Communication and Cooperation in Practice

– A case study of the cause and alleviation of silo-thinking at Royal Greenland A/S.

Aalborg University, March 2nd, 2009

Culture, Communication and Globalization - Master's Thesis

Ditte Kvist Hansen

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Abstract

The aim of this project is to provide insight into the following: *How is "Silo-thinking" generated and perpetuated within the Royal Greenland organization and how may communication and cooperation between departments be improved?*

Background

During the past decades, Royal Greenland A/S has developed in to a global supplier of seafood products, including fishing, processing, marketing, sales and distribution in their operations.[1] One of the main challenges facing international organizations in the globalized world is to gain a competitive edge, which makes efficient communication and cooperation across departments and subsidiaries imperative.[2] However, Royal Greenland has not been able to obtain this; rather the organization is experiencing problems with silo-thinking, meaning that there is a lack of cooperation, internal competition and breakdown in communication. A problem often encountered by rapidly expanding, international organizations.[3]

A Social Constructivist Approach

This thesis is based on the theoretical frameworks described in Gareth Morgan's writings on the organization as a holographic brain, Karl E. Weick's sensemaking principles and Fredrik Barth's ideas on the formation of groups. Their thoughts provide insight into how communication barriers, i.e. silos or groups, are formed in organizations and what can be done to avoid this. The authors all base their writings on social constructivist principles and refer to the idea that a common sense of "we" and collective goals in the organization will alleviate the effects of silo-thinking and promote communication and cooperation.[4]

Findings

By means of qualitative, semi-structured interviews, it is discovered that employees at Royal Greenland feel that there are silos at many different levels in the organization – between subsidiaries, departments and between management and employees.[5] Some explanations as to how

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[1] http://www.royalgreenland.com/index.dsp?area=33
[2] See section 1.1
[3] See section 1.2
[4] See section 4
[5] See section 5

silo-thinking is generated and perpetuated in the organization are also identified in the form of some systemic causes and some which seems to be socially constructed. The systemic causes identified are sub-optimization in departments, both of profits and work processes, and the fact that the locations of the organization are spread quite far apart. Causes which could be constructed through social interaction are the use of us vs. them discourse, work overload and lack of insight into other areas of work.

Ways to improve communication and cooperation in the organization are suggested by the interviewees themselves, who feel that implementing an overall corporate strategy providing them with collective goals will break down communication barriers. In addition, a corporate strategy could ease the workload and make it easier to overcome the large distances between the organization's subsidiaries. Another suggestion made on the basis of the theoretical framework is implementation of cross functional teams, which would increase communication between departments and provide better insight into other work functions.

Preface

In August 2007, I started what should have been a semester as an intern in the corporate marketing department at Royal Greenland in Aalborg. However, due to the fact that one employee left the department shortly after my arrival and another one was going on maternity leave, I have now been employed as a marketing coordinator in the department for about 18 months. During the research I did for my CCG 8th semester internship project on internal vs. external branding at Royal Greenland, I discovered another interesting topic for investigation in the organization – silo-thinking and communication across departments in general. Subsequently, the topic was addressed by management in the organization and was thus on top of all employees' minds.

The subjects of communication and organizational culture have been focal points in my studies at the CCG-programme at Aalborg University. The problems with silo-thinking at Royal Greenland gave me the perfect opportunity to link this interest of communication and organizational culture with the day to day problems I experienced in my job. Being emerged in the organization I was studying meant that I had an understanding of the prevailing ideas and views. In addition, the fact that I had been employed in the organization for a little over one year working closely together with the people who were the subjects of my study and thus showed some trust in me, allowed me to get a deep understanding of how silo-thinking affected their everyday lives. At the university, the difficulty in obtaining unified organizations, moving towards a common goal, and implementing social constructivist ideas in practice was discussed several times. Still, having made the move from the theoretical sphere to the "real world" during my time at Royal Greenland, made it very interesting to investigate how the theoretical ideas works in practice. For that reason, I was pleased to get the opportunity to proceed with this topic as my master's thesis.

1.0 Introduction

1.1 New Challenges

The world is not the same as it used to be; the exchange of information has become easier and faster and we are all bombarded with new impressions every day – globalization has gained a foothold. This phenomenon also has a strong influence on the business world, in the sense that more companies are manufacturing and selling their products outside of their country of origin. Organizations gain access to numerous new markets and opportunities in the form of access to new resources, human, financial and technological, making it possible to gain a larger profit and expand business to new areas.[6] However, organizations going global also face new competitors, both in the international and domestic markets. Consumers will have access to a wider range of products and therefore, it becomes imperative to be competitive. This competitiveness is often gained by offering quality products at a reasonable price, which makes an accelerated innovation process, productivity and high performance crucial for global success. In this respect, one might state that the traditional sources of success; product and process technology, access to regulated markets and economies of scale are becoming less significant than earlier. This leaves organizational culture and capabilities, derived from how people are managed, as comparatively more vital.[7] In other words, one might state that having efficient communication and working together towards a common goal is an important competitive parameter in the globalized world. However, as an organization expands it can become harder to uphold the level of communication, as departments and divisions grow larger and are spread farther apart.

One company experiencing the challenges posed by the globalized marketplace is Greenland's largest seafood procuring and processing corporation. As the following case based on this company shows; Communication and cooperation can be complex in large international organizations. As the Chief Financial Officer of the organization mentions in a leader in the employee magazine Navigatio:

> "Royal Greenland is a very complex company involved in fishery as well as processing and sales of fish products. At the same time, operations are world-wide,

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[6] Hollensen, Svend: Global Marketing – a decision-oriented approach; Pearson Education Limited; Essex, England; Third Edition 2004; p. 3

[7] Alvesson, Mats: Understanding Organisational Culture; Sage Publications Ltd; London; 2002; p. 2

which places high demands on organization, communication and information system."[8]

1.2 The Current Situation

Royal Greenland is the world's largest supplier of cold water prawns and also offers other types of frozen and fresh seafood. The company is owned by the Greenlandic Home Rule government and has production and sales subsidiaries all over Europe, as well as in Japan and the US.[9]

The organization has been through a turbulent time, during the last few years, with changing CEOs, board members and Financial Directors[10] and general restructuring. The current CEO has been employed since May 2007 and has introduced the term "silo-thinking" referring to departments in Royal Greenland working on a vertical level rather than horizontally, across departments and national borders. Hence, each department is working more or less separated from the rest, leading to inefficient marketing, sales, implementation of new product development, poorly planned production and general frustration over the increasing workload – and perhaps most importantly difficulties with making a profit. One might say that it seems as though each department represents a working culture, or a sub culture, rather than representing one coherent corporate culture. Marcel Côté, a senior associate at the consulting company SECOR Inc., describes silo-thinking, as something organizations often encounter once they reach a certain size and describes the concept in the following way:

> "The symptoms of the silo effect are easy to recognize: lack of cooperation, internal competition and breakdown in communication. The result is that one division gets pitted against another – head office against operations, one department against another."[11]

Hence, silo formation is a problem which often occurs in large organizations with many employees. Royal Greenland is just this and in addition, the organization is wide spread geographically.

In my time as an employee in the corporate marketing department at Royal Greenland, I have experienced some of the symptoms of silo-thinking Côté mentions. The specific situations are described in the following:

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[8] Appendix 5, Kinnerup, Nils Duus; Leader June 2008; Navigatio; Summer 2008; p 0
[9] http://www.royalgreenland.com/index.dsp?area=33
[10] Appendix 4, overview of CEO´s since 1990
[11] Côté, Marcel: A Matter of Trust and Respect;
http://www.camagazine.com/index.cfm/ci_id/6798/la_id/1/print/true.htm ; 29th September 2008

- Failing to deliver orders to clients, because Key Account Managers place large orders without making sure that production is able to complete them in time.

- Excess production of items because, production does not check the demand in advance, resulting in large quantities of certain products in storage.

- Inefficient marketing due to a lack of prioritization of products and markets – whoever starts up a new project first gets their campaign/folder/event/etc. with little regard to the earning potential of the product/market. This also makes it hard to prioritize assignments, which leads to frustration over both the work load and the chaotic manner in which assignments are handed over.

- Difficulties with obtaining the needed information for packaging, marketing materials and the like, because product managers often want their new product on the market as soon as possible, and do not consider the time it takes for laboratory tests to be completed, proof-reading of packaging and other print materials, as well as the time it takes for the printing itself. In addition, this leads to frustrations in other involved departments, who feel pressured to finish material before all information can be confirmed. This could result in inaccurate information being printed in material that actually reaches customers and end-users, capable of causing serious repercussions for the entire organization.

- Sales wants to cater to the tastes of each market, which leads to a very large number of products in the assortment (about 1600 active item numbers, which will be cut to about 1200 during the fall of 2008), because products are launched in different markets with small alterations, i.e. different size/weight or slightly different type of breading. This, in return, leads to a lot of extra work for the new product development (NPD) department, who spends a lot of time making these alterations and adjusting production, rather than developing truly new, innovative products. Also, this large number of different products makes it hard to get an overview of which products are actually making money, and which ones are not, making it difficult to prioritize some products over others.

- There have been some problems at RG's new factory in Poland – productivity is not as high as expected, leading to a lack of the finished products made here. In addition, there has been a lack of plaice raw material. An employee in the customer service department, which is a part of the sales organization, voiced his frustration: "We may not have any plaice raw material, but we have 300 tonnes of sole, which would equal 600 tonnes of

finished product. Still, we are not able to deliver what our customers want – why do they not use the sole we already have? We could easily sell that instead". However, the question may be why the employee did not tell production in Poland that he is able to sell sole products as a replacement for plaice?[12]

These are just a few of the problems that seem to be occurring because of lack of communication on a daily basis in the organization. Many more could be listed. At first glance, it would seem as though these problems could be alleviated through better communication and cooperation between departments. As described above, it may prove to be a great disadvantage for the organization that communication patterns are less than optimal, thereby causing frustration in the organization and missing possible synergy effects of working together towards a common goal. As some employees have said: "*I think there are a lot of wasted efforts*"[13] and "*we have a very big economic disadvantage because of silo-thinking*".[14] Also, Marcel Côté also claims that silo-thinking reduces efficiency and causes unproductive tension in the organization.[15]

There could be many possible explanations to why departments are not communicating such as work overload leaving no time to communicate and share knowledge, no common goals, information overload obliging employees to ignore some of the information sent their way, systemic factors, or a combination of above. In the end, inefficient cooperation between departments may result in loss of revenue in the long run and is therefore an immense problem for the organization. For that reason, it is worthwhile to look into possible reasons and explanations to silo thinking, as well as what can be done to alleviate it. As mentioned above, Marcel Côté claims that it is a problem organizations often encounter, once they reach a certain size, hence, formation of silos could be a more general problem in large organizations.

1.3 Problem Formulation

The above stated considerations on the general challenges faced by international organizations in the postmodern world and the specific difficulties faced currently at Royal Greenland, as described in the examples above, has lead me to the following problem statement, which I will seek answer throughout this thesis:

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[12] Appedix 8 Journal
[13] Interview 2 (00:06:17)
[14] Interview 6 (00:06:11)
[15] Appendix 6, Côté, Marcel: A Matter of Trust and Respect;
http://www.camagazine.com/index.cfm/ci_id/6798/la_id/1/print/true.htm ; 29th September 2008

How is "Silo-thinking" generated and perpetuated within the Royal Greenland organization
and how may communication and cooperation between departments be improved?

Social constructivism is currently one of the most popular approaches to organizational studies and authors writing within this paradigm, such as Gareth Morgan[16], Karl E. Weick[17], Kenneth J. Gergen[18] and Mats Alvesson[19], offer some explanations to how silos are generated and what can be done to ease their effects in organizations. Within the social constructivist paradigm, it is suggested that defective communication patterns, as the formation of silos described above, can be alleviated through promoting shared identification with the organization, which is essential if individuals are to show trust in each other and willingly share the knowledge that they hold. Alvesson notes:

> "Organizations unsuccessful in shaping even a moderate degree of common understandings on at least some issues and a shared understanding of variation and sources of dispute probably perform badly and may not, in a competitive context, survive. It is even possible to argue that if there is extreme ambiguity, then there is no organization, at least not on a cultural sense."[20]

In situations like the one described by Alvesson, members of the organization may employ what he describes as bounded ambiguity in order to cope with instances of ambiguity without too much anarchy or confusion. In the long run, this can result in avoiding decision making or involving as many people as possible in a difficult decision.[21] As described above, it seems that Royal Greenland employees do not feel this shared identification with the organization presently. In fact, there have been examples of employees avoiding making decisions, renouncing their responsibility in problematic situations. Rather, Royal Greenland employees think in departments or silos, instead of sharing knowledge with the rest of the organization in their daily work tasks. One might say that the departments form smaller groups within the organization.

The process of group formation has been described by authors within different fields of study, for example by the anthropologist Frederik Barth and in business administration literature concerning

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[16]Morgan, Gareth: Images of organization; Sage Publications Ltd.; Thousand Oaks, California; 2006; pp. 71-115
[17] Weick, Karl E., Sensemaking in Organizations; Sage Publications Inc.; Thousand Oaks, California; 1995; p. 65
[18] Gergen, Kenneth J.: Social Construction in Context; Sage Publications Ltd.; London; 2001; chapter 8 (pp. 137-148)
[19]Alvesson, Mats: Understanding Organisational Culture; Sage Publications Ltd; London; 2002; p. 177
[20] Alvesson; 2002; pp. 167-168
[21] Alvesson; 2002; p. 166

mergers and acquisitions by Stein Kleppestø, Mats Alvesson and Anne-Marie Søderberg.[22] They all stress the importance of shaping and reifying social identities through group formation. Inspired by Barth's writings, Kleppestø underlines the basic human need for making sense of the world that surrounds us all. According to Kleppestø, this need leads people to construct categories, or groups, for identification, i.e. emphasizing features which separate some groups of people from others.[23] This could in fact be what is currently taking place at Royal Greenland.

Taking the above into consideration, one might claim that Alvesson, Morgan, Weick and Kleppestø argue that by cultivating better communication and cooperation, silo-thinking will be alleviated and a collective sense of "we" will be created. Hence, this thesis will adopt the working assumption that implementing social constructivist principles in the organization, as described in section 4, will improve communication across departments at Royal Greenland, alleviate silo-thinking and create a common sense of "we". It is important to keep in mind, that there may be other factors, apart from a collective "we", which could alleviate silo-thinking. The fact that there could be other explanations, than what is presented by these authors, will be kept in mind over the course of the thesis.

I have based my working assumption on social constructivism, because this paradigm is helpful when seeking to understand why people act and think the way they do. It is the main purpose of this project to understand the lived world of employees at Royal Greenland, in the sense that solving the above stated problem complex might require that the employees in the organization change the way they think. As stated previously, silo-thinking could be caused by growth, in the sense that once the organization reaches a certain size, employees tend to lose track of operations and it becomes hard to uphold communication across departments. Henceforth, one might say that employees' ways of seeing the organization have not followed the growth of the company.

In order to provide an adequate answer to the research questions, it is imperative to understand the consequences of social constructivist thinking. This will be explained in the methodology section, where the implications of my choice of theory and method will be discussed in more detail. Taking social constructivism as my point of departure will also have an influence on the methods employed, in the sense that social constructivism seeks to describe the feelings and perceptions of the employees in the organization, rather than an objective, overall "reality". Consequently, my analysis

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[22] Kleppestø, Stein: Kultur och Identitet vid Företagsuppköp och Fusioner; Nerenius & Santérus Förlag AB; Stockholm; 1993. Alvesson, Mats: *Understanding Organisational Culture*; Sage Publications Ltd; London; 2002. Søderberg, Anne-Marie; Gertsen, Martine Cardel; Torp, Jens Erik (eds.): Cultural Dimensions of International Mergers and Acquisitions; Walter de Greuter; Berlin; 1998

[23] Kleppestø; 1993; pp. 132-133

will be based mainly on thick-description and qualitative interviews. After describing methodology and methods, a thorough introduction to the theoretical framework used in this thesis will be given, focusing on organizational culture, sensemaking in organizations, group formation and communication, which all seem to play central part of the overall problem at Royal Greenland.

First a comprehensive overview of the organizational structure at Royal Greenland will be given, in order to provide the necessary background knowledge to understand the choices I have made in terms of focus in the organization and the conclusions drawn later on. This section will also include a review of the literature within the area of internal business communication.

2.0 Background

In this section, I will seek to provide a general idea of the overall organizational structure at Royal Greenland, which can at times seem rather complex, with global sales representation and production sites at several locations around the world. It is imperative to gain insight into this structure in order to understand why I have chosen to place my main focus on the part of the organization which resides in Aalborg.

Royal Greenland was founded in 1774 as the Royal Danish Trade Department, holding a monopoly of all trade in and out of Greenland until 1950.[24] In 1989, the Trade Department was split up into several different companies, for example Royal Arctic Line, handling all transportation of goods to and from Greenland, KNI dealing with the retail business in Greenland and Royal Greenland, which runs a fishing fleet, processes, markets and distributes seafood products. Later on, the organization was established as a limited company, 100% of the stocks being owned by the Greenlandic Home Rule, i.e. democratically elected representatives of the Greenlandic people. The company has slowly come to operate more and more as a privately owned organization. The Greenlandic economy is largely based on fishery, and to a lesser degree tourism and mining, and Royal Greenland is the single largest employer within the Greenlandic seafood industry. This means that a lot of people are affected by the operations of the organization. Hence, there are some political and social considerations to take in the decision making process of the organization.

Official head quarters are located in Nuuk, Greenland, where the core business is the trawler division based here, providing raw material[25] for the approximately 20[26] factories and processing sites along the west coast. The head office in Nuuk mainly deals with local issues, handling the fishing fleet and factories in Greenland, as well as sending off raw material for processing elsewhere, for example prawns in bulk for repackaging in Aalborg, Denmark or halibut and cod for filleting in China or Poland. Instead, international business is handled from Aalborg, Denmark, which has a more easily accessible location and houses most shared services, such as HR, corporate marketing, finance and IT, which caters to all markets and sales subsidiaries.

Other important locations are Glyngøre, Denmark – factory and base for new product development department, Wilhelmshaven, Germany – Royal Greenland's largest factory and Koszalin, Poland

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[24] http://www.royalgreenland.com/index.dsp?page=249
[25] A number of boats, trawlers and the like are owned 100% by Royal Greenland, others vessels are partnerships where Royal Greenland owns for example 25% and lastly, raw material is purchased from independent fishermen.
[26] Number varies according to season and raw material availability.

the newest addition to the production sites of the company. Some markets have their own organization, for example sales offices in the UK, Japan, US and France, Germany has a small marketing department and both Poland and Germany have product managers and product developers on location dealing with the products produced here.[27] Other markets only have a single sales representative, examples being Norway, Finland and Spain, which are supported by sales assistants in Aalborg. As can be seen from the organizational charts below – these subsidiaries are managed centrally from Aalborg, in the sense that they all refer to the Corporate Sales Director, which means that most decisions are made here. In addition, communication from the owners in Greenland goes through the board of directors, which passes it on to management in Aalborg. Management in Aalborg then acts as a central point of reference for production sites and sales offices around the world. This, along with what was stated in the introduction about globalisation having rendered efficient product development and proficient sales the main parameters of competition, has lead me to place my main focus on the sales department, including product management, corporate marketing, and new product development departments, which holds a central role in the company.

It should be noted that some changes has been made to the organization recently (fall 2008). This happened in the form of restructuring of the product management organization, which used to refer to a product director, but is now organized in teams of 2 or more people. Responsibilities have also changed, which means that now the sales force in cooperation with product management is responsible for setting product prices.[28] Before, this was done solely by product managers.

On the following page an organizational chart of management and one showing the sales department have been provided. Next, following the background information provided in this section, is a review of the literature written and studies performed within the area of communication and communication previously.

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[27] This type of organization is reminiscent of what Gareth Morgan (Images of Organization; Sage Publications; Thousand Oaks, California; 2006; pp. 101-102) describes as a holographic structure, in which the only way to grow for an organization is to spin off another unit, creating a highly diversified enterprise where each part in effect develops as an integrated whole.
[28] Announced at international sales conference the 6th of January 2009 by the corporate sales director, see appendix 8 Journal

Management
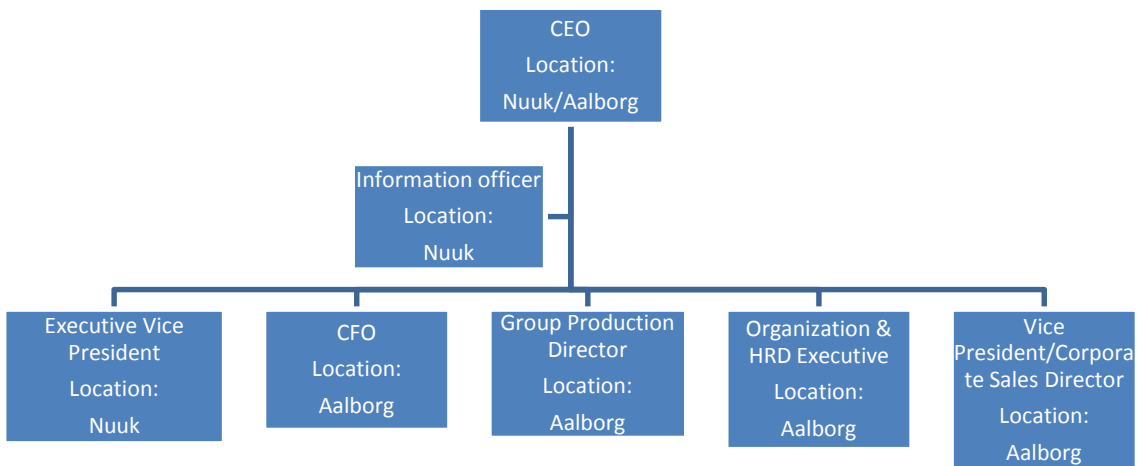
Sales
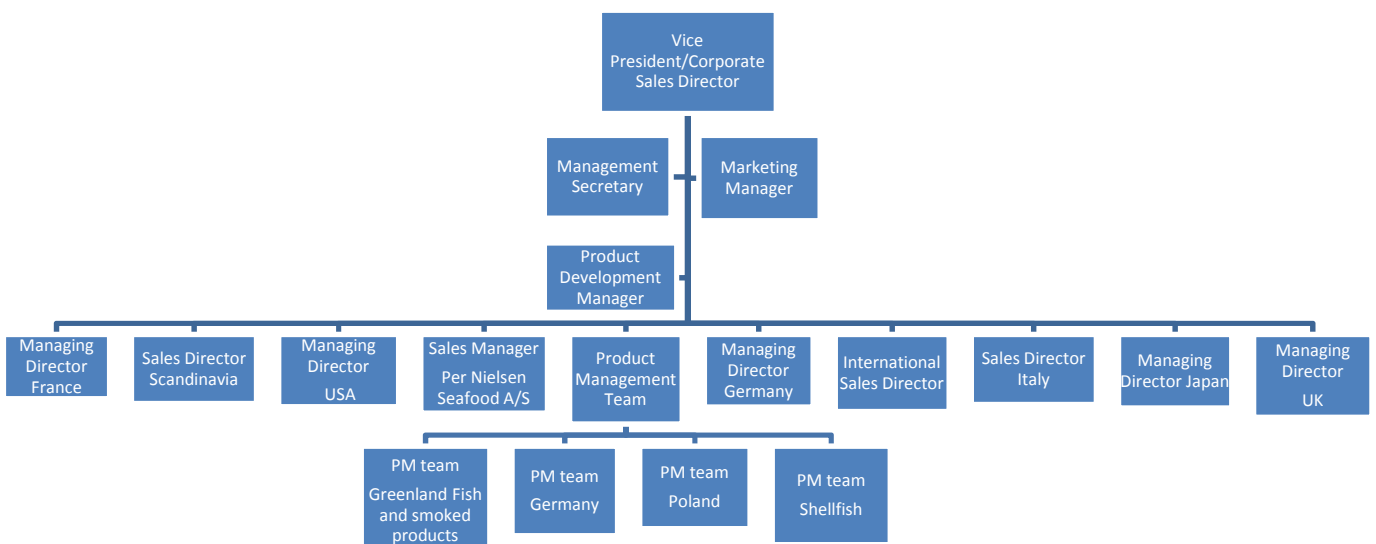
2.1 Literature Review

In order to put the research of this thesis into perspective, an introduction to what other scholars have written on the subjects of internal organizational communication and cooperation across different areas of work is necessary.

Within classical management theory, organizations are seen as machines, which operate in a routinized, efficient, reliable and predictable way. [29] This line of thought originates from the industrial revolution and Adam Smith's book *The wealth of Nations* from 1776, which sparked the idea of division of labor at work, which became intensified and increasingly specialized as manufacturers sought to increase efficiency. [30] Still, it was not until the twentieth century that this way of thinking was formalized into an actual theory.

The classical management theorists designed the organization just like a machine – as a pattern of precisely defined jobs organized in a hierarchical manner through precisely defined lines of communication. [31] This view meant that job functions were highly specialized and communication across different department was not necessarily seen as something important, since focus was on efficiency and results. In the beginning of the twentieth century, Frederick Taylor put up a number of principles, including shifting all responsibility from the worker to the manager and standardizing of work procedures, which were meant to make production more efficient. [32] According to Taylor's principles, the worker is seen as a small part of a larger organization, or machine, and can easily be controlled by the manager. Models based on his principles are still used today in for example fast food restaurants employing assembly-line type manufacturing. However, this paradigm did not consider the human factor and the implications of horizontal communication, which was first addressed by HR scholars in the 1960s and 70s.

The issue of communication and cooperation across functional areas has been described by HR scholars, who first suggested team work as a means of providing sense of achievement, authority and increased responsibility among employees. [33] This was a reaction to the traditional top-down management often employed in classical management theory. In addition, this was seen as a way of flattening the hierarchy and improving the quality of working life for employees by providing a wider range of tasks to work on. This way, the human factor came into play and the interpersonal

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[29] Morgan; 2006; p. 13
[30] Morgan; 2006; p. 16
[31] Morgan; 2006; p. 18
[32] Morgan; 2006; p. 23
[33] Torrington, Derek and Hall, Laura: Personnel Management – HRM in Action; Prentice Hall International; Hertfortshire; United Kingdom; 1995; p. 333

relationship between employees became increasingly important. However, as globalization gained a foothold in the 90s and organizations were forced to be more efficient, team work became a way of increasing performance, flexibility, communication within teams, ownership of the task and commitment to team goals.[34] Torrington and Hall suggested some rules of thumb for putting a functioning team together: there should be a clear and agreed vision, the team should not be too big in order for communication to be feasible and they also suggest that proximity is important in order to maintain communication and team spirit.[35]

As the idea of team work and the human factor gained a foothold, the role of the manager was also questioned. When employees were no longer seen as parts of a machine, the manager no longer had the same power to shape the organizational culture and prevailing ideas.[36] Therefore, perspectives changed from management to leadership and with this change came increasing focus on communication. As Czarniawska and Joerges stated in 1988: "*Talk links perceptions of reality with symbols. It makes common understanding (awareness) possible.*"[37] Gunnar Ekman has investigated how leadership in organizations can be constructed through small talk, which is largely a horizontal, social process taking place among employees in an organization.[38] In this study, Ekman concludes that, rather than being determined from above as argued by classical management theory, shared perceptions in organizations are generated through small talk, i.e. everyday communication among employees.[39]

Another author who also addressed the importance of horizontal communication is Etienne Wenger in his book *Communities of Practice – Learning, Meaning, and Identity*. Communities of practice refers to the process of social learning that occurs between people and shared socio-cultural practices that emerge and evolve, when people with common goals interact as they strive towards those goals. [40] Hence, common goals, identities and perceptions are constructed through communities of practice. Based on Ekman and Wenger's arguments, one might state that, as will be argued later on in this thesis, communication and cooperation are very important for the generation and retention of common goals in the organization

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[34] Torrington and Hall; 1995; p. 333
[35] Torrington and Hall; 1995; p. 342
[36] Alvesson; 2002; pp. 39-40
[37] Sjöstrand, Sven-Erik; Sandberg, Jörgen and Tyrstrup, Mats (eds.): Invisible Management – The Social Construction of Leadership; Thomson Learning; London; 2001; p. 11
[38] Sjöstrand; 2001; p. 224
[39] Sjöstrand; 2001; pp. 224-238
[40] Wenger, Etienne: Communities of Practice – Learning, meaning, and identity; Cambridge University press; Cambridge, United Kingdom; 1998; pp. 3-17

3.0 Methodology and Method

In the following, a thorough account of the working assumptions this thesis is built on will be described and discussed. It is important to understand the line of thought behind the thesis, because it is what dictates both choices of theory, methods employed and the general approach to problem solving. The practical methods and their advantages and limitations will also be discussed at the end of this section.

3.1 Methodology

As already mentioned, the point of departure of this thesis is social constructivism, i.e. the idea that reality is socially constructed through interaction. Working within the social constructivist paradigm, as opposed to, for example the functionalist line of thought[41], means that people are considered to be active agents, who take part in creating the reality and the culture that they are a part of. Following, culture does not exist outside of the people enacting it - rather it is a dynamic and subjective process.[42] Having this paradigm as my point of departure is reflected in my choice of theory – Gareth Morgan, Karl E. Weick, Frederik Barth and Stein Kleppestø are all working under more or less social constructivist assumptions and offers explanations and solutions to the case at hand. The theories of these authors and the social constructivist ideas these are built upon will be explained in further detail in the theory section.

Working within this paradigm has some consequences when it comes to choice of method, the role of the researcher and the generalizability of the results of the research, because "reality" is seen as something socially constructed and subjective. Hence, the researcher is not actually able to define the aim of his research before he begins. Steinar Kvale explains this using the contrasting metaphors of the miner and the traveller about the researcher's role in interviews. In the miner metaphor, the researcher is looking for knowledge "buried" in the mind of the interviewee – some seek nuggets of essential meaning, others seek objective facts to be quantified.[43] However, according to social constructivism, the researcher is not able to know if these buried pieces of knowledge are even there in the first place, seeing as he does not have the same lived experience as his subject, and therefore does not perceive the world in the same way. The second metaphor of the traveller sees the

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[41] Morgan; 2006; pp. 18-22
[42] Weick; 1995, pp. 17-63
[43] Kvale, Steinar: Interviews – An Introduction to Qualitative Research Interviewing; Sage Publications; Thousand Oaks, California; 1996; p. 3

researcher as an explorer on a journey, roaming freely in the environment of his/her subject, seeking to understand the subject's lived world the way he/she sees it.[44] Consequently, the result is qualitative and unquantifiable, but deep knowledge of how the subject sees him/herself and the world around him/her. Therefore, it is important when doing interviews, guided by social constructivism, to avoid planning the interviews and anticipating the answers given before hand, since the results of an interview conducted this way would most likely reflect the interviewer's views and opinions, instead of those of the interviewee. However, the interview should still be guided by a general idea of the what, how and why of the assignment, in order to make sure that it covers the relevant issues.[45] As a consequence, the primary method of this thesis is the semi-structured, qualitative interview, guided by a minimum of pre-planned ideas.

Taking these considerations into account, it can be derived that I have chosen a hermeneutic approach to analysis. The Hermeneutic approach is a reaction to positivism and the idea that natural science is to be the base of any humanistic research. Hermeneutics state that their primary goal is to understand human beings and their activities and unlike natural phenomena, people have feelings, opinions, and personal and social projects.[46] This makes for a very different approach to research, focusing on the unique and thick description, rather than quantifiable, generalizable results.

One of the main principles of hermeneutics has already been touched upon in the above – that there are no ultimate truths in interpretation, which will always be contingent on the researcher. Hence, interviews are reflections of the researcher's interpretation of the interviewees' lived worlds and can be interpreted in many different ways, depending on the researcher's theoretical assumptions.[47] In this case, the result of the analysis of the Royal Greenland case is based on social constructivist assumptions and hence, bears the risk of being biased by this supposition, which may prove not to be relevant. In addition, results will be biased by the preconceived ideas I have as an employee in the organization and a university student studying culture, communication and globalization – overall, my general frame of reference. However, it is impossible to rid oneself of all preconceived ideas and also, one might see the results of this thesis as an assessment of the social constructivist ideas in practice.

According to hermeneutics, the interpretation of a text is never final, in the sense that one's interpretation may change along with one's context and horizon which develops in conjunction with

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[44] Kvale; 1996; p. 4
[45] Kvale; 1996; p. 95
[46] Christoffanini; Pablo R.: Fænomenologi, hermeneutik og kulturforståelse; Sprog og Kulturmøde; Issue 24; 1998, p. 21
[47] Kvale; 1996; p. 210

the progress of the interpretation.[48] This means that while an interpretation starts with the frame of reference available at the time, this frame will change along the course of the interview/interpretation and open up for a different and deeper understanding – it is an ongoing process. This way the statements of the interviewee are interpreted according to what he/she is expressing and on their premises, rather than according to the principles of a certain paradigm.[49] Following, an interviewee cannot be understood without reference to his/her context, in much the same way as employees at Royal Greenland cannot be interpreted without understanding the cultural context shaping their everyday lived worlds. All of this means that the empirical material of this thesis and the results of the analysis cannot be considered as objective facts; rather it is one of many possible interpretations.

3.2 Method

The main purpose of this project is to unveil the reasons why silos are formed at Royal Greenland and find out what can be done to alleviate them. In order to do this, it is imperative to obtain insight into the thoughts and feelings of the employees in the organization. Understanding these thoughts and feelings, will enable me to understand the reasons why silos are constructed, enabling me to suggest a solution to the problem. In fact, people's thoughts and feelings are the only things that it is possible to describe when working within the social constructivist paradigm, in the sense that there is no universal truth and no detached culture existing outside of the people enacting it. Therefore, qualitative interviews will be the main research method, as mentioned earlier. As Steinar Kvale says:

> "[…] Interviews are particularly suited for studying people's understanding of the meanings in their lived world, describing their experiences and self-understanding, and clarifying and elaborating their own perspective on their lived world."[50]

In order to break down the silos, it is imperative to understand why the silos came to be in the first place and what the silos mean to the employees, and the only way to do this is to gain an understanding of the lived world of the people, who constructed the silos through their actions and the sense they made of these actions.

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[48] Christoffanini; 1998; p. 31
[49] Christoffanini; 1998; p. 22
[50] Kvale; 1996; p. 105

As mentioned, the interviews will be semi-structured, so that the interviewee will be allowed to tell his/her story without being too affected by the interviewer and allowing emergent issues to surface. Still, the subjects and issues dealt with will be guided, to provide a somewhat coherent and comparable set of empiric material. The interviews are based on an interview guide with main questions and issues to be covered, but the guide has been adapted along the way to make room for emergent leads.

The interviews are a mix of individual and group interviews. Group interviews are well suited for exploratory studies, since the lively collective interaction may bring forth more spontaneous, expressive and emotional views. In addition, when interviewing people about sensitive topics, which this one is to an extent, the group interaction could facilitate expression of viewpoints usually not accessible.[51] However, in an organization such as Royal Greenland, where people are very busy and travels a lot, it is difficult to get interviewees together at the same place at the same time. Therefore, two group interviews were conducted - one with three members of the corporate marketing department, one graphic designer, one marketing coordinator and one packaging coordinator, representing the three work functions in the department, and one with two members of the product development team. In addition, 5 individual interviews with sales people and product managers were conducted, 4 of them in person and one, interview 7, with a product manager from Germany, over the phone. The interviewees represent a broad range of different work functions within their departments, as focusing on one group may lead to biased results. New product development, product management and sales/marketing are central in the organization and all have extensive networks and more or less daily contact with sales subsidiaries and production facilities around the world. The area manager of interview 1 and the product manager in interview 2 were chosen because they have both been in the organization for a very long time, around 20 years. Hence, one must assume that they have a deep understanding of what goes on in the organization. It has to be noted, though, that the choice of interviewees was limited by the fact that employees in these three areas are very busy and travels a lot, as mentioned previously.

Seeing as Royal Greenland is an international organization and the fact that there may be different perspectives on the problem of silo-thinking depending on location, two interviews with product managers from Germany have been included. These could reveal whether there are problems with silo-thinking not just in individual departments, but also at a larger scale between different subsidiaries.

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[51] Kvale, Steinar and Brinkmann, Svend: Interviews – Learning the Craft and Qualitative Research Interviewing, Second Edition; Sage Publications; Thousand Oaks, California; 2009; p. 150

There is a slight overrepresentation of product managers in the interviews, relative to the number of employees in the departments. This was done consciously, since it came up at a meeting between marketing, new product development, trading and product management that product managers are often bottle necks in the organization when it comes to flow of information and communication.[52] Seeing as the problem of silo formation is most noticeable at the knowledge-heavy white collar level, no blue collar employees have been interviewed.

A digital recorder was used to capture the interviews instead of notes. Although the recorder may make some people anxious, it allows the interviewer to keep full attention on the conversation, adapt questions to the individual subject and leaves time to follow emergent leads. Interviews were conducted mainly in Danish to allow the interviewees to express themselves as freely as possible. The Interview with the German employee was conducted in English, which could have inhibited the interviewee expression-wise. Subsequently, sections of the Danish interviews were translated to English to allow for direct citations, which can have lead to a slight bias, in the sense that meanings and wordings are not exactly the same after translation. In addition, the interviewer translates based on own experiences and interpretations, most likely different from those of the interviewee. Nevertheless, the fact that I am, and have been for some time when the research for this project was carried out, an employee at Royal Greenland means that I have some knowledge of the context and existing perceptions in the organization through participant observation. Also, the fact that I work together with the interviewees on a daily basis may have lead them to show greater trust in me and revealed sensitive issues during the interviews, which they may not have revealed to a stranger.

"Ahs" and "ehs" have been omitted from the transcripts and the language has been adapted slightly in the form of correcting grammatical errors and repetitions, because the focus of this thesis is on meaning rather than discourse. Considering the scope of this thesis and the resources available, the amount of interviewees, 10, is quite small and can by no means be deemed representative of the entire organization, seeing as they were selected on the basis of a range of specific criteria, mentioned above, and hence will be biased by the person selecting them. However, as I am working according to social constructivist assumptions and is seeking to uncover silo-thinking as seen by the interviewees, rather than looking for some universal truth, this is not a problem. At the same time, when working within the social constructivist paradigm, it is not possible to uncritically transfer the conclusions made in one specific environment to a different context.

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[52] See appendix 1-3

Citations used in the analysis have been transcribed for practical reasons and the rest of the empirical material in its full length has been enclosed on a CD-ROM for further reference.

Secondary methods employed were informal interviews, which I was able to conduct through my daily work tasks as a marketing coordinator in the organization, and journaling. The journal has been included in the appendix for reference. Also, a meeting between corporate marketing, trading, product management and new product development departments dealing with the issues of silo thinking, having the aim of improving communication and cooperation between these departments was taped. At the meeting, each department made SWOT analyses of both their own and other departments' ability to communicate and cooperate. These will also be used as a part of the empirical material.

With regards to the method used for the analysis, first, the chosen theory will be systematically linked to the case at hand throughout the theory section, in order to get an idea of which parts of the theory is relevant in relation to the specific case. After the empirical data have been collected, I will go through the recordings, transcribing the sections which seem interesting in relation to my research question and theoretical and methodological point of view. Following, the transcribed quotes will be systematically compared and thematized according to the emergent issues. The emergent issues, or themes, will then form the base for each section in the analysis. This way, a very large dataset will be distilled into something more manageable. In his book Researching Culture – Qualitative Method and Cultural Studies, Pertti Alasuutari calls this method "The Purification of Observations"[53] and Kvale describes similar methods, "Meaning Condensation" and "Meaning Categorization".[54] The themes identified will then be linked to the relevant sections of theory, in order to find out how silo-thinking is generated and perpetuated at Royal Greenland and how communication and cooperation can be improved in practice.

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[53] Alasuutari, Pertti: Researching Culture – Qualitative Method and Cultural Studies; Sage Publications; London; 1995; p. 13
[54] Kvale; 1996; p. 192

4.0 Theory

In the following, the basic theoretical framework employed in the analysis chapter will be explained in detail, including basic concepts and ideas. The purpose is to provide adequate understanding of the social constructivist paradigm and how, when working under the assumptions of this paradigm, silo-thinking constitutes a problem for organizations. Some light will be shed on this in the first section of the chapter The Social Constructivist Notion of Organizational Culture, which will also give insight into some of the advantages of alleviating silo-thinking through promoting communication, in effect fostering a shared sense of "we" in organizations, and how this can be done in practice.

Next, the concept of sensemaking will be investigated in order to grasp the complexity of the social constructivist paradigm. This will also provide insight into the interpretive processes and identity (or reality) construction in Royal Greenland, which will be further substantiated in the final section of the chapter dealing with group- and identity formation and reification in an organizational context. All in all, this chapter will present aspects of social constructivist theory which can shed light on the problem of silo-thinking at Royal Greenland, in addition to proposing suggestions as to how to improve cooperation and communication. Throughout the chapter the theory will be systematically related to the case at hand, based on my first hand experience as an employee in the organization.

4.1 The Social Constructivist Notion of Organizational Culture

In classical management theory, the notion of culture has been seen as something static and easy to manage, as long as you have insight into the characteristics and values of the culture in question. Cultures are seen as coherent wholes with a certain set of norms and values, which respond to management in a unitary way, therefore managers working within this paradigm will often employ quick fixes and best practices in order to change organizational culture into something seemingly better.[55] A manager thinking this way, could therefore see the problem at Royal Greenland as something quite easy to solve, by simply introducing best practices and routines set out to increase communication between departments.

Gareth Morgan uses the metaphor of the organization as a machine to describe this way of thinking, saying that organizations are expected to operate "*in a routinized, efficient, reliable, and predictable*

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[55] Alvesson; 2002; p. 48

way".[56] Hence, if organizational cultures are seen as machines, it is easy to "fix" them, simply by replacing a part or changing the way it operates. This view, which is often referred to as functionalism, also indicates that some cultural traits are better than others and that the "bad" cultural traits can be intentionally changed by management, if the situation requires it.[57] Following this line of thought, organizational culture is seen as something that can be imposed by management from the top-down, affecting the norms and values throughout the organization. This way culture, or norms and values, is something that has a life of its own and exists outside of the people employed in the organization. As Alvesson describes it, culture is something the organization *has*, rather than something it *is*, as would be argued by the social constructivist school of thought, which would state that culture is not just a piece of the puzzle, it is the puzzle.[58] To this day, the functionalist way of thinking is often employed in organizations, mainly for practical reasons – it is, arguably, easier to work with in practice than social constructivism, as will be show below. As Gareth Morgan explains:

> "Mechanistic [or functionalist] approaches to organization have proved incredibly popular, partly because of their efficiency in the performance of tasks that can be successfully routinized and partly because they offer managers the promise of tight control over people and their activities."[59]

However, the methods of functionalism have proven not always to be effective, working with terms such as best practice, implementing practices developed for a specific context in a different situation, and working with culture from the top-down, leaving employees feeling no ownership of the values management imposes on them. As a result of problems similar to this one, along with the fact that the world was becoming increasingly complex as globalization gained momentum, scholars began thinking in a different way and the social constructivist model emerged as an alternative way of thinking about organizations.

According to social constructivist ideas, as mentioned above, culture is to be seen as something that exists not inside people's heads or as a tangible static thing which is easy to manage, rather, it exists "*somewhere 'between' the heads of a group of people where symbols and meanings are publicly*

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[56] Morgan; 2006; p. 13
[57] Alvesson;2002; pp. 43-44
[58] Alvesson; 2002; p. 24
[59] Morgan; 2006; p. 31

expressed"[60] and is, as can be derived from the name, constructed through social interaction. Alvesson further explains this by stating that in the social constructivist paradigm:

> "The social world is seen not as objective, tangible, and measurable but as constructed by people and reproduced by the networks of symbols and meanings that people share and make shared action possible"[61]

This way, culture is seen as a lot less manageable than in the functionalist paradigm, in the sense that in practice it is hard to distinguish between what is cultural manifestations and what is not. In addition, it is important to note that unlike in the functionalist paradigm, social constructivists argue that culture is not necessarily coherent and stable; it changes all the time. Van Maanen and Barley in Alvesson argue that:

> "Unitary organizational cultures evolve when all members of an organization face roughly the same problems, when everyone communicates with almost everyone else, and when each member adopts a common set of understandings for enacting proper and consensually approved behavior."[62]

It seems unlikely that an international organization operating in the complex environment of the postmodern, globalized world would ever encounter such a situation, and it does not seem to be the case at Royal Greenland either. Rather, employees in different departments seem to be facing very different problems, considering the examples put forth in the introduction of this thesis. As Alvesson also notes, the variety of work practices in an organization tends to lead to a variety in cultural orientations – blue collar workers may develop a slightly different culture than the white collar workers.[63] Hence, subcultures are created, which may, if the divide between cultures becomes wide enough, develop into silos. This can be counteracted by employing a redundancy of functions[64] and increasing the need for close cooperation across departments in labor processes, as shared work experiences frequently means the development of shared meanings around work.[65] It follows that, the more members of different subcultures, or silos, come to interact and cooperate on common work tasks, the easier it will be to and alleviate the silos. At the present time, the amount of common work tasks at Royal Greenland is rather limited and increasing the amount of these, for example by

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[60] Alvesson; 2002; p. 4
[61] Burell & Morgan, 1979 and Putnam, 1983 in Alvesson; 2002; p. 25
[62] Alvesson; 2002; p. 156
[63] Alvesson; 2002; p. 150
[64] See section 4.2
[65] Alvesson; 2002; p. 152

making project groups with members from different departments, may result in improved communication. However, this will be rather time consuming for the organization and will during the implementation phase require a large amount of resources.

4.2 The Holographic Brain

In order to make the social constructivist notion of organizational culture more comprehensible, despite its intangibility and fragmented nature, Gareth Morgan's metaphor of the organization as a holographic brain can be employed. Metaphors are useful, despite their paradoxical nature, in the sense that they can provide fresh ways of seeing and understanding familiar phenomena, if one is aware of the things that are purposefully ignored.[66] More specifically, the useful metaphor in this case is the organization as the holographic brain, which provides insight to how communication and shared sense of "we" are naturally emergent in organizations that are able to employ a holographic design. Hence, a holographic organizational design may help departments at Royal Greenland obtain better cooperation.

The main idea of the holographic organization is that the qualities of the whole are enfolded in all the parts, so that the system is able to self-organize and regenerate itself on a continuous basis.[67] It would seem that, Royal Greenland could benefit from this, seeing as building the whole into the parts would also break down communication barriers between departments and encourage knowledge sharing. Furthermore, Morgan explains that this type of organization will be comfortable with managing many different points of view and be able to take on almost any challenge.[68] Another benefit Royal Greenland could obtain is the ability to regenerate on a continuous basis, since the organization has rather high turnover of staff and thereby risks losing precious tacit knowledge.

However, considering the current situation at Royal Greenland, with increasing work pressure, financial crisis and rather unorganized daily operations, it seems unrealistic that the organization would have the resources to employ a holographic design. It would arguably be very costly, both in financial terms and time wise. On the other hand, there may still be some principles that can be drawn from Morgan's ideas which are doable in the Royal Greenland context and can help the organization move slowly towards a more holographic design.

There are five principles that are helpful to have in mind when trying to create a holographic organization:

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[66] Morgan; 2006; p. 5
[67] Morgan; 2006; p. 97
[68] Morgan; 2006; p. 98

Principle 1 – Build the whole into the parts:

As already mentioned, building the whole into the parts is essential in creating what Morgan defines as a holographic organization. Morgan mentions several aspects to focus on in order to carry out this principle in practice, the first one being "Corporate DNA" or corporate culture. Corporate DNA is the visions, values, and sense of purpose that bind an organization together, in other words – the shared sense of "we", which can be used as a way of helping the individual understand and absorb the mission and challenges of the whole enterprise.[69] Thus, it is possible to build the whole into the parts by identifying key elements of the organizational culture, which unifies the employees, in the sense that when the individual understands the organizational culture, e.g. vision, core values, goals etc., and adopts them as his/her own, he/she becomes able to act in a way that represents the whole. As Alvesson also notes, the organizational culture becomes the glue holding the organization together, rather than management struggling to keep control.[70] Caution is required though, it is vital that the culture holding the organization together fosters an open and evolving approach to the future and creates space in which productive innovation can occur. Cultures that provide this space have an enduring yet changing form, seeing as they are able to adapt to context and evolve with changing circumstances. Whether the organizational culture of Royal Greenland provides this space is doubtful, considering the symptoms described in the introduction.

A different way of building the whole into the parts is through "Networked Intelligence", or the design of appropriate information systems. An organizational information system should be accessible from all over the organization and enable employees at all locations to contribute to an evolving system of organizational memory and knowledge – fostering a sense of ownership and belonging, which could alleviate the silos.[71] This way, knowledge is retained in the organization, even when employees leave, because the knowledge of the individual is built into the whole. At the moment, Royal Greenland has an intranet, which could function as a formalized organizational information system for the employees with access to a computer. However, a lot of people do not use it and a lot of the pages of different departments are still blank even though it has been several years, since the intranet was introduced. This could be caused by the fact that people are very busy and do not take the time to upload new information. Incorporating the use of the intranet into the everyday work tasks in the organization could both help retain knowledge within the organization

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[69] Morgan; 2006; p. 99
[70] Alvesson; 2002; p. 7
[71] Morgan; 2006; p. 101

and increase knowledge and understanding across departments, in the sense that employees would be able to gain insight into each other's work areas.

Building the whole into the parts can also be a structural operation, allowing the organization to grow large, while staying small, employing a holographic structure. Every time an organizational unit reaches a certain size, it spins off another unit, reproducing itself, both in terms of culture and knowledge.[72] If the culture and knowledge is embedded thoroughly in the new unit, it should function in much the same way as the original business unit and the organization as a whole has grown, while retaining its decentralized nature. One might state that employees move from one community of practice[73] to another and is able to communicate through these networks of communities of practice that arise when units spin off. Nevertheless, it is important to keep in mind that it can be very difficult to retain these communities of practice across national borders and work functions, in the sense that units operate in diverse contexts.

Lastly, Morgan suggests using holistic teams and diversified roles to build the whole into the parts. Traditionally, jobs have been highly specialized, only linked through some sort of coordination. Nonetheless, Morgan suggests that the organization should avoid this fragmented structure and instead aim for autonomous teams skilled in every part of a complete business process.[74] This way, employees are interchangeable and can function in a flexible, organic way, adapting to a specific context. This will be described further below in the section about redundancy. In addition, these teams would have a natural tendency to embrace the whole, which may not be cultivated in an organization with a more fragmented structure. Motivation is a great factor here, in the sense that a holistic team is able to influence the context and conditions under which it is working to a higher degree than would have been possible under traditional management. However, management has to be willing to let go of control, which could pose a threat in the unstable world of today.

Principle 2 – The Importance of "Redundancy":

This principle links up to what was previously described as holistic teams and diversified roles, in the sense that any system able to self-organize needs a degree of redundancy, or excess capacity in order to make room for innovation and development.[75] Thus, organizations lacking redundancy are unable to adapt to the ever-changing environment and become static and fixed. However, it is

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[72] Morgan; 2006; p. 102
[73] As described by Wenger, Etienne in Communities of Practice – Learning, meaning, and identity; Cambridge University press; Cambridge, United Kingdom; 1998.
[74] Morgan; 2006; p. 103
[75] Morgan; 2006; p. 105

important to mention that what Morgan describes is redundancy of functions[76], in which all employees possess the skills to carry out several different work tasks, so that there is always someone available to take over the responsibility, if a person leaves the company. In my position at Royal Greenland, I have many times heard other employees complain that they have no insight into what types of tasks other departments are doing, which could be a sign of lacking redundancy and insight into other business areas, leaving the organization unable to cope with changes in the surrounding environment. In addition, this can lead to a "that's not my responsibility" attitude, if employees have a very narrowly defined area of responsibility, rather than getting involved with the challenges at hand.[77] In fact, there have been several examples of this in the time I have spent in the RG organization. Also, this can lead to frustration among employees, because they often do not understand why colleagues are acting the way they do.

Principle 3 – Requisite Variety:

When dealing with the importance of redundancy, one may wonder how much redundancy there ought to be in an organization, which brings us to the next principle of requisite variety. It is impossible to be skilled at everything, therefore, Morgan claims, the internal diversity of any self-regulating system should match the variety and complexity of its environment, if it is to deal with the challenges posed by that environment.[78] Hence, all elements of a holographically designed organization should reflect the critical dimensions of the context with which it has to deal. Then it is able to self-organize to accommodate any challenges it is likely to face. So, to answer the above stated question, an organization should always employ the redundancy of functions that is directly needed in the everyday operations. It can be claimed that Royal Greenland is facing a very complex environment in the sense that the organization is present internationally, with very different challenges in each market. In Greenland there are a lot of social issues that have to be considered, in Scandinavia Royal Greenland is a recognized brand, where as mostly private label products are sold in the UK. In addition, the organization is facing the international financial crisis, sustainability and environmental issues. Hence, the environment seems rather complex, but redundancy of functions and the principle of requisite variety does not seem to have followed, which could leave the organization unable to adapt to changes in the environment.

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[76] Morgan; 2006; p. 108
[77] Morgan; 2006; p. 108
[78] Morgan; 2006; pp. 108-109

Principle 4 – Minimum Specs

This headline is an abbreviation for minimum critical specifications, referring to the fact that while organizations should have the capacity to evolve, they also need the freedom to do so. In order for innovation to occur the self-organizing teams need the space/autonomy to act within the environment that they know so well. Therefore, management needs to focus on just setting a minimum of critical specifications, or key guidelines, for example in the form of a well integrated set of corporate values, for the daily operations of the teams, leaving them to find their own.[79] Again, as stated in the previous paragraph, the critical success factor is to draw the line at the right place, somewhere between a chaotic and incoherent organization and being trapped in a bureaucratic structure with too much control. It is imperative that there is enough freedom to explore new work processes and that this is encouraged, rather than holding back employees through punishment when innovations fail. Usually, when working under minimum specs, employees are motivated by the great degree of freedom and the manager comes to work more as a facilitator and coordinator, making sure that the team stays on track with the rest of the organization.[80] At Royal Greenland, employees do indeed seem to have a large degree of freedom and autonomy to act within their environment. However, it seems as though people are using the autonomy as individuals rather than acting as self-organizing teams, which could be seen as a result of key guidelines/minimum critical specifications/corporate values not being integrated to a sufficient degree. As a consequence, employees act based on individual values rather than common corporate values, leaving the organization incoherent and chaotic, creating space for silos to be formed. This will be explored in more detail in the analysis section

Principle 5 – Learning to Learn

Lastly, learning to learn expands the idea of minimum specs, seeing as having the freedom to act also makes the organization able to continuously question and change operating norms and rules, along with transformations in the wider environment – also known as double-loop learning.[81]

The four other principles, as described above, create a potential for double-loop learning to occur, but they must be supported by management initiatives to help create a context that encourages the process of learning to learn. Hence, all five principles are closely related and interconnected and represent an explanation of why silo formation can be a problem for an organization, as well as

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[79] Morgan; 2006; p. 110
[80] Morgan; 2006; p. 111
[81] Morgan; 2006; p. 111

some guidelines as to building the whole into the parts and cultivating a shared sense of "we". Some of the ways to improve communication in practice suggested in this section were: To organize work processes in holistic teams, i.e. redundancy of functions, by diversifying the roles of the employees, providing space for these teams to function more or less autonomously, but still according to the basic corporate values of the organization and providing a formalized information system to help retain tacit knowledge, fostering the feeling of ownership among the employees.

Next, a presentation of Karl E. Weick's theory of sensemaking in organizations will be given, in order to provide basic knowledge of how reality and identities are constructed in an organizational context. This can be used to understand why silos are formed in Royal Greenland and which processes lies behind the problem.

4.3 Sensemaking in Organizations

The concept of organizational sensemaking is rather simple, as Weick himself explains: "[…] sensemaking is well named because, literally, it means the making of sense."[82] Hence, sensemaking can be used to understand, how people structure the unknown, or, how they construct sense, why, and with what effects – the effects in this case being the construction of silos. Weick's concept belongs under the social constructivist paradigm, along with the ideas by Morgan and Alvesson described above, seeing as it is described as social, ongoing etc., as will be shown below. Social and ongoing are just two of the seven distinguishing characteristics of the sensemaking process, which sets it apart from other explanatory processes, such as understanding, interpretation, and attribution. These characteristics are all related to each other and to some extent, they overlap in certain areas, but they each explain a distinct aspect of sensemaking, much as Morgan's metaphor of the organization as a holographic brain, described above. Sensemaking is described by Weick as a process that is:

1. Grounded in reality construction
2. Retrospective
3. Enactive of sensible environments
4. Social
5. Ongoing
6. Focused on and by extracted cues

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[82] Weick; 1995; p. 4

7. Driven by plausibility rather than accuracy[83]

Grounded in Identity Construction

According to Weick, identity is reinterpreted or reconstructed through an ongoing process, which is by nature social and interactive. For that reason, one's perception of one's own identity is continuously renegotiated, because it is adapted to the impressions of events and experiences in one's life, along with impressions from other people. Weick explains:

> "Thus the sensemaker is himself or herself an ongoing puzzle undergoing continual redefinition, coincident with presenting some self to others and trying to decide which self is appropriate. Depending on who I am, my definition of what is "out there" will also change. Whenever I define self, I define "it", but to define it is also to define self."[84]

Consequently, the process of defining who I am and what is out there goes both ways and cannot be separated from each other, since they happen continuously and affect each other all the time.

Weick also explains how people have a need for self-enhancement, which results in a constant search to maintain a positive cognitive and affective state about the self, the desire to perceive oneself as competent and effective, and a need for consistency and continuity. In the organizational context, this often results in employees, if placed in a situation where there are several ways to make sense of a situation, choose the alternative which reflects positively on themselves and the organization. And conversely, if negative images threaten self-enhancement, employees may alter the sense they make of those images, even if it means redefining the organizational identity or, if this is not doable, one's own identity.[85] Group formation, or social identity construction is used in much the same way for self-enhancement and protection of the individual's identity, see more details in section 4.3. In order to shed further light on the connection between individual identity construction and identity construction in an organizational context, it can be stated that:

> "When we look at individual behavior in organizations, we are actually seeing two entities: the individual as himself and the individual as representative of his collectivity…Thus, the individual not only acts on behalf of the organization in the

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[83] Weick; 1995; p. 17
[84] Weick; 1995; p. 20
[85] Weick; 1995; pp. 20-21

usual agency sense, but he also acts, more subtly, "as the organization" when he embodies the values, beliefs, and goals of the collectivity." [86]

Relating this to silo thinking, it could be the case that employees at Royal Greenland are forming silos, because they fail in maintaining a positive and consistent self or organizational image, which in return affect each other. In a previous study on the perception of the Royal Greenland brand internally in the organization[87], I found that some employees do not feel that the brand lives up to its reputation. Hence, these employees may have failed in maintaining a consistent, positive image of the organization, and in fact one employee stated that he felt that it was ethically inappropriate to market product not living up to what was promised by the brand. One might say that his positive self image was threatened by a negative organizational image, which could lead to him making sense of the organization differently, or in the end he could end up leaving the organization in order to maintain a positive self image. However, this needs further investigation.

Retrospective

This attribute refers to the idea that any intellectually conceived object is always in the past and therefore unreal, thus, in the moment a person acknowledges an object, it has already become a thing of the past and may therefore have changed.[88] Adding to this, the image we have of our own identity and the world around us is that of the past, hence, we are only conscious of what we have already done, not of doing it.

In an organization, this could mean that meanings or the sense made change as goals and values change. In fact, Weick explains that it may be an advantage to have clear values, priorities and preferences to help employees be aware of which of the many projects they are involved in matter, in the confusing everyday life of an organization:

> "The important point is that retrospective sensemaking is an activity in which many possible meanings may need to be synthesized, because many different projects are under way at the time reflection takes place. The problem is that there are too many meanings, not too few. The problem faced by the sensemaker is one of equivocality, not one of uncertainty. The problem is confusion, not ignorance."[89]

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[86] Chatman et al.; 1986 in Weick; 1995; p. p. 23
[87] Hansen, Ditte Kvist: The Relationship between Internal and External Corporate Branding – A case study of Royal Greenland A/S, Aalborg; Internship project; CCG; Aalborg University; Fall 2007.
[88] Weick; 1995; p. 24
[89] Weick; 1995; p. 27

This statement seems especially significant in the Royal Greenland case, where the lack of prioritization of products creates frustration and confusion, because there are not enough resources, human and financial, to attend to all products. As a consequence, it would seem that employees turn towards their own group or department, in an attempt to limit confusion.

Another aspect of this attribute is the fact that the outcome of a process often determines how we judge, or make sense, of the entire process. If the outcome is seen as bad, then the flaws and incorrect actions of the process are emphasized, even if they were not seen as influential at the time. The other way around, if the outcome is seen as good the appropriate actions are emphasized.[90]

Enactive of Sensible Environments

Sensemaking being enactive of sensible environments implies that there is not some kind of monolithic, singular, fixed environment that exists detached from and external to the people in it, rather people are very much an active part of the environment they operate in, as Weick explains:

> "[…] in each case the people are very much a part of their own environments. They act, and in doing so create the materials that become the constraints and opportunities they face. There is not some impersonal "they" who puts these environments in front of passive people. Instead the "they" is people who are more active."[91]

Accordingly, people create their own environments through their actions and the sense they make of these actions, which obliterates one of the mistakes often made in organizations operating according to the functionalist paradigm – the environment being perceived as a large external "it", impossible to change. Nevertheless, Weick warns against the trap of thinking that we can control the environment, the environment cannot control us either, it is a process that goes both ways and is by nature enactive.[92] Thus, the silos at Royal Greenland are constructed by the employees through their actions and the sense that they make of those actions. Just the fact that employees are made aware of their own role in creating the silos, for example through the interviews performed in connection with this thesis, may facilitate the change and action needed to improve communication. After becoming consciously aware of the problem people may start thinking and acting differently, thereby changing their perception of their environment.

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[90] Weick; 1995; p. 28
[91] Weick; 1995; p. 31
[92] Weick; 1995; p. 32

Another important thing to note is to be aware of the fact that being enactive of sensible environments is a process with no end and no beginning – there is no end result of the process, only a moment in the process.[93] This will be explained in more detail under the "Ongoing" characteristic. The common realist, or functionalist, assumption of a stable, detached environment also leads people to create and find what they expect to find, this way becoming a self-fulfilling prophecy. For the same reason, people attempt to make brackets, punctuation and impose categories in the ongoing enactment with the sensible environment, because this helps people cope with the incomprehensible duration.[94] In other words, people act in a way that their assumptions of realism are confirmed, thereby creating stability in their lives and confirming their identity. Assumingly, this could be a reason why Royal Greenland maintains the silos. Even though employees are aware of the problem, they have a certain idea of how people in other departments "are", and therefore act in a way, so that their assumptions are confirmed. As mentioned above, breaking free from these realist assumptions could help communication flow more freely.

Social

The term sensemaking itself could tempt people to think that it was a process taking place inside of every individual, and it is, but always through a network of social relations and interaction. As Weick mentions: "Conduct is contingent on the conduct of others, whether those others are imagined or physically present."[95] An organization could be said to be this kind of network of shared meanings, which are upheld through daily interaction. For example, an employee in the organization may be affected by the conduct of a manager, even if he/she is not present at the time, because the manager sets an example to be followed by employees through behavior. This way, sensemaking is never solitary, because what a person does internally is contingent on others – even monologues and one-way communication presume an audience.[96] Weick quotes Blumer:

> "Human beings in interacting with one another have to take account of what each other is doing or is about to do; they are forced to direct their own conduct or handle their situation in terms of what they take into account Thus, the activities of others enter as positive factors in the formation of their own conduct; in the face of the actions of others one may abandon an intention or purpose, revise it, check or suspend it, intensify it, or replace it."[97]

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[93] Weick; 1995; p. 33
[94] Weick; 1995; p. 35
[95] Weick; 1995; p. 39
[96] Weick; 1995; p. 40
[97] Blumer; 1969 in Weick; 1995; p. 40

In addition, Weick states that sensemaking scholars pay a lot of attention to talk, discourse and conversation, since a great deal of social contact is mediated though these – sometimes it is even claimed that talk, symbols, memories etc., are what organizational environments consist of.[98] It is the shared meaning, or sense of "we", that binds an organization together, the sense of belonging to the same entity and having a common goal, as was also described by Morgan above. Thus, if common values are the glue that holds organizations together, the conflicting values destabilize.[99] Accordingly, an explanation to the silo formation in Royal Greenland could be that there are conflicting values between the departments or that there are no common values.

Ongoing

By now the ongoing nature of sensemaking has been hinted at several times. The sensemaking process is pure duration and therefore never starts or stops – people are always in the middle of things, which become things, only when those same people focus on the past from some point beyond it.[100] It is not possible to stop and put one self outside of the sensemaking process in order to reflect upon it, by then the events reflected upon are already in the past.

A mentioned earlier, people are always in the middle of projects and often see aspects of the world that relates to the current project. However, Weick makes it clear that although people are emerged in these project flows, they are still aware of what passes them by.[101] This is especially true for interruptions of flows, which most often are met by an emotional response that then paves the way for emotion to influence sensemaking.[102] One instance of interruption that often evokes strong emotional reactions is the interruption of an expectation. If someone does not act the way you expect them to, you are forced to react in one way or another. In an organization, this could occur in a merger/acquisition situation, in which members of both organizations often react by making stronger bonds with colleagues from their original company.[103] Perhaps this could also be the case at Royal Greenland, in the sense that departments are forced to react to other departments and in doing so, turn towards their own group. However, since sensemaking also sees people as flexible and able to change, it ought to be possible to change the current situation in the organization.

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[98] Weick; 1995; p. 41
[99] Weick; 1995; p. 42
[100] Weick; 1995; p. 43
[101] Weick; 1995; p. 45
[102] Weick; 1995; p. 45
[103] Kleppestø, Stein: Mergers and Acquisitions – Managing culture and human relations; Stanford University Press; California; 2005

Focused on and by Extracted Cues

As mentioned earlier, people find themselves emerged in a constant sensemaking flow, which they attempt to divide into smaller sections that are easier to comprehend. From this constant flow people extract cues, or as Weick also calls them: simple, familiar structures of which people develop a larger sense of what is going occurring.[104] In connection with these, Weick also notes that a great power source lies in being able to generate a point of reference, in other words, controlling which cues are extracted. Hence, it could be helpful for the managers at Royal Greenland to be able to generate a point of reference, or implement a set of corporate values accepted by all employees, in order to break down the communication barriers between departments.

A cue is most often something vague that brings up a certain idea or way of thinking in the sensemaker's mind:

> "A specific observation becomes linked with a more general form or idea in the interest of sensemaking, which then clarifies the meaning of the particular, which then alters slightly the general, and so on. The abstract and the concrete inform and construct one another."[105]

Hence, a cue may point towards something specific, but the sensemaker's identity will always affect the sense extracted from the cue. Therefore, there may be a whole range of different outcomes from the same cue, depending on the situation in which it is made sense of. Weick states that two different things determine what a cue will become: context affects what cues will be extracted in the first place and context also affects how the cue is interpreted.[106]

It is important to note that extracted cues are crucial for their capacity to evoke action. If a point of reference stimulates a cognitive structure, then it leads people to act with more intensity.[107] This is reminiscent of the self-fulfilling prophecy mentioned earlier – the cue extracted is adjusted to the expected outcome and the expected outcome is adjusted to the cue. Consequently, almost any point of reference will do as a start.[108] This way, sensemaking, again, helps the sensemaker uphold his/her self-image and reassures their identity, confirming his/her beliefs through its effects on actions that make material what previously has been merely envisioned.

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[104] Weick; 1995; p. 50
[105] Weick; 1995; p. 51
[106] Weick; 1995; p. 51
[107] Weick; 1995; p. 54
[108] Weick; 1995; p. 54

Driven by Plausibility Rather than Accuracy

The seventh and final characteristic of sensemaking actually brings the "sense" of sensemaking into question. Sense implies a certain amount of accuracy and logic, but in fact, sensemaking needs not be sensible at all.[109] In real life, accuracy is nice to have, but not essential. Even though it would seem as a good idea to scan the environment for all possible outcomes, this scan would always to an extent be flawed, in the sense that there would be an infinite number of possibilities and it seems unlikely that a sensemaker would be able to find them all. Also, the environment is constantly changing and so it is almost impossible to tell at the time of perception, whether the perceptions will prove to be accurate or not.[110] Rather, Weick suggests that requisite variety, as described above by Morgan, could solve the problem – complicating yourself in order to understand complicated environments.[111] This way a sensemaker will be able to filter out some of the unlikely possibilities and separate the signal from noise in the middle of a project and thereby locate the most plausible and coherent outcome. Relating this to the previous section, extracted cues would be a method for finding the plausible outcome, for example by linking the present cue to one extracted in the past. However, seeing as roles and work functions at Royal Greenland are quite specified rather than diversified, employees may not be able to filter unlikely possibilities and focusing on the most plausible outcome. As a consequence, it may be hard, as described above, for employees to retain a consistent self image and could leave them feeling confused and frustrated. In conclusion, sensemaking is more about plausibility, coherence and reasonableness than it is about accuracy. The purpose is to find a perception that is socially acceptable and credible and it is an impossible feat to engage in total accuracy.[112]

4.4 Identity and Group Formation

After providing an overview of Weick's sensemaking principles in the previous and relating them to the situation at Royal Greenland, I will seek to uncover the process of group and social identity formation in organizations, as described by the social constructivist school of thought. This will be done in order to be able to give a theoretical explanation to why and how groups are formed, which could provide some insight into what causes the formation of silos at Royal Greenland and offer

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[109] Weick; 1995; p. 55
[110] Weick; 1995; p. 60
[111] Weick; 1995; p. 56
[112] Weick; 1995; p. 61

some suggestions of how to improve the situation. The chapter will be based on the writings of Frederik Barth and Stein Kleppestø. Barth is an anthropologist, focusing his studies on the formation of ethnic groups, which is not the focus of this thesis, therefore Kleppestø has been included – he transfers Barth's theories to an organizational context. It should also be noted that Barth is not a declared constructivist, since most of his ideas were developed prior to the formulation of this paradigm. However, as will be shown, both Barth's definition of culture and his ideas of group formation have significant social constructivist features. As Barth himself states about his early work: *"Though we lacked the opaque terminology of present day postmodernism, we certainly argued for what would now be recognized as a constructivist view."*[113]

Many of the ideas about culture put forward by Alvesson, Wieck and Morgan in the above are reflected in Barth's writings. He describes culture as being in flux, contradictory, incoherent and affected by identity construction and personal experiences.[114] In describing culture this way, he moves a way from the functionalist paradigm, employed by many of his fellow anthropologists at the time, who defined culture as something coherent and stable over time. This position also affects his views on formation of groups.

Traditionally, anthropologists have described ethnic groups as being defined by a coherent and stable culture shared by the members of that group - something that could easily be studied and quantified. However, Barth, working within the social constructivist paradigm, has a different definition of ethnic groups, he states that:

> "[…] We give primary emphasis to the fact that ethnic groups are categories of ascription and identification by the actors themselves, and thus have the characteristic of organizing interaction between people"[115]

Following, groups are something human beings need in order to make sense of the chaotic and ever-changing environment of conflicting and incoherent impressions - it is so multifaceted that we are forced to lump together our observations and interpretations in order to make sense of them.[116] This seems especially true when looking at large and complex organizations such as Royal Greenland. Hence, groups are used as a tool, the organizing factor helping people achieve this. The group is

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[113]Barth, Frederik: Enduring and Emerging Issues in the Analysis of Ethnicity in Vermeulen, Hans and Govers, Cora: The Anthropology of Ethnicity – Beyond Ethnic Groups and Boundaries; Het Spinhuis; Amsterdam; 1994; p. 12
[114] Barth; 1994; p. 14
[115] Barth, Frederik (Editor): Ethnic Groups and Boundaries – The Social Organization of Cultural Difference; Universitetsforlaget; Oslo, Norway; 1969; p. 10
[116] Kleppestø; 1993; p. 134

something everyone uses to categorise their environment, one might say that groups are a way of providing a lot of information quickly, without spending time on explaining details and context.

One example of this could be that when we introduce ourselves to others, we often do so by stating which groups we belong to – in my case it could be female, Danish, university student and employed in the private sector. These categories or groups quickly evoke some associations in the mind of the person I am introducing myself to. However, it should be noted that membership of these groups do not necessarily say anything about my personal attributes, rather they say something about my social identity – the social categories we use to classify ourselves and others, and the perception of these held by the person I am communicating with.

Groups being socially constructed categories is just one of the reasons for group formation that Kleppestø and Barth mention, along with people having a strategic interest in forming groups, socialisation/being born into a social group and people being attracted to each other, for example because they have similar backgrounds.[117] Now, I will move from explaining why groups are formed to how - including how boundaries between groups are upheld and how group dynamics play out in the social constructivist paradigm.

Taking what was described in the previous chapter via Weick's ideas about identity construction into consideration[118], one might state that there are two levels of identity – individual and social identity. As was just derived in the above, social identity is mainly obtained through belonging to different groups. Just as with individual identity construction, social identity construction is a way of maintaining a positive self image and both the self and others are categorised according to group membership.[119] Some groups are almost innate, such as gender or nationality, whereas others are socially constructed to a larger degree and can to an extent be emphasised more or less in an interaction. In a sense, the social identity can be said to be contextual, given that the identity of a group can be varied as the group encounters other groups with different identities or new situations.[120] Hence, certain traits of a group's identity are brought forth according to relevance in relation to the other group or the environment. This way, groups may seem to dissolve at certain times, but will congregate again when the members of the group will benefit from it. Thus, employees at Royal Greenland could feel that there is some benefit in maintaining the boundaries

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[117] Kleppestø; 1993; p. 132
[118] Section 4.2
[119] Kleppestø; 1993; p. 134
[120] Kleppestø; 1993; p. 135

between departments or have fear of what would happen if they did not – it could be a case of maintaining a positive image of the self and others.

In order to form a group, the members need some sort of special characteristic that sets them apart as a group from other groups in the immediate environment. In other words, the group needs something that gives them a distinct social identity and an important part of the group's purpose is to preserve this special characteristic and keep from blending with other groups.[121] Barth explains about these characteristics:

> "The features that are taken into account are not the sum of 'objective' differences, but only those which the actors themselves regard as significant. Not only do ecologic variations mark and exaggerate differences; some cultural features are used by the actors as signals and emblems of differences, others are ignored, and in some relationships radical differences are played down and denied."[122]

This way, the members of a group can play up their similarities and remove focus from their differences, in order to strengthen the group and set it apart from other groups – i.e. stereotyping. Following, a large part of why conflicts between groups arise is that groups struggle to retain their identities and status compared to other groups (compare Weick's statements about retaining a positive self image). When groups come into contact with each other, physically or otherwise, the members of each group feel a need to emphasize the distinct characteristics of their in group, the things that sets them apart from the other group and thereby underline the boundary between the groups.[123] Kleppestø explains that when this happens there is a tendency for the following to happen: a) Stereotyping of both in- and out group; b) tendency to stay in the in group – increased sanctions by changing groups; c) marginal members of both groups are forced to chose which group they want to be a member of.[124] He goes on to explain that the size of the conflict depends on to which degree the groups feel that their identity is threatened – the in groups antipathy towards the out group increases exponentially to the threat against the in group's self image. One might say that a "we and the other" rhetoric[125] is employed, emphasizing a positive image of the in group and a negative one of the out group through stereotyping. Thus, groups are defined not only by what they are, but also by what they are not and by using the discourse of "us" and "them" the boundaries between the groups are made stronger. It could be stated that the group boundaries at Royal

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[121] Kleppestø; 1993; p. 136
[122] Barth: 1969; p. 14
[123] Kleppestø; 1993; p. 136
[124] Kleppestø; 1993; p. 137
[125] Barth; 1969; p. 13

Greenland needs to be moved from between the departments to including the whole organization, including all employees in the common "we" in order to improve cooperation.

In the following, a number of ways to foster better communication and cooperation, based on the views of Alvesson, Morgan, Weick, Kleppestø and Barth described above, will be presented.

4.5 Breaking Down the Barriers

Kleppestø provides examples of group formation in connection with mergers and acquisitions, where two or more different groups, the merging organizations, are forced to come into contact with each other. This often leads to strengthening of the boundaries between the two groups, who often forms a stronger sense of "we" in each group than may have been there before the merger, and they each put emphasis on what characterizes the groups and set them apart from each other. Naturally, one or both groups will feel that their identity is threatened, in the sense that in mergers and acquisitions, they may be expected to either merge their identity with that of the other group or adopt the other group's identity in the case of an acquisition. One of the groups may feel more or less threatened, depending on who is the dominant group – if a small organization merges with a larger one, it is natural that the smaller one will feel more threatened on their identity.

In a lot of cases, the formation of groups hinders the integration of the two merging organizations and the merger fails. However, Kleppestø gives hints as to what can be done to promote integration between groups and foster a common "we". It could be argued that the silo situation at Royal Greenland is reminiscent of the conflict situations of mergers and acquisitions, in the sense that there seems to be a number of groups feeling threatened on their identity by the other groups, and it may be possible to transfer some of the principles of Kleppestø. Some of the suggestions as to improving cooperation he provides follow here, along with a listing of the principles that can be derived from the discussions of Alvesson, Weick and Morgan in the above:

- The groups must engage in some sort of *Social Creativity*, for example by identifying new dimensions that would resolve the conflict by re-establishing identity and status, or by trying to establish new values in existing dimensions as a part of the ongoing sensemaking process.[126]

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[126] Kleppestø; 2005; pp. 139-138

- Making sure that groups are not engaging in immediately competing activities and that they have clearly defined roles, in order to reduce tension and the sense of being threatened on identity.[127]

- Working in teams across departments and business units, providing insight into other areas of expertise for the individual employees and fostering social relations across formal groups.

- Broadening the skills of the individual employee, making sure that the organization possesses a degree of redundancy of functions, which will lead to increased understanding between different groups and more knowledge of the work taking place in other departments.

- Making sure that employees feel ownership of the overall values, visions and mission of the organization will provide employees with a common goal to work towards and by feeling ownership, employees are more motivated to working together with others in order to reach those goals.

- This also requires a degree of autonomy and inclusion in decision making for the members of the organization, in the sense that if they are to feel ownership of the values they have to be a part of creating these.

- Make sure that people have enough time to attend to their jobs. As described by Weick under his retrospective characteristic, people have a tendency to turn towards their own subgroup, when they are pressured and have too much work to do, in an attempt to limit confusion.

- Allow space for the formation of smaller groups. It can backfire to attempt to force people into embracing the large, common "we", in the sense that they may feel threatened on their preferred identity.[128] In other words, the formation of groups is inevitable, but it is possible to interact across group boundaries and thereby have smaller groups within the larger one.

These are all valid suggestions of how to avoid silo formation; however, it is imperative to keep in mind that these examples were taken from different contexts than is the case at Royal Greenland. As mentioned above, many of them originate from a merger and acquisition situation, which is arguably very different from the "internal" conflict taking place at Royal Greenland at the present time. Working within the social constructivist paradigm, it is not possible to transfer a solution from

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[127] Kleppestø; 2005; p. 147 – One might state that this contradicts what Morgan puts forth about redundancy of functions, however, it should be kept in mind that Kleppestø's suggestion belongs in a conflict context, as for example mergers and acquisitions

[128] Kleppestø; 2005; p. 148

one context to another indiscriminately. This will be kept in mind throughout the following analysis based on employees' own perception of the situation at Royal Greenland, which could turn out to be very different from the preconceived assumptions I have as a researcher. Over the course of the analysis of the material, other explanations of how silo-thinking is generated and perpetuated in the organization than presented here may emerge.

5.0 Analysis

Now that I have set out my working assumptions as presented by Morgan, Weick and Barth/Kleppestø, it is time to take a look at the empirical material collected at Royal Greenland during the fall/winter of 2008. This analysis will seek to uncover how silos are formed at Royal Greenland and what can be done to improve communication and cooperation between departments. This will be done by employing the theories just described when appropriate. In addition, the analysis of the problems at Royal Greenland will show whether social constructivist ideas alone can explain the formation of silos in the organization and whether implementing these ideas in the organization is the only way to alleviate silo-thinking, or if other explanations and solutions will emerge.

First, I will seek to explain what silo-thinking means to employees at Royal Greenland, in order to get an understanding of how they see the problem and its consequences in their daily work tasks. Gaining insight into their view of the concept might also reveal some of the underlying causes of silo-thinking in the organization. A systematic investigation of what causes silo-thinking at Royal Greenland according to the employees will follow. Lastly, a discussion, taking its point of departure in the adopted social constructivist working assumption described earlier, of how to improve communication and cooperation in the organization will be provided. This discussion will show whether the methods for improving communication presented by the social constructivist theories can be applied in the case of Royal Greenland.

5.1 What Silo Thinking Means to RG Employees

Before starting to investigate how silo-thinking is generated and perpetuated at Royal Greenland, it is important to get an idea of what the concept means to the employees and what effects it may have at Royal Greenland, in the sense that they may see the concept and effects in a different way than management or differently from what I do as a researcher. When working according to hermeneutics[129] it is important not to take things for granted and seek to understand the lived world of the interviewees, rather than assuming that interviewees understand things in a certain way. Additionally, this will provide insight into which departments employees feel are affected by silo-thinking and defective communication patterns.

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[129] See section 3.1

A number of the interviewees seem to agree on one thing; that silo-thinking at Royal Greenland means that each department concentrates on their own part of the business rather than looking at the overall picture and working towards collective goals. As one interviewee puts it in quite general terms:

> "People think me, me, me and are wearing blinkers and you don't really care what other people are doing, who may even be doing the same thing. They are, well, they are driving their own race."[130]

An employee in the sales division goes as far as describing the situation as internal power struggles in the organization and people "pissing off their territory", which leads employees to withhold important information and knowledge, because they do not want other people "interfering" with their domain.[131] Consequently, the internal power struggles could be seen as one of the processes that generate and perpetuate silo-thinking at Royal Greenland.

Other interviewees refer to this perception in more specific terms, as each department sub optimizing. This means that employees act according to what seems best for their own department, both economically and regarding work procedures, rather than working towards an overall common goal for the organization as a whole, which would be expedient according to for example Morgan.[132] As one product manager puts it:

> "What it means? It means that people try to optimize, sub optimize, they try to optimize within their part of the business without considering what kind of money the whole value chain at Royal Greenland has to make"[133]

And in the group interview with three representatives from the marketing department, a marketing coordinator explains what she understands by silo-thinking:

> "Well, it is about each individual unit or department thinking about themselves and their own profit, before thinking about the company's and there is not always consensus between the different departments on what THEY think is important and what is important for their department and then it goes wrong."[134]

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[130] Interview 2 (00:00:37)
[131] Interview 1 (00:07:47)
[132] See section 4.2
[133] Interview 4 (00:00:39)
[134] Interview 2 (00:01:45)

And another product manager mentions the same issue: "*well, it is when each production unit or department wants to operate as an independent profit organization*".[135] In the leader of the Royal Greenland employee magazine Navigatio the Chief Financial Officer concurs by stating:

> "At the same time it is great to work in an organization in which the employees radiate pride and commitment. RG has a great deal of skilled people in the organization, who are used to handling things in a hands-on, short-sighted manor, but who do not always think about the whole picture and thereby neither about the organization as a whole".[136]

Hence, it would seem as though at least some of the interviewees and management as well consider optimization, economic and of work processes, within departments and production units a problem, in the sense that it can get in the way of the organization as a whole making a profit.

The product manager in interview 3 also mentions an example of this - that people sometimes expect to make an unrealistically high profit on RG's own raw material[137], which in the end results in the company not being able to deliver products at competitive prices. The marketing coordinator in interview 2 also notes that: "*I also think that we use some money that are totally crazy, because each department sub optimizes*".[138] This is inarguably a great problem for an organization operating on the global marketplace and at Royal Greenland in particular when considering the result of the annual report for 2007/2008, which showed a deficit of 49 million Danish Kroner before taxes.[139] In connection with this, a product manager mentions that: "*the more pressure is put on our financial situation the more shrill the tone gets too. This is very obvious*".[140] This stateme shows how there might be a formation of sub groups, or cultures, within the organization working towards their own individual goals undermining the collective success, rather than striving towards the overall corporate mission statement, which actually underlines that: "*Royal Greenland must operate a profitable business in the seafood industry*".[141]

Moreover, this brings Barth's theory on group formation into mind. As was explained in section 4.3, the identity of a group tends to vary as the group encounters other groups or new situations, in the sense that the traits of a group are adapted to the environment that surrounds it. So, the fact that the

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[135] Interview 3 (00:00:23)
[136] Appendix 5: Kinnerup, Nils Duus; Leader June 2008; Navigatio; Summer 2008; p 0
[137] Interview 3 (00:01:06)
[138] Interview 2 (00:02:26)
[139] http://www.royalgreenland.com/index.dsp?page=1028
[140] Interview 3 (00:03:00)
[141] http://www.royalgreenland.com/index.dsp?page=250

financial situation of the organization is, at present time, rather uncertain, which has resulted in a number of employees getting fired, could result in silos being formed, because employees feel threatened on their identity/job. It seems likely that when people feel that they could be in jeopardy of losing their jobs, they might seek to place themselves and their closest colleagues in a positive light by sub-optimizating within the department, rather than working towards the overall, collective, goals.

However, not all perceptions about silo-thinking at Royal Greenland are agreed upon. It would seem as though interviewees do not agree on where the silos are, i.e. which units and departments make up the silos. Some see silos between for example sales, marketing and the product management organization, whereas others mainly see silos as being a problem between production and sales. One product manager says that he does not see any silos between new product development, product management and marketing; rather it is an issue between sales and production, which lacks coordination.[142] In interview 7, another product manager supports this by saying that he sees communication problems between sales and product management[143], but not between new product development, marketing and product managers. The product manager in interview 3 does not mention which departments form the silos explicitly, but when explaining what silo-thinking means to him, he only refers to problems between production and sales. However, later on in the interview he does say that he does not see silos between product management, marketing and new product development, but between these three departments and the trading department responsible for purchasing raw material for processing. The area manager in interview 1 seems to be of a different opinion, while explaining an example of what silos mean to him, he states that:

> "A product manager group thinks in silos. This means that you keep all information to yourself within this silo and agree on something in this group without communicating this broadly, for example in relation to marketing, for example in relation to sales, and you cannot function as a company, if you do not have communication across departments."[144]

Following, it might be derived from this quote that the area manager feels that there are silos between the departments he mentions, i.e. marketing, product management and sales. Employees from the marketing department also mention both sales and product management[145], in fact they

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[142] Interview 4 (00:00:39)
[143] Interview 7 (00:08:53)
[144] Interview 1 (00:00:45)
[145] Interview 2 (00:03:37)

even refer to silos within their own department[146], i.e. silos within silos. This way employees see the effects of silo-thinking on many different levels: within departments, between departments, but also between locations, as one product developer puts it:

> "It is more like there is a team in Glyngøre, contra a team in Aalborg, one in Wilhelmshaven, one in Koszalin, one in Greenland, one in the US some in all places in the world. It is hard to get them together, to have the same mentality."[147]

This is backed up by a product manager in Germany who states: "*and if you look at the individual subsidiaries and at production units, communication is also very poor there*".[148] Hence, it would seem that depending on the perspective and position in the company of the interviewee, the silos are present at different places in the organization.

One product manager, who has held other positions in the organization in the past, also states that: "*I have worked in three different companies […] well, you can't say three different companies, but three different ways of doing things*."[149] This could also be a sign that there are silos within silos in the product management organization as well and also supports the assumption in the introduction – that silos are in effect working cultures. However, the product managers in general seem to be of the perception that the main silos are sales and production, with themselves somewhere in between. Although, this could be a result of the fact that product managers, as opposed to employees in marketing and sales, work closely together with production and might experience the silos here as more problematic, than the silos between themselves and other departments.

As explained in section 4.2, sensemaking is based on extracted cues and the cues extracted depend on the context of the sensemaker(s). Hence, the different perceptions of silos could be a result of different contexts and interpretations based on the previous experiences and identities of the sensemakers, who hold different work functions in the organization. In addition, the perception of the silos seems to be slightly different when looking at the two employees from Germany who were interviewed. There were also differences between the two of them, perhaps due to the fact that the interviewee in interview 6 is a German native, whereas interview 7 engages a Danish native, who has previously worked at the location in Aalborg.

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[146] Interview 3 (00:16:44)
[147] Interview 5 (00:12:39)
[148] Interview 7 (00:12:04)
[149] Interview 4 (00:04:41)

To return to the differences between the Danish and the German interviewees, the product manager in interview 6 states that he does see silo-thinking at Royal Greenland, but that it is not as pronounced as what he has experienced in German organizations.[150] He says that:

> "I can say that this special department-thinking or silo-thinking in other German companies is much more common and they don't talk about it and this is a disadvantage. So, in Royal Greenland we are aware that this happens and we open discuss this"[151]

Accordingly, he does not see the problems in the same light as his Danish colleagues, perhaps because he has experienced worse cases of silo-thinking previously, so his base of comparison is quite different from that of the other interviewees. He also states that: *"this is here with the Danish culture in a very open form, much more open than other departments"*.[152] Staying in Weick's paradigm, the fact that his background is different than that of the other interviewees would indeed also make his extracted cues different and alter the sense he makes. Compared to German companies of the interviewee's experience, the issues at Royal Greenland are not grave. This interviewee also adds that he feels that silo-thinking at Royal Greenland is passive rather than active, in the sense that the lack of communication is not due to bad will from employees, rather they do so unconsciously without thinking about the consequences perhaps because of work overload.[153] The other German product manager concurs and says: *"I wouldn't say that I have the same feeling about Aalborg as I do down here. Well, up there I think people think in a wider perspective"*[154] However, it can be discussed how much insight employees in Germany have into what goes on in Aalborg between the employees there. Comparing what the employees from Germany say about whether or not silo-thinking at Royal Greenland is intentional with what was earlier discussed about sub-optimization, it would seem as though there are some contradictions. The fact that some departments are trying to make money at the expense of others, points towards at least some degree of intentionality. However, this could be seen, not as an attempt to actively work against other departments, but rather trying to do what is best for one's in-group. Either way, there are a lot of contrasting issues that contribute to the generation of silo-thinking and as none of the interviewees

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[150] He has been working in the seafood industry in Germany for 15 years
[151] Interview 6 (00:02:39)
[152] Interview 6 (00:13:12)
[153] Interview 6 (00:04:40)
[154] Interview 7 (00:02:24)

would probably admit to exercising active silo-thinking, it is impossible to establish whether the situation at Royal Greenland is created intentionally.

Next, follows a discussion of some of the issues, which could all be contributing to silo-thinking and faulty communication at the Royal Greenland organization.

5.2 Systemic and Organizational Issues

From the above described picture of silo-thinking at Royal Greenland provided by the interviewees it can be deducted that there are some systemic issues contributing to the generation and perpetuation of silos in the organization. When asked to explain what silo-thinking means to them, all of the interviewees mention financial sub-optimization in departments, which leads to lack of cooperation and communication, because each department works to attain the largest possible profit for the department rather than for the organization as a whole. This can be said to be a systemic issues, in the sense that the company is organized in such a way that each department constitutes a profit center. As the marketing coordinator in interview 2 says about the cause of silo-thinking and faulty communication:

> "I think maybe that this mega silo is caused maybe by the fact that each department is
> constructed as a profit center. That for the product managers it is about showing
> results on the bottom line, but sales also have to do this. This is a conflict in its own
> right because where should the profit be?"[155]

This way, each department is set up as a sort of "mini-company" within their own area, which assumingly is not promoting cooperation and communication across departments, because employees will be concentrated on earning a profit in their own area rather than working together towards a common goal. According to Morgan, as described in section 4.2, having the same mindset and building the whole into the parts makes employees comfortable with managing many different points of view and able to take on almost any challenge. It might have been possible to overcome the financial construction of the organization, if it was not for the fact that departments are measured on the results they present and are awarded bonuses for bottom line results for their department. As the product manager in interview 7 explains:

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[155] Interview 2 (00:03:12)

>"Well, I experience silo-thinking as well and I experience sub-optimizing to a high degree - that is that you try to optimize your own area, because you get a bonus, most likely based on the result you present within your area."[156]

Later on in the interview, he also explains that employees are measured on the result they present on the bottom line and that the way sales and product managers are organized they both have to make money on the same products.[157] Hence, one might state that the way sales and product managers are organized opposite of each other, both expected to make a profit and if they do they are awarded a bonus, fosters silo-thinking, because "*everyone is holding their cards close to the chest*", as the product manager quoted above puts it.[158] Put differently, each department is rewarded for not cooperating with other departments, in the sense that there is a boundary to how much profit can be made on the same profit and each wants to make the largest possible profit. This could linked to what Weick describes as self-enhancement – enhancing oneself or one's group in order to maintain a positive self image, which can also be done by making "the other" look bad.[159] Through sub-optimizing, employees are making themselves and their department look good at the expense of other departments and is consequently contributing to upholding the communication barriers between departments.

The problem of sub-optimization could also be influenced by the way money and products flow through the organization, in the sense that the software used to track products and cash flows is not fully functional. At times, it can be difficult to get an overview of where the money is made, as one product manager mentions:

>"It becomes hard to see all the way through the value chain, how much the organization really makes on it. We can't really see it in our COPA[160] system or our business ware house system either".[161]

Another product manager also mentions:

>"Business warehouse is a good example here. I think it has been up and running for a year and a half or something like that and I don't think I have used it one single time so far"[162]

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[156] Interview 7 (00:03:24)
[157] Interview 7 (00:09:54)
[158] Interview 7 (00:10:10)
[159] See section 4.2
[160] Process control system www.copadata.com
[161] Interview 4 (00:01:48)

Hence, there seems to be problems both with the software that ought to help people gain an overview is really not providing this, as well as the fact that people either does not know how to use it or simply does not bother.

It has to be noted though, that these issues of making a profit and keeping the overview of where money is made are mainly problems between sales and product management in the sense that departments such as corporate marketing and new product development do not have the possibility to make profit. However, the effects of the "struggle" between sales and product management, as well as the lack of overview, are still felt in other departments, in the sense that it is close to impossible to know which products to concentrate on, when no one knows which products make a profit and which do not.

Another issue on the systemic level which adds to silo-thinking is the fact that Royal Greenland is a rather small organization, considering the global representation. This means that the locations are far apart and spread over a very large geographical area, making it hard to uphold an adequate level of communication, in order to keep silos from forming. In addition to this, the location in Aalborg is even separated in different buildings, one building housing sales, marketing and product management, one with finance, IT and SAP departments and one with production, quality and HR. One interviewee even mentions that she thinks that it will improve communication once the Aalborg office moves into its new building in the southern part of Aalborg.[163] In interview 1, it is also stated that: "*and this* [that departments are located in different buildings] *means that you have to walk on your legs to get some information. It does not flow in the same way it would if we were in the same building*".[164] Another interviewee mentions that Royal Greenland employees make up a Diaspora with plants and offices spread out all over the world.[165] This can put some strain on the communication of an organization, in the sense that it is not easy to meet in person or sometimes even have a telephone meeting due to time difference, which is quite substantial between, for example, Japan and Greenland. The product manager of interview 7 explains: "*But of course it is a*

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[162] Interview 7 (00:04:51)

[163] Interview 2 (00:36:17) A new office building with room for all administrative personnel has been built and the company will move in on April 1st. The packing facility will remain in the current position at the harbor in Aalborg East.

[164] Interview 1 (00:18:30)

[165] Interview 6 (00:17:54)

geographically spread out company, which puts high demands on meeting often to create common understanding and not just send emails".[166] And he goes on to say:

> "Within sales and marketing, we have one annual sales meeting, where we see each other and then you can discuss, whether that is enough. If you only do that, then you really have to meet at other levels during the year, or else you really don't get the understanding necessary in order to cooperate".[167]

The area manager in interview 1 agrees and adds the dimension of cross-cultural communication, which can also cause some barriers for communication flow within the organization. When asked how communication is flowing between locations in different countries, he explains that not only is the production unit in Poland far away physically, but also communication-wise – adding that it is a brand new culture, which has come into the organization.[168]

In addition to being located all over the world in sometimes remote areas, e.g. Greenland and Gulf of St. Lawrence in Canada, the organization also employs very different product areas and work functions – from frozen to fresh to preserved seafood from the Arctic to the warm waters of Thailand and fishermen, factory workers, business executives and mechanics. Hence, the spread out location of the organization along with the fact that it engages in very different product areas[169] could be contributing to the generation and perpetuation of silos at Royal Greenland, if there is no collective sense of where the company is going. As Alvesson argues, a variety of different work practices tends to lead to a variety in cultural orientations[170], which may, if the divide between cultures becomes wide enough, develop into silos. Therefore, it could be valuable for an organization to retain at least some degree of collective sense of the goals and work practices of the company.

In this section a few built-in, systemic causes of silo-thinking, hindering communication and cooperation, has been presented. However, there are also other seemingly socially constructed factors which contribute to the current situation within the Royal Greenland organization. These will be investigated in the following.

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[166] Interview 7 (00:06:44)
[167] Interview 7 (00:07:03)
[168] Interview 1 (00:16:02)
[169] Interview 6 (00:17:54)
[170] Section 4.1

5.3 Us vs. Them Dichotomy

Throughout the interviews performed for this thesis, it became clear that the employees at Royal Greenland engaged in an us vs. them discourse, when discussing the problem of silo-thinking in the organization. This is what Barth refers to as a "we and the other" rhetoric, as explained in the theory section[171], and this emphasizes the positive self image of the in group by setting out a negative one of the out group. This way, an us vs. them dichotomy perpetuate silo-thinking in the organization through stereotyping and highlighting certain features of one's own group and the other groups.

There are many examples of interviewees engaging in the us vs. them discourse, for example in interview 2 with representatives from the marketing department, it is stated that "*they take care of themselves, and they really do, and they fight with mud too*"[172], emphasizing a negative feature of the out group. Later on in the interview, the graphic designer also states the following: "*how do they figure out how to make the product again and again, but they cannot tell us how, but they can produce it by the ton*"[173]. This way, she sets herself and her in group apart from her colleagues in production, by highlighting their inability to communicate their work processes to the marketing department. Furthermore, at an informal meeting in the marketing department, following up on the larger meeting held the day before to discuss cooperation between departments in the organization, the marketing manager stated that: "*we need to figure out how we see "the others" and not least how they see us and how we see ourselves*" and a marketing coordinator said: "*It is very important that we know what <u>they</u> are doing and what <u>they</u> expect, so that we can cooperate better*".[174] Another example is seen in interview 5 with the product development department: "*the sales organization in Scandinavia they solely work according to their own interests*".[175] One might say that the silos are socially constructed through the discourse employed and hence, the discourse employed contributes to silo-thinking. This can be linked to Weick's statement about self-enhancement, that is people have a need for self-enhancement and when placed in a situation with several ways of making sense, they will choose the alternative that reflects positively on themselves.[176] Therefore, employees at Royal Greenland could be engaging in the us vs. them discourse as a means of making themselves look good by making "the other" look bad.

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[171] Section 4.3
[172] Interview 2 (00:07:12)
[173] Interview 8 (00:23:32)
[174] Appendix 8, Journal. Emphasis added by the marketing coordinator quoted.
[175] Interview 5 (00:00:28)
[176] See section 4.2

Although, it has to be noted that some interviewees, such as the product manager in interview 4 does not engage in this type of discourse about the other department, rather, he consistently uses the word "we" including the entire organization. Hence, no firm conclusions can be drawn on this issue, but there are signs that it could be a factor in upholding silo-thinking in the Royal Greenland organization.

5.4 Hectic Time Management

One of the claims as to the cause of silo formation that appears when listening to the interviews performed for this thesis is that the very busy schedules of people working at Royal Greenland prevents employees from communicating and cooperating to a sufficient degree. As one product manager mentions:

> "We are under so much pressure in our vertical organization that everything in the area of matrix organization and in the area of working across, which you do not get credit for right away by your own manager, who pays your salary - you just don't have the resources for it. And then you don't get the necessary contact and once again you try to optimize your own area, maybe at the expense of someone else."[177]

Hence, according to this interviewee, he is so busy with his own assigned work function that he feels as though he needs to retain focus on this at all times and thereby no time is left for communication and knowledge sharing. The product manager in interview 3 also states: *"Yes, you spend a lot of your time on putting out fires, right?"*[178] Referring to the time he spends each day on performing not planned assignments. The packaging coordinator in interview 2 explains her everyday experience of the work load:

> "Every time I send something, then people have to drop everything they are doing and I have to send a reminder, before I have received the assignment. It is SO - it does not seem serious, I feel ridiculous every time I do it. Another urgent case, I don't think I have ever sent anything that was not urgent"[179]

As mentioned in section 3.2 describing Weick's sensemaking theory and the retrospective characteristic, people tend to concentrate on their own core areas in order to limit confusion when

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[177] Interview 4 (00:02:02)
[178] Interview 3 (00:10:40)
[179] Interview 2 (00:10:27)

there are too many impressions to be made sense of. Indeed, it would seem as though this could be what is described by the product manager in interview 4 above, in the sense that he states that he concentrates on his own area, because he does not have the resources to work across departments. Later on in the interview, he goes on to explain that during the days at work, when he is very busy, he tends to withdraw from his colleagues and not take the necessary time to communicate with them, which, as he states: "*I ought to, because we all know that it is good to cooperate and it will help things along in the long-term.*"[180]

Heavy workloads in the organization also contribute to sustaining silos in the sense that when people are very busy they do not have the time to provide information for other employees and departments, who might be dependent on this information to make progress in their daily job assignments. This process can be said to be self-perpetuating, because employees have to spend a lot of time on following up on information requests by phone, email or personal contact in order to make sure that their request is not forgotten. Thereby, employees spend a lot of extra time on following up – time which could have been used for other purposes, for example on involving colleagues from other departments in new projects or communicating results of already finished ones. The packaging coordinator, who belongs to the marketing department and is quite dependent on getting information from product managers, the quality department, etc. for new packaging and changes to existing packaging, as well as getting the finished result approved by sales, says the following when asked what she does when she needs information from other departments:

> "If it is in-house here, then I send an email and then afterwards I go and stand in front ha ha […] because it is often easier just to ask for something and then talk about it at the same time and then I make sure that my email, which is urgent does not drown with the other fifty emails that the person has, which are probably also urgent, because you can only read one at a time"[181]

The area manager in interview 1 concurs by stating: "*that is just the way it is. It is easier to communicate via telephone, or maybe even sitting face to face with someone*".[182] One might say that there is no natural flow of information, access to important information is restricted because this information is situated with individual employees rather than being accessible through a formalized information system. This would be what Gareth Morgan terms "networked intelligence", an information system that can be accessed from multiple locations, so that all employees can become

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[180] Interview 4 (00:09:07)
[181] Interview 2 (00:17:31)
[182] Interview 1 (00:09:05)

full participants in an evolving system of organizational memory and intelligence.[183] In addition, this would create capacity for the evolution of a shared "organizational mind", as Morgan calls it, which presumably would promote communication and cooperation. As the area manager in interview 1 states:

> "Well, it is a question of persistence. So, well I get the information and get it always, but sometimes you have to get around to some different persons, a lot of persons, to get information"[184]

An important thing to mention in connection with information systems for retention of knowledge is also the fact that basic product information is not always available or not updated in the SAP (Systemanalyse und Programmentwicklung) system, which is used for managing product-, warehouse data and the like, as mentioned above. The fact that the system is not updated could be seen as a result of the heavy work load – that people simply do not have time to type new data into the system. However, as stated above the problem is self-perpetuating, when people do not type in new information it takes a lot longer to find it when it is needed. In addition, people use a lot of time confirming the data they find in the system, because they know it may not be up-to-date. The area manager quoted above also comments on this issue:

> "If you for example need some product information, which is unique in relation to selling a product to our customers, then it is unbelievably difficult, because you do not trust what the system tells you is right, because we many times experience that when we have based our information to customers only on SAP for example the information that is there, we find out that it is not the way it is."[185]

A product manager also mentions that the errors and lack of updating in the software system makes it very hard to prioritize products/product areas, because it becomes very difficult to tell where money is made, as previously described in section 5.2. As he says:

> "There we have a huge problem concerning our follow-up systems that they have been insufficient and deficient so that it has been hard for people to pin-point what to concentrate their effort on and what to phase out"[186]

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[183] Morgan; 2006; p. 101
[184] Interview 1 (00:10:45)
[185] Interview 1 (00:09:26)
[186] Interview 3 (00:16:52)

All in all, it can be said that employees at Royal Greenland spend a lot of time acquiring necessary information which ought to be readily available, for example through software systems with access for everyone.

The issue of time management also came up during the group interview with three members of the marketing department, who said:

> "PA.COOR: But it but it is all caused by the fact that ehm they have just the necessary amount of manpower needed and in fact everybody have enough to attend to […]
> MAR. COOR: Yes, in fact we are too few for the assignments
> GRA.DE: Yes
> PA.COOR: And then it is hard to be creative"

Thus, the marketing employees feel as though there is not enough time to attend to all assignments during their work day, which could be a contributing factor to the formation of silos, in the sense that there is no time left over to share results. Also, when under pressure from a heavy workload it seems faster and easier to make decisions individually rather than involving others, which sometimes can be quite time consuming. Still, even if this is time consuming it is important for the organization as a whole that this is done and one interviewee also says that unless employees inform others about what they are doing, verbally or in writing, it becomes hard to cooperate.[187]

In addition to this issue, the employees in marketing also add another perspective to the problem of hectic time management – the fact that the overload of work leads to them being less creative, which probably would pose a rather substantive problem for a marketing department. Assumingly, this problem could also be present in other departments, not so much in the form of lacking creativity, but it is easy to imagine how employees under constant pressure perform less effectively if they are juggling many different projects at once. Linking this to Morgan's concept of the holographic organizational design, it seems unlikely that Royal Greenland would be able to achieve this type of organization, considering the heavy workload described by the interviewees. Redundancy of functions/requisite variety for example, would require freeing resources in order to educate employees to be able to cover different work functions, which is also true for creating space and freedom for productive innovation. This is also the case if networked intelligence was introduced, for example in the form of an actively used and often updated intranet for knowledge sharing. As mentioned earlier, Royal Greenland has a functioning intranet, but it holds little valid information, because few people use it, perhaps for the reason that employees do not have enough

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[187] Interview 4 (00:05:29)

time to upload new documents and share their results. Taking all of this into consideration, it would seem as though the heavy work load would have to be eased before Royal Greenland would be able to improve communication through employing a holographic design. In addition, this would require a large amount of financial resources, which the organization does not seem to have at the present time.[188]

Moving on to something else, which could have an effect on communication and which seems to be an outcome of the hectic time management described in this section – insight into other work functions.

5.5 Insight into Other Areas of Work

The fact that employees at Royal Greenland are as busy as they have expressed during the interviews carried out for this thesis also has another consequence, which contributes to reifying and upholding the silos: employees lack insight into each other's areas of work. As the area manager who is a part of the sales organization says about the need for knowledge about other areas of work in interview 1:

> "You have to have a sense of this as an externally oriented part of this house […] but also gain an understanding, not in details, but of what people are doing, what function each person has and what, really, what demands each department has to the rest of us. Well, it is also important to know a little about what is going on".[189]

This is confirmed by the product manager in interview 7:

> "If you are asking concretely if I know what they are doing, I probably don't know, but I know which areas they are working within, but if you ask me what product development is doing at the moment, maybe even in Wilhelmshaven, I cannot answer you one hundred percent".[190]

Several interviewees mention their lack of insight into other areas of work than their own as a contributing factor to silo formation, in the sense that when you do not know what others are contributing to the overall organization it is hard to cooperate and easy to disregard the efforts of others. In addition, it is hard to communicate and provide information for others if you are not aware of what type of information your colleges need and when they need it. One interviewee says:

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[188] Appendix 8, http://www.royalgreenland.com/index.dsp?page=1028
[189] Interview 1 (00:14:35)
[190] Interview 7 (00:07:55)

"*You might say that it…that we might not have that understanding of what each other are doing and with that also sometimes lack a bit of respect for the areas of work of others.*"[191] In my own experience as an employee in the marketing department, I have often experienced situations where needed information was not provided in due time, perhaps because the provider of information did not have the time to inform me, or maybe because he/she did not have insight into my area of work to understand why and when I needed the information. It is easy to see how this could be perceived as disrespect for other people's work functions and thereby create silos in the form of lack of communication, cooperation and possible misunderstandings. A graphic designer gives an example of this by saying that:

> "I remember when we made the German assortment. I think that I made four or five whole assortments before that one and then they could not understand why it took such a long time. I almost went insane"[192]

This shows that the employees in Germany might not have insight into how long it takes for the graphic designer to design an assortment and also how they may not understand how busy she was at the time. Later on in the interview, she also states that: "*No, how do they figure out how to make a product time and time again, they are not able to tell us, but they can produce it by the ton*".[193] Again, showing that there is a lack of understanding about what goes on in other departments and work areas. When asked what they know about what goes on in other departments, the graphic designer and marketing coordinator responds "*nothing*" and "*way too little*".[194] This problem can be seen as a direct consequence of the amount of work handled by the employees. As described above, employees at Royal Greenland feel that they are carrying a heavy work load, which limits their time to communicate with colleagues, which again provides less time to get to know each other's areas of work. One might state that it is a catch 22 – the less the employees communicate, the less they will get to know each other's work functions and the harder it will become to cooperate across departments.

The above can also be linked to Weick's sensemaking characteristic of people seeking plausibility rather than accuracy[195], which concerns the fact that sensemaking does not need to be accurate, rather it should just be plausible. However, the employees at Royal Greenland may not be able to

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[191] Interview 4 (00:08:17)
[192] Interview 2 (00:22:47)
[193] Interview 2 (00:23:32)
[194] Interview 2 (00:23:50)
[195] Section 4.2

determine what is plausible, because they do not know much about what goes on in other departments. This way, employees are not able to filter out the unlikely outcomes and may instead spend a lot of unnecessary time obtaining accuracy in their sensemaking process, which could add to the already heavy work load. Hence, RG employees need to free resources, in the form of time, in order for them to get the time to know each other's work functions better and in effect create redundancy of functions and improved communication. However, as they say "time is money" and freeing time could mean less work done, at least for a period of time, which could mean lost revenue for the company. Although in the long run, taking the time to improve communication and cooperation might also make the organization function more efficiently.[196]

In addition to this, there seems to be some confusion as to who holds the responsibility for what in the organization. As one product manager explains:

> "Well, honestly I think organization is an issue, because it is so opaque and there are so many different departments, which more or less have the same responsibility and it restricts communication in my world, because you do not have defined areas of responsibility".[197]

This is a problem, in the sense that it could lead to a "that-is-not-my-responsibility" attitude if no one knows who is accountable in the end. As argued by Alvesson, in situations with high uncertainty people tend to avoid making decisions.[198]

It is not just the other employees' work functions that people lack insight into. It can also be difficult to get an overview of the overall business and this can be a part of the explanation of why departments seem to engaging in sub-optimization, as described above. One product manager explains:

> "Yes, I think a lot of people have difficulty in getting an overview of the total business and don't quite understand the processes, which run behind and well, why we sometimes have a deficit and why we sometimes have a profit. Well, there are really very few people who have an overview of the total business"[199]

Though, it has to be noted that the employees who have been with the company for a long time, upwards of ten years, feel that they have rather good insight into other work functions, maybe

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[196] See section 4 Theory
[197] Interview 7 (00:10:56)
[198] See section 1.3 Problem formulation
[199] Interview 3 (00:14:02)

because some of them have held different positions in the organization. As a result of their experience from other parts of the organization, they might have a deeper understanding of what goes on in the areas in which they have previously been employed. One product manager states that:

> "It is obvious that the ones you are sitting close to you work better together with than the ones far away, the ones that you do things with daily. But, it is clear that you do not have the grand overview of what is really going on in other places. Then you have to have been here for a long time and have long experience in the RG system. For someone new it must be totally impossible".[200]

The area manager in interview 1 also mentions that he feels that he is "*totally up-to-date*" with what is going on in other departments, because he is the "*curious type*" and feels that as a sales person, it is his duty to know as much as possible about the company in order to be able to answer questions from customers.[201] These two interviewees have both been with the organization for many years and have been or are employed in the sales department[202], which could have significance in relation to having insight into other work functions. As opposed to product management and marketing, which are concentrated internally in the organization, the sales department is more outgoing and operates in the market much of the time. This means that employees in sales have to be prepared to answer a lot of questions from consumers, purchasers and other end-users of Royal Greenland products. Thus, they have to have some basic knowledge of what goes on in the organization. The same is true for the new product development department. The employees here also feel that their knowledge of what goes on in other departments is rather good[203] in spite of the fact that they are located in Glyngøre, not Aalborg. Perhaps this is due to the fact that they have daily contact with product management, sales, production and quality, as well as cooperation with external development partners.

Thus, in this section it was established that employees at Royal Greenland feel that they do not have insight into other areas of work than their own. In addition, some of them feel that they do not have an overview of what goes on in the organization in general. It was argued that both of these issues are linked to silo-thinking and constitute a part of the explanation to why this has been generated in the organization.

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[200] Interview 4 (00:02:28)
[201] Interview 1 (00:13:14)
[202] Interview 3 (00:11:05)
[203] Interview 5 (00:04:57) and (00:06:17)

5.6 Summary

In the previous, I have established several different explanations as to how silo-thinking is generated and perpetuated at Royal Greenland. There could be other things facilitating silo-formation, but these did not emerge during the collection of empirical material at Royal Greenland. The explanations identified through careful examination of the interviews performed, combined with the participant observations I have made as an employee in the organization, are:

- Systemic issues, built into the structure of the organization in the form of each department being a profit center, software for tracking of product and cash flow which is either not functioning, not updated or employees are using it incorrectly. The fact that the organization has spread out locations, encompassing many nations as well as business areas also contributes to the problem.
- Us vs. them dichotomy, employees are upholding the barriers between departments by engaging in discourse which sets some departments apart from others.
- Work overload - employees simply have too much work to be able to communicate, cooperate and share knowledge to a sufficient degree.
- Lack of insight into other business and work functions, leaving employees not knowing who does what and who needs what information at which times.

These could all be valid explanations in their own right; however, the most likely scenario is that it is probably a combination of all of them. As has been argued above, it would seem as though these explanations are all intertwined and emphasize each other. In the following, I will seek to give some suggestion to what can be done to alleviate the problem at Royal Greenland.

5.7 Suggestions for improving Communication and Cooperation

Now that some of the possible explanations to silo-thinking at Royal Greenland have been identified, I will seek to provide some suggestions as to how communication and cooperation between departments can be improved. The suggestions will be related to the theory described in section 4, with the aim of uncovering whether implementation of social constructivist ideas might ease the problems at Royal Greenland.

One issue which came up during many of the interviews was the lack of visible management and overall, long-term strategy, in the sense that people felt that this contributed to the generation and

perpetuation of silos. Hence, this indicates that employees assume that having a more visible management and sense of direction will help improve cooperation between departments. In the following, I will seek to provide insight into what this means to employees and how visible management and overall strategy can help alleviate the effects of silo-thinking.

5.8 Visible Management and Corporate Strategy

Taking the above made points on heavy work pressure, difficulty in having time for all tasks and lack of insight into other employees' work functions into consideration as contributing factors to the formation of silos, one might say that these problems could be alleviated through a well-implemented, corporate strategy and management being more visible. A well-integrated strategy can be unifying, in the sense that it sets a common goal for employees in all departments to work towards, providing a collective sense of "we", so that people identify with the organization as a whole rather than their individual departments.[204] In addition, several of the employees interviewed propose this as a solution to the problem, because they feel that at the present time, people work towards their own goals, rather than according to an over-all, corporate strategy.[205] Hence, this section should be seen as explaining part of what causes silo-thinking at Royal Greenland and as being a proposed solution at the same time.

The issue of lacking corporate strategy was brought up during a meeting between product management, new product development, trading and marketing with the purpose of discussing how to improve cooperation and communication between these departments. The meeting was commenced with a short presentation by the corporate sales director about "the state of affairs" of the organization. After that, the participants split up into departments and made SWOT analyses of their own and other departments' ability to communicate. Each department then presented their results and to round off there was a plenum brainstorm of which cross departmental projects could be started in order to improve cooperation. At a certain point, the plenum discussion got stuck and a product manager, the same as in interview 6, makes the point that it is hard to define new projects to embark on when people do not know what the long-term strategy is. He argued:

> "Let me stress one point. We often talk about how we would like to be better, we have to improve this and that, for me most important is where, or what, is the target of this company in five or ten years. And I hear a lot in Koszalin, that we would like to be a trendsetting, international, recognized seafood supplier and we heard somewhat from

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[204] See section 4 Theory
[205] Interview 2 (00:00:37) and interview 4 (00:03:52)+ (00:10:13)

> Morten [corporate sales director], but I think all these things we are discussing here - it is most important to see what is the target in three, five or ten years."[206]

One might say that this product manager is calling for a sense of overall direction for the organization and he argues that once the corporate strategy is in place, it will be easier to prioritize products and make decisions based on whether they fit into the master plan. This would also ease the work pressure that some employees are experiencing, in the sense that time and financial resources would be concentrated on the areas specified in the agreed upon strategy and less relevant projects could be downgraded. One might also state that having common goals and interests would hinder the development of an us vs. them dichotomy[207], in the sense that when everyone agrees on which direction to take, there is no need for distinguishing one's own group from the others.

His colleague product manager, also located in Germany, expresses his uncertainty about what the current strategy is too:

> "Yes, I have a pretty good idea of it, but it is that we want to grow within the brand in food service. We also want to be a private label supplier in retail and be a brand name in Denmark. That is the part of it I get, but, well, if you ask me exactly what the vision is for Royal Greenland, then I can't tell you"[208]

During the interviews, the same concern of not knowing where exactly the company is going at the present time was also voiced by the employees in marketing who said:

> "PA.COOR: Well, there is simply no sense of direction. We need some being from above, who has breadth of view, whether that is Hanne [marketing manager] and Christian Brink [Scandinavian sales director] and I don't know who, but we really need a strategy for what it is that we want
> MAR.COOR: Yes ma'am, I couldn't agree more".[209]

Other interviews repeat this issue[210], stating that there is a need for a more visible management group, in particular the CEO, and that management should follow through on some of the things they set out to do. Later on, the marketing employees state this issue again:

> "MAR.COOR: But it is that sort of childish kindergarten mentality too in my opinion

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[206] Project groups (00:05:03)
[207] See section 4.4
[208] Interview 7 (00:13:20)
[209] Interview 2 (00:06:48), Interview 4 (00:03:11)
[210] Interview 1 (00:17:31)

> PA.COOR: There needs to be someone putting their foot down and saying: "*that is the way it is!*"".[211]

All in all, it seems as though employees are feeling a bit lost and are not quite sure where the company is going and why, which, as can be seen from the quotes above, leads to frustration. This contributes to the formation of silos in the sense that people tend to follow their own lead, when they have no overall common goal to work towards.[212] Based on the reasons people give for suggesting this as a solution[213], it would seem as though employees are following their own individual strategies. Following, providing a corporate strategy and communicating this to employees could lessen the effects of silo-thinking. This is also reflected in the social constructivist theories. As was described in section 4.2, Morgan operates with the term Corporate "DNA", i.e. the visions, values and sense of purpose that bind an organization together and enable the employees to act in a way which represents the whole. One might assume that when employees feel that there is no overall strategy, they are not able absorb and act according to the mission and challenges of the whole organization, leaving them to make decisions on their own. This may not be a good idea considering that they seem to have little insight into other business areas than their own and lack overview of the business activities in general, as shown in section 5.5. Alvesson agrees with Morgan on this issue, as he states that in situations of extreme ambiguity and no shared understanding people tend to avoid making decisions or involve a large number of other people in the process.[214] Hence, the decision making process becomes difficult and could slow down the reaction time of the organization in critical situations.

In addition, implementing common goals could ease the work load, in the sense that it would be easier to prioritize tasks, product areas and projects, if there was a common consensus of which ones are more important. As one product manager said during the above mentioned meeting about prioritization of projects and products:

> "Obviously, each one of us has defined product strategies for each individual area, but we don't necessarily see the fit into the overall strategy. Of course this link has to be there and I think one of the points I will come back to is that we need to prioritize the resources, because resources are scarce and it's on time it's on money and on

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[211] Interview 2 (00:07:12)
[212] See section 4
[213] Interview 2 (00:00:37) and interview 4 (00:03:52)+ (00:10:13)
[214] Alvesson; 2002; p. 166

everything. So, we cannot just jump on all the projects that everybody comes up with."[215]

Morgan's principle of minimum critical specifications, as described in section 4.1, can also be employed here. If an organization is to obtain a holographic design in which goals are emergent, there need to be a set of minimum critical specifications, not too restrictive, in order to give the organization freedom to evolve. This could be in the form of a commonly accepted strategy or a set of well-integrated values, which would ensure that everyone moves in the same direction. However, there is a fine line between freedom to evolve and innovate and freedom verging on chaos and an incoherent organization, which would, to a degree, seem to be the case at Royal Greenland. Freedom verging on chaos and an incoherent organization leaves space for employees and departments to act on their own, independently from the rest of the organization and consequently silos, in which no one is pulling in the same direction, are formed. As one of the employees in marketing states: "*and then still great freedom* […] *well, people who hates rules they should just come to Royal Greenland ha ha ha*"[216]

As mentioned above, Alvesson points out the dangers of not creating even a moderate degree of common understanding in organizations, as described in the introduction of this thesis. Not having common understanding can lead to bounded ambiguity, i.e. avoiding to make decisions or involving a lot of people in decisions, because uncertainty of what is expected is high.[217] Bounded ambiguity can be described as an effort to reduce ambiguity by creating shared meaning in an environment that is uncertain and stressful, which presumably could be what employees at Royal Greenland are trying to do by forming silos. Their environment at Royal Greenland can, based on what has been described by interviewees above, be termed as both uncertain and stressful, in the sense that work pressure is high and there seems to be no common sense of where the organization is going. An example of employees at Royal Greenland avoiding to make decisions took place in connection with the launch of a new product line. First, there were a number of problems with attaining raw material from Greenland. Then, when the raw material was finally obtained and sent off for processing in Poland, nobody wanted to take responsibility for owning the raw material, i.e. the responsible product manager, production in Poland or logistics. This resulted in the raw material sitting in a cold store for so long that production of the finished product started very late and

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[215] Projects Groups (00:07:21)
[216] Interview 2 (00:51:41)
[217] Alvesson; 2002: p. 166

employees almost failed in getting the promised amount of products to the Danish supermarkets in time, which would have meant a fine of upwards of 300,000 D.KR.[218]

In fact, a detailed corporate strategy does not exist in the organization at the present time. Instead the organization has a vision, mission, some value statements and a short and quite broad description of the general strategic intent, which is posted on the organizations web site.[219] These were put together by the CEO, who made a draft for discussion and amendment in the corporate management group. Once it was finished, a simplified version was presented to all employees in a small booklet with ten rules of conduct. In addition, a plan of action is put together each year for each department/product area/market by the departments themselves, which is approved by the manager of each area, for example the CFO or the corporate sales director. Hence, it would seem that only a set of general values and a collection of one-year plans of action exist. What is more, the plans of action are not communicated broadly to the organization in general – usually they are only familiar to the department that made them and management. As one product manager notes: "*We are not always very good at communicating our goals and the line of direction we have set out, both within each product area and as in my own*".[220] Consequently, strategies for each individual area exist, but they are not communicated broadly in the organization, which would explain why so many interviewees express that they do not know what they are; as a member of the NPD department said to me: "*the level of information* [from management] *is extremely low*".[221] So, it is not enough to formulate a strategy, it also needs to be communicated to the employees.

Efforts have been made to rectify this by introducing information meetings, at which the corporate sales director presents the "state of affairs". However, so far these information meetings have not been regular, only take place in Aalborg and participants are mostly people located in the building where the meeting is held.[222] To add to this the area manager in interview 1 says that:

> "I think they should have a plan for when these meetings are and maybe even get someone other than one person to communicate. I think we are missing our boss, our CEO, in this connection. He should come out into the open and be more visible to all employees. I don't think, I am the only one of that opinion"[223]

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[218] See appendix 8 Journal 19/9-08
[219] http://www.royalgreenland.com/index.dsp?page=252
[220] Interview 4 (00:10:13)
[221] Appendix 8 Journal
[222] In Aalborg employees are located in three different buildings
[223] Interview 1 (00:17:31)

In addition, it can be stated that in an organization which, as has been shown earlier, is suffering from the rather serious consequences of silo-thinking and faulty communication, it does not seem very appropriate not to have an overall, detailed, corporate strategy. Rather, one might assume that having some specific, collective goals to work towards would lead the organization towards a more unified way of operating. Plans of action for each department would still be needed, but they would all have to fit into the overall corporate strategy. Hence, there might be a need for a more detailed corporate strategy, but there also seems to be a need for communicating these to the organization as a whole and some efforts of implementation to make sure that employees understand, accept and act according to this strategy. One product manager puts this into words by saying:

> "A strategy only written on paper, it doesn't work. Then people often say "*oh the top management create a strategy how nice, neh? We do here in our branch what we do, neh? We do it better*". Strategy helps melt the people together in one common goal, but only write a strategy that is not to think. People then have a lack of understanding the strategy, active not to work with this strategy. Strategy is at first a written word and then it must, you must give life to a strategy to give leadership that the top management behaves in that way"[224]

It seems as though employees at Royal Greenland feel that implementing some collective goals in the organization and more visible leadership would alleviate silo-thinking. Again, Morgan's note on the corporate DNA holding the organization together, enabling collective action, seems appropriate to keep in mind. It is crucial to have this common goal, as is mentioned by a product manager in Germany, because:

> "There are a lot of people in Royal Greenland, who do not know the market at all, who do not know where we are operating and this is somewhat of a problem I think, because if you are to motivate people, they have to know, well, what they are building, where we are on our way to"[225]

An employee in marketing also mentions the benefits of working in the same direction by noting to her colleagues also present at the interview: "*…but imagine what we could achieve, if that strategy was made and we cooperated. Look at the synergy we would have. It is totally crazy*"[226]. However, implementing a set of collective goals in an organization, which is not used to acting in a unified manner, is not easy. In the following, it will be discussed how this can be done in practice.

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[224] Interview 6 (00:11:14)
[225] Interview 7 (00:13:57)
[226] Interview 2 (00:52:16)

5.9 Implementing a Corporate Strategy in Practice

According to Gareth Morgan, as described in section 4.2 of this thesis, it is the visions, values, and sense of purpose that binds an organization together and enables it to act in a unified way, rather than as separate units which seems to be the case presently at Royal Greenland. Hence, at first glance it looks as though Royal Greenland has failed in getting individual members to adopt and understand the mission and challenges of the organization as a whole. Achieving this is not an easy task. However, if working according to the social constructivist paradigm, as described in the theory section, there are a few things to be aware of when seeking to implement a new strategy/common goal in an organization.

The authors within the line of though emphasize the importance of working from the bottom up rather than from the top down, as would be recommended by classical management theories.[227] One might say that by involving employees in decision making and development of strategies, it becomes more likely that employees feel motivated to adopt the corporate values and goals as their own, rather than if these were imposed on employees from above. As one employee in sales mentioned during his interview about how to obtain better communication:

> "Involving people more than they have done previously, not just in it [decision making and strategizing], but also in other things, because then suddenly you feel a part of it yourself and you have been allowed to make decisions, even if you really haven't, and that gives you motivation. It is so unbelievably important"[228]

If the organization succeeds in implementing collective goals and values, then it should be able to act in a more unified way. In addition, this should improve communication and cooperation in the sense that people working towards a common goal would benefit more from working together, than people with different individual goals. However, in this connection it should be noted that according to Mats Alvesson it is impossible to attain a completely unitary organization, because everyone in the company will never be facing the same challenges and the same environment and it is impossible for everyone to communicate with everyone else. Still, keeping Morgan's note on minimum critical specifications in mind, just focusing on the critical variables should leave room for each unit to act according to the collective goals, while still being able to adapt to local context.

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[227] Alvesson; 2002; p. 7
[228] Interview 1 (00:21:20)

5.10 Every-day Changes

Improving communication and cooperation can also be done on a more every-day level, by implementing cross-functional teams working together on different projects. This way of working is not common in the Royal Greenland organization, but has been used for a few projects so far. Both employees in new product development and the interviewee from sales mention a warm water prawn project, developing and launching a new line of products, in which this way of working was employed, as a success story and an example of how silos can be alleviated in practice. Product development states: "*but we have done this concerning the warm water prawns. We have run a real project with eh business case, the way you are supposed to do it. Well, it is the first time that has happened*"[229] and the employee from sales also emphasizes this case:

> "Well, concerning a project on some ready-meals I have experienced, where we from the beginning included both production, marketing and sales plus a customer. And this project is going to succeed, because we from the beginning have had a hold on all the elements and have gotten all the point of views, instead of us maybe eh leaving out one or two from the beginning and then thinking that this is probably what they think too".[230]

Later on, the employee from sales states that this way of working together saves time[231] and it may even be argued that the employees through working closely together obtains better insight into other areas of work. In this connection, Morgan's term of redundancy of functions should also be mentioned. As explained in the theory section, redundancy of functions entails that employees acquire multiple skills so that they are able to overlap on different tasks when the need arises. This way, teams of employees become more efficient in their daily work and having insight into other business areas ought to help communication flow better, in the sense that employees know what information is need and when. Hence, the overall organization would become more flexible and able to adapt to new situations faster than what used to be the case with narrowly defined areas of work. Nevertheless, obtaining redundancy of functions could prove to be difficult, since it would take a considerable amount of resources, which the organization does not have at the present time. In addition, employees expressed confusion as to who had the responsibility of what in the organization and this confusion could be made worse by more people being able to perform the same tasks. Hence, introducing redundancy of functions would require some dedication of resources

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[229] Interview 5 (00:09:16)
[230] Interview 1 (00:21:53)
[231] Interview 1 (00:22:26)

from management, as well as employees being made aware of who is responsible for what. Still, while the organization might not be ready for introducing redundancy of functions, working in teams with members from different departments depending on the nature of the project, might help facilitate communication and cooperation across departments and increase knowledge of areas of work. Over time, working in teams may also provide employees with some cross functional skills, since they might learn from each other through cooperation. Although, it will probably take some time before the results of working this way will be seen in the organization. As a product manager notes:

> "Lack of communication und lack of understanding that the people are not aware what happens on the next sites. […] Yah oder decide in a way that our sourcing people get difficulties, it's hard to get this raw material and the product manager decides what's in and I think communication and putting these people together will help, but it needs time neh"[232]

Next, follows an account of what can be done to ease the systemic causes of silo-thinking at Royal Greenland, which may require some different solutions than the socially constructed causes.

5.11 Systemic issues

As has already been shown in this analysis, silo-thinking at Royal Greenland has some systemic causes and hence, cannot be alleviated through implementing social constructivist ideas, as explained in section 4, alone, rather some structural changes would seem appropriate as well.

In order to improve communication, it is vital that it is established who is responsible for making a profit in the organization. As shown above, more than one department are currently seeking to make a profit in the organization, which drives them to make decisions, which are based on what is best for the department, rather than what is best for the organization as a whole. In addition, it became apparent in the previous sections that employees are awarded bonuses for securing this profit for their own individual areas, enticing them to keep important knowledge to themselves, rather than sharing it for the common good. This way, departments are in competition with each other over who can make the largest profit, rather than cooperating to make a profit for the organization. However, at a recent international sales conference, at which product development, marketing, sales and product management participated, the corporate sales director announced that in the future responsibility for setting prices is solely held by the sales force, rather than by product

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[232] Interview 6 (00:09:25)

management.[233] He also stated that sales should still confer with the product managers, because they have knowledge of raw material and product costs, but the final decision now lies with sales, due to the fact that they have a better sense of the market. This initiative could alleviate some of the silo-thinking caused by sub-optimization in departments and get sales and product management to cooperate better. An interviewee even suggests that: "*In order to create that whole openness, I think they should restructure the whole organization, so that, really, the product manager role disappears*"[234]. An employee in the new product development department suggests something else:

> "One might say that all the production units should go in zero turnover-wise and then sales should be responsible for all earnings. That is, the factories do not have to make money if you…or the other way around, it really does not matter"[235]

A solution which is very close to the one presented by the corporate sales director, in the sense that he suggests that only one department should be responsible for making a profit. In conclusion, it can be stated that it should be made clear where the profit in the organization is to be made and a restructuring of the way the financial side of the organization is structured might be in order. This should also improve communication and cooperation across departments, since employees would be less likely to withhold information from their colleagues.

The second systemic cause of silo-thinking at Royal Greenland was the geographically spread locations of the organization, both in Aalborg where departments are located in different buildings, but also internationally. One might say that it seems as though the problem in Aalborg is already in the process of being solved, in the sense that the organization will soon move to a new building with room for all administrative employees. As one interviewee states: "*It is totally clear that it will improve the situation. It has to*"[236]. However, the prawn packing facility in Aalborg will remain at its current location, which could result in silos between white collar workers moving to the new location and the remaining employees at the factory. In the international perspective, it is hard to do anything to bring the locations closer to each other physically, in the sense that production facilities need to be close to both raw material, available/affordable work force and, to an extent, markets. Nevertheless, this might be solved through some of the means mentioned above. One could imagine that if a common understanding of where the organization was going was obtained along with

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[233] Appendix 8, Journal
[234] Interview 7 (00:08:53)
[235] Interview 5 (00:00:57)
[236] Interview 1 (00:18:30)

general knowledge of what is taking place at the different locations, it would be easier to obtain a good flow of communication. This way the organization would be able to act in a unified way. But, again it is important to keep in mind that each units needs to be adapted to the unique environment it is a part of, if it is to act in an efficient and flexible manner. As Morgan shows with his "Holographic Yet Differentiated" model, building the whole into the parts, obtaining common understanding, does not necessarily result in "subsidiary clones".[237]

In the analysis section, I have investigated the causes of silo-thinking as well as possible solutions to the problem by improving communication and cooperation through the implementation of the social constructivist principles described in section 4. After this, follows a thorough summary of the conclusions drawn along with a discussion of the results and their significance for the organization in question.

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[237] Morgan; 2006; p. 106

6.0 Conclusion

Throughout this thesis, I have sought to uncover how silo-thinking is generated and perpetuated at the Royal Greenland organization and investigate how communication and cooperation between different departments and subsidiaries can be improved. This concluding section will summarize my findings and discuss the significance of the results, both for the organization investigated and in a broader sense.

6.1 Results

After pinning down the problem and providing some examples of situations in which faulty communication seemed to have played a part[238], I performed 7 semi-structured interviews with white-collar employees from Denmark and Germany, with the aim of gaining insight into their perspectives on silo-thinking. These interviews, along with the recording of a meeting concerning cooperation between departments and the observations I made and recorded in my journal formed a solid empirical base for analysis.

The analyses were based on the theoretical framework presented in section 4, which is mainly based on the writings of Gareth Morgan, Karl E. Weick and Fredrik Barth as they provide insight into how communication barriers, i.e. silos or groups, are formed in organizations and what can be done to promote cooperation and communication. They all base their writings on social constructivist principles and the idea that a common sense of "we" and collective goals in the organization will alleviate the effects of silo-thinking and promote communication was presented. Within the framework provided by these authors, it was possible to detect possible explanations to silo-thinking, which may otherwise have been overlooked. Although, it has to be noted that not all aspects of the problem could be explained using the social constructivist principles. I will return to this later on in this conclusion.

The first part of the analyses set out to determine what the concept of silo-thinking means to employees at Royal Greenland and in which parts of the organization they feel that the problem is prevalent. It was concluded that all employees feel that the organization suffers from the effects of silo-thinking. However, some interviewees feel that the situation at Royal Greenland is worse than others, perhaps due to previous experiences. In addition, interviewees saw communication barriers

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[238] Section 1.2

at many different levels in the organization – between different locations, between departments, between management and employees and even to an extent with in departments.

Subsequently, it was investigated how silo-thinking is generated at Royal Greenland and I found that rather than one specific explanation, there are several factors, both systemic and socially constructed, which contribute to the problem. Starting with the structural issues, two different things which play a part in the generation of silo-thinking at Royal Greenland have been identified. The first one is the fact that the organization, while being quite small employee-wise, is represented globally with factories and sales subsidiaries.[239] This means that locations are far apart, spread out geographically, which can cause faulty communication if the collective sense of understanding has not been established. At the same time, the organization engages in diverse business areas, including fishery, processing, distribution and sales of seafood products. The other systemic factor in the generation of silo-thinking was identified as sub-optimization, which means that each department seeks to optimize their own business area and make a profit for themselves, sometimes at the expense of other parts of the organization.[240] This seems to be happening because of the financial structure of the organization in which each department and product area is a profit centre in its own right and individual employees are awarded a bonus for the profit they make. As a consequence, employees become less likely to share information and cooperate with other departments.

As mentioned, a number of socially constructed issues, which contribute to silo-thinking, were also identified. One of them is the discourse used in the organization. The rhetoric used by some employees is centered on an us vs. them dichotomy.[241] According to Barth people engage in this type of discourse, in order to set themselves and their in-group apart from other groups in the organization. This way, silo-thinking is perpetuated through discourse. Another part of the explanation is that employees experience work overload on a daily basis, which leaves very little time for communication and knowledge sharing.[242] Connected to this is that employees feel that they do not have insight into other areas of work, which contributes to silo-thinking in the sense that it is very hard to communicate and provide information for others, if you are not aware of what type of information is needed and when it is needed.[243] In addition, the lack of insight could lead to misunderstandings and disregard for the work effort of others, reinforcing the barriers between

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[239] Section 5.2
[240] Sections 5.1 and 5.2
[241] Section 5.3
[242] Section 5.4
[243] Section 5.5

departments. The issues above are all contributing factors to silo-thinking at Royal Greenland, there could be other explanations to how the silos are generated, but they did not emerge during the interviews performed for this study.

Next, it was investigated how communication and cooperation between departments at Royal Greenland could be improved, in effect alleviating the effects of silo-thinking, through implementing the social constructivist principles described in section 4. Several interviewees suggested that implementing an overall, corporate strategy would help break down the barriers between departments.[244] This proposed solution was suggested, because interviewees feel that at the present time people in the organization are moving in different directions rather than pursuing a common goal. Interviewees underlined management's role in this connection and felt that management needs to be more visible in the daily life of the organization, living the strategy and values that they set out. It was concluded that implementing an overall strategy would alleviate silo-thinking in the sense that a strategy can be unifying because it sets out a common goal for everyone to pursue. This should also provide the organization with a greater degree of collective understanding or a common "we". In addition, having a strategy would ease the workload described above, since employees would know where to place their focus and would not have to spend time on projects that does not fit into this strategy. Hence, it would be easier to prioritize projects and work tasks on a daily basis. It was argued that implementing a corporate strategy could be done in practice by including employees in the process, working from the bottom up as advocated by social constructivist scholars, in order for employees to feel ownership and commitment to the new overall goals.[245]

Another social constructivist principle which could be implemented in order to promote communication between departments was to work in cross-functional teams.[246] This would give employees better insight into other work functions and might in the long term provide redundancy of functions, which should make the organization more flexible and able to adapt to new situations. Thus, communication barriers between departments would be broken down.

As mentioned above, some systemic explanations of silo-thinking were identified and these cannot on the face of it be explained or alleviated through the implementation of social constructivist principles. Rather, they seem to require some structural changes.[247] In order to eliminate sub-

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[244] Section 5.8
[245] Section 5.9
[246] Section 5.10
[247] Section 5.11

optimization, it was suggested that it should be made clear in the organization which department is responsible for making a profit. In addition, there was the problem of the organization being spread over a large geographical area. It was concluded that communication and cooperation between subsidiaries would likely improve with the implementation of an overall strategy providing common understanding across borders.

Throughout this thesis, I have employed the social constructivist ideas presented in section 4 as a means of shedding light on silo-thinking at Royal Greenland. However, it turned out that the social constructivist paradigm was not able to explain and provide solutions for all aspects of the problem, since parts of the explanation for silo-thinking were found to be systemic, rather than socially constructed, by nature. In addition, in the introduction of this thesis, I presented the working assumption that the formation of a collective sense of "we" would alleviate silo-thinking. Nevertheless, throughout the analyses, it would seem as though it is the other way around – breaking down communication barriers and improving cooperation leads to the creation of a common sense of understanding.

Now that the main conclusions of the analyses have been summarized, I will discuss what these mean to the Royal Greenland organization and seek to place the findings into a broader context.

6.2 Discussion of Results

Looking over the causes of silo-thinking at Royal Greenland and the suggestions for improving communication across departments found in this thesis, the prospects for the organization might look rather gloomy - especially combined with the current situation on the financial markets. However, the situation might not be as dire as it could be perceived when reading through this thesis. As was expressed in some of the interviews I performed, members of the organization are aware of the problematic situation and there seems to be a genuine desire to change it. The desire for change can be seen through some of the initiatives which have already been launched:

- Meeting between product management, new product development, trading and corporate marketing to discuss communication and cross functional cooperation on a number of new projects.[248]
- Changing responsibility for product pricing.[249]

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[248] See appendix 1,2 and 3, and audio recordings of the meeting
[249] See appendix 8 journal

- The plan of action 07/08 for the human resource department contained two projects in order to ease the effects of silo-thinking. The first project is aimed at making descriptions of all work functions/positions in the organization in order to gain a better overview of responsibilities. The other one is an anti-silo pilot project to be carried out in the sales organization with the purpose of optimizing procedures in order to get a more streamlined work process and reduce errors.[250] Both projects are up and running, but it is too early to say whether they will provide any positive results for the organization..

- Cross functional teams are being used for some projects, for example a team consisting of members from new product development, production, product management, sales and marketing have been working on the development of a new product range. Occasionally, these teams include members from different subsidiaries.

In addition, the fact that I have been researching silo-thinking in the organization for the past six months, asking people questions about the issue in both formal and informal settings may have made employees more aware of the problem. Considering Weick's sensemaking characteristic of being enactive of sensible environments, raising awareness of the problem in the organization might spark change in itself.

Although some changes have been initiated, it seems imperative at this point to first and foremost get management involved in the change process, since, as was discussed in the analysis, it will take a considerable amount of resources to break down the barriers between departments. In addition to providing resources, both in the form of time and money, management is also required to be more visible in order to provide employees with a better sense of direction and making responsibilities clear to everyone in the organization. In other words, based on the conclusions drawn throughout this thesis, it seems as though the organization needs leadership rather than management. J. Nichols defines the two in Alvesson, 2002:

> "Management can get things done through others by the traditional activities of planning, organizing, monitoring and controlling – without worrying too much what goes on inside people's heads. Leadership, by contrast, is vitally concerned with what people are thinking and feeling and how they are to be linked to the environment to the entity and to the job/task."[251]

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[250] See appendix 9 copy of human resource plan of action 07/08
[251] Nicholls, J.; 1987 in Alvesson; 2002; p. 101

However, even though resources are granted and attempts are made to change the current situation, it is not an easy task and it may take a long time before improvements can be seen in the organization. As one interviewee mentioned: "[…] *we have always done it this way and that is the way we do it*"[252], i.e. it is hard to change imbedded traditions. Still, over time and with joint effort and enthusiasm it should be possible to improve the current situation - in fact, a couple of interviewees already feel that the situation has improved greatly within the last few years.[253]

6.3 Further Research

As established above and in section 5.8, establishing a common corporate strategy could ease the effects of silo-thinking at Royal Greenland and as discussed, it is up to management to get the process started. In this sense it would be interesting to investigate why management has not yet implemented this overall strategy in the organization and determine what their perception of the problem is. Management seems to be aware of the problem, at least on some level, as the CFO mentions it in an article in the employee magazine.[254] Still, their perception might differ from that of the employees and they may not be aware of the fact that not having an overall strategy causes problems in the daily operations of the organization. However, it was not possible to include an investigation of management's views of the topic within the given frames of this thesis.

In this project, the main focus was on the sales, product management, product development and marketing departments in Denmark and Germany. It would be interesting to look into other locations at Royal Greenland to see whether silo-thinking manifests itself all over the organization - especially in relation to the locations in Greenland, as one interviewee mentions that there have been some problems with communication and cooperation between Denmark and Greenland.[255] In a broader perspective, there has already been hinted at the fact that silo-thinking could be a common problem for rapidly expanding, international organizations. As Morgan's model of holographic reproduction[256] underlines it is crucial for expanding organizations to encode the culture, character and skill base of the whole organization into new subsidiaries, if the organization is to remain a tightly integrated enterprise. One might imagine how this could be quite difficult during rapid growth and over large distances. However, this needs further research.

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[252] Interview 5 (00:09:46)
[253] Interview 1 (0016:40) and interview 5 (00:12:39)
[254] Appendix 5
[255] Interview 1 (00:16:40)
[256] Morgan; 2006; p. 102

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Appendices

1. SWOT by corporate marketing

2. SWOT by product management

3. SWOT by new product development

4. Overview of CEOs since 1990

5. Kinnerup, Nils Duus; Leader June 2008; Navigatio; Summer 2008; p 0

6. Transcripts

7. Interview guide

8. Journal

9. Copy of human resource plan of action 07/08

SWOT analysis CM:

Strengths	Opportunities
• Many points of contact in the organization. • We know what types of information we need and where to get it. • Service minded – we are available for assistance at all times • Good at keeping deadlines • We are approachable and informal	• Working on increasing information level to other departments, fx. Via newsletter • Structuring information flow • Strategic business partner – sharing the knowledge and competences we have in the department
Weaknesses	**Threats**
• We can get better at communicating the items/campaigns we make • We are not assertive enough in getting the info we need from other departments • We have procedures for different types of tasks, but they are not implemented/integrated with other departments •We are so busy that we do not have time to communicate our results to other departments	• We are not always able to get the information we need when, we need it • Deadlines too short • Dependent on information from other departments • We are not always included in the development of new projects from the beginning • Risk of errors in print material and packaging, because we are not given the information we need.

SWOT - PMs

Strengths	Opportunities
• Great knowledge of products and production • Knowledge sharing (Newsletters/Intranet) • New team shellfish	• More structure • Description of procedures and implementation of procedures that are already in place •
Weaknesses	**Threats**
• Hard to retrieve information • Respect for deadlines – due to busyness and travel activities • Too production oriented rather than market oriented • Not all areas are well-coordinated •Confusion of responsibility in the Greenland fish/trading area •	• Lacking overall coordination, risk of fragmentation •

SWOT - Trading

Strengths	Opportunities
• Great knowledge of species and raw material • Willingness to share knowledge • Well coordinated/structured	• Better at communicating results • Better integration with PM, CM and NPD
Weaknesses	**Threats**
• Uncertainty about who has the responsibility, trading/Greenland fish	•

SWOT NPD

Strengths	Opportunities
• Creativity • Informal atmosphere	• Better cooperation (market intelligence unit) across departments
Weaknesses	**Threats**
• Lack of communication (new projects, tasting new products – we do not know what is going on in the department) • Following up on projects • Lack of formalized knowledge	•

SWOT analysis :PM from PM

Royal Greenland®

Strengths	Opportunities
• Open minded and curious • Specialized knowledge on individual areas • Communication platform- business overview • Problem solvers	• Become more market oriented rather than production oriented
Weaknesses	**Threats**
•Bottleneck •Responsibility without formal authority (lice between two nails Wilh.) •Not a correct understanding of the role of the product manager. •Confusion on PM responsibility (eg cod)	•No time for strategic planning due to fire fighting reality

SWOT analysis :CM from PM

Strengths	Opportunities
• Professional graphic work Quality work on brochures- packaging • Flexible-fast working overview • Problem solvers	• Become more market oriented rather than production oriented •Market research- top 10 products per retailer- •Design winner strategies
Weaknesses	Threats
•Reactive rather than proactive •Low product and market knowledge •What are the profits versus the costs initiated in marketing- do the investments pay off?	• Fire fighting reality- short deadlines always

Royal Greenland®

SWOT analysis :NPD from PM

Royal Greenland

Strengths	Opportunities
• Knowledgeable cooks- • Creative- • Know seafood and species-large experience • Flexible-fast working • Problem solvers	• Become more market oriented rather than production oriented •Spending time on entirely new products in the market
Weaknesses	Threats
•Reactive rather than proactive •Low market knowledge •Lack of structure and procedures •Occupied with daily •Optimizing productions and modifying products •Enter totally new areas without apparent solution (Raw material availability)	• Direct input and pressure from sales- •Short deadlines always

SWOT analysis :Trading PM

Royal Greenland

Strengths	Opportunities
• Product and market know how on certain species (eg cod) • Always updated on market prices from their contacts • Problem solvers	• Synergies can be obtained if combined purchases were evident and controlled centrally •Responsible for sharing raw material trends with sales in order to act proactive in the market •Further passive elaboration to exploit Greenlandic raw materials in processed products •Trial products can be tested in the market at a cheap cost
Weaknesses	**Threats**
•Sub optimizing •Anonymous in RG •Structure- who is doing what and why? Can you be both a trader and a purchaser- organizational confusion. •No reference to the sales units- reference to production	• Low margin business for purely traded products. •Capital requirements •Risky business if something go wrong •Administratively complicated to integrate external products

SWOT analysis : NPD

Royal Greenland®

Strengths	Opportunities
• Creative • Focused on the production capabilities • Product experts • Process optimizing production • Team spirit • Quick response	• Share knowledge internally in NPD • Uniformed way of working • Who is good at what (competences) • Quicker response • More market knowledge = target NPD
Weaknesses	**Threats**
• More people (lack of capacity) • Lack of structured strategy • Spend too much time on production optimizing processes • Lack of trend input • Lack of market input from sales subs.	• Production optimizing process take up all time, because of lack of earning • Only be a "copy cat" • Only have external NPD partner

SWOT analysis : CM

Royal Greenland®

Strengths	Opportunities
• Good material bank – support available • Good corporate branding	• closer cooperation could bring a better understanding • Fixed meeting to up date each •
Weaknesses	**Threats**
• Lack of knowledge of what they are doing • What person is good at what • common goal for all dept.	• No cooperation – work in different directions •

SWOT analysis : PM

Strengths	Opportunities
• They know about prices and production • Focused on they category (incl. knowledge)	• closer cooperation could bring a better understanding • Fixed meeting to up date each • More group work = more knowledge and commitment
Weaknesses	**Threats**
• Lack of knowledge of what they are doing • What person is good at what • common goal for all dept. • Lack of knowledge of packaging • Lack of man power	• No cooperation – work in different directions • Not enough packaging knowledge = no development

SWOT analysis : Trading

Royal Greenland

Strengths	Opportunities
• Expertise about raw material • Good knowledge about raw material markets	• closer cooperation could bring a better understanding • Fixed meeting to up date each • More group work = more knowledge and commitment • Structured knowledge sharing • Information about raw material trends
Weaknesses	**Threats**
• Lack of knowledge of what they are doing • common goal for all dept. • Lack of sharing of knowledge	• No cooperation – work in different directions • better coordination between trading departments in Aalb., Whv. And Koz.

ERHVERVS- OG SELSKABSSTYRELSEN

Fuldstændig rapport for
ROYAL GREENLAND A/S

Reg-nr.:	A/S184991
Navn:	ROYAL GREENLAND A/S
Stiftelsesdato:	01.11.1989
Adresse:	Postboks 1073 3900 Nuuk
Kommune:	Nuuk
Formål:	Selskabets formål er selv eller gennem datterselskaber at drive fiskeri og at forarbejde og forhandle produkter indenfor fødevaresektoren og anden efter bestyrelsens skøn i forbindelse hermed stående virksomhed samt finansieringsvirksomhed. Selskabets formål er endvidere at drive alle former for handelsvirksomhed
Børsnoteret:	Nej
Status:	Selskabet er normalt
Stiftere:	A/S PSE NR. 1285 c/o lrs. Per Stakemann Kronprinsessegade 18 1306 København K ApS KBIL 9 NR. 1008 Kronprinsessegade 18 1306 København K MEDIMEX ApS c/o lrs. Per Stakemann Kronprinsessegade 18 1306 København K ApS HVKMD 5 NR. 555 c/o lrs. Per Stakemann Kronprinsessegade 18 1306 København K
Bestyrelse:	(formand) Direktør Peter Grønvold Samuelsen Ungusivik 0 3912 Maniitsoq

(næstformand) Direktør Sven Lyse
Qimerlua 19 101
3900 Nuuk

Finn Meinel
Ammukajaaq 19
3952 Ilulissat

Kommunaldirektør Panerak Anthonette Olsen
Jooruaqqap Aqquserna 9
3911 Sisimiut

Adm. direktør Peter Rasztar
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7100 Vejle

Hr-Konsulent Kathrine Bødker
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3905 Nuussuaq

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Fabrikschef Niels Ole Møller
Qilakitsup Alanngua 8
3952 Ilulissat
(Valgt af medarbejderne i selskabet)

Bestyrelsessuppleanter: Davur Dimon Mohr
Avallia 3
3905 Nuussuaq
Suppleant for Fabrikschef Niels Ole Møller

Michael Søndergaard
Bernstorffsgade 12
9000 Aalborg
Suppleant for Fiskeindustriarbejder Asger Johansen

Maybritt Andrea Eldevig
Jaakunnguup Aqq 16
3911 Sisimiut
Suppleant for Isak Lars Berthelsen

Direktion:	(adm. dir) Koncernchef Peter Flemming Knudsen
	Qernertunnguanut 4 c106
	3905 Nuussuaq
	(Tiltrådt 01.05.2007)
	(Finans- og Økonomidirektør) Økonomidirektør Nils Duus Kinnerup
	Wibroesvej 9
	9000 Aalborg
	(Tiltrådt 21.01.2008)
	Direktør Paviaraq Mossin Heilmann
	Innannguaq 44
	3900 Nuuk
	(Tiltrådt 01.01.2007)
Revision:	DELOITTE STATSAUTORISERET REVISIONSAKTIESELSKAB
	Imaneq 22
	Postboks 20
	3900 Nuuk
Tegningsregel:	Selskabet tegnes af to direktører i forening eller af bestyrelsens formand i forening med et andet medlem af bestyrelsen eller af bestyrelsens formand i forening med en direktør.

Regnskabsår:	01.10 - 30.09
Første regnskabsperiode:	01.11.1989 - 31.12.1990
Seneste omlægningsperiode:	01.01.1997 - 30.09.1997

Aktiekapital:	DKK 600.000.000
Offenliggjorte regnskaber:	01.10.2007 - 31.03.2008 Halvårsrapport offentliggjort d. 18.07.2008
	01.10.2006 - 30.09.2007 Årsregnskab offentliggjort d. 05.02.2008
	01.10.2006 - 31.03.2007 Halvårsrapport offentliggjort d. 13.07.2007
	01.10.2005 - 30.09.2006 Årsregnskab offentliggjort d. 06.03.2007

01.10.2005 - 31.03.2006 Halvårsrapport
offentliggjort d. 21.06.2006
01.10.2004 - 30.09.2005 Årsregnskab
offentliggjort d. 28.02.2006
01.10.2003 - 30.09.2004 Årsregnskab
offentliggjort d. 04.02.2005
01.10.2002 - 30.09.2003 Årsregnskab
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01.10.2000 - 30.09.2001 Årsregnskab
offentliggjort d. 22.03.2002
01.10.1999 - 30.09.2000 Årsregnskab
offentliggjort d. 12.03.2001
01.10.1998 - 30.09.1999 Årsregnskab
offentliggjort d. 22.05.2000
01.10.1997 - 30.09.1998 Årsregnskab
offentliggjort d. 01.03.1999
01.01.1997 - 30.09.1997 Årsregnskab
offentliggjort d. 30.03.1998
01.01.1996 - 31.12.1996 Årsregnskab
offentliggjort d. 19.06.1997
01.01.1995 - 31.12.1995 Koncernregnskab og Årsregnskab
offentliggjort d. 17.06.1996
01.01.1995 - 31.12.1995 Koncernregnskab
offentliggjort d. 17.06.1996
01.01.1994 - 31.12.1994 Årsregnskab og Koncernregnskab
offentliggjort d. 31.05.1995
01.01.1993 - 31.12.1993 Årsregnskab og Koncernregnskab
offentliggjort d. 11.07.1994
01.01.1992 - 31.12.1992 Årsregnskab og Koncernregnskab
offentliggjort d. 01.07.1993
01.01.1991 - 31.12.1991 Årsregnskab og Koncernregnskab
offentliggjort d. 04.06.1992
01.11.1989 - 31.12.1990 Årsregnskab og Koncernregnskab
offentliggjort d. 22.04.1991

Historiske registreringer:

Offentliggjorte
registreringer:

04.06.2008 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i
medfør af aktieselskabslovens paragraf 157 b, har modtaget
følgende meddelelse og den 04.06.2008 offentliggjort denne i
styrelsens Informationssystem:
Indsendelse af halvårsrapport.

17.02.2008 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Direktion:

Udtrådt af direktionen: Henning Bejer Beck, den 31.12.2007.
Indtrådt i direktionen: Nils Duus Kinnerup, (Finans- og Økonomidirektør), Wibroesvej 9, 9000 Aalborg, den 21.01.2008.

07.02.2008 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 75, stk. 3, 2.pkt, har modtaget protokollat for den afholdte generalforsamling og den 07.02.2008 offentliggjort dette i styrelsens Informationssystem.

30.01.2008 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 30.01.2008 offentliggjort denne i styrelsens Informationssystem:
Indsendelse af helårsrapport.

07.01.2008 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 75, stk. 3, 2.pkt, har modtaget protokollat for den afholdte generalforsamling og den 07.01.2008 offentliggjort dette i styrelsens Informationssystem.

08.10.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 56, stk. 6, har modtaget bestyrelsens forretningsorden og den 08.10.2007 offentliggjort dette i styrelsens Informationssystem.

07.09.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 07.09.2007 offentliggjort denne i styrelsens Informationssystem:
Meddelelse om ændring i direktion.

28.06.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Selskabet er fusioneret med REG.NR. ApS24800 QAQQATSIAQ TRAWL ApS, der samtidig er opløst.

20.06.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 20.06.2007 offentliggjort denne i styrelsens Informationssystem:
Indsendelse af halvårsrapport.

19.06.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Paviaraq Mossin Heilmann, den
27.04.2007, Peter Flemming Knudsen, den 01.05.2007, den
27.04.2007.
Indtrådt i bestyrelsen: Hr-Konsulent Kathrine Bødker, Qattaaq 4,
102., postboks 5172, 3905 Nuussuaq, den 27.04.2007, Adm.
direktør Peter Rasztar, Glambjerg Allé 4, 7100 Vejle, den
27.04.2007.
Direktion:
Fratrådt som adm. dir, men forbliver i Direktionen: Paviaraq
Mossin Heilmann.
Udtrådt af direktionen: Henrik Leth, den 30.04.2007.
Indtrådt i direktionen: Koncernchef Peter Flemming Knudsen,
(adm. dir), Innannguaq 44, 3900 Nuuk, den 01.05.2007.

11.05.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i
medfør af aktieselskabslovens paragraf 75, stk. 3, 2.pkt, har
modtaget protokollat for den afholdte generalforsamling og den
11.05.2007 offentliggjort dette i styrelsens Informationssystem.

07.05.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Tiltrådt som næstformand: Sven Lyse, den 08.03.2007.

22.03.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Birgitte Nielsen, den 14.02.2007, Lars
Lennert-Sandgreen, den 14.02.2007, Lars Christian Hofman
Funder-Schmidt, den 14.02.2007.
Indtrådt i bestyrelsen: Direktør Peter Grønvold Samuelsen,
(formand), Iiminaq 8, 3905 Nuussuaq, den 14.02.2007, Peter
Flemming Knudsen, Augo Lyngesvej 10, 3900 Nuuk, den
14.02.2007, Direktør Sven Lyse, Qimerlua 19, -101., 3900 Nuuk,
den 14.02.2007.

14.03.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i
medfør af aktieselskabslovens paragraf 157 b, har modtaget
følgende meddelelse og den 14.03.2007 offentliggjort denne i
styrelsens Informationssystem:
Indsendelse af helårsrapport.

14.03.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i
medfør af aktieselskabslovens paragraf 157 b, har modtaget

følgende meddelelse og den 14.03.2007 offentliggjort denne i styrelsens Informationssystem:
Meddelelse om ændring i direktion.

21.02.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 75, stk. 3, 2.pkt, har modtaget protokollat for den afholdte generalforsamling og den 21.02.2007 offentliggjort dette i styrelsens Informationssystem.

16.02.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 16.02.2007 offentliggjort denne i styrelsens Informationssystem:
Indsendelse af helårsrapport.

12.02.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Erhvervs- og Selskabsstyrelsen har modtaget
fusionsplan i henhold til aktieselskabslovens § 134 a og
anpartsselskabslovens § 65 for fusion mellem
REG.NR. A/S184991 ROYAL GREENLAND A/S.
REG.NR. ApS24800 QAQQATSIAQ TRAWL ApS.
Endvidere er modtaget erklæring fra
vurderingsmændene i henhold til aktieselskabslovens §
134 c, stk. 4 og anpartsselskabslovens § 65.

08.02.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 73, stk. 3, 2.pkt, har modtaget indkaldelse, herunder dagsorden til selskabets generalforsamling og den 08.02.2007 offentliggjort dette i styrelsens Informationssystem.

06.02.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 06.02.2007 offentliggjort denne i styrelsens Informationssystem:
Meddelelse om spaltning.

02.02.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 02.02.2007 offentliggjort denne i styrelsens Informationssystem:
Meddelelse om aflyst generalforsamling.

22.01.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 73, stk. 3, 2.pkt, har modtaget indkaldelse, herunder dagsorden til selskabets generalforsamling og den 22.01.2007 offentliggjort dette i styrelsens Informationssystem.

04.01.2007 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Direktion:
Udtrådt af direktionen: Keld Askær Sørensen, den 31.12.2006.
Indtrådt i direktionen: Direktør Paviaraq Mossin Heilmann, (adm. dir), Avallia 34, 202., 3905 Nuussuaq, den 01.01.2007.

20.12.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Tiltrådt som formand: Birgitte Nielsen, den 20.12.2006, Fratrådt som formand, men forbliver i bestyrelsen: Paviaraq Mossin Heilmann, den 20.12.2006.

02.11.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 02.11.2006 offentliggjort denne i styrelsens Informationssystem:
Meddelelse om ændring i direktionen.

28.09.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Slettede binavne: GODTHÅB FISKEINDUSTRI A/S (ROYAL GREENLAND A/S), GFI A/S (ROYAL GREENLAND A/S), GODTHÅB FISKEINDUSTRI DETAIL A/S (ROYAL GREENLAND A/S), NUUK FRYSEHUS A/S (ROYAL GREENLAND A/S), ROYAL GREENLAND TRAWLER MANAGEMENT A/S (ROYAL GREENLAND A/S), ROYAL GREENLAND-IP KILISAATAATILINNIK KIFFARTUUSSIVIA A/S (ROYAL GREENLAND A/S).

13.06.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 13.06.2006 offentliggjort denne i styrelsens Informationssystem:
Indsendelse af halårsrapport.

28.03.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Valgt af medarbejderne i selskabet:
Udtrådt af bestyrelsen: Adolf Abia Amos Thorsteinsen, den

02.02.2006.
Indtrådt i bestyrelsen: Fabrikschef Niels Ole Møller, Juuarsip Agqutaa 1, 1379., 3961 Uummannaq, den 02.02.2006.
(Suppleant: Dàvur Dìmun Mohr, Dalakròkur 16, 100 Tòrshavn, Færøerne, den 02.02.2006).
Bestyrelsessuppleanter:
Fratrådt som suppleant: Hans Ole Mogens Grønvold, den 02.02.2006, for Isak Lars Berthelsen, Marie Krogh, den 02.02.2006, for Asger Johansen, Per Sørensen, den 02.02.2006, for Adolf Abia Amos Thorsteinsen.
Tiltrådt som suppleant: Maybritt Andrea Eldevig, Imiivitsiaq 54, 3911 Sisimiut, Grønland, den 02.02.2006, for Isak Lars Berthelsen, Michael Kamstrup Søndergaard, Bernstorffsgade 12, 9000 Aalborg, den 02.02.2006, for Asger Johansen.
Direktion:
Indtrådt i direktionen: Finans- og Økonomidirektør Henning Bejer Beck, Skovbakkevej 116, 8800 Viborg, den 02.02.2006.

20.02.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 75, stk. 3, 2.pkt, har modtaget protokollat for den afholdte generalforsamling og den 20.02.2006 offentliggjort dette i styrelsens Informationssystem.

20.02.2006 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Det bekendtgøres herved, at Erhvervs- og Selskabsstyrelsen i medfør af aktieselskabslovens paragraf 157 b, har modtaget følgende meddelelse og den 20.02.2006 offentliggjort denne i styrelsens Informationssystem:
Indsendelse af helårsrapport.

10.05.2005 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Tiltrådt som næstformand: Lars Lennert-Sandgreen, den 09.02.2005.

22.02.2005 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 03.02.2005.
Bestyrelse:
Udtrådt af bestyrelsen: Ole Kielmann Hansen, den 27.01.2005, Aviaja Bolethe Bodil Helms, den 27.01.2005, Martin Ben Shalmi, den 27.01.2005.
Indtrådt i bestyrelsen: Adm.direktør Lars Christian Hofman Funder-Schmidt, Mosebakken 8, 7120 Vejle Øst, den 27.01.2005, Direktionssekretær Lars Lennert-Sandgreen, Timerlia 1, 3905 Nuussuaq, den 27.01.2005, Kommunaldirektør Panerak Anthonette Olsen, Jooruaqqap Aqq 9, postboks 1014, 3911

Sisimiut, den 27.01.2005.

29.09.2004 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Elias Gustav Julunguak Larsen, den
14.09.2004.
Indtrådt i bestyrelsen: Direktør Paviaraq Mossin Heilmann,
(formand), Manngua 4, 3905 Nuussuaq, den 27.09.2004.

17.07.2004 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Jes Bjerregaard, den 19.02.2004, Gerhardt
Amos Kristian Petersen, den 19.02.2004.

03.06.2004 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 19.02.2004.
Bestyrelse:
Udtrådt af bestyrelsen: Henrik Gundelach, den 19.02.2004, Jens
Karl Lars Zakarias Lyberth, den 19.02.2004.
Indtrådt i bestyrelsen: Aviaja Bolethe Bodil Helms, Sortedam
Dossering 79A, 3., 2100 København Ø, den 19.02.2004, Finn
Meinel, Timerlia 13, 3905 Nuussuaq, den 19.02.2004, CFO.,
Birgitte Nielsen, Engskiftevej 3, 2100 København Ø, den
19.02.2004, Martin Ben Shalmi, Atertaq 8, 101., 3905 Nuussuaq,
den 19.02.2004.

09.04.2003 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Indtrådt i bestyrelsen: Jes Bjerregaard, Grønnekildevej 5, 4600
Køge, den 25.02.2003, Direktør Henrik Gundelach, 21 Appleby
Avenue, HG5 9 LZ Knaresborough, North Yorkshire,
Storbritanien, den 25.02.2003.

25.02.2003 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Jakob Josef Johannes Motzfeldt, den
14.12.2002, Simon Sakarias Elias Olsen, den 14.12.2002.

31.07.2002 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Revision:
Udtrådt af revisionen: REG.NR. A/S64016
PRICEWATERHOUSECOOPERS GRØNLAND A/S, den
01.07.2002.

18.06.2002 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Direktion:
Udtrådt af direktionen: Willy Preben Bregnhøj, den 31.05.2002.

12.04.2002 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Tiltrådt som næstformand: Jakob Josef Johannes Motzfeldt, den
18.02.2002.

07.03.2002 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 19.02.2002.
Bestyrelse:
Udtrådt af bestyrelsen: Uffe Ellemann-Jensen, den 19.02.2002,
Knud Rasmussen Heinesen, den 19.02.2002, Nils Wilhjelm, den
19.02.2002.
Indtrådt i bestyrelsen: Direktør Elias Gustav Julunguak Larsen,
(formand), Tikaasaq 20, 3912 Maniitsoq, den 19.02.2002,
Driftsdirektør Jens Karl Lars Zakarias Lyberth, Kangillinnguit 8,
3905 Nuussuaq, den 19.02.2002, Direktør Gerhardt Amos
Kristian Petersen, Paarnaqutit 26, 3911 Sisimiut, den 19.02.2002.
Valgt af medarbejderne i selskabet:
Udtrådt af bestyrelsen: Linjohn Christiansen, den 19.02.2002.
Indtrådt i bestyrelsen: Fiskeindustriarbejder Asger Johansen,
Hovmøllevej 16, Torp, 7960 Karby, den 19.02.2002. (Suppleant:
Fiskeindustrimedarbejder Marie Krogh, Sønderbyen 6, Harre,
7870 Roslev, den 19.02.2002), Driftsassistent Adolf Abia Amos
Thorsteinsen, Avqusinertaq 73, y202., 3940 Paamiut, den
19.02.2002. (Suppleant: Maskinchef Per Sørensen, Enebærvej 4,
9800 Hjørring, den 19.02.2002).
Bestyrelsessuppleanter:
Fratrådt som suppleant: Peter Marius Jakob Amossen, den
19.02.2002, for Isak Lars Berthelsen, Jogvan Trondarson, den
19.02.2002, for Linjohn Christiansen.
Tiltrådt som suppleant: Admin.leder Hans Ole Mogens Grønvold,
Kunuutip Aqqutaa B-345, 9800 Hjørring, den 19.02.2002, for Isak
Lars Berthelsen.
Valgt af medarbejderne i koncernen:
Udtrådt af bestyrelsen: Edith Solveig Nyborg Simonsen, den
19.02.2002.
Bestyrelsessuppleanter:
Fratrådt som suppleant: Thomas Thune Højberg, den 19.02.2002,
for Edith Solveig Nyborg Simonsen.

16.01.2002 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Direktion:
Udtrådt af direktionen: Lars-Emil Johansen, den 31.12.2001.

08.01.2002 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 20.12.2001.
Kapitalforhøjelse: kr. 200.000.000,00 indbetalt kontant, kurs

100,00.

Kapitalen udgør herefter kr. 600.000.000,00.

Bestyrelse:

Udtrådt af bestyrelsen: Keld Askær Sørensen, den 20.12.2001, Lars Vesterbirk, den 20.12.2001.

Indtrådt i bestyrelsen: Landstingsmedlem Jakob Josef Johannes Motzfeldt, Inspektørbakken 35, 3900 Nuuk, den 20.12.2001, Borgmester Simon Sakarias Elias Olsen, Aqqaluartaap Aqq 6, 3911 Sisimiut, den 20.12.2001.

12.11.2001 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Direktion:

Indtrådt i direktionen: Vicekoncernchef Lars-Emil Johansen, Fjeldvej 3, 3900 Nuuk, den 01.10.2001.

29.10.2001 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Direktion:

Udtrådt af direktionen: Lars-Emil Johansen, den 30.09.2001.

Indtrådt i direktionen: Adm. direktør Keld Askær Sørensen, (adm. dir), Kapornip Aqquserna 20, 3911 Sisimiut, den 01.10.2001.

23.08.2001 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Direktion:

Udtrådt af direktionen: Ole Garby Ramlau-Hansen, den 06.06.2001.

19.07.2001 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Direktion: Tiltrådt som adm. dir: Lars-Emil Johansen, den 06.06.2001.

19.09.2000 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Selskabet tegnes af to direktører i forening eller af bestyrelsens formand i forening med et andet medlem af bestyrelsen eller af bestyrelsens formand i forening med en direktør.

11.09.2000 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Vedtægter ændret: 30.06.2000.

Direktion:

Indtrådt i direktionen: Koncernøkonomidirektør Willy Preben Bregnhøj, Gyvelvej 5, 8250 Egå, den 30.06.2000.

Selskabet tegnes af to direktører i forening eller af bestyrelsens formand i forening med et andet medlem af bestyrelsen eller af bestyrelsens formand i forening med et medlem af bestyrelsen.

17.03.2000 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Bestyrelse:

Udtrådt af bestyrelsen: Arne Petersen, den 26.02.2000.

Indtrådt i bestyrelsen: Driftschef Ole Kielmann Hansen, Tjalfesvej 22A, 3900 Nuuk, den 26.02.2000, Direktør Knud Rasmussen Heinesen, Østerbrogade 95, 3. th., 2100 København Ø, den 26.02.2000.

01.12.1999 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Søren Hald Møller, den 28.10.1999.
Direktion:
Indtrådt i direktionen: Direktør Henrik Leth, Kigutaarnat 78, 3905 Nuussuaq, den 01.12.1999.

16.11.1999 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Tiltrådt som formand: Uffe Ellemann-Jensen, den 28.10.1999, Fratrådt som formand, men forbliver i bestyrelsen: Søren Hald Møller, den 28.10.1999.

15.06.1998 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedrørende det under 27.05.1998 registrerede selskab Reg.nr. A/S184991 ROYAL GREENLAND A/S meddeles, at revisor er registreret forkert. Selskabets revisor er: COOPERS & LYBRAND GRØNLAND A/S samt DELOITTE & TOUCHE, NUUK.

27.05.1998 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Tiltrådt som formand: Søren Hald Møller, den 11.03.1998.
Udtrådt af bestyrelsen: Ove Rosing Olsen, den 11.03.1998, Lars Meibom, den 11.03.1998.
Indtrådt i bestyrelsen: Adm. direktør Keld Askær Sørensen, Mannarsip Aqquserna 5, 3911 Sisimiut, den 11.03.1998, Direktør Lars Vesterbirk, Avenue Des Auberpines 72, 1180 Bruxelles, Belgien, den 11.03.1998.
Valgt af medarbejderne i selskabet:
Indtrådt i bestyrelsen: Isak Lars Berthelsen, Saamuap Aqquserne 16, 3911 Sisimiut, den 11.03.1998. (Suppleant: Peter Marius Jakob Amossen, Paarnat 5, 202., postboks 536, 3905 Nuussuaq, den 11.03.1998), Linjohn Christiansen, Skalavik, 220 Skalavik, Færøerne, den 11.03.1998. (Suppleant: Jogvan Trondarson, Siaqqineq 10, 101., postboks 7022, 3905 Nuussuaq, den 11.03.1998).
Valgt af medarbejderne i koncernen:
Udtrådt af bestyrelsen: Inge Louise Martha Johnsen, den 11.03.1998, Jonas Kristian Severin Samuelsen, den 11.03.1998.
Bestyrelsessuppleanter:
Fratrådt som suppleant: Adolf Abia Amos Thorsteinsen, den

11.03.1998, for Jonas Kristian Severin Samuelsen.
Direktion:
Udtrådt af direktionen: Knud Mortensen Østergaard, den
03.03.1998, Kjeld Holmstrup, den 03.03.1998.
Indtrådt i direktionen: Landsstyreformand Lars-Emil Johansen,
Fjeldvej 3, 3900 Nuuk, den 01.12.1997.
Revision:
Udtrådt af revisionen: DELOITTE & TOUCHE
STATSAUTORISERET REVISIONSAKTIESELSKAB, den
11.03.1998.
Indtrådt i revisionen: REG.NR. A/S64016 COOPERS &
LYBRAND GRØNLAND A/S, Skibshavnsvej 18, postboks 319,
3900 Nuuk, den 11.03.1998.

21.08.1997 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 13.05.1997.
Bestyrelse:
Udtrådt af bestyrelsen: Ole Garby Ramlau-Hansen, den
13.05.1997.
Indtrådt i bestyrelsen: Adm. direktør Søren Hald Møller,
Kigutaarnat 66, 3905 Nuussuaq, den 13.05.1997.
Regnskabsår ændret til: 01.10 - 30.09.
Omlægningsperiode: 01.01.1997 - 30.09.1997.

18.10.1996 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Valgt af medarbejderne i koncernen:
Bestyrelsessuppleanter:
Fratrådt som suppleant: Jens Mohr Askham, den 31.08.1996, for
Inge Louise Martha Johnsen.
Direktion:
Udtrådt af direktionen: Poul Erik Tarp, den 01.09.1996.
Indtrådt i direktionen: Direktør Knud Mortensen Østergaard,
Fjeldvej 20, 3900 Nuuk, den 01.09.1996.

12.08.1996 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 14.05.1996.
Bestyrelse:
Udtrådt af bestyrelsen: Knud Rasmussen Heinesen, den
14.05.1996, Morten Jersild, den 14.05.1996, Søren Hald Møller,
den 14.05.1996.
Indtrådt i bestyrelsen: Kontorchef Lars Meibom, Avalequt 25,
postboks 1015, 3905 Nuussuaq, den 14.05.1996, Direktør Arne
Pedersen, Skådevej 2, 8270 Højbjerg, den 14.05.1996, Direktør,
fhv. industriminister Nils Wilhjelm, Orenæs Skovvej 16,
Orehoved, 4840 Nørre Alslev, den 14.05.1996.
Selskabet tegnes af en direktør alene eller af bestyrelsens formand
i forening med et andet medlem af bestyrelsen.

14.06.1995 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 02.05.1995.
Bestyrelse:
Udtrådt af bestyrelsen: Jakob Josef Johannes Motzfeldt.
Indtrådt i bestyrelsen: Landsstyremedlem Ove Rosing Olsen,
(formand), Avalequt 45, 3905 Nuussuaq, Adm. direktør Knud
Rasmussen Heinesen, Østerbrogade 95, 3. th., 2100 København
Ø.

15.08.1994 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Bestyrelse:
Udtrådt af bestyrelsen: Stig Bendtsen, Flemming Bolø, Lars
Vesterbirk.
Indtrådt i bestyrelsen: Direktør Morten Jersild, Hollændervej 22,
2791 Dragør, Direktør Søren Hald Møller, Qajaasat 1, 3905
Nuussuaq.

14.03.1994 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Vedtægter ændret: 19.10.1993.
Nye binavne: GODTHÅB FISKEINDUSTRI A/S (ROYAL
GREENLAND A/S) GFI A/S (ROYAL GREENLAND A/S)
GODTHÅB FISKEINDUSTRI DETAIL A/S (ROYAL
GREENLAND A/S) NUUK FRYSEHUS A/S (ROYAL
GREENLAND A/S) ROYAL GREENLAND TRAWLER
MANAGEMENT A/S (ROYAL GREENLAND A/S) ROYAL
GREENLAND-IP KILISAATAATILINNIK
KIFFARTUUSSIVIA A/S (ROYAL GREENLAND A/S).
Selskabet fusioneret med REG.NR. A/S192987 ROYAL
GREENLAND-IP KILISAATAATILINNIK
KIFFARTUUSSIVIA A/S, REG.NR. A/S184992 GODTHÅB
FISKEINDUSTRI A/S, REG.NR. ApS166041 NUUK
FRYSEHUS ApS, REG.NR. ApS35241 GODTHÅB
FISKEINDUSTRI DETAIL ApS, der samtidig er opløst.

20.01.1994 Reg-nr.: A/S184991 ROYAL GREENLAND A/S
Valgt af medarbejderne i koncernen:
Indtrådt i bestyrelsen: Kontorfuldmægtig Inge.Bidstrup Johnsen,
Tuapannguit 13/T 306, 3900 Nuuk (Suppleant:, Driftskonsulent
Jens Mohr Askham, Postboks 465, 3900 Nuuk), Specialarbejder
Edith Solveig Nyborg Simonsen, Tornhøjparken 102 , 9220
Aalborg Øst (Suppleant:, Salgsassistent Thomas Thune Højberg,
Feggesundvej 34, 9200 Aalborg SV), Driftsassistent Severin
Samuelsen, Blok 2 - 104, 3940 Paamiut (Suppleant:,
Driftsassistent Abia Thorsteinson, Blok Å - 301, 3940 Paamiut).

16.06.1993 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Bestyrelse:

Udtrådt af bestyrelsen: Henrik Leth

Indtrådt i bestyrelsen: Uffe Ellemann-Jensen, Sundvænget 50,
2900 Hellerup

14.08.1992 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Bestyrelse:

Udtrådt af bestyrelsen: Jørn Graversen

Indtrådt i bestyrelsen: Kontorchef Henrik Leth, Paarnat 9, 2, 3905
Nuussuaq

03.04.1992 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Direktion:

Indtrådt i direktionen: Direktør Kjeld Holmstrup, Sallingsundvej
146, Nautrup, 7870 Roslev

14.02.1992 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Vedtægter ændret: 12.11.1991.

26.11.1991 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Vedtægter ændret: 09.09.1991.

Slettede binavne: ROYAL GREENLAND
TUNISASSIORFEQARFIK A/S (ROYAL GREENLAND A/S)
ROYAL GREENLAND KILISAATEQARFIK A/S (ROYAL
GREENLAND A/S)

Direktion:

Indtrådt i direktionen: Økonomidirktør, statsaut.rev (beskikkelse
deponeret) Poul Erik Tarp, C P Holbøllsvej 4B, 3900 Nuuk

04.09.1991 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Bestyrelse:

Udtrådt af bestyrelsen: Lars-Emil Johansen, Jan K Rasmussen

Indtrådt i bestyrelsen: Jakob Josef Johannes Motzfeldt (formand),
Quassunnguaq 13, 3900 Nuuk, Direktør Ole Garby
Ramlau-Hansen, Fjeldvej 7, 3900 Nuuk

30.10.1990 Reg-nr.: A/S184991 ROYAL GREENLAND A/S

Ny adresse: Postboks 1073, 3900 Nuuk

Ny kommune: Nuuk

10.10.1990 Reg-nr.: A/S184991 A/S PSE 13 NR. 1258

Vedtægter ændret: 18.06.1990.

Nyt navn: ROYAL GREENLAND A/S

Nye binavne: ROYAL GREENLAND
TUNISASSIORFEQARFIK A/S (ROYAL GREENLAND A/S)
ROYAL GREENLAND KILISAATEQARFIK A/S (ROYAL
GREENLAND A/S)

Kapitalforhøjelse: kr. 399.700.000,00 indbetalt i værdier, kurs
149,6

Kapitalen udgør herefter kr. 400.000.000,00

Bestyrelse:

Udtrådt af bestyrelsen: Susanne Saul Stakemann, Ulf Svejgaard
Poulsen, Per Emil Hasselbalch Stakemann

Indtrådt i bestyrelsen: Landstingsmedlem, bestyrelsesformand
Lars Emil Johansen (formand), Fjeldvej 13, 3900 Nuuk,
Kontorchef Stig Bendtsen, Postboks 1037, 3900 Godthåb,
Direktør Flemming Bolø, Tuapannguit 2, 3900 Nuuk,
Vicedirektør Jørn Graversen, Tuapannguit 52, 3900 Nuuk,
Direktør Jan K Rasmussen, C.P. Holdbølsvej 9, Postbox 1012,
3900 Nuuk, Direktør Lars Vesterbirk, Dådyrvænget 108, Ullerød,
2980 Kokkedal

Direktion:

Udtrådt af direktionen: Per Emil Hasselbalch Stakemann

Indtrådt i direktionen: Direktør Ole Garby Ramlau-Hansen,
Fjeldvej 7, 3900 Nuuk

Selskabet tegnes af en direktør eller af
bestyrelsens formand i forening med et andet
medlem af bestyrelsen.

Revision:

Udtrådt af revisionen: Statsaut. revisor Erik Tronborg Andersen

Indtrådt i revisionen: Schøbel & Marholt, statsautoriserede
revisorer, Skibshavnsvej 22, Postboks 20, 3900 Nuuk

Regnskabsår ændret til: 01.01 - 31.12

Første regnskabsår: 01.11.1989 - 31.12.1990

19.02.1990 Reg-nr.: A/S184991 A/S PSE 13 NR. 1258

Adresse: c/o Landsretssagfører Per Stakemann, Kronprinsessegade
18, 1306 København K

Stiftelsesdato: 01.11.1989

Seneste vedtægtsdato: 01.11.1989

Kapital: kr. 300.000,00

Indbetalingsmåde: kontant kr. 300.000,00 til kurs 100,0

Stiftere: REG.NR. A/S102938 A/S PSE NR. 1285,
Kronprinsessegade 18, 1306 København K, REG.NR. ApS58347
ApS HVKMD 5 NR. 555, Kronprinsessegade 18, 1306
København K, REG.NR. ApS154040 ApS KBIL 9 NR. 1008,
Kronprinsessegade 18, 1306 København K, REG.NR. ApS25040
MEDIMEX ApS, Kronprinsessegade 18, 1306 København K

Bestyrelse: Advokat Susanne Saul Stakemann (formand),
Kronprinsessegade 18, 1306 København K, Advokat Ulf
Svejgaard Poulsen, Prebensvænge 2, 2800 Lyngby,
Landsretssagfører Per Emil Hasselbalch Stakemann,
Kronprinsessegade 18, 1306 København K

Direktion: Landsretssagfører Per Emil Hasselbalch Stakemann,

Kronprinsessegade 18, 1306 København K
Selskabet tegnes af 2 medlemmer af
bestyrelsen i forening, af en direktør alene
eller af bestyrelsesformanden alene
Revision: Statsaut. revisor Erik Tronborg Andersen, Ringstedgade
20, 4000 Roskilde
Første regnskabsår: 01.11.1989 - 30.04.1991
Regnskabsår: 01.05 - 30.04

Leder
Juni 2008

Nils Duus Kinnerup, CFO

Af: Nils Duus Kinnerup
niki@royalgreenland.com

Kære kollega

Jeg vil først benytte lejligheden til at takke Jer for måden I har taget imod mig på. Jeg har ikke nået at komme hele vejen rundt i koncernen – det kommer jeg på et tidspunkt – men de steder jeg har været, har det været en utrolig positiv oplevelse. Jeg har kun været her i 4 måneder, så jeg er stadig grøn men bliver klogere hver dag. Det er selvfølgelig en fordel at have tilbragt en del år i fødevarebranchen, men fisk er ikke helt det samme som kød, selv om der er mange fælles problemstillinger.

Når man starter i en ny virksomhed gør man sig mange indtryk, men jeg vil kort fremhæve nogle af de overordnede observationer jeg har gjort i min første tid hos Royal Greenland.

Royal Greenland er en meget kompleks virksomhed involveret i såvel fiskeri, forædling og salg af fiskeprodukter. Endvidere foregår aktiviteten world wide, hvilket stiller store krav til organisation, kommunikation og informationssystemer. Det er omvendt også det faktum, som gør Royal Greenland til en utrolig spændende virksomhed.

Samtidig er det skønt at arbejde i en virksomhed, hvor medarbejderne udstråler stolthed og engagement. RG har utroligt mange dygtige folk i organisationen, som er vant til at handle meget hands-on og kortsigtet, men som desværre ikke altid tænker i helheder og dermed på koncernen.

Vi kan øge det professionelle niveau i organisationen, så beslutninger træffes på et bedre grundlag og ud fra et mere langsigtet perspektiv. Det kræver, at vi får en større gennemsigtighed i vores informationssystemer og i vores forretningsstruktur. RG kan til tider blive opfattet som lidt af en „rodebutik". Vi kan have en tendens til at gøre tingene unødigt kompliceret. Det er nemmere at gøre tingene enkle og så få dem gjort.

Jeg har en ambition om, at vi i Økonomi/IT/Risk management, som er mit primære ansvarsområde, skal bidrage til at gøre livet lettere for os alle i Royal Greenland. Derfor skal vi ikke kun „stable tal", men også påvirke udviklingen og dermed gøre en forskel for Royal Greenland. Det er baggrunden for, at vi i Økonomi/IT/Risk management har igangsat et strategiarbejde for at få fastlagt en køreplan for de kommende år. Det vil selvfølgelig være en køreplan, som er i overensstemmelse med virksomhedens overordnede strategi.

Halvårsregnskab i minus

Vi har mange udfordringer i Royal Greenland, hvilket også fremgår tydeligt af halvårsregnskabet. Vi har haft et betydeligt underskud i første halvår, som absolut ikke lever op til forventningerne. Men når vi læser halvårsregnskabet er det nødvendigt at skelne mellem udviklingen i selve forretningen og udviklingen i finansieringsudgifterne.

Koldeste vinter på kloden

Det var koldt, rigtig koldt. Isvinteren 2007/2008 gik ud over fiskeriet mellem Grønland og Canada, hvor isen på Vestkysten for første gang i 15 år har trukket sig så langt sydpå. Både kystnært samt udenskærs fiskeri blev for en periode lammet, og helt frem til slutningen af foråret voldte isen stadig problemer for det havgående fiskeri. De små både lå indefrosne, og kun et stort skib med god maskinkraft kan forcere isen. Her er det RG trawleren „Akamalik" på vej ud af havnen i Sisimiut, februar 2008. Ifølge de amerikanske forskere er det fænomenet La Niña der er skyld i den kolde vinter. Denne La Niña begyndte i midten af 2007 og ventes at vare indtil midten af 2008.
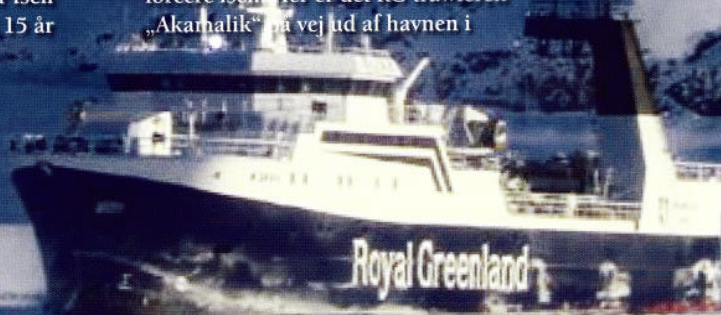
Resultatet beløber sig til et underskud på 82 mio. DKK, hvilket er 46 mio. DKK dårligere end samme periode sidste år. De finansielle poster er forøget med 42 mio. DKK, som kan henføres til forøgede renteudgifter og negativ valutakursudvikling. De større finansieringsudgifter er et udtryk for stigende renter men også for en betydelig gældsbyrde i virksomheden. Gælden er en konsekvens af tidligere års investeringer samt en meget høj arbejdskapital i virksomheden. Det er væsentligt, at vi får reduceret vores gæld. En forbedret indtjening skal selvfølgelig bidrage hertil, men herudover er det meget vigtigt at vi får nedbragt vores arbejdskapital i form af lagre og tilgodehavender.

Det er vigtigt at fremhæve, at resultatet af selve forretningen på 20 mio. DKK (udtrykt ved resultat af ordinær primær drift) ikke viser en negativ udvikling, men er på samme niveau som sidste år.

Mængdemæssige afvigelser i Grønland

Omsætningen er forøget med 93 mio. DKK eller 3,6% trods en uændret volumen. Den større omsætning afspejler forøgede salgspriser som følge af forøgede udgifter til råvarer, materialer, ingredienser, energi, løn m.m.

Resultatet af den primære drift opfylder ikke forventningen, men er påvirket af en meget hård isvinter i Grønland i perioden januar til marts, som i væsentlig grad har forringet fiskeriet og indhandlingsmulighederne. Konsekvensen har været store mængdemæssige afvigelser i såvel trawler divisionen som på fabrikkerne i Grønland med store økonomiske afvigelser som resultat.

Endvidere er konkurrencesituationen skærpet de på internationale markeder, men det er lykkedes at fastholde afsætningsniveauet, dog således at der er solgt væsentligt færre skalrejer og hele fisk, medens salget af fileter, panerede produkter og færdigretter er forøget.

I første halvårsresultat indgår opbygningen af fabrikken i Koszalin med en udgift på 8 mio. DKK og tilsvarende bidrager de overtagne bygdeanlæg fra AGF med (11) mio. DKK. Opbygningen af fabrikken i Koszalin følger planen, og overførslen af produkter fra Glyngøre vil som planlagt blive intensiveret i 2. halvår. Fabrikken vil allerede fra 2008/09 forbedre koncernens resultat væsentligt.

Forventninger nedjusteres

Set i lyset af første halvår ikke lever op til forventningerne, nedjusteres forventningerne til regnskabsåret. Der forventes et resultat af den primære drift på 100 mio. DKK og et resultat på (50) mio. DKK.

Til trods for nedjusteringen udtrykker forventningerne et forbedret resultat af den primære drift i forhold til sidste år. Omvendt afspejler resultatet en negativ udvikling i forhold til sidste år, hvor sidste års tal var positivt påvirket af salget af aktierne i Morpol S.A, salget af fabriksanlægget i Aasiaat samt positive valutakursreguleringer.

Selve driften af forretningen udvikler sig positivt, men resultatet påvirkes kraftigt af Royal Greenlands betydelige rentebærende gæld.

Tiltag igangsat

På kort sigt er en række tiltag igangsat for at forbedre indtjeningen. Tiltagene omfatter en række markedsmæssige tiltag men også omkostningsbesparelser. I forventningerne er indregnet, at Royal Greenland kun fik tildelt en kvote på 1.000 tons udenskærs torsk mod forventet 3.000 tons. Det betyder et indtægtstab på 20 mio. DKK.

Den vedtagne strategi indeholder en række tiltag, som på længere sigt forbedrer indtjeningen markant. Strategien gennemføres ufortrødent, men de økonomiske målsætninger i strategien skal tilpasses såvel de markedsmæssige som produktions- og råvaremæssige forhold.

Royal Greenland står for utroligt mange positive værdier, som vi skal forstå at værne om. En forbedret indtjening vil styrke vores værdier, hvorfor vi er nødt til i samlet flok men også hver for sig at gøre tingene bedre. Der er ingen tvivl om, at vi har en svær periode foran os, men vi forbedrer os, og jeg glæder mig til sammen med Jer at løse udfordringerne. Derfor husk vores 10 værdiregler, og jeg vil specielt fremhæve:

- Vi kan, hvad vi vil, og vi tør flytte grænser
- Vi arbejder bevidst med at gøre det, vi gør, lidt bedre
- Vi tager ansvar
- Team work frem for siloer

God sommer!

Første halvår 2007/08 – nøgletal (mio. Dkk)

	2007/08	2006/07	2005/06
Nettoomsætning	2.643	2.550	2.724
Resultat af ordinær primær drift (EBIT)	20	21	87
Resultat	(82)	(36)	44
EBIT-margin, %	0,8	0,8	3,2

Transcribed Citations

Interview 1

Area Manager, male, age 52

(00:00:45)

AR.M: Jamen silo tænkning det er det er sådan et "bad" ord for mig det er sådan et grimt ord for mig det betyder jo at for nu at tage sådan et konkret eksempel en produktchefsgruppe tænker I siloer det vil sige man holder alle informationerne indenfor denne her silo og bliver enige om nogle ting I denne her gruppe uden at kommunikere ud bredt for eksempel I forhold til marketing for eksempel I forhold til salg og man kan ikke ko man kan ikke fungere som virksomhed hvis ikke du har en kommunikation på tværs. Det er jo ganske umuligt fordi vi er nød til og acceptere at markedet det er vores kunder det er forbrugerne de kræver af os at vi er dynamiske og vi er markedsorienterede det vil jeg godt understrege *Markedsorienterede* og i sidder inde med nogle informationer i marketing produktcheferne sidder inde med nogle informationer og vi har også nogle informationer omkring markedet og man kan kun agere i markedet og overleve i markedet hvis de der ting de bliver kombineret og derfor er den her silo den er eh det er eh ikke noget der hører 2008 2009 til. Sådan var det i rigtig rigtig gamle virksomheder som var funderet ud fra en produktionstankegang og som var produktions orienterede men ikke markedsorienterede og ikke markedsorienterede som vi skal være og vi har et ønske om at være.

(00:07:47)

AR.M: Der foregår jo her lige så vel som alle andre steder nogle magt kampe altså hvor hvor ehm det det kan man ikke sige til en åben mikrofon men hvor folk forsøger at pisse deres territorium af og så sige det her det er mit domæne det er der ikke nogen der skal komme ind og røre ved og eh mig bedrevidende altså så hvor man ikke deler ud af sine idéer og sin information og det det duer bare ikke i en moderne virksomhed man skal altså bare kommunikere på tværs.

(00:09:05)

AR.M: sådan sådan er det bare det er nemmere og kors og kommunikere via telefon eller måske oven i købet sidde face to face med en person

(00:09:26)

AR.M: hvis man eksempelvis skal have nogle produktinformationer som er unikke i forhold til at kunne sælge et produkt til vores kunder så har man ufattelig svært ved det fordi man har ikke tiltro til at det som systemet fortæller en det er det rigtige fordi vi oplever så mange gange når vi har baseret vores informationer til kunderne alene på baggrund af SAP eksempelvis de oplysninger som ligger der så løber vi ind i at det faktisk ikke er sådan det hænger sammen

(00:10:45)

AR.M: Altså eh det er et spørgsmål om vedholdenhed så altså jeg får de information og får dem altid men nogen gange så skal man rundt om nogen forskellige eh personer rigtig mange personer for at få informationer altså for for det første så kræver det at man skal have en produktoprettelse igennem…

(00:12:55)

AR.M: Altså der er selvfølgelig nogen steder hvor der er mere presset end end andre steder og også på forskellige tidspunkter. Altså jeg er da godt klar over at vi skal ikke være flere personer eller hoveder i virksomheden end der er behov for men og alle har rigeligt at se til og det her det her er jo bare et spørgsmål om at man får det rigtigt organiseret sådan ansvaret bliver lagt de rigtige steder så kommer til at fungere fremadrettet. Det er der hvor det hele ehh nøglen ligger.

(00:13:14)

AR.M: jamen det tror jeg at jeg er helt up-to-date med for jeg er jo jeg er en nysgerrig type og spørger gerne ind til det og vil også gerne involvere mig mere eller mindre i ting uden at blande mig altså jeg vil godt vide hva hvad man gør og det det er nødvendigt hvis man sidder i en kunde leverandør situation og hvor der bliver spurgt ind til nogen ting så forventer kunden jo af mig at jeg kan svare på stedet

(00:14:35)

AR.M: det er man nødt til som udfarende kraft her fra huset og have en fornemmelse […] af ja men også sætte sig ind i ikke detaljevis men hvad man sidder og laver men men hvad funktion har hver eneste person og hva og hvad er egentlig eh hvad er egentlig de forskellige afdelingers krav til os andre altså det er også vigtigt at vide lidt om hvad der foregår

(00:16:02)

AR.M: der er selvfølgelig meget længere både både fysisk men også sådan rent kommunikationsmæssigt fordi at hvis man snakker om Koszalin for eksempel som er en helt ny kultur som er kommet ind i Royal Greenland så så kræver det også at der er en vis forståelse for hvordan virksomheden fungerer

(00:16:40)

AR.M: nej det er mere sådan altså forståelsen det har også været sådan et skældsord hvor der i gamle dage der var der sådan man sagde Aalborg Glyngøre og Grønland man tænkte i siloer i de der tre systemer der hvor at der ligesom er blevet en helt klar ehh positiv forandring på det altså nu eh man er meget mere åben hvor man tidligere var lukket i Grønland man er meget mere åben nu overfor at en vare kan sælges og eh det er den rigtige vare til det rigtige marked og den servicemindedhed man oplever fra Grønland den er også unik i forhold til tidligere synes jeg

(00:17:31)

AR.M: jamen altså information er en vigtig ting synes jeg der der blev sagt på et tidspunkt at eh vi skulle have en synlig ledelse og det synes jeg ikke helt vi har eh der er et informationsmøde en gang imellem når man nu synes at der er gået for lang tid siden sidst så kommer der sådan et informationsmøde men jeg synes godt man kunne have en plan for hvornår de der møder de kom og måske oven i købet måske også få andre end en person til og kommunikere jeg synes vi mangler lidt vores chef vores administrerende direktør i denne her sammenhænge han må godt komme lidt mere ud af busken og være lidt synlig overfor alle medarbejderne det eh det tror jeg ikke jeg er ene om at mene

(00:18:30)

AR.M: nu eh om nogle måneder så eh sidder vi forhåbentlig alle sammen i et samlet hus altså en anden bygning og eh det det er jo det er helt klart de der fysiske placeringer vi har i øjeblikket det gør jo at man har en HR afdeling som sidder et sted man har en økonomiafdeling som sidder et andet sted og eh os selv marketing sidder så et tredje sted og det gør lige pludselig at man skal gå man skal gå på sine gåben for at få noget information det flyder ikke på sammen måde som det ville gøre hvis at man sad i det samme hus det er helt klart det kommer til at give en klar klar forbedring altså det er ikke det SKAL det

(00:20:42)

AR.M: Altså jeg ved da konkret for den afdeling som jeg nu er en del af den skandinaviske afdeling der der taler man meget om det her nye kontor hvornår kommer det og bliver det nu til den tid som der er aftalt og det har alle jo bekræftet at det bliver men man starter med at fortælle noget om det altså sådan forventer vi det ser ud når vi kommer til april måned og det er det i skal ind og bo i

 (00:21:20)

AR.M: inddrage folk noget mere end end man har gjort tidligere ik kun omkring det men også omkring andre ting fordi så føler man lige pludselig man bliver en del af det selv og har fået lov til at bestemme selv om man ikke har og det giver noget motivation det er så ufattelig vigtigt

(00:21:53)

AR.M: helt klart altså jeg har oplevet omkring et projekt omkring nogen eh færdigretter hvor vi helt fra starten har inddraget både produktion marketing og salg plus en kunde og det projekt kommer til at lykkedes fordi vi helt fra starten af har haft fat i alle elementerne og har fået alle synspunkterne frem for vi måske eh kobler en af eller to af fra starten også tror på at det nok også er det de mener

(00:22:26)

AR.M: altså vi får succes og vi sparer en masse tid på at gøre det på en anden måde

(00:22:36)

AR.M: altså projektgrupper altså eh på nogen hovedspørgsmål det ville være helt helt oplagt jeg siger ikke man vi skal ikke sidde og sidde i rundkreds hver eneste dag men altså det er vigtigt at vi på de tunge ting mødes sådan at alle er tilfredse og alle får lov til at ytre deres mening om det

Interview 2

Marketing Coordinator, female, age 37

Packaging Coordinator, female, age 44

Graphic Designer, female, age 46

(00:00:37)

PA.COOR: For os eller for mig der betyder det hvert fald hvis jeg hører ordet silotænkning så tænker jeg at man tænker mig mig mig og har skyklapper på også er man egentlig lige glad med hvad andre der måske endda beskæftiger sig med det samme hvad de kører altså så kører man sit eget ræs i sted for at prøve og bryde siloerne ned og hive det bedste fra de forskellige siloer over i en samlet.

(00:01:45)

MAR. COOR.: jamen så handler det om at den enkelte unit eller afdeling tænker på sig selv og sin profit før der bliver tænkt på virksomhedens og det er jo ikke altid der er konsensus mellem de forskellige afdelinger i hvad DE lige synes er vigtigt og hvad der er vigtigt for deres afdeling og så er det det går galt

(00:02:26)

MAR.COOR: og jeg tror også at vi bruger nogle penge som er fuldstændig vanvittige eh fordi hver enkelt afdeling sub-optimerer

(00:03:00)

PA.COOR: og dem der er mest ivrige er typisk også dem der ikke får regningen men det er jo samme kasse det hele kommer tilbage på så det nytter ikke noget at man sidder og ser på sine egen små tal og det er der mange der gør

(00:03:12)

MAR.COOR: jeg tror måske også at der ligger noget årsag til den her mega silo organisation o og det er at at hver afdeling netop er opbygget som et profitcenter at for produktcheferne for eksempel handler det om at de skal vise resultater på bundlinien men det skal salg også og der DER i sig selv er der jo en konflikt fordi hvor skal profitten ligge

(00:06:17)

PA.COOR: jeg synes der er mange spildte kræfter

(00:06:48)

PA.COOR: altså der er simpelthen ingen styring der mangler et eller andet et væsen ovenfra der har et overblik om det så er Hanne og Christian Brink og eh jeg ved ikke hvem i foreningen eh men der mangler simpelthen en strategi for hvad det er man vil

MAR.COOR: yes ma'am jeg er SÅ enig

(00:07:12)

MAR.COOR: men det er den der lidt barnlige børnehavementalitet også efter min mening

PA.COOR: der skal være en der slår i bordet og siger sådan er det

MAR. COOR: ja fordi det er den der med at ehh jeg sk at man hytter sit eget skind og det gør man edermanemig og man slås med mudder også

(00:10:27)

PA.COOR: hver gang jeg sender noget så er det altid hvor folk skal smide ting de har i hænderne og jeg skal rykke inden jeg næsten har modtaget det det er SÅ det virker så useriøst jeg føler mig latterlig hver gang jeg gør det endnu en haster jeg tror aldrig jeg har sendt noget der ikke er en haster

(00:17:31)

PA.COOR: hvis det er in-house her så sender jeg en mail og så går jeg hen bagefter og stiller mig foran ha ha […] fordi at det er tit lettest lige at bede om noget også eh snakke om det samtidig og så sikrer jeg at min mail der haster ikke drukner sammen med de andre halvtreds mails vedkommende har der sikkert også haster fordi man kan jo kun læse en ad gangen.

(00:17:58)

PA.COOR: så det eh jeg forventer at vi sidder ehm som vi kommer til at gøre i Svenstrup

(00:22:47)

GRA.DE: jeg kan godt huske inden da vi lavede det tyske sortiment jeg tror jeg lavede fire eller fem hele sortimenter inden det først også kunne de ikke forstå at det tog så lang tid jeg var ved at blive vanvittig

(00:23:32)

GRA.DE: NEJ hvordan finder de ud af at lave produktet gang på gang men de kan ikke fortælle det til os men de kan producere det i tonsvis

PA.COOR: ja jeg jeg forstår det heller ikke

(00:23:50)

GRA.DE: ingenting

MAR.COOR: alt for lidt eeeh jeg vil sige nej altså på salg der bliver jeg involveret og er med til salgsmøder og eh

GRA.DA: men jeg vil så sige at informationen den stopper jo også jeg ved godt det er på grund af travlhed men den stopper jo også lidt ved dig

PA.COOR: ha ha ja vi andre vi får ingenting af vide

(00:25:42)

GRA.DA: man ve du ved selvfølgelig at de udvikler produkter men du ved ikke lige præcis hvad er det for nogen de arbejder med lige i øjeblikket det ved vi jo ik

MAR.COOR: nej ikke en skid

(00:29:23)

MAR.COOR: min pointe er lidt at når så sådan en den information der er helt basal om hvad vores kolleger de egentlig laver den ikke er tilgængelig det er et ledelsesproblem eller en udfordring DET skal ligge der det er dem der skal sætte teten eller tonen sådan nogen ændringer i eh i virksomhedskulturen og mentaliteten det kan aldrig komme nedefra det er nødt til at komme oppefra […] for vi får aldrig tiden eller midlerne til at ændre det

(00:32:54)

MAR.COOR: hvorfor har vi ingen strategier er der nogen der ved det

(00:33:43)

MAR.COOR: og man kan jo så sige at vi ville jo så også pludselig få en masse information som vil gavne vores daglige arbejde vores motivation og så videre eh og dermed ville vi alle sammen nå mere altså det er uundgåeligt

(00:36:32)

MAR.COOR: jamen det skal starte i ledelsen man skal have ledelsen overbevist om at det er en god idé og at det hæmmer Royal Greenlands udvikling og får man ikke det så får vi det aldrig løst

Interviewer: og hvad så når ledelsen er hoppet med på vognen

MAR.COOR: jamen så skal der jo først og fremmest laves en strategi og så når der er lavet en hovedstrategi så skal de enkelte afdelinger lave strategier i samarbejde med ledelsen og så skal de FORMIDLES til alle i organisationen

(00:36:17)

PA.COOR: jeg tror man er et lille stykke på vej med i Svenstrup at have afskaffet alle de her små kontorer fordi om ikke andet selvom det bliver en omvæltning for mange hvis man har været vant til at sidde for sig selv og kunne lukke døren så har vi jo alle sammen ører og det er på godt og ondt men jeg synes personligt at det er fint at man kan høre hvad der sådan er gang i rundt omkring […] jeg tror at det er med til at nedbryde siloer

(00:45:48)

MAR.COOR: jeg tror det er tiden

PA.COOR: vi har travlt

MAR.COOR: ja jeg tror simpelthen det er tiden […] jeg hader tit de der tirsdagsmøder man sidder (trommer i bordet) jamen man har ikke tid til det der sludder sladder jeg er somme tider ved at tænde helt af når man har en deadline og så skal vi sidde der og snakke om og æde kager og snakke et eller anden åndssvagt kursus

(00:49:04)

PA.COOR: Men det men det hele er jo forårsaget af at at ehm man har det arbejdskraft lige præcist der er nødvendigt og alle har sådan set nok at se til […]

MAR. COOR: Ja men vi er faktisk for få til det der ligger

GRA.DE: Ja

PA.COOR: og så er det svært at være kreativ

(00:50:49)

MAR.COOR: ja af en eller anden mærkelig grund så af en eller anden mærkelig grund er den der

(00:51:19)

MAR.COOR: det er egentlig sjovt at de der siloer til trods så er der virkelig den der korpsånd alligevel

PA.COOR: men jeg kan ikke sådan lige sige hvad den går ud på men jeg synes den er der

(00:51:41)

GRA.DA: det må være det sociale og så alligevel stor frihed til altså […] jamen altså folk der hader regler de skal bare komme her til Royal Greenland ha ha ha men det altså der er jo egentlig plads til alle mulige typer her ude når man tænker over det ikke

(00:52:16)

MAR.COOR: men prøv så at tænk hvad vi kunne nå hvis der blev lavet den strategi og man arbejdede sammen prøv lige at se en synergi der ville komme det er jo helt vildt

Interview 3

Product Manager, male, age 41

(00:00:23)

PM3: Jamen det er når hver altså ehh produktionsenhed eller afdeling gerne vil eh altså køre som eh en selvstændig profitorganisation især produktion produktionsenhedsmæssigt så når ehhh altså så ehhhh hvis vi så er afhængige af hinanden for eksempel jeg skal man skal overføre råvarer eller der er nogle problemer med en råvare eller sådan et eller andet så bliver problemet eller dækningsbidraget eh suboptimeret sådan at lige den afdeling kommer til at se bedre ud end end end hvis man kigger det i totalforløbet eller også opnår man den problemstilling at at alle de vil tjene eh urealistisk meget på en af vores egne råvarer og så eh til slut så eh så eh så hvad er det det hedder har vi et eh så er vi ikke konkurrencedygtige på på på markedet

(00:01:48)

PM3: Nej egentlig så tjener vi meget godt men men men det bliver uigennemsigtigt igennem hele værdikæden at se hvor meget tjener virksomheden egentlig på det det kan vi heller ikke rigtig se i vores COPA system eller vores business warehouse system

(00:02:28)

PM3: det er klart eh at dem man sidder tæt på dem arbejder man jo bedre sammen med end dem man sidder langt væk fra end dem man laver noget med til dagligt men det er klart man har ikke det det st st store forkromede overblik over hvad der egentlig foregår andre steder så skal du i hvert fald have været her i lang tid og eh have stor erfaring i RG systemet for en ny der må det være helt umuligt og eh se

(00:03:00)

PM3: altså jeg synes egentlige at der er en god tone og eh sådan nogle ting men altså det er klart folk jo mere folk de bliver jo mere økonomien bliver presset jo mere skinger bliver tonen også eh det er meget tydeligt

(00:07:47)

PM3: nej deeeet nej nej egentlig ikke siloer ikke i forhold til de her afdelinger men for eksempel over til trading der er det også et godt eksempel

(00:10:40)

PM3: Ja det det man bruger meget af sin tid på brandslukning ikke også eh

(00:11:05)

PM3: ja jo eh nej jeg har den fordel at jeg har siddet i salget tidligere så ved hvad sådan har stor erfaring for hvad der sker i salget jo eh

(00:14:02)

PM3: ja jeg tror mange folk de har svært ved helt at overskue totalforretningen forstår ikke helt de processer der kører bag ved og eh altså og eh hvorfor det nogen gange giver underskud og nogen gange giver overskud det eh altså det er der meget få personer der egentlig kan overskue totalforretningen

(00:16:52)

PM3: der har vi et kæmpe problem omkring vores opfølgningssystemer at eh at de er eh har været mangelfulde og fejlbehæftede sådan at eh det har været svært for folk at pin-pointe hvad er det man skal satse på hvad er det man skal afvikle

Interview 4

Product Manager, male, age 33

(00:00:39)

PM4: Jamen silotænkning, for mig er det ikke eh noget som vi har mellem NPD, produktchefs-organisationen og marketing, det er mellem produktion og mellem salg.

Interviewer: okay, prøv at beskrive hvad det betyder

PM4: Hvad det betyder, det betyder at man prøver at optimere, suboptimere, man prøver at optimere inden for den del af forretningen uden og se på hvad hele værdikæden i Royal Greenland skal tjene af penge. Det kan for eksempel være på på på udbytter, som at gå på kompromis med kvaliteten, det kan være på eh på for eksempel hvis hvis eh altså ja hvis hvis man har en aftale om at der skal bruges en råvare men bruger en anden, sådan uden at så informere salget, så man opnår bedre derude men måske får et ringere fordi sælger eller kunden kommer efterfølgende og siger det er ikke det rigtige det her. Så det er silotankegang og det det er jo så altså hvor man så udelukkende burer sig inde og så tænker produktion, produktion og så salg, slag uden at se på hva hvad får virksomheden ud af det.

(00:02:02)

PM4: Jamen samarbejdet øhh man kan sige grunden til det ikke fungerer det eh det tror jeg er fordi vi er så pressede i hverdagen. Vi er så pressede i vores linieorganisation at eh alt det der hedder matrixorganisation og det der hedder arbejde på eh som man ikke direkte belønnet belønnet af ens egen chef, som nu skal betale ens løn øh øhm at man simpelthen ikke får får får ressourcer til det. Og dermed så får man heller ikke den kontakt som er nødvendig øh og igen så forsøger man at optimere ens eget område eventuelt på bekostning af andre. Det er en af grundene, eller det vil jeg sige det er den store grund til det at samarbejdet det ikke altid er i top som det burde være.

(00:03:11)

PM4: Det det er jo måske et af de områder som som man burde tage op på ledelsesniveau og prøve at gøre noget mere ved. Altså en ting er at sige man vil gøre noget mere men en anden ting er at gøre det reelt.

Interviewer: Hva hvad tror du så de ku gøre? Sådan helt specifikt for at det det arbejdsbyrden blev lettet?

PM4: Jamen belønne belønne tværorganisatorisk eh arbejde. Belønne det.

(00:03:52)

PM4: Hvis man tager det lidt groft set så er vi jo nogle forskellige produktområder som som så bliver kædet sammen til virksomheden Royal Greenland og det er da rigtigt at at Flemming har da præsenteret nogle ting for os øhhm men jeg tror ikke man kan sige der er et direkte link til eh til vores eh arbejde i produkt eh områderne.

(00:04:41)

PM4: altså som jeg siger – jeg har arbejdet i tre forskellige virksomheder [røg, lage rejer, Grønland skalrejer og krabber). Fordi sådan er det. […] Så altså det er tre forskellige virksomheder kan man sige ikke, det er tre forskellige måder at gøre tingene på .

(00:05:29)

PM4: Altså jeg synes jeg ved en del men jeg ved selvfølgelig ikke nok. Øhhm alt jeg har på et tidspunkt foreslået at vi havde rollebeskrivelser af samtlige stillinger, sådan så man kan gå ind og sige okay hvad er det for nogle ting som falder mellem stolene øhm og eventuelt også hvis det er man synes mm at en person ikke laver de ting som man har udstukket til personen så så få en lidt bedre forståelse for hvorfor det er. Fordi eh hvis man ikke rigtig informerer om hvad det er man går og laver eller kan se det nogen steder så er det jo også svært at samarbejde jo.

(00:08:17)

PM4: Så kan man sige at det det at ehm at vi måske ikke har den der forståelse af hvad hinanden går og laver og dermed også nogen gange mangler en lille smule respekt for en de andres arbejdsområder øh det det gør at eh det er svært når det er over lange afstande ik

(00:09:07)

PM4: altså jeg jeg tror på en eller anden måde at skal vi have mere tværorganisatorisk samarbejde ehm som vel mange er indstillet på lige nu så ska så skal der frigives nogle ressourcer til det i ens arbejde eller så man kan ik vi kan ikke bare alle sammen lægge 2 timer mere øhh til dagen altså man kan sige jeg har det selv sådan jamen de dage hvor jeg er enormt presset der er jamen der bliver jeg måske en lille smule indelukket og eh der bliver jeg ikke god til at tale med eh med de personer og give mig tid til at tale med de personer som jeg burde gøre i løbet af dagen eh fordi vi ved jo alle sammen at det er godt at samarbejde jamen selvfølgelig hjælper det tingene på lang sigt

men eh men det kræver jo også man hele tiden er i en dialog og bruger en masse tid på at snakke sammen. Øhm det er lidt lige som, er du på et hjemmearbejdskontor så får du lavet dobbelt så meget ehh som sidder du blandt alle de andre. Øh der ser jeg lidt det samme her.

(00.10:13)

PM4: Jeg synes jeg oplever folk de er glade for at være her og også glade for deres kolleger øhhhm de er glade for at arbejde for Royal Greenland men men men altså man kan sige den kunne blive stærkere det ku den bestemt. Ehm vi er ikke altid lige gode til at kommunikere vores mål og de retningslinjer vi har stukket ud eh det er både inden for de enkelte produktområder og som som mit eget men også overordnet set hvad er det for nogen eh resultater vi er på vej henimod eh det er jo både når vi skal eh rose hinanden men også når vi skal skal give ris. Det sådan nogle ting kunne nok også hjælpe til at give en stærkere team spirit.

Interview 5

Product developer male 33 (NPD1), product developer male 32 (NPD2)

(00:00:28)

NPD1: jeg forstår ved det at at hver enhed […] altså hvordan skal man sige det hver enhed altså for eksempel salgsorganisationen i Skandinavien de arbejder udelukkende ud fra deres egne interesser altså de ka altså tjener penge på produktionens bekostning for eksempel og produktionen prøver at tjene penge på salgs bekostning i stedet for at de måske arbejder sammen

(00:00:57)

NPD1: jeg vil sige et eller andet sted tænker jeg i den her virksomhed altså der mangler man kan man sige burde man måske sige at at alle produktionsenhederne burde gå i nul eh omkostningsmæssigt og så også burde salg stå for al indtjening altså fabrikkerne behøver ikke at tjene penge hvis man eller omvendt et eller andet sted så er det jo lige gyldigt

(00:02:07)

NPD1: et eller andet sted så mangler der nogle bindeled altså man er ikke ret gode til at arbejde sammen de forskellige afdelinger imellem

(00:03:17)

NPD2: jamen på den måde der er de over det hele på de områder der altså der er jo produktudviklingssilo kontra en kvalitetsafdeling kontra produktion igen altså kontra salg og sådan noget og så også landene imellem fabrikkerne imellem

(00:03:49)

NPD1: altså for vores vedkommende i produktudvikling så er vi jo måske forholdsvis fri for de der både eh altså der der siloting for vi arbejder vi er vel den eneste enhed der arbejder på tværs sådan lige umiddelbart produkt managerne gør det vel også til en vis grad

(00:04:57)

NPD2: men i og med at vi har en finger med i spillet inde i mange afdelinger har vi ikke det helt store barriere problem på den måde men det er jo mere hvis vi arbejder sammen med to afdelinger så er det de to der er problemet

(00:05:47)

NPD1: altså m mail er helt klart den dårligste form for kommunikation det er der slet ingen tvivl om altså afskaffede man mailen så tror jeg er jeg sikker på man ville komme et langt stykke hen ad vejen i forhold til kommunikation og misforståelser og alle de der ting

(00:06:17)

NPD2: ja nogenlunde synes jeg egentlig det kan selvfølgelig altid blive bedre (indsigt i andres områder)

(00:07:12)

NPD1: et meget sjovt eksperiment kunne vel være at man droppede emailen i en måned i alt fald til beskeder og alt sådan noget

(00:08:59)

NPD2: men måske også danne nogle små grupper om projekterne hvor der var nogen fra hver silo eller afdeling og så have jævnlige møder sammen

(00:09:16)

NPD1: men de har vi jo gjort omkring de her varmtvandsrejer har vi jo kørt et rigtigt projekt forløb med eh business lidt som man skal gøre det altså det er da første gang at det er sket

(00:09:46)

NPD1: altså jeg ved ikke om det ligger i traditionen […] altså traditioner florerer jo sådan her har vi altid gjort og sådan gør vi og det kan man da også se med de nye tiltag der kommer altså for at folk nogen steder I salgsafdelingen skal have vareprøver så skal de sende en specifik formular altså de gamle sælgere det gør de sgu ikke så ringer de I stedet for altså eh nogen ting er bare svære at lave om

(00:11:21)

NPD1: nej det føler jeg ikke der er altså eh i hvert fald ikke eh nu har jeg været på en del andre arbejdspladser eh så oplever jeg ikke den helt store fællesskabsfølelse det gør jeg ikke der bliver

prøvet og der bliver også taget initiativer altså der er så måske også fordi folk bor geografisk spredt men men men ellers så eh så synes jeg ikke at der er den store fællesskabsfølelse

NPD2: jamen sammenlignet med andre arbejdspladser som jeg har været på så eh så er der måske heller ikke den helt store

NPD1: der er ingen kampånd

(00:12:11)

NPD1: jeg ved ikke om det er størrelsen der gør det og så kulturen og traditioner historik

NPD2: jeg tror nærmere det er det det er ikke størrelsen

(00:12:39)

NPD2: det er nærmere at der er et hold i Glyngøre kontra et hold i Aalborg eh et i Wilhelmshaven et i Koszalin et i Grønland et i USA nogle i eh alle steder i verden det er svært at samle dem at have den samme mentalitet det eh

NPD1: det det nej det kan man vel ikke

NPD2: men jeg synes det er blevet bedre i løbet af de tre år jeg har været her

Interview 6

Product Manager, male, 45, Germany

(00:01:13)

PM6: that eh special plants special departments are only concentrated on on their business and not seeing the side effects what happens if they react in such behavior eh they would like to improve their individual business or they would like to improve their individual business process and not thinking left and right eh what it means for individual departments and this of course in in one plant between departments or between different plants or between eh yah Denmark and eh headquarter and plants

(00:02:10)

PM6: at first I would like to stress that here in the culture of Royal Greenland this silo-thinking is open discussed so we discuss it in eh the sales this expression silo-thinking is well-known and everybody is aware of that it is eh eh a certain behavior that we have to do something

(00:02:39)

PM6: I can say that this special department-thinking or silo-thinking in other German companies eh is much more common and eh they don't talk about it and this a disadvantage so in Royal Greenland we are aware that this happens and we open discuss this

(00:03:58)

PM6: active active silo-thinking we are we know in Royal Greenland oh there could be silo-thinking and we try to avoid it but it is a passive eh silo-thinking eh and in other departments and in other German branches they make active silo-thinking

(00:04:40)

PM6: it means eh I think there exists active eh silo-thinking eh to provoke other departments and to provoke them don't show them don't share and on the other hand I think there exists also silo-thinking eh passive silo-thinking that eh because of overload or very yah much daily eh business the people act in this way they do and not thinking about the consequences

(00:06:11)

PM6: eh that we have very big economic disadvantage because of silo-thinking

(00:09:25)

PM6: ehm lack of communication und lack lack of understanding that the people are not aware what happens on the next sites […] yah oder decide in a way that our sourcing people get difficulties it's hard to get this raw material and the product manager decides what's in and I think communication and putting these people together will help but it needs time neh?

(00:11:14)

PM6: eh a common goal helps eh to overcome that right but a strategy only written on paper it doesn't work then people often say oh the top management create a strategy how nice neh? We do here in our branch what we do neh? We do it better strategy help melt the people together in one common goal but only write a strategy that is not to think people then have a lack of understanding the strategy eh active not to work with this strategy strategy is at first a written word eh and then it must eh you must give life to a strategy to give leadership that the top management behaves in that way

(00:13:12)

PM6: in our company yes when I ask I get I get answers this is here with the Danish culture in a very open form much more open than other departments

(00:13:54)

PM6: exchange programs bring the people together make team building that that they intensively work together and then eh department overlapping projects

(00:14:25)

PM6: and also workshops like this sales meeting where the people come together in an informal way but I think the main thing is to have success together

(00:17:54)

PM6: I think it is very difficult eh a beginning team spirit yeas but we are in a Diaspora we are very spreaded eh plants eh eh different locations eh totally different product groups but I think in product management I feel a team spirit

(00:19:08)

PM6: but I think the connection to marketing or to head quarters in Denmark could be better

Interview 7

Product Manager, male, 34, Germany

(00:01:54)

PM7: øh jeg har ingen idé om hvad de snakker om jeg har aldrig hørt det før så eh det betyder ikke ret meget for mig hernede i Tyskland i hvert fald kan man sige

(00:02:24)

PM7: hvis hvis jeg kigger på det isoleret set for Wilhelmshaven så eh hundrede procent ja altså der er meget afdelingstænkning altså det er sådan hver afdeling vil gerne have deres opgave som de så kan løse og når de har løst den så er de egentlig glade og så føler de at de eh at de har gjort deres opgave og jeg har daa jeg vil ikke sige jeg har jeg har samme fornemmelse med Aalborg som jeg har hernede eh altså der synes jeg lidt man tænker i bredere baner

(00:03:24)

PM7: ja altså der øh der der vil jeg helt klart også sige at jamen der oplever jeg også silotænkning og der oplever jeg sub-optimering øh meget kraftigt altså at man forsøger at optimere sit eget område fordi man får en bonus højst sandsynligt øh på baggrund af det resultat man laver indenfor sit område

(00:04:29)

PM7: hvis man sådan kigger på de andre afdelinger på eh logistik og så videre så eh synes jeg der er en tendens til at man laver sine små projekter og så laver man dem færdig og så kommunikerer man at nu er de færdige uden at man egentlig sørger for en ordentlig overdragelse til resten af organisationen

(00:04:51)

PM7: der er business warehouse også et godt eksempel synes jeg som egentlig har kørt i eh halvandet år eller sådan noget tror jeg eh og jeg tror ikke jeg har brugt det en eneste gang endnu

(00:05:33)

PM7: jamen jeg tror lidt det er en følge af hvordan hele organisationen er skruet sammen øhhh at man har lavet mange afdelinger som egentlig har sammen ansvarsområde og jeg tror de har snakket frem og tilbage mange gange som vi har med produktudvikling eller med marketing og på et eller andet tidspunkt siger man til sig selv okay ehh jeg har jo også selv ansvaret til dels for det her så klarer jeg det sgu bare selv og det tror jeg da det er lidt en følge af det men også som jeg sagde før de bonusordninger og de målepunkter der ligger i virksomheden eh de lægger op til sub-optimering

(00:06:44)

PM7: men selvfølgelig er det jo et geografisk spredt firma som stiller store krav til at man eh at man mødes tit for at skabe en fælles forståelse og ikke bare sender emails

(00:07:03)

PM7: indenfor salg og indenfor marketing har vi jo et årligt salgsmøde hvor man egentlig møder hinanden og det eh kan man så diskutere om det er nok hvis man kun gør det så skal man i hvert fald mødes på andre niveauer i løbet af året eh fordi ellers får man simpelthen ikke den forståelse der er nødvendig for at kunne arbejde sammen og det fører så i sidste ende til at man egentlig sidder og laver sit eget og ikke har en stor kontaktflade med dem man egentlig burde have en kontaktflade med

(00:07:55)

PM7: hvis du spørger konkret om jeg ved hvad de laver så gør jeg det nok ikke men jeg ved sådan hvilke områder de arbejder indenfor men hvis du spørger mig hvad produktudvikling lige i øjeblikket har gang i eh også måske indenfor Wilhelmshaven kan jeg ikke svare dig hundrede procent på det

(00:08:53)

PM7: altså for mig at se er det et helt grundlæggende problem i Royal Greenland eh og det starter med at man har sub-optimering som jeg snakkede om før eh man har en opstilling hvor der sidder en produkt chef der er indtjeningsansvarlig og derfor forsøger at skabe mest mulig indtjening for sin for sit lille område og det det gør tit at der ikke er helt hundrede procent åbne linjer til eh til salgsafdelingen og det vil sige salgsafdelingen sidder egentlig med nogle kostpriser der måske er for høje fordi produktchefer eller indkøbere bygger buffere ind så eh salget sidder også med forkerte informationer og kan egentlig ikke styre margin som de burde gøre for det er dem der kender markedet og for at skabe hele den åbenhed mener jeg man burde omstrukturere hele virksomheden øh således at eh egentlig at produktchefrollen falder bort for efter min mening og at eh salget egentlig bare for informationer fra controlling og fiskeindkøb om hvordan markedet ser ud eh hvordan er helt konkret kostpriserne eh der skal ikke sidde en person indimellem der der tjener på det eller bliver målt på det

(00:10:10)

PM7: jeg der det lidt som et problem at at der er flere der skal tjene penge her i virksomheden og det gør lidt at man sidder og sub-optimerer og det gør lidt at man holder kortene tæt til kroppen så eh det det tror jeg ville være vigtigt for dialogen i hvert fald

(00:10:56)

PM7: altså jeg tror helt ærligt organisationen er et problem fordi den er så uigennemskuelig og der er så mange forskellige afdelinger der egentlig sidder med lidt det samme ansvar og det det det eh hæmmer kommunikationen i min i min verden fordi man ikke har definerede ansvarsområder

(00:11:30)

PM7: jeg ser ikke det store problem mellem marketing produktudvikling og eh produktcheferne der ser jeg kun det problem at vi har fælles ansvarsområder eller hvad skal man sige ikke klart definerede ansvarsområder men der synes jeg egentlig afdelingerne er åbne og eh taler godt med hinanden og eh der synes jeg egentlig kommunikationen den flyder udmærket

(00:12:04)

PM7: og eh hvis man kigger på de enkelte datterselskaber og på produktionsenheder så er kommunikationen også meget dårlig der

(00:12:26)

PM7: indenfor produktchefsgruppen synes jeg egentlig at det er der ehh og jeg vil så også sige med salg har man det også altså produktcheferne med salgsafdelingen […] jamen altså jeg tror det tror jeg ikke rigtig man kan sige der er fordi der er for mig at se mangler lidt et fælles mål at have team-spirit omkring og jeg tror ikke alle afdelinger er så bevidste om at der sidder kunder ude i den anden ende

(00:13:20)

PM7: hhh ja jeg har en rimelig god idé om det men det er at eh at vi vil eh vokse indenfor mærket på food service vi vil også være private label leverandør til detailhandlen og være mærkevare i Danmark eh den del af det har jeg men altså sådan eh hvis du spørger mig lige nøjagtig nu hvad visionen er for Royal Greenland så eh så kan jeg ikke sige det

(00:13:57)

PM7: når man man klart kan huske og ved hvor vi er på vej hen og hvem vi er oppe imod og hvordan markedet ser ud for der er mange i Royal Greenland der ikke kender markedet overhovedet der ikke ved hvor vi agerer henne og det er lidt et problem synes jeg for hvis man skal motivere mennesker skal de jo gerne vide jamen hvad er de i gang med at bygge hvor er vi på vej hen

Project Groups

(00:05:03)

PM6: Let me stress one point. We often talk about we are..we would like to be better, we have to improve this and that, for me most important is where oder what is the target of this company in five or ten years …and I hear a lot in Koszalin that we would like to be a trendsetting, international, recognized seafood supplier and we heard somewhat from Morten, but I think discuss all these things we are discussing here is most important to see what is the target in three, five or ten years, and then you can always prove these a lot of what we are to do if this fits to the target. If we like to be an international, recognized player with trendsetting seafood products, I as a product manager can ask a key accounter: I would like a fish cake with 25%, do you think that these make Royal Greenland to an international trendsetting seafood or not?

NPD3: Yah

PM6: Then I have the discussion base otherwise we will always have the discussion, know the customer and we earn money. Okay lets earn money 25% fish content in a cake, good. And I think that is the most important thing we have to discuss in this plenum, at first before we think we would like to be better in that way and in that way, let's improve that and let's improve the working together, everything right, but we have to measure on a specific target that is my opinion

PM3: Okay so but eh I fully agree of course we have to everybody has to agree on where are we on eh in eh strategy and which are the goals that tha we have learned on this course that we had earlier that eh a good way of goal-setting is eh that is should be specific, measurable, attractive, realistic and time framed. And eh so this is eh should be the the eh the first eh or the starting point of definition of these projects that we are going to embark on neh? And eh already eh earlier Hanne eh told or defined already this project about eh the strategy issue obviously each one of us has defined eh eh product strategies for each individual area, but eh we don't necessarily see the fit into the overall strategy of course this link has to be there and we better and I think one of the point I will come back to is eh that eh we need to prioritize the resources, because resources are eh are scarce and it's on time it's on money and eh on everything so eh we cannot just jump on eh all the projects that eh everybody comes up with.

(01:43:56)

Project manager: I'm Maureen Sørensen and I'm a project manager with ehm Ole and ehm I think it was quite an experience and it's nice to see that every company has more or less the same challenges, so ehh.

Interview Guide

Interviewet tager udgangspunkt i samarbejdet på tværs af afdelinger hos Royal Greenland generelt, med fokus på afdelingerne Salg/Marketing, NPD og produktchefsorganisationen.

- Udtrykket "silo-tænkning" er blevet nævnt en del i RG inden for den sidste tid, hvad betyder det for dig?
- Resultatet af medarbejdertilfredshedsundersøgelsen sidste år viste en ret lav score for samarbejde med andre afdelinger – hvordan synes du/i det fungerer? Er der nogen ændring i forhold til sidste år og hvad har i så fald, efter din mening, forårsaget den ændring? Hvis det fungerer dårligt, hvad gør det så ved din motivation for dit job? Har du nogen konkrete eksempler på situationer hvor samarbejdet er gået godt/dårligt?
- Hvad gør du når du har brug for informationer fra en anden afdeling? Hvilken type kanal bruger du – direkte kontakt, telefon, email? Hvor let/svært er det at få fat i de informationer du har brug for i dit daglige job? Hvis det er svært – hvorfor/hvad forhindrer dig i at få de informationer du har brug for?
- Hvad forhindrer dig i at samarbejde bedre med andre afdelinger?
- Hvad ved du om de andre afdelingers arbejdsområder, fx hvad en produktchef/produktudvikler/ sælger/marketing koordinator laver i det daglige? Hvad ville det gøre for dig hvis du havde større indsigt i andres arbejdsområder?
- Hvad tror du vi kunne gøre for at forbedre samarbejdet på tværs af afdelinger? Er der fællesskabsfølelse hos RG?
- (værdisæt?? Hvordan bruger du værdisættet i din dagligdag?

Journal

21/8-08

Flow of jobs is too much, people get stressed out and this leads to frustration over other departments who gives the assignments. Further division into subgroups.

When it is impossible to do your job properly you get frustrated over people in other departments, who keep giving you more assignments making it even harder to do your job to a satisfactory level. This way other departments are a threat to the integrity of the receiving department furthering the formation of in vs. out group.

22/8-08

Number of active item numbers will be reduced from 1600 to 1200 from October 1st (MOSA at information meeting in the Aalborg reception.

23/8-08

Ask customer service for examples of production not delivering/producing too much of an item number, which is not in demand, due to misunderstandings/lack of communication + get timeline of CEOs from HAAN.

29/8-08

Karolinelund, MCAR: "Vi har 300 ton råvarer på lager (=600 ton færdigvarer) men vi kan alligevel ikke levere…hvorfor producerer de ikke?" Man kan så spørge sig selv om hvorfor MCAR ikke fortæller produktionen i Polen at de skal producere skrubber.

16/9-08

No trust between information officer and produkt manager, smoke! Børsens fødevarepris -> Information officer did not believe the PM when he told her that the same product is marketed in both high-end and discount packaging.

17/9-08

Frustration in marketing due to inaccurate nutritional values from quality in Poland. Needed numbers for a journalist.

17/9-08

Lump fish roe marketing material production initiated a long time before the product is actually ready for sale. Some items have not even been registered in the PM system yet and the material is ready -> marketing will probably have to re-do the material later on if changes are made to the product.

17/9-08

INNI (marketing): "We just don't speak the same language! They don't understand how long it takes to finish a piece of packaging" "Quality keeps making changes to the ingredients".

19/9-08

Fall campaign 08 introduces 3 new products: halibut, cod and arctic char. The char was causing trouble – first they were not able to get raw material, due to a defective fan in a cold store in Greenland, so they could not buy the fish offered by the fishermen. Then after the fan was fixed and the fish was finally sent to Poland, nobody wanted to take responsibility for it (PMs and Poland production). COOP threatened with fines of 300.000 kr because product was not delivered as promised. All products were sent directly to supermarkets when production finally started.

19/9-08

Børsens Fødevarepris: Lying to coworkers about the nature of the raw material used for 2 different products lead to lying (unaware) to the media which could cause serious problems if it was uncovered.

9/12-08

During Tuesday meeting in marketing where the meeting the day before between PMs, marketing, NPD and trading to improve cooperation was discussed:

OLMA: "It is about balancing expectations between departments"

HAKV: "We need to figure out how we see "the others" and not least how they see us and how we see ourselves"

GIKA: "It is about gaining insight into each other's areas. The better we know each other, the easier it is to know who to talk to about things and who to ask. We need to create a community".

INNI: "It is very important that we know what <u>they</u> are doing and what <u>they</u> expect, so that we can cooperate better".

6/1-08

International Sales Meeting, Rebild. MOSA:

Changes in responsibilities between PMs and sales could help dissolve silos – e.g. changes are made to stop sub-optimizing. Therefore, sales are now responsible for setting prizes, because they know what works in the market. Still, in cooperation with PMs

6/1-08

ISM, Rebild. NPD:

"The level of information (from management) is <u>extremely </u>low" Stated right after interview.

Handlingsplan – processer og værktøjer

Aktivitet (hvad)	Formål (hvorfor)	Tidspunkt	Status
HR Nøgletal	At kunne give ledelsesinformation med hensyn til HC-budget op mod lønbudget, medarbejderchurn, fravær (sygdom) med videre.	NU	Opstartsfasen er påbegyndt
Organisationsstruktur	At få synliggjort koncernens struktur med hensyn til medarbejder og lederniveauer	3Q 08	Oplæg er udarbejdet
Funktionsbeskrivelse	Der skal udarbejdes funktionsbeskrivelser på samtlige funktioner i koncernen med henblik på, at få overblik over opgaver og ansvarsområder på funktionsniveau. Udarbejdes/opdateres i forbindelse med bl.a. rekruttering.	NU	I gang
Personalerekvisition	Såfremt der ønskes ansættelse af medarbejder udover godkendt HC-budget skal der laves indstilling til direktionen.	NU	I gang
"RG Helhedsforståelse"	At skabe en bedre helhedsforståelse og teamtankegang på tværs af koncernen	3Q 08	Ide fase er påbegyndt

Handlingsplan – processer og værktøjer

Aktivitet (hvad)	Formål (hvorfor)	Tidspunkt	Status
Struktureret modtagelse og indkøring af nye medarbejdere.	At give nye ansatte en struktureret og professionel indkøring i deres nye jobfunktion og i Royal Greenland som helhed	NU	Forløb udarbejdet. Udsendt i DK Introbrev under udarbejdelse. Skal oversættes
Exit interviews. Gennemførelse af fratrædelsesinterviews med funktionærer der har sagt deres job op.	At finde årsager til opsigelsen med henblik på fremtidig læring.	NU	Done
HR Intranet (D, PL)	At udbygge HR Intranet i GL/DK således det understøtter lederne med den nødvendige værktøjskasse.	Fortløbende	I gang
HR Intranet (D, PL)	At opbygge HR Intranet i Polen og Wilhelmshaven således værktøjskassen udvikles i takt med ledernes udvikling.	Opstart jan. 08	I gang
Bonus systemer	At udvikle og implementere bonussystem for ledende medarbejdere	Opstart ult. 07	I gang
MUS	At der gennemføres MUS/on-on-one for samtlige ansatte i koncernen.	Opstart sep. 07.	Forsætninger skabes (uddannelse): Gennemført i DK. GL og WHV gennemføres 2. halvår 08. Polen aftales. Krav om MUS + opfølgning.
Anti silo (pilotprojekt)	At optimere arbejdsgange og ansvarsområder med henblik på en mere strømlinet/effektiv arbejdsproces og for at mindske fejl.	Pilotprojekt opstartes 2Q 08	Oplæg under udarbejdelse. Pilotprojekt gennemføres i salgsorganisationen.

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A matter of trust and respect

By Marcel Côté

As organizations grow and reach a certain size, they frequently share a common characteristic. It is the affliction of the right hand not knowing what the left hand is doing. How often have I heard a senior manager say to a colleague, "If you had just asked, we would have been happy to help." It's a case of every employee for himself, and no one rowing together for the common goals of the company.

The symptoms of the silo effect are easy to recognize: lack of cooperation, internal competition and breakdown in communication. The result is that one division gets pitted against another - head office against operations, one depart-ment against another.

The root of the problem
Generally, silos are an offshoot of decentralized management. Ambitious managers, responding to the objectives asked of them, pull those reporting to them along in their quest.

As a result, their department's interest takes precedence over the well-being of the organization. Once one sector starts to see its own goals as more important than those of the organization as a whole, and when individualism predominates over team spirit, silos emerge.

Silos are a perversion of the decentralized management concept. The CEO may have set demanding objectives and given managers the authority and means to achieve them. One manager may be instructed to increase sales, another to reduce costs and a third to keep a tight rein on finances. In delegating responsibilities, CEOs often forget the importance of teamwork in meeting objectives.

The results are not hard to predict. Lieutenants concentrate on their personal objectives and disregard those of the whole. Since they don't expect their peers to assist them in reaching their objectives, they in turn make little effort to cooperate with other managers. Rather, they convey the message that achieving their department's goals is paramount and other departments can take care of themselves.

Abandoning the decentralization model is not the solution to the silo problem. Large organizations cannot be managed properly if power is concentrated at the top. Decentralization means delegating authority to subordinates. But with this authority come responsibilities and, in partic-ular, placing the interests of the company ahead of their own department's.

Building trust
Managers must learn to trust and respect their peers and share their objectives. Mistrust and disrespect allow silos to flourish, hence, the silo effect. If managers do not trust another division, and if they do not share in their objectives, they will not cooperate and silos will appear.

CEOs must promote the essential values of their organization, and respecting and understanding each other across divisional structures is one such value. Just as a modern organization cannot function if its executives are cheating it, it also cannot prosper if they do not trust one other. And trust is impossible without mutual respect.

The mark of a successful CEO is the ability to manage these values and the principles that support them. Promoting mutual trust and respect is made more difficult when a CEO assigns ambitious goals to each lieutenant. More-over, measuring performance on cooperation is not as easy as assessing whether a sales target has been met. But both objectives are as important, and if one is not measured, it will not be taken as seriously.

Units that morph into silos
Silos reduce efficiency. This is most evident in large diversified firms when the silo effect spreads throughout business units. Knocking down those barriers can be an important contributor to value creation; and it will make way for sharing services, skills and systems across units and will encourage best practices. Above all, it will also reduce unproductive tension in an organization.

Cooperation is essential among the various business units of diversified companies. A business unit has no purpose in a portfolio

unless it interacts with other units and either benefits from them or contributes to their success. Any business unit that lacks such ties should be sold to a company that can better exploit its potential. Barriers between business units within the same company are harmful and should be eliminated.

Business units that transform themselves into silos, with little interaction with the rest of the organization - and there are many in large companies - should be sold. If silos cannot be eliminated, they should be traded away.

Marcel Côté is a senior associate at SECOR Inc. in Montreal.

Welcome to a world of health, purity and innovation

Welcome to culinary experiences - and ingredients created on nature's own terms

Royal Greenland is one of the world's leading groups within the fishing, processing, production, marketing and distribution of seafood products.

On the basis of our unique history, high standards of quality and matchless Arctic Ocean ingredients, Royal Greenland offers a broad product range adapted to the needs of modern consumers.

As the world's largest supplier of cold-water prawns, we possess extensive experience in innovative product development, sustainable production and the efficient distribution of high-quality products - experience that we have utilised to extend our product range, allowing us to offer total deliveries of seafood and convenience products to the retail trade and catering industry.

The group consists of factories in Greenland, Denmark, Norway, Germany and Poland, as well as sales offices in twelve countries in Europe, the USA and Japan. In addition, Royal Greenland owns a fleet of production trawlers and has part-ownership in others. Royal Greenland is also co-owner of the world's largest seafood smokehouse.

The company, which is owned by Greenland Home Rule, employs approximately 2,500 employees and earned revenues of around DKK 4.5 billion in the financial year 2004/05.

The company's head office is located in Nuuk, Greenland.

Royal Greenland financial year

Running in of the factory in Koszalin, rising costs for raw materials, fuel, aids ad packaging hit Royal Greenland Group profits.

Profits on our operating activities (EBIT) were DKK 50 million compared to DKK 98 million in the previous year. This includes start-up costs in Poland of DKK 46 million, losses on the purchased AGF plants of DKK 11 million and non-recurring costs in the United States of DKK 14 million.

Royal Greenland also experienced rising costs as it was not possible to raise the prices of finished goods to absorb these adverse industry conditions and exchange rate developments for the British pound and American dollar have eroded any gains.

Falling prawn and Greenland halibut volumes in Greenland, a decrease in trawler catches due to a severe winter in Greenland and a reduced share of the cod quota all affected profits in Greenland in addition to losses incurred on our takeover of the 10 AGF plants.

Financial results for the year were a loss of DKK 78 million compared to profits last year of DKK 52 million. Rising financial costs constituted DKK 14 million and earnings simultaneously fell in our associates as a result of market conditions. It should be emphasised that financial results in the financial year 2006/07 were positively affected by net earnings of DKK 87 million from the sale of assets and tax adjustments.

Throughout the year, the group has adhered to its implemented programme to create growth in EBIT profits. This was done by extensive adaptation of activities, prioritisation of investments, improvement in productivity and efficiency and cost cutting. The programme also includes the running in of our factory in Poland which after its initial phase in 2007/08 will make a positive contribution to the growth and earnings of Royal Greenland.

We anticipate that this will take place in 2008/09 if it can be supported by an improvement in the company's overall financial situation. This includes a reduction of funds tied-up and adaptation of capacity where necessary due to falling raw materials supplies and rising cost levels.

On 9 December 2008, the Board of Directors approved the annual accounts for presentation to the Annual General Meeting in Nuuk on 27 January 2009.

Peter Grønvold Samuelsen
Chairman of the Board

Flemming Knudsen
Group Managing Director

More questions please call communication consultant Louise Lee Leth +45 41 99 84 06.

Financial and operating data for the group

Key figures	2007/08 DKK million	2006/07 DKK million	2005/06 DKK million	2004/05 DKK million	2003/04 DKK million
Profit and loss					
Net turnover	5.136	5.093	5.298	4.530	3.921
Profit of operating activities	50	98	110	191	187
Profit from net financials	(99)	(34)	(45)	(60)	(58)
Pre-tax profit	(49)	63	65	131	129
Profit for the year	(78)	52	38	103	95
Balance sheet					
Fixed assets	1.452	1.431	1.489	1.475	1.270
Net working capital	1.589	1.534	1.573	1.598	1.439
Capital and reserves	816	894	858	799	698
Net interest-bearing debt	2.114	1.942	2.030	2.160	1.938
Balance sheet total	3.869	3.951	4.035	3.777	3.218
Investments in tangible fixed assets	221	236	196	182	368
Key figures in %					
Profit margin (EBIT margin)	1,0	1,9	2,1	4,2	4,8
Pre-tax margin (EBT margin)	(1,0)	1,2	1,2	2,9	3,3
ROIC including goodwill	1,9	3,7	4,1	7,3	8,5
Return on capital and reserves (ROE)	(8,8)	6,7	6,3	14,7	15,2
Equity ratio	21,1	22,6	21,3	21,1	21,7
Net interest-bearing debt/EBITDA	9,4	7,8	7,0	6,5	6,2
Number of employees					
Greenland	1.015	1.003	1.023	1.107	1.211
Denmark	386	418	423	521	518
Other locations	812	621	734	572	577
Total	2.213	2.042	2.180	2.200	2.306

Home → About Royal Greenland → Our history

A dynamic group with an exciting history

Our history stretches back to 1774, when the Royal Greenland Trade Department was founded to purchase Greenlandic products, including, from 1902 on, fish. In 1990, Royal Greenland was separated from the Royal Greenland Trade Department and was established as an independent limited company owned by Greenland Home Rule. Combining Greenland's proud tradition of hunting and fishing with Denmark's experience as one of Europe's biggest fishing nations, Royal Greenland is well equipped to continue its story into a new era with new requirements.
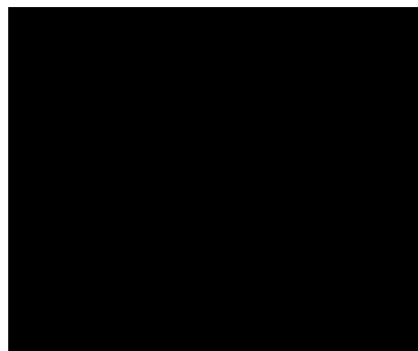
Over the past few years, Royal Greenland has invested large sums in the optimisation of production plants. These investments have helped Royal Greenland to retain its capacity to meet the desires of consumers for new products adapted to the individual markets.

In addition, Royal Greenland has actively participated in the consolidation of the seafood industry by purchasing companies and plants in Norway, Denmark and Poland. In the future, Royal Greenland will continue to play an active role in the European wave of consolidation, and we therefore intend to make further investments in production in the years to come.

Home → About Royal Greenland → Strategy

Royal Greenland's strategy - Seafood Vision 2008

To achieve our vision, we will focus on five key strategic areas:

Industry consolidation

We must further increase our competitiveness. Via acquisitions and alliances, we will extend our product range and secure an even greater share in both current and new markets. We will also establish a framework for privatisation, and thereby obtain increased capital growth.

Strengthening customer relations

We will secure Royal Greenland an active and leading role in the development of the seafood industry, and establish a position for ourselves as a supplier of total deliveries.

We will do so by strengthening our co-operation with the international chains and by developing our product range within refrigerated seafood products. We will also introduce 69 NORTH, a series of products of absolute top quality aimed at selected gourmet markets.

Securing our supply sources

Access to high-quality raw materials is essential to our continued development. In order to safeguard our growth possibilities, we must where possible strengthen our access to quotas. We must also enhance our production skills in the Far East. Finally, we must refine our trading business.

Cost reduction

We will reduce our costs, partly by producing where it is cheap to do so, and partly by improving the production effeciency of our existing plants, to ensure we remain competitive on the international markets.

Social commitment

A significant element of our strategy is to increase our commitment to those local communities which are significantly influenced by our presence - typically in locations where Royal Greenland is an important local employer.

This means amongst other things that we will take an active part in the establishment of teh Danish Seafood Centre, and help to strengthen the centre's research, product development and training, to the benefit of both ourselves and the rest of the Danish seafood industry.

In addition, with the Royal Greenland Academy, we have focused on the development of the personal and professional skils of our staff, in co-operation with Greenland Home Rule.

Finally, it is our goal to establish sustainable production in the developing countries, and thereby secure the utilisation of our considerable production experience.

Flemming Knudsen
Group CEO

Home → About Royal Greenland → Vision and mission

Royal Greenlands vision

"Royal Greenland must be a trend-setting and preferred supplier of seafood products in selected markets"

By trend-setting, we mean having the ability to accomodate new customer needs and being the first tot produce attractive products that precisely meet the market need. And we become a prefered supplier by actively and helping our customers to fulfil their needs.

Our mission

"Royal Greenland must operate a profitable business in the seafood industry. Our earnings must create possibilities for growth, and must benefit our owners, employees and the societies in which we operate."