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DELIVERING ON TIME

AN INVESTIGATION OF HOW TO FACILITATE DELIVERIES ON TIME
BECOMING A NORM WITHIN CHIVA

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ABSTRACT

In relation to the will of Chiva Corporation to enhance its performance at achieving projects, we investigate how the change strategy initiated in 2004 can be adapted in 2005 to facilitate deliveries on time becoming a norm within the organisation.

Adopting a human perspective on the implementation of change, we dissect interviews we conducted in two sites of the company – Stockholm, Sweden, and Paris, France. This allows us, first, to understand how the change implementation has proceeded on each site in 2004, and thereby notice significant disparities. Second, we identify several elements, which have supported deliveries on time in 2004, and explore the contribution of the change strategy used. Third, we warn about the meaning of the impressive results obtained by the organisation in 2004 on one of its main key performance indicators. Last, we develop the analysis of our previous findings, to ultimately give our recommendations for the adaptation of the change implementation strategy in 2005. These recommendations articulate around five stages, which can presumably help deliveries on time become a norm within Chiva.

Keywords: performance, project, change, deliveries, implementation

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INTRODUCTION

Before starting studying the Master of International Management (MIM) program one and a half years ago, both of us had promised ourselves that we were finished with our studies and it was time to move on to the working life. Yet, since we thought that the completion of the MIM program would give us a competitive advantage on the labour market, we changed our minds.

In the same way, organisations which are able to change can gain competitive advantages on the market. Organisational change can concern different aspects of an organisation, e.g. its structures, processes or culture. No matter what the aim of the change is, a vision is needed to set the direction for the change. As Gill (2003:312) expresses: “A vision is a desired future state: this is the basis for directing change effort”. Nevertheless, “without strategies for change, vision is a dream” (Gill, 2003:314). In line with its vision, the strategic objective chosen by Chiva¹ for 2004 was to reach a score of 80 percent in the Key Performance Index (KPI) Gates Passed On Time (GPOT).

As we came into the company in September 2004, the objective had been reached for the previous months of the year. Considering that the score during 2003 was around 40 percent, this was a remarkable performance. The DO team, created to find ways for the organisation to meet the strategic objective, had designed a program to implement a corresponding change in the organisation. Noticing the striking increase of the GPOT score, the DO team wanted to understand what had contributed to such a dramatic rise, and to find ways to even increase this score in the future.

¹ Due to confidentiality reasons, “Chiva” is used as a pseudonym for the actual name of our case company. For the same reason, some other information related to the company has also been changed in the report.

Problem

We were proposed the task to find out why the GPOT score could have raised so drastically in one year, and how to sustain the same score during the coming years, even if the strategic focus were not to be put on passing gates on time anymore.

Given this background, we were of the opinion that to make the organisation sustain the same score of GPOT during the coming years, there was a need to have an accurate change implementation strategy. We therefore decided to organise our study around the research problem: *"In 2005, how can the change implementation strategy be adapted in order to facilitate deliveries on time becoming a norm within Chiva?"*

It is important here to note two things. First, we believe that delivering on time can hardly be sustainable if nothing is truly changed in Chiva. Indeed, if the focus has been put on GPOT in 2004, it is logical to think that the organisation was failing at delivering on time before, and a change was therefore needed. As this change has to be sustainable, we consider it necessary that deliveries on time become ordinary, i.e. a norm in the organisation. Accordingly, our research problem deals with change management. However, it is made more specific by both aspects it encloses. The first aspect deals with the implementation process of a change (*"How can the change implementation strategy be adapted"*), while the second concerns the aim of the change, (*"in order to facilitate deliveries on time becoming a norm within Chiva?"*).

Second, we were tempted in the beginning of our study to investigate how to sustain a 80% GPOT score in the future. We finally chose not to mention about the GPOT score in the formulation of our problem, but to focus on deliveries on time instead. In fact, we discovered that there is a clear distinction between Gates Passed on Time and Deliveries on time. As we will see in the Chapter 3, one cannot conclude directly that more deliveries were on time in 2004 when more gates were passed on time. Consequently, we could not find a definite proof that sustaining a 80% GPOT score in the future would mean sustaining more deliveries on time. Indeed, GPOT is only a KPI, and as every measurement, it only reflects the evolution of a phenomenon. For us, the change strategy should therefore impact the phenomenon itself – deliveries on

time, and not its measurement – the GPOT score. Thus, for the change to be sustainable, we believe it is more relevant to have a change strategy focussing on how to integrate deliveries on time in the Chiva organisation than on how to sustain or increase the GPOT score.

Purpose

Our main purpose with this paper is to provide Chiva with useable information and judicious recommendations regarding our problem. To do this we will bring some theoretical considerations to Chiva, which help to better understand our observations and the situation in which the company finds itself when it comes to change implementation, deliveries on time and GPOT.

Our study will continuously consider two sites of Chiva, namely Stockholm and Paris. By doing so, we aim to take their previous experience of the change implementation and deliveries on time into account, learn from them, and come up with recommendations for both sites.

A more personal purpose of our study is for us to put in practice and extend the knowledge acquired during our master program. It is also an opportunity for us to see how concepts apply in an actual business setting.

Methodology

In deciding on an appropriate methodology we need to consider not only the various methods available but also the nature of the organisations that we are researching

-Stapley (1996:24)

Deciding on a perspective through which we would consider the nature of the Chiva organisation was an important element to get started with. We could have seen this company from an “organisational” point of view, looking at the processes and tools it uses. We could also have reduced Chiva to a black box generating outputs out of inputs. However, the perspective we have chosen at the very beginnings of our research was to consider Chiva from a “human” perspective. Thus, we consider Chiva as a group of individuals interacting with

each other, and it is from this perspective that we have tried to answer our research problem.

Gathering data

Keeping in mind our “human” perspective, we needed to find an accurate method for collecting empirical data. Many methods were available, but we chose to conduct qualitative interviews. Indeed, according to Svensson & Starrin (1996), the aim of a qualitative research is to identify or explore a phenomenon, which is not yet known. Since our research problem had never been formally investigated in Chiva before, we had to find ourselves hints about the possible solutions to it. In this sense, our study has been a qualitative research. Svensson & Starrin (1996) argue that for this kind of research, qualitative interviews are the best means to be used.

To get a picture as complete as possible, it seemed necessary to us to get information from every hierarchical level of the company. In order to manage it within the given time frame, we contacted various people in the organisation. Totally, we performed 29 qualitative interviews involving 32 interviewees, where both authors were present. 26 of those 29 interviews were individual and 3 interviews were made with two interviewees at the same time.

When we designed our interview questions, we always kept in mind two major aspects:

- the need to get information from all the interviewees about each aspect of our problem (change implementation and deliveries on time)
- the need to adapt the questions to the specificities of the interviewees (position, hierarchical level, etc.)

However, even if we used our questionnaires¹ as guidelines during our interviews, we always tried to avoid framing the interview with settled questions. We privileged structured discussions, in order to get hints about “softer” aspects, which has partly contributed to let us get in touch with more sensitive issues.

¹ c.f. Questionnaires in Appendix

As one of our purposes is to learn from the experiences of both sites Paris and Stockholm, we have balanced our interviews between each site. Totally, we interviewed 15 French employees about the Paris site, 14 Swedes about the Stockholm site, and 4 persons who have a continental view on the organisation due to their function.

The following table shows the repartition of our interviewees between the sites and hierarchical levels (please refer to the Figure 18 in Appendix).

	N	N-1 or eq ¹	N-2 or eq	N-3 or eq	N-4 or eq	N-5 or eq	N-6 or eq
Stockholm		2	4		1	2	5
Paris		2	3	2	1	2	4
Europe		1	3				
17 “Top-managers”					15 “Co-workers”		

Table 1. Summary table of the interviewees met, according to their formal hierarchical level or equivalent, and the site considered during their interview

As mentioned earlier, the number of people interviewed is approximately the same in Paris and Stockholm. This balance also applies to the kind of positions held by our interviewees: we tried to interview as many site counterparts as possible, so that the data gathered at each site is comparable.

Grouping the interviewees

As can be noticed in the Table 1, we have grouped the interviewees within two clusters, namely “top-managers” (levels N to N-3 or eq) and “co-workers” (levels N-4 or eq to N-6 or eq). Given the scale on which our interviewees are spread, we considered from an early stage in our process that it would be interesting to find a simple and accurate clustering of them. This was aimed at simplifying the presentation of our data and in turn easing the understanding for the reader.

¹ Some of the people we interviewed might not belong to a certain hierarchical level, but their responsibility in the organisation is equivalent (“eq”) to employees being at this certain hierarchical level

Ethical concerns

The reader certainly observed that we did not mention any name in the Table 1. Concealing our interviewees names, and avoiding as much as possible to mention their precise position has been one of our policies, in order to prevent any subversive use of the information they delivered to us. Additionally, we decided to refer to all the interviewees as men (using “he”, “his” and “him”), even if the interviewee was actually a woman. Indeed, a few aspects that were discussed in the interviews were rather sensitive, which to us justified the need for anonymity in this paper.

Limiting the subjectivity of the study

As our choice was to look at Chiva from a “human” perspective (c.f. the first paragraph of Methodology p.**Error! Bookmark not defined.**), our research mostly inscribes into the field of social studies. Hofstede (1980) compares social scientists to the blind men approaching the elephant in the Indian fable: all of them get an understanding of the specific issue they investigate, but none will ever get the understanding of the whole reality:

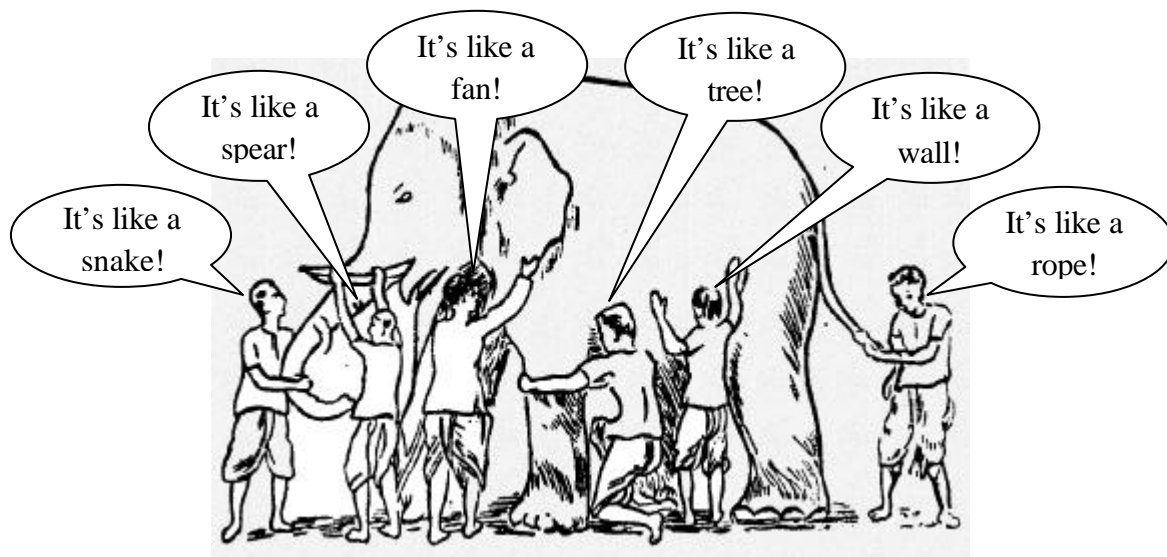


Figure 1. The blind men and the elephant ¹

Besides, Stapley (1996:24) mentions that a social study “*inevitably raises the well documented arguments about subjectivity and objectivity*”. We therefore needed to consider issues related to subjectivity.

¹ Picture from <http://www.jainworld.com/education/juniors/junles19.htm>

Subjectivity in social studies originates in two sources. First, the researcher himself introduces subjectivity in his study. As Hofstede (1980:15) mentions, “*we will always be subjective*”. It is useless to list all the research processes in which subjectivity interferes, because the only fact that research is made by human beings inexorably brings subjectivity in every step of the study. Indeed, it is unavoidable that bodily senses – which are the only enablers to get a perception of the reality investigated – alter the reality (Stapley, 1996). Second, the methods used for collecting data involve subjectivity, especially when interviews are conducted. In fact, interviewees themselves are subjective (they have their own and individual perception of the reality), and both the questions and behaviours of the interviewers have an influence on the interviewee and the information s/he delivers.

Stapley (1996) affirms that researchers should select methods, which will decrease at most the subjectivity in the research. Even if he consents that qualitative methods enable the researcher to deal “*with the many variables associated with human activity*” (Stapley, 1996:25), quantitative methods limit the influence of the researcher’s own subjectivity in the interpretation of the data.

However, Glaser & Strauss (1967) emphasise the necessity to use a qualitative approach. According to them, qualitative research is often the most adequate and efficient way to proceed, to get the type of information required of an empirical situation. It can therefore be concluded, as Stapley (1996) recommends, that researchers dealing with human organisations should combine both quantitative and qualitative methods.

Combining qualitative and quantitative approaches

As explained earlier, the choice we made to gather data was to conduct qualitative interviews, which in turn has provided us with qualitative data. Aware of subjectivity concerns and the recommendations from Stapley (1996), we have used both quantitative and qualitative approaches when analysing the empirical data. Practically, we used the method of *meaning categorisation* (Kvale, 1997) by quantifying the data we collected from the interviews, as long as that made sense. This first step was aimed at limiting as much as possible the impact of our own subjectivity regarding data. Then, the qualitative approach of

meaning concentration (Kvale, 1997) was used to analyse this quantified data, with the purpose of “digging” deeper into it.

For the substance for which a quantitative approach was senseless, we treated the data only with the qualitative approach of *meaning concentration* (Kvale, 1997), by summarising the most important factors mentioned during the interviews.

Generating a theoretical framework

To pertinently analyse the data we gathered, we needed to possess a set of theoretical notions suitable for our case. As our problem included two aspects – change implementation and deliveries on time – we had already defined the main theoretical fields which we would take a deeper look at. However, we chose not to select any set of theories within these fields before getting our first empirical data, because this would have been likely to frame us in our investigation. As Glaser & Strauss (1967:34) assert, having a preconceived opinion of which theories will cover the investigation is “*presumptuous [...] until the ‘first days in the field,’ at least, are over*”. Such a premature assumption would lead the researcher to force his/her data to fit the theories she/he pre-selected, and thereby neglect or fail to notice some important aspects (Glaser & Strauss, 1967).

The further we got in our interview process, the more we reduced the scope of our theory research. After the last interview, we spent some weeks on carefully selecting the appropriate theories. We ended up with three complementary theoretical parts, dealing with (1) the change implementation process, (2) deliveries on time and (3) the change of corporate culture.

Structure of the paper

Description of the structure

As we have described in the Problem (p.14), we have permanently organised our thesis work around the aspects of our problem: the change implementation process on one hand, and the deliveries on time on the other. However, both these aspects are interconnected, and even if we will treat them separately in the beginning of our paper, we will merge them in the end, as explained hereunder.

First aspect: The change implementation process

We believe that the GPOT focus of 2004 is mostly related to the will of the President of Chiva to introduce a change in the organisation. We will therefore spend time in our first research question to understand how the focus has been practically operated in the company in 2004, investigating the implementation processes in Paris and Stockholm. To be able to make this status, we will use both empirical data and a theoretical model of the change implementation process, which we constructed out of several normative studies.

Second aspect: Deliveries on time

Because the change implementation in Chiva has a clear goal (80% GPOT), we will consider goal setting issues, as one cannot expect a change without having a goal correctly set. Then, since the nature of the aim itself is to lead the organisation to deliver projects on time, we think that bringing into the picture time management and project management facets can be of interest. We will therefore present, in Chapter 2, a few theories which deal with goal setting and time / project management. This theoretical base will help us analyse what has contributed to make the organisation deliver on time in 2004.

Joining both aspects of our problem

After having made a status of the organisation concerning the change implementation processed in 2004 and what contributed to deliver on time, we needed to know if there was still a need for change. Indeed, one can wonder if

it is necessary to keep on trying to implement a change, if the organisation has already been able to raise from forty to eighty percent GPOT within one year. We therefore wished, in Chapter three, to find out what the raise of the GPOT score was really due to, in particular to what extent it reflects a sustainable improvement of deliveries on time.

In Chapter four, we will not conclude that the raise of the GPOT score means that deliveries on time have become a norm within Chiva. Therefore, in the end of Chapter five, we will come up with recommendations of how to adapt the change implementation process in 2005. These recommendations will follow a development of our thoughts regarding the first three chapters, using some theoretical concerns about culture.

Mapping of the structure

The purpose of Figure 2 below is to sum up the previous explanations and to map the main line of thought we had when structuring this paper. The arrows from the problem and purpose show how we separated the problem into the two main aspects of our paper, having a separate chapter dealing with each one of them (Chapter one and two). In these chapters we take into consideration a certain theoretical framework as well as empirical data. In the next chapter (Chapter three) we combine information from the two previous chapters and add some new elements to investigate the raise in GPOT from forty to eighty percent. Finally we develop our thoughts and give the recommendations of how to solve our problem in Chapter four.

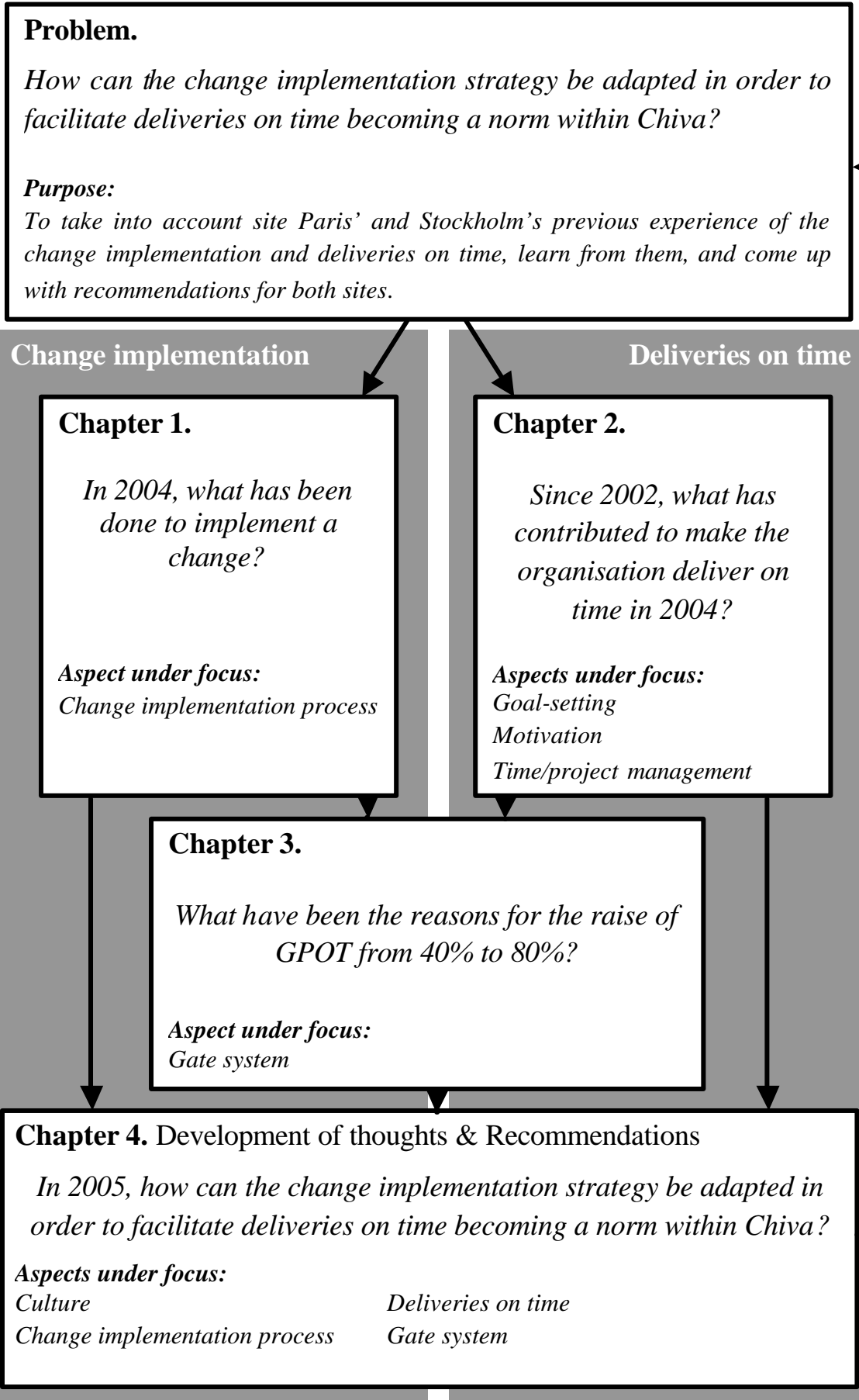


Figure 2. Structure of the Paper

As we have now explained our main line of thoughts when structuring our study, we will shortly summarise in Figure 3 below the content of each of the following chapters in this paper.

Chapter 1. In 2004, what has been done to implement a change?

This chapter investigates the change implementation efforts made during 2004 at the two different sites, Paris and Stockholm.

Chapter 2. Since 2002, what has contributed to make the organisation deliver on time in 2004?

This chapter presents what has been done so far in Paris and Stockholm, which contributed to delivering on time.

Chapter 3. What have been the reasons for the raise of GPOT from 40% to 80% ?

The aim of this chapter is to investigate the reasons for the raise in the GPOT scores, and thereby understand the relation between deliveries on time and GPOT score

Chapter 4. Development of thoughts and Recommendations:
“How can the change implementation strategy be adapted to facilitate deliveries on time becoming a norm within Chiva?”

In this chapter, we first develop our own thoughts regarding the first three chapters. Then we come up with recommendations of how to adapt the change implementation process in 2005

Figure 3. Content of the Chapters

CHAPTER ONE – IN 2004, WHAT HAS BEEN DONE TO IMPLEMENT A CHANGE?

THEORETICAL FRAMEWORK _____	26
Combining various conceptions into a continuous change implementation process	29
Depicturing the Continuous Change Implementation Process	35
PROCESSING OF THE EMPIRICAL DATA _____	37
Stage 1. Define the Change Vision and Change Implementation strategy	38
Stage 2. Share the change vision and the change strategy with all concerned partners	40
Stage 3. Implement the change cross-functionally	44
Stage 4. Take care of the outputs	48
Stage 5. Evaluate the change implementation process	51
CONCLUSION OF CHAPTER ONE _____	53
Paris	54
Stockholm	55

Since Chiva had reached its strategic objective during the first months of 2004, we wanted to find out what had been done in the organisation to implement a change. As the first part of our problem is *How the change implementation strategy can be adapted*, it seemed necessary to have a look at some existing theoretical change implementation processes.

Theoretical Framework

Numerous models have been elaborated to define how change should be implemented (e.g. Oden, 1997; Macmillan & Tampoe, 2000). Even if these models, by definition, are supposed to be commonly applicable, we did not find any change implementation process which fits all the particularities of our case. Therefore, we decided to build up our own change implementation process, basing on several different sources, among them both Noble (1999) and Ramquist & Eriksson (2000). Our purpose has been to provide ourselves and the reader with a tool as accurate as possible to analyse the data we collected and find answers to our problem. We started to have a look at formal theories, where the main model we chose to use was the model describing the process of strategy implementation by Noble (1999). In this model, the implementation of a strategy follows four major stages:

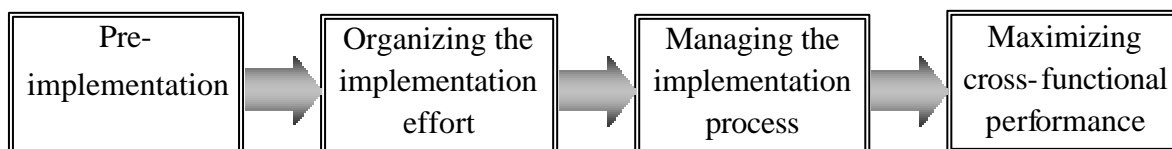


Figure 4. Implementation Stages and Cross-functional Issues (extract from Noble, 1999:21)

This model provided us with an interesting structure for an implementation process, but it remained on a too conceptual level and did not allow us to have the “human” perspective we desired. We therefore felt the need to complete it with other authors’ opinions regarding change implementation. Balogun & Jenkins (2003) and Jimmieson et al (2004), for instance, provided us with theories better considering the importance of employees in the change implementation process, which we used to complement the top-down implementation model from Noble (1999). After all it is the employees that need to adapt when a new strategy / a change is implemented.

However, this theoretical framework still seemed to be at a too abstract level. To make our theoretical framework more concrete and useful for our purpose, we considered the work done by Ramquist & Eriksson (2000). Ramquist and Eriksson are two consultants who during the past 20 years have worked with implementing change in various companies, following a “home made” change process. Ramquist and Eriksson (2000) have put together their experiences and described their thoughts about what can bring a change to fruition in a company in a book called “Manöverbarhet”. The information given in this book can be described as a practical theory, a theory based on 20 years of experience, something we thought filled the holes of a more concrete view in our theoretical framework. Ramquist & Eriksson (2000) base their ideas on a more organic view of change than Noble (1999), borrowing a theory concerning development from the field of thermo-dynamics, namely the theory of *complex living self-organising systems*.

Complex Living Self-Organising Systems

An open system is a system, which depends on its environment for survival (Hatch, 2002). A complex living self-organising system is an open system. The self-organising system is using and consuming energy, and must have a continuous interplay and exchange with its environment in order to maintain its function (Ramquist & Eriksson, 2000). The output of the system is foreseeable. Though, the details in the system are unpredictable, which leads to an extremely complex course of event (Ramquist & Eriksson, 2000). Each living system must also have a feedback from the output, and a part of the output must then be reused in order for the system to survive. The system needs an initial “energy kick” to start living and after that, one of the prerequisites is that there is an energy source for the system to use. Then, once the living process has started the system has an internal strive for survival, and will make resistance if somebody tries to disturb or damage it (Ramquist & Eriksson, 2000).

For example a candle needs to be lit to “start living” and consists of stearin, which oxidise in an incineration process. Stearin molecules react with oxygen molecules, parts of the energy then created will be used to heat and in turn melt more stearin molecules to the right temperature so they will be available to more oxidisation. The system is interacting with its environment in order to maintain its own existence. However, there is no computer capable of telling

which stearin molecule will be oxidised next, since this is the result of the random behaviour of all other parts in the flame – the flame is organising itself. (Ramquist & Eriksson, 2000).

When external changes take place, living systems often transform themselves, creating new features, which will make the system able to answer to the new demands of the environment. On the other hand, the system also fills a function in its environment, and is always a subsystem in a higher ranked system. Only the living systems, which are able to interact with and contribute to their environment for a longer time, will be able to survive in the long run (Ramquist & Eriksson, 2000). Ramquist and Eriksson (2000) describe a complex self-organising system as in Figure 5.

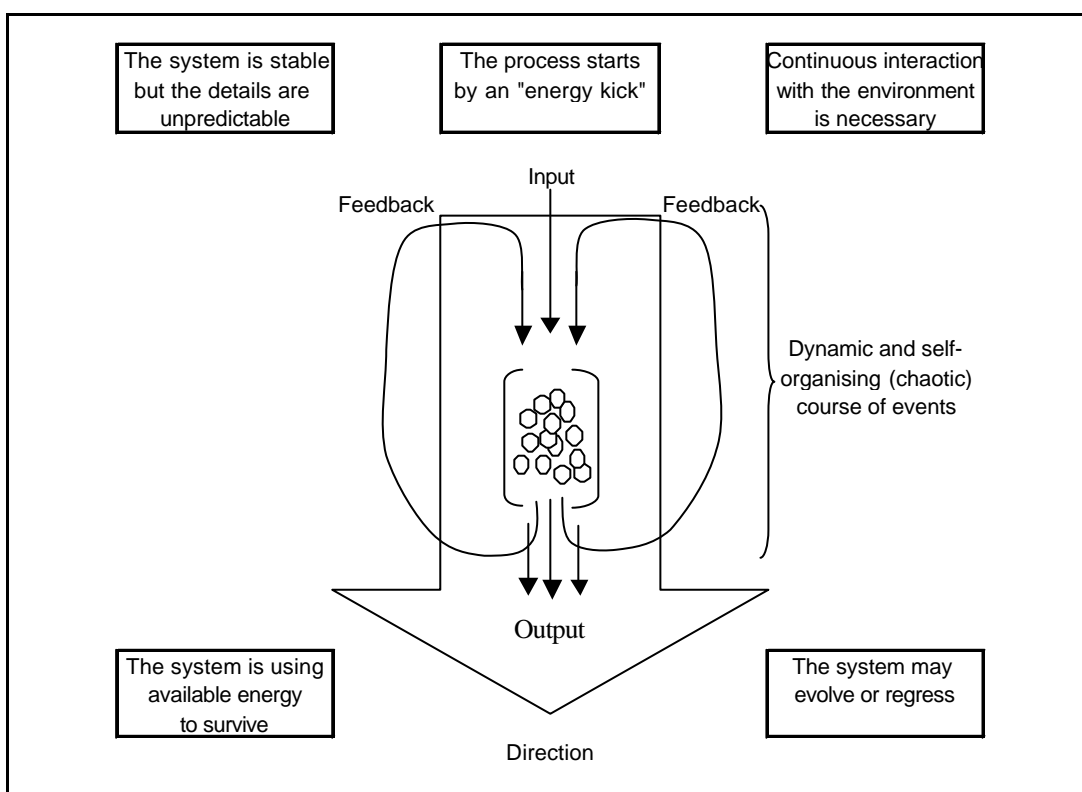


Figure 5. Complex living Self-Organising System (Ramquist & Eriksson, 2000:162)

Even if the theory about complex self-organising systems comes from thermodynamics, Prigogine and Erich Jantsch (cited in Ramquist & Eriksson, 2000) both thought that this theory should be applicable for social systems as well. Hence, groups and organisations could both be seen as complex living self-organising systems. This is the way we will see Chiva in this Chapter.

Combining various conceptions into a continuous change implementation process

In the following we will try to integrate the different information from the various authors we have encountered in our investigation concerning change and strategy implementation. We will combine a more top-down approach described by for example Noble (1999) and a more organic change implementation idea described by for instance Ramquist & Eriksson (2000). This will result in a change implementation process useful for the purpose of our study.

The first three stages in this implementation process are partly inspired by the four steps in Noble's (1999) model of strategy implementation process because we thought that the last two stages in Nobles' model could be combined into one stage (in our process stage three). The first three stages in our model have then been developed with proposals from other authors (e.g. Jimmieson et al, 2004; Balagun & Jenkins, 2003) as well as more practical solutions recommended by Ramquist & Eriksson (2000). The fourth and fifth stages in our model are inspired by Ramquist & Eriksson (2000) and takes into consideration the importance for a living system to have feedback and reuse parts of its output in order to keep and produce new energy.

Stage 1: Define the change vision and the change implementation strategy

Some literature concerning change implementation argues that the first step when implementing a change should be to define and clearly communicate a vision to the organisation (e.g. Palmer & Burns, 1992; Ramquist & Eriksson, 2000). The literature also suggests that it is needed to convince the people in an organisation to use a certain strategy to implement the change (Noble, 1999).

Palmer & Burns (1992) recommend that the vision is defined for the whole organisation at once, in order to secure that the visions of all the business units will be aligned. Noble (1999) suggests that, in the earliest stage of the implementation, a group of members from several functions should be formed. We therefore assume that the definition of the vision could be done by this cross-functional group, in order to have all the departments' visions aligned accordingly.

Then, the strategy for the implementation should be chosen with representatives from each function (“implementation team”), who ought to take into account the issues and resources of each function (Noble, 1999). These people do not necessarily have to be different from the ones who decided on the change vision, but Nobel (1999:22) indicates that they should be able to “understand the capabilities and concerns of other functions while making sure their own area’s concerns are heard”.

Involving representatives from all the functions in the company is likely to provide the organization with a better understanding and a feeling of “ownership” of the strategy, and beginning to establish the cross-functional relationships that will be necessary during the implementation (Noble, 1999).

According to Noble (1999), the key factors for creating a successful change implementation strategy are:

- To pick, from each function, the representative who are well-considered within their department, so that they will be credible when the strategy is implemented
- To involve all the function representatives at once, and not sequentially, so that none of the functions is privileged over one another.
- To update the middle-management about the decisions taken and their motives, so that they keep informed of the strategy and are more receptive to the change when the implementation starts.

Stage 2: Share the change vision and the change strategy with all concerned partners

Once the change vision and change strategy have been settled, Noble (1999) indicates that cross-functional relations should still be under focus, since they are particularly delicate to enhance when the strategy is implemented. In order to succeed in developing them, Noble (1999) proposes:

- To collect as many people as possible and communicate to them not only about the specific change which is implemented, but also about the broader picture of how this change articulates within the overall strategy of the company.
- To instil a sense of urgency in the organisation, by clearly communicating the motives for the change and its criticality for the company.

- To encourage the managers to use their informal networks during the change implementation process, in order to speed up the changes.

To practically execute the above, Ramquist & Eriksson (2000) recommend having a co-worker seminar where the president or the department manager communicates about the company's strategy and the challenges that comes with it. In order to mobilise energy, and consequently engagement, the leaders will clearly express the threats and opportunities for the company at this seminar. It is important that the co-workers really understand the company's situation, which is why it has to be done in a way and with a language that the co-workers can clearly comprehend.

By this seminar the management show that they care about what the co-workers think. The assumption is that co-workers, who think that the management cares, will be involved more easily (Ramquist & Eriksson, 2000). This is also supported by Jimmieson, et al (2004) who stressed that by making sure that the employees are informed and consulted in the case of a change, social pressure is established among them, helping to enhance the change supportive behaviours.

The purpose of the seminar is to create an energy kick by presenting the threats and opportunities for the company, and to give publicity to the co-workers, in order to start a living self organising process (Ramquist & Eriksson, 2000).

Stage 3: Work cross-functionally with the change

Some literature suggests that the cross-functional work in the organisation is important during a change implementation (e.g. Palmer & Burns, 1992; Balogun & Jenkins, 2003). There is also support for that this change work should be done in groups (Jimmieson et al, 2004; Ramquist & Eriksson, 2000).

Group-based approach

Jimmieson et al (2004) argue that it is advantageous to use groups when implementing change. In order to help create intentions that support change, Jimmieson et al (2004) mention that change management interventions should focus on developing group *norms* and *in-group* identity.

- An *in-group* is a group to which an individual belongs, a group where a person can identify with the others in the group. The individual has a feeling of belongingness and respect to and from the others in the group (Jimmieson, et al, 2004; Deaux, Dane, Wrightsman & Sigelman , 1993).
- A *norm* can be defined as “A socially defined and enforced standard of behaviour that defines or limits the way a person should interpret the world and behave in it, or both” (Deaux et al, 1993:416).

The impact of group norms is important for the *behaviours* executed to support organisational change, as well as the acceptance of it (Jimmieson et al, 2004). Indeed, the co-worker who identifies strongly as a worker within a unit should be affected to behave in a change supportive manner when colleagues in his/her surroundings are doing so (Jimmieson, et al, 2004).

Ramquist & Eriksson (2000) mean that sharing the same information, having a common perspective and objective among group members is a prerequisite for a living self-organising process to start (see p. 27). Co-workers must understand how the daily work, affect the strategic focus of the company. This translation work should be done in the local working groups, where the local expertise exists. In those groups, the co-workers are supposed to hammer out how the strategy is linked to the daily work and create an action plan how to locally accomplish the objectives of the company. When all the group members have a common understanding of which problem the group should solve, and the importance of the problem, then the thinking of the group tend to go in the same direction (Ramquist & Eriksson, 2000).

As mentioned above, each living self-organising process must have continuous output, or the system will die. When it comes to the working groups, it is important that they can see continuous outputs in terms of results. When a person feels that a task is finished, energy will be released, and this energy can be put on another task (Ramquist & Eriksson, 2000).

The possible barriers to this phase

Several hazards can appear and harm the implementation. Noble (1999), Ramquist & Eriksson (2000) and Palmer & Burns (1992) have identified a number of issues:

- *Communication barriers*: specific jargons in each department can alter the meaning of the strategy, and hinder the communication between departments regarding the implementation. (Noble, 1999)
- *Lack of respect and appreciation for one another' objectives*: Different functions in an organisation have different priorities, and it can be difficult for everyone to understand and accept it. (Noble, 1999)
- *A constant lack of time* and therefore a risk for the change work not to be done because the management does not give the necessary time to work on it. (Ramquist & Eriksson, 2000; Palmer & Burns, 1992)
- *Difficulties to prioritise* between the urgent problems and the long-term work. Many executive teams have trouble choosing both the level and time-focus for the work (Ramquist & Eriksson, 2000; Palmer & Burns, 1992). Ramquist & Eriksson (2000) say that it is easy to choose to concentrate on the short-term and more operative details, instead of trying to adapt the core business processes.

The possible solutions to overcome these barriers

In order to prevent these problems from arising, or solve them after they have occurred, some solutions can be found:

Education

It is important to put effort on moving the organisation towards a common language and understanding (Noble, 1999). Balogun & Jenkins (2003) suggest creating ways for people from different functions to interact together. They recommend to organise seminars considering ways to work cross-functionally, and not just keep on developing the knowledge needed within a certain department.

Support of the effort

Palmer & Burns (1992) argue, that for the cross-functional work not to dissolve, it is important that the executives commit sufficient resources and establish and communicate priorities. Goh (2002) supports this and means that employees for example must be given appropriate time to engage in cross-functional activities.

Stage 4: Take care of the outputs

As said before, each complex living self-organising system must have continuous output and reuse some of it, or the system will lose its energy. It is therefore of high importance that the organisation gets feedback of its learning and experiences (in our case the change implementation). This could be done by holding co-worker seminars twice a year (Ramquist and Eriksson, 2000).

The feedback can also consist of remembering the experiences and celebrating success, for instance by giving rewards. In the end each group member will strongly identify with the group and will be prepared to fight hard for its success (Ramquist & Eriksson, 2000).

Stage 5. Evaluate the change implementation process

We believe that the execution of the four first stages of the present change implementation process would bring Chiva, in its quality of a living self-organising system (as described by Ramquist & Eriksson, 2000), to execute a change process running throughout the organisation.

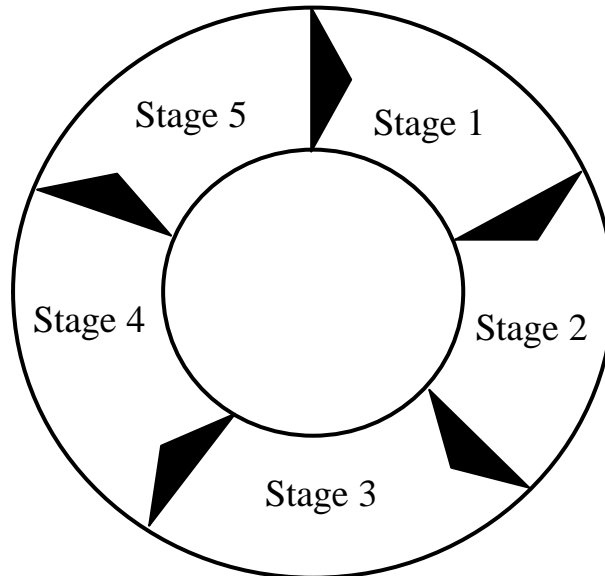
Stage one sets the direction and gives a structure for this change effort. Stage two has the role of creating enough energy for the organisation to actually get started to work with the change and in stage three the organisation processes this change.

As Ramquist & Eriksson (2000) suggest, one prerequisite for a living self-organising system to continue processing its task and develop, is that it needs a feedback mechanism. It is therefore of high importance that the company gets feedback and learns from its experiences (*what* was done and *how*), for the change effort to progress.

In stage four the organisation learns from the changes made (*what* has changed) but it would also be beneficial for the organisation to learn from the process used to implement the change (*how* the change was made). This is why we integrated a fifth stage in the implementation process. Once executed this stage would become an input for the organisation to continue the change, by processing through the whole change implementation process again from Stage 1, in order to continuously improve.

Depicting the Continuous Change Implementation Process

The continuous change implementation process could be depicted as a circular process as follows:



However, for practical reasons, we pictured it in a linear way, as shown on Figure 6.

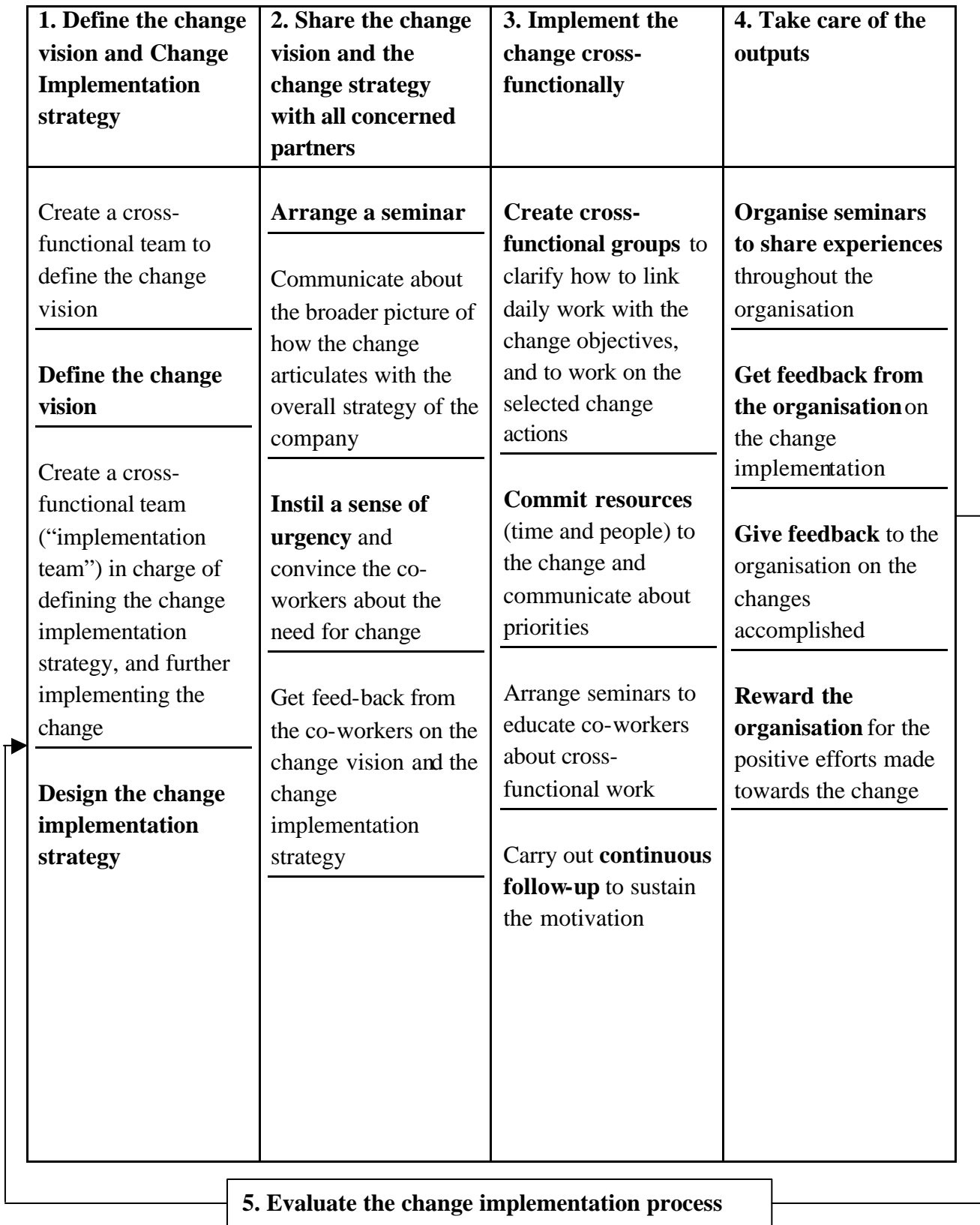


Figure 6. Beneficial activities in a change implementation (developed by the authors)

Processing of the Empirical data

As mentioned before, we wanted to find out what had been done in the organisation to implement a change.

To be able to come up with recommendations for both sites Paris and Stockholm, we needed to know about the change implementation process used on each site, and compare it to academic recommendations.

For this purpose we used the continuous change implementation process depicted on p.36. Indeed, we wanted to possess a neutral basis through which we could explore each site's implementation. We will thus look at the extent to which each step of that theoretical process was completed in Paris and in Stockholm, using four different extents of completion: "Mostly completed", "Fairly completed", "Partly completed" and "No evidence found of any completion" (i.e. we were not provided with any information permitting to conclude that the step in question has been realised). We are aware that neither Paris nor Stockholm was supposed to follow this process (since it is our own combination of theoretical recommendations). Our evaluation of its fulfilment therefore does not make sense on its own. We however believe that it will provide us and the reader with a structured picture of what has been done on each site, and how the process could be developed from a theoretical point of view.

This will in turn be of great help to see how both sites could inspire from each other and from the theories, in regard to the change implementation process.

Stage 1. Define the Change Vision and Change Implementation strategy



The first stage in the continuous change implementation process is to define a change vision and a change implementation strategy. The visions of Chiva are “global”, meaning that all the sites worldwide are supposed to work towards the same visions. When it comes to the definition of the change vision in the change implementation process, it makes therefore no sense to study separately Paris and Stockholm, since this definition was centralised, as we will see.

Create a cross-functional team who should define the change vision



In Chiva, it is the responsibility of the President, to define the visions. Therefore, no team has specially been created to design the change vision for 2004. However, we were told that the President consults the ETChiva before defining the visions, which is a cross-functional team, involving one representative from each department within Chiva. Even if we do not know how cross-functionally the decision has been made, it seems that this step of the change implementation has been fairly completed.

Create a cross-functional team to define the change implementation strategy



In Chiva, the change implementation strategy of 2004 shapes into the DO program. This program has been designed by the DO team, a team specially created for this purpose. Moreover, the KAT team in Paris¹ has been partly involved in the definition of this strategy. So, even if the DO team is not cross-functional in the way Noble (1999) would recommend it, we think that this step has however been mostly completed.

Design the change implementation strategy



The definition of the change implementation strategy itself has been completed in Chiva: the DO team has designed the DO program, and created tools to support it. The DO program was designed to be implemented with a top-down approach at both site Stockholm and site Paris. The idea was that the DO principles would be cascaded top-down in the organisation, once the top-managers would have received enough information about them.

¹ The Key Account Teams (KAT) are cross-functional and their involvement in the change implementation process will be presented further on.

■ ■ Noble (1999) insists on the importance of involving representatives from each function in the change implementation team. As mentioned above the KATP and the local DO representative in Paris together defined the main axes that should be considered within DO, and the DO strategy for Chiva Paris as a whole, and for each department in particular.

However, one of the factors defined by Noble (1999) in this stage of the implementation has not been dealt with, i.e. updating the middle-management about the decisions and their motives before the implementation starts. Indeed, the DO team, together with the KATP, has defined the change strategy, without regularly communicating about it to middle managers. Nevertheless, the middle management got informed about the change strategy at the kick-off meeting, at the same time as the whole organisation. We therefore think that the main elements included in this step have been fairly completed.

■ ■ We did not get explicit data about the role the KATS had in the design of the change strategy and its implementation in Stockholm. As in Paris, it also seems that the middle management has not been updated on the change strategy definition. We therefore think that if Stockholm would have been to follow our theoretical implementation process, this step would have been partly completed.

Stage 2. Share the change vision and the change strategy with all concerned partners



To share the change vision and the change strategy with all concerned partners is the second stage in the continuous change implementation process. As we will discover, the differences between Paris and Stockholm will get greater as the implementation process proceeds.

Arrange a seminar

■ ■ Noble (1999) means that the organisation should collect as many people as possible to communicate about the strategy. Ramquist & Eriksson (2000) are of the opinion that a way to do this is to arrange a seminar. A kick-off meeting was held in Paris in January 2004, where the KATP and the DO team representative in Paris introduced the whole organisation to the Gates Passed on Time focus, and to the DO activities concerning Paris. We believe that this Kick-Off meeting perfectly corresponds to the characteristics of the seminar recommended by Ramquist & Eriksson (2000). Besides, it has created energy among the employees in Paris, judging from the fact that the DO work has been ongoing since this seminar. Actually, the majority of our interviewees (13 out of 14) were enthusiastic to tell us about their experiences of the DO work.

From this meeting on, DO has been always considered from a “Chiva point of view”, i.e. looking at the Chiva Paris organisation as a whole, and not as four separate departments. As Noble (1999) recommends, the cross-functional relations were thus already into focus, since it was also decided to present the GPOT focus and launch the DO activities to the whole organisation at once.

There are many processes between departments, and the inter-relations between departments are very important in order to get results.

- Top-manager in Paris

The fact that this seminar was lead by the KATP was seen as a good way to show the determination, on a top-management level, and to create cross-functional relations between all the departments.

■ ■ In Stockholm, one of the interviewed co-workers mentioned that the managers in the department went away for two days to discuss DO work. Even though it was not involving all the company units at once, we believe that this

could be seen as a way to gather people for a seminar. However, it seems that it did not create in the organisation the energy expected by Ramquist & Eriksson (2000).

There has been some actions, but I think the work slightly... not died but... lost some pace after that two days.

- Co-worker in Stockholm

We therefore think that this step has been only partly completed, and that the organisation in Stockholm could benefit from a new attempt in the future involving all departments as it was done in Paris.

Communicate about the broader picture of how the change strategy articulates with the overall strategy of the company



We assume that the executive team understands how the focus on deliveries is connected with the vision mode and the change vision of the company, but we do not have any information supporting that this connection has been communicated throughout the organisation. It needs to be mentioned, however, that we did not explicitly ask any question in our interviews to find out if people knew about how the GPOT focus articulated with the overall strategy of Chiva.

We are aware that the kick-off in Paris was held in order to give a better understanding of the company's objectives, but we did not get the feeling that the link between the change strategy and the overall company strategy was communicated then. Indeed, from the data we have collected (interviews, informal discussions and Intranet research), we have not been able to discern an evident overall strategy for Chiva.

While the mid-term and long-term visions of the company look relatively clear, the way to fulfil these visions seems uncertain to us, as the lack of detail in the Figure 7 (shown on the Intranet DO pages) proves:

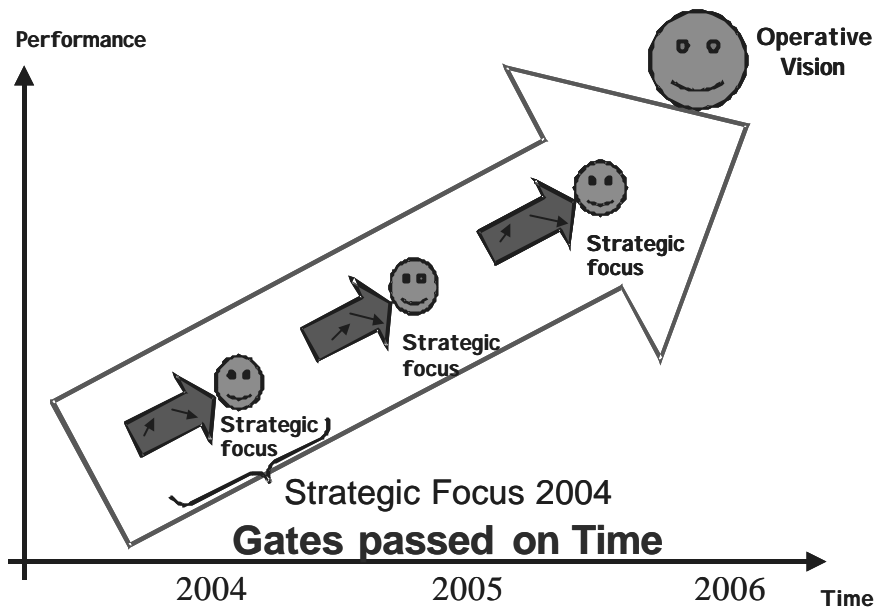




Figure 7. The overall strategy of Chiva to fulfil the Vision Mode (Intranet DO pages, 2004)

The fact that there is only one strategic focus mentioned on this picture seems to attest that the overall strategy for Chiva has not been clearly communicated to the organisation. This confirms our feeling that in Europe (both in Paris and Stockholm), people knew they had to focus on GPOT in 2004, but maybe without being aware of how that would contribute to fulfilling the overall operative vision.

Instil a sense of urgency and convince co-workers about the need for change


 Noble (1999) means that urgency is instilled in the organisation by clearly communicating the needs and motives for the change and its criticality for the company.

 We are of the opinion that Paris has been quite successful in completing this activity. Business data were even presented, in order to explain why finishing projects on time was crucial for the company in terms of profitability. As the President had explained at a meeting, the KATP team mentioned that the survival itself of Chiva was dependent on its ability to deliver projects on time.

It is very interesting to know why it is very important [...] to be able to start [...] in time and with a good quality level. They gave us some quantified data in terms of business, and we understand why it is so important.

- Co-worker in Paris

Numerous co-workers at site Paris seemed to be convinced about the need for change. As an example can be mentioned a survey being done in Paris after the kick-off meeting to find out to which extent people were prepared to invest themselves in the DO work. The result came back with 47% answering that they were “ready”, 47% saying that they were “rather ready”, 6% answering that they were “rather not ready” and nobody responding that they were “not ready at all”.


 All of our interviewees in Stockholm were aware of the GPOT focus, but we were not of the impression that they felt an urgent need to change.

Nowadays I feel it's too short time schedule to have that motivation to put in some extra energy to reach this.

- Co-worker in Stockholm


Thus, we believe that Stockholm could benefit from instilling a stronger sense of urgency regarding deliveries on time in the future.

Get feedback from the co-workers on the change vision and the change implementation strategy

 Ramquist & Eriksson (2000) and Jimmieson et al (2004) believe getting feedback from the co-workers should be done in order for the co-workers to feel more valued and to create social pressure among them. The authors also believed that this would help the co-workers be involved in the coming change activities.

We were not informed about any initiative taken to get feedback from the co-workers on the change vision and implementation strategy, right after the launch of DO, in none of the sites. This could perhaps be considered soon by the organisation, in order to increase the stimulation of the co-workers.

Stage 3. Implement the change cross-functionally


 At a department meeting, one group manager in Stockholm was shown some PowerPoint slides on DO designed by the president of Chiva and his team. Those slides presented the reasons for the focus on GPOT, and the implementation of DO:


Instead of having the old way of OD work where every group is working with their own problems and areas, they wanted to have a focused action for the whole [Chiva]. But then quite quickly we started to break down the possible causes why we had bad results for the previous years.

- Co-worker in Stockholm

This statement shows that there has been some communication about what was wished from the organisation, namely to implement the change cross-functionally. However, we did not get much more information from our research, which would prove that these DO principles have resulted in extensive actions to implement the change (c.f. the quotation from the co-worker in Stockholm p.41). Consequently, it seems that the implementation process used in Stockholm did not include most of the actions we found to belong to the third stage in our continuous implementation process. This explains why we will mostly focus on the Paris site in our investigation of this stage. Still, one element concerning Stockholm will be mentioned in the first step.

Create cross-functional groups to clarify how to link daily work with change objectives, and to work on the selected change actions

 Ramquist & Eriksson (2000) recommend to lead the co-workers in local working groups to identify how the overall strategy is linked to their daily work. Thereafter an action plan should be created of how to locally help to reach the objectives of the company (Ramquist & Eriksson, 2000).

 In Paris, the co-workers were asked what areas they thought could be improved in order to help deliveries on time. Then, the managers decided which of these actions should be worked on (mostly short-term actions were selected). DO groups were therefore created, involving totally 60% of employees of Chiva Paris. To help them link the overall strategy to their work,

the methodology was to follow the PDCA method (Plan, Do, Check, Act). According to our interviewees there were DO groups working in all their respective departments, commodities and sections.

Through these groups we believe that the clarification of how to link the daily work with the change objectives, and to work on the selected change actions, has been completed. The question remaining is then to which extent this work has been cross-functional.


One of the KATP members thought that the most effective initiative he had taken in relation to the DO launch was to convince his subordinates to think transversely, i.e. from a “Chiva point of view” rather than from different departments point of view.

During our interviews we found out that some DO groups were working cross-functionally and had the possibility to exchange best practices between departments. In addition, the target of the DO work was that the actions should be pragmatic and stay completely linked with projects. This brought the commodities not only to exchange with each other, but also to have a real impact on the projects themselves.

Without the DO organisation, we never took the time to exchange with these persons, because the projects are too big and take our complete timing, and DO was an opportunity to take time and exchange together.

- Co-worker in Paris

It was believed that the subjects chosen for the DO working groups, and the PDCA method, were good ways to give a structure to the working groups and create an atmosphere for creating new ideas. People could open up to the other departments and rethink their way of working. The fact that the link between the daily work and the change objectives is completed and that there are DO working groups involving members from different functions, show that Paris has totally met the theoretical recommendations for this step.

 In the step “Arrange a seminar” of the second implementation stage, we mentioned that one department in Stockholm had gone away for two days. During this week-end the participants tried to find the causes for the bad GPOT results, and what could be improved. In the end of those two days, they made a

list of actions to be done, about what they could improve, and what other people could improve. Even if the work seemed not to have proceeded far down in the organisation,

Most of the [DO] work has been at the management level

- Co-worker in Stockholm

we still think this week-end was an attempt to lead the co-workers to define the local actions that could be taken. We think that the present step of the implementation has therefore been partly executed in Stockholm and that it might be possible for other departments to find inspiration from the action taken in this department.

Commit resources (time and people) to the change and communicate about priorities



Palmer & Burns (1992) argue, that for the cross-functional work not to dissolve, it is important that the executives commit sufficient resources and establish and communicate priorities. This is supported by Goh (2002), with the opinion that employees must be given appropriate time to engage in cross-functional activities.

■ ■ The idea in Paris was for the DO groups to work during eight meetings, which were supposed to be held every second week for about 3-4 months. These meetings were supposed to be 1- 1.5 hours each and the group leader was expected then to write a minute about what had happened at the meeting. For us, the allocation of human resources to those meetings (60% of the employees were asked to participate to these DO groups) proves the management's commitment to the change.

Regarding the communication of priorities, we have the feeling that this could have been perfected, since two interviewees were of the opinion that the DO work did not go into the same direction.

In Paris the DO program started very quickly, it went in all directions, and maybe we need to focus more energy on more important projects.

- Global Top-manager

We decided to go with 12 DO groups with good objectives. The problem now is that those groups are working separately, with no real consistency between them.

- Global Top-manager

We believe that the executives have committed sufficient human resources and time for the DO work. However, we are of the opinion that for the cross-functional work within the DO groups not to dissolve, it is of importance that the communication about what to prioritise is improved.

Even if the priorities might not have been clearly set, we have seen that the commitment of the executives has been high to allocate resources to the change work. If Paris would have had to follow our theoretical implementation process, it would have succeeded quite well in this step.

Arrange seminars to educate co-workers about cross-functional work

■ ■ We know that site Paris has had a seminar, i.e. the kick-off meeting (c.f. Stage 2). Nevertheless, we did not get any evidence proving that educating the co-workers on cross-functional work has been formalised into seminars, as recommended by Balogun & Jenkins (2003).

Carry out continuous follow-up to sustain motivation

■ ■ Some parts of the output of the living process must be reused in a way, which supports the survival of the living process; it is of high importance that a group gets feedback on its learning and experiences (Ramquist & Eriksson, 2000).


We believe that regular meetings are speaking in favour of this step of the implementation process being done at Paris site, including DO meetings held every other week and meetings to follow-up the DO groups and their activities.

Stage 4. Take care of the outputs



The fourth step in the continuous change implementation process is about taking care of the outputs of the change implementation. As mentioned in the living self-organising system, it is of importance that the system learns from experiences in order to keep and create energy to continuously change.

Organise seminars to share experiences throughout the organisation

 In June 2004, all the Chiva Paris employees were invited to an exhibition, where 30 DO groups were selected to present their work. This was done to give an update of the status of the DO work in Paris and visitors were also invited to leave comments and suggestions. For one Group Manager in Paris, the exhibition was:

A good opportunity to have the results of the different DO groups, and now we are able to use it and to apply it. [...] I found some good ideas. Some ideas were very important. [...] The DO groups had very good results and propositions.

In December 2004, another DO exhibition was supposed to be organised on the same principle: to share knowledge and celebrate success.

From our interviews in Paris with both top-managers and co-workers, it appears that the first exhibition was a success. We have not met people involved in the DO teams which presented their results there, but the visitors were positive about this event and brought back interesting inputs for their own daily work. We therefore think that Paris has successfully completed the organisation of experience-sharing seminars suggested in our theoretical framework.



Contrary to Paris, no event has been organised to share experiences on DO in Stockholm. This is understandable since the DO work seems not to have cascaded further down than to a management level.

The need for sharing experience was thereby limited. We therefore have the feeling that no element in the implementation strategy in Stockholm was intended to fulfil the aim of this step.

Get feedback from the organisation on the change implementation



A questionnaire was published on the Chiva Intranet by the DO team, which enquired about how the DO program has helped and what should be improved in the future. This survey is available to any employee of Chiva in Paris and Stockholm. At the date of our study, the results from this survey were not yet known.

■ ■ In Paris, at the date of our interviews, almost no feedback had been collected from the organisation on the DO activities. However, the objective during the second part of 2004 was to "reverse" the DO process and try to have a bottom-up approach, to get ideas coming from the employees.

In November, the responsible for DO in Paris has sent out a questionnaire to the top-managers in Paris, in order to know what the contribution of DO has been, and how it could be improved in 2005. This questionnaire is similar to the one published on the Chiva Intranet, but it is translated in French and has been sent by email only to the top-managers of Chiva Paris.


The will to get feedback from the organisation seems real in Paris, and even if we have not seen any concrete result yet, we believe that Paris is on its way to get input from all levels of the organisation.

■ ■ We did not get information on any other feedback collection than the abovementioned collective questionnaires on the Intranet, but here also the will to get feedback existed. We think that this step has so far been partly completed in Stockholm, and could be strengthened by other enquiries.


Give feedback to the organisation on the changes accomplished




The publication of the GPOT scores on the Intranet was one way to give feedback to the organisation about the changes made. In addition, the "Mid-year review" in Paris and the "quarter shows" in both sites have been opportunities to update Chiva on the GPOT results and the advancement of the projects. However, neither the GPOT scores, nor the advancement of the projects give any hints on the changes, which have been realised factually in the organisation. In fact, they are only an evaluation of the success of the organisation, without any information of how this success was reached.

 In Paris, a DO Newsletter has provided the site with more factual information on the DO program completion and the successful changes executed. This DO Newsletter, which is delivered every month as a paper copy to every Chiva employee, provides information about the status of the different projects.

Additionally, the PDCA status of all the DO working-groups were published on the Intranet and regularly updated. Last, the exhibition organised in June 2004 also constituted a way to update the organisation on the changes accomplished.


 At the date of our interviews, no feedback session had been organised in Stockholm to present to the organisation the changes made, as it was made in Paris.


Reward the organisation for the positive efforts made towards the change

 Placing monthly the GPOT scores on the front page of the Chiva Intranet proves the importance given to the strategic objective, and the willingness to update the organisation on its performance. This can be considered as a reward, especially considering that part of the incentive system for GPOT and DO is based on recognition¹. As several top managers mentioned:

The only reward I can see so far is the appraisal.

- Global Top-manager

 Apart this “reward” common to both sites, two major events organised in Paris have contributed to rewarding the successful teams. First, we see the DO exhibition held in June 2004 as one way to reward the successful DO teams, by bringing them to present their work in front of their colleagues. A similar event was also held in December 2004, to give recognition to more DO teams. Consequently, most of the recommendations we have found in the theories seem to have been completed in Paris regarding this implementation step.

 We did not get more data in Stockholm regarding this specific step, but the abovementioned global rewards have surely partly contributed to reaching the goal of this implementation step.

¹ See Chapter 2

Stage 5. Evaluate the change implementation process



Quantitative measures have been taken to evaluate the success of the change implementation, both in Paris and Stockholm. Measuring and following-up the number of gates passed on time, first, aimed at getting an overall evaluation of the success of the change implementation. Furthermore, all the DO actions followed a PDCA scheme, which made it easy to follow-up their level of completion. We therefore deem that there has been a fair deal of quantitative measurements realised at both sites.

When it comes to more “qualitative” measurements, we consider our own study as one of them. As we have already mentioned, questionnaires have been designed on both sites to get quick feedback on what DO has contributed to, and what should be improved in 2005. Considering our interviewees, it seems that, up to now, our study and the questionnaires on DO have been the only qualitative measurements initiated. Qualitative measurements have thus also been fairly considered by the organisation on both sites.





All together, we believe that the evaluation of the change implementation process has been fairly realised on both sites.

Conclusion of Chapter One

To summarise our findings and get an overall picture of the change implementation processes which Paris and Stockholm seem to have gone through, we would like to use Figure 6, to depict the similarities and differences between both sites.

Once again, we would like to remind the reader that this exploration of the sites basing on our theoretical implementation process shall never be understood as a grading of each site. It is only a simplification tool for us to understand the status of the implementation in Paris and Stockholm, in order to provide the most relevant answer to our problem.

The scale used in the Figure 9 (Paris) and Figure 10 (Stockholm) is still the same as in the processing of the empirical data in the present chapter:

-  No evidence found of any completion
-  Partly completed
-  Fairly completed
-  Mostly completed

In each of the boxes in the continuous change implementation process, we will show a staple to the right filled with any of the above patterns, as shown in this example below;

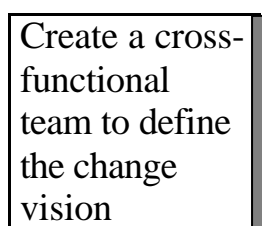


Figure 8. Example of the visualisation of a fairly completed step

Paris

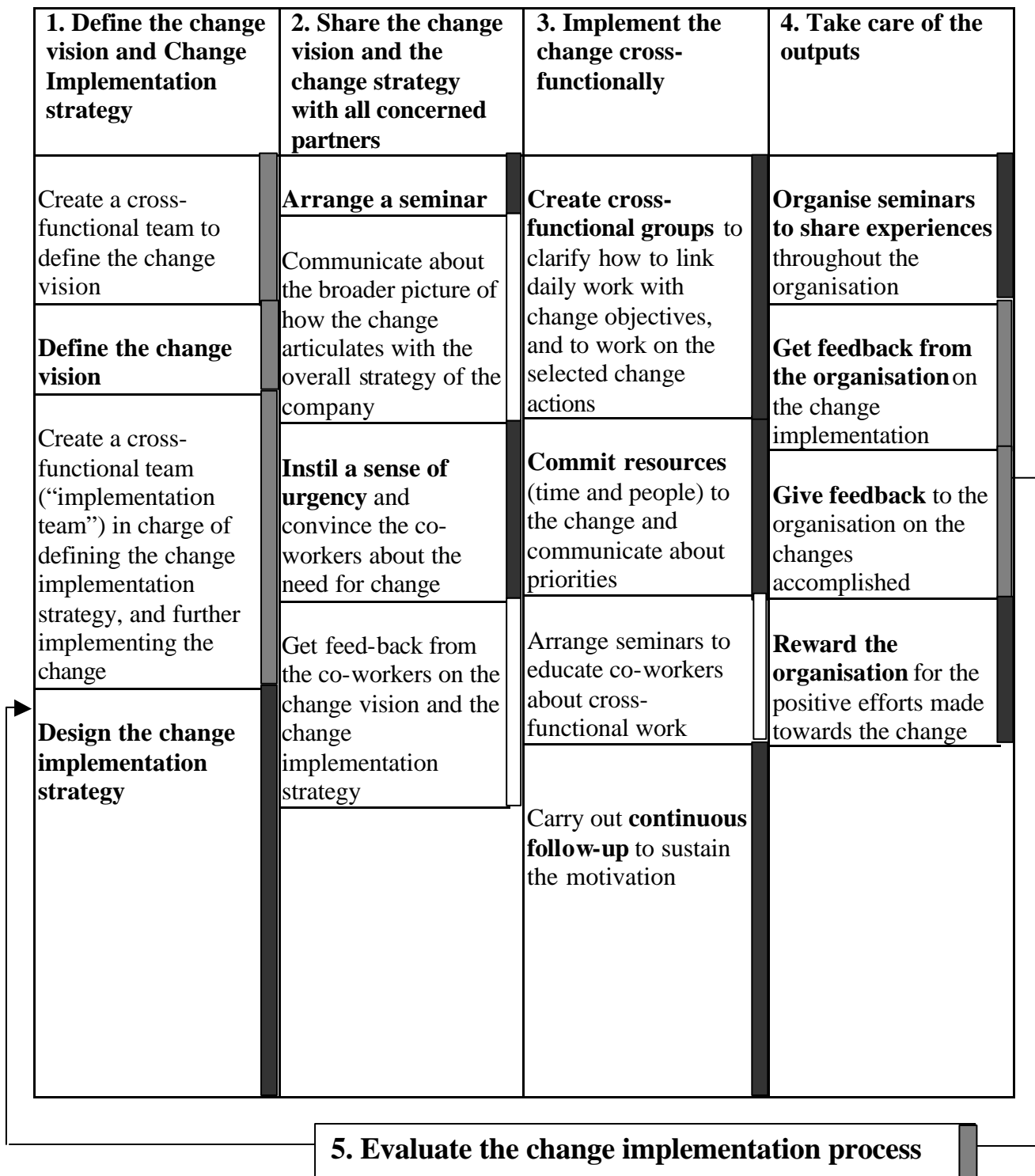


Figure 9. Change implementation in Paris

Stockholm

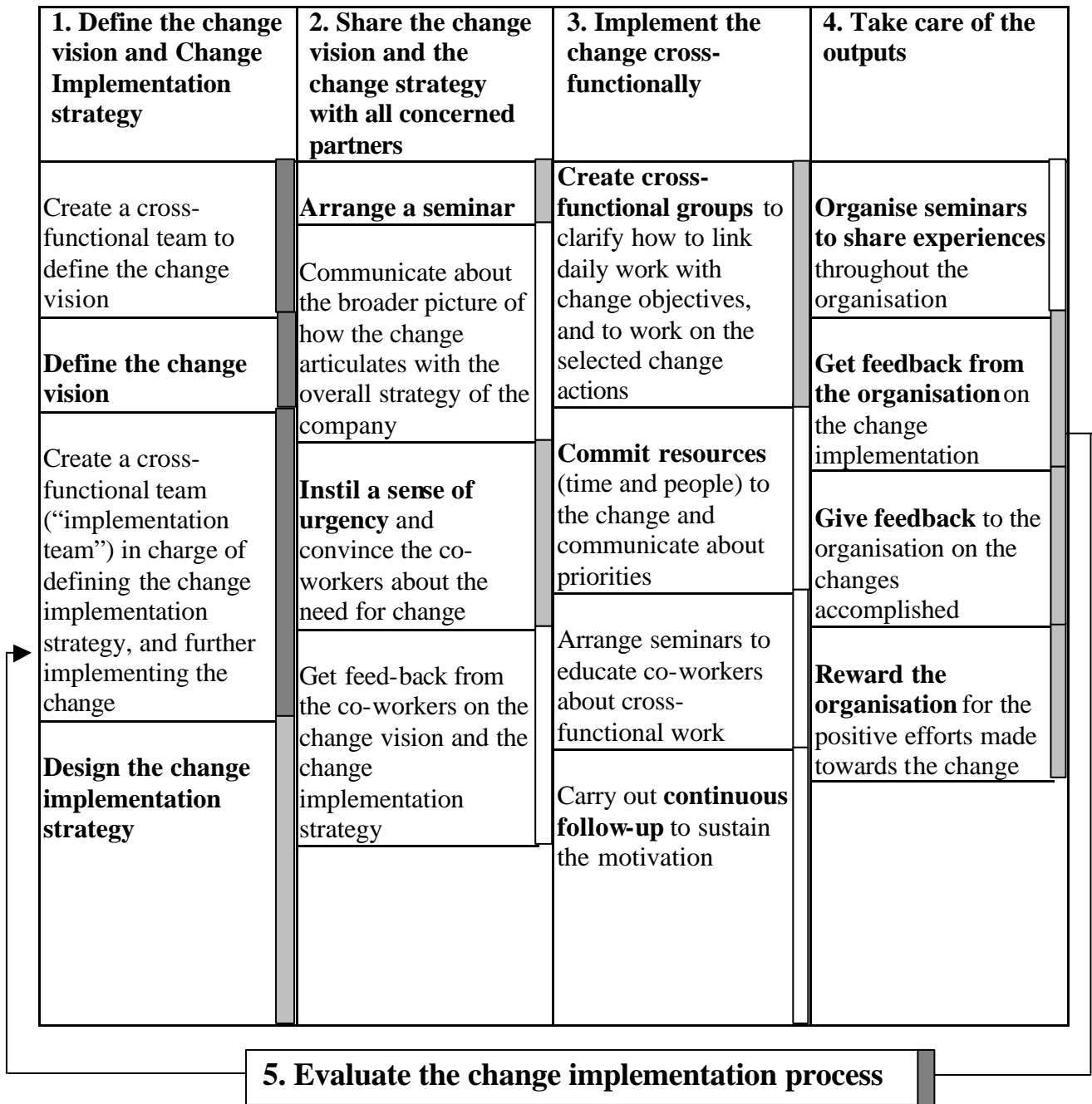


Figure 10. Change implementation in Stockholm

From Figure 9 and Figure 10, we can conclude that the change implementation strategy has been quite different between the sites. Even if none of the sites was supposed to follow the continuous change implementation process we developed in our theoretical framework, it seems that Paris has used a process similar to it.

Because Chiva is a global company, the execution of Stage one has been similar at both sites. The main difference in the completion of Stage 2 resides in the way the change effort was launched and communicated to the organisation. Holding a Kick-Off meeting in Paris has permitted to create awareness and to instill a sense of urgency for the employees to act in favour of the GPOT objective. The energy created during this seminar can have facilitated the realisation of Stage 3 in Paris. Given the perceptible high achievement of this stage in Paris, it seems that the change has cascaded further down in the organisation than in Stockholm. Similarly, the outcomes of the change effort have been capitalised to a larger extent. Last, we consider that the fair completion of Stage 5 on both sites has well prepared the ground for the organisation to develop the change implementation in 2005.

CHAPTER TWO – SINCE 2002, WHAT HAS CONTRIBUTED TO MAKE THE ORGANISATION DELIVER ON TIME IN 2004? ¹

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¹ The reason for going back in time is that changes in so big companies take time, and actions taken before 2004 could have shown their results “long” after they had been taken. The reason why we do not go further back in time than 2002 is that the company was created in 2001, and the first year was dedicated to merge the French and Swedish sites. The projects were still local at that time, and the first international projects were started only in 2002. It would make little sense to look at what happened in 2001 to help the organisation deliver projects on time, because the focus at that time was another.

In Chapter one we have seen what has been done to implement a change at site Paris and site Stockholm. It is now time to turn to the aim of the change, namely deliveries on time.

Theoretical Framework

For this chapter, we found it necessary to investigate several theoretical areas:

1) *Goal Setting*. As the strategic focus of Chiva in 2004 was put on passing project gates on time, we believe that it is not sufficient to have a change – *any* change – implemented. The change has to be lead by an effective goal, which brings the organisation to achieve the deliveries on time objective. We therefore decided to have a look at theories regarding goal setting.

2) *Motivation*. One aim of goals is to make people motivated, which is why we wanted to dig a bit deeper into the subject of motivation. We were also of the opinion that people having a motivation/being motivated to change to support deliveries on time (even more than at present) are more likely to do so.

3) *Deliveries on time*. Since the strategic focus of the Chiva concerned deliveries on time, we thought it would be of interest to see what kind of knowledge already existed within this field.

4) *Projects*. Because it is projects that are supposed to be delivered on time we also found it interesting to find out what kind of learning could be made from this field.

Goal setting

According to Railo (1988), a goal can have three purposes:

1. By describing the result and direction, it creates attractiveness
2. To create motivation
3. To create a feeling of cohesion, team spirit and people who commit to their tasks.

Nevertheless, the positive effects mentioned above are more likely to be present if the goal has some major characteristics. Two main attributes¹ of an effective target are concreteness and relation to the individual (Railo, 1988).

Concreteness

“To do your best” is an unspecific goal and often lead to people not putting enough effort to reach the goal even if they try to (Railo, 1988). In contrary, an effective goal, affecting behavioural change, should be stated in specific, measurable and behavioural terms. This will result in creating enough attractiveness for people to really put their effort towards achieving the goal. For example, if a person wants to lose weight, a specific goal would be: “To lose 5 kilos in 4 months by reducing the intake of snacks and take a walk for 30 minutes 3 days a week.” This goal is measurable (5 kilos), specific in time (4 months), and behavioural (tells the behavioural change needed to reach the goal) (Weinberg & Gold, 1995).

Relation to the Individual

To set goals at a too high level leads to the employees not knowing how to relate their daily work to achieve the target. Companies often set targets as 10% ROI, which might be meaningful to the ones setting the target, but it might also be very hard for the co-workers to relate to their everyday work. An objective, which a co-worker is not able to relate to him/herself, is an ineffective goal. The solution could be to break down the target at all levels of the company, all the way down to the individual (Railo, 1988).

For this method to work there needs to be a correlation between the objectives of the company itself, the departments, the commodities, the sections, the groups and the individual. The employees must understand the connection between the targets; “for the section to reach its objective, I have to reach mine and for the company to reach its targets, all sections have to reach their objectives.” The goals to be related to the individual are best created by the individual him/herself, since it is always more attractive to reach goals set by yourself. Given that too detailed instruction tend to hinder the attraction, the managers role is rather to give the frame, direction and the overall target (Railo, 1988).

¹ The two most important attributes applying to our case

Motivation

As we have seen one of the purposes of a goal is to create motivation. However, since we believe motivation to play an important role when it comes to both change and deliveries on time, we decided to have a more thorough look at the subject.

Lewis (1995: 287) argues that the belief that money can motivate someone is “*a very heated argument*”. Motivating people by financial incentives (or any other “extrinsic” motivational means) is effective, but only in the short-term. As soon as financial bonuses are suppressed, people will stop working towards the goal to be achieved (Lewis, 1995). Instead, top management should try to find out the “intrinsic” motivators common to most of the individuals in the organisation, i.e. what can truly motivate them. For this purpose, Lewis (1995) advises top managers to consider the two last floors of Maslow’s hierarchy (Maslow, 1943), which correspond to the motivation factors mentioned by Herzberg (according to Lewis, 1995 and Mullins, 1999).

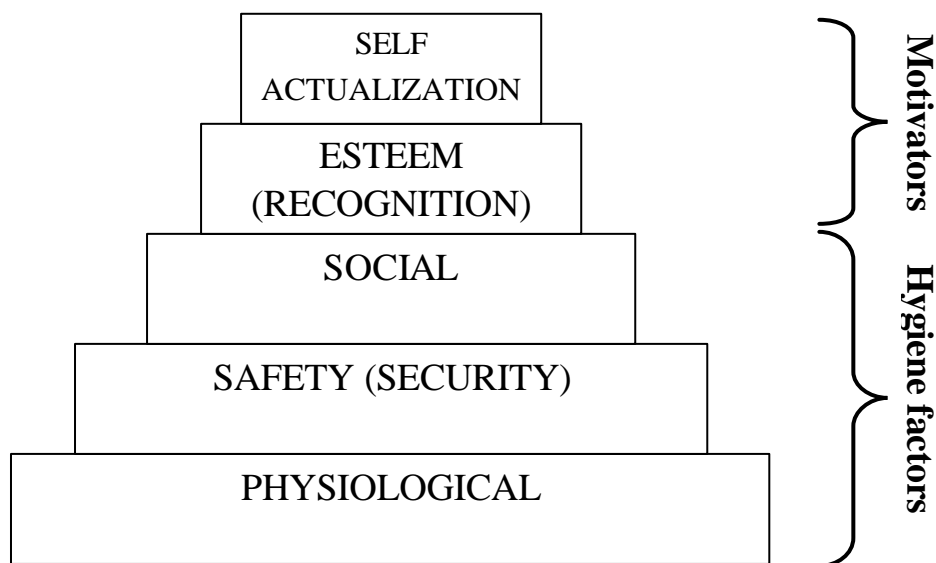


Figure 11. Maslow and Herzberg compared (Adapted from Lewis, 1995:296)

Herzberg (cited in Mullins, 1999) argues that it is necessary for hygiene factors to be fulfilled to ensure well-being, but their only fulfilment will not make anyone motivated. Motivation will emerge first when the organisation can fulfil the motivators (Herzberg cited in Mullins, 1999), hence, the two upper levels of the pyramid (Lewis, 1995).

In companies there might be incentive systems with the aim to motivate the employees. Paulden (1977) argue that it should be possible to monitor those incentive systems in a careful and reliable way. The monitoring should be seen as fair and not intruding. In contrast, if the supervision is absent there might be a risk for temptation to exaggerate data in order to qualify for unearned bonuses. A compromise between the two is a good solution to get reliable data. The management should then rely on unchecked data to a great extent and take random samples to make sure a realistic level of truthfulness in the data is achieved (Paulden, 1977).

Relating those incentive systems to deliveries on time, Paulden (1977) means that incentives aiming to keep planned schedules have to be directly related to the activities facilitating deliveries in the different sections of a company. To make incentive schemes even more effective, it is essential that they are broken down to an individual level, so that each employee feel that his/her work is directly related to the set targets (Paulden, 1977).

Deliveries on time

As we have just seen, incentives can be used to motivate people to reach the target to deliver on time. A factor making this more complicated is that lateness is transmittable since all production is interrelated. Failure to deliver on time by anyone in this interlinked chain will affect all the next-coming units, resulting in a domino effect. Once this effect has started it is hard to diminish the lack of confidence in deliveries on time often arising and there is a risk that late deliveries are taken as the norm. When this happens, it is important to quickly stress the significance of a changed attitude, an attitude appreciating the importance of deliveries on time. Each individual unit must then recognize its faults and find ways to improve. Moreover, the units must be granted that all other units up and down the line are doing the same (Paulden, 1977).

Hedda and Törnroos (in Whipp et al, 2002) state that most often, many of the actors in a value network are not in full control of which activities can satisfy their own interests. Therefore organisations have a need to be increasingly aware of the interdependence between the various actors in the network. Nevertheless, this interdependence of the various actors increases the likelihood for the abovementioned “domino effect” (Hedda and Törnroos in Whipp et al, 2002). We believe Lewis (1995) has a solution to this problem, which is to co-

ordinate activities, by improving the communication and clarifying the interdependencies and relationships among the actors in the network.

When we are speaking of the different actors in a value network, it is often the case in many companies that the customers become impersonal subjects to the workers, since only a few people are in direct contact with them. Companies who have personalised the customers to the workers, have found this very beneficial, resulting in appreciation from the workers and a greater knowledge of the customers' needs (Paulden, 1977).

Time compression

Sabelis (in Whipp et al, 2002) and Lewis (1995) argue that two choices are available to organisations when willing to increase the pace at which they work; either they try to compress their activities within shorter time frames (*compression*), or they try to rearrange their activities so that the same outcomes are generated after a shorter period of time (*condensation*). However, organisations frequently consider that “*changing sequences might not be an option*” (Lewis, 1995:136), and compression seems to be “*one of the main strategies for survival*” (Sabelis, in Whipp et al, 2002:93). Internally, compressing activities results in both *selection* and *suppression*. Selection consists of picking and focussing on the most important activities performed by the organisation – the “essence” of the work – , while suppression aims at eliminating the superfluous tasks.

As mentioned above, compression focuses organisations on the essential tasks. It thereby helps to increase the pace at which the company operates, and supports the organisation in its need to cope with the ever growing flow of information, and to struggle with the continuous improvements of competitors. The suppression of non value-added tasks (or “less” value-added tasks) also constitutes a gain for organisations, since it increases their efficiency and optimises their processes. However, and still according to Sabelis (in Whipp et al, 2002), compression also implies pressure.

Pressure

If time pressure increases too much, people can either “crack” or “delegate” the pressure to others. This is not the only possible drawback of time compression. The *suppression* that goes together with it can also become a problem, especially when too many “unproductive” activities are suppressed. Sabelis (p. 98) warns about hasty tasks suppression, which would make things “*get out of hand*”. Such deletions would have negative consequences for organisations afterwards, and thus harm their future efficiency. Additionally, compression can lead the personnel to do things less effectively, and reduce the organisation’s creativity, invention and even sustainability. Furthermore, compressing time in one part of the organisation generates an increase of the workload in other parts. In particular, Sabelis (p. 101) affirms that “*time saving for top management is more work and time investment for other people*”. Last, Sabelis (p. 103) argues that concentrating on rational time compression can leave out “*the genuine time needed for responsible, human-sized*” management. Pressurizing the organisation towards time reduction can therefore decrease the importance given to human management (Sabelis in Whipp et al, 2002).

Projects

The actors involved in a project are on a temporary loan to the project and its manager. This means that the project manager has little authority to impose his/her will on the people working in the project. As long as resources are borrowed, the project manager will have little or no control over them. The project manager therefore has to rely on his/her ability to coordinate and influence the people, and their will to cooperate in the project (Frame, 1987).

Nevertheless, all project managers possess some degree of formal authority, even if this authority may vary. The formal authority comes with the appointment to project manager. If this appointment only includes someone’s confidence that the appointed manager will be able to complete the project, the project manager’s formal authority will not be very helpful when dealing with the actors in the project. On the other hand, if the management gives visibility and its fullest support to the project manager, people will be more inclined to follow his/her wishes (Frame, 1987).

Planning

Lewis (1995) means that a good planning is mandatory, but not yet sufficient for project success. High-quality planning and good control are required in order to follow the course of the project and making necessary adjustments when needed (Frame, 1987; Lewis, 1995). This regular evaluation “*must be credible in the eyes of everyone affected, or decisions based on that evaluation will not be considered valid*” (Lewis, 1995:207).

When doing the planning, people who plot the work of one another without soliciting any input from him/her are “*likely to expect the person to do the work in less time than is possible*” (Lewis, 1995:33). A solution to this, could be what Paulden (1977) suggests; to consult the co-workers before a plan is introduced, especially if the plan is likely to affect them personally.

Processing of the Empirical Data

In Chapter one, we have investigated the change attempt organised in Chiva in both Paris and Stockholm. We have sometimes mentioned in our answer some improvements realised thanks to the DO program. However, we were curious about finding out what the actual contribution of the DO program has been to deliveries on time, among all the possible contributors. Our approach was therefore to first investigate what, since 2002, had helped our interviewees deliver on time in 2004, and then have a deeper look at the contribution of the DO program itself.

The various contributors to deliveries on time

In all our interviews, we have asked questions similar to: “Since 2002, what has been implemented in the company, which helped the organisation/the project teams deliver on time?”. In addition, to employees and Group managers, we have asked what they had personally changed in their daily work to ensure delivering on time.

As we got many different answers to these questions, and willing to remain as objective as possible, we chose to group the data according to certain categories. It needs to be mentioned here that we have defined these categories by reading systematically the data, without basing on theories dealing with time or project management.

The aim of categorizing our data this way was (1) to be able to extract and present the main substance out of 29 interviews, (2) to come up with categories which reflect the data, instead of forcing our data to fit categories borrowed from the literature, (3) to allow us quantify the data, in order to find out the importance of each main aspect comparatively to the others, and (4) to get an overall picture of the answers given in each site, enabling us to compare them.

We ended up with 12 categories:

Cat 1	The GPOT focus; a clearly communicated focus, consistent and followed-up <ul style="list-style-type: none"> – Resolute top-down communication of the GPOT focus – Continuous follow-up of the GPOT scores – Continuous Improvement activities targeted towards GPOT – Inferred compression of some activities
Cat 2.1	Increased recognition of the CPMs' and PMs' roles
Cat 2.2	Improved frame for the project work <ul style="list-style-type: none"> – Better planning of project activities – Better follow-up of project activities – Better support to project activities
Cat 2.3	Organisational changes to better support projects
Cat 3	Better understanding of the Chiva organisation by its employees
Cat 4	Improved relationship between Chiva and its Suppliers
Cat 5	Improved relationship between Chiva and the customers
Cat 8	Capitalisation of the project teams experiences
Cat 9	Incentives
Cat 10	Improvement of the cross-cooperation within Chiva
Cat 11	Suppression of a redundant project
Cat 12	Changes in the project management team

Table 2. The 12 categories contributing to deliveries on time and their properties

We calculated the percentage of interviewees who had mentioned each of these categories, depending on the site and the group (Top-managers or Co-workers) they belonged to. Thereafter, we created graphs out of these quantified data, to get a visualisation of the results and start our analysis.

On both following figures, the 12 contributors to deliveries on time are presented. The height of each column corresponds to the percentage of interviewees (including both top-managers and co-workers) who mentioned at least once the corresponding category as a contributor to deliveries on time.¹

¹ If one interviewee has mentioned several elements within one category, he is counted only once for this category. Of course, an interviewee who mentioned several categories is counted once for each category.

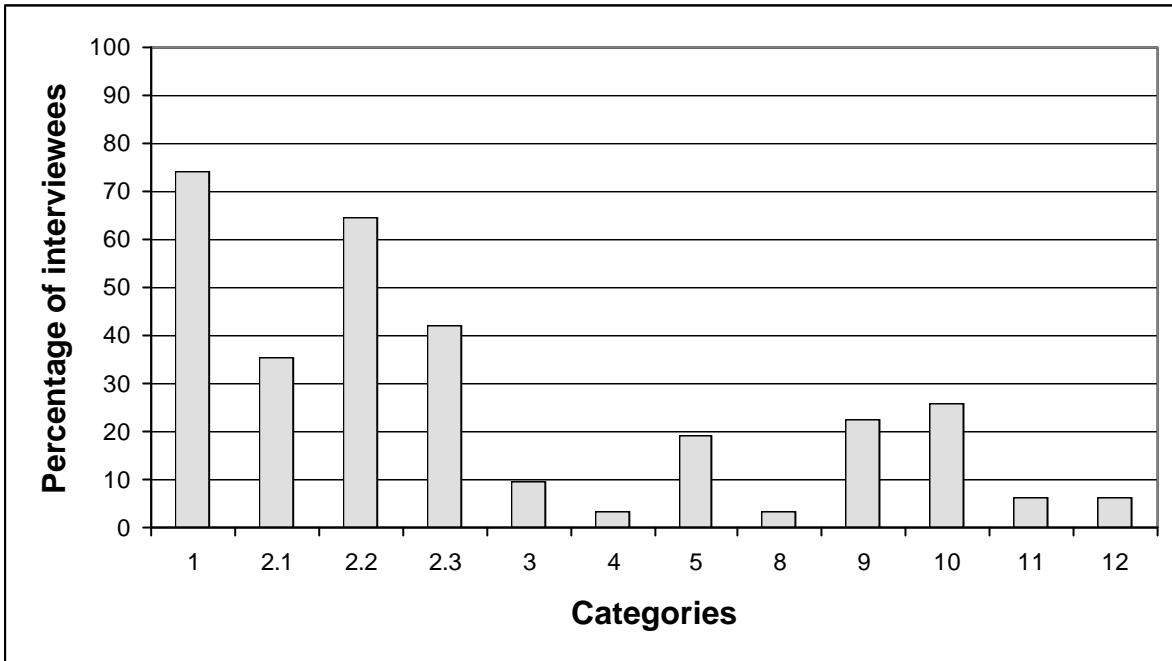


Figure 12. The contributors to deliveries on time – Combined results for both sites

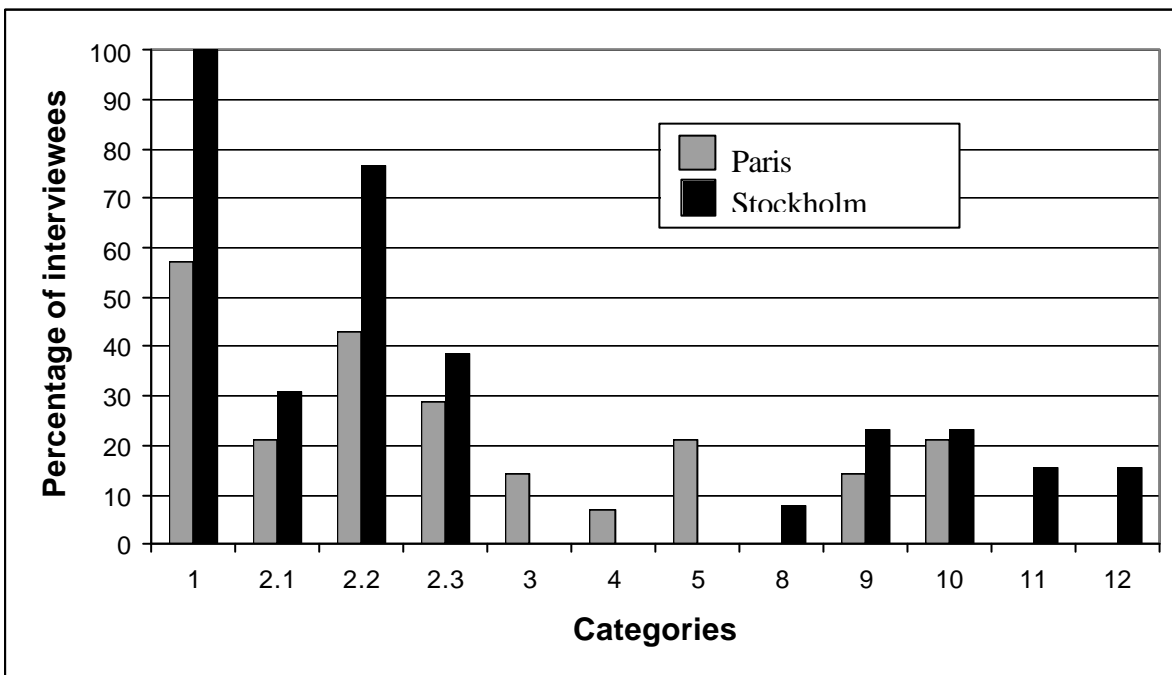


Figure 13. The contributors to deliveries on time – Separated results for each site

The first observation is that the categories 3, 4, 8, 11 and 12 are mentioned by less than 10% of all the interviewees (Figure 12), and less than 15% of the interviewees in each site (Figure 13). As we interviewed around 15 persons in each site, 15% corresponds to only 2 or 3 interviewees (depending on the site). We consider that the score of these categories are low, and we will eliminate them from our analysis, since they do not appear to be significant enough.

It appears clearly that the order of importance of the remaining categories is the following:

Category	Both sites		Paris		Stockholm	
	Rank	%	Rank	%	Rank	%
Cat 1	1	74	1	57	1	100
Cat 2.2	2	65	2	43	2	77
Cat 2.3	3	42	3	29	3	38
Cat 2.1	4	35	4	21	4	31
Cat 10	5	26	5	21	5	23
Cat 9	6	23	7	14	6	23
Cat 5	7	19	6	21		

Table 3. Contributors to deliveries on time ranked for each site and continentally (both sites)

In the following, we will take a deeper look at each of these categories and analyse their contribution to deliveries on time through the theoretical elements presented in the beginning of this Chapter.

The GPOT focus; a clearly communicated focus, consistent and followed-up (Cat 1)

As shown in Figure 12 p.67, almost 75% of the people we interviewed (57% in Paris, 100% in Stockholm) mentioned the GPOT focus as a contributor to deliveries on time. As we were rather expecting actual improvements to be the source for more numerous deliveries on time, we first got a bit surprised by this answer. We therefore investigated how that could be understood.

Resolute top-down communication of the GPOT focus




First, the GPOT focus has been consistently communicated to the organisation, following a top-down scheme, starting from the Chiva President (in January 2004), and cascading down to the lowest hierarchical levels of the organisation:

It came very clearly from top-management that [GPOT] was one of the key issues this year, that we were going to get measured against.


- Co-worker in Stockholm

■ Besides, one of our interviewees in Paris explained that already in 2002, the site management had started communicating to the local employees about the absolute need for delivering on time. This direction, given as early as two years before the GPOT focus was launched globally, could have reinforced the consistency perceived by the employees in Paris of the strategic objective.

Continuous follow-up of the GPOT scores

 Second, the global scores of GPOT (integrating all the Chiva sites together) have been monthly followed-up and communicated (Intranet, DO newsletter in Paris...). As Ramquist & Eriksson (2000) explain, a self-living organising system needs feedback in order to develop. It makes little doubt that if the GPOT focus had been communicated so strongly top-down, without the scores being measured (i.e. without updating the organisation on the outcomes from its efforts), the endeavours to deliver on time would have diminished.

Continuous improvement activities targeted towards GPOT

 Before the DO program was launched in 2004, continuous improvement programs had been started in both sites Paris and Stockholm. The focus on GPOT, according to our interviewees, brought each site to select from the improvement activities previously designed the ones which could have a quick and positive impact on deliveries on time.

*When the fire is in the place, you'd better call the firemen to extinguish the fire.
After, you can think of building a new thing.*

- Top-manager in Paris

■ Working on improvements was not something new, but had been started several years ago in Stockholm with the OD work¹. One Group Manager explains that he has not worked with DO this year, but has selected from the on-going OD work the activities that were contributing the most to deliveries on time:

What we did is to use the process that we had, and put the goal GPOT in this process.

- Co-worker in Stockholm

¹ OD was the equivalent of DO in the company that Chiva Stockholm used to be part of until 2001.

■ ■ In the improvement plan designed by one commodity in Paris, for instance, lots of actions had been defined in the end of 2003 to improve efficiency, both from short-term, medium and long-term perspectives:

An organisation is always living, and you need to improve it continuously. We had defined this improvement plan to work on processes, to improve our efficiency.

- Co-worker in Paris

When the DO program was presented, the focus was put on short-term actions to improve the level of GPOT:

We had to redefine some actions. Some of them, which were mostly medium or long-term oriented, were put within brackets, some others were kept and only switched into the DO frame.

- Co-worker in Paris



Specificity and measurability are claimed by Railo (1988) as being necessary for a goal to bring employees to commit to the tasks contributing to reaching this goal. “80% GPOT in 2004” is a rather specific and measurable objective, and that could well explain how the GPOT focus has taken the Chiva organisation, on both sites, to operate this selection of the improvement activities, which contribute to deliveries on time.

Inferred compression of some activities

■ ■ As Sabelis (in Whipp et al, 2002) explains, *suppression* is one of the elements contributing to time compression. In this regard, one designer in Stockholm considered the GPOT focus as an enticement for eliminating superfluous activities. While he used to help others with jobs that were not directly his responsibility, he now explains that:

We are more clear in what are our demands, what should we deliver from our department [...] so we are not doing work that isn't our department's.

- Co-worker in Stockholm

■ ■ In France, one designer seems to see the focus on GPOT rather as an inducement to focus on the essentials of the activities:

Maybe we are not making so many things in the detail I think. Everyone gives something, we are not perfectionists anymore.



On both sites, the GPOT focus seems to have resulted in a *time compression* on a “floor” level, since the solutions adopted are *selection* and *suppression* (c.f. Sabelis, in Whipp et al, 2002). In this way, the focus on deliveries on time has contributed to make the organisation understand it had to increase the pace at which it works:

We are not at the right speed.

- Co-worker in Paris

To summarize, the GPOT focus, by its clarity and the consistency of its communication and follow-up, has created an awareness in the organisation.

When all the people have the same focus in mind, it helps a lot to get results.

- a Top-manager in Paris

In turn, it has created a dynamic directed towards deliveries on time, by making the organisation prioritise the activities contributing to deliveries on time (both in Paris and Stockholm):

We are more aware that it's a big issue to be on time for the gates, so we are more thinking about it. In that way, we plan our work a little bit better.

- Co- worker in Stockholm

As we will see, this awareness lead by the GPOT focus has been supported by actual changes in the organisation, which helped prioritise the project work in the line organisation much more than in the past.

Improved frame for the project work (Cat 2.2)

In this category, we have grouped together all the changes mentioned by our interviewees, which contribute to providing the organisation with a better frame to execute the project tasks. As we will detail, a better planning, an improved follow-up and a stronger support to project activities have provided the organisation with a more inclined setting to deliver on time.

Better planning of project activities



According to 39% of our interviewees, the planning of the project activities has been significantly improved. While the project master time plans were constantly changed in 2002, they are reviewed only twice per year since 2003. This better consistency of the master plans is reinforced by the fact that they also better take into account the actual available resources. As Frame (1987) claims, a good planning is compulsory for project success, because it permits to keep control on the project and react in case of deviations.

Thanks to this more consistent planning, the attitude of the line organisation has changed. In 2002, it was common to think:

*It's possible that the SP start could be postponed once again [...]
Now we know that we don't have the choice: we must fulfil the gates.*

- Co-worker in Paris


This consistency of the master planning has also provided the organisation with an increased visibility and anticipation (according to 35% of our interviewees):


Now we can organise our work with a window of 6 months, so it's very easy, we can anticipate more than before.

- Co-worker in Paris


On both sites, several master time plans have been broken down into sub-activities, to make it easier for the designers to know what they have to deliver and when, so that they can better organise their daily work and foresee the difficulties. However, the way it was done differs from one site to the other.


■ ■ In Paris, the master planning for all the projects of Chiva have been broken down since 2003 into three schedules (Gate schedule, Project planning and Release planning), which give a better visibility. All these documents are available for all the Chiva employees, on the network. In addition, and at least in one commodity where we conducted interviews, one person is fully dedicated to breaking down the time plans into elementary activities for the designers. This is appreciated by the organisation, but we have the feeling that the involvement of the designers into the planning break-down praised by Paulden (1977) may be lacking. This could lead to the designers being provided with unrealistic time plans and rejecting them.

 A line manager in Stockholm (who used to be a Project Manager) explains that the Groups have to break down the master plans on their own, while they do not have time for it. He argues that this should be done by the PMs instead, and discussed with the designers, to give more time for the latter to work on design and thus increase their chance to deliver on time. This viewpoint can be defended, but we believe that there is a need for finding a good balance between relieving the designers from the detailed planning work and involving them in this task, as Paulden (1977) recommends.

 It seems that the better consistency of the master plans and the break-down of these plans into sub-activities are keys for the line organisation to better deliver on time. However, the involvement of the designers into the break-down differs significantly between Paris and Stockholm. While they may not be involved enough in Paris, they appear to lack of support in Stockholm.

Better follow-up of project activities

 Globally, there has been a significant increase of the projects follow-up, both in the project and line organisations. First, several KPIs have been designed in various departments to follow-up specific daily project activities. Second, numerous meetings (Department meetings, European Project Reviews, Project Committees, Morning Meetings, monthly Group meetings regarding projects...) and documents (Release Timing, Open-Issues lists ...) have been created since the end of 2003. They help the whole organisation, at various hierarchical levels, to have a clear picture of the history of the projects (past, present and future).

 In one commodity in Paris, there is even one resource in charge of following-up the project work of the designers and reminding them of the coming deliveries:

She helps us not to forget the answers [i.e. the project deliveries] we have to give to the company.

- Co-worker in Paris

Better support to project activities



Last, but not least, 45% of our interviewees mentioned a better support to project activities. This support came from the Group managers (according to 13% of all our interviewees), the Human Resources (10%), and mostly from the top-management (29%). It seemed easier in 2004 to get resources released (e.g. partial funding in advance to the validation of a Gate), while the situation was slightly different before:


One of the most difficult things [was] to try to convince the management and the steering group that there is a correlation between budget and deliveries.

- CPM

They have started to realise that this project is quite important for the [company] so now they are starting to say: 'Ok, if you need resources, just say and you will get the resources'.

- Co-worker in Stockholm

Having management and co-workers to share and identify to the same objective is a success factor for projects, according to Paulden (1977). By releasing the demanded resources on time, the Chiva management has certainly shown its care for the co-workers requests, and thereby kept their commitment to deliver on time. Besides, some of our interviewees argue that many more people have been recruited in 2004 in order to help projects deliveries. To this extent, the HR have also supported projects, by ensuring that right resources (i.e. people who have a project culture and teamwork “in their mindset”) would be recruited as early as possible.

 The Group managers we interviewed have tried to support their subordinates regarding the focus on deliveries time, either by educating them on what they could ask from the rest of the organisation, or by making them conscious that they have to report when they foresee a possible lateness. One interviewee argues that this support from the Group Managers is due to the fact that

They own the resources. So it's [the] line manager who gets bad results if we don't have releases on time.

- Co-worker in Stockholm

Organizational changes to better support projects (Cat 2.3)



The third contributor to deliveries on time (mentioned by 42% of our interviewees) is the organisational changes which have occurred since the end of 2003. It is worth mentioning here that most of them seem to have resulted from initiatives taken before the DO program was launched, and perhaps even before the GPOT objective was presented. However, these changes have to some extent turned the Chiva organization towards a more “project-oriented” organization:

Each organisation within [Chiva] really tried to organise themselves to better support projects.

- Global Top-manager

One can mention for instance the creation of a Project Support division in Purchasing. One can also refer to the establishment of a Project Management Support group in one commodity in Paris, in order to provide the PMs with more accurate support. Several new positions were also created in this purpose, within these emergent groups or in addition to the existing organisation (e.g. DPC and PMS in Paris, various project support functions in Stockholm...).

The simplification of the project decision-making structure was also mentioned by a few of our interviewees as a help to deliver on time. Before 2004, for some global projects, there used to be several committees which had to give their approval before a decision gate was opened (steering committees, customers steering committees, Product Councils, Product Boards...). Thanks to the Chiva Efficiency Program, there is now only one Steering Committee per project, involving representatives from all the stakeholders of the project. This has drastically reduced the Gate opening process.

Last, the physical collocation of some project teams has contributed to a dramatic improvement of the communication, and has reinforced the feeling of belongingness to a global company:

I see an actual need that you collocate people [...] to have this close contact and dialogue, and I think that contributes to this understanding that you belong to this global organisation and you work globally.

- Global Top-manager

Increased recognition of the CPMs' and PMs' roles (Cat 2.1)



For four of our interviewees, the responsibilities of the CPMs and PMs have been clarified in 2004, and their work has been more followed-up by the top management and communicated to the organisation. As Frame (1987) explains, project managers (CPMs and PMs) do not have any formal authority over the designers involved in their projects. However, if they get a stronger support from the top management, Frame (1987) claims that their role is strengthened in front of the rest of the organisation. This certainly justifies why the relationship between the line and the project organisation looks to have been improved. The communication, particularly, has been considerably developed, as 29% of our interviewees indicate. The CPMs, first, have made an effort to better communicate around the time plans:

[In 2003] we knew that a lot of gates had to be passed, but we had not a common view of the different dates, because it was very complicated. Now, we had a rather big effort to give visibility around the schedules, and around the dates at which the gates have to be passed.

- Co-worker in Paris

Some CPMs have also involved the line organisation more in the definition of the project time plans, to ensure they would be accepted by the organisation. Besides, a system of contracts between the project and the line organisation has been initiated by some CPMs, to secure the commitment of the designers. This perfectly answers the recommendation of Paulden (1977), who suggests to consult people before the plans are introduced, in order to get the co-workers committed.

The appraisal from the CPMs also seems to have been increased:

The other day he [the CPM] said that our [work] looked very good [...] and things like that. That gives you energy back to start over.

- Co-worker in Stockholm

In turn, this improved climate has resulted in a better communication from the line organisation to the project organisation. For example, designers warn as early as possible of potential lateness in their project tasks, so that the PMs can find solutions not to delay the whole project. This has also been made feasible thanks to the better planning visibility previously mentioned.

As a result, a more trustworthy relationship has developed between project organisation and line organisation:

[the PMs and CPM] understand why we are late [...] It's good to have an understanding and get the time that we need.

- Co-worker in Stockholm

The contribution to deliveries on time of this improved relationship is supported by Frame (1987), who argues that a better relationship between the project managers and the co-workers is a good way to get the latter committed to the objectives.

Improvement of the cross-cooperation within Chiva (Cat 10)



One interviewee out of five mentioned of the improved cooperation within Chiva, both at Site, Department, Commodity and Section levels.

First, it appeared that some managers (at diverse levels in the hierarchy) have started to use the globalisation of the company in order to learn from each site and each culture, to improve their local processes or organisation:

We felt that we needed to learn to know each other and each other's organisations. [...] We have done some changes since the first time we compared our organisations.

- Co-worker in Stockholm

Second, an effort has been made globally to break the borders between the different Departments of Chiva, in order to optimise the project work, and noticeably the communication between the different entities involved in the projects. Either formal committees have been appointed cross-functionally, or some attempts have been made, more informally, to make contact with other departments. It seems that the way was rather to ask the previous links in the project chain to deliver earlier than to propose to the following ones to get their inputs sooner. Still, this has created a dynamic in the organisation, which did not exist before:

There were engineers from our department and another department who had to work together, but they never spoke together. They were waiting for each other.

- Co-worker in Paris

As some designers explain, this has helped to better understand what the priorities of other departments were, which inputs they were expecting for the projects, and which time constraints they had regarding project deliveries. Even if this phenomenon seems to have remained marginal so far, both in Paris and Stockholm, its benefits are supported by Hedda & Törnroos (in Whipp et al, 2002) and Lewis (1995). They assert that the interdependence of the various parts of an organisation creates a need for communication, in order to avoid a “domino effect”; if one group is late, an early communication and a good cooperation can help reduce the delay in the next steps of the project.

Incentives



It is quite difficult to know if the incentives used in Chiva are truly contributing to deliveries on time, even if some interviewees said so. Most often, their impact is not direct, and we need to lean on more theoretical considerations to investigate this point.

One choice made by Chiva to reward the organisation has been to promise a 1% financial bonus in the end of the year 2004 if the 80% GPOT objective was to be attained. However, money belongs to one of the lowest floors of the Maslow (1943) pyramid, and is part of the hygiene factors of Herzberg (quoted in Mullins, 1999). For sure, the well-being of the Chiva employees does not depend on this 1% bonus. Even if it can be a plus, one can doubt of the efficiency of this incentive to deliveries on time, especially considering the affirmation of Herzberg (cited in Mullins, 1999) that money is not a motivator by itself.

Another choice was made on both sites in order to bring every employee to work towards deliveries on time. This choice was to integrate each employee’s contribution to GPOT in his/her Personal Development Plan. The PDP is the biannual evaluation of each employee’s performance, which conditions the future opportunities of evolution for everyone. We see this choice as dual, since it might attain two different levels in Maslow’s (1943) pyramid: Recognition and Safety. Some employees may see that as a personal challenge, and an opportunity to get more esteem from the management. In this case, the integration of deliveries on time in the PDP is positive, since it breaks down the objective to an individual level, which makes each employee feel that his/her

work is directly related to the GPOT target (according to Railo, 1988). However, other employees might consider it as a potential threat to their security, in case they would fail at delivering on time. Thus, they would be likely to adopt a defensive behaviour, or even a perverse one by exaggerating their results in order not to be hindered by their low results (relying on Paulden, 1977). These last behaviours would cause damages to the organisation, especially if the employees are tempted to cheat on their management.

The last incentive used in Chiva to motivate delivering on time is recognition, which fits the principles described by Maslow (1943) and Herzberg (cited in Mullins, 1999). The successful project teams, for instance, are given good feedback and offered cakes or even meals in a fancy restaurant at some occasions. The top-managers told us that self-pride and recognition from their manager were their best source of motivation. Last, we can note that the initiative of the DO team in Paris to invite three local DO teams to present their work to the Chiva President is likely to have reinforced their motivation and the willingness of others.

Improved relationship between Chiva and the customers (Cat 5)



Judging from some interviewees (19% of all our interviewees), the relationship between Chiva and the customers has improved a lot, mostly thanks to the establishment of the Key Account Teams. These teams, created as a result of the Chiva Efficiency Program, are considered as a real progress in the interface between Chiva and its customers. As Paulden (1977) underlines, personalising the customers to the workers is often beneficial for companies:

It's very good to have a close organization to discuss with the [customers]. [...] For us, as Engineering, it helps us a lot.

- Co-worker in Paris

This improvement could be one reason why the atmosphere has got better between the company and its customers:

We really feel a difference this year. We have more cooperation [with the customers].

- Global Top-manager

The DO program

We have seen in the first Chapter that the change strategy – i.e. the DO program – has been cascaded further down in the organisation in Paris than in Stockholm. Still, the GPOT scores of both sites in the end of 2004 are approximately the same, and the contributors to deliveries on time mentioned by our interviewees are mostly the same for both sites. Does this mean that DO has been useless?

What do our interviewees think?

We have not written much about the DO program when investigating the contributors to deliveries on time. This does not mean that the DO program has never been mentioned by our interviewees as contributing to deliveries on time. In Paris particularly, it seemed that the various contributors to deliveries on time and the DO program have actually been interrelated, as we will see in this part. In Stockholm, the role of the DO program seems to have been more limited.

■ ■ ■ From our interviews in Stockholm, we could not discern any clear contribution of the DO activities. This can be due to the fact that the DO work has remained on a top-management level, and even if one co-worker uttered that

We have probably seen the results of that [DO] work at our Group level, I think.

none of the co-workers interviewed ever clearly mentioned of any result.

■ ■ ■ On the other hand, the DO program in Paris seems to have contributed to facilitating deliveries on time in multiple ways. Our interviewees have often referred to DO when they mentioned some of the contributors to deliveries on time introduced earlier in this chapter. First, DO has been very tightly coupled with the GPOT focus (Cat 1) in Paris. As one interviewee expresses:

My feeling is that from the beginning of the year we have put all our energy on GPOT, on very small things and very big things. And DO is the main visible thing to me that we have made.

- Top-manager in Paris

Second, DO has partly helped the line organisation prioritise project activities (Cat 2.2). For instance, many workshops have been organised within each “local management team” to get to know what needs to be done between each gate to be on time. These workshops have brought up some improvements ideas that contribute to the efficiency of the work on projects. In addition, some of the results of DO working groups have given arguments to justify the need for supplementary decision meetings, in order to reduce the waiting time for projects to get a decision made.

Third, by bringing the most skilled personnel from different Sections/Commodities to work together in DO groups, DO has enhanced the cross-cooperation within Chiva (Cat 10) and speeded up the solution of some difficult project issues.

Without the DO organisation, we never took the time to exchange with these persons, because the projects are too big and take our complete timing [...] DO was an opportunity to take time and exchange together.

- Co-worker in Paris

Last, the DO work helped to make people aware of the Gate system, and get committed to their projects by knowing how their daily actions were connected to them. The program has also pushed the organisation to improve the way of working, noticeably by giving employees the opportunity to improve their working processes.

Maybe with DO, we had some specific tasks or items. Maybe we take the time not to just have the engineering, but think about the organisation, the way we can reach the targets.

- Co-worker in Paris

What do we think?

Since the implementation of DO has not been cascaded in Stockholm as much as in Paris, we will compare the contributors to deliveries on time on each site. If we find differences, we might grasp the actual contribution of DO.

Considering that the 12 categories mentioned by our interviewees (c.f. Table 2) constitute 100% of the contributors to deliveries on time¹, we obtain the following pies, which represent the respective contribution of each category (according to the percentage of interviewees who mentioned them):

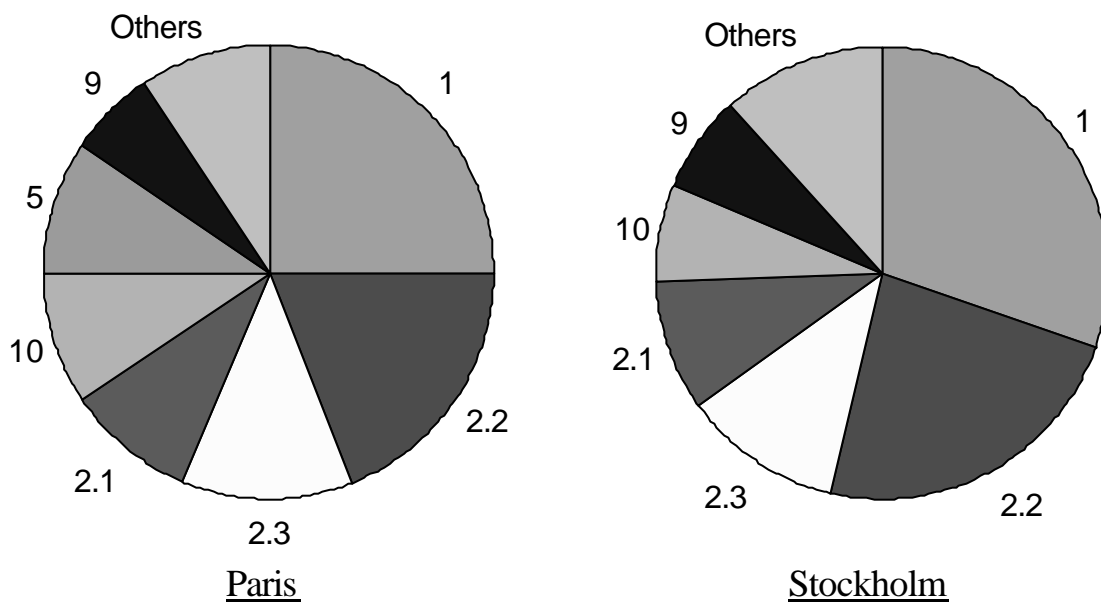


Figure 14. The respective contribution of each category to deliveries on time – Comparison between Paris and Stockholm

The pies look rather similar. Once again, we see clearly that the GPOT focus (Cat 1) has had a considerable contribution to deliveries on time. The better integration of the project work into the line organisation (Cat 2.1, 2.2 and 2.3) drastically helped delivering on time as well. Third, the improvement of the cross-cooperation within Chiva (Cat 10) and the incentives (Cat 9) have played a role worth being mentioned. Last, the weight of Others is relatively equivalent between both countries.

¹ By having this consideration, we assume that none of our interviewees forgot to tell us about another element which would have helped him/her/the organisation deliver on time

The main difference we can see on the pies actually comes from the Cat 5, i.e. the improved relationship between Chiva and the customers. Indeed, this has been sometimes mentioned in Paris (21% of the interviewees) but never in Stockholm. Is this the result of the DO program? We do not think so. As we have seen earlier, this better relationship is mostly due to the creation of the KA teams, which is a result of the Chiva Efficiency Program, not of the DO program. It therefore seems that the DO program has not helped the organisation in Paris much more than in Stockholm, despite the greater effort made to implement it. Or should we actually say that the DO program has not helped *yet* ?

Indeed, there is another little difference between the pies: the weight of the GPOT focus (Cat 1). It looks like the focus has been slightly less influential in Paris than in Stockholm. Besides, if we go back to the statistics, only 57% of our interviewees in Paris mentioned the GPOT focus, while 100% of those in Stockholm pointed it out. We actually believe that with DO, the extensive use of group work has made the necessity to deliver on time start to penetrate the minds of the Chiva employees in Paris. In fact, as Jimmieson et al (2004)¹ argue, group norms develop within working groups, which tend to carry all the group members to identify to each other and to the group itself. By regularly working in DO groups, on actions which contribute to delivering on time, it is likely that the employees in Paris have developed a common awareness about the focus and have started integrating it in their mindset. We believe this mental assimilation is the key when it comes to sustaining and even increasing the number of deliveries made on time.


Last, we would like to come back to the cross-cooperation within Chiva. Even if it has been explicitly mentioned by 21 percent of our interviewees in Paris as a help for the organisation to deliver on time, 86 percent of the same interviewees have spontaneously valued the cross-functional work realised in the DO groups. This could look contradictory at the first sight, but we believe that the explanation resides in the fact that working cross-functionally may not generate direct improvements. Indeed, people from different entities of the company first have to learn to know each other and the way each other work. For this reason, the benefit may not be visible yet, which could explain why there is no major differences in the Figure 14 between Paris and Stockholm.

¹ c.f. Theoretical Framework in Chapter One, p.26

Yet from a longer-term perspective, we believe that the employees in Chiva Paris will benefit from this effort, especially by creating informal linkages between different entities and developing a mutual understanding. We see this as a very good way to develop at all levels of the organisation the “Chiva point of view” desired by the KATP.

To sum it up, we are of the opinion that the effects of the DO program have been rather restricted so far, but that they will show in the coming years in Paris. We actually consider the DO program as a major contribution to the future efficiency of the organisation, provided that it involves as many employees as possible at all hierarchical level of the organisation.

Conclusion of Chapter Two

 Many elements have contributed, to various extents, to help Chiva deliver on time in 2004. The improvement of the relationship between Chiva and the Customers, the incentives used regarding GPOT, and the improvement of the cross-cooperation within Chiva have been significant in the pursuit of on-time deliveries. However, the major contributors to deliveries on time were (4) an increased recognition of the roles of the PMs and CPMs, (3) several organisational changes in order to better support projects, (2) an improved frame for the project work and (1) the GPOT focus.

To us, the improvement of deliveries on time is thereby mainly due to two ingredients:

- a better integration of the project work into the line organisation. In this ingredient, we group together the contributors (2), (3) and (4), since we believe that all of them have helped the line organisation assimilate project activities. Put together, these contributors have been mentioned by 55% of all our interviewees
- an effective goal, clear and consistent. The GPOT focus has been mentioned by 74% of our interviewees (57% in Paris, 100% in Stockholm). Indeed, by having a specific and measurable focus (“80% GPOT in 2004”) and relating this overall goal to each employee (especially through the PDP), Chiva has fulfilled several characteristics of an effective goal according to Railo (1988). In fact, Railo (1988) claims that these characteristics are likely to create motivation for the employees, and a feeling of cohesion of the personnel in the attempt to reach the objective. We better understand now why the GPOT focus has been mentioned as a contributor to deliveries on time: by being concrete and related to the individuals, it has brought them to work together towards it.

When it comes to the DO program, we have not been able to discern exactly to which extent it has helped deliver on time in 2004. However, we believe that it has contributed to some degree, especially when considering its interrelation

with the different contributors to delivering on time. To us, the greatest contribution of the DO program (especially as conducted in Paris with the DO working groups) is actually rather to create a positive long-term effect by developing an awareness of the importance to deliver on time, and by creating cross-functional linkages. We consider this is likely to speed up the execution of cross-functional projects in the future.

CHAPTER THREE – WHAT HAVE BEEN THE REASONS FOR THE RAISE OF GPOT FROM 40% TO 80% ?

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Processing of the Empirical Data

As we will see in this Chapter, we believe that the raise of the GPOT score could be due to issues within two main fields. First, the categories defined in the Chapter two, which contributed to deliveries on time, combined with the DO program, have surely had a positive impact on the GPOT score. Second, we would like to mention some other issues, which have not improved deliveries on time as such, but might have played a role in the increase of the GPOT score.

The contributors to deliveries on time and the DO program

As mentioned in Chapter two, the most significant contributors to deliveries on time were (1) the GPOT focus and (2) the better integration of the project work into the line organisation. The DO program, by its interrelation with several of those contributors, may also have partly influenced the raise of the GPOT score. It is in fact undeniable that by helping the organisation to deliver on time, all of these elements have positively impacted the GPOT score during the year 2004. However, we are not convinced that they can explain on their own such an increase (40 to 80 percent) of the GPOT level. As one interviewee in Paris mentioned about DO:

It wouldn't be honest to say "ok, we have organized [DO] working groups, they have proposed recommendations, we are starting to apply them, and that is the reason why gates on time is at the good level of this year." Of course it is not the case.

- Co-worker in Paris

In addition, we "omitted" to mention that three interviewees in Stockholm actually stated that nothing had really been done since 2003 to help deliver on time. As one of them expressed:

I still miss the very good improvements within the projects.

- Co-worker in Stockholm

Aware that not enough short-term improvements had been made in any site to explain such a raise of the GPOT score, several top-managers argued that the GPOT focus was actually the main explanation:

*Without any improvements, we would probably have raised from 35% to 75%
[...] The focus was the most important thing.*

- Top-manager in Paris

We have already seen how the focus has had a major contribution to make the organisation deliver on time (c.f. Chapter two). However, we do not believe it can explain on its own a raise of the GPOT scores from 40 to 80 percent within a few months. Besides, even if all the categories defined in Chapter two definitely helped the organisation deliver on time, and even if the DO work has also contributed to the raise to some extent, several interviewees were surprised by the raise of the GPOT score:

Maybe it's a miracle. I want to speak frankly: it's a bit surprising for me.

- Co-worker in Paris

From an Engineering perspective, I can't understand why we have a higher level of gates passed on time.

- Co-worker in Stockholm

This made us wonder if there were other reasons for the raise.

Other potential reasons

In fact, we were informed by some of our interviewees of other practices arisen in 2004, which did not directly help to increase deliveries on time as such, but could still have had an influence on the raise from 40 to 80 percent GPOT.

New lead time

One of the top-managers in Paris mentioned that a new lead-time had been negotiated with the customers. We are of the opinion that this new lead-time might have made it easier for Chiva to keep the promised deadlines and thereby this might have had an influence on the raise of the GPOT score.

Another issue influencing the raise of the GPOT score might have been a change in the process of how the gates were passed.

Conditionally Passed Gates

Cooper, the inventor of the gate system, means that the process of killing and letting projects live can have both advantages and disadvantages. For example in one article Cooper (2000) reasons that a go/kill decision should be made when a project reaches a gate and that by killing some projects, more resources would be available for the remaining ones. However, in another article Cooper (1996) argues that in the fastest gate process, the projects are allowed to go on even if all gate criteria at a gate are not fulfilled, since this prevents the project from being put on hold to wait for late activities to be completed.

One of the projects where we interviewed people had to endure due to legal demands. It also had a much shorter time frame to be finished than the DP states. Consequently, even if the gates were not to be opened according to the DP, the project had to be given sufficient resources for the following development stage in the DP in order to be finished in time. The way to solve this problem seemed to be a compromise between closing and opening the gates, resulting in the term “conditionally opened gate”. This signifies a gate where all gate criteria are not fulfilled but an action plan of how to catch up in the project can be worked out and implemented. As Cooper (1996) mentions, this allows the project to be completed in a shorter time than when using a more bureaucratic approach, which would put the project on hold (or kill it) when all gate criteria are not fulfilled.

No one of those [criteria] are green in the gate, more than half of them are red as “not fulfilled”, and some are yellow. But anyway the project is passing the gates, with a lot of conditions.

- Co-worker in Stockholm

If an action plan is in place, maybe it is sufficient to say that it is not a stopper, because everybody now knows that we have to find a solution for this specific stopper, and everybody signs a contract. [...] We know how to manage the risk and remove it before the start of production. So maybe we increase the management of the risk. [...] But the goal remains the same: it is to deliver the [product] on time.

- PM in Paris

There is no more sense to let the gate closed or opened, because we need to do the job anyway, we need to go through all the project and go fast fast fast.

- Global Top-manager

As we can see from those quotations there seems to be a certain awareness at both sites (Paris and Stockholm) that some gates are passed with conditions. Some interviewees expressed that this phenomenon has increased between 2003 and 2004.

For example [one project gate in August 2004] has been conditionally opened, to let the project continue to work, to have the fund to release the parts, etc. [...] Normally, on the previous years, when you had a situation like that, you arrived at the [same gate] with 50% of the B-release done, the gate was closed.

- Global top manager

Cooper (1996) means that the gate process is a way to remove uncertainty and manage risk. He recommends that the extent to which the formal gate process should be followed should depend on the risk level of the project. As the quotation from the PM in Paris above shows, some of our interviewees were aware of the increased risk caused by the conditionally passed gates. This could explain why some of them were rather sceptical towards the company passing gates conditionally;

We are raping the process. Sorry for saying that. We are raping the process by the fact that we are using the term 'conditionally opened' much better – much more.

- Top manager in Stockholm

If the risks are properly handled, we are of the belief that passing gates conditionally does not necessarily have to be negative. Indeed, this is likely to facilitate the continuation of the project by giving it the essential funding for the coming stage in the DP. However, since “conditionally passed gates” are counted as “passed gates” in the GPOT scores, there seemed to be a general mistrust of the validity of the 80 percent GPOT score.

I am able to build you a way to measure to be at 100% next year or to be at 20%, just ask me which level you want me to find, I just do it. It's very easy.

- Section manager in Paris

Accordingly, we have the impression that passing gates conditionally to some extent has had an influence on the raise from 40 percent to 80 percent in the GPOT scores.

As we have seen, passing gates conditionally can be a way to increase the speed at which a project can be conducted. Another way to increase the working pace is, as Sabelis (in Whipp et al, 2002)¹ points out, to compress activities, resulting in a selection or suppression of activities. In Chiva this seemed to be done, partly by taking shortcuts in the project process (the DP).

Shortcuts in the DP

Because the lead-time for some projects was very short, it was needed to find a way to get finished with these projects in a shorter time than stated in the DP. One strategy used for this purpose was to cut activities in the DP, which corresponds to the *compression* described by Sabelis (in Whipp et al, 2002).

You need to look for alternatives to solve these [time] issues. You find shortcuts to push everything to an edge.

- CPM in Stockholm

According to Sabelis (in Whipp, Adam & Sabelis, 2002) compression also implies pressure, which was another aspect we encountered during our interviews.

Today we are very concerned by the focus on GPOT. On the other hand, it's a stress maybe. [...] I'm not sure it can be a constant speed. This is a fear I have for the future.

- Co-worker Paris

Moreover, Sabelis (in Whipp et al, 2002) warns of possible risks generated by the suppression of certain tasks judged as unessential. People working in the project organisation expressed it as follows:

I push my project hard I think, and to the edge of people's ability in some respect.

- CPM in Stockholm

We know that it is impossible to be fully in line with the DP, but maybe it is acceptable to take the risk.

- PM in Paris

¹ C.f. Theoretical Framework in Chapter two, p.58

As we can see in this last quotation, the PM in Paris is aware of the increased risk when cutting activities defined in the DP. We believe that as long as Chiva is aware of the increased risk and is willing to take it, to cut activities in the DP might be a good way to speed up a project. Nevertheless, we think Chiva should also be prepared to face possible drawbacks, once a project is finished.

Last, we think that the possibility to take shortcuts in the DP has increased with the allowance to pass gates conditionally. Indeed, if it is not needed anymore to fulfil all the gate targets to get the gate opened, then it is possible to perform less activities (i.e. take shortcuts in the DP) prior to this gate. As a result, it might have been easier to be on time at the gates in 2004, since less tasks had to be executed. This is why we believe that the shortcuts taken in the DP can also have contributed to increase the GPOT score, together with the conditionally opened gates.

Conclusion of Chapter Three

We have found that the raise of GPOT from 40 to 80 percent is not only due to the contributors to deliveries on time and the DO program mentioned in Chapter two, but also the new lead times negotiated with the customers, passing gates conditionally, and the shortcuts taken in the DP.

Taking shortcuts and passing gates conditionally have increased the risks in the projects, as Sabelis (in Whipp et al, 2002) and Cooper (1996) claim. Nevertheless, we believe that this has helped to finish the projects within a shorter time frame than the DP states. As Cooper (1996) suggests, a project allowed to pass a gate even if all gate criteria are not fulfilled, will be finished quicker than if it is put on hold at a gate to wait for not yet finished activities. Sabelis (in Whipp et al, 2002) suggests that compression of activities will make the working pace faster by compressing activities, something we believe has been done by taking shortcuts in the DP.

Consequently, it seems that the raise of the GPOT score is not only due to increased deliveries on time. As mentioned in our research problem (p.14), there is a difference to be made between deliveries on time and gates passed on time, since changes seem to have appeared in the project validation process itself. Indeed, if some gates have been conditionally opened in 2004, while they would have been kept shut in 2003, and if more shortcuts have been taken in the DP than in the past, one can argue that the measurements are not exactly comparable.

It depends on what you measure, and I'm sure that when we were able to measure 60, and 40 and so on, we are not comparing the same things.

- Co-worker in Paris

We still believe that passing gates conditionally can be justified in some cases, as can the shortcuts taken in the DP. However, we would like to point out that the raise of the GPOT score between 2003 and 2004 might not *only* reflect improvements in the organisations, but seems to also be due to a modification of the phenomenon measured.

As a consequence, we believe that the dramatic raise of the GPOT score should not make anyone believe that deliveries on time are now a norm in Chiva.

Instead, we think that there is still some effort to be made in this sense, which is why we will give recommendations in Chapter four on how to continue and adapt the change implementation in 2005.

“Ok, we have DO actions, it helps, but if you stop the DO actions [...], you will lose all the benefit”.

- Co-worker in Paris

CHAPTER FOUR – DEVELOPMENT OF THOUGHTS AND OUTCOME OF THE RESEARCH

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In this concluding chapter, we wished to get deeper in our analysis of the previous elements to finally come up with answers to our problem. We will therefore come back to each of the three previous chapters, not to repeat our conclusions, but to better understand, first, what could explain the differences we have noticed in the implementation of the change between site Paris and Stockholm. Then, we will use our conclusions of the second chapter to determine which aspects could be into focus next year in order to increase deliveries on time, and how that could be practically realised. Third, we will deliver more personal reflections on the Gate system, since it is one of the foundations for the project work in Chiva. We therefore believe that some issues linked to it are important to be considered for the success of the change.

All these successive reflections will bring in important elements leading to our recommendations on how the change implementation process could be adapted in 2005. In addition, we will start this chapter by presenting some key information about corporate culture and change, which we will employ all along the chapter, as we intend to provide recommendations that ensure a certain sustainability to the change.

Theoretical Framework

Cultural issues will play a central role in the present Chapter 4, since we will see that one can hardly expect deliveries on time to become a norm in the organisation if the corporate culture of Chiva does not support them. Indeed, corporate culture conditions employees' behaviours, and it should therefore be under scrutiny when a change of behaviours is wished.

Culture and Corporate culture

Culture is defined by Hofstede (1980:13-14) as the "collective programming of the mind" that each person carries, "which is stable over time and leads to the same person showing more or less the same behaviour in similar situations". Culture thereby extensively influences the way anyone behaves. When it comes to professional settings, the corporate culture impacts individual behaviours, since it determines the way people interact with each other (Oden 1997).

National culture

As a company is constituted of individuals, the corporate culture is strongly dependent on the cultural characteristics, which are common to the largest number of employees. Thus, national culture influences corporate culture, as it is shared among employees who have grown up in the same country. Hence, the Swedish employees of Chiva in Stockholm (i.e. the large majority of the people working in Chiva Stockholm) share the same Swedish culture, and the French employees of Chiva in Paris (i.e. the large majority of the people working in Chiva Paris) share the same French culture.

Hofstede (1980 & 1991) has shown in his studies that France is a country where the "Power Distance" is high, i.e. where employees depend very much on their bosses, follow their orders, and are likely not to approach or directly argue against their managers. On the opposite, the same research has shown that Sweden is a country where the dependence between the boss and the employee is limited, and where there is a preference for consultation.

The differences between French and Swedish national cultures also show on the "Masculinity" index of Hofstede (1991). While France scores 43 out of 100, Sweden scores only 5. This reveals that French people are rather driven by competition and the search for high earnings, recognition, advancement and challenges, while Swedes rather tend to cooperate with their direct superiors, search for good relationships with their colleagues and for long-term and secured employment.

Introducing a change in the corporate culture

When the corporate culture does not fully support the objectives of the company, it can be necessary to modify this corporate culture, so that the behaviours of the employees would change towards the targeted goal. According to Alvesson (2001), there are two main streams of ideas of how to change the corporate culture in an organisation. The first one is the idea of changing the values, ideas, perception and thoughts of the employees in order to change the behaviour and consequently the corporate culture. The second idea is that if the behaviour of the employees can be changed, then in turn the values, ideas and perceptions, and hence the corporate culture, will in turn, change as well.

Processing of the Empirical Data

Deliveries on time and the corporate culture of Chiva

During our research we got the feeling that the corporate culture in Chiva at both sites is more turned towards quality than deliveries on time. Around 10 percent of our interviewees stressed that deliveries were a part of the work:

Deliveries are not only Gates. Everything you do is a delivery. To be here in time is a delivery. [...] I think we can pass gates on time. [...] if we can get this mindset in all our co-workers.

- Section Manager in Stockholm

However, 22 percent of all interviewees seemed to prioritise quality in front of deliveries:

In the engineering world where we are, it [being on time] was not the main focus of the people.

- Co-worker 1 in Paris

It's ok to be late because they [the PMs and CPM] understand why we are late [...] It's good to have an understanding and get the time that we need.

- Co-worker 1 in Stockholm

We are more interested in quality deliveries...

- Co-worker 2 in Paris

We have to have a good quality in our stuff we are doing or it will cost them [the company] more in the end.

- Co-worker 2 in Stockholm

Given the higher percentage of people thinking that quality is more important than deliveries on time, it seems that the corporate culture in Chiva is more quality oriented than delivery oriented. This might also be why totally 25 percent of all interviewees were concerned about the risk of lowering the quality when focusing on deliveries on time.

We believe that if deliveries on time could have an increased importance in the corporate culture of Chiva, on both sites, employees would behave accordingly, and the whole organisation would change in favour of the targeted objective.

We guess it is difficult to change the corporate culture at first. Instead, we think it is easier to follow the second way suggested by Alvesson (2001), by organising activities which will first bring employees to change their behaviours. This would in turn impact the corporate culture, and facilitate deliveries on time becoming a norm in Chiva. In our understanding, the organisation of such activities is precisely what the change implementation process should be about.

From our investigation, we did not get any evidence – neither empirically nor theoretically – that the French or the Swedish national cultures oppose deliveries on time. We therefore assume that it is possible to adjust the corporate culture of Chiva to include deliveries on time, on both sites, by executing a change implementation process which supports deliveries on time. Our recommendations regarding the adaptation of the change implementation process will therefore be designed for the adjustment of the corporate culture to happen in the long run, i.e. so that deliveries on time could become a norm within the organisation

Reflection on DO

As we concluded from the tables comparing Paris and Stockholm (c.f. Figure 9 p.54 and Figure 10 p.55), the change implementation strategy has been quite different between the sites. Three top managers saw this as a problem, since it hindered cross-site cooperation.

[I have been] one of the more frustrated persons over the fact that we are not launching this [DO] in a good way multi site.

- Global Top-manager

As we proceeded with our work we started to wonder why such differences in the change implementation can be noticed between Paris and Stockholm. In the following section we will develop our thoughts regarding this issue.

Paris

As a matter of fact, site Paris started to focus on deliveries on time already in 2002. We believe that by having this focus two years prior to the global focus, the mindsets of the employees had probably already been penetrated to realise

the importance of delivering on time, as one commodity manager in Paris expressed it:

The people haven't been too surprised to have now, two years after, this global focus to be on time, because finally they have been prepared with that two years before.

Moreover, the current employees of Chiva Paris used to be working for another company until 2001, where innovation was one of the core values. We think that this interest in innovation of the Paris organisation might have helped the implementation of DO. Indeed, even if innovation is not one of the core values of Chiva, it could be that the employees in Paris still have some remains of it, which might have lead them to be more open to try this new thing called DO.

Another factor, which possibly contributed to the implementation success, is the feeling of threat that the organisation in Paris might have had. For example, one interviewee mentioned that when the GPOT focus was launched,

We thought: "ok, this is one more condition to survive".

Railo (1988) means that pressure creates energy, which can be canalised either towards a fight or a flight reaction. He argues that whole groups and companies can choose either direction, the choice often depending on the culture of the group or company. To us, it seemed that site Paris had a "fight" reaction to the pressure the top management of Chiva put upon them. As the DO program was an initiative from the Stockholm site, we believe that succeeding with the implementation might have been a way for Paris to show its strengths to site Stockholm. As one employee in Paris expressed it:

We know that we have to show that we are able to develop, we have to show all the competencies of Paris.

Additionally, during our interviews we have encountered indications that recognition seems to be the major motivator for site Paris. Threats and recognition as motivators are not contradictory, as Maslow (1943) suggests in his hierarchy of needs. To eliminate threats is just a more basic need than recognition. We believe that by acknowledging some of the DO groups, for example at the mid-year review, Paris has succeeded with motivating the employees to go on working with DO. This success could explain an increased

attention from the Stockholm site and the head of Chiva, as the visit (during the summer 2004) of the President of Chiva to several DO working groups in Paris symbolises. In turn, this increased attention could also explain an enhanced motivation to work with DO.

I am only looking for this [recognition and self-pride]

- Top-manager in Paris

In France the KATP played an essential role in the launch and implementation of the group-based DO work. We believe that this strong top-management commitment is likely to have had a great influence on the success change implementation, especially in such a high power distance country as France.

As a conclusion, we believe that it could be beneficial, at Paris site, to continue with rewarding the efforts made and strengthen an incentive system based on recognition.

Stockholm

As we have seen in chapter one, Paris site organised a kick-off meeting in the beginning of 2004. Ramquist & Eriksson (2000) mean that such a co-worker seminar will give the organisation an energy-kick to get started with the change work. In Stockholm however, no such seminar was held.

If I should be very rude, I would say they didn't launch it [DO] in Stockholm

- Global Top-manager

We believe that this can explain to some extent the lack of resources allocated to a group-based DO work in Stockholm during 2004. Indeed, the organisation never got this energy-kick, nor the explanation of why it was urgent to make this change (as Noble, 1999 suggests) to deliver on time to a greater extent.

During our work we encountered another factor possibly impacting the lack of resource allocation to a group-based DO work. We were told that this approach had already been given several implementation attempts before 2004. Nevertheless, for one reason or another those attempts had failed. We were also informed that there seemed to be a doubtful attitude towards DO among top management. It is our belief that due to the disappointments caused by these previous failures, there simply does not seem to be any more confidence,

among the top-management in Stockholm, in the utility of a group-based DO work.

Since site Stockholm does not seem convinced about the benefits from a group-based DO work, we think it could be beneficial to try to prove to the whole organisation why such a work would be advantageous. This could start with trying to involve the KATS in the change implementation - since they are the ones who decide on the allocation of resources - and afterwards communicating to the rest of the organisation about the advantages of a group-based DO work.

As we have seen in Paris site, the employees seemed prepared for the focus on deliveries since it had started already in 2002. To keep on emphasising the importance of deliveries on time in Stockholm is likely to lead to the same effect as in Paris, i.e. to make deliveries on time penetrate the mindsets of the employees and in turn modify the corporate culture.

Reflection on deliveries on time

We have seen in Chapter 2 that our interviewees explained the improvement of deliveries on time in 2004 by 12 categories of contributors. Out of these categories, the most significant ones appeared to be:

- The GPOT focus
- Improved frame for the project work
- Organisational changes to better support projects
- Increased recognition of the CPMs and PMs roles
- Improvement of the cross- co-operation within Chiva
- Incentives
- Improved relationship between Chiva and the customers

We think that these seven categories should be particularly into focus during the next steps of the change implementation, on both sites. Indeed, as they were claimed to facilitate deliveries on time by a significant number of our interviewees, we assume that taking actions to strengthen and develop them could be beneficial for the organisation to reach its objective. However, we believe it is not sufficient to say *what* to do. We would also like to give some hints on *how* we think this could be done.

Our experience in the company is very limited, and we do not know how to practically reinforce each of the seven categories defined. Nevertheless, we think that some considerations could be taken into account in 2005 regarding some of them.

The GPOT focus

In a few years, we think that it will not matter whether the focus is on GPOT or not anymore. Indeed, we believe that as long as the organisation has realised the gains of making efforts helping deliveries on time, it is likely that this new way of working will endure. However, as we concluded for Stockholm in the first part of this Chapter (c.f. p.103), it seems necessary that the focus on deliveries on time is kept at least for 2005. This is also true for Paris, because even if the employees in Paris seem slightly more prepared to focussing on deliveries, there is still room for improvement.

We believe that the strategic objective of Chiva for 2004 was good, since it included both the specific and measurable aspects, as demonstrated in Chapter two (p.68). However, we think that the organisation would strongly benefit from the integration of a behavioural aspect into the GPOT focus, for instance by communicating the message "90% GPOT in 2005 by improving the cross-cooperation between Departments". We base this belief on the argument of Weinberg & Gold (1995) that a goal affecting behavioural change should be stated in measurable, specific and behavioural terms. In our opinion, there are two main advantages of integrating a behavioural aspect into the focus.

First, adding a behavioural aspect to the GPOT objective would be an opportunity to harmonize the strategy for the organisation. This would better prevent possible contradictions in the approaches various entities of the company adopt to reach the goal, since everyone would be explicitly asked to pull in the same direction. This is also likely to create a feeling of belongingness and team spirit where people are expected to cooperate for the best of the organisation and not for their own benefits. According to Railo (1988), these advantages can also be strengthened by breaking down the overall objective at all levels of the company, making sure that there is a correlation between the sub-goals throughout the organisation. Given this information we think it would be beneficial for Chiva to break down the focus from a "Chiva point of view", as expressed by one top-manager in Paris. An idea could be to create cross-functional groups at different hierarchical levels to make sure that

the focus is broken down in a cohesive manner between the different departments, commodities and sections.

Second, adding a behavioural aspect could help balance the pressure put on the organisation by the "80% GPOT" focus. This behavioural aspect would create more attractiveness for the employees (Weinberg & Gold, 1995), and help them adapt their attitudes and priorities. In turn, this inspiration could support the organisation to avoid any excessive compression of activities, or at least give a frame for Chiva to balance compression with other solutions, such as the condensation suggested by Sabelis (in Whipp et al, 2000).

Last, Sabelis (in Whipp et al, 2000) argues that people might “crack” if the pressure put upon them is too strong. Because the GPOT focus has created pressure upon the co-workers¹, we think it would be beneficial to reduce it by providing the employees with more support from the management. We think this is likely to decrease the felt pressure and reduce to some extent the latent feeling of threat in Paris. This support could also increase the belief of the people that they will be able to reach the high objectives the top management have set for the organisation. One way for the management to provide support could be to allocate more resources to the change work, especially in Stockholm, and creating cross-functional groups to define specific solutions reinforcing the contributors to deliveries on time previously mentioned.

Improved frame for the project work

We have detailed in Chapter 2 the way each site has broken down the projects' master time plans. We would like to reaffirm here that a better equilibrium might be found at each site, by involving more the designers in Paris into the planning breakdown, while better supporting the designers for performing the same activity in Stockholm. In both cases we think it would be beneficial to follow the recommendations of Paulden (1977) to consult the co-workers before a time plan is introduced, for it not to become unrealistic, as Lewis (1995) forewarns.

¹ c.f. Chapter three p.92

Improved relationship between Chiva and the customers, and improvement of the cross- cooperation within Chiva

To us, both these categories (Cat 5 and Cat 10) relate to the same necessity of working cross-functionally in order to deliver on time. We would therefore recommend that cross-functionalities are reinforced, both inside Chiva and with all its stakeholders (suppliers and customers mostly). We will give more detailed recommendations concerning the cross-cooperation within Chiva in the last part of this chapter (c.f. p.116).

Incentives

This contributor to deliveries on time is quite a sensitive point. Indeed, rewards are necessary in order to motivate people and recognise their efforts. As Ramquist & Eriksson (2000) explain with the self-living organising systems' theory, the outcomes of a system need to be exploited for a system to survive. This statement applies for all kinds of systems, and as well as the whole Chiva organisation needs to be rewarded for its efforts, each individual within the company needs his/her efforts to be used and acknowledged. We therefore believe that an incentive system is needed to improve deliveries on time, both on organisational and individual levels.

Paulden (1977) means that it should be possible to monitor an incentive system in a careful and reliable way. In fact, this author warns about the risk that people might feel tempted to engage in opportunistic behaviour, i.e. exaggerate data in order to qualify for unearned bonuses, in case the examination of the incentive system is absent. We do not know if passing gates conditionally partly results from the integration of the GPOT focus in the PDP of each employee – additionally to all the reasons described in Chapter 3 – and in turn to the emergence of opportunistic behaviours. However, we would like to recommend to pay attention to Paulden's (1977) warning and make sure that the gates are passed conditionally due to the right reasons. We actually think that using the PDP the current way might present a risk¹ and we would therefore recommend that the incentive system is designed in such a careful way that opportunistic behaviours are not encouraged. Instead we believe it would be beneficial to base the incentive system on recognition. By showing to a larger extent the appreciation of the efforts made in both sites, the top-

¹ C.f. Chapter two p.78

management could both reinforce the motivation to work with the change on both sites and reduce the feeling of threat that seems to be experienced in Paris.

Even if the Power Distance in Sweden is lower than in France (Hofstede, 1991), we think that recognition is also important for Swedish employees, since Sweden is a "feminine" country, where care for employees is customary (Hofstede, 1991). We would therefore recommend that recognition is more used on both sites, and that attention is paid to how the PDP is used.

Reflection on the gates system

We believe in the previous recommendations, but we also doubt that only following them could be sufficient to significantly improve deliveries on time. We actually think that there might be a need for clarification, inside the organisation, of the way the DP is supposed to be used. At the time of our interviews, it appeared to us that the understanding of the DP – i.e. the fundament of the project work – was slightly different between the Steering Committees, CPMs and PMs on one hand, and the co-workers on the other hand. While taking shortcuts in the DP and passing gates conditionally seemed mostly accepted by the former¹, the latter appeared to be ill at ease with the risks taken and worried about potential quality problems:

I have the feeling that there is such a focus on Gates passed on time that the projects are just passing, and the quality at the decisions is lower.

- Co-worker in Stockholm

Sometimes it's too fast. We don't have the time to make all the checks we should make.

- Co-worker in Paris

As we have already specified in Chapter three, passing gates conditionally and taking shortcuts in the DP can be justified. Moreover, passing gates conditionally can be seen as a way to keep the organisation motivated, since the employees could resent the closing of gates after all their efforts to deliver. Nevertheless, we are convinced of the need for more transparency between the "Project Management team" (SCs, CPMs, PMs) and the line organisation. This could be done for example by clearly explaining how the DP is now supposed to be followed, why gates can now be conditionally passed, and also to clarify

¹ C.f. Chapter three p.90

why it is still important that the organisation does as much as possible to deliver on time.

During our interviews, we felt a disbelief of the co-workers – as well as some top-managers – in the decisions taken by the Steering Committees, especially in Stockholm. When designers know for sure that they have not delivered what they were supposed to, and that the Gate is still passed (since a "conditionally passed" gate is only counted as "passed"), they logically start to doubt about the role the GPOT focus really plays: Are gates passed conditionally because it is necessary for the project to go forward, or only because the goal is to reach 80% GPOT? Besides, does anyone really know how much risk is taken by cutting short in the DP and passing gates conditionally, or does everyone wait for the SP start to discover all the design mistakes?

We think the management should address these questions, and that their answers should be communicated to all the hierarchical levels of the organisations, on both sites. We are aware that communicating in this sense can present a risk, but deciding not to do it could present the higher risk to create a gap between top-management and co-workers, discredit other managerial decisions and communication, and finally hinder the company's performance and readiness to improve.

We would also suggest that the GPOT score is completed with another KPI, closer to the daily work of the co-workers, and which better reflects the evolution of the capacity of the organisation to deliver on time. As explained in Chapter three, the GPOT score now reflects more than deliveries on time, which is, to us, one reason why the employees became sceptical about the results obtained in 2004. Completing this indicator by a more detailed measurement¹, closer to the line organisation, could be a way to show the actual evolution of deliveries on time and the impact of the efforts made by the organisation. This could increase the credibility of the measurement scores, as long as one pays attention that no other element influences this new indicator.

¹ Such as the Gates Targets Fulfilment, adding up the number of gate targets fulfilled for each gate

Conclusion to Chapter Four and Recommendations

In Chapter two, we have seen that some elements have contributed, since 2002, to make the organisation deliver on time in 2004. However, Chapter three has shown that these contributions cannot explain by themselves the raise of the GPOT score during last year. Considering that Chiva aims for deliveries on time to become customary, we believe that this objective of Chiva has not been attained yet, at any site. We have also found out in the Chapter one that the change implementation processes had been different in Paris and Stockholm. Besides, there has been a better involvement of the Paris organisation in the DO work, which has resulted in longer-term improvements for deliveries on time (c.f. “The DO program” p.80).

As a result, we believe that the change implementation should be pursued, after the organisation has learnt from what happened in 2004. To continue the change implementation, we think that it would be interesting to realise a certain number of steps, following the continuous change implementation process we presented in Chapter one. In fact, as we saw in Chapter one, the whole process has already been partially conducted in Paris and Stockholm with the DO program during 2004. We think now is the time to learn from this first effort, and then get started with a second occurrence of this continuous change process. That is why our recommendations for adapting the change strategy will start from the fifth stage of the process (“Determine the possibilities to increase the change”), and then continue with the stages one to four.

Stage 5 – Evaluate the change implementation process

As we have explained earlier, there seemed to be a certain disbelief in Stockholm in the usefulness of the DO work. This is for us a major obstacle for the change implementation to proceed further in Stockholm. Improvements have obviously been made but we are worried about their sustainability, since the change implementation has been more limited than in Paris. Moreover, it is one of the main contribution of the DO program to make deliveries on time penetrate the mindsets of the employees, together with reinforcing the cross-cooperation within the company – which we consider crucial for projects to be executed in time. Making a clear status of the contribution of DO to deliveries on time in Paris, using our conclusions in this paper as a starting point, could be

a first step to make. This status would allow to better understand the true contribution of DO, and constitute convincing arguments for Stockholm to better grasp the importance of following a structured change implementation process based on involvement and group-work.

Stage 1 - Define the Change Vision and the Change implementation strategy

Define the change objective

For the change effort to be continued in 2005, we believe that the organisation needs first to be lead by a more developed focus. We think that Chiva would benefit from keeping the focus on deliveries on time, so as to make deliveries on time keep on penetrating the mindsets of the employees. However, we believe it would be of interest to add a behavioural aspect to this focus. This would help the organisation adjust its behaviours, and thereafter tune the corporate culture at both sites to include deliveries on time.

Design the change implementation strategy

Once the objective has been adjusted, we believe it is necessary to involve both KAT teams in the definition of the change strategy. This could consist of bringing the KATS and the KATP meet and define together the main axes on which the Stockholm and Paris site should concentrate their efforts in 2005 to improve deliveries on time.

We believe that it could be an idea to pick some of the contributors to deliveries on time we have presented in Chapter 2, and define overall subjects which could be worked on within these areas. The status of the contribution of DO recommended in Stage 5 could be one input into the selection process. Furthermore, bringing together both KAT teams could present four main advantages. First, it would allow common improvement areas to be defined for both sites, and thereby strengthen the merger and facilitate the development on lower hierarchical levels of cross-site linkages, helpful for the current and upcoming global projects. Second, it would present an opportunity for the management teams of Stockholm and Paris to share their respective experience of DO, and thereby come up with new ideas and possible improvements of the program. Third, letting the KAT teams define the change improvement areas would strengthen their commitment to the change implementation process,

which is necessary for resources to be allocated to the change work. Forth, by showing their commitment to improving deliveries on time, the KATs could also set the example for the rest of the organisation.

The choices made by the KAT teams could then be taken into account by the DO team to adjust in 2005 the DO program to the new focus areas.

Stage 2 – Share the change vision and the change strategy with all concerned partners

Arrange a seminar

Soon after the choice of the areas, we think that a seminar should be arranged, at each site, to present to the whole organisation (not only to the managers, but also to all the employees of the company) the new focus for Chiva, i.e. including the chosen behavioural aspect. It could be valuable to then explain why deliveries on time are of importance and how deliveries on time articulate in the overall strategy of reaching the vision mode.

We think that the KATP should be present at the seminar held in Paris (like in 2004) and the KATS at the seminar held in Stockholm, to show their commitment and thereby set the example for the rest of the organisation. During the seminar, they could present the improvement areas selected for 2005, and explain how they would help delivering on time. This seminar could also be the opportunity to clarify the way the DP should be interpreted and perhaps present a new KPI to follow-up the achievement of the objective.

By holding such a seminar to all the employees, we believe Chiva would gain a lot. Indeed, showing the commitment of the KAT team would give more credibility to the change strategy, and create the "energy kick" praised by Ramquist & Eriksson (2000). Moreover, presenting the articulation of the focus on deliveries on time with the long-term strategy of the company would help employees realise the KATs' support and understand how their own efforts can benefit the company in the long run. In this way, we believe they would get more motivated and efficient in their attempts to improve.

Get ideas from the co-workers on which issues could be worked on to carry on the change

We think that after the abovementioned seminar, it would be beneficial to ask group managers to get feedback from their group members about which issues, within the frame given by the KATeams, they think should be worked on. This would allow co-workers to give their opinions and the management an opportunity to show that they care about the beliefs of the employees, something praised by both Ramquist & Eriksson (2000) and Jimmieson et al (2004), since it supports involvement and change supportive behaviour.

Throughout the paper we have emphasised the importance of cross-functional work. To be able to select and coordinate all the issues raised by the co-workers we believe it would be advantageous to arrange a workshop involving N-2 managers¹ from every department. These managers could during this workshop discuss the issues raised on a group level and pick the ones they believe should be further improved and worked with. This seminar would allow the organisation to coordinate the change work and pull in the same direction. During this meeting there could also be a preparation for the creation of cross-functional groups. Who would be the qualified persons to work with the issues addressed? From which groups/ departments/ sections/ commodities would it be beneficial to involve people in the different cross- functional groups?

Stage 3 - Work cross-functionally with the change

Create cross-functional groups

The next step would be to define how often and for how long the cross-functional groups would meet, and to actually create these groups. As it has been the case in Paris in 2004, we think that both sites could demand from every group member the attendance to a one hour meeting every other week.

Alvesson (2001) suggests that corporate culture can be changed by first changing the behaviours. Having cross-functional groups working on the change would be one way to do this. In the cross-functional groups, employees would have the opportunity (through their work) to influence the way the organisational behaviour should change to support deliveries on time. We

¹ c.f. Figure 18 in Appendix

believe that if the employees are given the chance to impact the way the organisation works, it would increase their willingness to change.

As Jimmieson et al (2004) argue, co-workers are more likely to support change and behave accordingly if other colleagues in the company are doing so. Consequently, involving numerous employees in cross-functional groups could impact the behaviours of their members, and in turn the behaviours of the other employees who are not directly involved.

Bring CPMs and PMs to educate co-workers on cross-functional work

We think CPMs and PMs have much cross-functional experience, which could be of advantage to share with the rest of the organisation. This could be done by holding a seminar to educate co-workers about cross-functional work, as Balagun & Jenkins (2003) recommend. This seminar would help the employees work more efficiently in their cross-functional groups. Furthermore, putting the CPMs and the PMs as “experts” within this area could strengthen the recognition they get from the organisation and in turn their role, something we have found to facilitate deliveries on time (c.f. p.76).

Carry out continuous follow-up

As seen in the model of a complex self-living organising system (c.f. p.27) there must be a constant output from as well as feedback to the system in order for the system to keep on functioning. Considering the possible cross-functional groups as living systems we think it is of great importance to carry out continuous follow-up of the groups’ work in order for them to keep their energy and work ongoing. We believe that the PDCA method currently used is good for this purpose.

Stage 4 - Take care of the outputs

Reward the successful cross-functional teams

Another way to give feedback to the cross-functional teams would be to reward them for their positive efforts made towards the change. As we have argued earlier in this paper, recognition seems to be a good way to reward employees’ efforts both in France and in Sweden. We therefore think that the rewards to the successful cross-functional teams – i.e. the teams that have come up with the

most significant improvements for deliveries on time – should be based on recognition, by for example bringing them on the stage at a quarter show. Limiting the importance of the individually-based incentives, by increasing the use of recognition, would also prevent possible opportunistic behaviours from arising.

Depicting our recommendations

To summarize our recommendations of *How the change implementation could be adapted in order to facilitate deliveries on time becoming a norm within Chiva*, we used the structure of our continuous change implementation process to create Table 4.

5. Evaluate the change implementation process

What: Make a status of the contribution of the DO work in Paris

Why: (1) To better understand the contribution of DO to the increase of deliveries on time.

(2) To constitute arguments for Paris and Stockholm about the advantages of following a structured change implementation process

1. Define the Change Vision and Implementation strategy

What: Define the Change Vision, keeping the focus on GPOT and adding a behavioural aspect to it

Why: Help the members of the organisation to adjust their behaviours in a similar way.

What: Design the change implementation strategy

How: Bring the KATS and KATP to define together the overall improvement areas which should be in focus by the organisation in 2005 in order to increase deliveries on time

Why: (1) To have common improvement areas for both sites, and thereby strengthen the merger.

(2) To bring both KATeams to exchange experiences of DO and come up with improvement areas for the program.

(3) To strengthen the KATeams' commitment to the change implementation process, which is important for the allocation of resources.

2. Share the change vision and the change strategy with all concerned partners

What: Arrange a seminar

How: (1) Present the importance of deliveries on time to everyone in the organisation.

(2) Explain how deliveries on time articulate in the overall strategy to reach the vision mode.

(3) Present the improvement areas the KAT have picked for 2005 and explain how these can contribute to deliveries on time.

Why: (1) To show the commitment of the KAT and create an initial energy kick.

(2) To instil a sense of urgency and an understanding of the need for change.

(3) To explain how employees' efforts would contribute to the company's performance.

What: Get feed-back from the co-workers

How: (1) Bring the Group managers to ask their Group members for issues which could be treated within the improvement areas defined by the KAT.

(2) Communicate about these ideas to the N-2 managers.

Why: (1) Management gets concrete ideas on how to help deliveries on time.

(2) The co-workers see that management cares about their opinion, which creates change supportive behaviours.

What: Arrange a workshop and prepare the creation of cross-functional groups.

How: Invite all N-2 managers to select the change subjects out of the feedback received from the Groups, and coordinate the change work.

Why: Start to make the whole organisation pull in the same direction

3. Implement the change cross-functionally	4. Take care of the outputs
<p>What: Create cross-functional groups to work on the selected change subjects</p> <p>How: Pick accurate and motivated people in the organisation to participate to the cross-functional groups</p> <p>Why: (1) To give employees the opportunity to impact the way the organisation will change. (2) To influence the behaviour of the majority of the employees, directly or indirectly. (3) To affect employees' values and norms regarding deliveries on time.</p>	<p>What: Reward the organisation for the positive efforts made towards the change</p> <p>How: Reward the successful cross-functional groups, using recognition as the main method, by for example bringing them on stage at a quarter show.</p> <p>Why: (1) To motivate cross-functional group members to keep on working with the change subjects (2) To prevent opportunistic behaviours by limiting individual-based bonuses</p>
<p>What: Bring CPMs and PMs to educate co-workers on cross-functional work</p> <p>How: Arrange seminars where CPMs or PMs share their experience of cross-functional work and its advantages to the co-workers</p> <p>Why: To educate co-workers about cross-functional work and strengthen the recognition of the CPMs and PMs.</p>	
<p>What: Continuous follow-up of the cross-functional groups</p> <p>How: Use the PDCA method</p> <p>Why: To keep the energy and the change work ongoing</p>	
<p>5. Evaluate the change implementation process</p>	
<p>...</p>	

Table 4. Summary of our recommendations for 2005, to facilitate deliveries on time becoming a norm in the company, both in Paris and Stockholm.

OVERALL CONCLUSION

In this paper, we have built up and used theoretical frameworks to explore two different sites within Chiva, Paris and Stockholm. We have learnt from their previous experiences regarding change implementation and deliveries on time, and could thereby come up with recommendations about how to adapt the change implementation strategy within Chiva at both sites, in order to facilitate deliveries on time becoming a norm within the organisation.

To learn from the experiences of the change implementation process used, we investigated which activities had been done at each site, in comparison to what a more theoretical approach would suggest. We have seen that the change implementation strategy used at each site has been quite different. The main difference being that in Paris the change implementation had cascaded down to an employee level by the creation of cross-functional groups. This way of implementing the change matched most of the theoretical recommendations we found, while the strategy used in Stockholm seemed a bit different. Also, we did not perceive that the change implementation had cascaded as far down in the organisation at the Swedish site.

Concerning the changes made in the organisation, we found two main ingredients contributing to deliveries on time: (1) A clear and consistent goal (80% GPOT in 2004) and (2) a better integration of the project-work into the line organisation. By being interrelated with the contributors to deliveries on time, we also showed that the change program used in 2004 (DO) has helped to some extent the organisation deliver on time. In addition, we concluded that the main contribution of DO (especially as conducted in Paris) has been to create an enduring positive effect in the organisation, by creating cross-functional linkages and developing an understanding about the importance of deliveries on time.

When it comes to the raise of the GPOT score from forty to eighty percent in 2004, we found that it might not only be due to actual changes contributing to deliveries on time. Our interviewees told us that during 2004, more gates were passed conditionally, and more shortcuts were taken in the project process than in 2003. This might induce that the GPOT scores in 2003 and 2004 would not be precisely comparable. Subsequently, one could not conclude directly that

more deliveries were made on time when more gates were passed on time. We therefore believe that one should not believe that deliveries on time are already a norm in the Chiva organisation. Instead, we think that the work to make deliveries on time become a norm within Chiva should carry on.

To persevere with the change implementation in 2005 we recommend to follow the five stages of a continuous change implementation process. We suggest to start by evaluating the change implementation process used in 2004 and learn from it (Stage five). Subsequently, we recommend (Stage one) to adjust the change vision for 2005, and bring the Key Account Teams to define the main improvement areas to be worked on in 2005. To share the change vision and change strategy with all concerned partners (stage two), we propose to: (1) Arrange a seminar at each site where the Key Account Teams will play an eminent role and (2) get the co-workers' view on what issues to work on when continuing the change. After that, in order to proceed the actual implementation of the change, we advise to use cross-functional working groups and to perform continuous follow-up of these groups. We also think that it is important to reward these groups for their efforts made to implement the change (Stage four), mostly by using recognition. Then, we propose to recommence the continuous change implementation process on both sites, and this, as long as deliveries on time are not yet a norm in the organisation.

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APPENDIX

Background information on Chiva

The Operative Vision of Chiva

The Operative Vision of Chiva aims at describing how a perfectly functioning Chiva operates. The Operative Vision for Chiva, and the strategy to reach it, can be explained as in Figure 15.

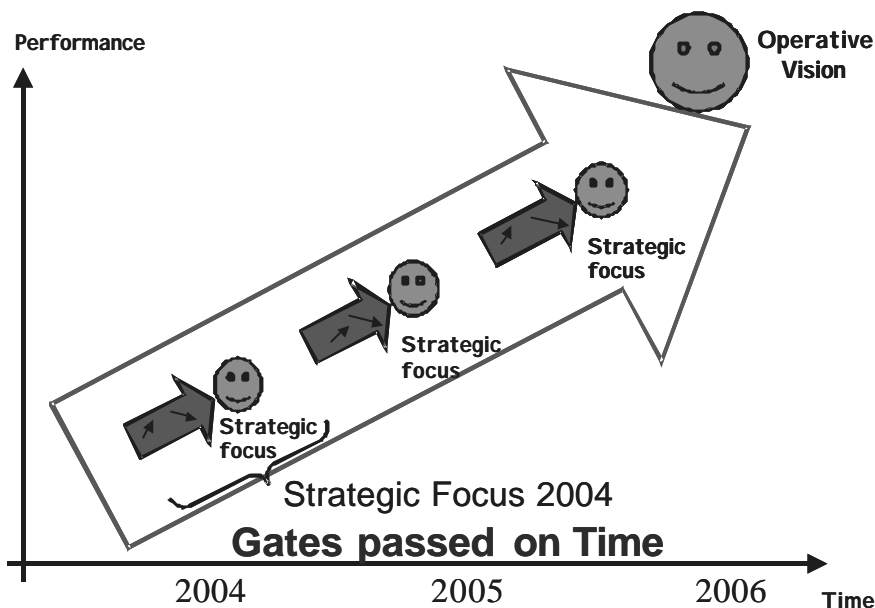


Figure 15. The Operative Vision and the strategy to reach it for Chiva.

GPOT

As can be seen in the picture Gates Passed On Time – GPOT – has been the strategic focus in 2004. The GPOT focus has been the objective for the first stage of DO.

DO

DO is an abbreviation for Development of Operations. It is an (continuous) improvement concept, composed of stages aiming at creating, communicating and implementing the global operative vision of Chiva. The stages are the same as the ones which can be seen in the Figure 15 above.

The relation between GPOT and DO

It can be understood by the explanations above that the GPOT focus and DO are closely interrelated. We like to depicture it in the following way:

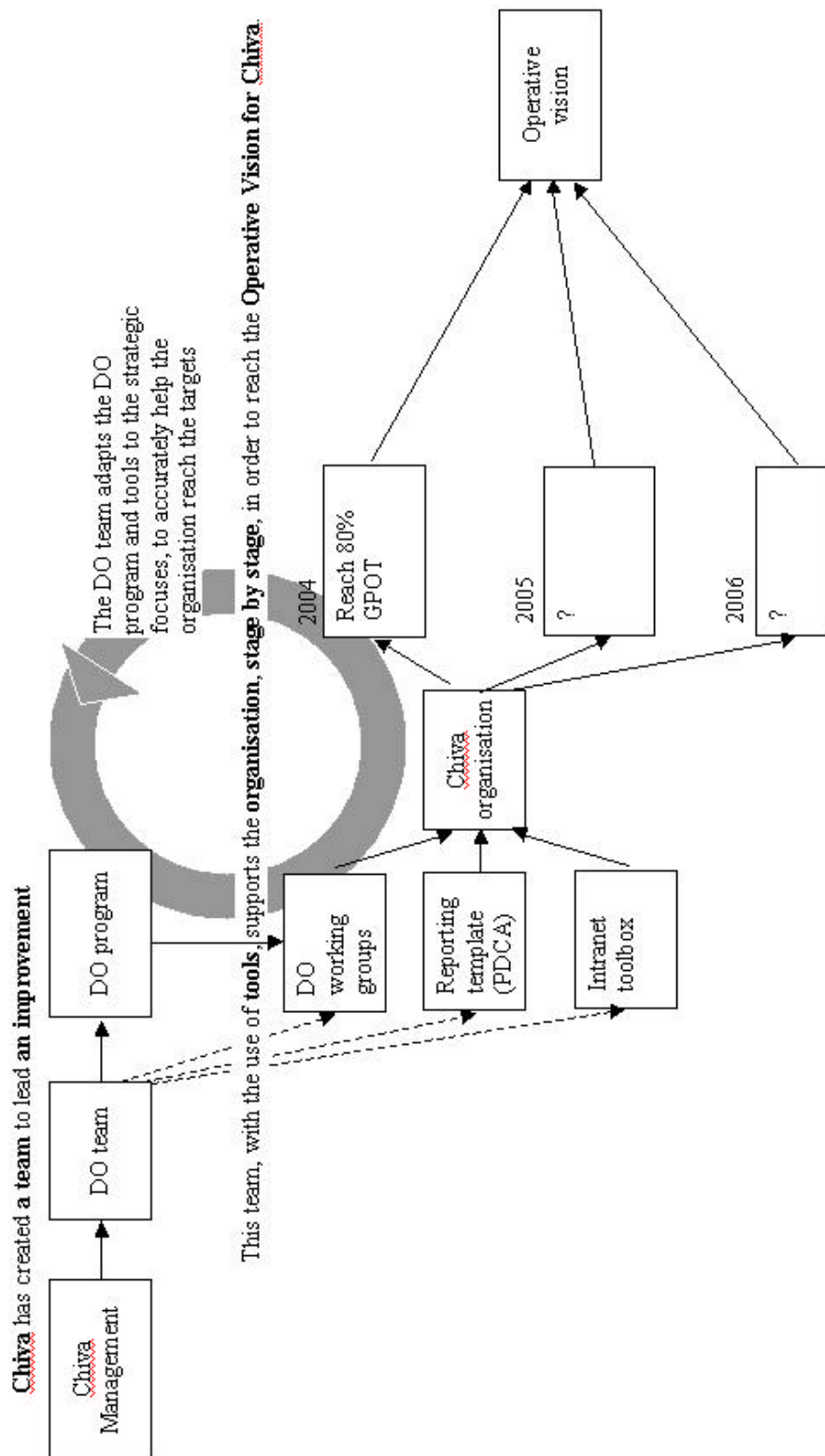


Figure 16. Schematisation of the relations between the DO team, the DO program, the DO tools and the strategic objectives.

We mean that the Chiva management has created the DO team, who by the use of tools supports the organisation step by step to reach the vision for Chiva in 2006. The tools they are using, such as DO working groups, reporting templates using a PDCA (Plan, DO, Check, Act) methodology and an Intranet toolbox, is part of what they call the DO program. The DO program and the tools it is using was created in order to reach the target of at least 80 percent gates passed on time (GPOT).

Since a strategic focus is selected every year, the DO team will adapt the DO program, and the tools it includes, to the strategic focus present at a certain time in order to accurately help the organisation to reach its targets and finally its vision.

Other Definitions

In order to clarify terms in the previous and the following text in this report, we would like to emphasis the explanation to the following terms as well.

The DO Program

Actions designed by the DO team, which support the aim of DO, by turning the yearly focus of DO into activities to be realised by the organisation.

DO working groups

Groups of people working on one DO subject.

The DO Team

The DO team is a global team working with Development of Operations (DO). The team consists of one global co-ordinator, and 2 local workers, placed in Stockholm, and 1 local worker placed in Paris. The DO teams mission was to increase the level of gates passed on time in Chiva during 2004.

The DO project

The DO project started in the beginning of 2004. This project is the one carried out by the DO team in order to increase the level of gates passed on time on Chiva.

PDCA

PDCA stands for, Plan, Do, Check, Act. It is a tool to be used when working in a project, as for example the DO groups are doing. When an activity is completed, the activity is marked green. When at least 20% of an activity is done, the activity is marked yellow, and when less than 20% is done it is marked red.

The Organisation

Chiva is organised as a matrix organisation, consisting of one line organisation and one project organisation. The line organisation is providing the project organisation with resources, as can be seen in Figure 17 below:

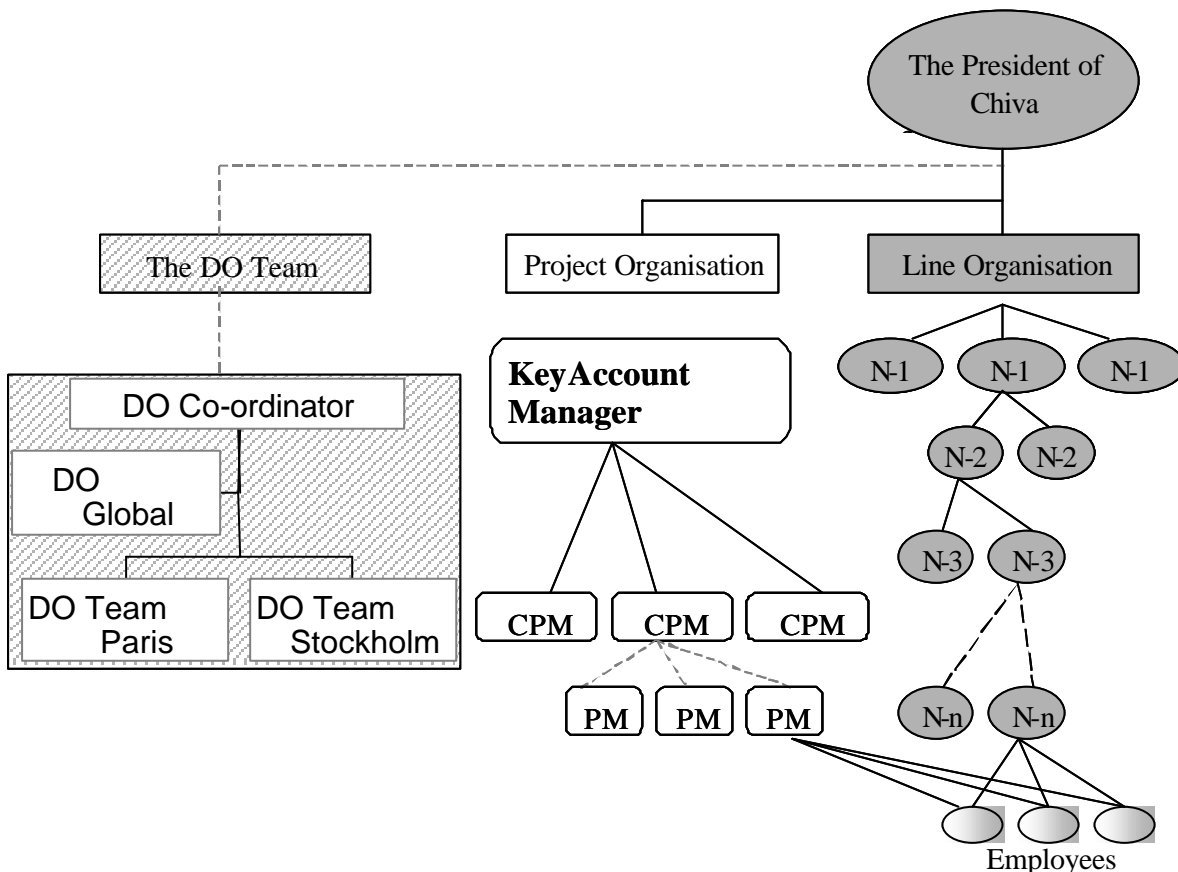


Figure 17. The relation between the line organisation and the project organisation within Chiva.

The Project Manager (PM) is using the employees belonging to the line organisation to do the work needed to be done within the projects. The Chief Project manager (CPM) is the head of a certain number of PMs tied to a specific project. In turn, the Key Account Manager (KAM) at each site is the

head of the CPMs located at that site. The KAMs, the CPMs and the PMs are all part of the project organisation. The DO team is neither part of the line organisation nor the project organisation, but is working to make the the whole matrix organisation (line- and project organisation) change in order to reach the vision of 2006.

The Line Organisation in more detail

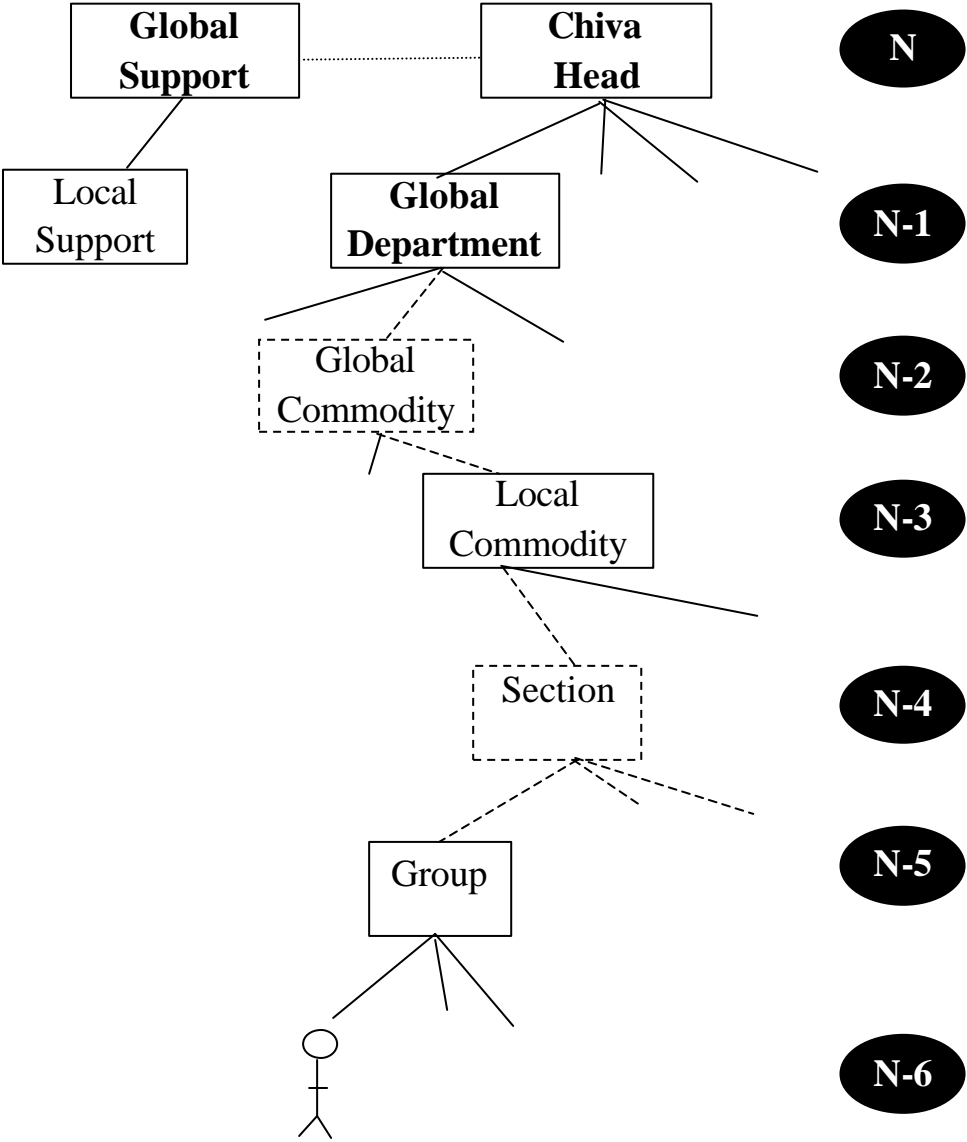


Figure 18. Rough picturing of the hierarchical organisation of Chiva.

As can be seen in Figure 18 above, the Chiva organisation has seven hierarchical levels (N, N-1 ... N-6). The N level is the President of Chiva.

However, the number of levels varies from one department to another, and some of the units may not exist in some departments (dotted lines).

The DP (Development Process)

A project can be described as "an intervention that consists of a set of planned, interrelated activities designed to achieve defined objectives within a given budget and a specified period of time."¹ In the project organisation in Chiva they are using the DP to organise and follow the projects. According to the DP the projects go through six stages during the defined period of time set aside for the project. A steering committee decides whether a project gets the sufficient resources for the following stage or not. In the DP, this evaluation is made at the decision gates, which occur at the end of each stage.

The Gate Review Process

(Source: Gate Audit Process, Chiva Group Intranet, 04-11-05)

For each Gate, a project has to follow the Gate Review Process, which consists of three steps:

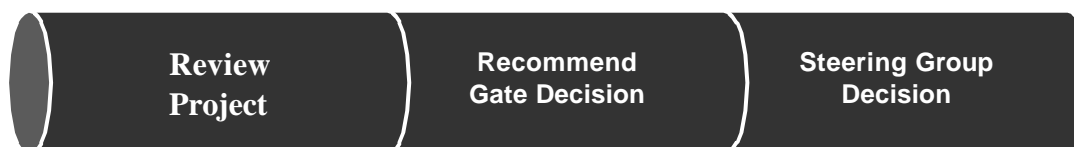


Figure 19. The gate review Process (Chiva Group Intranet, 04-11-05)

Review project (Gate Audit)

The Gate Auditor is the Customer Quality representative and he/she is to carry out an independent audit on the project. Prior to every Gate, the Gate Auditor reviews the material provided by the Project Manager / project team for discrepancies. Concretely, he/she checks the fulfilment of the gate targets defined in the DP.

¹ (<http://www.ifad.org/evaluation/guide/annexa/a.htm#p>, 04/11/25).

Recommend Gate Decision

Once the status of the project has been reviewed by the Auditor, the Project Manager proposes criteria for the next gate. Those criteria are evaluated and determined together with the Gate Auditor. Based on the review, the Gate Auditor and the Project Manager also take a common decision on what the recommendation to the Steering Committee should be, to open the gate or not.

Steering Group Decision

The relevant Steering Group (or Steering Committee) takes the formal decision on whether or not to open the gate, based on the recommendation from the Gate Auditor and the Chief Project Manager. The members of the Steering Committee are representatives for each Department of the Chiva Group (e.g. Purchasing, Finance...), which are involved in the project, in addition to the CPM, the Gate Auditor and the Steering Committee chairman.

The possible outcomes for the Steering Group decision are:

- **OK:** All gate criteria fulfilled (green), the project can proceed towards the next gate
- **Conditional:** Not all criteria is fully ok (yellow), gate can be passed only if an action plan can be showed on how to fulfil the remaining criteria
- **NOK/Stop:** One or more criteria is not ok (red), and the gate remains closed

The Gate Auditor has veto authority when it comes to opening a gate. No gate can therefore be opened without approval from the Gate Auditor.

Abbreviations

CPM	Chief Project Manager
DO	Development of Operations
DP	Development Process
DPC	Department Project Coordinator
ETChiva	Executive Team Chiva
GPOT	Gates Passed On Time
KAA	Key Account Architect
KAM	Key Account Manager
KAT	Key Account Team
KATP	Key Account Team Paris
KATS	Key Account Team Stockholm
OD	Operations Development
PDP	Personal Development Plan
PM	Project Manager
PMS	Project Management Support
SC	Steering Committee
SP	Serial Production

Table 5. Abbreviations used in the report

Questionnaires

Employees

– Introduction

Orientate the interviewee to the fields of study we are interested in, Problem and Purpose

– Questions

1. Did you have any problems in 2002-2003 to deliver on time?
 - a. If yes, which ones?
2. What has been implemented in the company since then, which helped you deliver on time?
3. How did you use these solutions in practice?
4. Why did this help you deliver on time?
5. In your daily work, what have you personally done to ensure delivering on time?
6. Why did you decide to make these changes?
7. In what way did these changes help you?
8. Do you have any problems now, that prevent you from delivering on time?
 - a. If yes, which ones?
9. Generally speaking, how do you personally perceive the emphasis on deliveries on time?

10.If you had to choose one area, which one do you think should be improved to increase the level of deliveries on time?

- a. Nature of the task
- b. Motivation
- c. Goal settings
- d. Physical setting
- e. Communication
- f. Technology
- g. Size of the team
- h. Compatibility of members
- i. Permanence
- j. Management and leadership
- k. Personal policies and procedures
- l. Success
- m. External threat
- n. Group development and maturity
- o. Cultural factors

11. Why this one?

12. Is there something you would like to add? Some left-outs?

Line Managers

– Introduction

Orientate the interviewee to the fields of study we are interested in, Problem and Purpose

– Questions

1. Did your subordinates have any problems in 2002-2003 to deliver projects on time? If yes, which ones?
2. What has been implemented in the company since then, which helped your subordinates to deliver on time in the projects?
3. How did you put these solutions into practice?
4. How successful do you think these solutions are?
5. Why did these solutions help your subordinates to deliver on time?
6. In your daily work, what have you personally done to help your subordinates to deliver on time in the projects?
7. Why did you decide to make these changes?
8. In what way did these changes help your subordinates?
9. Do you think your subordinates have any problems now, that prevent them from delivering on time in the projects? If yes, which ones? If yes, what do you think you could do to help them?
10. Generally speaking, how do you personally perceive the emphasis on deliveries on time?
11. Is there something you would like to add? Some left-outs?

Higher Level Managers

– Introduction

Orientate the interviewee to the fields of study we are interested in, Problem and Purpose

– Questions

1. How did you communicate within your department about GPOT?
2. What were the problems you faced in 2003 concerning deliveries on time?
3. What solutions have been used since 2003 that helped to reach more gates targets on time?
4. How did you put these solutions into practice?
5. Why did this help to deliver on time?
6. In your opinion, what has been done in 2003 to drop to 40% of GPOT?
7. In your opinion, how could the GPOT level be raised from 40% to 80% within one year?
8. Generally speaking, how do you personally perceive the emphasis on deliveries on time?

CPMs

– Introduction

Orientate the interviewee to the fields of study we are interested in, Problem and Purpose

– Questions

1. What were the problems you faced in 2003, concerning deliveries on time?
2. What solutions have been used since 2003 that helped to reach more gate targets on time?
3. How did you put these solutions into practice?
4. Why did this help to deliver on time?
5. What problems do you see in your project team today to pass gates on time?
6. Which solutions are you using to solve those problems?

7. Out of the following areas, which ones do you think should be improved or reconsidered in your team to sustain/increase the level of gate targets fulfilment?

- a. Nature of the task
- b. Motivation
- c. Goal settings
- d. Physical setting
- e. Communication
- f. Technology
- g. Size of the team
- h. Compatibility of members
- i. Continuity
- j. Management and leadership
- k. Personal policies and procedures
- l. Success
- m. External threat
- n. Group development and maturity
- o. Cultural factors

8. Is there something you would like to add? Some left-outs?