway, in Sweden and in Finland. SatsELIXIA is a large chain with a big financial capital and investors who enable growth and big acquisitions. SatsELIXIA operates in Finland under Sats Finland Oy.

The Vision of SatsELIXIA is “To make the Nordic people healthier and happier”. The Mission is implemented in action with the help of four core values:
1) “We put members first”
2) “We are accountable”
3) “We are professional”
4) “We are extraordinary”
With these core values, the staff has the tools to give the best possible service to the members.

Even with all the possibilities, SatsELIXIA wants to make clever business and proper groundwork with growing. Launching new clubs is the biggest element for making growth. Every time when even planning new launches the growth of the latest new club plays an important part. There is a need for a certain amount of growth in the club launched latest to get investors interested in investing to a new club. There is no interest in “just trying”.
SatsELIXIA is owned by two big investor groups. The investors have, of course, the need of growth and profit. The vision (We will make the Nordic people healthier and happier) means that the main goal for the company is to move as many Nordic people as possible. To offer trendy and premium-level gym and group training classes for people to get healthier and happier. That means that the goal for the clubs is to grow and to get more members. SatsELIXIA is a big chain and mainly managed with own chain concepts. With these concepts the equal quality in different clubs is made possible. The concepts are tools that help the staff with their everyday work. One example of these concepts is SatsELIXIA’s own Service-model: SMILE. S for See Me, M for Meet Me, I for Inspire Me, L for Like Me and E for Engage Me. This Service-model is just one tool for the staff to work towards the common goal. The videos and material for the Service-model are available in the Intranet of SatsELIXIA.

SatsELIXIA’s continuous growth is possible because of the chain’s large financial capitol. The strict chain management is mandatory to get the wanted actions in all the almost 30 clubs in Finland. SatsELIXIA is a Nordic chain so most of the operations start from Norway and are rolled on to Sweden and to Finland. In figure 2 is the Nordic organization chart and in figure 3 the organization in Finland. The Finnish organization in Figure 3 shows the operations management. Regional Managers are the link between the Finnish operations management and the clubs. Regional Managers work as leaders of the Club Managers. The Nordic management together with the Country Managers set the goals for different countries. The main task for Finnish Country Manager, in the chart named as Operations Manager is to filter the actions and structures from Nordic to fit the Finnish clubs. Not all the actions are done in Finland. The actions that are implemented also in Finland are then planned in the Management of ELIXIA Finland. Usually, the given change targets are quite finalized when presented to the Club Managers by the Regional Managers.
3.2 ELIXIA Brand’s story

SatsELIXIA is quite young company and it is the result of the migration of Sats and ELIXIA in 2014. Both companies were big in the Nordic and were the biggest competitors. After being together over three years, the company has finally gotten a step in the Finnish market. The identity is now the leftovers of Sats and ELIXIA. The identity and feel of SatsELIXIA can be very different if asked the members of former Sats or the members of
form was ELIXIA. The wanted identity of SatsELIXIA is described with the core values: Members first, Accountable, Professional and Extraordinary.

Branding plays a very important part of SatsELIXIA's past and growth. Nowadays the brand of SatsELIXIA is a result of two big brands in Finland, Sats and ELIXIA, merged together. First these brands created the brand SatsELIXIA, but later, after a major brand and marketing-study among the members and non-members, the new and stronger brand ELIXIA, was created in Finland.

Here is an example of how the phases of creating a brand are shown in ELIXIA: For example, after merging SatsELIXIA did a major work to build a new mission and values that are visible to all the workers and shown in everyday business. Before deciding which name to use (Sats or ELIXIA) SatsELIXIA did a huge marketing research among all the members and non-members to see which brand has a stronger marketing sector. In Finland SatsELIXIA planned according to the marketing research results that it will use the brand-name: ELIXIA. SatsELIXIA also researched that how much the customer is willing to pay for certain service and what the customer “does not need” when coming to the gym. SatsELIXIA simply wants to be the number one health-business in the Nordics. It takes actions according to that and it wants to grow all the time. The goal is to have the strongest health and fitness brand in all of the three countries Norway, Sweden and Finland. With the clear values and action-plans SatsELIXIA makes sure that all the three countries and all the workers in them work towards the same goal: To be the number one! After the merge SatsELIXIA even had a “Merging-song” called: We are one.

Marketing researches are normal thing in SatsELIXIA. It also gathers results from the staff if they are living and thinking according to the brand values. When it comes to health and wealth usually the staff is automatically living according to the values. ELIXIA’s brand in Finland today is very strong. The brand tracker and consideration rate shows that ELIXIA is the biggest and strongest health and fitness brand in Finland but the biggest competitor Fitness 24/7 is still too close. The ELXIA brand is a strong brand in Finland based on values such as: Quality, Health, Trendy, Members first, Professional, Accountable, Extraordinary, Innovative, Passionate staff,” Gym for everybody”. These values and the product: the clubs, creates a brand that is well-known in Southern Finland. The brand also has a reputation of being a “too” premium gym only for professionals.

The brand ELIXIA exists to move people and to be the number one in the fitness industry. ELIXIA is modern and trendy and gives variety in training to the customers.
The vision and the mission of SatsELIXIA is: “To make the Nordic people healthier and happier”. The strategy is based on four core values: 1) Members first, 2) Accountable, 3) Professional and 4) Extraordinary.

The message of these core values is to find the best solution and service for a certain customer and to move the customer. It is important to give a promise and to keep it. To be accountable means that you never give a promise that you cannot keep. Professional staff and appearance is a big part of the brand. ELIXIA educates its own staff to maintain the professional service at all levels and sections. Extraordinary means the feeling of the brand, the “little extra” the staff is willing to give to customers: tips to find good running-shoes after indoor-running class; Happy Birthday-wishes in the reception etc.

The ELIXIA brand is a unisex brand with a hint of masculine power. It is young and sophisticated with strong local effectives. The brand’s personality is a mix of these: Trendy, Healthy, Modern, Positive, Young, Female, Male, Active, Reliable.

The five most important personality features are:

1. Active – The brand is about being active and giving the tools to be more active.
2. Modern – The brand is fresh and renewing itself.
3. Strong – ELIXIA is aiming to be "the best gym in the neibourhood" and also is that in some areas.
4. Trendy – ELIXIA has the newest trends in training and the clubs are polished with trendy layout.
5. Positive – The smile greets you when entering the clubs. Working out makes you smile. The staff is always positive.

A brand usually has concrete icons that customers are familiar with. ELIXIA brand icons are both concrete and abstract. The brand-name, ELIXIA is written in block letters using a certain font. The logo is used in black and white. Other brand icons are: the product (Group Training and Personal Training), colors (black & deep violet and later strong orange), simple and strong design, gym layout for the functional training, black staff clothing, energetic “Sats-radio” music, slogans and the best in the market – staff and equipment. The five main icons are:

1. The Logo – The logo is an old ELIXIA logo in different color. The logo is famous and creates a feeling for customers.
2. The Product - ELIXIA dares to try new things: Strip Aerobic, Bootylicious, Off Pist, PT Start. The product is the main thing that gives the reason to join and stay as a member.
3. The Staff - The staff is “best in the market”, positive, sporty and beautiful. ELIXIA educates its own staff to be always professional. The staff is also the most valuable tool in marketing.

4. ELIXIA Corporate services - ELIXIA is constantly seen among the corporates and is in contact with the companies.

5. The Design and Layout of the clubs – The clubs have modern and fresh look. Strong colors are being used in the surfaces. The layout is same in every club so there is space for functional training.

Other sub-icons are for example ELIXIA Shop, Child care and test-training. The icons are supposed to create feelings. The feeling the customer gets when entering any club: smiling staff, clean and modern gym, energetic music, certain colours, and the feeling of training out. That is the one that ELIXIA sells. In figure 3 few of the ELIXIA icons are shown.
We will make the Nordic people healthier and happier.
4 The objectives of the development project

In ELIXIA, the change is real and it is everywhere and all the time. Just as thinking that the staff has the routine, the manager have the routine, everything changes again. The change is power, it has been said. If the board of SatsELIXIA do not see results high enough new change will be pushed down. As a Club Manager, the job is to lead the change: First to understand it, then plan the implementation, implement the action, and then monitor the actions and results.

To work in ELIXIA a Club Manager needs to understand the background of the launching of a club and the importance of selling. The Club Manager needs to know the business side and the fitness side. Club Manager is a strong sales leader in the club and it is Club Manager’s responsibility that the club is managed well to reach the goals. Sales is the main task for Club Manager in ELIXIA. Sales is also the biggest part of ELIXIA Management actions that changes all the time. ELIXIA is both strongly developing systems and models but also changing them to reach higher results. The daily life in ELIXIA clubs is very hectic and situations vary a lot. The staff’s variability gives also challenges to the leader to anchor any working system in the daily life. Therefore, it is crucial for the Club Manager to understand the importance of well-planned leading in changes but it is also very important to learn to make the planning quite rapidly. In the situation where a sales process or system is changing the time for planning and implementation is about a week. Usually even less.

The objective of this thesis is to create a pilot version of a concept manual for new Club Managers to understand the business of ELIXIA, the selling structures and, the change processes. This concept manual helps the new Club Manager to lead changes in the hectic life of ELIXIA Clubs. This thesis has example cases where the phases of leading change is being used. The new Club Manager can use them as they are or this thesis helps the new Club Manager to start to create own style of leading changes in sales processes. This thesis is a short introduction to ELIXIA world for a new Club Managers so that it is easier to recruit new Club Managers. With this thesis the quality of results in the clubs could be more equal. The variety of Club Managers is wide and the background and work experience can vary very much. It is still important to get all the changes implemented successfully to all the clubs. The chain’s power is in the weakest club and the positive profit comes with that. It is also possible that this thesis can help the current Club Managers in their work. With this tool the Club Managers can evaluate their own work and even start the process of developing.
The target group of this thesis is new Club Managers. This manual should make their start in ELIXIA easier by giving a short introduction to the ELIXIA world and helping them realize that the changes are normal in the daily work life. This thesis will help to get the workload lighter and the actual implementation and leading the change much easier. With this manual it should be possible to plan all the new actions needing to be implemented in the clubs. The biggest problem in leading change in ELIXIA is the fast schedule. This tool could be the answer in planning the work in fast timeline.
5 Phases of the development project

The background for this development project is the continuously changing environment in ELIXIA and the fact that all the Club Managers need to lead smaller and bigger changes every day without never getting help and working system. Some of the changes are very successful but the number of un successful cases is enormous. The idea was to make a draft of a manual that would help this side of the Club Manager’s work. The seed of this development project started to grow two years ago when a major change had to be implemented in clubs. The main worry was that it would be implemented 28 different ways, as many ways as there are clubs in Finland. In one club, the draft version of a manual was used and the results were fine.

The development project took place in ELIXIA Tikkurila where the author worked during the whole process of developing and planning the manual. The main task for Club Manager is to be the sales manager of the club. The challenge in this is that the “sales-team” is the young people working part-time in the reception and the time to coach them is very limited. During this whole time of developing the leadership itself and drafting the manual the sales team also changed few times. This created even more need for this project but gave of course challenges to the developing part.

5.1 Choice of methods and timetable

The choice of methods was to use action research. In action research the idea is to do study of the current situations and systems that are being changed at the same time. In action research it is important to empower people in it and solve the problems at the same time when implementing change. The nature of action research as a practical research method where normal people can be involved enabled this method being used. (Ojasalo, Moilanen & Ritalahti 2014, 58-59.)

This was simply the only choice for this kind of developing project where the producing of information and correcting actions walked hand in hand. In this development project the action research took place in ELIXIA Tikkurila and the cases and situations were assessed by one Club Manager and the staff of ELIXIA Tikkurila. To get input and other sides for this development project three ELIXIA Club Managers and other key personnel from ELIXIA were interviewed. The interviewing other Club Managers was important to get wider in sight for this project.

The action research as a method turned out to be successful but extremely arduous. To be constantly 100% involved in the actual changes the reporting and problem solving was
hard. It could have been easy to just implement the actions like before but the idea was to use the phases by Kotter (1996) and to reflect and monitor them to fit the ELIXIA world. Also, the ideas of intelligence leadership and leading teams (Miller 2010) in the changes in ELIXIA were planned to be used. Many cases were done during the project but the choice of using the two examples here, the first in the next chapters and the other one in the results was the fact that the changes in them were huge. Many old structures and systems had to be replaced and new way of doing had to be learned. The changes in the staff of ELIXIA Tikkurila gave also challenges to the action research. The anchoring the new systems to the culture was easier to the new employers than the old ones. Old habits are always harder to eradicate.

The first ideas for this project were born two years ago when the major change in membership-structure was created in the Nordic Management of SatsELIXIA. The new structure needed to be implemented quite fast. The idea that there could be a manual for situations like that was the factor and pusher for this project. Luckily the change then was reported and now being used in this thesis as an example.

After having a thought of the development project, the idea was presented to the current management in Finland. The answer was that the organization in Nordic level and in Finland was about to change extremely so the cooperation at that time was impossible. The project did not get an official subscriber. The plan was to work with this idea nevertheless, and do it without the help of ELIXIA management. This made it a bit harder to use group interviews and question enquiries. This was also the reason action research was only done in one club instead of three or four that was the plan in the beginning.

Next steps of this project were to lead one change as they were being led in the past and then discuss and monitor it with the staff and other Club Managers. The example of this case is in the next chapters. The change that had to be implemented was the new sales model and the implementation took two weeks. The discussion and getting input from colleagues lasted until the end of this project and is in some level happening still today.

With the feedback from the first case the next step in this development project was to create an overview of a case of leading change and draft the steps for the cases that would be efficient and practical for all kinds of situations. The steps were planned by using the theory of Kotter (1996) and Miller (2010) because of the point of view process. It was easy to use the examples of Kotter’s (1996) eight-staged plan in the real cases in ELIXIA and it was good to realize that they are actually working in real working life. The challenge was
to create practical steps for ELIXIA to use in the hectic time where the time for planning is very limited.

5.2 Interviews of the personnel

The choice of methods was action research and that took place in ELIXIA Tikkurila. All the different situations of smaller or bigger changes were monitored and developed during the process. The staff of ELIXIA Tikkurila played an important part but the most powerful input was the interviews and the emails of the key personnel of ELIXIA Finland: The other Club Managers, The Sales Manager, and the Country Manager. The staff in ELIXIA Tikkurila, even though they are very motivated and engaged were all part-time workers, young and maybe studying something or having other jobs too. That was the reason that the answers from them were not so thoroughly planned. The staff of ELIXIA Tikkurila took part in two different discussion groups where the SWOT-Analysis (Strengths, Weaknesses, Opportunities, and Threats) of the leading change cases were done, however quite cursory. Still, it cannot to be mentioned that the everyday work of the staff in ELIXIA Tikkurila was the key motivator and executor for this project. Without the staff executing the changes in real life they couldn’t have been monitored and developed. In figure 4 in the next page is one example of the SWOT analyse made in these discussion groups. The text in the figure is translated from Finnish. The strengths for example of the new change were: possibility to give service to more than one customer at a time, the new system is new and modern and, it is easy to join using just own phone. The weaknesses for example were: the new system is so new that it is harder to sell for the staff, some of the customers want personal service and, some of the employees didn’t hear about the change personally. The opportunities for example were: new reward-system for old members, possibility to do the membership to more than one customer at a time and, gives more walk-in customer when it is easy to get one free trial. The threats for example of this new model according to the staff of ELIXIA Tikkurila were: the customer can choose the membership structure by itself, the employer can seem un professional when the system is so new and, the older customers fear digitalization.
The interviews and the emails of some of the Managers in ELIXIA Finland were done without questionnaires or very specific questions. The discussions or interviews were done via telephone and they had only one topic: The leading change case, how did it go in your club/ in your point of view? What could’ve you done differently? The nature of the work of Club Managers determined this source of information as an open question and quite short interviews. The information from these was still essential and gave the project much wider glance of the leadership and leading changes in ELIXIA.

5.3 Drafting the leading change model in reality: Example case 1

The eight stages of leading change built a very good background for the manual. Because of the nature of ELIXIA’s management the first stage Understanding the urgency is not necessary in this project. The Nordic management has done that work for the Club Managers beforehand. During this period from September 2016 to March 2018 several tests and cases were done in ELIXIA Tikkurila and there were different variations of the phases

---

**Figure 5. The SWOT Analysis of the new sales model**

Strengths
- Easier to join as a member: customer can do it by himself/herself
- Multiple memberships can be done at the same time
- Is modern
- The information about the change was reachable
- Easy way of selling
- The information was on time – easy to implement

Weaknesses
- It can be harder for some groups of customer because it is digital
- Change the whole structure - employees do not know it so well
- A customer does not join when you can join at home - not sure if he/she joins at all
- Some of the employees did not get the information needed
- Not enough training
- Link did not work with minors
- Customer finds it hard to join

Opportunities
- Possibility to serve multiple customers at the same time
- More customers in the club with free trial
- Lower threshold to join when a friend recommends
- Old members get benefits
- More 12 month memberships

Threats
- A customer may join in another club
- Elderly do not care for too much digitalization
- Harder to recommend services when the customer gets to decide
- Employees feel themselves unprofessional when the system is new
- Can be too easy to get the free trial
- The customer does not join when the non-binding membership is not available

---
of leading change. Case one: Leading new membership model and case two: Leading new sales model and IT system were the two biggest cases with the most challenges so that is why they has been chosen as examples in this guide.

In this case the change to be implemented and lead was a new sales model and IT System in the clubs. It included a new application for members, new sales campaign and a new routine for the staff to use at the reception of ELIXIA Tikkurila. Before, the programmes CRM, CRM Sales and Exerp were used to finalize the sale with the member. Now the biggest change was to get the members load an application and via that application send a link to friends who would use the link to sign as a member. The benefit for the members in this change was that when the membership is done via the link the both customers will get a gift certificate of 50€. With this change the whole sales system changes and increasingly new members will come via internet and application. The old system with the programme CRM Sales worked so, that the staff of ELIXIA did the main work in finalizing the membership. Now the idea was to move away from that and to get the customers do the main work. This campaign was called MGM and the abbreviation means: Member Get Member.

In Figure 6 the different phases of the change are being shown. These are the former phases in ELIXIA and are usually being used like this no matter what the case is or the change in matter. The organisation is Nordic, so most of the projects are piloted in Norway or Sweden and the “groundwork” is being done. The problem is the culture differences in Finland and other Nordic countries. Sometimes there are projects done only in Finland. Then the first phase “Nordic Management” is left out. Next, the phases that were done in ELIXIA Tikkurila are explained more in detail.
Nordic Management gives the change

Regional Managers & Sales Support Manager gives the change to Club Managers

Club Manager informs GX Cluster Manager & Head of Reception

Planning the implementation → My Clubs Plan

Planning the Implementation → Timetable

Action

Results

Feedback

Monitoring

Figure 6. Phases of the leading change in ELIXIA – current situation

5.3.1 Creating a team and planning the vision

In figure 6 the current situation of the implementation of the changes is shown. In this example the first two stages are missing because the work done in the clubs starts from the Club Manager’s information to GX Cluster Manager and to the Head of Reception. This change started with a group discussion with Club Manager, GX Cluster Manager and
Head of Reception of ELIXIA Tikkurila. The idea was to have a brainstorm about this change. To get the key personnel at the club to understand the urgency of this change and the vision of it. “Where do we stand after launching this?” It was also the plan to get the group to know the new model and how to use it and how to get the staff understand it. The main “flower” of this brainstorming was of course to get a working system on how it is possible to inform the members about this change.

5.3.2 Planning the strategy and communication

With the brainstorming of the Club Manager, GX Cluster Manager and the Head of Reception the “Clubs Plan” was made (Figure 5). The figure under is in Finnish because it is straight from the group discussion that was held in Finnish. The plan was there to help to remember all the things that needed to be done and said and the responsibilities of Club Manager, GX Cluster Manager and Head of Reception. In the club’s plan there are for example concrete actions like: make sure that everyone in the staff loads the application, inform the staff weekly, make sure that the instructors talk about this in the classes. This phase was a new way of leading change in ELIXIA. All the clubs did this at the same time in the same place. Usually the information is just sent via email and the actions are planned the way the Club Manager wants or has time to plan.

![MGM & MY CLUB PLAN](image)

Figure 7. Result of the brainstorming: My Club Plan
5.3.3 Planning the implementation and empowering employers

After the club plan it was of course time to plan the implementation and the timetable. There was only one week before this campaign should start and the whole staff had to be ready by that. This is usually the hardest phase. Plans has been done and knowledge of the manager is good. It is also planned to tell everyone in the staff. The problem is that there are eight people working in the reception of ELIXIA Tikkurila and the Club is open from 6 am to 10 pm on weekdays and roughly from 8 am to 8 pm during the weekend. It is difficult to reach the whole staff with the limited time. It was time to do something differently. A timetable was made with the working hours of the Club Manager and the Head of Reception and the staff. The responsibility was also divided so that both managers had only four staff members that they were in charge of. This not only made the leading change easier, but lifted the motivation of Head of Reception when she understood the responsibility of this task.

In February 5th the new application was available and were ready to be launched in the club. Every employee got a one-to-one meeting about the change and a good information text was sent to them via email. The information was also posted in the information platform that is being used by staff. Now it was just time to learn this by doing with the customers coming to the club. The problem was that they did not come! Usually the Clubs in Finland has somewhat 2-7 walk-ins (people without membership coming to test the gym) per day. Now, in February the number was 0-1 walk-ins. How could the knowledge of the staff be tested if they won’t get any practice? This was of course a problem in all the clubs in Finland and actions were planned and done. There were of course the old members of ELIXIA Tikkurila that also had to be informed about the new application. The goal was to get them download it and send links to their friends. That was the only way to get new members because of the lack of new customers walking in the clubs.

The other problem was the new IT System. It was a totally new system and it had a lot of errors and bugs that needed to be fixed. When the application did not work or the link did not let the new customer to finalize the membership the back-up plan did not exist. Usually when talking about sales the back-up plan is always there and the finalizing of the membership is the main thing. It is important because there would always be problems with the programmes or the data. Now the only way of doing the membership was via the link. This situation where the sale could not be done if the link did not work was very frustrating. The feedback from these errors was of course sent to the IT Support and the management of ELIXIA Finland. The short-term wins were impossible to be seen in this scenario and that made it very hard for the staff to believe in the change. The vision of more
membership done via internet was almost impossible to present when almost everyone faced only errors.

5.3.4 Establishing the change?

The situation now is that the results are so thin that more time is needed to measure them. More and more memberships are being done via the link and the members are happy with this and the benefit they got from it. There are still errors that makes the change harder to swallow. The members in ELIXIA Tikkurila are rather old and big efforts to get them download the new application must be made. Of course, the carrot of 50€ gift certificate (Who doesn’t like free money?!) helps in this, but rough estimation from the Club Managers is that in Summer 2018 this new sales model could be working 100%. At this point this change is not yet established and can’t be anchored with these results.
6 Results: The concept manual for new ELIXIA Club Manager

In ELIXIA, one of the Core Values is Extraordinary. To get extraordinary service in ELIXIA, the staff needs to be motivated and have a good atmosphere. Positive atmosphere usually reflects to good results. The positive atmosphere also helps in leading the changes in the business. It is easier to get the customer to understand the changes if the staff feels positively about them and are professional. The positive leadership can be measured for example by answering these questions: Does the employees have an opportunity to give emotional, intellectual, or physical help to others in addition to get it right away from the organisation? Do you reflect positive energy yourself as a manager? Do you give feedback about strengths rather than weaknesses?

For new Club Manager in ELIXIA it is very important to understand the work behind the club. What factors are taken in consideration when planning the launch of a new club. When the club is running the selling and the leadership part can start and the club manager can start to use the manual for leading different cases in the everyday work.

6.1 The background of launching an ELIXIA Club

There are lot of elements that are estimated and researched when launching a new club. All the costs and expenses are calculated properly and the possible risks are evaluated. This short introduction of launching new club will concentrate on the mapping of the region. Finding a possible new blue ocean for new ELIXIA Club. It is always a risk, even with all the research. One can not just march into the new region and do exactly the same one is doing in current region. (Adler & Benioff, 2009, 174.) This is an example of a case where there already is a possible facility for a new club and the renovating and constructing expenses are in the offing.

Mapping the region of a new possible ELIXIA Club is very important. The amount of people in that area, possible competition, and exercise habits of people in general are all information that ELIXIA needs to estimate to evaluate the possible profits of that club.

6.1.1 Inhabitants of the region

There is always a certain number of members that one club needs to be profitable. It depends on the size of the club and on the rent and other expenses and the average membership fee. Usually the size of the club doesn’t even matter that much when the membership fee and all the expenses are being calculated. Still, a rough estimation is that there should be about 2 square meters space per person.
The number of inhabitants in certain area can be found at the civil registry. It is possible to find the number of all inhabitants, the inhabitants in certain age groups or for example the inhabitants with jobs. (Tilastokeskus 2015.) The household sizes are also data that ELIXIA collects before opening a new club. ELIXIA also estimates the number of inhabitants near the possible club. The club needs to be in 5 minutes or 10 minutes car-drive away from home.

6.1.2 Average income of the inhabitants

The average income of the inhabitants is also data from civil registry. That data interest ELIXIA because certain income level enables inhabitants to train as a member. ELIXIA provides premium-level services in health and fitness and even though the prices have come down over the years it is still out of the reach of people in the lowest income-level.

ELIXIA knows the data of average income-level in Helsinki. Then when estimating a certain area that level is being compared to the level in Helsinki in general. That way is possible to forecast the success of the new club, with all the other data too of course.

6.1.3 Exercise habits of the inhabitants

People know more about fitness and health issues and want to be in better shape. Still the technological innovations and development concerns health club professionals. How is it possible to utilize the new technology to get members in health clubs, but keep the humanness when interacting with guests and members? (Waters, C. 2018.) The interaction with service staff is still one of the biggest reason for members to stay in health clubs. With the actual exercising of course. (Raita, J. 3 January 2018.)

Deloitte is one of the world’s leading professional companies operating in over 150 countries providing audit, consulting, financial advisory, risk management, tax and related services to select clients. (Deloitte 2018.) ELIXIA has used Deloitte’s services many years and there is a penetration number in Finland from Deloitte. That number tells roughly the present of Finnish population that exercises. The penetration number that ELIXIA uses is 12%. (Hasanen 1 March 2018.) That 12% tells the possible members from that area and with that number you can count if the population near possible new club is high enough. Still, Raita thinks that the penetration 12% is too high to be taken in consideration. “It is the number of people SAYING that they exercise. The reality is 10%".
People in certain age have the tendency to do certain kind of sports and seek away in cer-
tain places to exercise. The average age to do sports in health clubs in United States is
39. The average age for doing spinning is 33, but the average age for yoga and Pilates is
only 31 (K&F Professional 2018.)

6.1.4 Possible competitors in the region

In every business competition is there. Usually that drives the businesses to provide even
better services or products or in the other hand drive back from the competition. Competi-
tion is good for everyone because without competition there would be no market. (Adler &
Benioff 2009.)

There is always a possibility of too much competition. In the health club industry that
means that in a certain area the population is not high enough for there to be enough
members for all the different competitors. In health club industry there are cheaper clubs
and more expensive clubs and the relation of those is also taking in consideration.

6.1.5 Other meaningful elements supporting the profitably of a club

There are a few other things that are being investigated when mapping the region of the
possible club. All the things that matters are the possible elements of bringing people near
the club naturally: for instance, living there, working there or probably doing groceries near
the club daily. ELIXIA investigates the other corporates in the region. The amount of peo-
ple working in the offices near the possible club. There is always a possibility of good
business units, such as shopping centres, retail malls etc that enables the growth of the
new club. Public transportation availability and possible big parking areas are also very
important elements when considering the new place for a new club. The possible permit
from city for using their land for parking areas is also a big issue. The possible fee for that
is also in the expenses of the new club.

6.1.6 Expenses and revenue

The average rent-level in ELIXIA Clubs is from 20 000€/month to 50 000€/month. In the
example case the facility with the rent of 35 000€/month is used. The size of a ELIXIA
Club is 900-2000 square meters. The hypothetical facility found in Myllypuro is 1200
square meters.
The average membership fee in ELIXIA is 50€/month. If we roughly estimate the number of members being needed with only the expense of the rent we get 35 000 : 50 = 700. So, 700 members pay the rent of the new possible club. There are of course a lot of other expenses that needs to be paid every month. The average salary costs in an ELIXIA Club are 10 000€/month. Then there are expenses of the construction: maintenance (1000€), electricity (450€), heat (1000€), air conditioning (1000€), security (400€). Here we get roughly 4000€. Cleaning of an ELIXIA Club costs about 1500-4000€/month. In Myllypuro case cleaning cost 2500€/month. The last expense taken in consideration (knowing that these are not the only expenses of a health club) is cost of goods sold in retail. That is roughly 2000€/month.

Table 1. Outline of the expenses in case Myllypuro

<table>
<thead>
<tr>
<th>Rent</th>
<th>35 000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>10 000</td>
</tr>
<tr>
<td>Construction</td>
<td>4 000</td>
</tr>
<tr>
<td>Cleaning</td>
<td>2 500</td>
</tr>
<tr>
<td>Cost of goods + other</td>
<td>2 000</td>
</tr>
<tr>
<td>Sum</td>
<td>53 500</td>
</tr>
</tbody>
</table>

There is also income other than the membership fees that helps with the expenses. These are for example Personal Training services and Retail. From Personal Training the revenue is about 10 000€/month. From retail it is much smaller but still important, about 2500€/month.

Table 2. Outline of the income in case Myllypuro

<table>
<thead>
<tr>
<th>Membership fees</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Training</td>
<td>10 000</td>
</tr>
<tr>
<td>Retail</td>
<td>2 500</td>
</tr>
<tr>
<td>Sum</td>
<td>12 500</td>
</tr>
</tbody>
</table>

In table 2 the revenue of 12 500 in this Myllypuro case is seen. The sum of membership fees is left empty because the goal is to find the minimum number of members needed in this club. One must always remember that these assumptions are very rough. Much more detailed data is being collected in real cases. But this is an example of data that is being investigated.
The expenses are 53 500 and the revenue is 12 500, so the difference is 53 500 - 12 500 = 41 000€/month. With this we can count the minimum number of members: 41 000 : 50 = 820. All this data collecting from the area of Myllypuro and the data of already known facts of launching a new club are very important. The big financial capital and a possible facility are not enough if the data from background research is bad.

Results of this Myllypuro case:
The number of possible members from the inhabitants of Myllypuro: 1 148,6.
The number of members needed to get the expenses paid: 820.
If one is only considering these numbers it may be possible to open a club and get members that pay the possible expenses. Although, with the assumptions and knowledge of the ELIXIA chain the club would not be profitable. The income level in Myllypuro is not high enough to get members to stay members for long time. The goal of ELIXIA Clubs is to be profitable enough to pay the possible launches of yet another ELIXIA Club. The expenses of the launch are somewhat 100 000-700 000€. That includes the construction and the acquisition needed in the health club. Also, the different sections of inhabitants in Myllypuro is weak. Lot of seniors, students and unemployed people that are of course possible members but so uncertain that this must take in consideration.

There are three main exclusive elements from a region that with those the club will not be launched. These are:
- Too much competition
- Background knowledge of the region
- Lack of possible members

In this case all the above is happening. The ELIXIA Clubs in Itäkeskus offers the service in East Region and other sports can be done in Liikuntamyly, Arena Center or Pallomylly. The knowledge of the region with the income-level and the sections of inhabitants makes it easy to say that the results for possible profitable club are weak. Also, the population of Myllypuro is not high enough to launch a club this size.

6.2 Recommending health = Selling in ELIXIA

In ELIXIA Sales = Service and Service = Sales. Every person working in ELIXIA is a sales person and in every situation, it is mentioned and developed. In ELIXIA there is a very thorough planned and developed sales model and it also has been modified number of time. Sales plays a very important part of everyday business in ELIXIA. Without sales, there would be no members and therefore no clubs.
In ELIXIA though, selling is more recommending. It is important to know the customer, ask the goals of the customer and with these, recommend a membership. The main thing to know about the sales in ELIXIA is that it is not aggressive pushing sales but rather recommending health. It is much easier to stand behind health, than for example behind expensive other products. In ELIXIA world, everybody needs to be in good shape and healthy and our job is to make it easier to find the club and start the membership and with that start exercising.

There are three important sales organisations in ELIXIA Finland: The Clubs, The Call Center and The Corporation Sales. In ELIXIA Finland the two outside-club sales organisations are The Call Center and The Corporation Sales. The Call Center is responsible for all the leads coming from the clubs. The leads come from customers that are interested in ELIXIA somehow; They may have seen ELIXIA in internet, they have visited ELIXIA marketing stand in an event, they have come to the club to do a test train etc. All the customers that have not been signed in as members at the club will get a phone call afterwards. Call Center focuses on to closing the sale via phone or email and the goal is to close 40% of the leads. There are seven people working with the Sales Manager at the Call Center. The call center has one big goal each month and that has been divided into their personal goals. The call center is a very important part of the whole sales in ELIXIA. It is an important support to the club sales.

The Corporation Sales has three people working there. Their main task is to keep in touch with the Corporations near ELIXIA Clubs, offer them health services and maintain the co-operation with the HR Managers from the corporations. The main goal for this organization as well as all the others too, is to increase the customer-flow in the clubs. The corporations that are in co-operation with ELIXIA get a discount of membership fee for their staff. It is necessary to keep the large corporations satisfied and in close co-operation so the message from ELIXIA goes to big groups of employers automatically.

The most important part of the whole sales organization is the sales in the clubs. The way the sales is done in the clubs determines the club’s results. In ELIXIA, we have a sales model that is being used at the clubs. The sales model is a tool for the receptionist to close a sale. The sales model has all the phases for the receptionist to go through with a potential customer walking in to the club. The Club Manager is the Sales Manager of the club and it is the Club Manager’s responsibility that the sales model is being used 100% with every customer.
In sales in ELIXIA Finland we use certain programmes, such as CRM, CRM Sales and Exerp to sign the membership. These same programmes are being used also in the Call Center. The staff uses these programmes to get the customers' data in and to make the membership. All the customer should do is to have an ID and sign the papers.

6.3 Using the staff as brand icons

The ELIXIA brand is very strong in Finland but to be the number one in health and fitness industry the power of the staff of ELIXIA Clubs must used completely. The brand icons are designed and the marketing part is ready planned and built but the one thing that the Club Manager can do is to use the staff wisely. The staff could be in the best-case scenario the strongest tools of marketing to an ELIXIA Club. The best staff, the best service and the best products can work as a powerful marketing channel in certain region. The brand promise needs to be fulfilled among the staff one hundred percent. That is possible if the brand promise, the vision, and the strategy is clear and visible to the staff in the club.

The Club Manager recruits the staff to the clubs. In that recruiting phase the choice of the nature of the staff is very important. Why a person wants to work in ELIXIA? Will the person be a spokesperson of the organization? Does the person feel and breath the brand of ELIXIA? These factors for example makes the marketing of the club in a certain location easier. The staff that lives in the same area that the club knows the people there, knows the places where the regional marketing would be most efficient, knows the possible events in the area. This will make the regional marketing much more efficient and more customer friendly. There are things that the Club Manager can think of while recruiting staff:

- Is the person willing to train in the club and bring friends too?
- Will the person be proud of working at ELIXIA?
- Does the person live in the area?
- Does the person know the area and the possibilities of the area?

6.4 Using the steps in reality: Example case 2

According to the theory and the example case 1, the following steps have been drafted. The main theory of Kotter (1996) and the eight stages of leading change was a very solid ground to build steps to fit the ELIXIA world and the limited time in it. With these steps the leading change in ELIXIA should be easier and more effective. It is also easier to implement leading change in all the clubs with the same steps. That is how one get equal quality and fewer meaningless work-steps. This is how the eight stages turned into ELIXIA four step-plan:
Understanding the urgency of the change → **Get Yourself Onboard - Know it Yourself (1)**

Creating the team

Clear vision and strategy → **Get the Staff Onboard - Teach & Coach (2)**

Empowering employees

Communicate → **Walk the Walk – Talk the Talk (3)**

Bracing the short-term wins

Establishing the change → **Anchor the change by Rewarding Short-term wins (4)**

Anchoring the change

In the next chapter these steps are explained with using an example case 2: Implementing the new membership-structure in ELIXIA Tikkurila. This case is a good example of the change that needed to be implemented and the whole structure and the system was given as ready.

**6.4.1 Step one: Get Yourself Onboard - Know it Yourself**

The example case here is the new Membership-structure that was piloted in November 2016 and wholly implemented in January 2017. This new structure changed the whole membership selling completely and made ELIXIA more competitive with membership prices. Former structure had only three different membership-types: Club membership, City membership and Priority membership. These all had the access to gym, group training and child care and the differences were in the number of clubs the member wanted to train. The new structure allows the member to choose between training only at the gym, joining group training classes and the concept classes and having the child care opportunity in the membership. These choices are called the add-ons.

The first step of leading change is Get Yourself Onboard – Know it Yourself. This first step makes the roots of the leading change process. The meaning of this first step is very important. In this first step the Club Manager needs to gather all the information about the change, about its background and it’s urgency. Why it is mandatory to have this change and why it needs to be implemented. Sometimes the changes may seem irrational and in those situations, this first step comes even more essential. The Club Manager needs to believe in the change before it can be pushed to the staff. The first step basically means that the Club Manager needs to know the whole new structure by heart and how to use it in the selling situations. It also means that the Club Manager must believe in the new structure totally.

The new membership structure was presented to the Club Managers in September 2016 in a Club Manager day. All the Club Managers were away from the clubs in a quiet place
with no distraction from the members or the staff. That day made it possible to the Club Managers to get all the information, digest the new change, ask questions, and adapt to the change themselves. In that day the plans for the implementation were also made. This new structure was the biggest change in a long time and it has been decided that the whole staff need to be trained for this. The timetable for the training was also presented in the Club Manager day and joining in those trainings was mandatory to the staff.

Summary:
- Gather all the information about the change and ask questions
- Feel and understand the change yourself
- Know the change by heart
- Educate yourself

### 6.4.2 Step two: Get the Staff Onboard – Teach & Coach

The step number two is: Get the Staff Onboard – Teach & Coach. This is the step that takes the most time and is the step that makes the change visible in the life of the club. The knowledge of the Club Manager definitely isn’t enough if the wanted situation is that the new structure is being used in the club. The Club Manager is present at the club only about 30% of the clubs opening hours and therefore the whole staff need to be aware.

This step means that everything the Club Manager has learned about the change needs to be forwarded to the staff. Still, the filtering of the information is needed. The staff must feel that this change will make their work easier and better and they must know it before they start using it. In this step the presumptions and taking something for granted must be ignored. This step needs to be done efficiently and well.

In the new membership structure, the second step includes the trainings for the whole staff. The training was mandatory, so if you wanted to still work at the reception of ELIXIA Tikkurila you needed to participate in some of the trainings. There were several options for the days to participate given the part-time workers timetables. After the trainings the teaching and coaching of the Club Manager followed. Communicating, asking questions, teaching more about the new structure was all made in the daily work. This step may require some over-time work for the Club Manager. It is of course never the admired situation but can be rewarded eventually. After the trainings and the coaching at the club it was time for a test. Everybody took part of the test that measured the knowledge of the Club Manager and the staff about the new structure. The test was either pass or fail. If you failed the test you needed to learn more and take it again. The test for example included part where the new prices had to me known.
Summary:
- Share your knowledge but filter the information
- Make the change visible
- Educate your staff
- Empower your staff
- Test your staff

6.4.3 Step three: Walk the Walk – Talk the Talk

The next step, step number three is Walk the Walk – Talk the Talk. This step means the leading with example and life-long learning about the change. If the learning stops in the second step and this step is ignored the change can never be anchored to the culture of the club. In this step the Club Manager need to be visible in the club and lead by strong example. The Club Manager must know the change and feel it and show it to the staff constantly. In this step the Club Manager must understand that even if the staff knows the change and can work with it, it still can be very stressful and demanding to learn new things.

In this step the role-playing with the new membership structure started. In every shift the employer could know that a selling situation could come even if there were no actual new customers. In the role-playing the Club Manager or the fellow employee plays the part of a customer with certain goals and needs. The idea of role-playing is to get as many exercises of the selling situation as possible. Only by doing this the selling comes naturally in the real-life situation. In this step also, the empowering employer is important. The Club Manager can’t be present in all the shifts and the role playing can be done by the staff too. The timetable and the responsibilities of the certain shifts is still the key in these. That, and the follow-up is the Club Managers responsibility. This can again require some extra-work of the Club Manager but can be super-efficient and engage the staff overall.

In this step the talking among the members was also very important. ELIXIA has lot of members with memberships from the old structure. The knowledge of the changes is always good to pass on to the members too. The members still make the whole club work and are the key to success. If the members are happy they tell it to their friends and family and the knowledge of the competitive prices for example is spread around. The changes in the structure of ELIXIA Management and the way the clubs work can be visible to the members, too. Even if the changes affect only the employers the members can feel it and see it. The information builds trust and engagement among the members.
Summary:
- Lead by example
- Role-playing
- Test your staff
- Communicate
- Empower the members

6.4.4 Step four: Anchor the Change by Rewarding Short-term Wins

When leading change in ELIXIA the knowing the new system is not enough. The new system or structure have to be anchored to the culture so that the old systems are replaced and the talking about the old system is dropped. In this fourth and last step the change will deliver short-time wins and those are always somehow rewarded. The reward can be something from just announcing a great sale to a money-price. The most important thing is just that it is somehow acknowledged. With the rewarding the new system is easier for the staff to adapt and the positive mindset is easier to maintain. The short-term wins can be sometimes hard to find. If the change that is being targeted isn’t working at all at the club, it may seem impossible to find something positive about it. It is still crucial to find the sort-term wins to anchor the change to the culture.

In the new membership-structure the prices of the memberships decreased. The customer could choose the membership from 39€/month until the 99€/month that includes all the clubs and all the services. With the structure the selling changed a little. It was much easier to sell the cheaper price for customers that only wanted to train at the gym. Still the main reason for member engagement is the group training and the researched fact is that the members that join the group training classes maintain their membership longer. Of course, it was also the goal to sell more the memberships with higher prices. This is the key to profitable business too. The short-term wins were easy to find in this membership structure. Every time some of the employer sold a membership with the group training it was acknowledged. All the information about the content of the memberships at one club was informed and the staff was aware of who sold and what. That created a nice competition among the staff. It was also very rewarding when the employer could recommend the variety of services and build the membership to face the customer’s needs. That created the constant short-time wins that motivated the staff even more.

The new membership structure has now been used about 1,5 years and it can be said that it is anchored to the culture of ELIXIA. The old structures are replaced totally and the individual adjustments of the prices and different add-ons are gone. The four steps of
leading change in ELIXIA is still being used as the new membership structure is strengthening. To anchor the new membership structure to the culture of health and fitness industry is still finding its place.

Summary:
- Find the positive things about the change
- Make the short-term wins visible
- Reward your staff somehow
- Let go of the old structures and systems
7 Discussion

The objective of this development project was to create a pilot of a concept manual for new ELIXIA Club Managers to be tested in the clubs. The concept manual would help the start of a new Club Manager enormously by giving a short introduction to the background of ELIXIA Clubs, the selling system and four steps of leading change. This concept manual turned out to be a draft version because of the nature of ELIXIA Management. The whole manual should be piloted and tested first in clubs then assessed and approved by the Finnish management of ELIXIA.

Leading change was the first main thing that needed to be evaluated and developed in the beginning of the process and therefore the theory of Kotter (1996) was chosen. The theory of eight-staged process of leading change isn’t the most modern theory but it turned out to be very easily implemented to the cases of leading change today. The eight-staged process of Kotter (1996) was also used in other newer theories as a base and it is very widely known. Therefore, it was a simple choice for this project. It gave the manual a very firm ground and with the theory of eight stages of leading change it was easy to build steps to fit the ELIXIA world. The stages are still quite heavy to work with as they are. If leading changes every day all the eight stages can be very time demanding and frustrating. It was needed to use the stages but to leave something out to fit the hectic environment little better. In the end the theory of Kotter (1996) was the perfect choice for this development project.

In this thesis the theory of leading with intelligent leadership and leading an individual or a team by Sydämaalakka (2009) was a good choice too. It had clearly the same ingredients as the theory of Kotter (2009) but somehow made more practical. Also, the information about the different intelligences that need to be taken in consideration in good leadership was helpful for this project. The rational and the practical intelligence are quite common for the leaders to have but to handle the emotional and the spiritual intelligence too makes it easy to see that the work of a leader isn’t so simple. It is possible to have the life-long learning when acknowledging these good theories. And, never before have the concept manuals of ELIXIA had this kind of theory as a basis. This theory gave a stronger footprint for this manual to work.

ELIXIA’s strong chain management restrict the development project’s possibilities enormously. Even though working exactly with these topics every day the author still couldn’t get the subscriber for this project. That effected the content of the thesis when specific topics weren’t given. The manual for the new ELIXIA Club Manager includes now the
parts of launching new clubs, selling structures, using the staff as brand icons and, the steps of leading change. It is true that these topics are not yet included in the concept manuals that exists in ELIXIA and those are important topics for new Club Manager to process. This kind of concept manual is brand new and would be very useful. The topics that have already been covered are for example the child care-systems, the recruiting new personal trainers, the task list for the reception and, the education of the staff. This kind of manual for the new ELIXIA Club Managers could fill the portfolio of the concept manuals.

The difficulty of building a manual that could work in every situation was not known in the beginning. The bright idea was to get a system that could be developed for all the situations. The process of the action research was quite heavy. The research was done while working in the club and the normal everyday tasks in the club together with new systems and trying to develop these changes created a chaos at some points. The constant changes are so normal that the staff has learned to get use to them. Then the discussion and monitoring the changes afterwards felt sometimes hard and time consuming. The arrangement created also a challenge when the staff had to monitor the leader`s capability to lead the change. That is not such an easy job for a young person. Luckily, it was possible to create an atmosphere where almost all of the staff could bring some ideas. Also, the timing was crucial. For example, the subjects in the SWOT analyses in the page 28 were gathered after over a month the change had been implemented. The change was easier to be monitored after the staff had already gotten used to it.

The content of the manual for the new ELIXIA Club Manager is now quite narrow. To get to know the ELIXIA world the topics that should also be in the manual are: the products (Personal Training, Group Training & The concept products), the different services, the service model and the recruiting model. In this kind of development project this number of topics would have been too big. The content now is mainly focusing on the developing leadership of the new Club Manager and maybe that topic could have been more modified. The launching of the new clubs was a topic that felt perfect in the beginning of this project but afterwards the importance of it had to be assessed.

The reliability of this manual relies solely on one Club Manager and the cases have been lived only in one Club. The piloting of using this manual has to be then started in ELIXIA Tikkurila. It has to be used there and monitored and after that developed to fill the needs of other clubs. Even though the chain creates concepts the clubs are very different and the life in them varies a lot. This manual has to monitored by at least five different Club Managers in clubs where the demands are different. The manual fits now in the life of ELIXIA Tikkurila but must definitely be expanded in the future.
To implement this manual there should be a short introduction and education for that. It should be one workday, 7.5 hours, outside the club, and the material should be passed on to the Club Managers beforehand. After that there should be a way to monitor this manual and its effectiveness. This could take time but the estimation is that this manual or the developed manual could be used in the beginning of the year 2019.

After the process of this development project it is easy to monitor the pros and cons of it. The method action research was the only choice for this kind of project and fitted to the nature of the work in ELIXIA. It is, as said before, quite a heavy research method. To be in the process all the time without having the time to evaluate the findings made it hard to sometimes realize the results of it. At some point the feeling was that the project itself did not exist. The best part of the manual is the leading change part. To get the all of the new kind of leadership and the developing leadership that part has to be evaluated more and with time. The manual for the new ELIXIA Club Manager could then be: “The manual for ELIXIA Club Managers to develop their leadership”.

The draft version of this manual has been tested with one ELIXIA Club Manager. The results were fine, but the biggest problems are time and the variety of doing things. Usually the Club Manager doesn’t have enough time to plan the work, but has to start the work immediately. This pilot manual helped in these cases but it needs to be assessed more.

Because of the nature of the ELIXIA`s chain management this thesis couldn’t be the final concept manual for new Club Managers in ELIXIA. The chain concepts should be approved by the whole Operation Management in Finland and that takes time. It is then necessary that this draft is being piloted in the clubs by current Club Managers so that the results can be measured and shown to the management. With this draft the piloting in more than one club is easily possible and already that is helping the Club Managers to lead changes efficiently and equally in the hectic work life.
References


Loshin, D. 2011. The Practitioner’s guide to data quality improvement. Knowledge Integrity, Inc. USA.


