**Abstract**

The aim of this Master's thesis in Culture, Communication and Globalization was to provide an insight into **How does an organization adopt an including culture?**

According to a case study (Gender and Ethnic Minority Exclusion From Skilled Occupations in Construction) which refers to the European Social Statistics: Labour Force Survey Results, there is an issue with ethnic minorities being excluded from attractive jobs and occupations. Exclusion of members with diverse nationalities are often a reality even if they are the best-suited or most skilled people from those occupations where they would be the most productive.

The process of analyzing how an organization adopt an including culture was divided into three parts. In the first part the role of the management in the changing process was addressed. Hereafter there was focused on creating an understanding of the organizational culture, as it is estimated that an organization needs to understand the culture before trying to change it. Lastly the focus was on creating a willingness and ability of the organizational members to participate in the cultural changing process. These three areas regarding the process of adopting an including culture was analyzed on the basis of a comparative case design of two cases about the organizations of TRANSCO and PepsiCo.

The role of the management in the process of adopting an including culture was performed on the theoretical framework of *The Four Roles of Leadership*. The process of understanding the organizational culture before trying to change it was performed on the basis of *The Awareness Theory* which was supplemented by elements from *The Three Levels of Culture*. The process of creating a willingness and ability of the organizational members to participate in the process was performed on the basis of *The Seven Principles* which was supplemented by elements from *Hierarchy of Needs Chart*.

The two cases compared in this Master's thesis did provide with different perspectives to the analysis as the process of adopting an including culture was managed differently. The TRANSCO organization did not succeed in adopting an including culture whereas the PepsiCo organization did succeed in adopting an including culture. The data these cases contained and supplied to the research did hereby provide different perspectives to the three focus areas regarding the process of adopting an including culture.

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# 1. Introduction

## 1.1. Becoming More Globalized

The world has developed over time to become more and more globalized. This development can be caused by a combination of many different aspects, which a development in technology logically has played a part in. Nowadays organizations have technological advantages worldwide like the Internet and television media that has reduced communication boundaries. As well has English become a common business language in many parts of the world, which makes it easier for organizations to communicate globally and interact with others around the world (Clegg, Hardy, Lawrence and Nord, 2006, 661). This development gives companies around the world an advantage to see the entire world as a single market for their operation, as they face fewer barriers to trade between nations (Clegg, Hardy, Lawrence and Nord, 2006, 651).

The increased globalization can be linked together with an increased focus globally in multiculturalism. It could be argued that by a development in globalization, such as reduced communication boundaries, there has been developed an increased understanding of different cultures in different organizations globally. Some argue that there neither is nor could be a global culture (Clegg, Hardy, Lawrence and Nord, 2006, 661). Others think that the reduced communication boundaries (Internet, television media) and English as common business language are evidence to an argument that cultural globalization exist (Clegg, Hardy, Lawrence and Nord, 2006, 661). Nonetheless the developed focus on globalization has created a more multicultural society where international communication from some organizations is creating a developed understanding of different cultures. It could be argued that the worldwide increased focus on globalization has affected many organizations to think more internationally than nationally and thus there has been an increase in Multinational Corporations (MNC). Globally there are MNC's which have workforces located outside of the "home" country and thereby organizations which have members who comes from different cultures. There are many examples of companies which have organizations spread globally. One example is the Danish shipping and energy company, Maersk group which operates in 130 countries (<http://www.maersk.com/pages/default.aspx>). Another example is the American soft drink-making company, Coca-Cola which operates in more than 200 countries (<http://www.coca-cola.dk/nordic-corp/da_DK/pages/company/worldwide.html>). When having diversity in the workforce the organizations hereby have to be diverse-inclusive to get a fully operational workforce/organization. By a diverse-inclusive organization there is referred to an organization which is being inclusive towards individuals who are different from most of the members in the organization. There are however cases/statistics which reveals that some organizations have had difficulties managing the diversity in the organization. In the following section there is to be introduced information regarding this issue.

## 1.2. Dealing With Exclusion of International Members of an Organization

As mentioned above there are some organizations which have issues with the process of trying to be inclusive towards diverse members. In the words of Fathali M. Moghaddam and Donald M. Taylor inclusion could in this situation be defined as "*any aspect of human interaction that involves individuals perceiving themselves as members of a social category or being perceived by others as belonging to a social category*" (Barak & Levin, 2002, p. 135).

When it comes to diverse-inclusion there is a problem with organizations failing to include members of an organization who does not fit into the corporate mainstream. By corporate mainstream there is referred to an individual who has the same cultural background and values as the organization and its other members. It can be different aspects like age, race, gender or disabilities which results in exclusion of diverse members of an organization. In the following example there is however to be focused on race and nationality as culture is not a rare reason for exclusion of an individual.

According to a case study (Gender and Ethnic Minority Exclusion From Skilled Occupations in Construction) which refers to the European Social Statistics: Labour Force Survey Results, there is an issue with ethnic minorities being excluded from attractive jobs and occupations. In all west-European countries there has been an increase of ethnic minorities and immigrants in the labour market. This increase has not overcome, however, that ethnic minorities/immigrants are generally excluded and confined to particular segments of the labour market (Byrne, Clarke and Van Der Meer, 2005, p. 1025). According to the case, exclusion of members with diverse nationalities are often a reality even if they are the best-suited or most skilled people from those occupations where they would be the most productive (Byrne, Clarke and Van Der Meer, 2005, p. 1025).

If not being diverse-inclusive an organization is estimated to be in need of changes as it logically is an organizational cultural issue. According to Mats Alvesson and Stefan Sveningsson an organization must learn to adapt to changes or otherwise risk failure (Alvesson and Sveningsson, 2008, p. 3). It can hereby be argued that if an organization wants to become diverse-inclusive it needs to adapt to the fact that cultural changes is needed.

## 1.3. Problem Formulation

Based on the above mentioned considerations regarding exclusion of international members of an organization, the following research is about what an organization can do to become more diverse-inclusive towards international members. As cultural changes are essential when an organization wants to become more inclusive towards its international members, the research is based on the following research question:

**How does an organization adopt an including culture?**

### 1.3.1. Definition

In this definition section the focus area for this research is specified. This is because the subject of adopting an including culture can be of a broad perspective. Furthermore there is to be explained how the research is managed and why.

When performing a research regarding adopting, there is referred to the process of changing the culture of the organization into a different culture. Here the research question could be formulated with the word change instead of adopt. However is adopt estimated to be more correct as it is not only about changing the culture, but changing it into the culture wanted by the organization which is a diverse-inclusive culture.

When referring to the culture of the organization regarding inclusion/exclusion in this Thesis, there is not referred to the entire organizational culture. Hereby the research is only about elements of it which could be referred to as a subculture. According to Schein, culture can be defined as; "*A pattern of common fundamental assumptions a group learned, whilst solving problems with external adaption and internal integration which have functioned well enough to be considered as legitimate which therefore is passed through too new members of the group as the correct way of thinking and acting in relation to these problems*" (Susanne I. Mørch, 2008, p. 163).

As mentioned earlier, inclusion is in this research referred to as; "*any aspect of human interaction that involves individuals perceiving themselves as members of a social category or being perceived by others as belonging to a social category*" (Barak & Levin, 2002, p. 135). Inclusion is a process in which diversities becomes a fundamental condition for the organizational members process of learning and developing. Applying diversity as a resource instead of an issue is hereby a fundamental condition of learning/changing in a multicultural and/or social society (Barak & Levin, 2002, p. 135). There is hereby to be focused on how an organization can become more diverse-inclusive through adopting an including culture in this research.

Firstly there is focused on the management of an organization as it is estimated that they are responsible for starting the process of adopting an including culture to become more diverse-inclusive. Here there is analyzed which role a management should have during this process.

Hereafter the perspective is put on a process of understanding the organizational culture. The reason for this is that if the organizational culture is not understood then it cannot be changed. Therefore there is researched how an organization should develop an cultural understanding. Lastly the research focuses on the process of creating a willingness and ability of the organizational members to participate in the changing process. The reason for applying this angle is that it is estimated that all members of an organization logically needs to participate if the culture is to change.

An introduction and discussion of the research considerations is following this section.

# 2. Research Considerations

The purpose of the following section is to outline the research considerations regarding the research field which was introduced in the problem formulation. In this section there is hereby announced which ontological and epistemological stance is taken when performing a research about: **How does an organization adopt an including culture?** As well, there is outlined which stance is chosen regarding inductive and deductive theory. The intent of this section is hereby to underline how there is gained new knowledge, how the new knowledge is understood and how the new knowledge gained is made use of throughout the research. To keep a critical perspective on the research there will be referred to other methods which could have been applied for such a research.

## 2.1. The Linkage Between Theory and Research

For this research the method of *Hermeneutics* is applied. A pre-understanding is firstly created regarding the research field as this provides with an understanding about the subject before entering an empirical analysis. Hereafter the purpose is to develop a new and enhanced understanding of the problem throughout the research, which is the reason for applying this method.

When applying the method of *Hermeneutics*, social actions are often understood through interviews. This is however not the setting in this research as social actions and other findings will be understood/collected through a desk research. This desk research will be in the form of a theoretical review and case studies. The method of *Hermeneutics* is closely connected to the epistemological stance of interpretivism, as it originally was devised in relation to the understanding or interpretation of text (Bryman, 2008, p. 532). In this research there will be strived to constantly reach a new understanding which the method of *Hermeneutics*,influenced by Max Weber's *Verstehen*,is focusing on (Bryman, 2008, p. 532-533). Coherent with interpretivism "*the central idea behind hermeneutics is that the analyst of a text must seek to bring out the meanings of a text from the perspective of its author*" (Bryman, 2008, p. 532). The method of *Hermeneutics* is illustrated below in figure 1 and is known as the *Hermeneutic Spiral* (Kvale, 2008).



Figure 1: The Hermeneutic Spiral

There are three phases in the *Hermeneutic Spiral* which is illustrated in figure 1. The three phases are the following: 1. *Pre-understanding*, 2. *Understanding* and 3. *Post-understanding*. These three phases symbolizes the process of the research. This method should not be understood as a process which sums up in a final result in the end, as it is an ongoing process. The phase of *Pre-understanding* has started even before going into this research regarding the research question. This is because the problem regarding exclusion of international members of an organization was learned from the material in the introduction before starting the research. An interpretation of quotations or information from the introduction, might develop the understanding which can lead to a new understanding during the research. A more enhanced understanding of the subejct might be reached when trying to understand social actions during the empirical analysis. As well is it possible that a more enhanced understanding of the research field is reached after the research is over, which is why the process does not have a final conclusion.

By applying Kvale's *Hermeneutic Spiral* an understanding, which gradually develops throughout the research, can hopefully contribute in reaching an answer to the research question: **How does an organization adopt an including culture?** An issue with the framework of *The Hermeneutic Spiral* is however that it is an ongoing/never ending process, as mentioned earlier. This could be critical as it is possible to reach an enhanced understanding of the research field after the deadline of this Thesis. Even though there is a general positive attitude towards including this method, there is a risk that a more enhanced understanding and answer to the research question is reached after the analysis is finished. There is also a critical point concerning misinterpretations as this can affect the understandings to come in the research. A misinterpretation can hereby affect the future processes in the research negatively. There is however also a possibility that future understandings can correct mistakes from earlier misinterpretations. With the critical points about *The Hermeneutic Spiral* in mind it is still thought of as a positive method as its mindset helps developing the understanding of the research field throughout the process.

In relation to the method of *Hermeneutics* there will be applied a deductive approach in the research before going into depth with an empirical analysis regarding how to adopt an including culture. The deductive approach is connected to the phase of developing a pre-understanding about the research field, as the subject firstly is approached with a theoretical review (Bryman, 2008, p. 11). The deductive approach is estimated to go naturally well with the method of *Hermeneutics* as the pre-understanding is the first phase of this method. It is possible to approach the empirical analysis with the knowledge needed by firstly going into depth with the theoretical framework, which is introduced in section 3 of this Thesis. As the introduction indicated there has already been gained some knowledge and considerations regarding the research field by creating an understanding of the research field through documentation.

As well as a deductive approach there is applied an inductive approach where the findings of the research is combined with theory to perform an empirical analysis. As well, is this approach estimated to go well with the method of *Hermeneutics* as an enhanced understanding of the research field here is reached. I agree with Alan Bryman in that “*With an inductive stance, theory is the outcome of research. In other words, the process of induction involves drawing generalizable inferences out of observation*” (Bryman, 2008, p. 11). The purpose of applying an inductive approach is hereby to gain a new understanding and knowledge, which should make it possible to answer the research question properly. The reason for choosing both a deductive and inductive approach is that there is to be detected knowledge, which is new from the researcher's point of view, regarding the problem both before and during the empirical analysis. For the sake of validity there will be remained a most possible unbiased position throughout the research when analyzing and reflecting on the information and knowledge gathered.

## 2.2. Ontological and Epistemological Considerations

For this research constructivism is chosen as the ontological stance. Hereby I, as researcher, understand truth between social actors as being accomplished by social phenomena and their meaning (Bryman, 2008, p. 19). When performing a research regarding the research question: **How does an organization adopt an including culture?** These words of Alan Bryman is kept in mind; "*The researcher always presents a specific version of social reality, rather than one that can be regarded as definitive*" (Bryman, 2008, p. 19). It is hereby believed that the new knowledge gained throughout the research is helpful when trying to create a new understanding regarding the research field.

Critics might claim that the position of constructivism could cause a lack of validity in the research. This is because a subjective position could cause an erroneous analysis when performing a research based on an understanding of social actors. A critic with a position as objectivism might claim that social phenomena and its meaning have an existence that is independent of social actors (Bryman, 2008, p. 19). For the sake of validity these critical points will be kept in mind throughout the analysis. Subjectivity is however not eliminated entirely from the research, as it is estimated not to be possible to create new knowledge regarding the research field without some form of subjectivity.

The epistemological position in this research is interpretivism. In this research there is performed a comparative case design which will be introduced further in the Research Design section. By performing a comparative case design there is, as mentioned above, to be involved some form of subjectivity in the research. By conducting a process as interpretivist the social world of those who have been influenced by different intellectual traditions is to be studied (Bryman, 2008, p. 15). When applying the stance of interpretivism it is agreed with Bryman that; "*It is predicated upon the view that a synergy is required that respects the difference between people and the objects of the natural science and therefore requires the social scientist to grasp the subjective meaning of social actions*" (Bryman, 2008, p. 16). Thus, it is acknowledged that people interpret situations differently which will be kept in mind when interpreting information collected from these case studies.

The critical point of applying interpretivism is, as well as with constructivism, that there is a concern regarding involving subjectivity in a research. The reason is that a misinterpretation of information from case studies can cause the research to be based on an invalid analysis. In this process, where subjectivity might be unavoidable, there will be attempted to be applied most objectivity as possible to minimize the risk of performing an invalid research. When applying subjectivity there will however be focused on interpreting the information from the case studies correctly.

## 2.3. Research Design

In the following section there will be stated how the research is designed and why, before going into depth with the theoretical framework and the empirical analysis. Here there is also argued why the two case studies, for this research, are chosen. To maintain a critical perspective on the methods of the research there will be referred to methods which could have given the research a different perspective.

The analysis for this research is based on qualitative secondary data which is a comparative case design. By performing a qualitative secondary analysis there is a possibility of going into depth with the issue regarding exclusion of international members of an organization and how an organization adopts an including culture.

If arguing whether to apply a qualitative method or a quantitative method I agree with Mats Alvesson and Kaj Sköldberg in their statement; "*In our view it is not methods but ontology and epistemology which are the determinants of good social science*"(Alvesson and Sköldberg, 2000, p. 4). Here they claim that ontology and epistemology is often handled better in a qualitative research, but that a quantitative research also can be applied in well-thought-out research (Alvesson and Sköldberg, 2000, p. 4).

The qualitative secondary analysis is, as mentioned earlier, based on a comparative case design. In this research the comparative case design is based on two case studies. Both cases contain issues regarding exclusion of international members of an organization and the process of trying to adopt an including culture to solve the problem. The purpose of including a comparative case design is to understand and learn how similar issues have been addressed in different contexts. The following Bryman statement is hereby thought of as adequate for this research; "*By comparing two or more cases, the researcher is in a better position to establish the circumstances in which a theory will or will not hold*" (Bryman, 2008, p. 60). By applying a comparative case design it is possible to create an ongoing understanding through comparison about how organizations can be more diverse-inclusive towards international members through cultural changes. Hereby I as researcher agree with the above mentioned Bryman statement, that I am in a better position to detect new generalizing knowledge about adopting an including organizational culture, when comparing two cases than if only applying one case in the analysis. Compared to a case study design with only one case, the researcher is estimated to be in a better position to detect valid knowledge if applying a comparative case design. As well, is social phenomena understood better when they are compared in relation to two or more meaningful contrasting cases (Bryman, 2008, p. 58).

The comparative design allows the researcher to explore the organizations' and its members' actions within a relevant context and at the same time perform a comparison between the two cases in a way to discover differences and similarities. The differences between the cases are not seen as a disadvantages in strengthening the analytical quality of the project, but is rather seen as an advantage in creating new knowledge and angles regarding the subject of adopting an including culture to become more diverse-inclusive.

When researching the process of changing an organizational culture, a generalization of the complete process is estimated not to be possible. The reason for this is, if an organizations culture is deep structured, associated with basic assumptions or sacred values and beliefs, then it is difficult to change the culture in a predictable way (Alvesson and Sveningsson, 2008, p. 41). As well could it be difficult to change the culture of an organization which is viewed as a rich, holistic and integrated net of meanings and symbolism. Nonetheless could it be estimated to be a more open matter what happens if trying to affect/change the values and norms of an organizational culture which is viewed as superficial and narrow (Alvesson and Sveningsson, 2008, p. 41). In this Thesis however, it is not the complete process which is to be researched. It is as defined in the problem formulation the role of the management, the process of understanding the culture and the process of creating a willingness and ability of the organizational members to participate in the changing process. It is hereby these part which there is looked to collect generalizing knowledge if possible based on the comparative design.

The two case studies chosen for this research addresses the organizations of TRANSCO and PepsiCo. The reason for choosing these is that the organizations have handled the process of trying to become more diverse-inclusive by adopting an including culture differently. Hereby they are to put two different perspectives in the comparative analysis. As well, as analyzing on the different perspectives of how to adopt an including culture, it is possible to find similarities when performing the comparative case analysis. Thereby it is possible to find contrasts/patterns which indicate how an organization should or should not handle aspects of the process of becoming more diverse-inclusive through cultural changes. There is however also a possibility that a comparison of the cases illustrate no general pattern of how elements of the process should be dealt with. It is important not to handle each case differently in a confusing and desperate attempt to find answers. Different aspects from each case can however help creating a synergy-effect which helps developing an understanding that a single case might not do. This can however only be a factor if the cases are compared through identical methods and theory in the analysis. The differences in the cases are to be analyzed cautiously as "*The differences that are observed between the contrasting cases may not be due exclusively to the distinguishing features of the cases*" (Bryman, 2008, p. 60). How exactly the organizations of the two case studies addresses the process of adopting an including culture differently is to be introduced and discussed in section 5 Introduction of Cases. If there are any similarities and generalizable empirical data between the two case studies are analyzed in section 6 Empirical Analysis.

When applying a comparative case design it will be kept in mind that there is a risk that misinterpretation of text can lead to an invalid collection of empirical data. Here it can be argued that other methods are better for collecting empirical data for this research which is to be discussed below.

It can be discussed if there are other methods or research design which is more suitable for this research. Critics might argue that it would be better if the empirical data in the analysis was based on data collected from interviews rather than from a comparative design. By supporting the method of interviewing it could be argued that the collection of data could be more specific and thereby collect more accurate data regarding the subject. If interviewing representatives from both the TRANSCO and PepsiCo organization it is possible to collect a wider range of information. For example is it possible to collect information based on what the interviewee says, how he/she behaves, attitude etc. (Bryman, 2008, p. 192). Hereby it can be argued that this process could provide a higher level of validity to the data, which would result in the analysis being more valid.

It could be possible to perform interviewing which is to supply the two cases with information which deepens the understanding regarding the processes of trying to adopt an including culture. Hereby it is for example possible to follow up on what have happen since the cases were released to deepen the understanding even further.

The process of interviewing can however be criticized, as poorly worded question can lead to misinterpretations from the interviewee and the answer could thereby contain invalid information. The way that the information is recorded could here also be an issue if it is of bad quality. If the information is recorded poorly, then it would also be an issue if the interviewer cannot remember parts of the interview (Bryman, 2008, p. 193). As well, is it likely that the interviewer only get one chance to perform the interview and the questions and mistakes can hereby be vital.

An argument for applying a comparative case design rather than interviewing could be that there are many risks in performing interviewing when collecting data which is explained above.

In the section to come the theoretical perspectives for this research is to be introduced and discussed. Thereafter follows the section of Method of Analysis where the structure of the research is explained and illustrated.

# 3. Theoretical Review

When analyzing in a comparative case design, how an organization adopts an including culture, it is to be based on the theoretical frameworks from this section. The purpose of this section is hereby to introduce the chosen theory and discuss how it is relevant for this research. As defined in the problem formulation of this Thesis, the role of the management in the changing process is to be addressed in this research. Hereafter there is focused on creating an understanding of the organizational culture, as it is estimated that an organization needs to understand the culture before trying to change it. Lastly the focus is on creating a willingness and ability of the organizational members to participate in the cultural changing process. There is hereby introduced and discussed theoretical considerations regarding these subjects in this section.

None of the theoretical frameworks applied in this research are developed to approach issues regarding exclusion or adoption of a new (inclusive) culture. They are however estimated to contain relevant theoretical elements which makes them adequate in the process of collecting empirical data to answer the research question. How exactly these theoretical frameworks are adequate for this research is also introduced an discussed in this section. Before going into proper and deeper introduction and discussion of the theoretical considerations, they are shortly outlined below.

The first framework to be introduced and discussed is called De Fire Lederroller (*The Four Roles of Leadership*) and is developed by Ichak Adizes. This framework focuses on the management style and which roles a leader/management needs to have in an organization. This framework is chosen as the management's part in the process of changing the organizational culture is estimated to be vital. The management's part in the process could be estimated to be the most influential. Edgar H. Schein, who is a former theorist and professor and is, specialized within the field of psychology, has stated the following; "*Founders not only choose the basic mission and the environmental context in which the new group will operate, but they choose the group members and thereby shape the kinds of responses that the group will make in its efforts to succeed in its environment and to integrate itself"* (Schein, 2010, p. 219). Schein hereby estimates the founders to have the main responsibility of how the organizational culture takes its form. As well as the founders of an organization had the responsibility of how the culture took its form, the present management is estimated to have the main responsibility of how the culture is to change. Even though all members of an organization can have an influence of how the culture changes, it is still estimated to be the management who is responsible of how the process is progressing. The management is responsible for the organizations goals, strategy and its members, which makes their part crucial when changing patterns and values to become more diverse-inclusive.

Hereafter the theoretical perspectives from the framework of Cristian Lima's (cand.psych.) *Bevidsthedsteorien (The Awareness Theory)* will be introduced and discussed. This framework focuses on the process of creating an understanding of the culture in an organization. Through this framework the members of the organization can create an understanding about how the culture is now, but also how they wish to see the culture before they can change it cooperatively. This theory is estimated to contain valuable elements as it is important to understand the culture before trying to change it. According to Mats Alvesson and Stefan Sveningsson; "*In many studies of change projects it is actually common to focus on outcomes, e.g. on the difference between before and after the change intervention or period, thus downplaying what actually happens over time, i.e. the process*" (Alvesson and Sveningsson, 2008, p. 5). I agree with this statement as it is estimated that an organization cannot change the culture if not knowing how the culture is now and how it needs to change. The theoretical framework of *The Awareness Theory* is supported by theoretical considerations and elements from Schein's *The Three Levels of Culture* (Schein, 2010, p. 23). This framework and the reason for applying considerations from it is explained in section 3.2.

After introducing the theory, regarding creating an understanding about the organizational culture, there is to be introduced a framework by Peter Senge called *De syv principper (The Seven Principles)*. According to this theory these principles are human needs which should be included when creating a willingness to change the organizational culture (Neergaard, Hauen, Kastberg and Møller, 1998, p. 23). This is considered to be a valuable framework as it focuses on creating a learning/changing organization through individual development. When applying *The Seven Principles* in the analysis it is supported by considerations and elements from Abraham Maslow's *Behovspyramide* (*Hierarchy of Needs Chart*) (Kjær, Skriver and Staunstrup, 2007, p. 68). There is a similarity between the two frameworks which enhances the possibilities of developing an understanding about the research through a synergetic effect. This is to be further explained in section 3.3.

Even though the theoretical frameworks of this research are estimated to contain valuable elements regarding the research field, there is to be kept a critical perspective when discussing them. By going through a critical discussion of the theoretical framework, there can hopefully be developed a new understanding of the subject which will contribute to the analysis.

## 3.1. Management Style

Firstly the framework of *The Four Roles of Leadership* is to be introduced and discussed. The purpose of this framework is to analyze which roles are needed by the management in a process of changing the organizational culture. *The Four Roles of Leadership* was developed to illustrate which roles/qualities is needed by a leader/management in general to solve all tasks (Kjær, Skriver and Staunstrup, 2007, p. 176). In this Thesis it is, as mentioned earlier, to be applied in a comparative analysis of which roles/qualities is needed by the management when changing the organizational culture.

The theory, which is illustrated in figure 2, is about four different roles which a leader or a management need to have when leading an organization. The four different roles are: *Entrepreneurrollen* (*The Entrepreneur Role*), *Integratorrollen* (*The Integrator Role*), *Producentrollen* (*The Producer Role*) and *Administratorrollen* (*The Administrator Role*) (Kjær, Skriver and Staunstrup, 2007, p. 177).

To fulfill one of these roles, the management needs to possess some specific qualities. According to theory, *The Entrepreneur Role* is focusing on the product (what should be done) of the organization and is thinking long-termed. To fulfill this role a management needs to possess qualities like: creativity and innovation, think strategically, willing to take risk etc. *The Integrator Role* is focusing on organizational processes (how should it be done) rather than the product and is thinking long-termed rather than short-termed. Here the management needs to possess qualities like: being able to integrate into a community, lead through teamwork, lead members through a developing process etc. *The Producer Role* is focusing on the product and is thinking short-termed. *The Producer Role* is often associated with qualities like: result-oriented, making decisions, employees/members becomes workers rather than co-workers etc. *The Administrator Role* is also thinking short-termed, but focuses more on the process than the product. To *The Administrator Role* there is associated qualities like: being systematic, defining organizational goals and rules, being analytical and have a sense of order. These roles and qualities are outlined in figure 2 below.

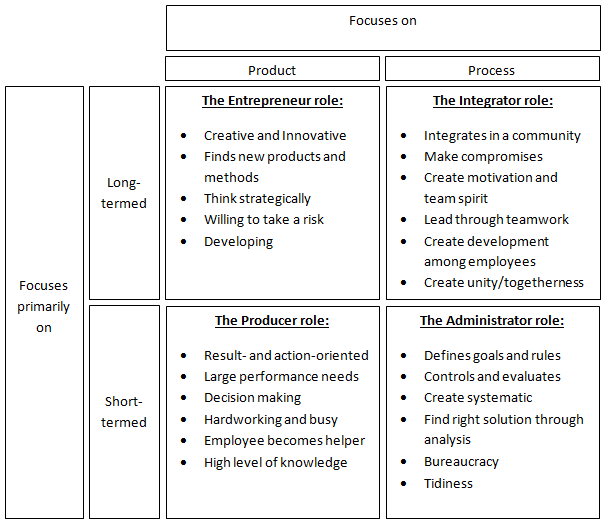


Figure 2: The Four Roles of Leadership Source: Kjær, Skriver and Staunstrup, 2007, p. 177

The theory operates with a coding system on three levels. If the management is estimated to possess a majority of the qualities they are estimated to fulfill the role to a large extent. If the management only possesses a few of the qualities, then they are estimated only to fulfill the role to a small extent. If possessing none of the qualities the management is estimated not to fulfill the role. If the management is fulfilling the role to a large extent, then it will contain a capital letter, whereas it will contain a small letter if fulfilling the role to a small extent. If not fulfilling the role it contains a 0 (Kjær, Skriver and Staunstrup, 2007, p. 178). In this research it will be referred to as exemplified in the following: If fulfilling the role as Administrator to a large extent = Administrator role (A). If fulfilling the role as Administrator to a small extent = Administrator role (a). If not fulfilling the role = Administrator role (0) (Kjær, Skriver and Staunstrup, 2007, p. 178).

According to theory a management needs to fulfill all these roles when managing an organization. The management does not necessarily have to fulfill all the roles to a large extent, but as a minimum to a small extent (Kjær, Skriver and Staunstrup, 2007, p. 178). In this research, there is however to be taken a different perspective as discussed below.

### 3.1.1. Assessment and Discussion

When analyzing and discussing which role(s) a management needs to fulfill, when managing the process of adopting an including culture, all the roles might not be relevant. It might be relevant for a management to fulfill the role as Integrator as it has a long-termed focus on the process in contrast to the role as Producer, which is focusing short-termed on the product. Here critics could accuse the applying of such a framework of being too predictable as it, in advance, could be identified which roles are important to fulfill in the cultural changing process. It is however estimated that such generalizations are not possible to predict as a comparative case design could present a different indication. For example could it be important to fulfill one role in one of the cases, whereas it is important to fulfill two or more roles in another. It could however also be a mix of the different roles if majority of the qualities illustrated in figure 2 are needed.

Throughout the analysis there is to be kept in mind that this framework is not developed to make analysis regarding the role of a management during the process of adopting an including culture. Its focus however, is on the management role in general in an organization. When applying the theoretical considerations there is therefore to be focused on the qualities needed in the process of adopting an including culture rather the qualities needed in general.

The roles and qualities of the management are estimated to be vital as this affects the changing process. The reason, is that it is the managements responsibility to make sure that the members of the organization understand the culture and are able/willing to participate in changing the culture, which the other two theories addresses.

## 3.2. Understanding Organizational Culture

The following theoretical framework developed by Cristian Lima, is called *Bevidsthedsteorien* (*The Awareness Theory*). This framework focuses on the process of creating an awareness of the organizational culture (Lima, 2005, p. 63). It is estimated that this process is important when wanting to change an organizational culture. By this process the members of the organization is learning to be aware of the culture as it is now and how it is different from the culture wanted, which is a more diverse-inclusive culture. This framework is divided into two steps which are the following. The first step of learning to be aware of the culture requires that there is a common awareness of the routines and structures in the organization. This is called *Praktisk bevidsthed* (*Practical Awareness*) (Lima, 2005, p. 63). In this part of the process the members of the organization is to think for themselves how they see routines and structures are taking place in the organization regarding inclusion/exclusion. Hereafter comes what Lima calls *Sproglig bevidsthed* (*Linguistic Awareness*) (Lima, 2005, p. 63-64). This is where members of the organization talk about how they see the routines, structures and the culture regarding inclusion/exclusion in general. Here the culture is evaluated and actions of the organization are categorized. Together the two steps (*Practical Awareness* and *Linguistic Awareness*) generate a process of the organization understanding and acknowledging, which adjustments are needed (Lima, 2005, p. 63-64). In this research it is hereby in the form of which adjustments are needed to adopt an including culture.

As mentioned earlier the theoretical framework of *The Awareness Theory* is to be supported by elements of Schein's *The Three Levels of Culture*. This framework is estimated to go deeper into the process of interpreting and understanding an organizational culture.This is because it focuses on analyzing the organization through three different levels. The three levels of the cultural analysis are *Artifacts*, *Espoused Beliefs and Values* and *Basic Underlying Assumptions* (Schein, 2010, p. 24). The level of *Artifacts* is the part of the organization which is visible, but difficult to interpret. This level includes visible and feelable structures and processes, observed behavior, physical expressions, language, traditions and history (Schein, 2010, p. 23-24). The second level *Espoused Beliefs and Values* is regarding the values, ideals, goals, etc. of the members of the organization. These values are considered to be the rules which members are to observe (Schein, 2010, p. 25). The third level of *The Three Levels of Culture* is the *Basic Underlying Assumptions*. This level is considered to be invisible as it is a part of the members subconscious (Schein, 2010, p. 27). The *Basic Underlying Assumptions* includes the human nature, human relations, global relations and taken-for-granted beliefs and values (Schein, 2010, p. 24-28). Elements from this level of the culture are estimated to be difficult to change (Schein, 2010 p. 24). *The Three Levels of Culture* is attached to the appendix of this Thesis (figure 5).

By supplementing elements from *The Three Levels of Culture* to the *Practical* and *Linguistic Awareness* of *The Awareness Theory* it is possible to deepen the understanding about the process of understanding organizational culture before changing it. When analyzing these two case studies through *The Awareness Theory*, the supplement of *The Three Levels of Culture* hereby deepens the understanding of an organizational culture on different levels.

### 3.2.1. Assessment and Discussion

By applying the framework from *The Awareness Theory* it is estimated that an organization is building the right foundation when preparing for a cultural organizational change. Through this process the members of the organization are developing an understanding about how the culture regarding inclusion/exclusion is now, as well as how it needs to be changed. By applying elements from *The Three Levels of Culture* there is a possibility to deepen the understanding about organizational culture through different levels.

The first part of *The Awareness Theory* (*Practical Awareness*) is estimated to be simple and similar process in general, as this is where members of the organization creates their own understanding of the culture without being affected by outside factors. The second part (*Linguistic Awareness*) is where the result of applying the theory might vary between studies. Here the scenario wanted is that all members of the organization agree on what needs to change for the organization to become more diverse-inclusive. This however might not be the situation in all or any of the case studies. In one case the members might agree on a strategy of being more diverse-inclusive, whereas members of an organization in another case study might disagree on what should be done. Through *The Linguistic Awareness* the members of an organization does nevertheless develop an understanding about the issue. Here it is important that organizations try to find an effective strategy to reach their goal instead of heading in different direction through disagreements.

A critic could argue that there is a risk that the analysis regarding organizational cultural understanding could be confusing when supplementing *The Awareness Theory* with *The Three Levels of Culture*. This is however estimated not to be an issue as the two frameworks are structured differently and are considered to contribute with different elements rather than the same elements. By applying elements of *The Three Levels of Culture* it is estimated that the analysis is to contribute with a depth that *The Awareness Theory* cannot do alone.

*The Three Levels of Culture* could be criticized for containing a part which is difficult to change, as the purpose is to change the organizational culture. The *Basic Underlying Assumptions* is, as mentioned earlier, difficult to change as this includes the human nature, human relations and global relations. When analyzing the case studies the focus is however not to change the *Basic Underlying Assumptions*, but that the change could be based on them.

Although *The Awareness Theory* and *The Three Levels of Culture* are not developed to create an organizational understanding of the culture before changing it, it is however estimated to be appropriate for this research. The reason for this is that it is developed to create an organizational understanding of the culture in general, which can be adapted to a specific issue which in this research is adopting an including culture.

## 3.3. Changing Organizational Culture

After creating an awareness of the organizational culture, then comes the process of creating a willingness and ability of the organizational members to participate in the changing process. Here the framework of *De syv principper* (*The Seven Principles)* is to be applied in the empirical analysis. These seven principles are focusing on creating a willingness and ability in the organization to learn and change. *The Seven Principles* are from the book Den lærende Organisation i praksis (The learning Organization in practice). The theory is developed by Peter Senge who is, according to the book's author is; "*the father of the learning organization*" (Neergaard, Hauen, Kastberg and Møller, 1998, p. 15).

*The Seven Principles* are the following: *Det søgende menneske (The seeking person), Det strukturerende menneske (The structured person), Det lærende menneske (The learning person), Det kompetente menneske (The competent person), Det samarbejdende menneske (The cooperative person), Det indflydelsesrige menneske (The influential person) and Det etiske menneske (The ethical person)*. All seven of these principles can be important as a lack of one or more of them might cause learning disabilities, which reduces the ability of creating changes in an organization (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 22). These principles are referred to as persons as they are all human needs, which should be included before members of an organization are willing to do organizational cultural changes. (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 23).

*The seeking person* is an important principle as this is where an individual seeks to find out what should be done in a process. If an individual sees no meaning in performing the suggested changes, he/she is not likely to be supportive in the process (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 23). Here the members of the organization could discuss which visions and goals the organization has to agree on, which direction they are heading towards in the future. Hereafter comes *The structured person*. This is about understanding the overall process, to see patterns and a structure of the whole process. A limited understanding of the meaning of the overall process can hereby cause members to lack motivation to see the changes through (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 24). *The learning person* is a principle which is regarding learning more about the assumptions, which naturally controls an individual's everyday life. This could be things which are accepted because "*that's just the way it is*". These things could on second thought be considered to be wrong and go against what the organization stand for. The principle of *The learning person* would hereby go against a myth or an assumption to break it. This could be done by bringing it up for a debate in a forum to get rid of it (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 24-25). *The competent person* is an ability where a high level of personal well-being is needed. According to theory, it is important to be in balance and trust yourself if wanting to contribute with adjusting the culture in an organization, as well as taking responsibility for own actions. A person who is not in balance will hereby find it difficult to participate or contribute in the changing process or adjusting to a culture (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 25). People should be encouraged and supported to participate in the changing process. The next principle, *The cooperative person*, is a principle about working in teams. This principle is important as it is estimated that people learn more and better in cooperation with others (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 25-26). The sixth principle is *The influential person*. As much as an individual learns from cooperating with others, the individual learns even better and faster if having some influence rather than not having any (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 26). An example here could be to decentralize the processes of decision in the way that all have an influence. Hereby all members can feel like they have a saying instead of just going with the decision put before them. The last principle, *The ethical person*, is about finding harmony between own personal values and the values of the organization. Here it is important that the values of the organization are matching values of most possible of the members (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 26-27). A lack of one or more of *The Seven Principles* in a changing/learning process can, as mentioned earlier, affect the process negatively.

The framework of *The Seven Principles* is to be supplemented with elements from Maslow's *Hierarchy of Needs Chart*, in the analysis. This is because the two frameworks focus on the human needs of the members of an organization, which contain different perspectives. The supplement from the *Hierarchy of Needs Chart* could hereby possibly contribute with angles on the cultural changing process that *The Seven Principles* could not do alone. In the *Hierarchy of Needs Chart* the human needs are divided into five groups of general needs. The five groups are *Fysisk behov* (*Biological and physiological needs*), *Trygheds behov* (*Safety needs*), *Sociale behov* (*Social needs*), *Egobehov* (*Esteem needs*), *Selvrealisering* (*Self-actualisation*) (Kjær, Skriver and Staunstrup, 2007, p. 68). The *Biological and physiological needs* involves basic life needs like air, food, shelter warmth, sleep, etc. *Safety needs* involves needs like protection, job safety, stability etc. *Social needs* involves needs of acceptance, love, relationships. The *Esteem needs* regards status, reputation, achievements. *Self-actualisation* involves needs like personal growth and fulfillment (Kjær, Skriver and Staunstrup, 2007, p. 68). The framework of the *Hierarchy of Needs Chart* is attached to the appendix of this Thesis (figure 4).

All seven of the principles are estimated to be human needs which could be included into The five groups of needs of the *Hierarchy of Needs Chart* in a cultural changing process. As there is a connection between *The Seven Principles* and the *Hierarchy of Needs Chart* they are to supplement each other in the comparative analysis to reach a developing understanding about the research.

### 3.3.1. Assessment and Discussion

When applying the framework of *The Seven Principles* in this research, there is to be analyzed how these were or could be fulfilled in the cases. In this assessment and discussion section there is however to be outlined which critical point there could be regarding the framework.

Even though it is estimated that all seven of the principles from the theory are important to include when going through organizational cultural changes, critics could argue that it cannot be generalized. Here a critic might argued that it cannot be predicted if all seven of the principles are important as people learn differently (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 31). For example might *The cooperative person* not be relevant to the organization from one or more of the case studies. This could be the scenario if the members of one or more of the organizations works individually or if members does not cooperate well with others.

By supplementing *The Seven Principles* with elements from the *Hierarchy of Needs Chart*, critics might claim that it is an irrelevant process. Here a critic could claim that both frameworks are focusing on human needs and therefore would present the same outcome in an analysis. It is however estimated that these frameworks could supplement each other to reach a developed understanding through a synergy effect. This is because the handling of human needs is different in the two frameworks. Nonetheless there are no guarantees that these frameworks are to supply with a synergy effect to develop the understanding about the importance of different human needs in a cultural changing process.

*The Seven Principles* are, as well as with the theory introduced earlier, not developed to perform analysis regarding the process of adopting an including culture. It is however developed to create a willingness and ability of members of members to participate in a changing or learning process. As the process of adopting an including is estimated to be a learning and changing process of an organizations culture this theory is thereby adequate for this research.

# 4. Method of Analysis

The purpose of this section is to explain and illustrate what remains of the Thesis. This includes an explanation of what follows in the empirical analysis, why the content of the analysis sections are relevant in relation to the research and what follows after the analysis. Finally the section will illustrate the structure of the remainder of the research, which can be seen in figure 3 - Structure of the analysis.

Firstly the two cases are to be introduced and described in relation to the situation the different organizations has gone through regarding exclusion of international members and the process of trying to include them. The reason for this is to inform the reader about the involved organizations and their processes regarding inclusion/exclusion of international members. A comparison of these cases, together with the use of theory, is the process of detecting new knowledge and empirical data which is to develop throughout the empirical analysis. The two cases applied for this research are: TRANSCO and PepsiCo.

After the introduction of the case studies, there is to be conducted an empirical analysis. The analysis contains the theoretical framework and considerations, which were introduced and discussed in the Theoretical Review. These are to be applied in the comparative case analysis. The purpose here is to create a developing understanding about the research question: **How does an organization adopt an including culture?** Here there is firstly to be focused on the management role during the changing process as they are to lead the organization through it. Through the analysis there is to be focused on which roles they are to have in a cultural changing process as well as which qualities they should possess. The knowledge and understanding regarding this field is to be learned from the process analyzed in the case studies. Hereafter follows a focus on creating an understanding of the culture which should be developed before trying to change it. Only hereafter there is focused on creating a willingness and ability of the organizational members to participate in the cultural changing process.

After performing an analysis based on the comparative case design, the knowledge and developed understanding of the research field is to be applied in an assessment and discussion. Hereafter the purpose is to answer the research question: **How does an organization adopt an including culture?**

TRANSCO

PepsiCo

Introduction of cases

The role of the management when adopting an including culture

Analysis

Understanding organizational culture

Analysis

Creating a willingness and ability of adopting an including culture

Analysis

Conclusion

Conclusion of complete research

Figure 3 – Structure of analysis Source: self-constructed

# 5. Introduction of Cases

Before performing the comparative analysis for this research the two case studies will be introduced in this section. The reason for choosing these two case studies for this research is that they both contain a situation of an organization trying to become more inclusive towards its international members. This makes them relevant for this analysis regarding the research question: **How does an organization adopt an including culture?**

By comparing these two cases there is a possibility that these can complement each other and hereby develop an understanding about the research field. The perspectives in the two cases are different, as they have gone through different processes when trying to adopt an including culture to become more diverse-inclusive. The cases could however indicate that there are some similar elements to the process which could result in a generalizable understanding of parts of the process.

In this section the cases are introduced individually where the main focus is on the process of trying to become more diverse-inclusive towards international members. The cases introduced in this section address the following organizations: TRANSCO and PepsiCo.

## 5.1. TRANSCO: The Global Integration of Diversity Management

The first case study is written by Aulikki Sippola and Adam Smale and is about the organization of a Multinational Corporation (MNC) named TRANSCO. TRANSCO is today known as National Grid as they have changed their name (<http://www.nationalgrid.com/uk/About/history/>). In this research the organization is however to be referred to as TRANSCO, as the case study was developed before the organization changed its name. TRANSCO is an international electricity and gas company and one of the largest investor-owned energy companies in the world (<http://www.nationalgrid.com/UK/about>). The company is operating in over 100 countries and is employing over 100.000 people and is therefore a well-known European MNC. TRANSCO has been attempting to integrate diversity management globally throughout its worldwide operations (Sippola and Smale, 2007, p. 1903). In the initial phase TRANSCO tried to become global by making dramatic organizational restructuring efforts. The process of developing diversity management was justified as an attempt to achieve greater synergy and organizational control. The reason for this was that there were problems with reaching a stage where everybody felt included because of much diversity in the organization (Sippola and Smale, 2007, p. 1910). Here the Diversity Coordinator at that time noted; "*When they see how significant the issue is; that it concerns everyday life between people, they become embarrassed, shy"* (Sippola and Smale, 2007, p. 1910). To solve this problem the management decided to call all members into a team meeting once a year to discuss inequality. These meetings reflected positively as the Finnish employees were beginning to better understand the meaning behind diversity and inclusiveness (Sippola and Smale, 2007, p. 1910). There was a "landmark" team meeting a year into the integration process in which issues of inequality were discussed. According to the Diversity Co-ordinator; "*the atmosphere was unique. The subjects of discussion were unique. The inner dynamics of that team were discussed openly . . . . It had people crying. And that was certainly unique in that department*" (Sippola and Smale, 2007, p. 1910).

One of the first barriers and first key challenges identified was to change the dominant perception that "everything is fine here". Here employees and managers were only referring to surface-level evidence when dealing with diversity issues. The diversity efforts at the Finnish subsidiary initially focused on going deeper into the diversity issue. The approach of trying to make diversity issues more conscious of individuals was starting to show signs of success. This was according to the case study due to surveys and keeping diversity on meeting agendas (Sippola and Smale, 2007, p. 1911).

Nevertheless after two years of intensive integration efforts it was still generally felt that the magnitude of normative adjustments required to discuss diversity openly meant that the Finnish subsidiary considered itself not ready to embrace everything that was being suggested by regional headquarters (Sippola and Smale, 2007, p. 1910). A general key challenge was perceived to be a constant battle to win over the hearts and minds of the local management (Sippola and Smale, 2007, p. 1911). In the second year there was a reduction in the integration efforts as diversity management was estimated to be everybody's responsibility and not just that of Diversity Co-ordinators, HR or Line Managers (Sippola and Smale, 2007, p. 1911) As a result to the process of trying to make the company more diverse-inclusive, the Diversity Co-ordinator and HR Manager had experienced difficulties in enforcing diversity management without any power resources at their proposal. Instead, the case of diversity has been presented emotively as "the right thing to do*"* on a personal level (Sippola and Smale, 2007, p. 1911).

## 5.2. PepsiCo: Attributes of Diversity and Inclusion

The second case study is about the soft drink-making company PepsiCo and is written by Paul Sweeney. PepsiCo's products are available around the world and have a portfolio which includes 22 brands that each generates more than $1 billion in estimated annual retail sales (<http://www.pepsico.com/Company/Global-Brands>). They are known for brands such as Pepsi, Pepsi MAX, LAY'S potato chips, Gatorade etc. (<http://www.pepsico.com/Company/Global-Brands>).

In the period from 2001-2006 PepsiCo had an increased focus on becoming more diverse-inclusive towards minorities like women and different nationalities, as this has been a problem for the organization (Sweeney, 2009, p. 20). Stephanie Creary, co-researcher and consultant with the Conference Board noted that women and members with diverse nationalities representing the company rose from 34 to 45 percent in the period from 2001-2006. A Harvard Business School case study of the company has shown that a commitment to diversity at the top of the organization plays a key role in whether such efforts will succeed (Sweeney, 2009, p. 20). Steve Reinemund, PepsiCo's chief executive officer and chairman at the time of the study, challenged and rewarded managers and employees at every level of the company to meet diversity and inclusion goals while instituting structural changes in the organization. When breaking down barriers and building trust in the PepsiCo organization the study claimed that "Authentic conversation" played a big role. According to the study; "*Senior executives learned that poor communication and lack of affiliation played major roles in many employees' exit decisions*" (Sweeney, 2009, p. 20). The efforts of the company resulted in greater diversity in the higher reaches of PepsiCo's hierarchy. By 2006 diverse nationalities and women had been named to different high-level positions such as: president and CEO of Pepsi-Cola North America, senior vice president of Human Resources, chief of Health and Wellness Innovation officer. In October 2006 an Indian-born woman, Indra Nooyi, became PepsiCo's CEO (Sweeney, 2009, p. 21).

## 5.3. Assessment

After introducing the two case studies it is clear that the two organizations have approached the process of changing the culture to become more diverse-inclusive differently. When analyzing how an organization is to adopt an including culture the two cases hereby contributes with different perspectives which was mentioned in section 2.3. Research Design. In the TRANSCO case inequality were discussed in team meetings to develop an understanding of the culture and change it had to make to become more diverse-inclusive. In the PepsiCo case the approach was different. Here the key role was to include diverse members in the top of the organization. By applying two different perspectives in the comparative analysis, there is a possibility that the understanding of the research field gradually develops throughout the next section which is the empirical analysis.

# 6. Empirical Analysis

In this section the two case studies, TRANSCO and PepsiCo, are to be analyzed and compared on the basis of the theoretical considerations introduced and discussed in the Theoretical Review. The analysis is divided into three sections which each contain an assessment and discussion.

Firstly the two cases are compared on the basis of the management style and their role in the process of adopting an including culture. This will be performed on the basis of the framework of *The Four Roles of Leadership*.

In the second section the focus is on analyzing the importance of creating an understanding of the culture before trying to change it. Here the two cases are compared and analyzed on the basis of *The Awareness Theory*. This framework is to be supplemented by elements from *The Three Levels of Culture*. By applying elements from this framework it is possible to go deeper into the process of analyzing and understanding an organizational culture.

In the third section there will be analyzed how there should be created a willingness and ability of the organizational members to participate in the changing process. Here the two cases are compared and analyzed on the basis of *The Seven Principles*. As mentioned in the Theoretical Review the framework of *The Seven Principles* is supplemented by the *Hierarchy of Needs Chart* as this puts a different perspective on the analysis of human needs and thereby possibly develop the understanding of the process.

In this empirical analysis the three aspects of the analysis is researched with the purpose of trying to find the best way of adopting an including culture into an organization. As the two case studies contribute with two different perspectives of such a process, there is a possibility that a comparative analysis will provide with an answer to the research question. There is however to be assessed if there are element of the process which can be generalized. Here the two case studies could indicate that there are elements of the process which have similar aspects to it.

In the first section of this analysis the focus is, as mentioned above, on the management.

## 6.1. The Role of the Management When Adopting an Including Culture

The following section is an analysis and comparison of how the management of the two organizations acted in the process of trying to adopt an including culture and what their roles were during this process. In this part of the analysis the focus is on developing an understanding about what role the management of an organization should have when adopting an including culture. This part of the analysis is based on the framework of *The Four Roles of Leadership*, as mentioned in the introduction of the empirical analysis.

The management from the two cases can be estimated to have taken on different roles when trying to manage their organization through the process of adopting an including culture. This is because they, as introduced in the Introduction of Cases, have handled the situation differently.

In the process of trying to adopt an including culture, the management of TRANSCO focused on carrying out a long-term process as they once a year called in members of the organization to discuss inequality. According to the case study, these meetings reflected positively as they helped the Finnish members creating an understanding behind diversity and inclusiveness in the organization (Sippola and Smale, 2007, p. 1910). Based on the actions from the management they could be estimated to be democratic in their form of managing the process of adopting an including culture. An example of the management being democratic is one of the team meetings which were estimated to be a "landmark" according to the case study. Here there were, according to The Diversity Co-ordinator, a unique atmosphere and discussions. The Diversity Co-ordinator stated that; "*The inner dynamics of that team were discussed openly . . . . It had people crying* " (Sippola and Smale, 2007, p. 1910). The management could hereby be estimated to lead the process through a form of teamwork by involving all members in a democratic way. By involving members in such a process it could be estimated that the management is trying to create togetherness, unity and motivation in the organization. There are hereby indications that the management had *The Integrator Role* in the process of trying to adopt an including culture in the Finnish organization of TRANSCO. The reason for this is, as mentioned above, the management developed a long-termed process to manage the problem. The management did however not succeed in implementing an including culture although there was developed an understanding about the inequality in the organization.

According to the cases, the process of adopting an including culture failed as it instead resulted in being "the right thing to do*"* on a personal level (Sippola and Smale, 2007, p. 1911). The management could hereby be estimated to lack a form of decision making, as they made members of the organization understand the inequality in the organization, but they could not see through the process of adopting an including culture. When analyzing the TRANSCO management on the basis of *The Four Roles of Leadership* it could, as mentioned earlier, be estimated that they only fulfilled *The Integrator Role*. When only taking on *The Integrator Role* the management does, as illustrated in figure 2, only focus on the process and not the product (Kjær, Skriver and Staunstrup, 2007, p. 177). Hereby the management is in a good position of developing an understanding and process about how actions should be performed to reach a goal. When not focusing on the product, the management could be criticized of lacking on not having a plan of action of what exactly should be performed to reach a goal. If taking on another role as well during the process and thereby widening the focus, the management could have been better at making decisions, applying creativity to solve problems, and creating results.

As mentioned in the introduction to this section the management of TRANSCO and PepsiCo have managed the process of trying to adopt an including culture differently. The management of PepsiCo increased their focus on being more inclusive towards both women and members with different nationalities, as they had experienced difficulties with this earlier. As mentioned in the introduction of the case studies the management of the organization increased their effort to become more inclusive towards these minorities in the period of 2001-2006. Women and members with diverse nationalities representing the company rose from 34 to 45 percent in this period (Sweeney, 2009, p. 20). A key role to succeed in this process was to develop diversity at the top management of the organization. Here "Authentic conversation" was important when breaking down barriers and building trust in the organization. According to the study; "*Senior executives learned that poor communication and lack of affiliation played major roles in many employees' exit decisions*" (Sweeney, 2009, p. 20).

When analyzing and assessing the PepsiCo management based, on *The Four Roles of Leadership,* it could be argued that they fulfilled *The Integrator Role*. As the process of adopting an including culture was spread over a five year period (2001-2006), it could then be argued that they had a long-termed focus which fits *The Integrator Role*. As illustrated in figure 2 *The Integrator Role* possesses qualities like create motivation which the management of PepsiCo has done by breaking down barriers and building trust in the organization (Kjær, Skriver and Staunstrup, 2007, p. 177). Building and leading through teamwork is another quality the PepsiCo management is estimated to possess at that time, as they allowed "Authentic conversation" and led through two way communication. It could be argued that the management helped the members of the organization to develop by breaking down barriers and including minorities. These qualities make it logic to assess that the management fulfilled *The Integrator Role* in the process of adopting an including culture.

The fact that the management has been able to see the changes through (adopting an including culture), which the management of TRANSCO could not, could indicate that they had other qualities as well. By increasing the minorities by eleven percent in a five year period could indicate that the management was able to think result-oriented. Hereby they were able to focus on what exactly should be done meanwhile focusing on how these actions should be performed to reach the goal. It can be argued as well that the management possessed the quality of making decisions. Here there is referred to big decisions like hiring former minorities to different high-level positions such as: president and CEO of Pepsi-Cola North America, senior vice president of Human Resources, chief Health and Wellness Innovation officer (Sweeney, 2009, p. 21). Being result-oriented and being able to make major decisions is qualities which represent *The Producer Role*,which the management of PepsiCo hereby is estimated to have fulfilled to some extent at that time.

Hiring former minorities to different high-level positions could indicate that the PepsiCo management possessed *The Entrepreneur Role* as well. This is because it takes qualities like being creative, finding new methods and taking risks to fulfill *The Entrepreneur Role*,which the management showed they had by hiring former minorities to high-level positions.

The analysis of the management and the managerial decisions made in both case studies have contributed with two methods of how to manage the process. These are to be assessed and discussed in the section below.

### 6.1.1. Assessment and Discussion of the Management's Role

When comparing the two cases there are differences as well as similarities between how they have managed the process of adopting an including culture in the organization. Even though the two managements have approached the process differently there has during the analysis been identified one fundamental similarity. When analyzing the two cases based on the framework of *The Four Roles of Leadership* they are estimated to have taken on *The Integrator Role* during the process of adopting an including culture. The reason for this is that both managements focused on developing motivation, developing togetherness and leading through teamwork. These qualities were all based on long-termed perspectives which are some of the qualities/trademarks of *The Integrator Role*. When applying the three level coding system, introduced in the Theoretical Review, it could be argued that both managements fulfilled *The Integrator Role* to a large extent. Hereby they would both be referred to as fulfilling *The Integrator Role* (I).

The different perspective on the management during the process of adopting an including culture is that the TRANSCO management only fulfilled *The Integrator Role*. It is in contrast to the TRANSCO case estimated, that the PepsiCo management fulfilled another role as well during the process. By being result-oriented, being able to make major decisions, taking risks, finding new methods and being creative indicates that the management fulfilled *The Entrepreneur Role* or *The Producer Role*. Here they were able to focus on the product, which is exactly what should be done to adopt an including culture. Here it could be discussed whether the management fulfilled one of these roles to a small or large extent. The qualities possessed by fulfilling one of these roles or both, could be argued to have an important influence on the process of actually adopting an including culture.

It could, on the basis of earlier assessments and discussions, be argued that it is important that the management of an organization is fulfilling more than one of *The Four Roles of Leadership* when adopting an including culture. Here it is estimated that the management should fulfill *The Integrator Role* to a large extent (*The Integrator Role* (I)). By possessing qualities which represent both *The Entrepreneur Role* and *The Producer Role*,the PepsiCo management is estimated to being able to see through the process of adopting an including culture. It is therefore estimated that one or perhaps both of these roles should be fulfilled as well. It could be argued that it is important to have a mix of the qualities from the two roles and therefore should fulfill both roles to a small extent (*The Entrepreneur Role* (e) *The Producer Role* (p)).

Through a comparative case design this part of the analysis did provide with empirical data to develop an understanding about which role(s) a management should fulfill. However could it be argued that a more detailed empirical data and deeper understanding of the research could have been reached if interviewing representatives of the management of the two organizations. Hereby it would be possible to collect information with depth about their role(s) during the process instead of assessing which roles they had based on information from the two cases. The two cases however did provide with data which made it possible to develop an understanding through empirical data.

In the following section the focus in the analysis will be on the process of understanding an organizational culture before changing it.

## 6.2. Understanding Organizational Culture

In this section the two cases are compared and analyzed, based on the framework of *The Awareness Theory*. The purpose of this section is to develop an understanding about how an organization should create and develop an understanding of its culture, before adopting an including culture. During this part of the analysis *The Awareness Theory* is to be supplemented with elements from *The Three Levels of Culture*.

As the organizations from the two cases went through different processes when trying to adopt an including culture, they are able to provide different perspectives regarding understanding organizational culture.

In the TRANSCO case, the process of understanding the organizational culture was a part of the complete process of changing the culture in the Finnish subsidiary. The main focus was on the yearly meetings where they discussed inequality. As mentioned earlier, these meetings reflected positively as the Finnish employees were beginning to better understand the meaning behind diversity and inclusiveness. The process of calling in members of the organization into a team meeting once a year to discuss inequality, could bring references to the two steps of *The Awareness Theory*. In theory the two steps are *Practical Awareness* and *Linguistic Awareness* (Lima, 2005, p. 63). Before participating in the meetings the members are able to go through the process of *Practical Awareness*. Here they think for themselves how they see routines and structures are taking place in the organization regarding inequality. Afterwards they are ready for the part of *Linguistic Awareness* which is the yearly meeting where they are discussing inequalities in an open forum. It could hereby be estimated that the members of the organization had a year to go through the process of *Practical Awareness* before actually discussing the problems with others. The yearly meetings could be criticized as being too long of a period for preparing to a discussion as many things can change within a year. Here it could be argued that physical changes like members leaving and joining the organization are likely to be a larger amount than if having such meetings more often. However the *Linguistic Awareness* (team meetings) did contribute with an enhanced understanding about the meaning behind diversity and inclusiveness. As mentioned in the introduction of the cases the Diversity Co-ordinator stated; "*the atmosphere was unique. The subjects of discussion were unique. The inner dynamics of that team were discussed openly . . . . It had people crying. And that was certainly unique in that department*" (Sippola and Smale, 2007, p. 1910). According to the case study the organization was focusing on going deeper into the diversity issue when discussing inequality. When referring this to the framework of *The Three Levels of Culture* (figure 5, appendix)there are elements which can be identified. This is because this framework also focuses on going deeper into different levels of the culture to develop the understanding about it. According to the theory, the better the organization understand the culture through the different levels, the better position is it in to change or learn (Schein, 2010, p. 32). In the analysis it is difficult to estimate how deep into *The Three Levels of Culture* the organizational understanding has gone based on the information from the case study. Here it could be argued that team meetings (*Linguistic Awareness*) have helped reach an understanding about different levels of the organizational culture. It is possible that an organizational understanding about its culture has been reached through *The Three Levels of Culture*. Through the first level (*Artifacts*) it is possible that the members have reached an understanding about diverse behaviors like physical expression, language etc. In the level of *Espoused Beliefs and Values* the members are able to reach a deeper understanding of the culture as it is about ideals, goals, values etc. of the organization as well as its members. As the members began to better understand the meaning behind diversity and inclusiveness it could be argued that they reached an understanding regarding these first two levels. If they have reached an understanding about the third level, *Basic Underlying Assumptions*, itis difficult to assess based on the case study information. It is possible that the organization did reach some form of understanding through the third level as the team meetings developed the understanding in a large amount according to the case study. They were however not able to utilize this knowledge as it resulted in "the right thing to do*"* on a personal level rather than adopting an including culture, which is to be the point of focus in section 6.3. of the analysis.

On the basis of the information from the PepsiCo case it could be argued that the organization developed their understanding about culture and diversity through "Authentic conversation". This played a big role when breaking down barriers and building trust in the organization. According to the study; "*Senior executives learned that poor communication and lack of affiliation played major roles in many employees' exit decisions*" (Sweeney, 2009, p. 20). Hereby it could be argued that the organization have gone through the *Linguistic Awareness* of *The Awareness Theory*,as they have applied communication and discussion to develop an organizational understanding of the culture and future processes. It is estimated that the communication within the organization was good and helped developing the understanding of the organizational culture. The reason for this is, when poor communication and lack of affiliation played a major role in many employees' exit decisions, then that was not the case in the period of 2001-2006. Here women and members with different nationalities representing the company rose from 34 to 45 percent (Sweeney, 2009, p. 20). It is estimated that the organization went through a period of where the organizational understanding of its culture developed, as they in the same period adopted an including culture. Based on the information from the case study there is no indication of the organization and its process to adopt an including culture can be linked with the step of *Practical Awareness* (Lima, 2005, p. 63). However it could be argued that members of the organization naturally went through this step both before and after going into a conversation about culture and diversity. It could be argued to be natural to prepare for such a conversation as well as evaluating afterwards.

There are aspects which indicate that the organization, on the basis of *The Three Levels of Culture*, has collected a deep understanding about its culture when adopting an including culture. The organization had developed an understanding to prepare for the cultural change as they were able to adopt an including culture through hiring members of diverse nationalities and genders to different high-level positions. Here it could be estimated that the organization developed some form of understanding through all levels of *The Three Levels of Culture* as they were able to adopt an including culture. It is considered logic that they were able to understand the level of *Artifacts* where visible and feelable aspects of the culture like, language, physical expressions etc. are understood. As well they were able to understand *Espoused Beliefs and Values*,as goals and values of the organization were reached in the form of becoming more diverse-inclusive. Based on the success of adopting an including culture, it could be estimated that unconscious and taken-for-granted beliefs and values such as human nature and human relation of the organization is also understood (*Basic Underlying Assumptions*). If not understanding elements such as diversity between humans and their nature, it is estimated to be difficult to implement changes like hiring people with diverse nationalities in different high-level positions successfully. This estimation is based on the history of the PepsiCo organization where hiring employees with diverse nationalities to different high-level positions was less extensive.

### 6.2.1. Assessment and Discussion of Understanding an Organizational Culture

When comparing the process of trying to make sense and understand the organizational culture based on the two cases, there are similarities between these processes. In both cases the organization did reach a cultural understanding during their processes on adopting an including culture. In the TRANSCO organization the cultural understanding was developed on the basis of yearly meetings where inequality was discussed. The purpose of these meetings were to adopt an including culture. This was not successful, as it resulted in "the right thing to do*"* on a personal level rather than adopting an including culture. However did the organization based on this process reach an understanding which did not exist beforehand. The process in which the organization developed their understanding about its culture have some elements of *The Awareness Theory* to it. The part of *Linguistic Awareness* did occur in the form of the yearly meetings where inequalities were discussed in an open forum. Even though there are no indications of the organization going through the step of *Practical Awareness* it can be argued that they naturally did. Here it is estimated that members of the organization naturally would reflect on what to discuss before entering such a meeting.

Theoretically there are similarities between the processes PepsiCo and TRANSCO went through when developing a cultural understanding in the organization. PepsiCo did also go through the *Linguistic Awareness* of *The Awareness Theory* as they applied communication and discussion to develop an organizational understanding of the culture and future processes. This was a leading step towards an organizational understanding and preparing the organization for actually adopting an including culture, which succeeded. Here there are no indications that the organization went through the *Practical Awareness* during the process. Here it is however also estimated to be natural for members to go through this step when preparing for such conversations as well as evaluating after it.

Based on the comparison above, it could be discussed how important it is to focus on the *Practical Awareness* of *The Awareness Theory* when assessing how to understand organizational culture from a theoretical perspective. This step is estimated to be important as this is where an individual consider what to contribute with during a conversation or debate as well as evaluating what is learned. The step is however estimated to be a reaction which naturally appears and should therefore not draw to much focus.

The supplement of *The Three Levels of Culture* to the analysis has contributed with a different perspective to the process of understanding organizational culture. Although both organizations are estimated to have prepared well for adopting an including culture by developing an understanding about the culture, it is assessed that they did not reach an equally deep understanding. In the TRANSCO case the organization developed an understanding regarding diversity and the importance of inclusion. It is hereby estimated that they created an understanding regarding the first two levels (*Artifacts* and *Espoused Beliefs and Values*). This is because these levels of culture focuses on physical expression (what you see, hear and feel), organizational beliefs, and values which was understood by understanding organizational diversity and the importance of inclusion.

In the PepsiCo case the cultural understanding could be assessed to go deeper than the first two levels. Based on the fact that the organization successfully adopted an including culture it could be discussed if they understood the culture through all three levels. Here it is argued that they did understand elements of the *Basic Underlying Assumptions* such as human nature and human relation as they successfully hired people with diverse nationalities to different high-level positions.

It can be discussed how important it is to understand an organizational culture through all three levels of *The Three Levels of Culture*. Both organizations did create an understanding of their culture which gradually developed during the process. If TRANSCO should have developed their organizational cultural understanding further to prepare better for the process of adopting an including culture or if it could be other aspects which failed, is to be analyzed in the next section. Here the focus is on creating a willingness and ability of the organizational members to participate in the changing process after understanding the culture.

## 6.3. Creating a Willingness and Ability of Adopting an Including Culture

The following section is the third and last part of the analysis regarding how an organization adopts an including culture. Here the focus is on creating willingness and ability of the organizational members to participate in the process of adopting an including culture. As well as with the first two parts of the analysis, the two cases are to be analyzed and compared. As introduced earlier the theoretical framework of *The Seven Principles* is applied in this part of the analysis. The analysis is to be supplemented by thoughts and elements from *Hierarchy of Needs Chart* as this puts a different perspective on the analysis and thereby possibly develop the understanding.

In the TRANSCO case the organization was not able to see through the process of adopting an including culture. After creating and developing an organizational understanding about the culture through yearly team meetings (to discuss inequality) they were not able to take the next step and implement an including culture. This was because the organization reduced its integration efforts as diversity management was to become everybody's responsibility and not just the Diversity Co-ordinators, HR or Line managers (Sippola and Smale, 2007, p. 1911). Because of this, it became "the right thing to do*"* on a personal level rather than adopting an including culture as nobody took charge of the process. However in the PepsiCo case, the organization was able to implement an including culture after developing an understanding about the culture. It is hereby possible that the comparison of the two cases is to contribute with different perspectives in this part of the analysis. It is then possible to find out what TRANSCO could have done differently, as well as answering the last part of the wondering regarding how an organization can adopt an including culture.

After developing an organizational understanding about the culture (through yearly meetings), the TRANSCO organization were ready for the next step which was seeing the process of adopting an including culture through. This did however not happen as it, as mentioned above, became "the right thing to do*"* on a personal level rather than a cultural change in the organization. *The Seven Principles* are, according to theory, fundamental human needs which are important to fulfill in a learning process. A lack of one or more of them might cause learning disabilities which reduces the ability of creating changes in the organization (Neergaard, Hauen, Kastberg, & Møller, 1998, p. 22-23). Based on the process of adopting an including culture that TRANSCO went through, it is estimated that their members needs in a learning and changing process was not fulfilled.

By having a yearly meeting to discuss inequality the understanding regarding organizational culture did develop, but the culture did not change. It can be argued that through these meetings some of the human needs from *The Seven Principles* were fulfilled. Here the members' need referred to as, *The seeking person* were allegedly fulfilled. This is as the members through these meetings and discussions learned what the problem was and thereby how the organization needed to change. Hereby they became supportive of the process as they understood and sensed what the problem was. It is estimated to be difficult for the members to support the changing process if not sensing what the issue was through these meetings and thereby have kept the perception that "everything is fine here". The need regarding *The learning person* is estimated to be fulfilled as well through the yearly meetings. Here they not only learn about the culture as it is now, they also get a willingness to change and sense of how the culture needs to change. By bringing the culture up for discussion during the team meetings, the organizational members of TRANSCO learned to break the assumption that "everything is fine here" and thereby learned what needed to change.

The remaining five of *The Seven Principles* are estimated not to be completely fulfilled as the organization did not see through the process of adopting an including culture. For example were the need known as *The structured person* not completely fulfilled as the members could not see patterns and a structure of the complete process. They did develop an understanding about parts of the process as they learned about the organizational culture which fulfilled the need to some extent. They did however not see the process through as the culture did not change. It can be argued that the members lacked motivation as nothing was done in the organization to see through the changes other than discussing inequality. The principle of *The structured person* was hereby not completely fulfilled. The need known as *The competent person* is about being in balance and trusting yourself when wanting to participate in the learning and changing process. By discussing inequality during the team meetings the members understood the meaning behind diversity and inclusiveness better which made them more competent to contribute when adopting an including culture. However this need was not completely fulfilled as a plan of action was not seen through to adopt a culture and the members could therefore not contribute. The reason for the need known as *The cooperative person* not being fulfilled is similar. During team meetings the members did through a discussion work together to learn the organizational culture better through synergy and where therefore in a better position to make changes. The need was also not completely fulfilled as the members did not know how to see through the changes in a cooperative manner. The process of not seeing through the process of adopting had the same effect on need of *The influential person*. By discussing and learning about the culture of the organization the members did have an influence regarding the organizational understanding about its culture. This need was however not completely fulfilled because of the process which was not seen through. Hereby the members could not have been satisfied with the influence they had during the team meetings as the process did not provide with the wanted result. Neither was the last need, *The ethical person*, completely fulfilled.Out of the five principles which was not completely fulfilled this could be argued to be the one closest to be fulfilled of these five. The reason for this is that even though the culture did not change to become divers-inclusive, the idea about being inclusive did become "the right thing to do*"* on a personal level. Hereby there was found some form of harmony between the values of the members. However, as the culture did not become diverse-inclusive this need could then be argued as not to be completely fulfilled.

As the process of adopting an including culture was not completed in the TRANSCO organization it is estimated that the need in *Hierarchy of Needs Chart* (Figure 4, Appendix)is not fulfilled completely as well. As the *Biological and physiological needs* are basic life needs such as air, food, shelter, warmth, sleep etc. it is estimated that these needs are not affected by the process of adopting an including culture. The other four needs in the chart are however estimated not to be completely fulfilled. The *Safety needs* is estimated not to be fulfilled in the same amount as if an including culture was adopted. By not adopting an including culture, members with diverse cultural backgrounds are estimated not to feel safe/comfortable in the non-including organizational culture. As being diverse-inclusive became "the right thing to do*"* on a personal level the *Social needs* is estimated to be fulfilled to some extent. It is however not completely fulfilled as the culture did not change to become more diverse-inclusive. This is estimated not to be sustainable in the long-term as the culture of the organization is still not diverse-inclusive. The *Esteem needs* and *Self-actualisation* are as well estimated to have been fulfilled to some extent for members with a diverse cultural background. Through the team meeting they developed an understanding about the organizational culture and what needed to change. As being diverse-inclusive did become the right thing to do*"* on a personal level, these needs as well were only fulfilled to some extent. It could be argued that they hereby felt more comfortable in the organization than previously and that their status increased and they developed personally. As an including culture was not adopted it is however estimated that these needs could not have been completely fulfilled as well.

When comparing the PepsiCo and the TRANSCO case there are a fundamental difference between the two processes of creating a willingness and ability of the organizational members to participate in the process of adopting an including culture. In the process of adopting an including culture the PepsiCo organization was successful as they through communication broke down barriers and thereby met diversity and inclusion goals. Through this process they adopted an including culture and thereby fulfilled the needs from *The Seven Principles*. The need of *The seeking person* was fulfilled as the members sensed a meaning of what needed to change in the organizational culture and thereby supported this process. They sensed a meaning of what needed to change and created a vision through "Authentic conversation". The need of *The structured person* was fulfilled as the members of the organization developed an understanding about the overall process. This process started with creating an understanding about the culture through communication and was seen through in the period from 2001-2006 where the diverse nationalities representing the company rose from 34 to 45 percent. *The learning person* was fulfilled as the members learned to understand the culture as well as seeing through the process. According to the study; "*Senior executives learned that poor communication and lack of affiliation played major roles in many employees' exit decisions*" (Sweeney, 2009, p. 20). Hereby they learned what the problem was and how it should be dealt with. As the members with a diverse cultural background became included into the organizational culture, they reached a higher level of well-being and were able to contribute in the changing process which resulted in the need of *The competent person* being fulfilled. Through better communication the teamwork in the organization improved and it could therefore be argued that the need of *The cooperative person* was fulfilled. As mentioned earlier some of the members have previously felt a lack of affiliation and that the communication was poor. However as this improved, the teamwork also improved. To a large extent the need of *The influential person* wasfulfilled. As the members with diverse cultural background was more included and had been named to different high-level positions, their influential need was fulfilled. The last need, *The ethical person*, was fulfilled as there was found a harmony between values of the organization and its members. This harmony was found through "Authentic conversation" to break down barriers, building trust and becoming more inclusive.

When supplementing *The Seven Principles*, which were fulfilled in the PepsiCo case with elements of the *Hierarchy of Needs Chart* it is reflected how these needs as well were fulfilled. As mentioned earlier the *Biological and physiological needs* are basic life needs which are estimated not to be affected by the process of adopting an including culture. In the process of adopting an including culture the other four needs in the chart is however estimated to be affected and fulfilled. The level regarding *Safety needs* was fulfilled as the members of the organization felt a higher level of safety and stability in their working environment. The members with diverse cultural backgrounds were better included and would thereby feel more welcome into the organization and fear less about their future. The *Social needs* were fulfilled for some of the same reasons. As the members with diverse cultural backgrounds felt more welcome into the organization and began to communicate better with the other members through "Authentic conversation" they were socially better included. As the organization named members with diverse nationalities to different high-level positions their *Self-actualisation and Esteem needs* were fulfilled to a large extent. A high rank in the organization is a sign that these members have gone through a development and has achieved something good. As well has their status been affected positively in the process. The process of adopting an including culture successfully did thereby have a positive effect on the needs in the *Hierarchy of Needs Chart*.

### 6.3.1. Assessment and Discussion of Creating a Willingness and Ability to Participate

When comparing the two cases on the basis of how willing and able the members were to participate in the process of adopting an including culture they provided with different perspectives. In the TRANSCO case the organization was not able to see through the process of adopting an including culture, although an understanding of the culture was developed based on yearly team meetings. Being diverse-inclusive became "the right thing to do*"* on a personal level rather than adopting an including culture which resulted in the members not being able to participate in the process of seeing through the cultural changing process. As only two of the seven needs of *The Seven Principles* were fulfilled in the learning and changing process, the members were hereby not able to contribute in seeing the process through. Neither were the needs from the *Hierarchy of Needs Chart* fulfilled. Through the yearly team meeting the members broke the barrier and changed the dominant perception that "everything is fine here". As no actions followed the team meeting to adopt an including culture it resulted in the members not being able to participate in the process. However in the PepsiCo case the same needs from both *The Seven Principles* and *Hierarchy of Needs Chart* were fulfilled. Through "Authentic conversation" trust was build and barriers were broken down. By having a better flow in the communication internally, the organization did adopt an including culture. Here women and members with diverse nationalities representing the company rose from 34 to 45 percent in the period from 2001-2006. Members with diverse nationalities and women had been named to different high-level positions. Through these actions the needs of the organizational members were fulfilled and they were hereby able to participate in the process of adopting an including culture.

It can be discussed what TRANSCO should have done to see through the process of adopting an including culture. It can however be argued that by the organization reducing its integration efforts their members needs in the changing and learning process were not fulfilled, which resulted in them not being able to participate in seeing through the process.

If both cases had provided empirical data which indicated a similar plan of action regarding how to approach this process, a generalization could have contained an acceptable level of validity. This is not the case and therefore there is not to be generalized on this part of the process. Based on this analysis however, it is estimated that an organization should make sure to fulfill the needs of its members regarding *The Seven Principles* as these needs are vital when adopting an including culture.

The role of the management which was analyzed in section 6.1. could be argued to affect the process of fulfilling the needs in *The Seven Principles*. As the TRANSCO management was not able to fulfill other roles than *The Integrator Role* during the process, the organization was not able to perform actions to adopt an including culture. If possessing better qualities in form of decision-making, finding new methods, taking risks, and/or being creative, the management could have fulfilled *The Entrepreneur Role* or *The Producer Role* as well. Hereby it could be argued that the management would know how to see through the process of adopting an including culture and thereby lead the way for the members of the organization. Then the members would be more motivated and know how to participate and thereby fulfill *The seven principles*.

As well could the process of understanding the organizational culture be argued to have affected the process of fulfilling the needs of the members and thereby create an ability and willingness to participate. As the PepsiCo organization is estimated to have reached an understanding about the organizational culture which goes deeper than TRANSCO, they were in a better position to know how to adopt an including culture. Hereby it could be discussed if TRANSCO would have been in a better position to adopt an including culture and thereby fulfill the members needs if they were able to develop a deeper understanding about the organizational culture.

Although it is difficult to suggest how exactly to create a willingness and ability among the members to participate in the changing process, it is however estimated that communication is a vital tool. Through the process of understanding and changing the organizational culture, communication was a vital tool in the PepsiCo case. As well did communication develop a willingness throughout the TRANSCO organization as they understood the organizational culture and what needed to change after discussion inequality during the yearly team meetings. However as integration efforts were reduced, the members did not know how to see through the process and their willingness to participate can be argued to have dropped. Even though they understood the problem they did not know how to participate in the process.

The comparative case design applied to analyze the process of creating a willingness and ability of members did provide with empirical data which developed an understanding about the importance of fulfilling *The Seven Principles*. It is however estimated that by applying a different research design, an answer of how to create a willingness and ability of the organizational members could have been reached. If, for example, performing a focus group interview with members of the TRANSCO case to discuss what could have been done to create a willingness and ability among members, the result could possibly have been different. Other than finding out the importance of fulfilling *The seven principles,* it could hereby deepen the understanding of the process because of other empirical data.

In the next section a conclusion of the complete research is to be performed where the research question is answered based on the empirical data collected and discussed during analysis.

# 7. Conclusion

Based on a comparative analysis of the two cases, there was in the empirical analysis developed an understanding about **How does an organization adopt an including culture?**

The research question was firstly analyzed on the basis of the role of the management during the process of adopting an including culture. This was followed up with an analysis regarding creating an understanding of the organizational culture before changing it. Finally the analysis focused on the process of creating a willingness and ability of the organizational members to participate in the changing process.

To answer the research question there was firstly focused on the role of the management of an organization as it is estimated that they are responsible for the process of adopting an including culture. Here there was analyzed which role a management of an organization should have based on *The Four Roles of Leadership*. A similarity between the two cases in the comparative analysis is that both organizations (TRANSCO and PepsiCo) fulfilled *The Integrator Role* to a large extent. This role was fulfilled by both organizations management as they were able to create teamwork, togetherness, and motivation in the organization as well as thinking long-termed. The PepsiCo management were in the process able to fulfill other roles as well, which is estimated to help the organization adopt the including culture, which the TRANSCO organization could not do. To some extent the PepsiCo management was able to fulfill *The Producer Role* and *The Entrepreneur Role*. This was because they were able to take a risk and making major decisions like hiring former minorities to different high-level positions in the organization. Based on the analysis the management of PepsiCo thereby had qualities and roles which made them capable of making right decisions which the management of TRANSCO could not do at that time. Here the PepsiCo organization did break down barriers and build trust which lead to an adoption of an including culture. The TRANSCO organization was not able to adopt an including culture as being diverse-inclusive only became "the right thing to do*"* on a personal level. It is hereby estimated that it is important to fulfill *The Producer Role* and/or *The Entrepreneur Role as well The Integrator Role* in the process.

Through different methods of communication the management of the two organization did develop and understanding about the organizational culture. The TRANSCO organization did on the basis of yearly team meetings develop an understanding about the culture as the members began to better understand the meaning behind diversity and inclusiveness. Similar to this process of developing an understanding of the organizational culture is the process PepsiCo went through as they applied "Authentic conversation". Through this the members of the organization experienced a better level of communication as barriers was broken down. This method of two-way communication can relate to the *Linguistic Awareness of The Awareness Theory* as this is where members talk and discuss the culture of the organization to understand it better. The *Practical Awareness* of the theory is after the analysis estimated to be process which naturally occurs in the process as this is where an individual think for himself/herself how to understand the culture. Based on this part of the analysis it is estimated that a two-way communication/discussion is important when developing an organizational understanding about the culture.

A difference between the two organization is that, it could be argued that as the PepsiCo organization was able to adopt an including culture they had reached an deeper understanding of the culture than TRANSCO did. Based on the analysis it could be argued that by reaching a deeper understanding of *The Three Levels of Culture* PepsiCo was in a better position to understand which changes was needed to adopt an including culture.

In the last part of the analysis the two cases provided with different perspectives of how to create a willingness and ability of the organizational members to participate in the changing process. Only two of all the principles were estimated to have been fulfilled among TRANSCO's members in the process of adopting an including whereas all *The Seven Principles* were fulfilled in the PepsiCo organization. As the process of adopting an including culture was not seen through, in the TRANSCO organization, *The Seven Principles* were thereby naturally also not fulfilled as these are needs members have in a learning/changing process. The PepsiCo organization did break down barriers to adopt an including culture, which resulted in members with diverse nationalities and women had been named to different high-level positions. In the period from 2001-2006 women and members with diverse nationalities representing the company rose from 34 to 45 percent. In this process the needs of *The Seven Principles* were hereby fulfilled among the members. How to generally see through the process of adopting an including culture by creating a willingness and ability among the organizational members is difficult to assess. It is however estimated that the role of the management is affecting the process of adopting an including culture and therefore also the needs of its members in the process. By fulfilling *The Integrator Role* and *The Producer Role* and/or *The Entrepreneur Role* the management should be in a position to make decisions to lead the way for the members of the organization.

The process of fulfilling the needs of the members and thereby create an ability and willingness to participate in adopting an including culture could be affected by the depth of the cultural understanding. The deeper the organizational understanding is about its culture, the better position is it hereby in to know what should be done to adopt an including culture and fulfill *The Seven Principles* of the members.

When applying the method of *Hermeneutics* in a research it is difficult to sum up a research and perform a final conclusion as it is an ongoing process. A phase of *Post-understanding* and thereby a developed understanding of the field could be reached after handing in the Thesis which makes it possible to continue a research such as this. Here a critic could argue to apply a different research design than a comparative case design, as there hereby could be reach a stage of being in a better position to answer the research question. If for example, applying qualitative interviewing to gather data from both organizations (TRANSCO and PepsiCo), then it is possible to collect empirical data which is more detailed and thereby possibly more valid. An analysis which for example was based on data collected from a focus group interview could possibly have provided with more depth.

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# 9. Appendix

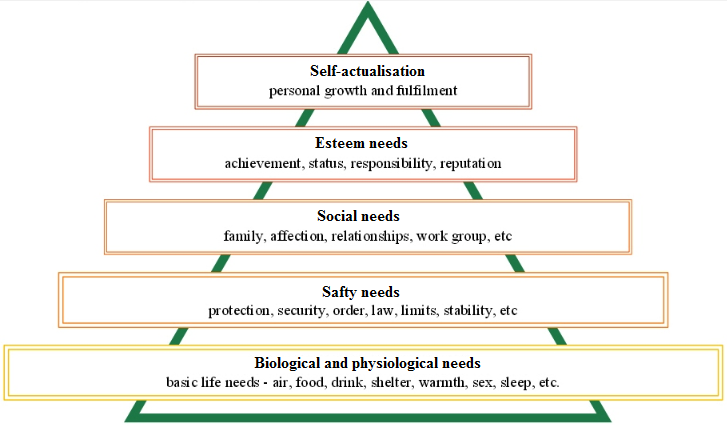


Figure 4 - Maslow's *Hierarchy of Needs Chart* Source: self-constructed

1. Artifacts

* Visible and feelable structures and processes
* Observed behavior

- Difficult to decipher

2. Espoused Beliefs and Values

* Ideals, goals, values, aspirations
* Ideologies
* Rationalizations

- May or may not be congruent with behavior and other artifacts

3. Basic Underlying Assumptions

* Unconscious, taken-for-granted beliefs and values

- Determine behavior, perception, thought, and feeling

Figure 5 - Schein's *The Three Levels of Culture* Source: Schein, 2010, p. 24