Organizational Change Management

Case study: Company X
ABSTRACT

The objective of this thesis is to comprehend change management and leadership through different viewpoints. Starting first on organizations and organization types following management methods to organizations types analysis, and change processes; individual change, which leads to team change, organizational change, and different perspectives on change, and how all those factors can be found in an organization.

This thesis explores the various dimensions of leadership and management, change management. The research topic is to benchmark and evaluate the current state of change management in company X.

Case Company X has changed its working processes due to increased workload. Still, the working capacity has remained the same, subsequently, of the workload, some working methods have changed. Increased workload with the previous working methods could have exceeded working capacity, and previous working methods could have caused various non-wanted situations.

The background of this thesis is to detect challenges and propose improvements. Considering the objectives of this thesis and the Company X, the most convenient research method is a combination of quotative study and qualitative interview study; theme interview based on the results of quotative study. The theme interview is concentrated on focused themes, and it aims to gather in-depth information on the research topic, and how the assumptions reflect the theme interview results.

Keywords: Organizations, Change Management, Management, Change, People-leading, Management.
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1 INTRODUCTION

The purpose of this thesis is to collate different strategic analysis methods and processes, and how to apply those assessments to change management to detect main friction points in an expert department of the company X. The main purpose is to improve and assess general working processes for the company X.

The workload, in the company X, has increased by 55 percent during the last year, and the trend is the same in this year. Some organizational and working method changes are must to conduct because there is no significant increase on the human resources on the sight.

This chapter is an introduction to the thesis. The beginning of the chapter, paragraphs and concentrates on describing the thesis research framework, methodology, background, objectives, research questions, and scope.

This chapter also presents the research strategy and method. The structure of the research is introduced. This research aims to study change management and its friction points within the Company X.

1.1 Research Framework and Methodology

The research questions provide the main themes and the direction of this thesis, and the chosen research methods were selected based on the focus of the research topic.

The research interests shift to explore the opportunities for management and leading the change. This thesis collates on different change management methods to propose an analytic framework that breaks the area of leading change management into different sub-domains. The proposed framework is applied to the research domain to review existing research critically and to define an agenda of change management.
The methods used in the research are qualitative and quantitative applied in a Delphi (Linston, Turoff 2002) framework:

The typical characters of the qualitative method can be explained as: the material is collected in real situations, the objects of the study are real people, interviews are used in data gathering, the study group is selected on purpose, and the research problem can evolve during the research. (Hirsjärvi, Remes, Sajavaara 2006, 160)

In this study the main data gathering method in qualitative research method is interviews. Data gathering by interview is a flexible and interviewee friendly way to gather data, and also the usage of the gathered data is wider than in a survey method. (Hirsjärvi, Remes, Sajavaara 2006, 200−202.)

Quantitative research

The quantitative research method concentrates on research questions, which are based on research elements. Quantitative research method approaches the topic by numbers. The researched data is gathered in numbers, or as an option, the data is sorted into a numeric form. The numeric data is interpreted and concluded orally. (Vilkka 2007, 14)

Quantitative research method concentrates on previous research conclusions, theories and defining the concept. (Hirsjärvi, Remes, Sajavaara, 2006, 131)

The traditional survey research is one of the most often used quantitative research method. In a survey method, the data is gathered by using question forms or structured interview. The data material is in a standard form and gathered precious the same way on each person. The recipients form a certain sample of a group, every recipient, in the surveys, works at the department and has the necessary capability to answer the surveys. (Hirsjärvi, Remes, Sajavaara 2006. 125, 182.)
1.2 Thesis Objectives, Research Questions, and Scope

The main research question of this thesis is: How to assess organization elements and detect the main friction points, which hinder the most in the department due to 55 percent increase in the workload prior the last year and the department`s workload is still incrementally increasing.

The scope of this thesis is to focus on different friction points of working processes, and how employees value them. This study focuses on the processes of working and aims to identify points of friction in those processes to improve or alleviate the conflicts.

In this thesis, the employees and the key stakeholders of the case company were the respondents of the research interviews.

Altogether, 24 employees of the case company were interviewed.

1.3 Research Strategy and Method

The chosen research approach is a mixture of qualitative and quantitative research, and the used method is the Delphi Method. The research approach, using recording and analyzing, attempts to uncover the significance and deeper meaning of human experience and behavior. The research attempts to gain a strong understanding of the respondent's experience and identify a problem or topic.

The research approach is inductive, and the research method is the Delphi method which includes a certain degree of reasoning, that develops a basis of the data collected. (Linston, Turoff 2002)

The first research round data is collected in numerical form by an online survey. The collected data is in numerical form and statistically analyzed.

The second research round data is collected in textual form by observation and interaction with the participants through participant observation, and in-depth interviews focused on a certain group. The collected data by the questioner is numerical analysis, and the collected data from the
interviews are not converted into a numerical form, and therefore it is not statistically analyzed.

The research data collection is carried out in several stages; the structured aim is to collect the research data with two rounds.

Participants who are taking part with the research are given a certain amount of freedom and spontaneity, by creating less formal and less rigid approach in the research, to avoid research participants to set pre-determined limits on their responses and allow research participant to express themselves.

The research involves in-depth interviews, which are time and labor intensive.

Finally, the surveys are correlation analyzed and cross analyzed to detect correlations and study relationships between the variables to draw conclusion and recommendations.

1.4 The Structure of the Thesis

This thesis research consists of eight main parts, in which the topics are scrutinized.

At first, the aims and objectives of the thesis are written, and this is also the one where the introductory part of the thesis that presents the background of the thesis, research questions, objectives, scope, structure, methodology and theoretical framework, is discoursed.

After the aims and objectives of the thesis are discoursed, the study introduces the background of organizational change and why organizations need to change starting from common frameworks and amending to the meaning and forms of organization change.
Chapter three concentrates on explaining the theoretical framework of organization and the common organization structures in an empirical background.

Chapter four provides the description of people leading and management, and how to adjust those virtues into change management.

Chapter five concentrates on change management and explaining the different levels of change from the employee`s and manager`s perspective.

Chapter six includes the approach and methods used in this research. It also introduces the research context.

Chapter seven comprehends the conclusions based on the findings of the research part. It summarizes the key findings from each explored aspect and presents the development recommendations. The chapter also includes the evaluation of reliability and validity of the research.

Chapter eight comprehends conclusions of the research amended with the theoretical framework of the thesis.
Figure 1. The structure of the research

Figure 1 shows the structure of the research. It explains the flow chart of the thesis in a process chart and presents the research method used in this research.

The thesis aims to find answers for questions by utilizing the theoretical framework and the selected research method. The research outcome will be recommendations for research questions to improve the case company’s working methods.
2  ORGANIZATION CHANGE

The first steps of organizational changes can be drawn from inner or outer elements. Those elements can be structured or unstructured, and they can be small changes or major changes. Those changes may impact on small and big companies. The global economic competition is getting more intense, and transformations need to be implemented more and more swiftly.

The length of change may vary, and changes can proceed very rapidly or slowly. The type of the change should always be structured before because it effects on requirements of management. (Nadler, Tushman. 1990)

Change itself is a very complex subject, and it is hard to define it exactly. Change should more be defined through as sub-subject, while the head-subject is what it is that need to be changed (Vartola 2004, 51–52.)

The change could be depicted as a phenomenon, where change process is detected in time and compared to another situation between other situation, regardless that if the outcome is positive or negative (Vartola 2004, 53).

2.1 What is organizational change?

Organization change can be defined in general by a new way or newly structured way how an organization works. (Luoma, Paasi, Valkokari 2010)

More detailed way to comprehend the organizational change in the way form, quality or space spatially changes, which can affect personnel work, working community or organization’s relations towards other organizations (Van de Ven, Poole 2005).
The concept of change itself is very complex. Change can lead an organization into recession or new bloom, and at the same time, the change can be fast or slow, powerful, or weak, incremental or turning point. It is also very hard to define exact start or end to the change due to many parallel levels and its nonlinearity. (Koski, Vakkala 2007, 41.)

Change can be relative or absolute. Relative, in a way, that one feels the change individually. Change can be absolute due to its inevitability. The diversity of change affects all, to one the affection can be a minor thing whether to other it can be a major incident. (Juuti, Virtanen 2009, 12–14).

Organizational change is a relative topic, and it can be referred to the whole change of organization structure, starting from core fundamentals. Organizational changes occur constantly, and it is hard or impossible for organizations to prepare themselves for it. The character of organizational change is the change is seldom the same as the planned change and does not follow the scheduled change structure. (Burke 2011, 12.)

Change process can be divided into four different levels. The first part is an individual change regarding changing skills or changing oneself. Individual change can be related to a core of change in an organization because there is not a change in a community without individuals. Erämetsä (2003, 23–25)

The second level of change is tactical or profession related changes, which does not apply to the whole organization. Most of the changes are the second level changes.

The third level changes require corporate culture changes. Corporate culture changes usually are applied to one or several organizational units.

The fourth level changes are cultural change projects, which are more difficult and slower to implement. The fourth level changes affect the whole organization and direct the organization values and beliefs (Erämetsä 2003, 23–25.)
2.2 Forms of Organizational Change

Organizational change forms are traditionally divided into two different main characters, which are incremental change and transformations.

Incremental changes are depicted an organization’s continuous change with time. Radical organization changes are depicted as intentionally actions to achieve the wanted change. In radical changes, the change moves from up to down, as an action of the board or upper management. The third form of change is a fusion. An organization stops to exist, and the operation continues partly or wholly in one new or several new organization (Tienari, Meriläinen 2009, 157–158.)

Incremental change takes place in the organization slowly, while transformation changes in organization are more radical, reactive, predictive, and strategic. Aforementioned change types can be combined in need of approach, whether an organization’s needs are organization adaption, adjusting, aiming or re-organization (Tienari, Meriläinen 2009, 157–158.)

One can observe different forms of change rather in a versatile way than through the traditional two folded main character. Forms of changes can be predicted as predictive, reactive, incremental, and strategic.

Predictive change can be predicted as developing necessary measurements against changes. Reactive changes can be predicted as a forced organizational change, in the case of outer forces confronting the organization.

Incremental change can be predicted as a change that is conducted incremental, and the purpose of the change is to improve the organizational capability.

Strategic change cover whole organization and strategic change redefine organization’s core functions.
Incremental and evolutionary changes happen in organizations all the time, and they are integrated into the organization`s everyday businesses (Nadler, Tushman 1990, 80)

Revolutionary organizational changes do not occur daily, and they affect deeply in the organizational structures. Revolutionary organizational changes are changes, which need reshaping in organization leadership and culture. Revolutionary organizational changes are more indirect and discontinuative than incremental or evolutionary changes (Burke 2011, 74–79).
3 ORGANIZATION

Organization as a concept can be defined as a coalition of personnel and personnel groups, which are determined to reach certain goals and priorities. The organization has structured collaboration forms and co-operation relationships with the personnel that affects the function of the organization. Organization structure is the most significant element to organize and how the organization should be organized to reach the strategic goals. Organization structure demonstrates the organization’s hierarchy, allocations, and interaction. (Juuti 2006, 204; Peltonen 2008, 33)

3.1 Organization Structure

The organization structure defines the personnel, the functions, and the relations of the organizations. Organization structure is heavily affected by organization business and operating surround. (Rissanen 1996, 22)

Organization structure forms a ground for a functional company. Organization structure enables management, in addition, it also creates an unambiguous view for organization members to comprehend how the functions are organized, workforce allocation and responsibilities within the organization.

Organization structure also lays ground on how to monitor and metric the aforementioned elements, and organization structure defines personnel’s responsibilities, roles, relations and communication networks. (Lämsä, Hautala 2004, 152)

Efficient organization structure enables the following functions:

- Economical and efficient use of resources
- Monitoring the procedures
- Defining responsibilities and duties for different personnel groups.
- Coordination of tasks within the organization
- Enabling flexibility in developing concerns
- Promoting personnel contentment and cooperation

(Lämsä, Hautala 2013, 153)

Line organization, functional organization, headquarter organization and matrix organization are based on the classic organization theory. (Viitala 2014, 115–117)

3.1.1 Line Organization

Line organization is the most used organization model. For line organization, it is typical that command line within the organization is hierarchical and the upper members of the organization are the highest authority. Every employee has a superior, who holds the supervising power.

It is a danger in a line organization that customers are considered as actions, which can lead to an authoritarian leadership that subsequently lowers the employees` motivation. (Rissanen, Sääski, Vornanen. 1996, 24)

Communication within the line organization might be slow due to the required communication procedure between organization levels.

Benefits of line organization are a clear duty and responsible lines, which can be aligned easily. Line organization processes are easy to design and requires fewer management protocols to avoid overlapping work. (Asp, Peltonen 1991, 225-226)

Line organization can be concerned with a draw process line, that can be adjusted in case of need in different situations and requirements. (Rissanen, Sääski, Vornanen. 1996, 24)

3.1.2 Matrix Organization

Different organization units, like departments, units, and projects are deeply integrated into each other in a matrix model. Matrix model is
particularly used in a big multicultural company, universities, hospitals and small expert organizations. (Lämsä, Hautala 2004, 163)

Matrix organization is based on two functions; firstly, it is functionally organized. Each unit is responsible for the rest of the organization. Secondly, a matrix organization is aligned with an area or a function. At this moment the matrix organization has two superiors, area and functional. Matrix organization is functionally demanding, due to cross leading by two leaders. (Lämsä, Hautala 2004, 163)

Matrix organization enables innovative and creative functions and efficient use of resources. Disadvantages of matrix organization are conflicts of roles, superimposed roles, cessation of working due to unclear responsibilities. (Lämsä, Hautala 2004, 163)

3.1.3 Line-Cabinet Organization

Line-Cabinet Organization is a management system, in which a group of experts, as cabinet crew, supports board members. A cabinet is a side unit, which does not hold any authority, its only purpose is to guide and inform. Sometimes there occur some difficulties to differ between instructions and requests, due to cabinet status. (Rissanen 1996, 25-26)

3.1.4 Functional Organization

The functional organization consists of departments which are based on functions. In a functional organization company, different functions are organized in their departments, marketing as an own, production and logistics as an own, etc. Every department concentrates on their special skills, and department lines are clear and consistent. A chief executive officer leads the organization, and communication lines are clear, and heads of departments do the cross-communication between departments. (Rothaermel 2016, 351)
Functional organization structure is quite common in small and medium-sized companies due to the clear responsible structure. By using a functional organization, companies can avoid excess and overlapping duties. Employees can only concentrate on the work and develop their skills. Excluding excess duties also improves motivation among employees. However functional organizations should focus on cooperation between different department to avoid silos. (Honkanen 2006, 135-136.)

3.1.5 Process Organization

Process organization is lead through processes. Process organization is dismantled departments into processes and organization`s functions are implemented into processes.

All organization is structured on the base of processes, and every process step is structured and given needed resources. Thus, it is important to comprehend and recognize all processes and sub-processes. (Garvin D.A. 1998)

Process organization differs from the functional organization, unlike team lead functional organizations, process organizations are led by the team. Every team is capable and competent, distinctive values for teams are flexible and resilient. The lifecycle of the team is only as long as the service or product. In process organizations, the timeframe of the team lifecycle is usually short, and due to short timeframes, there is no need for departments. (Garvin 1998.)

The process owner directs working processes, besides that teams are self-lead due low hierarchy levels. The organization should not interfere with how teams operate, but rather set goals for teams and let the teams decide the ways to reach the objectives. The team aims for efficiency, and due to that the working environment is demanding and quick paced. (Garvin 1998.)
4 PEOPLE LEADING

Leadership is leading people and guiding personnel towards the company’s strategy, vision, and mission. Every employee has a right to good leadership, and every superior must be capable of acting so. Everyone can be signed as a superior. However, leadership is earned by doing and results. The meaning is not to outperform everyone, rather perform the best with the resources at in use. (Nurmi 2000, 61–62.)

Leadership can be measured by the courage and truthful action in difficult situations. Superior can earn his or her place like a fair leader by doing fair acts even he or she does not have all the necessary skills at the moment. Staying in the truth and humbleness creates respect towards superior. (Pirinen 2014, 20–21.)

Some of the important values regarding leadership are setting values and goals, gaining and organizing necessary resources, creating a trustworthy working atmosphere which enables critical decision making. The elements above should not be superseded for the good of a strategy. (Nurmi 2000, 61–62).

4.1 Management and Management Capability

One of the most important duties for managers is to supervise the given business area and implement company’s vision on employees and likewise guide subordinates toward that vision, nevertheless not to neglect supporting the team to reach wanted results and objectives. Supervising duties can be shared between managing people and leading people. (Erämetsä 2009, 27)

Superior must comprehend his or her position in the company as a part of unity and role. Those elements combined to form a ground for everyone to accomplish in their duties and development. (Hyppänen 2013, 11)

Success in an organization depends heavily on superior, how the co-operation works, are the right things done by the right people and
communication includes another task to superior’s responsibilities. For what supervisory works is, depends on several factors like the size of the organization, organization culture, and subordinates.

Certain things in supervisory work always work the same way, depends on the organization. Superior holds the responsibility which working conditions are ideal which enables subordinates to improve work efforts. Ideal working conditions support the motivation and tasks, and subordinates are motivated and increase their skills. (Surakka, Laine 2011, 13)

Management should not be too theoretical, due to reason that we are dealing with everyday tasks at work. (Sydänmaanlakka 2012, 7)

Successful superior manages and understands different business topics. Being superior is more about leading people than managing different business transactions, and a superior is balancing between these two dimensions. (Hyppänen 2013, 36–37)

One can apply the following seven elements in people leading: setting targets, guiding and supporting, giving feedback, developing skills, efficient communication, motivating and showing own example.

Every subordinate is responsible for himself and his own actions only. Well planned goals guide and motivate subordinates, so the superior must clarify the targets, and feedback should be given regularly. Superior’s communication skills must be clear and interaction skills above ordinary levels to be able to interact with different kind of people in different situations. (Sydänmaanlakka 2012, 27–31)

4.2 Management and Leading

Leadership styles can be divided into two factors: managing and leading, and these factors may vary according to business tasks. One task can be typically handled in a managing way, and another task can be handled
more in a leadership way. Managing emphases that tasks are done right, and leading emphases that tasks are done right. Managing is more designing, supervising, problem-solving, and tasks, when leading is more directing, guiding, motivating, and people. (John Kotter 1990; 1996)

Manager reasons the decisions by numbers and results, whereas leader guides personnel according to the numbers. Management should not be segregated into management and lead, although as a combination of both sides and different approach angles. (Hyppänen 2013, 14; Sydänmaanlakka 2004, 23)

4.3 Transformational Leadership

Transformational Leadership can be depicted as a constant development and improvement of the leader and the subordinates. The development effects in a cultural and social context, which creates a difference between a leader and subordinates.

Bass (1997) defined the basic components of the transformational leadership, which ones form the basics on the theory: building trust, motivating inspirationally, stimulating intelligence, and meeting a person individually. Those elements are considered as the core elements of the leadership methods. The core values of the transformational leadership method are knowing yourself and reflecting on own actions. The ability to reflect own actions creates a forum to receive positive and negative feedback. A way to receive and discourse feedback is especially important for management. (Bass 1997)

4.3.1 The Basic Components of the Transformational Leadership

James MacGregor Burns (2004) states that when a transformational leader reforms employee’s aspirations, expectations, shared values and perceptions. Bass (1997) sees transactional leadership unsatisfied and
defines it as a cycle, where a leader defines the wanted results and rewards the subordinates for succeeding them. Rewards or promises do the encouraging of the employees, and the manager supervises or monitors the ongoing tasks, it is more like give or take -relationship.

The transactional leader usually does not try to change organizational culture, although transactional leaders focus more on processes, while transformational leaders focus more on changing the organizational culture.

Bass sums the transformational leadership in four points.

**Building Trust** – the leader familiarises with the subordinates to acknowledge their needs and concerns, and also mentors and coaches them.

**Intellectual Stimulation** – the leader, encourages to think independently, to challenge assumptions and to solicit ideas, and thereby stimulate creativity within the subordinates.

**Stimulates Motivation** – the leader motivates and inspires subordinates to follow his or her leads. The leader motivates with high standards, positively and provide subordinates a meaningful task.

**Individual influence** – the leader acts as a role model for highly ethical examples by respect and trust.

A leader who has internalized the transformational leadership is capable of acting transformationally in situations where another leader would act transactionally. Only restrictions could be situations where the leader is not able to interact with the employee. (Nissinen 2001, 78)

Transformational leaders only arrange the essential, and efficient processes for the organization, and the transformational leaders are capable by their actions to make others to work efficiently to reach the shared goals, which is the offset of the framework.
Transformational leadership advocates and emphasizes incremental framework, in which everyone can develop and able to do anything by right guiding. The leader listens, reasons, guides and instructs to clarify the objectives.

In case of issues, the leader can be flexible and give feedback without breaking subordinate`s self-esteem. (Nissinen 2001, 78)
5 CHANGE MANAGEMENT

Change is a common thing in every company. However, change management is also very demanding and requires broad and specific knowledge. Change management requires different business field management at the same time as the entity is still adapting itself to a new state. The employee`s perspective leads one part of the change, and it requires a lot of management and leadership competence, as well as emotional support also.

Change management aims to develop new critical potentials, developing and concentrating models to meet the organization`s needs, building capabilities for the organization to create a culture to implement efficient a supportive strategic will. (Higgs et al., 2000; Lipasti, 2007, 31)

Change management is a tool to adjust the organization`s functions, working methods and technologies as wanted. (Hashim, 2013)

5.1 Change

Change has many forms and diversities, of which one form is a change that depicts the company`s existence or core strategy, and one form of change depicts changes are responsibilities. Change can affect once a whole organization or only a certain part of the organization, like one team. (Newton 2007, 3-5.)

Sanchez (2012) states that organizations need to seek alignment with one of the four changes, which are convergence, reconfigurations, absorptive integration, architectural transformation. Every one of the before mentioned changes, to be successful in the organization, need resources, necessary personal skills, and coordination.

Erämetsä (2013) states that the change process can be divided into four stages: personal changes, strategic changes, cultural changes and tactical changes.
Personal change can be related to the core of change processes, learning new skills and talents.

Tactical change can be assimilated to a new way to conduct the same business.

Strategic change can be related to strategies and therefore to new ways of conducting business and new ways to reach the mission.

Cultural change can be difficult and hard, as it affects and changes the organization`s way of doing business mentally. (Erämetsä 2003, 23–25)

Change can be seen as bad, good, threat, possibility, or neither of them. How people feel change depends so much on the wide, situation and interpreter of change. Change is always letting something old and familiar go. (Erämetsä 2003, 18–19, 211)

Change experiences are emotional, even though they are handled through reasoning, and quite often change rises some negative emotions nevertheless the outcome would be positive. (Pirinen 2014, 13).

The aim of the change is often improved processes and tasks, more innovative and broader view of businesses, decreasing organization costs and a more efficient way to do business, outsourcing, or business fusions. The starting point is often the organization`s will to move from one point to another different point; the change is depicted as a way between two points. (Newton 2007, 3-4)

5.2 Phases of Change Process

The phase of the change process can be divided into planning- and implementing phases. The planning phases include predictive measures and a plan to conduct the change. The planning phase requires effort and must be done diligently. The phase is a time requiring and comprehensive assessment which includes a plan to reach the wanted outcome following conducting plans with responsibilities. The assessment should cover
areas, as is the change beneficial for the organizations, is the personnel ready for it, and is there more positive sides that negative sides? The assessment is essential for everything because the planning phase is the ground for everything. (Stenvall 2007, 46–53.)

Implementing phase follows the planning phase. The planning phase collates: conducting processes, stabilizing processes, implementing new routines, an assessment and monitoring, which decides if the change process will succeed. Problems occur easily, and concentration can perish if the implementing phase is embarked while the planning phase is still unfinished. Lack of prediction and chaos are quite usual during the implementing phase, that is quite common, and must be just accepted as a part of the change process. (Stenvall 2007, 46–53.)

5.3 Individual Change

During conducting change process, one can detect three different phases among personnel: prostration phase, awakening phase, and readjustment phase. (Stenvall 2007, 50–53).

Those phases can be depicted as well as the end, adjustment and a new beginning. Every phase requires a different kind of change management and imminent actions from the superior.

Prostration phase means that the personnel depresses when they are informed about the change. The change can be denied wholly, it will be criticized, and the personnel will become apathy, and the capability to receive information deteriorates, which lay challenges change management communication.

The next phase is an awakening phase, where emotions change between positive and negative. One can feel, that the change is a good thing, which improves the organization. On the other hand, one can feel despair and feel that the change is unbearable.
The last phase is the adaption phase, in that phase, one can feel that change is a possibility and through changes, new possibilities arise. Organization survives, and the past is not remembered brighter as the present. Depending on organizations, some organizations never enter into the adjustment phase. (Stenvall 2007, 50–51.)

5.4 Change Resistance

As a word, change resistance carries a very heavily negative metaphor on it. Succeeding in organization change is more depending on the support of employees and enthusiasm towards proposed changes, not on breaking the change resistance. (Piderit, 2000, 783).

Change resistance is a key element in the field of change management, and it should be taken seriously to achieve the wanted results. Management seems to see employees easily as an obstacle and even ignore employee’s reasonable concerns about the change. Employee’s reactions towards change are not coherently negative nor positive. (Del Val, Fuentes, 2003, 3; Piderit, 2000, 783–784.)

Employee reasonable sees the possible profit negatively if the change touches an employee’s position. (Aladwani 2001, 269)

Change management is in a big role to succeed in organizational change, due to the conversation around it. It might be even a critical factor in success. Management should listen to the sound of change resistance carefully. The importance of listening can be encapsulated it, that if the change resistance is only considered as a cause of conflict, the company loses possible aid for the change and how to implement the change. Useful information about the need for implementing the change is easily missed. (Ford, 2008, 362–370.)

An employee who stands against the change publicly risks his positions by being against the management. How much being against the management affects his position depends on the company’s management culture.
Reluctantly view is not easily said and without reasonings. (Pideritin 2000, 784)

One way to approach the change of resistance is to demonize it or celebrate it. Demonizing change is a traditional way, which predicts change resistance as something that must be submitted. The resistance is seen as a selfish act, which does not serve the good of the company. Subsequently, the company sees its right to crush the resistance at all cost. Unfortunately, this is the major viewpoint on the change resistance. (Thomas, Hardy 2011)

The opposite side represents emphasizing the benefits of change management. A successful change adaptation in an organization is more and more depended on employees’ support and enthusiastic, not so much about submitting resistance. (Piderit 2000, 784; Thomas; Hardy 2011, 324)

5.5 Phases and Objectives of Conversation

A clear objective will help to determinate why the conversation is arranged, which are the needs, objectives and desired results. The phase and the objective of conversation can be two different things. Without a clear objective, there is no use to arrange a conversation. (Jaffe 2007, 66-69)

Phases of conversation can be arranged into several modules: The first module is to start by contemplating the meaning, topics, and objectives. The second module is to prepare, define the target group, which follows the third model. The fourth module is to innovate the invitation message and personalize your message. (Jaffe 2007, 66-69)

The fifth module is to prepare yourself with the topic, arrange yourself for different situations and to guide the topic. Start by guiding the conversation, be present, prepare to meet the conversation members as equals, guide everyone to follow the rules, set your prejudices aside and listen; encapsulate the topics and viewpoints, guide the conversation
topics and foster the conversation; request feedback and start arranging the next conversation. (Jaffe 2007, 66-69)

5.6 The Emotional Stages of Change Management

The change process is often depicted in Kubler-Ross’ chart, the five stages of grief. The five stages of grief and loss are 1. Denial and isolation; 2. Anger; 3. Bargaining; 4. Depression; 5. Acceptance. (Sánchez 2013)

Figure 2, The Emotional Changes of Change Management


Denial is a defense method that isolates us from the shock of the change. One blocks and hides the facts, which is the first wave of pain.
The second wave of denial is adapting to the reality, and the pain re-emerges. The emotion is redirected from the change, redirected and aimed as anger. (Sánchez 2013)

The third wave of emotion is bargaining and usually comes after anger in need to regain the control of the situation through statements as “if I only”. This is an emotional attempt to bargain. Some people make deals with God to change the situation, which is a weaker line to deny the reality. (Sánchez 2013)

The fourth wave of emotion is depression. Usually, there are two types of depression, a practical reaction to depression and a subtle reaction to depression. The practical reaction includes necessary action concerning the depression, and the subtle reaction is hidden inside the person and kept inside.

The fifth wave of emotion is acceptance. Acceptance of the change is a singular and personal experience. Resisting the change will only prolong it. (Sánchez 2013)

The chart model does not necessarily apply to everyone, some people do not necessarily experience any of the stages or go through the stages in different order. The chart model depicts emotions which rises due to change, and the model is applied to the use of the company environment. (Sánchez 2013)

Understanding the model helps superior to prevent and to plan to lead. Every phase of the model is engaged with different emotion and ways to approach the issues, support, and lead employees. (Pirinen 2014, 38–39)
6 RESEARCH APPROACH AND METHODS

The chosen research approach is qualitative research, and the used method is the Delphi Method. (Linston, Turoff 2002)

The research approach, using analyzing, attempts to uncover the significance and deeper meaning of human experience and behavior. The research attempts to gain a strong understanding of the responder's experience and identify a problem or topic.

The McKinsey 7s Change Method amplifies the research method. The questions are structured by the McKinsey Change Method, which will be scrutinized in the following chapter.

The research approach is inductive, and the research method is the Delphi method which includes a certain degree of deductive reasoning, that develops a basis of the data collected.

The research data collection is carried out in several stages; the structured aim is to collect the research data with two survey rounds. However, the research process may continue until there does not seem to emerge any new issues.

The research is conducted in two rounds if needed. First round is an anonymous net survey, and its collected data is analyzed before the second round. Also, the first-round forms a research and approach benchmark on the second round. The second round is optional and conducting the second research round depends on the need of the organization if the organization decides that some research areas should be investigated more deeply and comprehensive.

The online survey of the first round is the main part of the research. The first-round survey is designed to assess and provide feedback on the organization’s effectiveness and ability to adapt and go through changes,
and the questionnaire focus is on those capabilities and the implemented system workflows.

There are 35 statements in the questionnaire and one open feedback field concerning the subsequent topics. The 35 statements are structured on the base of McKinsey`s 7s method, which is discoursed in the next chapter.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.

6.1 Delphi Method

The Delphi Method aims through an iterative process to create a consensus by a panel of experts on the researched topic. The experts taking part in the research are anonymous to each other.

Garson (2012) states one can conduct the Delphi method for three different objectives, which are:

- Forecasting future events ("exploratory Delphi")

- Achieving policy consensus on goals and objectives within organizations or groups ( "normative Delphi")

- Identifying diversity in and obtaining feedback from stakeholders in some policy outcome ("focus Delphi")

However, the Delhi method may include all these three dimensions; the method is also used in quantitative research. Delphi application is aided in reaching a consensus on the research agenda of a certain study. The application can be used to form validation for otherwise subjective reasonings by the experts, and subsequently, form indicator variables.
The traditional application form is to distribute the questionnaire to the panel experts and collate the responses and use the summary for the next expert panel round of questionnaires. Panel experts typically communicate only with the Delphi administrator.

6.1.1 Conducting The Delphi Method

The questionnaire’s message emphasizes the value of the individual’s opinion. The questionnaire participants are all anonymous; they belong to the same organizational category, they all use the same system workflow and are experts in their field. The participants all belong to the same homogenous group, so gender, age or education in this research does not make a difference.

The survey is conducted in electronic format via webropol. The questionnaire consists of statements, rating participants’ attitudes and opinions on 35 closed statements, and on one open question field concerning the workflow, following Likert-type scale in rating.

The second survey round research data is collected in textual form by observation and interaction with the participants through participant observation, and in-depth interviews focused on a certain group. The collected data is not converted into a numerical form, nor it is statistically analyzed.

Research participants are given a certain amount of freedom and spontaneity, by creating less formal and less rigid approach in the research, to avoid research participants to set pre-determined limits on their responses and allow research participant to express themselves.

In case of need, a small number of participants are involved, due to the method used in the research. In case of need, the research involves in-depth interviews, which are time and labor intensive, and there is no need for a large number of the participant for statistical analysis.
6.2 McKinsey 7s Change Method

McKinsey 7s organizational change model is one of the most known organizations change management methods, and what parts are essentials for an organization in change. Peters and Waterman designed the method while they were working for McKinsey & Co in 1982. The McKinsey 7s model describes and evaluates the organization’s capability and integrity. The method emphases the integrity and balance between all seven elements. (Peters, Waterman 1984, 10-12.)

In the model, elements like strategy, structure, and systems are hard elements which are much easier to identify and manage while comparing to soft elements. On the other hand, soft areas, unfortunately, harder to manage, and the soft areas are the layer of the organization and are likely to create the sustained competitive advantage. (Nejad, Behbodi, Ravanfar 2015)

Staff, skills, style and shared values are elements of a successful change project. The elements also affect the failure or succeed in change strategy. Staff is a key element in the soft square. Staff holds the rest of the soft elements: skills, style, and shared values, which are keys to the success. Skills are the organization’s special skills. Style represents change and management’s manners. Shared values represent the organization’s common values of right and wrong. (Peters & Waterman 1984, 10-12.)

The inter-connectedness of the 7S’s framework offers a way to develop to a metric or a set of measures to assess/measure the extent of the organizational alignment between elements or performance improvement within the organization. The 7S’s framework helps to understand the core and most influential factors in the organization strategy. It also offers how-to realizing the best way an organization towards a new strategy or a new organizational design.

Having a coherent, consistent, and validated measure system also provides management with an opportunity and a potential to assess and improve the measurable element relationships between these constructs.
that create the metrics and performance of the company. (Nejad, Behbodi, Ravanfar 2015)

**The Seven Interdependent and Integrated S’s**

![Diagram of the Seven Interdependent and Integrated Ss](image)

Figure 3. The Seven Interdependent and Integrated S's
6.2.1 McKinsey’s The Seven Elements, 7S

These seven elements, 7s, are: strategy, structure, systems, staff, skills, style and shared values. The strategy must be consistent and integrated to enable an effective organizational change and efficient organization itself.

6.2.2 Strategy

The first ‘S’ in model predicts the strategy. The strategy is guidance developed by a firm to create a sustainable competitive advantage in the market and an efficient organization.

McKinsey 7s model aligns strategy with a sound articulated, long-term competitive advantage, which is enforced by a strong vision, mission, and values. However, it is a difficult task to tell if a strategy is well-aligned with other 7s elements while it is analyzed alone. Though, the key to aligning the strategy at the company is to monitor that the strategy is aligned with the other elements to create synergy. (Nejad, Behbodi, Ravanfar 2015).

*Everyone got a strategy, till they get a punch in the mouth* – Mike Tyson.

Everyone needs a strategy, let alone companies. Amid uncertainty and confusion, having a strategy and implementing it is a preferable way to act. A strategy is an ability to make long and short-term forecasts. Without a strategy, a company that is countering a problem or reaching any objective is easily neglecting some essential actions or parts of the matter. (Freedman 2013, 8 - 12)

Organizations exists for the cause of customers and stakeholders. The main duties of every organizations is to produce value for the customer, whether the customer is in the organization or stakeholder. An organization must be able to reason several questions: Why do we exist? Who are our customers and stakeholders, and why they need our
services? The organization must be able to create a customer base of their own to fulfill the mission. An organization must think customer oriented, what are the customer’s needs, values, and realities? Every organization’s self-evaluation should base on realities because, in the end, the customer and his or her needs create the organization. And the public companies must be able to change their services towards societies’ needs and demands. (Lindroos 2010, 20 – 25)

Every important decision is likely regarding backing on the third party unless there is a solid strategy behind the decision and if the decision is described as strategically essential. (Freedman 2013, 8 - 12)

6.2.3 Structure

The second “S” in the model predicts the organization structure and how essential the structure is for the organization. The organization structure should be clear and undoubtedly show the organization’s hierarchies, this contributes to functionality and clarifies the change management. The structure is also one of the most visible and easy to change among the elements of the framework. (Nejad, Behbodi, Ravanfar 2015)

Organizations are structured for certain goals. These structures are broken into certain tasks, and those tasks are wrapped into departments with characterized purposes like procurement, marketing etc.

Together the departments form an organizational structure, and the organizational structure forms a functional unity in the business environment. The organizational structure forms a configuration which allocates duties, responsibilities and authorities in the organization.

Organization’s strategy tend to form its organizations structure. The strategy itself tends to guide organization’s technology, recruiting, processes and other business aspects.
Organizations can be differentiated into three levels: the strategic level which determinates organization’s strategy; the organizing level, which coordinates organization’s actions, and the operational level, which conducts the activities. (Mintzberg 2009, 340 – 343)

Figure 4, Key parts of an organization. Mintzberg 2009.

The importance of a clear organization structure cannot be overstated. Burtles and Noakes-Fry state, that it is the most important part of confronting unpleasant incidents in the organization. Clear structure helps personnel and organization to prepare confrontation properly, and the confrontation may pass smoothly simply due to rehearsal and clear structures of conduct.

The organization gains benefits by testing and exercising the organization structure and finding and assessing weak and strong points in the organization. (Burtles, Noakes-Fry 2016, 8-9)
The third ‘`S`’ in the model represents systems. Systems are those essential processes and how decisions are made. It also determines how business is conducted, and which are needed in the organization’s core functions, and it should be the integrated core for managers during organizational change. (Nejad, Behbodi, Ravanfar 2015)

Organization’s systems are developed and structured based on several requirements and in need of various technologies. System integrations is an essential aspect of organizations as systems lay the foundations for the organization’s function. Systems provide tools to assess organizations and other several instruments to monitor organizations, and the most important of all provide a platform for business. Organizations systems cannot work by themselves, functionality requires data exchange and share with other information systems. (Theophil, Khamisi, Bukaza 2017)

Effective system integration transformation boosts the organization, system integration affects organization not only in efficacy, but also it improves speed, quality in overall, it strengthens customer relationships, employee engagement and, adds value for the company.

System integration focus on leaning processes to help employees to more effectively produce customer value.

System integration is focusing on to strengthen performance systems, reshaping employer roles and organization infrastructure more transparent regarding organizational targets, management roles and the use of deployment resources.

The three S above form the hard triangle, which creates integrated main points for change management. These three hard elements must be clear and functional to contribute the organization to maintain required efficiency to conduct the change process. (Peters, Waterman (1982, 10-12.)
The other four S`es are soft elements, the soft square, which represents key elements in a change, whether it is a small step towards a change or a change project. (Nejad, Behbodi, Ravanfar 2015)

6.2.5 Skills

Skills are the abilities that firm's employees perform very well. They also include capabilities and competencies. Most often in organizational changes, arises the question of what skills the company will need to reinforce its new strategy or new structure. (Nejad, Behbodi, Ravanfar 2015)

Personnel will become, in time, more professional in many areas of organizations, however, to be capable of doing so, organizations need to comprehend the skills required and implement them into practice. (Wright 2007)

Enhancing personnel skills helps employees to satisfy their personal goals through improved skills and competencies, facilitating more efficient contribution in their everyday actions, and improving personnel capabilities to fulfill the organization`s needs. (Shivarudrappa, Ramachandra, Gopalakrishna 2009)

6.2.6 Staff

Staff element is concerned with how many and what kind of employees are needed in the organization and how they should be trained, motivated recruited and rewarded. (Nejad, Behbodi, Ravanfar 2015)

Human resource management, in concern of human resource management, is the process of controlling the availability of human resources to organizations. An organization can acquire, access, or
release resources to ensure that the resources are available when needed in work-flow. (Kirchner, Prashant 2004, 66)

Organization activity defines the use of workforce scheduling, personnel recruiting and personnel selection. It also affects attracting and retaining personnel, managing employment turnover, personal talent, and absent or other personnel issues.

Personnel resourcing can be approached from learning and development programmes. Through development programmes organization is provided the talented personnel and skills it requires. (Armstrong, Taylor 2014, 206-207)

Managing resources is hard, and a part of the essential organizational activity and managing resources is even harder. As human resources are recognized, as an organization’s strategic capability which organization depends on it. Resource management also deals with the needs the organization’s workforce requires at present situation and in the future. (Armstrong, Taylor 2014, 206-207)

6.2.7 Style

Style represents the management style of the company’s managers: the way superiors manage the company, the style of interaction, what actions do they take and the symbolic value of superiors. (Nejad, Behbodi, Ravanfar 2015)

Management style helps to clarify the purpose, understand the situation, and work objectives, and how to achieve them. Organization management should develop accurate, objective assessments to gain objective analytical power. (Shivarudrappa, Ramachandra, Gopalakrishna 2009)

Adaptive management style supports influential skills, and therefore hinders hierarchical management style and supports positive relationships.
The self-confident integrated organization stands behind values and can deal with difficult decisions. If management is in favor of learning by doing, the organization learns from own successes and failures, and those of others. (Shivarudrappa, Ramachandra, Gopalakrishna 2009)

6.2.8 Shared Values

Shared Values are the core of the model framework. Shared values are the norms and standards that guide employee behavior and company actions and lay the grounds for the organization, and empower organization’s processes and efficiency. (Nejad, Behbodi, Ravanfar 2015)

Many organizations with a long and cultural history tend to have some paradigms which dominate in-depth. In a linear command line, the paradigm tends to limit professional expertise development, while transformational management does not set limits on organizations cultures.

Shared values is based on the assumption, that effective teams share the same mission, vision, responsibilities, and team members can switch between different team roles smoothly. (Louis 2013, 176)
<table>
<thead>
<tr>
<th>Elements</th>
<th>Themes</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard</td>
<td>Strategy</td>
<td>The integrated vision of the company and direction of the company as well as</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the manner in which it communicates and implements that vision and direction.</td>
</tr>
<tr>
<td></td>
<td>Structure</td>
<td>The form of the organisational chart and interconnections between positions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>in the organisational hierarchy.</td>
</tr>
<tr>
<td></td>
<td>Systems</td>
<td>The procedures and routine processes required to perform the work, including</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the ways information moves through the organisation.</td>
</tr>
<tr>
<td>Soft</td>
<td>Staff</td>
<td>The personnel categories within the organisation, e.g. Human Resource,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marketing</td>
</tr>
<tr>
<td></td>
<td>Style</td>
<td>The characterisation of the way key managers set priorities and behave in</td>
</tr>
<tr>
<td></td>
<td></td>
<td>order to achieve the organisation’s goals.</td>
</tr>
<tr>
<td></td>
<td>Skills</td>
<td>The distinctive capabilities of the organisation as a whole.</td>
</tr>
<tr>
<td></td>
<td>Shared Values</td>
<td>The core beliefs underlying the organisation’s existence and its expectations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>of its members. Values act as an organisation’s conscience and provide</td>
</tr>
<tr>
<td></td>
<td></td>
<td>guidance in times of crisis.</td>
</tr>
</tbody>
</table>

Figure 5. The Seven Interdependent and Integrated Elements

(Source: Framework is adapted from Pascale and Athos, 1981)
7 RESEARCH RESULTS

In this chapter, the research results are discoursed, and the questionnaire results of the survey, which was executed on the 28th of February 2018, are presented.

The questionnaire consists of 35 statements and one open comment field for comments on the implemented process workflow.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.

The questions were divided aligned with the McKinsey 7s. The questions were divided into question patterns of five questions. Every question pattern represented of its own S, and there were seven question patterns. The target group was not informed about the method and the meaning of the question patterns, and the patterns were as the seven elements of the 7s method: strategy, structure, systems, staff, skills, style and shared values.

The first question pattern represented and clarified department’s shared values, which are the norms and standards that guide employee behavior and company actions.

The second question pattern represented and clarified strategy, which is a plan developed by the department to compete in the field successfully.

The third question pattern represented and clarified structure, which represents the way units are organized.

The fourth question pattern represented and clarified style, which represents the way the company is managed.

The fifth question pattern represented and clarified staff, which element is concerned with how many employees the department will need and how the employees are motivated.
The sixth question pattern represented and clarified personnel skills, which are the abilities that firm’s employees perform.

The seventh and the last question pattern represented and clarified the systems, which are the processes and procedures of the department.

The higher the value for the statement is, the better the situation is with the statement, and also the higher the value for the average value of question pattern is, the better the situation is with the research topic.

Total mean value of the survey was 3.96, the median value reached 4, and the standard deviation was 0.75.

7.1 Research Validity and Reliability

The questionnaire population consisted of 32 people, and the questionnaire was sent to 32 persons working in the case company’s department, and 24 persons answered the survey. Hence the response rate is 75 percent. The sampling covers and represents quite well the research target. The results are discoursed in figures and graphs in this context. Detailed answers, per question, are attached in Appendix X.

Due to the high survey response rate, the p-value is set at less than 0.05 in this research, which is commonly seen as a reliable value.

(Tilastokeskus 2018)

Every statement is analyzed individually using average, median, standard deviation, entropy, confidence interval, skewness and kurtosis values. The values are explained briefly:

**Average**

Average (mean) represents the measure of central tendency.

(Tilastokeskus 2018)
**Median**

Median is the central value, which is the distribution point for sampling population. (Tilastokeskus 2018)

**Standard Deviation**

Standard Deviation represents the deviation around the median. (Tilastokeskus 2018)

**Entropy**

Entropy represents the level of sequence randomness. The more sequences are concentrated on one or a couple sectors, the smaller the entropy value is. The more sequences are varied, the bigger the entropy value is.

In this research, the maximum entropy value is 2.3219, and at the highest entropy level, it would mean that the research responses had distributed equally on every rating scale.

In practice, the entropy (H) is calculated through the following function:

\[
H = -\frac{1}{\log 2} \sum_{i=1}^{l} p_i \cdot 10 \log p_i
\]

In which \( \log 2 \approx 0.301 \) and \( p \) as confidence frequency.

<table>
<thead>
<tr>
<th>Rating Scale</th>
<th>max H = ( \log 1 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.0000</td>
</tr>
</tbody>
</table>
Confidence Interval

Confidence Interval represents the error margin of the sampling. The Confidence Interval can be depicted as, "we are 95 percent sure, that the result is between these two values". (Tilastokeskus 2018)

Skewness

Skewness represents the value of the symmetry in the dataset. A symmetrical dataset value for skewness is 0. In practice, if the dataset value is between -0.5 and 0.5, the data is quite symmetrical, between -1 and -0.5 or between 0.5 and 1, the data is slightly skewed, and above 1 or less -1, the data is very skewed. (Tilastokeskus 2018)

Kurtosis

Kurtosis represents the degree of peakedness in the distribution and the value of peakedness. (Tilastokeskus 2018)
7.2 Shared Values Element

Shared values, which are the norms and standards that guide employee behavior and company actions, and one element of the McKinsey 7s, which were discoursed in the previous chapter.

The following chart is a combination of survey questions 1 to 5, and therefore it represents one element of the McKinsey 7s, the shared values.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.

The chart was formed by concluding all the numerical results of questions 1 to 5 and combined into one chart to reveal an overall understanding of the question topic.

Figure 6. Shared Values -Element regarding questions 1-5.

Statistics

<table>
<thead>
<tr>
<th>Count</th>
<th>Average</th>
<th>Confidence Interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
</tr>
</thead>
<tbody>
<tr>
<td>120</td>
<td>3.75</td>
<td>3.6 - 3.9</td>
<td>4</td>
<td>0.82</td>
<td>-0.43</td>
<td>-0.19</td>
<td>1.71</td>
</tr>
</tbody>
</table>
Results on shared values element show that 68% of department’s workers share the same values, and only 8% disagree with the statement.

The average value is 3.75, which is quite good, the skewness value is -0.43, and the entropy value is subsequently high 1.71 / 2.32. One can say, that the department’s personnel shares the same values in overall.

7.2.1 Research Results on Shared Values Element

*Figure 8. Statement regarding question 1. The department maintains high ethical standards in its process pursuits.*
In the department’s business processes the validity and accuracy of data collection is a necessity. Department’s several different essential interlinked factors rely on the data validity and accuracy. 20.83 % of replies have valued the statement as 5, and 58.33 % of replies have valued the statement as 4, with the average result value of 3.96, which is quite good. One can consider that the department’s personnel is highly motivated in their daily working tasks.

The ethics follows the management; one can say that the unethical practice reflects the management and is as much an organizational issue as personal. Managers who neglect their role in strengthen the organization reputation on ethical standards risk their own and organization’s liability.
Figure 10. Statement regarding question 2. There is trust in the department organization.

Figure 11. Skewness Distribution. (Not in the exact scale)

Results of the statement show that 88% of department’s workers have trust in the organization, and only 12% agree or disagree with the statement.

The average value is 4.08, which is quite good, the skewness value is 0.01, which means that the graph is highly symmetric, and the entropy value is 1.24 of 2.32.

One can see from the figure 6, that there is a peak on the statement in value four, from which we can conclude, that the general situation is on a
good balance, and the department’s personnel shares the same values in overall.

The results review that the management accounts for the importance of accomplishing trust in the department. High level of cultural trust improves services and products at cost efficacy due to highly motivated employees and leave management to conduct other tasks.

*Figure 12. Statement regarding question 3. A climate of supportiveness rather than being judgmental exists in the organization.*

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<tr>
<th>Statistics</th>
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<tr>
<td>Count</td>
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<tr>
<td>24</td>
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</table>

*Figure 13. Skewness Distribution. (Not in the exact scale)*
Entropy value is 1.82 of 2.32, which states that result deviation is divided compatible on scales 3-5. Average value is 3.83, almost reaching 4, which would be an excellent state. 70.83 % of the department’s personnel grades the statement as 4 or 5, however, 12.5 % of personnel grades this topic as two.

Organizational climate refers to the organizational atmosphere as a result of management interaction, task allocation and several different organizational factors which shape the personal behavior.

*Figure 14. Statement regarding question 4.* The department’s process is driven by the beliefs, values, and norms of its stakeholders.

![Pie Chart](image)

*Figure 15. Skewness Distribution. (Not in the exact scale)*
Entropy value is 1.55 of 2.32, which states that result deviation is polarized on scales 3-5, major emphasis is on the grade 3. The average value is 3.67, and 64 % of the department’s personnel grades the statement as 4 or 5, however, 8 % of personnel grades this topic as two. As skewness value is -0.62, which indicates light unsymmetrical in response distribution.

The organization culture plays an important role in the organization whether it is a productive and supportive place to work. While the interaction between the management and the subordinates is on a good balance, which can contribute organizational goals and missions, and enhance productivity.

Figure 16. Statement regarding question 5. There is transparency in the department.
Entropy value is 1.67 of 2.32, which states that result deviation is polarized on scales 2-5, major emphasis is on the grade 3 with of the response rate of 46 %. The average value is 3.25, and 37 % of the department’s personnel grades the statement as 4 or 5, however, 17 % of personnel grades this topic as two. As skewness value is 0.07, which indicates strong symmetrical in response distribution.

Shared and strong organizational values integrate the employees, and it may improve people in their daily actions.

The median value of all first four questions was four, and the median value of fifth question was three. The fifth question is about department’s transparency. According to the research framework, the value three is acceptable.

In overall, the average value, of department’s shared values, is 3.75, and the fifth question, which concerns transparency, differ little bit from the first four. I suggest that actions should start from the survey topics concerning transparency to increase department’s shared values.

The strongest correlation to shared elements was with the strategy element, and the weakest correlation with the shared values element was with the style element, and the other elements regarding shared element were more or less neutral.

7.3 Strategy Element

The chart below is a combination of survey questions 6 to 10, and therefore it represents one element of the McKinsey 7s, the strategy.

The chart was formed by concluding all the numerical results of questions 6 to 10 and combined into one chart to reveal an overall understanding of the question topic.
The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.

The strategy could be depicted as a plan to develop the firm to achieve sustained competitive advantage and successfully compete in the market.

*Figure 18. Strategy Element regarding questions 6-10.*

Statistics

<table>
<thead>
<tr>
<th>Count</th>
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<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
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<tr>
<td>120</td>
<td>3.69</td>
<td>3.51 – 3.87</td>
<td>4</td>
<td>1.01</td>
</tr>
</tbody>
</table>

*Figure 19. Skewness Distribution. (Not in the exact scale)*

Department`s strategy statement distribution is symmetrical deviated on values 5 – 3. The values contain 87 percent of the responses. However, value 3, neither agree nor disagree contains 28 percent of the responses.
Transparency is an important organization factor when concerning employee engagement. The trust in leaders and organization to guide the organization into success.

7.3.1 Research Results on Strategy

Figure 20. Statement regarding question 6. Strategic goals guide the personnel development activities of the department

Figure 21. Skewness Distribution. (Not in the exact scale)
Entropy value is 1.97 of 2.32, which states that result deviation is symmetrically polarized on scales 1-5, and the major emphasis is on the grade 3. The average value is 3.21, and 42% of the department’s personnel grades the statement as 3, however, 8% of personnel grades this topic as 5, and 4% grades it as 1.

Strategy is a way to communicate between management and employees to guide the organization towards the wanted goals.

Figure 22. Statement regarding question 7. If the process is to be successful, a consistent plan of action is required.

Figure 23. Skewness Distribution. (Not in the exact scale)
Entropy value is 0.92 of 2.32, which states that result deviation is unsymmetrically polarized on scales 1-5, or the deviation is heavily polarized only on grades 5 and 4, and the average value is 4.67.

We could draw lines, which everyone in the department values the processes highly, and value the need of them due to the complexity of the department’s business and requirements.

*Figure 24. Statement regarding question 8. Sufficient resources are allocated for personal development programs.*

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<tr>
<td>Count</td>
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<td>24</td>
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*Figure 25. Skewness Distribution. (Not in the exact scale)*
Entropy value is 1.91 of 2.32, which states that result deviation is unsymmetrically polarized on scales 1-5, or the deviation is heavily polarized only on grade 3, and the average value is 3.

It seems that someones are very satisfied with the programs and some others think differently.

Development programs modify or transfer knowledge, attitudes or skills through learning. The need for personal training can vary a lot, to maintain a knowledge, or meet changed situation, demands, new technologies, and approaches.

Figure 26. Statement regarding question 9. Organizational goals are supported by sound decision.

Figure 27. Skewness Distribution. (Not in the exact scale)
Entropy value is 1.73 of 2.32, which states that result deviation is lightly unsymmetrically polarized on scales 2-5, and the deviation is mainly polarized on grades 3, and 4, the average value is 3.46.

50 percent of responses agree or strongly agree with the statement, and 47 percent of recipients are indifferent or are against the statement.

Decision process can be depicted as the monitoring system which allows the organization to grow. The decision process has a goal, which is divided into steps to follow organization’s objectives, mission, and vision.

Figure 28. Statement regarding question 10. The system process has a clear action plan.

Figure 29. Skewness Distribution. (Not in the exact scale)
Entropy value is 1.53 of 2.32, which states that result deviation is lightly unsymmetrically polarized on scales 3-5, and the deviation is mainly polarized on grades 3, 4, and 5, the average value is 4.17.

80 percent of responses agree or strongly agree with the statement, and 21 percent of recipients do not agree or disagree with the statement.

None of the responses were against the statement. Hence we could say that the system processes are clear.

Strategy touches most management areas in the organizations from leadership to implement the strategy. Contemplating the organization’s strategy helps employees in conducting their responsibilities.

The median value for strategy was four, and the average value was 3.69 in total for question pattern. The weakest value 3 was on the question eight, which concerned the question of personal development programs.

The strategy element has strong correlation with shared value element, style element, and skills element. The weakest correlation is with structure, and other elements were more or less neutral. However, the strategy element has the weakest correlation while comparing the other elements.

7.4 Structure Element

The structure represents the way business divisions and units are organized and includes the information about who is accountable to whom. The structure is one element in the McKinsey’s 7s, which were discoursed in the previous chapter.

The chart below is a combination of survey questions 11 to 15, and therefore it represents one element of the McKinsey 7s, the structure.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.
The chart was formed by concluding all the numerical results of questions 11 to 15 and combined into one chart to reveal an overall understanding of the question topic.

Figure 30. Structure Element regarding questions 11-15.

Figure 30. Skewness Distribution. (Not in the exact scale)

Department`s structure statement distribution is lightly unsymmetrical deviated, and the emphasis is luckily on value 4. The response rate of 5 and 4 covers 53 percent, and 18 percent of responses disagree. The average value is 3.44.
7.4.1 Research Results on Structure

Figure 32. **Statement regarding question 11.** Recent process changes in the department have resulted in process destabilization.

[Chart showing pie graph with percentages]

Figure 33. **Skewness Distribution.** (Not in the exact scale)

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</table>

Entropy value is 1.74 of 2.32, which states that result deviation is lightly unsymmetrically polarized on scales 3-4, and the deviation is mainly polarized on grades 2, 3, and 4. The average value is 3.25.

46 percent of the responses agree or strongly agree with the statement, and 29 percent of the responses do not agree or disagree with the statement, and 25 percent of the responses disagree with the statement.
It seems that in the organization exists some destabilizing forces, which may originate from either inside or outside, the harm the balance of the organization.

*Figure 34. Statement Result regarding question 12.* The improved system process has implemented quality and continuous improvement initiatives.

![Pie chart showing distribution](image)

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<th>Statistics</th>
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<tr>
<td>Count</td>
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<td>24</td>
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</table>

*Figure 35. Skewness Distribution. (Not in the exact scale)*

Entropy value is 1.33 of 2.32, which states that result deviation is lightly unsymmetrically, and polarized on scales 3-4, and the deviation is mainly polarized on grades 2, 3, and 4. The average value is 3.38.

System improvement in an integration process leads to a continuous work to expose and eliminate main causes of difficulties.
Figure 36. Statement Result regarding question 13. The internal organizational analysis report is done on a regular basis in the department.

Figure 37. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.78 of 2.32, and skewness values is -0.86, which states that result deviation is lightly unsymmetrical, and main polarization is on scales 3-4, and the deviation is mainly polarized on grades 2, 3, and 4. However, every scale is represented in the statement. The average value is 3.38.

Organizational analysis provides information about organizational weaknesses and strengths that affect the function of the organization. Organizational analysis also assesses external and internal elements that affect the organization. The assessment provides areas for improvement and data to choose wanted strategies to achieve business goals.
Figure 38. Statement Result regarding question 14. Resource policies and procedures shape the manner in which work is performed in the department.

Figure 39. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.95 of 2.32, and skewness values is -0.37, which states that result deviation is symmetrically, and main polarization is on scales 4-5, and the deviation is quite equally polarized on grades 2, 3, 4 and 5. The average value is 3.75.

Resource policies and procedures shape the organization’s processes to conduct business to improve efficiency.
**Figure 40. Statement Result regarding question 15.** The department has a “flat” organizational structure.

![Pie chart showing distribution of responses]

**Figure 41. Skewness Distribution.** (Not in the exact scale)

Entropy value is 1.68 of 2.32, and skewness values is -0.53, which states that result deviation is lightly unsymmetrically, and main polarization is on scales 4-5, and the deviation is quite equally polarized on grades 2, 3, 4 and 5. The average value is 3.5.

Organization structure enables the organization’s resource planning, communication and command lines, and the most of all, the structure lays grounds to operate viably in the business.

The average value on structure is 3.44, and all questions seems to be in line with each other. The structure question pattern is in line with research framework. However, question values concerning processes and process
changes were little bit lower than the other three questions, which can indicate that the conducted process changes have not been adjusted yet.

The structure element correlated quite neutral regarding the other elements. The correlation was little bit weak with style element, and little bit strong with the skills element. However, the structure element was integrated the weakest regarding the other elements.

7.5 Style Element

Style represents management style, how management interacts, implement action and how management is valued.

The style is one element in the McKinsey’s 7s, which were discoursed in the previous chapter.

The chart below is a combination of survey questions 16 to 20, and therefore it represents one of the McKinsey’s elements, the style.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.

The chart was formed by concluding all the numerical results of questions 16 to 20 and combined into one chart to reveal an overall understanding of the question topic.
**Figure 42. Style Element regarding questions 16-20.**

**Figure 43. Skewness Distribution. (Not in the exact scale)**

Department’s style statement distribution is lightly unsymmetrical deviated, and the emphasis is luckily on value 4. The response rate of 5 and 4 covers 48 percent, and 25 percent of responses are on values 2 and 1, disagree or strongly disagree. Average value is 3.26.
7.5.1 Research Results on Structure

*Figure 44. Statement regarding question 16. My managers provide regular feedback to me in respect to my general performance.*

![Pie chart showing feedback distribution](image)

<table>
<thead>
<tr>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
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<td>24</td>
<td>2.83</td>
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<td>1.31</td>
<td>-0.17</td>
<td>-1.04</td>
<td>2.13</td>
</tr>
</tbody>
</table>

*Figure 45. Skewness Distribution. (Not in the exact scale)*

Entropy value is 2.13 of 2.32, and skewness values is -0.17, which states that result deviation is strongly symmetrically, and main polarization is on scales 4, 3 and 1 and the deviation is polarized on every. The average value is 2.83.

Usually, effective results and goals are reached by providing parallel feedback to employees and management, when the manager and the employee work together and ensure the wanted outcome.
Figure 46. Statement regarding question 17. The input of personnel is valued during process decision making.

The input of personnel is valued during process decision making.

![Pie Chart with Percentages](chart.png)

Figure 47. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.74 of 2.32, and skewness values is -0.65, which states that the result deviation is unsymmetrically, and main polarization is on scale 4, and the deviation is polarized on every scale. The average value is 3.29.

If employees can take part in the decision-making process, the results from the decision-making process may strengthen the organization`s bond with the employees. Also, problems which otherwise could have hindered are revealed by taking employees onboard on decision making.
Figure 48. Statement regarding question 18. The atmosphere in the department is conducive to teamwork.

The entropy value is 1.92 of 2.32, and skewness values is 0.08, which states that result deviation is symmetrically, and main polarization is on scale 4, 3, and 2, and the deviation is polarized on every scale, excluding scale 1. The average value is 3.33.

When employees feel that they are not treated equally, they will not take full part of teamwork or on their duties. A closed can working environment result in increased personnel turnover, low employee morale, and increased absences.
Figure 50. Statement regarding question 19. There is room for innovation and creativity in the department.

![Pie Chart](image)

Figure 51. Skewness Distribution. (Not in the exact scale)

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<tr>
<th>Count</th>
<th>Average</th>
<th>Confidence Interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
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<td>3.46</td>
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<td>4</td>
<td>1.02</td>
<td>-0.55</td>
<td>0.11</td>
<td>1.99</td>
</tr>
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</table>

The entropy value is 1.99 of 2.32, and skewness values is -0.55, which states that result deviation is lightly unsymmetrically, and main polarization is on scale 4, 3, and 2, and the deviation is polarized on every scale. The average value is 3.46.

Innovative and creative organizations use innovative ideas to innovate new services, products or applications. Those organizations tend to differ themselves from rival organizations rather than compete with them.
Figure 52. Statement regarding question 20. Mistakes are tolerated as a part of the learning curve.

![Pie chart showing percentage distribution](image)

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<tr>
<th>Statistics</th>
<th>Count</th>
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<th>Confidence interval</th>
<th>Median</th>
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<th>Kurtosis</th>
<th>Entropy</th>
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<td>24</td>
<td>3.42</td>
<td>3.03 – 3.81</td>
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<td>0.97</td>
<td>-0.67</td>
<td>0.34</td>
<td>1.9</td>
</tr>
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</table>

Figure 53. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.9 of 2.32, and skewness values is -0.67, which states that result deviation is lightly unsymmetrically, and main polarization is on scale 4, and 3, and the deviation is polarized on every scale. The average value is 3.42.

A learning curve can be depicted as a process while one develops a new skill by learning from the mistakes. A steep learning curve represents a quick learning skill.

Style represents the management style and accounts personnel leading and motivating.
The average value on style is 3.26, The questions regarding style are valued over three, except the question concerning feedback provided by a manager, which was valued less than three.

The style element has the strongest correlation with the skills element and the weakest correlation with the structure element. The other elements were more or less neutral regarding the style element, and the style element was strongly integrated regarding the within other style questions.

7.6 Staff Element

Staff element predicts the organization`s recruiting policies and needs, how organizations rewards, trains and recruits motivates employees. Staff is one element in the McKinsey`s 7s, which were discoursed in the previous chapter.

The chart below is a combination of survey questions 21 to 25, and therefore it represents one of the McKinsey`s element, the staff.

The chart was formed by concluding all the numerical results of questions 21 to 25 and combined into one chart to reveal an overall understanding of the question topic.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.
Figure 54. Style Element regarding questions 21-25.

Statistics

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<tr>
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<td>3.43</td>
<td>3.25 – 3.61</td>
<td>4</td>
<td>1.01</td>
</tr>
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</table>

Figure 55. Skewness Distribution. (Not in the exact scale)

Department`s staff statement distribution is lightly unsymmetrical deviated, and the emphasis is luckily on value 4. The response rate of 5 and 4 covers 56 percent, and 20 percent of responses are on values 2 and 1, disagree or strongly disagree. Average value is 3.43.
7.6.1 Research Results on Staff

*Figure 56. Statement regarding question 21. The department has a low personnel turnover rate.*

*Figure 57. Skewness Distribution. (Not in the exact scale)*

Entropy value is 1.65 of 2.32, and skewness values is 0.48, which states that result deviation is lightly symmetrically, and main polarization is on scales 3 and 2 and the deviation is polarized on every value. The average value is 2.29.

Low personnel turnover is an asset on the business. High personnel turnover is usually disadvantageous, however, if the employees who are leaving are the ones, whose leaving is a wanted outcome, the turnover
can be a good change. High personnel turnover can result in inferior services and experiences due to inexperienced employees.

*Figure 58. Statement regarding question 22.* The department appoints personnel from diverse backgrounds.

![Pie chart showing distribution of personnel backgrounds](image)

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
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<tr>
<td></td>
<td>24</td>
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<td>3.77 – 4.39</td>
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<td>0.78</td>
<td>-0.76</td>
<td>0.92</td>
<td>1.56</td>
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</table>

*Figure 59. Skewness Distribution.* (Not in the exact scale)

Entropy value is 1.56 of 2.32, and the skewness values is -0.76, which states that result deviation is lightly unsymmetrically, and main polarization is on scales 5 and 4, and the deviation is polarized on every value. The average value is 4.08.
Employees from diverse background usually have a various selection of different talents and skills, which widens the organization’s performance.

*Figure 60. Statement regarding question 23. The department employs skilled personnel.*

<table>
<thead>
<tr>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
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<td>3.82 – 4.34</td>
<td>4</td>
<td>0.65</td>
<td>-0.08</td>
<td>-0.42</td>
<td>1.38</td>
</tr>
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</table>

*Figure 61. Skewness Distribution. (Not in the exact scale)*

Entropy value is 1.38 of 2.32, and the skewness values is -0.08, which states that result deviation is symmetrically, and main polarization is on scales 5 and 4, and the deviation is polarized on every value. The average value is 4.08.
Employees are the main core of any successful company, without a high performance a company will not probably keep good and high standards, and a high performance requires competent employees.

Effective recruiting using successful recruiting practices on the applicants is a way to have competent employees.

*Figure 62. Statement regarding question 24. There are opportunities for advancement in the organization.*

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<thead>
<tr>
<th>Statistics</th>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
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<td>1.03</td>
<td>-0.01</td>
<td>-0.54</td>
<td>2.04</td>
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</table>

*Figure 63. Skewness Distribution. (Not in the exact scale)*

Entropy value is 2.04 of 2.32, and the skewness values is -0.01, which states that result deviation is symmetrical, and main polarization is on
scales 5, 4 and 3, and the deviation is polarized on every value. The average value is 3.13.

Opportunities for advancement in the organization is basically an opportunity to advance to a higher position in the organization or be given more responsibilities. Advancement opportunities can be very important motivating force for the employees.

*Figure 64. Statement regarding question 25.* The department's needs are reflected in the skills of its personnel.

![Pie chart](image)

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
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<th>Kurtosis</th>
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<td>3.38</td>
<td>3.02 – 3.73</td>
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<td>0.88</td>
<td>-0.01</td>
<td>-0.57</td>
<td>1.79</td>
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*Figure 65. Skewness Distribution. (Not in the exact scale)*

Entropy value is 1.79 of 2.32, and the skewness values is -0.01, which states that result deviation is symmetrical, and main polarization is on
scales 4, 3 and 2, and the deviation is polarized on every value. The average value is 3.38.

Personnel has an important part of the future success or failure of a business. The most important business sections, the quality of business processes, decisions, innovations, and relationships depend heavily on staff.

The average value on staff is 3.43. The questions regarding personnel competitiveness are valued over four, and career options between three and four, and the personnel turnover is less than three. This can suggest a weak link between competent employees seeking other career options if they feel that their need for professional development is not fulfilled.

The staff element has the strongest correlation with the skills element and the weakest correlation with the shared values element; the other elements correlate quite neutral with the staff element.

7.7 Skills Element

Skills element is the abilities that firm’s employees perform very well. Skills is one element in the McKinsey’s 7s, which were discoursed in the previous chapter.

The chart was formed by concluding all the numerical results of questions 26 to 30 and combined into one chart to reveal an overall understanding of the question topic.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.
Statistics

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<th>Count</th>
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<td>3.16 – 3.49</td>
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<td>0.9</td>
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</table>

Figure 67. Skewness Distribution. (Not in the exact scale)

Department’s skills statement distribution is lightly unsymmetrical deviated, and the emphasis is on values 4 and 3. The response rate of 4 and 3 covers 75 percent, and 20 percent of responses are on values 2 and 1, disagree or strongly disagree. The average value is 3.33.
7.7.1 Research Results on Skills

*Figure 68. Statement regarding question 26. There are opportunities for career development within the organization.*

![Pie chart showing distribution of responses]

*Figure 69. Skewness Distribution. (Not in the exact scale)*

<table>
<thead>
<tr>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
</tr>
</thead>
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<tr>
<td>24</td>
<td>3.58</td>
<td>3.25 – 3.92</td>
<td>4</td>
<td>0.83</td>
<td>-0.54</td>
<td>-0.1</td>
<td>1.65</td>
</tr>
</tbody>
</table>

Entropy value is 1.65 of 2.32, and the skewness values is -0.54, which states that result deviation is lightly unsymmetrical, and main polarization is on scales 4, 3 and 2, and the deviation is polarized on every value. The average value is 3.38.

Opportunities for career development is also a way to be given more responsibilities and hence improve the opportunities to advance a higher position. Career development can also be a very important motivating force for the employees.
Figure 70. Statement regarding question 27. Personnel skills are enhanced through training.

![Pie chart showing distribution of skills improvement](image)

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24</td>
<td>3.46</td>
<td>3.15 – 3.77</td>
<td>4</td>
<td>0.78</td>
<td>-0.45</td>
<td>-0.28</td>
<td>1.59</td>
</tr>
</tbody>
</table>

Figure 71. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.59 of 2.32, and the skewness values is -0.45, which states that result deviation is lightly unsymmetrical, and main polarization is on scales 4 and 2, and the deviation is polarized on almost every value. The average value is 3.46.

Personnel skills improvement usually involves developing a new skill that improves employee’s work performance. Work improvement can mean to apply a new skill on work functions, and it, therefore, leads to work improvement.
Figure 72. Statement regarding question 28. Skill development is rewarded in the organization.

Figure 73. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.46 of 2.32, and the skewness values is -0.7, which states that result deviation is lightly unsymmetrical, and main polarization is on scales 3 and 2, and the deviation is polarized on every value. The average value is 2.58.

Skill development adds value for the organization and the employee’s career development. Learning and developing new skills requires employee to put an effort and motivation for development.
Figure 74. Statement regarding question 29. Experience is valued in the processes.

![Pie Chart]

Figure 75. Skewness Distribution. (Not in the exact scale)

<table>
<thead>
<tr>
<th>Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>24</td>
</tr>
</tbody>
</table>

Entropy value is 1.83 of 2.32, and the skewness values is -0.12, which states that result deviation is symmetrical, and main polarization is on scales 4, 3 and 2, and the deviation is polarized on every value. The average value is 3.33.

Experienced employees create value for the organization by having a better understanding of the processes. Younger generation learn from them, experienced employees adjust themselves easier to a working culture as less-experienced employee.
An organization needs its personnel skills to sustain in a changing world. Organizations are typically structured by the skills of the organizations and the needs of the organization.

The average value on structure is 3.33, The questions regarding personnel skills are valued over three, except the question concerning rewarding skills development, which was valued less than three that can form a weak link between competent employees seeking other career options if they feel that the organization does not reward their professional development.

The skills element has the strongest element with the style element and the shared element, and the weakest correlation with the structure and the system element, the other elements were neutral regarding the skills element.

7.8 System Element

Systems predict the daily procedures and processes in the organization. The system is one of the elements in the McKinsey’s 7s, which were discoursed in the previous chapter.

The chart below is a combination of survey questions 31 to 35, and therefore it represents one of the McKinsey’s elements, the system.

The chart was formed by concluding all the numerical results of questions 31 to 35 and combined them into one chart to reveal an overall understanding of the question topic.

The questionnaire rating scale is 5 - 1: five as Strongly agree, four as Agree, three as Neither agree nor disagree, two as Disagree and one as Strongly disagree.
Figure 76. Style Element regarding questions 30-35

Department’s element statement distribution deviates lightly unsymmetrically, and the emphasis is on values 4 and 3. The response rate of 4 and 3 covers 76 percent, and 12 percent of responses are on values 2 and 1, disagree or strongly disagree. The average value is 3.47.

Statistic

<table>
<thead>
<tr>
<th>Count</th>
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<th>Median</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>120</td>
<td>3.47</td>
<td>3.3 – 3.64</td>
<td>4</td>
<td>0.95</td>
</tr>
</tbody>
</table>

Figure 77. Skewness Distribution. (Not in the exact scale)
7.8.1 Research Results on System

*Figure 78. Statement regarding question 30. Employees perform specific tasks that aid to improvements in the department.*

![Pie chart](image1)

<table>
<thead>
<tr>
<th>Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Count</strong></td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>24</td>
</tr>
</tbody>
</table>

*Figure 79. Skewness Distribution. (Not in exact scale)*

Entropy value is 1.60 of 2.32, and the skewness values is -0.69, which states that result deviation is lightly unsymmetrical, and the main polarization is on scales 4 and 3, and the deviation is polarized on every value, except scale 1. The average value is 3.63.

Specific tasks are usually used in the organizations to mitigate defects in any system process. One way to measure the process is to use DMAIC method, in which stands for define, measure, analyze, improve and control.
Figure 80. Statement regarding question 31. I understand the impact of my decisions on department processes.

Figure 81. Skewness Distribution. (Not in exact scale)

Entropy value is 1.45 of 2.32, and the skewness values is -0.05, which states that result deviation is symmetrical, and the main polarization is on scales 4 (54 %), and the rest of the deviation is polarized on values 5 (25 %) and 3 (21 %), except scales 2 and 1. The average value is 4.04.

Employee understands the issues impacting the business processes on the organization, and on the performance of the organization.
Figure 82. Statement regarding question 32. There are clear guidelines on how tasks should be performed.

Figure 83. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.94 of 2.32, and the skewness values is -0.78, which states that result deviation is unsymmetrical, and the main polarization is on scales 4 (46 %), and the rest of the deviation is polarized on values 5 (17 %), 3 (25 %), and scales 2 and 1 (12%). The average value is 3.63.

Clear work instructions and guidelines help to avoid human errors, which in the worst case can result in injuries, and cost time and time, not to forget the personal injury.
Figure 84. Statement regarding question 33. In the organization, personnel appointments are based on the outcome of the structured interview.

![Pie chart](image)

**Statistics**

<table>
<thead>
<tr>
<th>Count</th>
<th>Average</th>
<th>Confidence interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>3.08</td>
<td>2.8 – 3.37</td>
<td>3</td>
<td>0.72</td>
<td>-0.9</td>
<td>2.07</td>
<td>1.41</td>
</tr>
</tbody>
</table>

Figure 85. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.41 of 2.32, and the skewness values is -0.9, which states that result deviation is highly unsymmetrical, and the main polarization is on scales 3 (62 %), and the rest of the deviation is polarized on values 5 (17 %), 3 (25 %), and scales 2 and 1 (12%). The average value is 3.63.

The structured interviews provide fundamental information as well as advice to help managers to get the most of it out of interviews.
Figure 86. Statement regarding question 34. All the processes in the organization are documented (e.g., Policies, flow charts, standard operating procedures, protocols, etc.)

Figure 87. Skewness Distribution. (Not in the exact scale)

Entropy value is 2.02 of 2.32, and the skewness values is -0.59, which states that the result deviation is lightly unsymmetrical, and the main polarization is on scale 4 (42 %), and the rest of the deviation is polarized on values 5 (17 %), 3 (25 %), and scales 2 and 1 (16%). The average value is 3.54.

A process document is an internal process documentation which reveals how the processes are implemented, and process assessment is more about what are the process consequences. Process documentation tells the current state of organization and help to improve it.
Figure 88. Statement regarding question 35. Communication procedures improve the quality of organizational initiatives.

![Pie chart showing distribution](image)

<table>
<thead>
<tr>
<th>Statistics</th>
<th>Count</th>
<th>Average</th>
<th>Confidence Interval</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Entropy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24</td>
<td>3.29</td>
<td>2.93 – 3.65</td>
<td>3</td>
<td>0.91</td>
<td>-0.65</td>
<td>0.47</td>
<td>1.81</td>
</tr>
</tbody>
</table>

Figure 89. Skewness Distribution. (Not in the exact scale)

Entropy value is 1.81 of 2.32, and the skewness values is -0.65, which states that result deviation is lightly unsymmetrical, and the main polarization is on scales 4 (42 %), and the rest of the deviation is polarized on values 3 (37 %), and on values 5, 2 and 1 (20%). The average value is 3.29.

Communication procedures improve the quality of organizational initiatives. Data helps to make the story more compelling, and some quantification is needed to measure the implemented improvement and the impact. Visualizing and formalizing help to adjust the message, and frequency helps to reinforce the message
The structure element was the least correlated with the system element, and the strongest correlated with the style element. The other elements were more or less neutral regarding the system element.

36. Comments on the new system workflow

14 respondents left comments on the open question field regarding the new system workflow. The original comments can be found in the appendix 3.

Some topics rise from the responses.

The used process vocabulary should be synchronized, and communication on the process should be increased.

The process itself is good and needs a little bit of improvement and time before the advantages are noticed.

The process itself takes some time due to the complexity of the system, which can cause some problems for a new user.

The superiors have had disagreements on the process, which has caused some confusion.

Couple respondents felt that the workflow tasks and models between personnel still cause confusion, and some information is kept secret.

7.9 Interviews

Interviews were conducted on the base of the Mckinsey 7s method in the organization after seven months of the first survey.

The interviews concerned the seven elements of the Mckinsey 7s framework; the respondents were asked to compare the current situation with the situation when the first survey was conducted. The respondents
represented whole organization from different teams and management levels.

Some respondents find that the organization is strategically functioning more and more on the matrix-type -level, which means that the different teams are more and more specialized on their special areas and there are not so much shared duties anymore. However, every responded uses the same working platform for their everyday task.

Several interviewees pointed out that the working processes have developed enormously, from manual working methods to semi-artificial intelligence methods, and the development of artificial intelligence development methods are not going to stop evolving.

One interviewee stated the system and working process development is constantly running, and couple employees main duties regard system development due to rapidly increasing workload. The workload is now beyond human capacity, and the solution must be solved through artificial intelligence.

System administrators are constantly developing the system and workflow processes.

Some of the interviewees stated that the organization functions now more efficiently, and the quality of the different processes had increased. Workload has increased, and the resources are the same as before the organizational change. The main duties are more shattered and require special knowledge which combined with the increased workload requires some organizational changes and adjustments.

However, one team pointed out that their duties were broadened, some duties were automatized, and new duties were added, which the other teams conducted previously. As the duties have specialized some interviewees stated that the duties have also a little bit became more at the double and monotone.
Artificial intelligence was deployed due to enormously increase in workload, which caused some changes on the processes.

7.10 Cross-analysis

Eisenhardt (1989, 532 - 550) states that the data can be analyzed in case study by categorizing different elements, in which several different links and differences can be detected. Several elements can be compared together, which can reveal new links and aspects. In the following figure, the interviews are analyzed.

<table>
<thead>
<tr>
<th>McKinsey 7s Elements</th>
<th>Positive Attribute</th>
<th>Negative Attributes</th>
</tr>
</thead>
</table>
| Shared Values        | - Integrates the employees.  
|                      | - Gives mission for employees.  
|                      | - Employment engagement  
|                      | - Sharing already created values | - Some employees feel a little bit segregated. |
| Strategy             | - Guides the work.  
|                      | - Clarifies the mission and long-term plans. | - Some employees do not know the strategy. |
| Structure            | - Everyone has their specific role | - Interconnecting with other teams can, in some cases, be weak. |
| Style                | - Motivational guiding  
|                      | - Inspiring guiding  
|                      | - Trusting | - Management can be confusing sometimes. |
| Staff                | - Motivated personnel  
|                      | - Skilled personnel | - High personnel turnover |
| Skills               | - Most of the personnel has a higher degree. | - Personal development is not rewarded |
Shared Value

Shared Value median in the pre-survey was four, which is in the same line with the interviews, and the median is on a good balance according the framework, the McKinsey 7s. One explanation for the deviation around the median could be the feeling of segregation by some employees. Some employees felt that teams are treated differently and unequally, which should not be possible due to strict legislation on the matter.

The strongest correlation to shared elements was with the strategy element, and the weakest correlation with the shared values element was with the style element, and the other elements regarding shared element were more or less neutral.

The single observation is that it seems that style element, which represents management, does not support the shared element.

Recommendations for the shared values could be to conduct personal conversations to detect the main points which cause the feeling of segregation for some employees, and which topics of the management do not support the shared values -element.
**Strategy**

The strategy median in the pre-survey was four, and most of the employees have been in the organization for several years, and the main points of the strategy is quite clear, some of the new ones in the organization did not see the strategy as clear as it should be, or they felt so.

The strategy element has strong correlation with shared value element, style element, and skills element. The weakest correlation is with the structure element, which represents the organization or department, and other elements were more or less neutral. However, the strategy element correlation itself has the weakest correlation value while comparing the other elements.

Recommendations for the strategic value could be to publish online organization’s strategy points and what are the wanted outcomes for what the department is thriving.

**Structure**

The structure represents the way business divisions and units are organized and includes the information about who is accountable to whom.

The average value on structure is 3.44, and all questions seems to be in line with each other. The structure question pattern is in line with research framework. However, question values concerning processes and process changes were little bit lower than the other three questions, which can indicate that the conducted process changes have not been adjusted yet.

The structure element correlated quite neutral regarding the other elements. The correlation was little bit weak with style element, and little bit strong with the skills element. However, the structure element was integrated the weakest regarding the other elements.
In the interviews some respondents stated that the command line is a little bit incoherent sometimes, thereby an command line assessment would be one option to align the structure element.

**Style**

Style represents the management style and accounts personnel leading and motivating.

The style element has the strongest correlation with the skills element and the weakest correlation with the structure element. The other elements were more or less neutral regarding the style element, and the style element was strongly integrated regarding the within other style questions.

The average value on style is 3.26, the questions regarding style are valued over three, except the question concerning feedback provided by a manager, which was valued less than three.

The style element has the strongest correlation with the skills element and the weakest correlation with the structure element. The other elements were more or less neutral regarding the style element, and the style element was integrated the most strongly regarding the with other elements, which implicates that the management and motivating itself is in line. However, the question arises, is the management in line with the rest of the elements.

One recommendations could be to conduct an assessment to align the style element in line with the structure element.
Staff

Personnel has an important part of the future success or failure of a business. The most important business sections, the quality of business processes, decisions, innovations, and relationships depend heavily on staff.

The average value on staff is 3.43. The questions regarding personnel competitiveness are valued over four, and career options between three and four, and the personnel turnover is less than three. In which can suggest a weak link between competent employees seeking other career options if they feel that their need for professional development is not fulfilled.

The staff element has the strongest correlation with the skills element and the weakest correlation with the shared element; the other elements correlate quite neutral with the staff element.

Skills

An organization needs its personnel skills to sustain in a changing world. Organizations are typically structured by the skills of the organizations and the needs of the organization.

The average value on the structure element is 3.33, The questions regarding personnel skills are valued over three, except the question concerning rewarding skills development, which was valued less than three.

This can suggest a weak link between employees seeking other career options if they feel that their professional development is not rewarded.

The skills element has the strongest element with the style element and the shared element, and the weakest correlation with the structure and the
system element, the other elements were neutral regarding the skills element.

System

The average value on the system element was 3.47, all questions regarding system were valued over three.

The structure element was the least correlated with the system element, and the strongest correlated with the style element. The other elements were more or less neutral regarding the system element.

The process itself is good and needs a little bit of improvement and time before the advantages are noticed, and the process takes some time due to the complexity of the system, which can cause some problems for a new user. The importance of coherent and clear process document which set clear and simple guidelines for user arises from the interviews.
7.11 Research Findings and Recommendations

In the research, from the topic analysis can be found that all interlinked elements are in a balance within the organizational framework. However, some differences occur which are not valued over or as three in the interlinked change management framework.

The biggest significance score value element was the shared values element with the average 3.75, and the smallest significance score value element was the style element with the average 3.26. Subsequently, we may say that there is no significant unbalance between interlinked elements in the researched organization. However, the score value of some statements was less than three, which can be stated as a threshold and indicates an unbalance in the McKinsey 7s-framework.

The assessed organization faced several changes during the time of this study. There were legal changes which directly affected the organization by providing new operating conditions and entrusted new task and thereby resulted in the major increase on workload.

The increased obligated workload, by 55 percent since last year, affecting the organization is still expected to increase in the same proportion next few years. The enormous change in the workload has shaped the working processes drastically, and the resources will probably stay at the same.

The solution to manage the changing environment has been to use process automation on various steps in the working processes, in which the organization has succeed. However efficacy and improved quality in some processes has subsequently resulted some unpleasantry among the employees due to high personnel turn over.
Recommendations for the organization to improve organization`s ability to hinder friction points regarding change management and conduct changes within the organization:

- Organization could arrange someone from the human resource department to conduct anonymous conversations within the employees to detect issues which matter the employees the most.

- Organization`s strategy points and what are the wanted outcomes for the department could be published online for every employee to clarify the strategy guidelines and to share the vision for everyone.

- Among some employees, there were a little bit confusion regarding the responsibilities and duties. Aligning duties and command line could establish some coherence on the topic.

The organization`s employment turnover ratio value was little bit over two which results that some pushing factors exists within the employees.

- Hiring right employees helps to lower the employee turnover ratio. Organization`s employees are highly skilled and motivated, by offering employees a career path gives employees a sense of direction and purpose to stay in the organization.

Organization`s process is on a good balance, due to complexity of the system, which can cause some problems for a new user. The importance of coherent and clear process document which set clear and simple guidelines build and preserve the knowledge and mitigate interpretation and human errors.
People feel organizational changes, whether the changes are small or big, quite differently. A small change can have a much bigger effect on an employee than an organization change, which restructures the organization. Change is constant, and it is a natural part of organizations if the change is welcomed and met openly.

Organizational changes, especially company fusions and subsequently caused layoffs are unfortunately common news. Every change is unique, and every listener hears it his or her way and probably quite differently than the team or board behind the change.

Organization`s working language can change, rivalries can turn into colleagues, organization`s name can change. An employee may have to be forced to move to a new living area or become unemployed.

For some employees, it is easy to fill into the new organization and adapt the new company missions and working methods. They can easily be part of the new organization and adjust themselves into new position. They may question some changes, but still, they comprehend the changes as improvement and are capable to reach new standards. Some can be indifferent toward changes, they are just happy to be employed, and some employees do not cope with small changes without heavy support.

The perspective of change predicts the change process and the level. A change process implemented by chair will probably affect whole company, while a change process conducted and implemented in a department probably have only effects in the department. The purpose of the change is, of course, to change something during a certain period.

The everyday changes are usually local and constant, although they are small however still significant. Daily minor constant changes bring awareness and experience on processes. When employees are adjusted to daily micro changes, the conducting of them is a natural way to improve
working processes. By doing this, the change conductors and implementors are interlinked and the same.

Usually, a change process starts when a new need or idea is recognized, malfunction or fault is detected. Whether the change is big or small, it is always a challenge. The unpredictability, mischievous or unpredictability of the change may challenge the superiors. A superior should be able to explain the change and its causes and consequences to subordinates.

A successful change needs, in addition to a superior, the commitment and the support of the board, which indicates that the change is needed.

Management must take action before the organization falls into crisis. An organization can prepare itself for crisis by planning strategic working structures for different situations, which enables organization to follow its mission and vision.
REFERENCES

Written Sources


Juuti, P. Organisaatiokäytäytänyminen. 2006. Otava


Electronic Sources


APPENDICES.

Appendix 1 - The Survey Attachment.

Appendix 2 – The Survey

Appendix 3 – The Survey Results

Appendix 4 – The Presentation Slides

Appendix 5 – The Correlation Pattern