2020

CONTEMPORARY CHANGE MANAGEMENT

Why changes fail; The contextualization of changes, theories, and knowledge in the contemporary organization and why change managers must adapt to the contexts in which they exist.

Aalborg University

International Business Communication: Organization and Leadership Master's Thesis

Alexander L. Hvidberg & Nikolaj N. Davidsen

Table of Contents

Summary

Contemporary Change Management: Why changes fail; The contextualization of changes, theories, and knowledge in the contemporary organization and why change managers must adapt to the contexts in which they exist.

The topic of this thesis is to analyze the importance of contextual and cultural translation in contemporary change management. Concretely the thesis analysis the impact that basing change management practices on theoretical perspectives have on the change process. Moreover, how the aspect of cultural contexts influences this impact. The thesis goes into depth with the Americanization of contemporary change management theories, methods, and tools, as it explores the inherent cultural influence that shape these. Lastly, the thesis analyzes whether theories made for specific cultural contexts, in this case American, can be translated into a Danish context. The thesis serves as a critical look at contemporary change management, as organizations seek to adapt to a continuously changing world. The thesis addresses what it refers to as the traditional versus the new paradigm within change management and how organizations struggle when traditional mindsets must change. Throughout the thesis multiple hypotheses are raised in response to the current state of change management and organizational approaches, which, through the analysis of a case study - with a leading Danish organization, will be addressed.

The purpose of the thesis is to highlight the need for contextual and cultural awareness and translation in change management. Culture is an often-neglected element in organizational change management. This neglect results in tensions and failed change processes. This thesis identifies a need to address the importance of culture in not only change but also in all of the theory, tools, and methods that organizations base their decisions and strategies on. If contemporary organizations must become adaptable and flexible as a means to exist in a continuously changing world, then so too must their strategies and methods become flexible and adaptable. This is gated behind a cultural understanding of how these strategies and methods are best applied in a given context. The thesis unfolds and articulates this problem with the help of the Nykredit case, so that contemporary organizations can learn to associate change with culture.

The data for this thesis has been gathered through five interviews with leaders within Nykredit, observations made since 2017, and ethnographic fieldnotes gathered over the same period. Through the use of phenomenological methods and a social-constructivist approach to contemporary management theory, the data was analyzed interpretively, relating it to relevant theory within the field of change management, with the express purpose of uncovering issues in contemporary change management and culture.

The thesis found that there are two paradigms, the traditional paradigm, and the new paradigm, in contemporary change management that shape how change processes unfold. These two paradigms heavily relate to both *external* and *internal* organizational culture and how the organization views culture, typically via a functionalist approach. The thesis uncovered that the Agile change process within Nykredit has failed due to a lack of a cohesive change narrative, which has led to misalignment within the organization, as well as apathy and negativity in relation to the change.

The thesis also found that traditional management theory has a cultural mismatch with contemporary management since much of the traditional, normative, and deterministic theory that belong to the traditional paradigm, has a more masculine cultural influence, as opposed to a feminine cultural influence,

which is in larger part what the new paradigm bases itself on. It was found that these inherent cultural understandings could lead to misalignment if they were not considered early in the change process.

The thesis discusses the place of the traditional and new paradigms in relation to contemporary change management, and whether the traditional should be discarded in favor of the new paradigm. Ultimately, it was found that at the current state of change management, management, and the market today, an ambidextrous, adaptable, dynamic, and organic organization would be preferable. The traditional cannot be discarded *yet,* rather it has to be considered and contextually translated into a state where the traditional and new paradigm can co-exist.

Lastly, it was found that the American influence in theory is significant, and that there is a long preceding history of its influence on organizational theory as a whole, thus stressing the importance of contextual translation between national cultures if these theories are to be used.

Chapter 1: Introduction & Problem statement

1.1 Prologue

Imagine for a second, that you are in a meeting room full of eager employees of a large organization. Your leaders enter the room, tell you about a brilliant new strategy of change that is going to be implemented within the organization. All seems well, until they turn off the light, leave the room and lock the door behind them.

In this situation, you, a participant in the meeting, are left in charge of providing clarity. You are tasked with finding the key and unlocking the door that stands between your organization and the desired change.

You are a frontrunner charged with the responsibility of leading and implementing change in your organization. To accomplish this task you are provided with the following tools: A couple of PowerPoint slides, detailing organizational visions and values, encouraging words, and a keyword that you and your fellow agents, all representing different organizational cultures, are left to interpret in your own way. That keyword is “Agile”.

1.2 Introduction

While this scenario might seem overly dramatic and even far-fetched, it illustrates a situation that we wager employees and leaders in most organizations will recognize. This scenario depicts an organization that leaves the interpretation of change in the hands of proxy change managers, who are encouraged to interpret change in their own way and describe their own success criteria as no predetermined plans or processes exist.

Change is a concept that is intrinsic to human life. Every day we as people change, when we learn something new about a partner or friend, when we learn to do something more efficiently at work, or when we introduce new people into our lives. As humans, change is all around us and is something that we live, whether we know it or not. Personal change is often seen as good, as it invites progress and interpersonal development into our lives, which makes us better people. These events and changes become lived experiences that build our cultural understanding and set the stage for our interpretation of the world. (Jacobsen 2018, 99-101) (Askehave and Norlyk 2006, 8) Both our National Culture and our personal experiences are important aspects of our lives, and the norms and values are the foundation upon which we build our shared understanding of the world.

Organizational culture is not much different from our own personal cultural understanding, as it is a web of interlaced cultural understandings that come together to form one, almost, cohesive view of the world. While we share this organizational culture, we are still individuals within that culture, each with our own norms and values that reach outside of the organization. (Askehave and Norlyk 2006, 19-20) Culture is an intrinsic part of every aspect of society, and of our lives. Culture greatly influences how interpretations, everyday decisions, and actions are shaped.

Given a world that changes and introduces new technologies, ideas, and concepts more frequently than ever before, change management has become an increasingly important discipline, as organizations themselves must become ever-changing. (Bratton and Gold 2017, 3) Continuous change or the ability to quickly adapt is becoming a cornerstone of many contemporary organizations in their bid to adjust to the world they operate in. In this adaptation, the ability to make sense of different contexts and cultural influences is crucial. Culture is inherent in everything we do and represents many different contextual backgrounds. These backgrounds are the foundation for the theories, methods, models, and practices that we base our organizations and strategies on. As organizations grow to become ever-changing, so too must their strategies become ever adaptable. Thus, the contextual translation in the meeting between cultures remains an important discipline, but one that we worry is being underestimated in contemporary change management.

While cultural understanding has become more important in our lives, the same cannot be said in the case of organizations. The importance of culture has progressed in management, such as Human Resource Management, but there are important aspects of culture that have been neglected since the late 1980's where HRM was popularized, (Bratton and Gold 2018, 3-4) especially when we look at change management.

The prologue served to show a slightly dramatized example of how change is carried out in large contemporary organizations. Contemporary change management is something that looks deceptively easy, and is therefore an aspect that organizations often neglect, which leads to failed change initiatives. What further complicates change in organizations, is that the importance of both personal and organizational culture, and how these fit together, is often neglected.

Culture in organizations has historically been understood and used in a different manner, than how we engage with culture as humans and as a society. The organizational viewpoint is one of functionality (Askehave and Norlyk 2006, 8-10), upon which export, and internationalization strategies can be built. It dictates whether we should change our store concepts if we internationalize, it dictates whether we should enter a market through a merger or a partnership, what internal initiatives the organization should invest in to keep employee morale high to ensure productivity etc. This traditional view on culture has been predominant in organizations but is now being changed towards a new era of human oriented management approaches.

Since the mid 1990's, organizational theory such as Karl E. Weick's Sensemaking in organizations and the aforementioned emergence of HRM, has paved the way for higher integration of *soft* values and practices in organizational life. These soft values are often abstract and therefore hard to use in traditional strategy. Furthermore, culture is an inherent part of organizational life, and therefore of organizational strategy. However, what is not necessarily immediately obvious is that culture is intrinsic to how we *shape* and *create* organizational theory. The effect that culture has on our daily life is significant, and culture *bleeds* into every aspect of our lives, even the things we *create*. Therefore, the cultural contexts in which theories, methods, and tools are created, has a significant impact on how they are used and integrated into organizational life.

Since the early 2000s, Team Based Work Systems and High-Performance Work Systems have become the predominant work systems as they excel in dealing with the dynamic and always changing contemporary global market. This is a move away from the Classic and Sociotechnical work systems that prevailed for most of the 1900s in a more predictable and stable market. With the global market becoming more dynamic and digital, organizations must also become dynamic both in the way they operate and do business. This requires new approaches to organizational strategy and mindset.

The prologue represents a situation where change interpretation is left to the individual. With little guidance the interpreters must rely on their own experiences and available information to drive the change forward. Due to the lack of a thoroughly defined organizational cultural framework to guide the change process, these proxy change managers are left to interpret and guide the change themselves, based on their own personal cultural understanding of the world. This understanding will often be in conflict with how other managers, departments, employees, or the organizations as a whole interprets the purpose behind the change.

The focus of this thesis is on the *contextual translation between organizational cultures*, specifically between American and Danish in change management, but also different organizational cultures within the same organization. Therefore, we differentiate between *internal* and *external* culture. In this thesis, *internal* culture is the culture that exists within the organization as a whole. The organizational culture is what the organizations *can* change, should they see the need to. Meanwhile, *external* culture is the national culture in which the organization exists, which they have little control over, they can at most adapt themselves to this culture, but cannot do much to change it. While the *external* culture cannot be changed, the organization can still *translate* a foreign cultural context to fit their own, though this is something which is rarely considered when theory is turned into practice. This aspect is important, as some theories have their own culturally influenced goal orientation, which can conflict with the culture in which it is being implemented, as they are based on an understanding of the world, which is foreign to the organization and its employees. This can lead to broken sensemaking processes and internal misalignment. Additionally, through our experience with Nykredit we have seen that large organizations often mimic each other and gather inspiration from leading organizations within their field in an effort to stay competitive. Therefore, we also see it as a challenge when many of the leading organizations in the world are American, and much of the traditional management literature, such as Kotter's 8-step model and ADKAR, is shaped by American culture and experiences.

The topic of this thesis is then, to look at change management in practice, in Nykredit, and how it is influenced and shaped by different *internal* and *external* cultural influences on managers, processes, and theory.

This thesis is based on observations and interviews with leaders in Nykredit, which serves as the main focus. Nykredit initiated a change process in 2016/2017, changing from a traditional waterfall-based project organization, to an Agile development-based organization. Through multiple different projects we have collaborated with Nykredit from 2015 to 2020. During this time, we were able to observe the change process as it unfolded from the sideline. During this period, the change went through different iterations, but never seemed to take a hold. This thesis argues that this lack of progress stems from issues with the contemporary organizational approach to change management that Nykredit is taking. Through this thesis we will attempt to unfold the root-cause of the problems that Nykredit is experiencing and perhaps are unaware of. This will be done from a cultural and contextual approach, as we find that in general this is an underestimated element in contemporary change management, and one that often is at the root of failed change processes.

We find that these elements contribute to the sensemaking ability in organizations, something that this thesis argues is one of the driving forces behind a post-structuralist world. The initial observations point at typical issues of misalignment, lack of communication, and broken sensemaking. This thesis' analysis assumes that these are merely the tip of the iceberg and that elements like culture and context are the real influencers that, when misunderstood, leads organizations to these conclusions. This thesis then attempts to unfold and interpret the impact of this on contemporary change management and organizational decision making.

Therefore, in practice, it is prescient to look at what happens when a new system, in this case Agile, is being implemented within an organization in what could be observed, as being a haphazardly way, where employees become proxy change managers. What further complicates this process, at least for the subject of this thesis, is that Agile is an American concept, adapted to a Danish organizational cultural context within Nykredit.

This leads to the following problem statement, that this thesis sets out to address:

1.3 Problem statement

What impact does basing change management practices on theoretical perspectives, that have their origin in other cultural contexts, have on the change process and how do theories, methods, and tools made in specific cultural contexts, in this case American, affect contemporary change management and is it translatable into a Danish context?

Chapter 2: Literature Review

This thesis analyzes the impact of culture and context in contemporary change management. Specifically, the thesis focuses on the meeting between the practical and theoretical aspects of change processes and the translatability of theory into practice between cultures. This thesis has identified two paradigms within change management that represent two different schools of thought. The traditional paradigm and the new paradigm.

We have identified the necessity of splitting this thesis' approach into looking at two different paradigms as we have identified two distinct camps within change management. There might of course be more, but the ones unfolded in the following are the main ones of relevance to this thesis.

It is impossible to set a date on the origin of the term 'change', change is a continuous concept that describes moving from one thing to another. However, if we focus on management, we can identify change with the different work-systems throughout newer history. The classical work systems, such as Taylor's Scientific Management (1911) and the later Fordism has laid the ground for how we view and understand management today. These classical work systems were highly deterministic, predictable, and representative of a view of the organization as a machine.

In the late 1940s Kurt Lewin emerged with his Three Step Change Model (1947), this is one of the early emergences of what is referred to as *n*-step theories[1], that through specific steps guarantee success. (Palmer et al. 2006, 27) We identify this as one of the first clear directions within change management. We see models such as Porter's Five Forces (1979), and Kotter's 8-step Change model (1988) as examples of how this concept within change management has evolved through time and is still very prominent today. We see this in the many theories, models and mindsets that preach success by following a certain recipe. This direction within change management is built upon stability and predictability due to the normative nature of many of these works. (Jacobsen 2018, 23-25) The *n*-step approach to change management sees organizations as machines where change is something inherent to the organization. (Palmer et al. 2006, 25) This perspective harkens all the way back to the classical management system. We refer to this approach as the traditional paradigm within change management. It builds upon a top-down controlling approach built on functional cultural perspectives. (Askehave and Norlyk 2006, 8-10) The traditional change management paradigm follows a mindset of *Being,* that an organization must be stable and predictable in its affairs. (Larsen and Rasmussen 2013, 28) We see this as a distinct school of thought and approach within change management. It is one that builds upon stability, functionality, control, predictability, and

[1] *N*-step is a way of referring to models such as Lewin's or Kotter's that have *n* number of steps the lead to success

deterministic approaches. We describe this paradigm as one that sees change as something inherent to the organization and does not consider the human element of change. (Larsen and Rasmussen 2013, 46) This is a paradigm that is very much still present today and its teachings and mindsets are ones that greatly influence contemporary change management.

This thesis argues that the traditional paradigm, which has been the prominent change management approach for a long time, has invited a specific cultural and contextual mindset into organizations that has since become ingrained. We see this as one of the big complications of contemporary change management, as it attempts to move away from these traditional approaches. This thesis argues that a new paradigm within change management has emerged which is based on different schools of thought to the ones inherent to the traditional paradigm. The approach and elements of the new paradigm has existed for a long time, but has grown to become even more important due to a continuously developing market, (Bratton and Gold 2017, 3) which does not align well with the traditional change management methods. This new reality advocates for new approaches to change management.

Linda Ackerman Anderson (2002) identified the importance of considering not only internal factors, but also internal factors in change i.e. the cultural aspect of change. Her work is the origin of the change manager and the change leader, as is one of the fundamental works in shifting the perspective in change management from the traditional, deterministic, *n*-step focused view, to becoming more human and culture oriented.

We identify this shift in change management as the emergence of the new paradigm. In contrast to the traditional thoughts of Kotter and Lewin, that are built upon stability, control and identify organizations as machines that need specific input to operate. (Palmer et al. 2006, 25) The new paradigm is set in the post-structuralist world where the people are front and center. Here organizational change and strategy is not something inherent to the organization but the product of how its employees operate. (Larsen and Rasmussen 2013, 46). Moreover, Weick and Quinn describe a shift from a *being* perspective to a *becoming* perspective (Larsen and Rasmussen 2013, 28) where organizations move from being stable and predictable to more dynamic and flexible. We talk about a new paradigm as we see a clear evolution within change management that completely changes the way organizations think about change. The traditional paradigm is built upon a functional culture perspective, where culture is something that can be weighed, measured, and fit into a box, while the new paradigm is built upon an interpretive cultural approach, where the important aspects become the complex structures that make up organizational life. (Askehave and Norlyk 2006, 8-10) Palmer et al. also describe these differing perspectives as the main inspiration for their work, as in their experience the traditional recipe-driven works, *"while rich in examples, failed to capture the messiness of change"* (Palmer et al. 2006, xii) In this thesis we describe the new paradigm within change management as human centric. It is one that advocated for cultural and contextual translation of change strategy and practice. It is one that inspires a dynamic and flexible organization, as described in the *becoming* perspective. (Larsen & Rasmussen, 2013, P. 28) Most importantly, it is a paradigm that builds its cultural approach on interpretation rather than functionality. (Askehave & Norlyk, 2006, 8-10)

We identify these two perspectives as belonging to different schools of thought, which is the reason for addressing change management as either belonging to the traditional or the new paradigm. However, in reality the two paradigms might not be as black and white as theory makes it seem. We find that culture and context play a crucial role in understanding and achieving successful change for contemporary organization, but that elements of culture and context are unfortunately often underestimated in their influence. (Askehave and Norlyk 2006, 8) This thesis argues that this is an important point of contention that must be addressed for contemporary change management to move forward.

Importantly, our interest in the cultural aspects of change are not wholly centered around *cultural change*, but the effect that both *internal* organizational culture and *external* culture that is ingrained in theory and organization has. When looking for literature, there is an abundance of change management literature involving culture. Through the use of Web of Science, we found a total of 211 hits when searching for “change management” and “culture” in Business. The total amount of articles written over the last 25 years that correspond to these search terms are shown in the following graph:

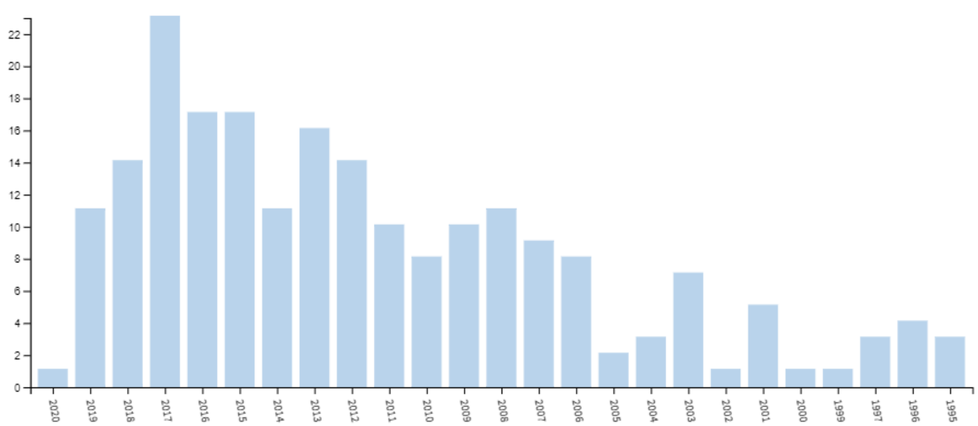


Figure 1: Web of Science – Change Management articles published by year, 2020

However, of these articles there are very few that deal with national culture in the same manner as this thesis. The following are a couple of examples of what the seemingly most relevant articles are within these search criteria. However, while these following articles have some interesting elements and points to them, they do not touch upon the aspects that this thesis explores. Nevertheless, we thought it relevant to still demonstrate what some of the contemporary research articles within the change management field, related to culture, deals with.

Cagliano et al. (2010) explore the effect of national culture when adopting New Forms of Work Organization, showing the importance of addressing national cultural differences when implementing NFWO. (Cagliano et al. 2010)

In an article about change management and integrating cultural values in host organizations, Doval (2014) underlines the major cultural problems that an organization might face when entering into a host country. While the article addresses the possible cultural barriers to change, it does so while focusing on how inherent organizational culture can be integrated into a foreign context. While the article has some interesting points, it does not address the problems raised in this thesis. (Doval 2014)

In 2018, Hechanova et al. published an article that analyses change leadership in relation to change management and its effectiveness in a comparison between academic institutions and business enterprises. In their research they find that there is a big difference in how effective leaders find change management to be especially when comparing different fields. This is an interesting observation, as this thesis approaches what contemporary change management entails. According to this article, some leaders do not see it as being all that effective in relation to commitment to change. (Hechanova et al., 2018)

In an article from 2015, J. Pollack writes about *"Understanding the divide between the theory and practice of organisation change*", this is seemingly a very interesting article for this thesis, as it touches upon one of its focal areas, namely, how theory is translated into practice. However, this article takes a discursive approach to the topic talking more about how change management is written and discussed. This is also an interesting approach as it touches upon some important elements of sensemaking, which plays a big part of any contemporary change and in organizational strategy in general. The article finds that management literature deals mostly with an abstract understanding of knowledge and learning while change management focuses more on value, culture, and social identity. The latter being elements that are discussed in this thesis as being a big element in change management success. (Pollack 2015)

The most relevant of the articles relating to change and culture, is David Collins' 1993 paper *"New paradigms for change? Theories of organization and the organization of theories"*. This article deals with many of the same aspects as this thesis, in that it explores what was considered, at the time, a new paradigm of understanding organizations. The paradigm presented in the article builds on works by Bernard Burnes, Oscar G. Mink, Rosabeth Moss Kanter, William Ouchi, and others. It is centered around the use of soft HRM practices, and how they are becoming more relevant in a world where an economically strong post-war Japan threatens the American market. However, Collins states that he sees this new paradigm as not being something inherently new, but rather a reiteration of what he describes as "functionalist goals". His conclusion is then, instead of radical change in how change is researched and theorized, linking it to an undertaking at the level of religious conversion. Instead, he argues, maybe people like himself should be more active in creating a basis for understanding change, that stands in opposition of the top-down, managerialist, and simplistic approach that was so pervasive at the time. (Collins 1993)

This is extremely interesting for us, as we now 27 years later can see the emergence of this new way of thinking that Collins essentially wanted. We have become more focused on the human aspects of organizations; we have embraced in a much larger degree the bottom-up approach. This thesis is therefore also a case that showcases where this new paradigm has gone since Collins first critique of its conception. Especially, we have an opportunity to look at where change management is today, in practical terms in organization. However, this thesis also brings with it the perspectives of national cultures, as well as organizational culture, having a direct impact on change processes, which is a development in building this new paradigm.

Separating change management from management is a hard prospect, as the two disciplines are two sides of the same coin. This divide becomes even more obfuscated when we look at contemporary change management literature, such as Palmer et al., Larsen and Gulddahl Rasmussen, and Jacobsen, where change becomes strategy and change becomes process, which in turn is influenced by culture and context. Change management is essentially itself moving from being something external to the contemporary organization, to being something that is endemic to the organization's DNA.

This perspective of change, process, and culture blending together is the inspiration for this thesis. Therefore we have chosen Jacobsen (2018) Palmer, Dunford & Akin (2006) and Larsen and Gulddahl Rasmussen (2013) as the main works in this thesis, because they present both the traditional and new paradigms, each in their own way. Additionally, we have also chosen these works because they originate *outside* of America, (Norway, Australia, and Denmark respectively). Each of these works further unfolded in their respective sections of the theory chapter.

Following our initial research, it became clear that a lot of material exists that touch upon either 'Change Management' or 'Culture'. Some material exists that explores the aspect of Culture in some relation to Change Management, however, we were unable to find anything that touches upon the direct cultural influence on theory. Moreover, there seems to exist very few works, if any, that address the importance of cultural and contextual translation of theory into practice and how inherently different cultures might influence this application. We find that this is an interesting area to unfold. Through previous research studies we have often encountered organizations that were struggling with their change management. We thought it would be interesting to take a closer look at why that might be. Through our investigation we found that contemporary organizations had an unfortunate tendency of neglecting or underestimating, as Askehave and Norlyk puts it, cultural influences. (Askehave and Norlyk 2006, 8) We found that in a continuously changing market many organizations were seemingly struggling to adapt; and in their change efforts often opted to simply follow what other organizations were doing or what they were comfortable with. Moreover, we recognized, when looking at contemporary change management approaches in specific cases, that two distinct mindsets, which were in conflict with each other, existed. This was identified in a case from Nykredit, which will be unfolded in this thesis.

We find that not enough material exists that address the importance of cultural and contextual translation in contemporary change management. In relation to this, the importance of addressing how theory is to be translated into practice and how culture influences this process is also an element that is rarely addressed in change management. This thesis' contribution will be a case study of a contemporary organization engaging in a change process utilizing approaches that are typical of contemporary change management. This will be done equipped with the lenses of both the traditional and new change management paradigms in an attempt to address this thesis' problem statement. While this thesis will not be able to comment on and generalize for the change management field as a whole, it will provide an '*extreme case*' (Flyvbjerg 2016, 229) which might serve as an inspiration for organizations or further research.

2.1 Delimitation

It is important to note that this study is focused on change and change management. This is important because the shift from the traditional paradigm to the new paradigm is something that is not only happening within change management, but management as a whole.

We can see this progression in works such as Saras D. Sarasvathy's causation & effectuation theory from the 2001 article *"Causation and Effectuation: Toward a Theoretical Shift from Economic Inevitability to Entrepreneurial Contingency"*, which argues for a new way of looking at and managing startup companies. Additionally, Jeremy Rose's 2012 book *"Software Entrepreneurship: two paradigms for promoting new information technology ventures"* presents the Analyze-Design-Enact and Consider-Do-Adjust paradigms as two ways of managing and running software companies. Interestingly, the Consider-Do-Adjust paradigm is where Agile management and Erik Ries' Lean software development fall into. The ADE and CDA paradigms are also very similar to the traditional and new paradigms, yet still distinct enough to not be the complete same. Furthermore, newer courses like facilitation of collaboration models at AAU also point in the direction of management becoming more focused on the human aspect of organizations and management. Mary Jo Hatch has also written a lot of interesting works about organizational theory, specifically also about different paradigms within organizations and the interplay between these. (Schutz and Hatch 1996) Mary Jo Hatch has also written one of the handbooks of organizational theory, which touches upon many organizational subjects. Most interesting to this thesis would be exploring her take on moving from theory into practice as well as the different organizational paradigms described in "Organizational Theory, Modern, Symbolic and Postmodern Perspectives. (Mary Jo Hatch 2018)

There exist many interesting fields within organizational theory that are tightly connected. Organizational change management is merely one area, but it is an important one, as it is the foundation that brings about organizational change and ultimately organization structure, strategy, and culture. For this thesis contemporary change management will remain the main focal point and it is essential to the problem statement.

Chapter 3: Case Descriptions

This study sets out to address some of the tensions and problems that contemporary organizations face when undergoing change. Specifically, this study seeks to explore the consequences of neglecting contextual translation and the human element in shaping change and strategy. This study argues that many contemporary organizations struggle with identifying the critical elements that guarantee successful and expected change results. Unfortunately, a prominent tendency within organizational strategy is to mimic what everyone else is doing and ultimately follow the often-Americanized strategies and methods that often-set industry standards. What many organizations fail to account for in this approach is the level of adaptation and contextual translation that is required for an often overly generalized strategy to fit within the boxes we call organizational culture. Through this study, we want to analyze the importance of embracing and utilizing the 'new paradigm' within change management, when considering change. Too often, we see organizations embark on a change process utilizing traditional change management methods and fail as seemingly unsolvable complications mount along the way. There has been a shift in organizational life in recent times as we have moved from seeing organizations as machines to seeing them as a collection of people. Furthermore, organizational culture has grown to become the shaping element of most organizations and is arguably the driving force behind any organizational decision. With this clear shift from a static to a dynamic organization that survives due to a willingness to constantly change and adapt to its surroundings, so too must the strategies and methods deployed be changed and adapted for this organizational lifestyle to be sustainable.

In order to test these thoughts and claims, we sought a real-world case as a means to explore what change management looks like in a prominent contemporary organization. Simply, we sought an organization that was undergoing a large change process. Based on this case an analysis will be conducted that allows for the problem statement, hypotheses and claims raised throughout this study to be addressed and shed some light on the importance of the 'new paradigm' within change management.

For this study we have decided to collaborate with Nykredit. We have collaborated with Nykredit in the past and have gained insight into their operations. Nykredit serves as a perfect case for this study as they for some years have been undergoing a large change in their IT-Department with varying degrees of success. Through our collaboration in the past and knowledge of the organization we have identified complications typical of an organization embarked on a large change process. This sets the ideal stage for this study to analyze the traditional versus 'new paradigm' within change management. Through the collaboration with Nykredit empirical data will be gathered from which the analysis will be conducted. One of the authors of this study is currently employed by Nykredit and as such has access and knowledge that strengthens the data gathering ability. The importance of this will be further elaborated upon in the Methodology chapter.

Nykredit

Nykredit is a large Danish financial organization that counts banking and mortgage as their key products. Nykredit also includes pension, insurance, leasing and real property in their portfolio. Nykredit handles all of these products apart from mortgage which is handled by Totalkredit. Totalkredit is a subsidiary of Nykredit. The case study conducted in collaboration with Nykredit originates in Nykredit's IT-department. The IT-department is in charge of developing, maintaining, and supporting current and new IT solutions for Nykredit, Totalkredit and their partners. The IT-department is merely one of many departments within the whole Nykredit organization as can be seen in the organizational diagram below. The relevance of this will be discussed further in the analysis chapter.

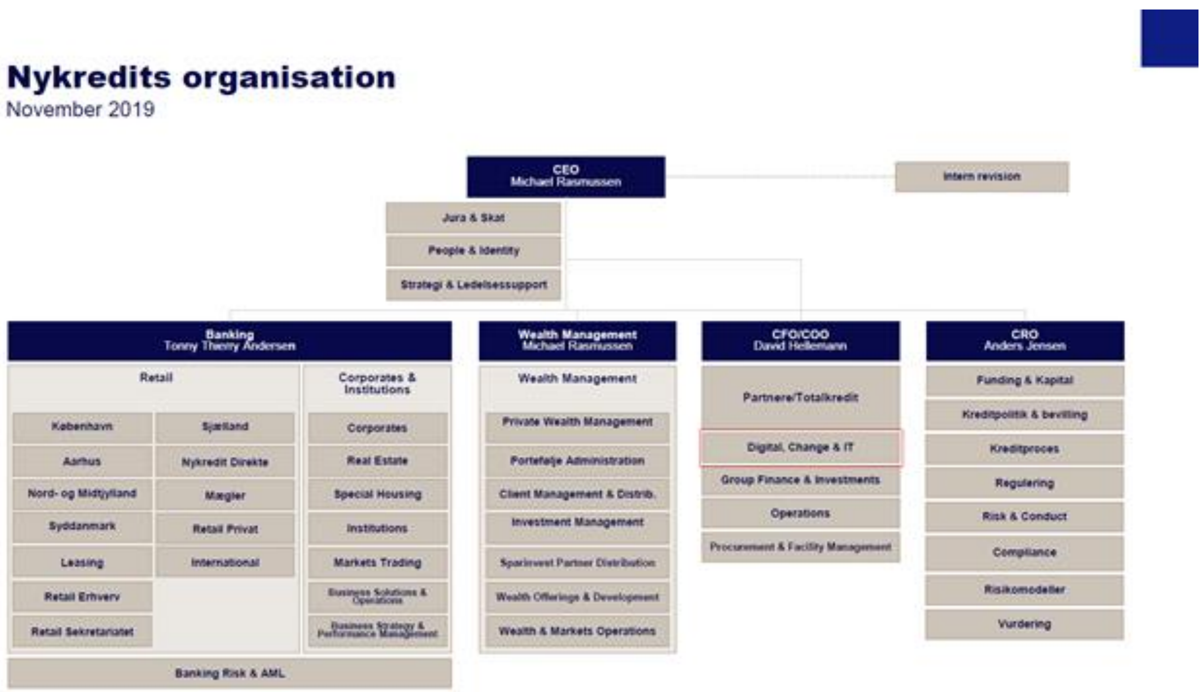


Figure 2: Nykredit - Organization Diagram 2019, accessed 2020.

Nykredit is a matrix organization that houses many different departments, layers, and hierarchies. Projects often collaborate across departments combining people from different organizational cultures. The matrix organisation basically entails that employees can have several leaders. An employee belongs to a department but can then be 'rented' out to specific projects depending on requirements. This can often result in many interesting meetings, especially when talking change.[2]

Nykredit has been around since 1851 and is an old and proud organization. The leading strategy is a more customer-oriented focus with better rates and a more effective Nykredit. (Nykredit 2020) This is a strategy

[2] See chapter 6

that entails change. Nykredit's headquarters is located in Copenhagen with its IT-department located in Aalborg. Furthermore, Nykredit has a large Polish department through their collaboration with BEC[3]. To accommodate this, the official organizational language is English.

The Case

In 2015 Nykredit IT embarked on a large change process in their IT-department. The change was initiated as a response to movement in the market and a lack of flexibility and adaptability in deliveries. Nykredit needed an update to their processes that would guarantee better estimates, continuous deliveries and enable the organization to quickly adapt to changes in the market or in project plans. The change introduced was thus a move from traditional processes and methods, such as the waterfall approach and requirement specifications to a more flexible approach achieved by introducing agile processes and frameworks into the organization.

The change was initially only to be introduced in the IT-department, while other departments were to continue the way they had always been operating. The change was to be spearheaded by a new large project, the 'New mortgage platform' program (referred to as NRP). The NRP program is a collaboration between Nykredit-IT, Totalkredit, the three Danish Data Centers and the financial institutes part of the Totalkredit collaboration. Nykredit-IT is tasked with creating a new platform for handling loans. The current solution is becoming obsolescent as it requires too many manual actions. The ultimate goal of the new solution is to reduce time spent on each loan case by the advisors in the financial institutes.

The Nykredit/Totalkredit side of the NRP-program consists of about 100 employees from different departments, competency areas, and locations. The program is led by a business solution, a Totalkredit representative, while the solution is developed by the IT-department. The program, as mentioned, is the first to embrace the new agile organizational changes introduced in the IT-department. These changes introduce new ways of working for the employees, as old requirement specifications and long-term plans are replaced by continuous deliveries and short-term plans. Moreover, while teams are used to working independently in silo formations, they now work in SCRUM teams that collaborate and depend on each other. With the change followed a completely new mindset, which is a move from a traditional to a new way of thinking about organizational structure, process, and deliveries. In essence it is a new paradigm within organizational life. This change in mindset and approach is only introduced in the NRP-program. While the rest of the IT-department is set to transform into a more agile approach, it is not as far ahead as the NRP-Program. The NRP-Program is the flagship that will determine the success of the organizational change. However, the change is not a simple one. Agile is not merely a theory, a set of tools, or methods, it is a new way of thinking, it is a mindset. With that in mind, the change introduced in Nykredit is not only about

[3] BEC is a Danish Data center

process and deliveries, it is about mindset and how everything ‘organization’ should be approached and thought about. Mindset and culture are something both individual and organizational and can be hard to measure. This complicates the expected change and raises several questions regarding the expected change results.

The NRP-Program was initially scheduled to be completed by 2018. It has since been pushed back and is still underway. The many changes have resulted in a lot of trial and error along the way, as plans and deliveries have gone through many iterations. Many different departments and partners have to collaborate to work towards one common goal, which invites many different cultures and interpretations to the table. This is all set in a matrix organization, which complicates matters of alignment and interpretation. The agile approach is suited for smaller projects and favors autonomy and flexibility in decision making and planning.[4] This was a complication for the program as many different teams from different areas had to work together under strict deadlines.

In 2017 the NRP-Program introduced SAFe[5] to help alleviate these issues. SAFe is a framework used to scale agile to better fit into larger organizations and projects. One critique of SAFe is that if agile is not currently working in the organization, then SAFe will only increase the size of the problem. This is an important reflection. With the introduction of SAFe additional ceremonies, process, and structure was introduced to the program. This was apparently greatly needed as dependencies and misalignment was troubling the NRP-Program. However, the root-cause of the problems and tensions were not necessarily addressed. What was addressed was process. The NRP-Program throughout all of its existence has seen many issues, some that are typical of any large-scale project, but also ones that were complicated by and should have been alleviated by the introduction of the Agile changes. Alignment remains a large problem, as different departments with different mindsets seek similar strategies but with different plans. The lead change specialist on the program threw in the towel and left the program, as complexity and lack of change results mounted. The new approach should have improved estimates and sped up the delivery of the entire project. However, there still seems to be issues with commitment, mindset, alignment, and communication regarding the change that was initiated five years ago. The purpose of the change, it is expected results, and process is still left unanswered. The NRP-Program has become an experiment that through trial and error has adapted the new changes to fit their needs. But this also means that the entire program has become mired in a sort of ‘organizational uncertainty’ as to what the goal of the change is, and how exactly that goal should be reached, as the individual change managers drive the change in different directions due to uncertainty. Furthermore, the change managers that currently exist within the NRP-program, have become ‘unofficial’ or ‘proxy’ change managers, as there are no *official* change managers dedicated to the

[4] Jeremy Rose argues in his book, that Agile is more suited for companies of around 20 employees
[5] Scaled Agile Framework enterprise

NRP-program. This raises the questions, if the NRP-Program was supposed to be a flagship for a large organizational change, then where is the support and what can be learned from the NRP experiences. There are still a lot of questions left unanswered, and a lot of troubleshooting to be done. What is the root-cause of the change uncertainties and how can the new paradigm within change management help address the complications within the NRP-program?

Nykredit has some internal cultural complications that are typical of an organization with many underlying departments or silos. There is always the internal worry that one department has too much power and can dictate the organizational affairs. Since the inception of Nykredit's IT-department it has been at odds with the business side of the organization, as for many years the business department has felt like the IT-department had too much influence and power. Ultimately, during a restructuring Nykredit decided to position the IT-department further down in the organizational hierarchy, as a means to placate this internal cultural conflict. This is an element that will be touched on in the analysis, but this internal power dilemma has made it difficult for the IT-department to get any big changes through the rest of the directory board. (Appendix 10.8.1) These are issues of internal culture; however, the case also presents many external cultural influences.

When going through the case and the issues within it, it becomes clear to us that while the implementation of ceremonies and processes are not inherently wrong or problematic in themselves, the contexts from which they originate, and the contexts in which they are implemented matter considerably. The biggest influence and/or source of problems in this process, are the cultural contexts from which these different theories, methods, and tools originate. We posit that the shaping of an organization has a great deal to do with culture, and therefore the inherent cultural aspects of theories[6], methods, and tools holds as much importance when being implemented, as the *function* of them. Importantly for this thesis, many of the theories, methods, and tools that contemporary western organizations use are created in The United States e.g. SCRUM[7], Agile, SAFe, Spiral, and XP originate in The United States, and are therefore implicitly made for that market context. When introducing Agile into a Danish organizations, we then have inherently different cultural contexts that meet, which can lead to problems, some of which have been outlined above. This matter of the inherent cultural aspects of theories, methods, and tools is the underlying theme of this thesis, and therefore it will be possible to see aspects of culture throughout the following chapters.

[6] See also Chapter 4.1
[7] While Scrum is the product of two Japanese researchers, it has been adopted and developed throughout the 90's and 2000's by American researchers in American companies

Through this thesis we will analyze the case presented above through the lenses of the new change management paradigm as a means to address the importance of the elements of contextual translation, culture, and the human perspective in change management.

Chapter 4: Methodology

The methodology employed for this study naturally follows the intrinsic elements of the new paradigm within change management. The core new elements being the human actions, experiences and decisions that shape organizational contexts and in turn strategy, planning, and process. These elements are a big part of the theoretical inspiration for this study. Furthermore, we see concepts such as machine versus human viewpoints and contextual translation as being driving forces behind the new paradigm. This study seeks to explore the importance of these concepts and elements in correlation to contemporary change management. This in turn will help address the problem statement and either validate or invalidate the hypotheses regarding the traditional versus new paradigm raised throughout the various chapters. With the constant information and technological advances that make up today's global market, the importance of context dependent strategies and processes is bigger than ever.(Bratton and Gold 2018, 3) For an organization to stay competitive and maintain its sphere of influence it should be adaptable and quick to accept and implement change. If a contemporary organization gets bogged down by poor change management, then it could spell disaster as competitors race ahead.[8] This study gets close to organizational life where the impact of daily actions and decisions, as well as the importance of contextual translation, can be measured.

Essential to this study are the leaders of the NRP program within Nykredit. In collaboration with Nykredit, interviews were conducted with leaders and people of interest to gain insight into their change management strategy and implementation. These interviews provide a look behind the scenes of the decisions and actions that shape organizational change in one of Denmark's largest organizations. The interviews tell of conflicts, tensions, strategies, and agendas as it makes the foundation for this study's empirical data and provides data from which analysis, discussion and conclusions can be drawn in the quest to answer the questions raised in this study.

This study also utilizes observations from the workplace. By being present in the daily operations of Nykredit, observations have been made that provide further insight into the shaping of strategy, planning, and process. The observations also serve as a means to analyze and discuss the importance of contextual

[8] See also "In Search of Excellence"

translation as well as sensemaking and sensegiving as employees go about their daily duties while juggling organizational change.

The following methodology chapters detail the inspirations behind this study's interview design and ethnographic approach as the cornerstones of the empirical data collection methods utilized in this study. Moreover, chapters on scientific methodology and research design outlines the scientific and analytical approach of the study.

4.1 Philosophy of Science

This thesis builds on a social constructivist basis of understanding organizational theory. Specifically, we approach our thesis with a perspective that theories are not created in a vacuum but are heavily affected by the cultural and national contexts that the author exists within. We hold with the view that all people are inherently different, and that any system or theory created by a person, is shaped by the lived experiences of that person. This also means that the recipient of this product will have to compare it with their own lived experiences and either assimilate or reject it based on their own sensibilities, since these theories are social constructs. (Collin 2014)

Furthermore, theories are seen as tools, created with a specific purpose in mind. Therefore, it stands to reason that being critical of which theories are applied in a given situation matters a lot, you would not try to screw in a screw with a hammer, if you have a screwdriver available to you, nor would you apply Basic Inorganic Chemistry when trying to organize your call center. Tools and theories are created with a purpose in mind, and are heavily affected by both the process, and the contexts of their creation. (Collin 2014) However, that is not to say that a theory cannot be later adapted or repurposed for use in another field or research contexts, as this is the reality for many theories, even the field of sensemaking making its way into organizational theory. However, the purpose of this thesis is to look at how theories are used in the contemporary western organization, looking at how these tools are utilized in the organization, specifically in the area of change management.

This position that we align ourselves with, is mostly akin to Kenneth Gergen's Constructivist approach. Gergen argues that scientific theories are not created via rational decisions and purely objective methods, but rather are created through social processes in the field of study that they are born from. Furthermore, they are a representation of these social processes and the social processes of the larger overarching culture they are a part of. On the basis of this, Gergen argues that speaking about theories in terms of them being representative of reality becomes meaningless, and that we should rather look at them as representation of stable patterns that help us explain the world. The way we think about the world exists within a larger social context with its own set of social processes. (Collin 2014)

Practically, this means that choice of theory or strategy matters a lot. Different theories and strategies have their own social practices and choosing between them therefore carry different advantages and disadvantages, in relation to how these practices fit with the organization in this case. In an organizational context, this means that there is a large practical impact on the organization directly relating to the choice of theory or strategy, and its match or mismatch with the social practices that exist within the organization. (Collin 2014) Additionally, this goes both ways in terms of choosing strategy, as strategy affects social processes, but social processes also affect strategy in the organization i.e. strategic and social processes are heavily intertwined.

Furthermore, one of Gergen's points is: the idea that people have a static identity from which the social sphere is generated, is simply untrue. Rather, social constructivism shows that identity is created collectively i.e. identity is something that is constantly being shaped by the people and experiences that a person in confronted with(Collin 2014, 444-445) Here, it stands to reason, that as we are shaped by our experiences and stimuli from our surroundings, our creations would be equally shaped by how we perceive the world around us. Gergen essentially says, that it becomes impossible for us to completely separate scientific theories from the world around us, especially in the humanities, since our identity, our surroundings, and how we see the world is in constant flux. Additionally, Gergen claims that we construct our identities in cooperation with each other. (Collin 2014, 441-444)

This is the same position that we adopt in this thesis. We align ourselves with Gergen to a degree in our basic understanding of how we construct identity, and how our creations are a product of our own sensibilities, either implicit or explicit. However, our position is not that there can be no objectivity because of this identity construction, but rather that while it surely can become harder to remain objective, it is not wholly impossible. We recognize that what we perceive to be objective reality, is often only objectively real *according to our interpretation of the world.* In the same vein, we take the data we have gathered from our interviews, fieldnotes, and observations as being true, insofar as they are representations of our respondents 'objective' and 'true' view of the world, according to their cultural and identity constructed sensibilities. See also chapter 5.6 *Defining Culture*

It would seem clear to us, that with the large focus on organizational contexts, and social identity construction within organizations, the change manager surely has their work cut out for them, as the contemporary organization becomes ever more complex.

4.2 Case Study Method

This thesis will be carried out via a case study focusing on Nykredit and their change process. We have chosen the case study as our research method for a few reasons. Firstly, as Flyvbjerg puts it in his article "Five Misunderstandings About Case-Study Research", case studies are well suited for generating context-dependent knowledge. The primary connector to our area of study and focus, Change Management, is in connection to Dag Ingvar Jacobsen's theory of organizational change and change management. One of Jacobsen's main points, and critiques of the field, is that change management often becomes too universal or too normative to be truly useful or applicable. Furthermore, Jacobsen asserts that all change has its own unique characteristics and contexts that need to be observed and understood in order to carry out the change process.

Logically, with how context focused Jacobsen's perspective is, and how case studies are well suited for generating context-dependent knowledge, they complement each other very well, which is why the case study method has been chosen for this thesis.

The conventional or traditional view of the case study is that it is, to say it very concisely, incapable of standing on its own. Flyvbjerg states that, according to his findings, the idea that case study as a method is to be used only in the preliminary stages of a study, is misleading because it has value that reaches much further than the preliminary stages of as a study. (Flyvbjerg 2006, 220) Furthermore, he posits that the case study is able to provide a type of knowledge that is immensely valuable to social science, being context-dependent knowledge. For this thesis, the aspect of the case study dealing with context-dependent knowledge is the primary motivation for choosing the case study as our method. This choice stands in connection with Dag Ingvar Jacobsen's notion that all change is unique, and that when looking at and analyzing changes, context is one of the most important aspects when analyzing change processes. (Jacobsen 2018, 17-23)

Flyvbjerg uses Karl Popper's 1959 example of the Black Swan[9] as an argument for the validity of the case study as a method, stating that case studies are very valuable because of their very in-depth approach, allowing them to effectively identify 'Black Swan' cases. The purpose of doing a case study, and especially in this thesis, is to 'dig deep', to explore as many facets as possible of the subject of the study, thereby seeking to uncover if everything is as it appears to be.

[9] Karl Popper used the Black Swan as part of his 'falsification' test, where a theoretical proposition such as "All swans are white" can be falsified via the observation of just a single black swan.

Strategies for case selection

Flyvbjerg writes that case studies are better for testing hypotheses, rather than creating them. (Flyvbjerg 2006, 229) In the theory and analysis chapter hypotheses will be introduced as a means to address this thesis' problem statement. A thorough overview of these hypotheses can be found in chapter 6.2

Flyvbjerg states that in terms of generalizability, the ability to apply the results of the case to a broader field, the case study is both well- and unsuited, depending on how the cases are selected, and how the case study is carried out. For this study, generalizability becomes less important, as this case is an extreme case. Furthermore, one of the points of the thesis is to show that in management, the over-generalizability of theories, methods, and tools is detrimental to the change process. We do not want to present the results in this thesis as a de-facto way of how all change happens or should happen, but how it *can* happen in some contexts.

For this thesis, it is important to note that a main inspiration is Dag Ingvar Jacobsen's "Organisasjonsendringer og endringsledelse" where one of the main points that the entire book builds on, is that organisations and their change processes are unique, and therefore many change management theories are too normative or too general to be applicable. This puts this case study, and other case studies like it, in a unique position where each case stands on its own, since it is an extreme case. (Flyvbjerg 2016, 229-230) The extreme case gives a unique opportunity to look at the complexities of contemporary change management in practice, defined in a very narrow and specific sense. It presents an example of a very complex change process and the factors that affect it, especially considering that the internal organizational structure and the cultural complexities in Nykredit, are not generalizable to other organizations. However, the discussion of the national cultural influence in change management processes is. Specifically, Flyvbjerg describes that extreme cases are created to:

> *"To obtain information on unusual cases, which can be especially problematic or especially good in a more closely defined sense"* (Flyvbjerg 2016, 230)

Generalizability in change processes is a tricky thing. According to Jacobsen, every change is unique as the cultures, contexts, organizations, and people of the change are unique. (Jacobsen 2018) Therefore comparison becomes difficult or perhaps even less important. Based on this realization that makes any case relating to organizational change an extreme case according to Flyvbjerg's description of an extreme case. (Flyvbjerg 2016, 229-230) In Chapter 4.3.4 Analytical Roadmap the role of the Nykredit case in this thesis' analysis will be unfolded further.

As Flyvbjerg also notes, the case study is at its best when 'performed' as a narrative, taking the reader along a journey through all the minutiae and details of a case, in this case being the "Agile Transformation" change process within Nykredit.

> *"(...) it is often more important to clarify the deeper causes behind a given problem and its consequences than to describe the symptoms of the problem and how frequently they occur."* (Flyvbjerg 2006, 229)

Subjective bias

A critique of case study research is that it has a bias towards confirming the researchers preconceived notions, thus tending to 'color' the data with the researcher's interpretation. (Flyvbjerg 2006, 234) The counterpoint to this critique, is that in doing a case study, it is not uncommon that whatever hypotheses or assumptions that the researcher has going in to a case study, are often proved false, or only half-true, necessitating a revision of whatever preconceived notions that the researcher has. (Flyvbjerg 2006, 235) Flyvbjerg also notes that this confirmation bias is present in all qualitative research, but more so in case research, since it is seen as a less strict and rigorous methodology, and that instead of a bias toward confirmation, case study research carries a bias towards *falsification* instead (Flyvbjerg 2006, 237) e.g. Popper's 1959 Black Swan example.

Flyvbjerg specifically says that:

> *"The advantage of the case study is that it can "close in" on real-life situations and test views directly in relation to phenomena as they unfold in practice"* (Flyvbjerg 2006, 235)

Case narrative

Case studies lends itself well to exploring a problem or case through a narrative, it can be hard to accurately and concisely summarize a case study, because as was mentioned earlier, case studies deal with the details and minutiae of a real problem. Flyvbjerg poses a question in regard to the problem of case studies being hard to summarize: *"The question, therefore, is whether the summarizing and generalization, which the critics see as an ideal, is always desirable."* (Flyvbjerg 2006, 237)
Flyvbjerg further backs up his position on this question with the following quote from Nietzche *""Above all," Nietzsche said about doing science, "one should not wish to divest existence of its rich ambiguity" (pp. 335, § 373)."* (Flyvbjerg 2006, 237)

To Flyvbjerg, and others, the uniqueness and ambiguity of cases means that they should not simply be boiled down to a single statement or paragraph, but should be allowed to speak for themselves in their entirety, so that they do not lose the small details that are so very important. *"The case story is itself the result"* (Flyvbjerg 2006, 238)

It also happens that, as a narrative, the reader is asked to interpret the representation of a reality that the case study is, and as such, the case study should have as many facets and points of view as possible, to create a proper narrative to ensure that. Flyvbjerg explains his method as:

> *"(...) I have found the following two strategies to work particularly well in ensuring such openness. First, when writing up a case study, I demur from the role of omniscient narrator and summarizer. Instead, I tell the story in its diversity, allowing the story to unfold from the many-sided, complex, and sometimes conflicting stories that the actors in the case have told me. Second, I avoid linking the case with the theories of any one academic specialization. Instead, I relate the case to broader philosophical positions that cut across specializations. In this way, I try to leave scope for readers of different backgrounds to make different interpretations and draw diverse conclusions regarding the question of what the case is a case of. The goal is not to make the case study be all things to all people. The goal is to allow the study to be different things to different people. "*(Flyvbjerg 2006, 238)

For this thesis, we have an unique opportunity for exploring the Nykredit case, considering that one of the researchers, Alexander, is currently employed at Nykredit, which gives us access to interviews across the organization, as well as firsthand experiences and anecdotal evidence gathered at Nykredit. This gives this thesis a source of data that further helps building a narrative for the sake of a good case study, in that it gives us nearly un-restrained access to the 'backstage' of social phenomena. (Flyvbjerg 2006, p. 240)

It is important to note that this thesis is not presented chronologically but instead we draw forth details as they relate to the areas that we address. Therefore, we are not taking the reader through a chronologically laid out narrative of how the change process has happened, because we are not only looking at what has occurred internally in Nykredit, but also how external culture affects this change process. Instead, we look at the narratives that exist within Nykredit and use an interpretive approach to further understand and elaborate on these narratives. This internal and external relation, as well as the interpretive approach will be elaborated in chapter 5.6 Defining Culture.

Additionally, this thesis has been underway since 2017, when we were first introduced to the Agile Transformation within Nykredit. This essentially means that during the years from 2017 till 2020, we have revisited this a number of times outside of our studies. We have heard and observed many different internal narratives in this time, which has led to this thesis. Therefore, we had a case long before we began researching it, reevaluating it through different theoretical lenses in those three years, while also talking about the process with professors and peers. The underlying question then became *"what is the cause of their complications and why has it not been resolved?"* which through further thought developed to become the problem statement of this thesis as seen in chapter 1.5, which is essentially the story, or narrative, that this thesis will follow.

> *"Narrative inquiries do not—indeed, cannot—start from explicit theoretical assumptions. Instead, they begin with an interest in a particular phenomenon that is best understood narratively. Narrative inquiries then develop descriptions and interpretations of the phenomenon from the perspective of participants, researchers, and others."* (Flyvbjerg 2006, p. 240)

In this thesis, we understand narrative to be a collection of stories and daily lived experiences. We will explore the narratives of leaders within Nykredit, to create a bigger picture and story of why Nykredit is in their current situation. We also recognize that due to not having several years to collect and organize interview data, we are limited in the amount of internal narratives we can collect for our data archive. Therefore, the story that reveals itself in this thesis is the product of the narratives that we have observed and analyzed, not *all* the narratives that exist within Nykredit. Furthermore, this thesis does not *only* relate itself to the narratives surrounding Nykredit, but also deals with external cultural influences.

We will end this chapter with the following excerpt from Flyvbjerg 2006

> *"Labov and Waletzky (1966) wrote that when a good narrative is finished, "it should be unthinkable for a bystander to say, 'So what?'" (pp. 37-39). Every good narrator is continually warding off this question. A narrative that lacks a moral that can be independently and briefly stated, is not necessarily pointless. And a narrative is not successful just because it allows a brief moral. A successful narrative does not allow the question to be raised at all. The narrative has already supplied the answer before the question is asked. The narrative itself is the answer (Nehamas, 1985, pp. 163-164)."* (Flyvbjerg 2006, p. 240)

4.3 Research design

In this study, we set out to address the human aspect and process that shapes organizational change management and strategy. Furthermore, we delve into the importance of contextual translation as organizations grow to become more complex and are less likely to be encapsulated by normative standards. We argue, in this study, that daily activities, decisions and experiences must be considered when strategizing anything organizational. To address this statement, empirical data, that is at the heart of an organization is required. In the following sections we detail how this is achieved.

Furthermore, our position is that; for an organization to sustain itself and exist in a disruptive market, it must be able to continuously evolve and adapt to fit its surroundings. Thus, sensemaking and sensegiving, at any organizational level, is crucial for the longevity of an organization and its employees. Organizations thrive on and are shaped by lived experiences. These experiences and an ability to identify the organizational context enables sensemaking and sensegiving within an organization. This in turn alleviates many of the natural tensions that come with change.

If strategy is shaped by process and process is shaped by the people of the organization, then in order for change management to succeed, then an understanding of the aforementioned elements can help an organization influence the direction of any change through sensemaking. In this study we look closer at the importance of these elements in organizational strategy and decision making. Through a collaboration with Nykredit, as introduced in the Case Description chapter 3, we have access to one of Denmark's largest financial institutions. Nykredit's current change management process in its IT-department makes for what Flyvbjerg refers to as an extreme case, see chapter 4.2. Through the utilization of interviews, observations and fieldnotes conducted with Nykredit, empirical data will be collected. This data will serve as the base for this study's analysis and discussion chapter and will help address the study's problem statement and hypotheses.

4.3.1 Interviews

As noted above, our focus lies heavily on the lived experiences of the people within Nykredit. In order to better understand these experiences and processes, we have conducted a number of interviews with key people within the organization, to uncover their views and perceptions regarding the change process within Nykredit. There is a total of six interviews, all of these interviews being semi-structured life-world interviews. The semi-structured life-world interview allows us to understand lived everyday experiences from the subject's own perspective, with their own interpretations of their daily life. (Kvale & Brinkmann 2009) These qualitative research interviews lay the base for much of our data, and therefore are the main source of information, working in tandem with observations and field notes, which will be explained in the following sections.

The interviewees have been chosen on the basis of two main criteria:

1. Their position within the organization.

2. Their degree of involvement in NRP.

These criteria are in actuality two sides of the same point of interest, since they both relate back to our subjects as being *change managers*, which is where our primary interest lies. The interviews therefore lay the basis of understanding change and change processes from the perspective of the change manager, while our other data has a different perspective on change in the organization. Consequently, we have limited the interviews to a total of five mainly due to these interviews being more focused on very specific and unique perspectives, thus translating into *depth* rather than *breadth* of inquiry. Furthermore, these interviews covered the different cultures as identified within Nykredit.

Interviewee	Department	Position	Date
Anne Blak	IT	Assistant Director for DC[10]I, Property Finance, and COO	22.11.2019
Bjørn Nørgaard	Quality Assurance	Consultant, specialist	26.02.2020
Jan Dyhr	Business	Project Manager	19.11.2019
Mette Bech	IT	Department Director, Delivery Manager	01.10.2019
Ulrik Have	Competency	Assistant Director for DCI, Chief of competency	11.11.2019

[10] Digital Change & IT department

Practically, the interviews were held at Nykredit, with one of the researchers present. This was mainly due to Alexander's position as an employee in Nykredit, that meant he would have easy access to the interviewees, as well as ample opportunity for setting up meetings with the interviewees as their schedule would allow it. Furthermore, these semi-structured interviews have been made in accordance with an open interview guide which can be seen in appendix 11.1 (Kvale & Brinkmann 2009)

Furthermore, the interviews have been recorded and the relevant sections of the interviews transcribed, which can be seen in chapter 11, in accordance with interview methodology. (Kvale & Brinkmann 2009)

Something that is important to consider when doing life-world interviews, or interviews in general, is respondents being either evasive or untruthful when answering questions. This is not something that can be easily avoided or alleviated and is simply the nature of doing interviews. We acknowledge that since Nykredit is such a large organization, and since some respondents have commented on how incredibly political the organization can be, respondents might either guard their position by omitting information, or try to evade answering.

While the interviewer and interviewees know each other from working in the same company, they are not otherwise connected in any way. The interviews were conducted in a professional environment and from the position of a researcher collecting data. The interviews were kept as objective as possible, however, due to the interviewers knowledge of the organizations the questions posed were based on observations and experiences regarding the change process, and the internal narratives that existed within Nykredit regarding the change process. However, we have conducted our interviews in such a manner, as to make our respondents as much at ease as possible, in that they are in familiar surroundings with an interviewer they at least have passing familiarity with, which should alleviate some tensions or concerns that the respondent may have. We found that this familiarity led the interviewees to be more open and responsive than expected. From earlier experiences with Nykredit, we have found interviewees to often be very reserved and guarded, which was not the case during this inquiry.

The intention being, that they will be more open to talk about their experiences within Nykredit. We have worked with Nykredit on several occasions, and therefore also know how the dynamics within the organization works. We have experience with NRP and how it has been handled historically, and how IT is structured along with it. This intimate knowledge that we possess, is what has laid the basis of much of our research design, as will become apparent in the following sections. Additionally, the fact that we possess this intimate knowledge, also means that we have a much better basis for posing deeper questions, which is also the primary reason that we have gone for depth in our interviews, rather than breadth.

4.3.2 Observations

One of the authors of this study is currently employed by Nykredit in its IT-department. This enables the observing of daily occurrences and allows for unprecedented insight into the activities, decisions, and processes of Nykredit as it undergoes a large organizational change. Observations were made based on experiences but also through investigation into certain social processes that naturally occur within the workplace. Specifically, this type of observation is referred to as 'Participant Observations' by Emerson, Fretz and Shaw. They describe it as a long-term engagement into a setting with a means to observe social processes and occurrences. (Emerson 2007, 352) In practice, this was done as part of the daily work routine. A notebook was always carried around and whenever something relevant was mentioned either in passing, during a conversation, meeting, or observed this was written down. Afterwards this was refined and re-written into a field note. See chapter 4.3.3.

We found this to be the ideal method for this study, as it enables commenting on and analyzing exactly what happens to an organization, and its many layers, when change is introduced. It also allows us to observe and comment on the broader narrative surrounding the change in Nykredit. Furthermore, the daily presence within the targeted organization allows for the observing of the shaping of strategy, plan, and process and what happens when contextual and cultural translation is down prioritized or neglected. It also serves as a gateway to see how daily processes and the employees of an organization might shape strategy.

The observations are based mostly on lived experiences gathered from 2019 to 2020. This period covers the introduction of a new way of working to the organization and how it has since developed and become integrated into the organization. The observations cover many of the tensions, struggles, decisions, and processes that follow any change. In combination with the interviews conducted with leaders and specialists within Nykredit the observations serve as a means to address these obstacles and pinpoint the cause and possible solutions. This will be covered in detail in the analysis chapter.

The purpose of the observations is to narrate occurrences, conversations, experiences, and activities as a daily log. In "Writing Ethnographic Fieldnotes" Emerson writes that lived experiences are an often-neglected part of ethnographies, that is, researchers are often quick to use already written notes or to jump straight into the rhetorical characteristics of said notes. (Emerson 2011, *preface to the first edition*, 2) In this study we focus on exactly the lived experiences and daily occurrences as influencers of change. Thus, to best comment on such, early analysis was conducted for the observations as a means to better organize and structure the observations as Ethnographic Fieldnotes. Emerson also emphasizes the importance of early analysis, as a means to not lose the important elements of a field note or observation. He also encourages the writing of short summaries or memos following observations or fieldnotes, something which we have utilized as a means to stay on top of the data collected. (Emerson 2011, *preface to the second edition*, 3-4) One worry that comes with detailing observations and writing notes daily over a long period of time is becoming overwhelmed if early analysis is neglected and kept till the end, then the amount of data collected will often be insurmountable. With that in mind, while observations were made on the daily, only the ones relevant to this study were kept. Moreover, notes, based on observations, were often re-organized and re-written into weekly or monthly accounts. In that sense, the data collected was selective as to only include data that serve the purpose of this study's problem statement. Delimitation was necessary, as increased amounts of data was not necessarily aiding the study. This was done to stay on top of the important elements observed over a long period of time.

This approach to data collection and writing down of the observed is called ethnographic fieldnotes.

4.3.3 Ethnographic Fieldnotes

There are many different styles of ethnographic fieldnotes, some are written immediately following events or observations. Some are written as a 'running log' following a day in the field. Others write less detailed notes and compile a more finished product once they leave the field. (Emerson 2011, *preface to first edition*, 4) For this study ethnographic fieldnotes were used as a means to save detailed data for later analysis. Some analysis was made initially to gauge the importance of the observation and notes – throughout the latter part of the fieldwork the study's focus was set and as such we could identify relevant pieces and discard the rest. We used the 'running log' approach to fieldnotes. Less detailed notes were written down and later restructured into a more detailed note sometimes covering weeks of events. For this study we approach ethnography as described by Emerson,

> "We approach ethnography as a way to understand and describe social worlds, drawing upon the theoretical traditions of symbolic interaction and ethnomethodology." (Emerson 2011, *Chapter 1* 2)

In essence, ethnography is the study of culture or social phenomenon. It is fitting for this study, as exactly cultural norms, tendencies, contexts, and social activities are core aspects of the 'new paradigm' within change management. In utilizing an ethnographic research method and approach to data gathering it is possible to get in-depth firsthand knowledge and data. Furthermore, we believe that culture and organizational decisions are shaped by lived experiences and are the constructs of context, process, and experience, see chapter 5.6.

Altheide and Johnson (1994:489) write that

> "Social reality is an interpreted world, not a literal world, always under symbolic construction" (Emerson 2011, *Chapter 1,* 2)

This is echoed by Emerson, as he goes on to describe that the worlds, we observe are interpreted worlds. (Emerson 2011, *Chapter 1,* 2-3) That is, they are social constructs that change based on who observes and interprets them. This makes the notions of context and sensemaking even more important. For every participant to understand a strategy or process in the same way, then sensemaking and an understanding of knowledge sharing is crucial. If left to their own devices, then employees or researchers leap to their own interpretations and conclusions often based on previous lived experiences and normative understandings of culture and organization. Ethnographic research can be the victim of this phenomena, but it can also help identify such barriers and break them down. For this study specifically, we look at change management within a large Danish organization. We use an ethnographic approach to get close to the daily operations and to observe the social and organizational implications of change. From this position, data will be gathered directly from the core of the organizational change, this can be used to better address this study's problem statement and will help answer and discuss some of the complications and tensions that often follow change. This is for the benefit of not only the study but also the organization. By getting close to and integrating oneself into the social situation observed the researcher can more easily guarantee an accurate interpretation of events.

> "In recognizing 'the field' as a construction, one can appreciate the ways in which the implicit assumptions and routine practices that produce it, in turn, shape and constrain the writing of fieldnotes." (Atkinson 2001, 354)

As field researchers mingle with and participate in the daily activities of the case studied, we become a part of that social world. (Emerson 2011, *Chapter 1*, 5) This has its benefits and constraints as Atkinson points out.

By getting close to the people observed it is easier to observe and understand the activities and decisions made. It also provides an insight into what it takes to be integrated into the observed cultural or social situation. However, the drawbacks are that the researcher can easily become biased, as intimate knowledge of the subjects studied leads one to jump to conclusions or interpret situations and observations in a certain way. Especially if the researcher is a part of the system that they are researching.

However, we are a team of two researchers, where only one is employed in Nykredit. This means that while one researcher could be biased, there is always a second opinion available to further discuss it.

Throughout our time working together with Nykredit we were aware of this but have not seen it as a hindrance. We see it only as a benefit, that we are able to get extremely close to the people and the organization behind the case analyzed in this study. We believe that the more knowledge a researcher has, the sharper the questions, observations and investigations will be. Emerson writes that this is often unavoidable and might as well be embraced and taken advantage of, moreover, Adler and Adler (1987) write that

> “Many contemporary ethnographers assume highly participatory roles” (Emerson 2006, *Chapter 1*, 6)

Obviously, we have attempted to keep the data as unbiased as possible, but our position has allowed for richer data and levels of access and insight.

4.3.4 Analytical roadmap

We have devised an analytical roadmap which can be seen in the following model, to help understand our process for the analysis chapter.

The model has been made with inspiration from both the PBL-funnel and Bloom's Taxonomy, meaning that as the 'funnel' or pyramid gets narrower, the more specific the analysis becomes.

We have split the analysis into 3 main sections. The first section is *'Setting the stage*' and *'Hypotheses, claims and the problem statement*'. Setting the stage will briefly go through the Nykredit case, which serves as the practical context for this thesis' analysis. Here the case will be introduced to the theoretical contexts behind contemporary change management. The meeting between the practical and the theoretical, as well as the traditional and new paradigm, will set the stage from which the importance of contextual and cultural translation in change management can be addressed.

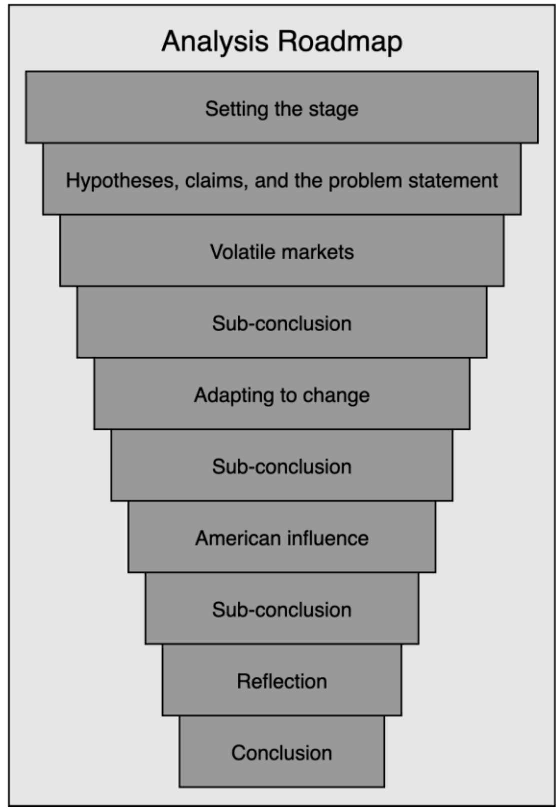


Figure 3: Analytical Roadmap model, own creation 2020

Following this, the hypotheses and claims raised throughout this thesis will be presented in a structured manner and mapped to fit into specific focus areas of the analysis. The analysis serves as a critical look at contemporary change management, one that will be addressed through the utilization of these hypotheses and claims. Through the discussion and interpretation of these elements the problem statement will naturally be addressed.

In the second section the analysis unfolds. In *Volatile markets* the state of the contemporary market, that makes up the external context that organizations operate in, will be addressed. Here the meeting between the traditional and new change management paradigms will be addressed in the context of a continuously disruptive market. Furthermore, the concept of an ever-changing market resulting in failed organizational strategizing will be addressed.

In *Adapting to change* we analyze how contemporary organizations are currently adapting based on the points analyzed in the previous section. Here we analyze and interpret the importance of culture and mindset in change and how cultural contexts and differences might complicate change processes as well as how change processes cannot be measured quantitatively.

Lastly, in the *American influence* chapter we take a closer look at the importance of cultural translation as inherently different cultures negatively influence each other if difference in context is not accounted for. Moreover, it is argued here that culture, that is so often an underestimated element of organizational affairs, is the driving force behind change and innovation. Finally, the obsolescence of traditional change management methods and mindsets are compared to the realizability of the new paradigm within change management.

In the final section, *Reflection* and *Conclusion* the points raised throughout the thesis and the analysis will be readdressed. We will conclude our findings and their importance for how we see contemporary change management, the cultural influence on change management theory, and the cultural influence on change management processes in practice, which will serve to answer our problem statement. Lastly, we will raise some critical points specifically regarding Nykredit's change process, and address some of the inevitable consequences of neglecting culture.

The analysis starts off broadly by addressing the volatility of the contemporary market. Following this, the analysis narrows its scope down to looking at how a specific organization, Nykredit, adapts and approaches change management. Finally, the analysis focuses its scope on cultural and contextual influence on change management and organizational strategy. The analysis follows the typical PBL approach. By diving deeper into the specific relevant contexts of this thesis' problem statement we are able to get as many details as possible addressed in the analysis. We found this to be the best approach and it is something that Flyvbjerg also argues best fits case study research. See chapter 4.2

Chapter 5: Theory

5.1 Theoretical introduction

This chapter will cover the key theoretical inspirations for the analysis conducted in this study. Traditionally, Change Management is leading change within an organization. This is often done by following set *n*-step models, that dictate specific criteria and actions that guarantee success when conducting a change. These models, theories and tools are widely used as elements of strategy and thus have become generalized as a means to fit-all – this, arguably, resulting in them fitting none. The traditional paradigm sees an organization as an entity that can be directed towards any goal by someone in a position of power. In the traditional paradigm strategy, planning, and predictability are the key elements of organizational life, however they often neglect the processes that determine the outcome of these strategies.

Strategy, briefly, is what you want to achieve. It is a goal that the organization can work towards. Planning is how you reach this goal, what actions and decisions must be taken in order to realize the strategy. Planning seeks to find the balance between risk and reward in achieving the goal. (Duncanbucknell 2013)

Planning presents specific areas or elements that can be changed, optimized, or invested in to help achieve the organization's strategic goals. However, it does not account for the process involved in each element. Process is how a task or problem is handled. Process is a strict way of doing something and it accounts for the daily actions and decisions of an organization that leads to results.

When we talk about Change Management, we try to encapsulate both strategies, planning, and process as we find all three elements of significance. The thesis seeks to analyze the impact of culture on these elements and what lies behind them. The importance and impact of culture on contemporary change management will be further unfolded in the following sections.

5.2 Organisasjonsendringer og Endringsledelse

Jacobsen (2018) seeks to build a theory for planned organizational change. Jacobsen points out that organizations, and the change processes within them, are best observed and understood when viewed from the perspective that organizations are like people; dynamic, organic, and partial to stability. Furthermore, we should not equate stability to the organization being static, since organizations and people are dynamic, and are seldom static. (Jacobsen 2018, 15) Additionally, Jacobsen poses that stability and predictability is normal for an organization, and therefore, change is an irregularity which introduces instability within the organization, where a lot of resistance to change also comes from, which will be explored further later. (Jacobsen 2018, 23)

Jacobsen sets up a number of central points for such a theory, mainly that change within an organization is identifiable when the organization shows unlike characteristics at two different points in time i.e. the organization changes from one thing to something else over a period of time. Specifically, Jacobsen states that:

> *"Endring (…) er en empirisk observasjon av forskjeller i form, kvalitet og tilstand over tid i en organisasjon"* (Jacobsen 2018, 17)

This also means that when looking at change, or instituting change within organizations, we need to be able to identify what we are changing from, and what we are changing to. (Jacobsen 2018, 18)

Jacobsen states that the book is written as a counterpoint to current change management theory, which he states is highly normative and prescribes a very general approach to managing and leading change, so that it can be applied to *any* organization i.e. a *one-size-fits-all* approach. Jacobsen's issues with these theories and methods are that through this very general approach, it essentially becomes *one-size-fits-none* because organizations, and people, are very complex, and therefore any theory for planned change should be equally complex. (Jacobsen 2018, 27) We share this notion that these normative theories become unusable, unless a great amount of effort is made to translate them into a usable form.

In Jacobsen's opinion, the idea of a general theory that is equally viable in all organizations and change contexts is almost nonsensical, due to the inherent complexity of organizations. However, Jacobsen states that while changes and organizations are very different, no change processes are wholly unique as they share a set of common characteristics. He argues that since changes are in essence based upon human behavior, it stands to reason that changes are as similar as humans are to each other, but that these similarities are expressed in widely different ways in different contexts. In practical terms, this means that knowledge concerning organizational change has to be 'translated' to the specific context in which it occurs before it can be made viable or usable. Furthermore, as Jacobsen also alludes to, sensemaking and alignment is essential exactly because the organization is made up of humans.

In our opinion, changes in a broader sense are all unique, as the contexts they are affected by are what sets them apart. No two organizations are going to have the same set of circumstances and contexts. However, we also agree that in some dimensions, changes carry common characteristics that can be used to describe them more generally, such as levels of resistance to change, internal power relations, contexts etc.

5.2.1 Context and Change

The lens with which Jacobsen (2018) looks at, and identifies these aforementioned parameters are via ‘contexts’, divided into inner and outer contexts which looks like this:

Inner context	Outer context
Technological context	Technical surroundings - Degree of Stability
Strategic context	Institutional surroundings - Regulative circumstances
Structural context	Institutional surroundings - Normative circumstances
‘Tett og løs’ coupling	Institutional surroundings - Cognitive circumstances
Size and age	
Historical context	
Resource context	
Cultural context	
Informal power relations	

5.2.1.1 Inner contexts

The basic assumption is that no two organizations are alike, even if they can be described via the same terms, in that they are organizations. Jacobsen argues that, even if a consulting firm and a hospital are describable with the same terminology, they are very rarely alike, due to the different context in which they exist, and in which their employees act. (Jacobsen 2018, 88)

Jacobsen further states that because of the different contexts, and how they differ between organizations, it becomes impossible to talk about organizations and organizational change in general terms, instead it requires that we look into the specific detail, minutia, and *contexts* in which each organization exists e.g a change process within Aalborg University would be wholly different to the change process within a software startup with 20 employees.

This position from Jacobsen seems contradictory to his previous notion that changes are not wholly unique. He essentially says they are unique, but that they are not unique.

Technological context

The technological context has to do mainly with investment. In this case, it is both material and immaterial investment, such as production equipment or employees with long specialized educations that are central to the organization's way of working. The logic being, the larger the investment into a crucial technological *tool*, material or immaterial, the harder it will be for the organization to change, as it would require either re-tooling or reeducating which can be both time-consuming and expensive, leading to the organization to becoming adverse to changing. This problem is only exacerbated if the product which relies on the technology is highly specialized. (Jacobsen 2018, 89-90)

Strategic context

The strategy which an organization aligns themselves with has a great influence on the degree with which the organizations *can* change, should it become necessary. Choice of strategy should be seen as an equally large *investment* in the organization's future, as the aforementioned technological context. The more time and resources an organization has invested in a particular strategy e.g. a differentiation strategy, niche market strategy red vs. blue ocean etc., whichever sort of marketing-mix and market position which the organization tries to pursue, the larger the investment, the less *'readiness for change'* the organization has. This is a concern, mainly due to changing market conditions, such as new competitors, waning interest in the organization's niche product etc. (Jacobsen 2018, 90-91)

Structural context

The structural context has mainly to do with *structural flexibility* i.e. how capable an organization is to change, based upon the structure of the organization. On a grading scale, one end is occupied with what Jacobsen labels "*maskinbyråkratiet",* or the *"Machine bureaucracy"*.

This type of organization is so heavily ingrained in their own rules and regulations that change becomes difficult. Processes and operations are often done the same way for a very long time, with these processes being refined and tuned over a long period, ending up in manuals, rules, and regulations. This makes the organization or company very streamlined and highly efficient, since any change in employees is quickly remediated through the use of manuals etc.

The problem with this structure is that it becomes hard for both the organization and the employees to set the current rules aside, in order to learn something new. The fixation upon the rules means that some organizations can become incapable of solving their own problems, because the solution lies outside of their *comfort zone*. Another problem for this type of organization is that they often end up solely looking inward, meaning they have overfixation on internal procedures, optimization etc. without considering external market conditions such as political factors, social factors, or potential competitors. Lastly, the highly bureaucratic organization is often very centralized, meaning most organizational decisions have to *'penetrate'* the whole organization. The organization will often tend to favor standardization and predictability, and as was pointed out earlier stability is also very important, even more so in the case of the "classic" organization. This means, that any deviation or irregularities are brought up to the top level of the organization, but more interestingly, it means that any potential changes, any intrapreneurial initiatives, any desires for organizational change that originate at the 'bottom' of the organization has to penetrate from the very bottom, to the very top of the organization, and the larger and slower the organization is, the more resistance such a desire would likely receive, and the slower it would penetrate up the hierarchical system of the organization. (Jacobsen 2018, 91-92)

Jacobsen himself says:

> "*Sterk sentralisering har vist seg å henge negativt sammen med organisasjoners evne til stadig, løpende tilpasning til endrede forhold. Beslutninger tar for lang tid, og systemer for å endre sig blir for rigide."* (Jacobsen 2018, 92)

Tight and loose coupling

Jacobsen distinguishes between couplings within the organization, and couplings to the surroundings within which the organization operates. For the internal couplings, we are talking about how closely different units and levels of the internal hierarchy are coupled to each other i.e. how dependent they are on each other. In relation to change, this means that changes in one part of the organization carries waves into other parts of the organization if they are dependent on each other in terms of creating a product/service. We see this in Nykredit with the business and IT-department. Jacobsen uses the process of manufacturing a car as an example, as the car is manufactured in a set order, ranging from design, manufacturing of the chassis, installation of the engine, to the installation of interior elements. Obviously, you cannot install the interior into the car before it is even designed, yet changes to any part of the aforementioned process has ramifications on the entire process, and every part of the process is tightly *coupled* to the part that precedes it. This also means that if there is a failure in any part of this process, it carries severe ramifications for the entire process, as it is forced to stand still as they are so dependent on each other. (Jacobsen 2018, 93)

On the other hand, loose coupling means that parts of a process or structure are *independent* of each other. What happens within one part of the organization has very little effect on what happens in other parts e.g. a change within an area designed to administer Remicima at the gastroenterology department of Aalborg University Hospital has little to no effect on the anesthesia department.

Jacobsen has directly used the 'tight and loose coupling' from Weick's Sensemaking, (1995) and it makes sense as the internal alignment between business units is very important when we talk about change.

Size and age

Most often when looking at organizations, it is clear that most, if not all, organizations that have many employees, are also proportionally old. This is of course if we look at size in regard to the number of people that make up the organization, rather than their net worth. When looking at organizational change, we can separate Size and Age into three factors that affect change:

1. Size: People in the organization
2. Size: Resources that can be utilized for change
3. Age

It is important to note here, that some hold the perspective that as the organization grows, the available resources that can be allocated to facilitate change grow proportionally. However, some argue that the opposite is true, that as the organization grows, and the processes and rituals that make up the organization become ever more ingrained, the more adverse to and incapable of change the organization becomes.

Jacobsen references Barnett and Freemans 2001 article *"Too Much of a Good Thing? Product Proliferation and Organizational Failure"* stating that empirically it has been found that age and size adversely affects the organization's capability of change.

Age can be interpreted in a number of ways, in relation to how organizations become ingrained in their processes, the longer an organization has been doing something a specific way, the less likely they are to change how their process works, much like how it works when we look at Technological, Strategic, and Structural contexts.

Historical context

When looking at change history, Jacobsen states that it is important to look at how an organization ended up where it did, since changes are most often a series of decisions that made the organization go down one path, thus excluding another. He also notes that change history does not necessarily have a connection to whether or not an organization is *good* at managing change. Instead, organizations that are good at managing change do not change very often, as the changes that have been done have been successful, therefore not requiring revisions. On the other hand, organizations that change often do so because they had previous changes that failed to do what they were intended to do.

However, it should also be noted that even if a change fails and leads to bad results, the organization can seemingly quite easily survive despite of it. Most often, this is because the success of an organization is not solely measured in profitability but are often measured by a wealth of metrics. More importantly, success is measured via *the observation of results by people* meaning that managers and leadership interpreting the results are often more important than any monetary result. Furthermore, change managers that are successful, and see their changes working have a propensity to double-down[11] rather than course-correct if a change suddenly fails in a monetary sense. As was noted, even an organization with chronically bad results can survive for quite a while, which is a potential problem if the change managers continue to double-down for a long time. This especially becomes a problem if the escalation of a set course becomes an escalation of a bad course, rather than changing course. This is a typical critique of scaling strategies in change management. That is, if an organization is having problems due to complexity and size then implementing a new framework or method to address this will only scale the size of the problem.

However, chronic bad results can be an argument for the necessity for change and course-correction, and adversely continual good results can dissuade people from change. (Jacobsen 2018, 96-98)

Resource context

The total resources, be it technological, knowledge based, or monetary, that are available to the organization has a large influence on how much potential for successful change an organization has. Jacobsen notes that while these surely have an effect on change, it is more important to note the amount of *slack* that an organization operates with, slack being the amount of excess resources that an organization uses. Specifically, Donaldson (2000) and Singh (1986) theories that having excess resources in some cases means that organizations become adverse to, or simply do not see the need for change, because they possess a buffer in the form of excess resources. Another perspective from Levitt & March (1988) states that when an organization has very little slack, they do not have the necessary resources to experiment and change, as they are 'living on the edge' where they only have the necessary resources to keep the organization going as it is. Therefore, having excess resources becomes a factor in the favor of changing.

Organizations that have slack are better equipped to take advantage of opportunities, should they present themselves. Nelson & Winters (1982) has empirically found that organizations that have excess resources often invest in themselves by developing the organization. The more excess an organization has, the more likely that an internal or external actor will find a way to utilize it for something, be it investing in new markets or new products.

[11] To further solidify one's position

Jacobsen notes that it cannot be measured with 100% certainty how excess resources affect the organization's ability to change, since it affects the organization in many different ways, especially with external contexts and conditions that constantly change.

Cultural context

How the internal culture works in an organization has a large influence on how capable of change an organization is. If the culture within an organization has been established over a long period of time, to where it has become stable and static, changing it will take a long time. Furthermore, how strong, and homogenous the culture is also having a large part to play in determining how capable of change an organization is.

If the culture within an organization is homogenous, it is unlikely that the people within the organization are willing to change, as they have become part of a very stable system which they also buy into. If the culture within the organization is fragmented into different groups and subcultures, then changing the organization as a whole becomes easier. The main reason being, if the culture in the organization is fragmented, then it is rarely built on values that are vitally important to the employees. Furthermore, Jacobsen also states that, in his view, culture in a shared way of viewing the world. (Jacobsen 2018, 99-100)

Jacobsen presents three different perspectives when looking at organizational culture:

- The Integration perspective
    - Organizations that have a homogenous culture that "binds" the whole organization together.
- The Differentiation perspective
    - Organizations that have different cultures in different parts or departments of the organization.
- The Fragmentation perspective
    - Organizations that have fragmented cultures that often change or are contradictory between departments.

The culture within the organization means that a community is created, which has common processes, languages, and opinions. This is a large benefit to an organization, since any orders or decisions can move quickly through those that make decisions, as they will most likely all agree on how things *should* be done.

The downside is that the culture becomes very self-reinforcing and insular, therefore becoming averse to, and hard to change. Jacobsen references Peter's & Waterman's 1982 book *"In Search of Excellence"* as a good example of homogeneous cultures bringing success to their respective organizations. However, of the companies which appear in *"In Search of Excellence"* none were to be found among the top 10 of the Fortune 500 in 2008, while many had filed for bankruptcy or had been reorganized into other companies. The connection here being, the homogenous and static culture that had led to the companies' initial success, inadvertently led to their eventual demise because they were averse to changing.

These three perspectives can be viewed on a scale ranging from more-to-less homogenous and stable, and less-to-more capable of change, and Jacobsen summarizes this as the 'cultural paradox' based on Tushman & O'reilly (1996):

> *"Vi kan trekke en enkel lærdom: Organisasjonskultur er nøkkelen både til suksess på kort sikt, og - hvis den ikke håndteres riktig - fiasko på lang sikt. Kultur kan gi konkurransefordeler, men som vi har sett, kan den også skape hindringer for nødvendig innovasjon og endring som man trenger for å oppnå suksess"* (Jacobsen 2018, 101)

Informal power relations

While traditional leaders are important to the success of change, informal leaders are equally as important. In this case, informal leaders are the people within the organization that possess a large amount of power, though not through any formal delegation of power via a title or position, but rather through them being very charismatic, in possession of key expertise, or that they are just natural leaders. The only time that informal power relations have any impact on planned change, is if people disagree on how/which/if changes should be carried out, since informal leaders will have a larger sway in the employee body. This also means that top-down driven changes are hard to force though, as informal leaders that are in disagreement will oppose the change and bring a lot of people under their banner to further oppose the change.

On the other side, the closer formal and informal power get, i.e. the more leaders that hold both formal and informal power, the easier it becomes to 'force through' changes (Jacobsen 2018, 102-104)

5.2.1.2 Outer contexts

The outer contexts that an organization exists within, have an equally significant impact on change management as the inner contexts. These range from: different fields and domains, different competitors, customers, and clients. Furthermore, the regulatory contexts and national contexts are also very varied and have a large influence on any organization. In relation to the uniqueness of change that was mentioned previously, these are some of the contexts within which organizations exist that both make them alike and sets them apart. All organizations will exist within a field, but not always the same field. All organizations will have customers and clients, but obviously not always the same customers and clients etc. This speaks more to the "all organizations are different, but they have some common traits", that being said, changing a Norwegian company is not the same as changing a Malaysian subsidiary of that same company. (Jacobsen 2018, 104-105)

Technical surroundings - Degree of Stability

Jacobsen (2018) states that the *degree of stability* is one of the most vital contexts for planned organizational change. Jacobsen draws this term from James Thompson (1967). Thompson classified organizations along two dimensions: *complexity* and *stability*. Complexity has to do with the amount of competition, business partners, customers, and regulators. However, Jacobsen states that the complexity dimension is not as important as the stability dimension. Stability is directly connected with predictability and the amount of uncertainty that an organization has to deal with. As mentioned, these come in the form of the amount of competition in the market - blue ocean vs. red ocean - limited resources, low customer loyalty etc.

Interestingly, the harsher the competition becomes in a field, the more reason to change the organization has, and the more customers and feedback the organization gets, the better equipped they are to handle future changes. Conversely, the less feedback the organization has - e.g. an organization such as a hospital where feedback becomes hard to get by, unless user surveys are employed - the less basis for change the organization has, and the worse they are equipped to handle the climate in their field. They become bogged down in uncertainty.

Institutional surroundings - Regulative circumstances

What Jacobsen names institutional surroundings are mainly recognized as factors that work *against* change and towards maintaining stability. This is mainly expressed through regulations. The regulative circumstances affect different fields in disparate ways, e.g. government regulations have a larger effect on something like a hospital, than it has on a local mom-and-pop coffee shop. The amount of regulations, and the number of public instances that keep check on whether or not these regulations are being followed, adversely affects the organizations capacity for change. The more rules and regulations that an organization has to follow, the harder it becomes to create changes within the organization. The same can be said of workers' unions that also have their own agenda and goals. The more externally regulated an organization gets, the harder it becomes for them to make changes. (Jacobsen 2018, 107)

However, how much the regulative circumstances affect an organization, also has a great deal to do with *what kind of change* that is being considered, as a change that affects the employees directly is more likely to interest their union, while a change in the product lineup or production methods may be under larger scrutiny by industry regulators or government regulators etc.

Institutional surroundings - Normative circumstances

The cultural values that dominate a country, will also dominate in the organization's leaders, employees, and stakeholders. Therefore, paying attention to the culture in which the organization exists is a must.[12] People will tend to reinforce and/or move towards the cultural sensibilities that are the norm within the culture they exist. Jacobsen notes that: how much the cultural norms and values affect the organization's capacity for change is hard to say, and that very little research has been done on this subject. He speculates, that in a culture such as the Norwegian, which is averse to radical change, making large changes within the organization will be harder than in a cultural context where people are not as averse to radical changes. Furthermore, a strategy based upon the use of power from the owner/management to *force* changes through, will be met with a large degree of resistance in cultures that have egalitarian values, as they would prefer cooperation and being a part of the change. Again, exactly how culture affects change is hard to say, but it is nonetheless something that change managers should keep in mind, as to not be out-of-touch with the employees. Failing to consider these can lead to broken sensemaking processes as well. See also chapter 5.6

Institutional surroundings - Cognitive circumstances

Cognitive circumstances mainly have to do with what is *perceived* as being *correct* in a certain field or industry. Jacobsen states that there are many different perspectives and opinions within every industry of how an organization *should* be structured, how organizations *should* recruit people, and which processes and tools they *should* use. This stems from a desire to be viewed as modern, rather than a rational choice where decisions have been made with a thorough analysis. These factors also work to make the organization resistant to change, or more likely to change *in a certain direction* according to what is currently viewed as being *modern* within the industry.

---

[12] This is an important element of this thesis' problem statement as well, which will be addressed in the analysis.

5.2.2 Two main strategies for change

Jacobsen (2018) introduces two major strategies for managing change within organizations, which are 'Strategy E' and 'Strategy O'. Strategy E*conomic* and Strategy O*rganization*

5.2.2.1 Strategy E

Jacobsen describes strategy E as:

> *"Strategi E har som formål å skape økt økonomisk verdi, ofte uttrykt i form av avkastning for eierne. Strategiens fokus er på formelle strukturer og systemer. Den er drevet fram av toppledelsen med betydelig hjelp fra eksterne konsulenter og med bruk av finansielle incentiver. Endringen er planlagt og progammatisk"* (Jacobsen 2018, 147)

Strategy E builds on a top-down management perspective, in which a group of leaders gets an idea for a change and then implements it. Jacobsen calls it a form of 'dictatorial change'.

The purpose in the E strategy, are visible and quantifiable results in the form of economic results. The tools, methods and strategies that are employed in this kind of change, are the very classic SWOT-analysis, PEST-analysis, Porter's Five Forces, Business Model Canvas.

Central to this strategy, is that it is the top leaders that drive the change. It is under their management and upon their initiative that changes are planned and carried out. Strategy E has a distinct focus on changes in *strategy* and *structure* then later following up on those with a change in *culture*. Changes of this type are planned and carried out in a formal and sequential order. All aspects of the organization are weighed and measured to ensure maximum results and benefits once the change has been completed.

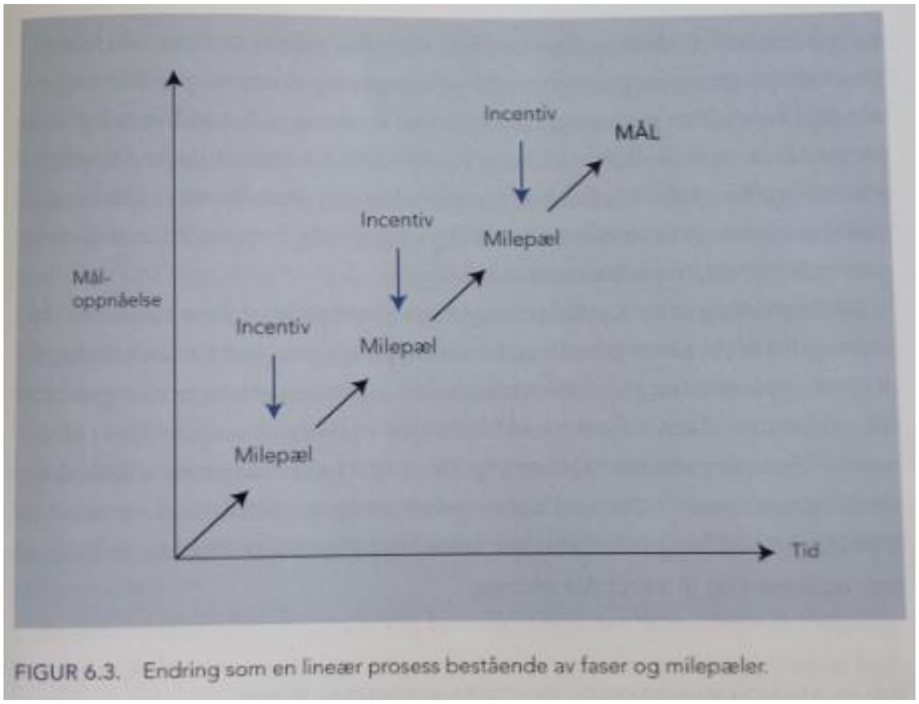


Figure 4: (Jacobsen 2018, 157)

A very simple example for a Strategy E change, would be a production company swapping out old machinery in order to save money in the long run.

5.2.2.2 Strategy O

Opposite of Strategy E, we have Strategy O, with a distinct cultural and organizational focus.

Jacobsen describes strategy O as:

> "*Strategi O har som formål å utvikle organisasjonens menneskelige ressurser slik at de blir i stand til å iverksette strategi og lære fra de erfaringer man har fra endringstiltak. Strategiens fokus er utvikling av kultur for at skape stort engasjement. Virkemidlerne som benyttes, er utstrakt grad av deltakelse, og man baserer seg i mye mindre grad på konsulenter og financielle incentiver. Endring er noe som skjer sakte, og den er mindre planlagt og programmatisk.*" (Jacobsen 2018, 147)

Strategy O, which this thesis will primarily focus on, is focused not on *change* but rather on *development*, in that the focus lies on the development of new processes, the development of expertise, and the development of the organization as a whole. Unlike strategy E, the strategy O process is not linear, rather it is a cyclical process where changes lead to changes, lead to more changes etc. More importantly, O changes are not wholly planned upfront, since they are incremental, which sets them completely apart from E changes.

As mentioned, the purpose in O changes are organizational developments, and though they also carry a focus on economic results, the means by which they reach those results are completely unlike Strategy E. The tools and means by which strategy O reaches results are cultural changes and process changes. In the case of Nykredit, the Agile Transformation[13] is such a cultural and process change. The important thing to note here, is that the main *thing* that is being worked on/with are people. It is the people within the organization that have to lead the change, since they ultimately are the ones that have to *live the change*. This also means that Strategy O has a focus on 'Bottom-up'-leadership. That is not to say that top management have no responsibility in this kind of change, but rather they take on another role which is to create engagement and motivation for the change. (Jacobsen 2018, 164)

Management has to make people in the organization willing to change and ensure that they enter the change process with heads held high. This also means that management has to limit their own involvement to a degree, where they establish the central vision for the change - and through minimum involvement, set the stage for the employees themselves to create the change after they have defined the vision and the framing of the change - letting the employees *own* the change themselves, that way also increasing their own motivation for making the changes succeed. (Jacobsen 2018, 164)

Another strength of the bottom-up approach, and the involvement of everyone in the organization, is that it allows the organization to involve all the experience, expertise, opinions available to the organization, in the change. An added benefit to this, is that it lessens the potential resistance to the change through participation, and even if one employee loses a debate or has their view excluded, if the process with which it was done so was transparent and legitimate, they will not feel like they were treated unfairly, and thus they will not resist the change. Involvement and ownership really are the main drivers and motivators for Strategy O, leading it to be a more 'Democratic Change'. (Jacobsen 2018, 165)

One of the problems with the O approach is the lack of overall control that it entails, where E obviously excels. However, as long as a cohesive change narrative and proper framework has been established by upper management, the change should in theory still end up at the designated goal.

[13] See chapter 3

Individuals, groups, and cultures

As mentioned, strategy O focuses on people, therefore organizational aspects that have to do with people are the aspects that hold immediate importance. This also connects to the previous point of organizations being like people since people make up an organization.

Jacobsen notes that when working with O changes, there are five main areas that it concerns:

- Competencies in cooperating and communicating with people i.e. interpersonal competencies (Jacobsen 2018, 166)
- People's values and feelings (Jacobsen 2018, 166)
- The relation between groups, and the ability to handle tensions between groups (Jacobsen 2018, 166)
- The ability to cooperate with people, and the development of teamwork (Jacobsen 2018, 166)
- The ability to handle conflicts without resorting to pure power and authority (Jacobsen 2018, 166)

Jacobsen notes that these five points also means that some designate this as an 'Education Strategy' (Jacobsen 2018, 166)

The main focus of strategy O is, very obviously, organizational culture which is also an integral part of this thesis' problem statement. See also chapter 5.6

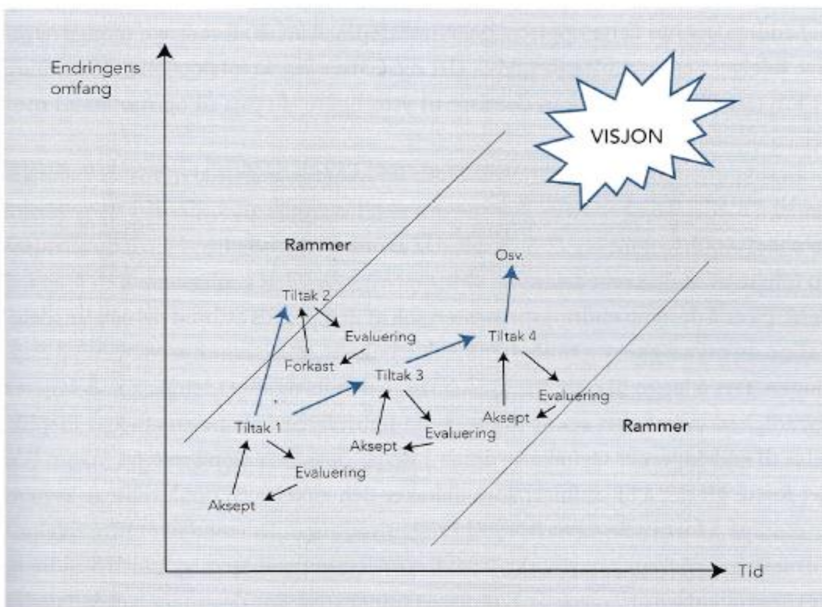
Incremental and experimental planning

Like strategy E, strategy O is based in a predetermined plan, but in the case of strategy O, it is expressed in terms of an overarching vision of where the change is supposed to go and what it is supposed to accomplish in the long run. A framework for the change is established, and then the change progresses in an incremental and experimental fashion, with small continuous changes so that the process gets closer to the pre-established vision. This also means that O changes are more centered on long-term with relatively little pre-planning, which stands in stark contrast to strategy E, where all planning is done up-front and executed in a linear manner. It is process vs result orientation. (Jacobsen 2018, 169) Another advantage of the incremental approach, is that it breaks something that could be an immeasurably big and complicated change, into smaller and more 'workable' pieces.

What lies at the core of this type of process, is experimental planning, in that an organization continually works to reach the aforementioned pre-established vision, while working within a framework where the changes are continually evaluated and measured, to determine if they are moving the organization towards or away from the vision.

One of the concerns with the incremental approach, is the lack of control from upper management. It is also more resource intensive, as deliveries have to go through several iterations. Furthermore, if the goals and frames are loosely defined, then that can lead to misalignment between the leaders who are to lead the change. [14]

Jacobsen illustrates this process within the following diagram:



FIGUR 6.6. Strategi O – planlegging som en inkrementell prosess.

Figure 5: (Jacobsen 2018, 171)

In summary, Jacobsen takes a more paradigmatic approach to change management. His two change strategies are at either end of a spectrum of change, and much like other contemporary management and development theory, goes against the notion of the world being very black and white, you either do A or B. Instead, Jacobsen establishes his two strategies as being on either end of a spectrum of change strategy, where a change manager can take elements from either strategy, depending on the contexts and circumstances of the organization and the type of change. This of course means that it becomes ever more

[14] The pros and cons will be further unfolded in the analysis.

important to understand the types of change and how they are planned/progress, and furthermore what types of change managers are relevant within the different types of change.

This is very emblematic of what we see in Collins (1993), of the two paradigms raised in that paper. The paradigms that Jacobsen discusses E and O, are conceptually the same as the traditional and new paradigm. As such, we will refer to the E and O strategies as belonging to the respective paradigms.

5.3 Managing Organizational Change

Palmer, Dunford, and Akin's (2006) book is dedicated to highlighting the tensions that are always present in organizational changes but very rarely confronted and discussed.

> *"Changing organizations is as messy as it is exhilarating, as frustrating as it is satisfying, as muddling-through and creative a process as it is a rational one." (Palmer et al. 2006, 1)*

These are the opening lines of chapter one and most, who are familiar with organizational changes, will recognize the feelings described here. In accepting and identifying why tensions arise as part of organizational changes, Palmer et al. (2006) enable the discussion of how best to overcome, alleviate and steer through an organizational change.

In reality this book is a tool for change managers to better identify their role, responsibility, and expectations as they manage organizational change.

Palmer et al. (2006) present a six-image framework for change managers. These images describe how changes should be managed based on context and criteria. The images present different change managers, their capabilities, strategies, and expectations. The book's purpose is to help change managers identify with one of these images as it will help them to better understand their role and potential influence in managing an organizational change. (Palmer et al. 2006, 1-2)

The aspect of identifying how to manage organizational change has become more important than ever. The contemporary organization operates in a disruptive and ever-changing world and as such must adapt quicker than ever to stay present and relevant. Organizational changes are more frequent than ever and has to some extent become a part of many organization's identity, that is the typical organizational vision of always being prepared for tomorrow.

With following this organizational mindset comes a need for change managers to be able to quickly adjust and identify what, where, and how change should be managed, implemented, and solidified. In some sense it is a constant battle but the context behind change is rarely the same and as such calls for different approaches, as Jacobsen (2018) also noted.

Palmer et al.'s (2006) book represents part of the paradigm shift in change management theory, similar to what Collins (1993) and Jacobsen (2018) presents. The paradigm shift is a move away from the more traditional and normative approaches to change management. Here referred to as *n*-step solutions, these are frameworks, methods, and strategies that guarantee success by following generic and universal patterns. Jacobsen (2018) stresses the importance of recognizing the uniqueness and context dependency of every change. Palmer et al. (2006) follow this mindset as they describe how their book is not a recipe book of “what to do”. (Palmer et al. 2006, 16)

In fact, they distance themselves completely from that position as they describe it as a naïve approach to change strategy. Presenting simple step-by-step instructions that lead to success is outdated and not applicable in today’s organizations. Instead they follow the same thoughts as described in Jacobsen (2018) that changes are complicated and depend on experiences and people, not bullet points in a textbook. (Palmer et al. 2006, 16)

Managing change has evolved from simply being ‘Management as Control’ as Palmer et al. (2006), describe it. This is the traditional and most recognized approach to organizational change based on top-down strategies.

> *“Typically, the organization is treated as if it is a machine: It is up to managers to drive the machine in specific directions, people are told what their roles will be…”* (Palmer et al. 2006, 25)

This is the approach that is most often present and utilized when tackling organizational changes. It revolves around planning, organizing, predictability, and control. (Palmer et al. 2006, 24)

More recently the concept of ‘Management as Shaping’ has appeared. This concept focuses more on bottom-up and participation from people in the organization as they contribute with insight information on what can be done better. This approach is about shaping an organization and the people in it. (Palmer et al. 2006, 25) The employees in an organization operate on the frontlines and following the ‘Management as Shaping’ image, they will know best what changes can benefit the organization. This image of management deals with people, culture, and mindset but it also deals with processes as it seeks to shape the behavior of the people to benefit the organization. It is a different approach to simply commanding an organizational change. While the ‘Management as Control’ image sees change as activities and the organization as a machine, ‘Management as Shaping’ sees the organization as a collection of unique people with infinite capabilities. (Palmer et al. 2006, 24-25)

The better approach to change management depends on the context and expected change outcome. While these two images of management seemingly represent two different schools of change management, they are not exclusive. Aspects of both images can in some scenarios collaborate to produce the best result.

These are merely representations on one side of the more traditional take on change management and on the other a newer take on change management. With these two management images introduced, the main purpose of the book can be introduced. That is the six-images of managing change.

These are management images that stem from the two schools described above. These images, if identified and applied, can help change managers better understand their role, how to implement change in their organization and better guarantee a healthy sensemaking process. Moreover, identifying the suitable images for a given context can help alleviate, troubleshoot, and address tensions that are commonly a product of organizational change. The purpose of this book and its inclusion in this study is that it:

> *"(…) shows how the image(s) we hold about how change should be managed and of what we think our role should be as a manager of change, affects the way we approach change and the outcomes that we think are possible."* (Palmer et al. 2006, 6-8)

Image 1: Change Manager as Director

The first image, the director, is based on the 'Manage as Control' image. According to Palmer et al. (2006) identifying with this image means that the change manager is confident that the change is necessary and can be completed with an expected outcome. If the change manager believes something is required, then it is implemented, and it is expected that it will work well and benefit the organization. (Palmer et al. 2006, 27) see also (Jacobsen 2018, 207-210)

The director image sees the change as a strategic choice that a manager takes to guarantee the prosperity of the organization. This image is often associated with the *n*-step models, such as Kotter's 8 step change model. If change is needed, then the position of the change manager is one of optimism and following *n*-step models is natural. (Palmer et al. 2006, 27)

The *n*-step models often subscribe to the 'change manager as director' image in that they acknowledge that changes are often complicated. Nevertheless, they believe an acceptable outcome is to be expected if the manager follows the model. This assumes a top-down approach to change management and that the manager is in a high position of power within the organization. The director image is one that does not consider the context or people of the change. It very much belongs to the traditional paradigm.

Palmer et al. (2006) present in their book what they call 'Theoretical Underpinning of the Image' where they mention that there are two trains of thought, one that believes in the *n*-step models and one that does not. Identifying with this image associates with the former. (Palmer et al. 2006, 27)

In summary, this image suits a change manager who is in complete control of organizational resources and decisions. This position can be said to be a requirement for large scale organizational restructuring.

Image 2: Change Manager as Navigator

The Navigator image is a step down on the control scale. While it is still assumed that control is an essence of management action, there are some factors that are outside of the managers control. (Palmer et al. 2006, 28) This image describes a change manager who is partly in control of a change outcome. In the book, an example describing a manager establishing cross-functional teams is used. In the example, the manager is able to establish the teams but has no control over their efficiency. (Palmer et al. 2006, 28) Identifying with this image is suitable for a change manager who is partially in control of the outcome. There will be some unexpected changes along the way as a result of not being able to control all factors of the change. In the theoretical underpinning of the image section Palmer et al. describe how changes depend on the context the organization finds itself in and that over time changes will develop differently than expected. (Palmer et al. 2006, 28)

In summary, this image described a change manager who is partially in control of a change but must expect some unforeseen or uncontrollable results in the final outcome. These unforeseen results are a product of changes developing differently over time as well as the context of the organization changing. In comparison to the 'Change Manager as Director' image, here the outcome is not always what was expected at the onset.

Image 3: Change Manager as Caretaker

The Caretaker image is one where the ideal image is one of control. However, this image describes a situation in which one manager cannot manage a change alone. There are too many factors outside of the manager's control. Palmer et al. describe these as potential growing bureaucracy, new rules, or regulations. Here the manager is tasked with controlling a change but with too many limitations to the actual level of control of the manager. At best, the position is one of a Caretaker who does their best for the organization but with very limited actual impact. (Palmer et al. 2006, 29)

One of the underlying theories is Life-cycle theory i.e. change going through natural stages where the manager has little to no control. It is simply part of the nature of the development of organizations. (Palmer et al. 2006, 29)

In summary, the Caretaker image describes a manager who is tasked with spearheading a change with little to no control due to too many internal and external factors or perhaps due to the natural uncontrollable development of the organization. This image is still part of the 'Management of Control' image but compared to the two previous images the manager has no realistic impact on the outcome of the change.

The outcome might look very different from intended as a product of being unable to properly affect its course.

Institutional theory by DiMaggio and Powell (Palmer et al. 2006, 30) is mentioned as one of the underlying theories for this image by Palmer et al. (2006). It is interesting to note that in their theory, they argue that change managers across organizations follow the same patterns in their change process. In their theory they present three pressures that cause change managers to follow the same patterns. The second one is particularly of interest to this study as it deals with *Mimetic* [15]and is described as follows:

> *"(...)where organizations imitate the structures and practices of other organizations in their field, usually ones that they consider as legitimate or successful."* (Palmer et al. 2006, 30)

Image 4: Change manager as Coach

The Coach image stems from the 'Manage as Shaping' image. Here the manager is able to act as a coach or consultant and can freely shape the organization. While the director dictates every action, the coach instills new values and builds capabilities in the people. The coach guarantees that every player is able to provide satisfactory results in working towards outcomes. The director focuses more on the overall plan and controlling every aspect. The coach coaches the players to perform tasks and make decisions that benefit the organization. (Palmer et al. 2006, 31)

In summary, this image focuses more on developing the human resource elements of an organization so that everyone is optimized and can provide value to the organization. This is an investment in the people of the organization and is likely to have positive effects long-term. While the more controlling images see the organization as a machine able to perform certain actions, the shaping images see the organization as a collection of individuals with their own capabilities.

Image 5: Change manager as Interpreter

The Interpreter image does exactly as the name states. This is a change manager who is supposed to create meaning for the employees of an organization. This is knowledge-sharing and sensemaking. The change manager helps the employees create organizational changes by providing context and explaining organizational actions. Thereafter it is up to the employees to use that information to change the organization from the bottom-up.[16] (Palmer et al. 2006, 31)

[15] The notion of organizations comparing themselves to competitors in their decisions will be covered in the analysis.
[16] Whether this is possible will be discussed in the analysis section

The problem with this image is that this is a question of understanding. Palmer et al. highlight how there might be many different interpretations of change in an organization. This will lead to conflicting agendas and strategies. (Palmer et al. 2006, 31-32) This likely results in only parts of the intended change being completed or at least a different outcome from what was initially intended. This puts a lot of pressure on the change manager in their interpretation and actions, as it needs to apply legitimacy within the context of the organizational change for people to trust the manager.

Identifying with this particular change management image is a manager who should be able to clearly understand the intention behind the change and be able to provide clarity and meaning to the rest of the organization. The theoretical underpinning of this image is sensemaking by Weick. Weick suggests that organizations are constantly undergoing adjustments and changes to fit with an ever-changing environment. It is therefore extremely important to have capable change managers who can help interpret and clarify these constantly moving changes. (Palmer et al. 2006, 32)

Image 6: Change manager as Nurturer

The Nurturing image presents an image where the change manager is unable to affect the outcome at all. This image sees any small change as having a potential big impact on the rest of the organization (Palmer et al. 2006, 33) Instead the change manager should help instill capabilities in the employees. The manager is unable to directly affect the outcome of change, but through the nurturing of the organization's employees, who ultimately play a role in organizational change, the manager can better position the employees to make decisions that shape change for the better of the organization.

The theoretical underpinning of this image is Chaos and Self-organizing theory. These theories see the conflict in keeping a stable organization while undergoing change. Instead of trying to achieve something that is seemingly paradoxical, the theories focus on the re-organizing and nurturing of organizations. Change managers thus focus on instilling this re-organizing capability in the organization’s employees to better prepare them for unforeseen changes.

Palmer et al. (2006) point out that these images represent ideal scenarios. Previously they mentioned how their book was not a recipe book, and that change depends on context and people. They also follow their six-images framework with a disclaimer as they describe how the boundaries of the images are blurry and that images can blend into each other and be applicable completely depending on the organizational change context. (Palmer et al. 2006, 35)

The *director, navigator, coach,* and *interpreter* images are active and guarantee that the change manager can create organizational change. This can be done using both controlling or shaping actions. However, the *caretaking* and *nurturing* images are more passive and reactive and are not as popular, as they mostly describe the change manager as having little to no influence on organizational change. (Palmer et al. 2006, 35)

Managers of change play a key role in organizational changes and with an understanding of the six-images framework, these managers have a better chance at understanding their own role in relation to the context of the change they are tasked with completing. As such, organizations will be better positioned to undergo a change if their managers are aware of the different images of change management.

This section has detailed the theoretical mindsets and concepts behind Palmer et al. (2006) which will help in addressing:

1) The inherent complications that are the byproduct of utilizing generalized change management strategies across cultures.

2) The tensions that arise when the role of the change manager is not fulfilled.

3) The implementation of Americanized strategies into a Danish context based on normative trends.

4) To address the hypothesis that: Change management theories belonging to the 'Management as Control' image cannot stand alone

5.4 Strategisk Ledelse som Meningsskabende Processer

Larsen & Rasmussen (2013) explore what they call 'strategy as process'. This is an approach that states that strategy is shaped by the agents of an organisation and their actions, rather than strategy being something the organisation inherently has. (Larsen and Rasmussen 2013, 46) The foundation of the book is four case studies conducted in collaboration with four small-to-medium sized organizations during and following the economic crisis. Larsen & Rasmussen sought to gain insight into how everyday phenomena, situations, and actions shape strategic thinking and planning. Rather than focusing on the traditional theories that control organizational strategy, Larsen & Rasmussen looked at the human aspect that influenced strategic leading and planning. In that sense, Larsen and Rasmussen (2013) is a revolt against the normative and traditional paradigm. (Larsen and Rasmussen 2013, 9) Additionally, this approach aligns with the paradigm within organizational theory and change management described by both Jacobsen and Palmer et al. in the previous chapters.

Larsen & Rasmussen initially write that their book is not to be mistaken for a typical strategy book. They highlight how typical strategy books focus on traditional and normative approaches to strategy, such as competitiveness, value creation, and strategies. (Larsen & Rasmussen 2013, 9) Instead, Larsen & Rasmussen focuses on the daily practices, decisions, and actions that shape strategy. They adopt the way we think of strategy to better fit the dynamic organizational processes that make up the contemporary organization.

> *"Strategisk ledelse skal ses som konkrete, relationelle, meningsskabende processer i sam- og modspil med emergerende fænomener."* (Larsen & Rasmussen 2013, 9)

The traditional approach to strategic management is top-down management. It is a general plan for the organization with clear end-goals in mind and a concrete plan for reaching them. These are often referred to as *n*-step models. The downfall of this approach is the lack of flexibility and incorporation of the people. In the traditional sense planning is leading, but there is no room for unforeseen complications. See Jacobsen's E & O strategies and Palmer et al. shaping and controlling perspectives.

In a static world where the market and organizations rarely change, then the concept of 'Management as Control' can stand alone. (Palmer et al. 2006, 24) However, this assumes that the strategic manager is in complete control of all resources. In today's world such a scenario is exceedingly, rare and as such this traditional approach to strategic management is null and void. Additionally, Jacobsen's perspective of generalized theories is, as mentioned, that organizations are simply too complex for such a simple approach to be effective.

Larsen & Rasmussen have written a book that presents a new take on how strategy should be understood and realized. (Larsen & Rasmussen 2013, 11) That is, as mentioned, the importance of daily activities and decisions performed by individuals of the organization that shape strategy and ultimately encourages constant change as a natural part of the development of an organization. See also chapter 5.6

It is important to note that while the traditional take on organizational strategy is seemingly outdated in most western contemporary organizations, the theories and methods are still useful – they simply just cannot stand on their own. The frameworks and tools presented and utilized in something like Kotter's 8 step, (referring back to the traditional *n*-step to success models), must be translated and adapted to fit the context in which it is to be applied. In that sense, the traditional approaches have their place, but it is the way they are applied in practice that is important. (Larsen and Rasmussen 2013, 13)

Larsen & Rasmussen ultimately present two different takes on how organizations change and how strategy should be adjusted. In the traditional sense, an organisation changes every now and then, when external or internal changes occur that an organization decides to follow.[17] (Larsen and Rasmussen 2013, 26) This is a take on organizational change that follows the 'Management as Control' image from Palmer as well as Jacobsen's Strategy E. Changes occur at different times and only when the leadership deems it necessary. Furthermore, they are in full control of how the change should be implemented. This approach is very top-down and on paper describes the 'stable organization' that only changes when Management decides to, also leading back to Jacobsen's perspective that organizations prefer stability, especially the more classic top-down or owner managed organizations. (Jacobsen 2018, 95-98)

The second take on organization, is that an organization is not static, rather it is dynamic. In fact, changes occur on the daily as employees improve, adapt, and optimize processes. These small adaptations by employees within the organization, drive change constantly as the organization develops from the bottom-up. Following this principle an organization is always undergoing change and under development. (Larsen and Rasmussen 2013, 27)

This image fits the thoughts presented by both Jacobsen and Palmer et al. Moreover, it highlights the importance of the daily practices and activities that ultimately shape and directly affect both change and strategy within organizations. It illustrates how this new approach to strategy, as presented by Larsen & Rasmussen, is a key component in the new paradigm that stresses the importance of understanding context translation. Furthermore, with daily activities and practices directly affecting change and strategy it only furthers the understanding that every organization is unique. This is a result of each individual

[17] See also Jacobsen 2018, 23-25

thinking, behaving, and developing differently and thus this must be taken into consideration and change strategies must be adapted to fit the context.

Palmer et al. (2006) introduced the 'Management as Control' and 'Management as Shaping' images. These two images are represented in the two approaches to organizations described here. It is important to note that these two seemingly different mindsets do not stand alone. The lines are blurry, as the two images can work together towards the same goal. Management in an organization might introduce a new strategy or change plan that aligns with the daily changes its employees introduce through their actions and decisions. In this way, the organization encourages and invests in its employees as it tries to aid the naturally occurring changes that present itself from a bottom-up approach. This is a positive scenario, one where the organization might assume formal control of a change or strategy, initially introduced by the people of the organization as a way to spread it to the rest of the organization, much like how Jacobsen describes Strategy O changes.

However, the two images often collide or counteract each other. Management might introduce changes that do not align with what the employees have been working towards in their daily routines. Furthermore, new or old strategies might directly inhibit the daily activities and hinder optimization and improvement of the individual employees. This goes both ways, as the employees of an organization represent an internal factor, and this is possibly the strongest of all factors when considering change and strategy. If the people of the organization do not support ideas introduced by management, then it will be near impossible to follow-through with it, as the opposition will be too strong. This is an important cultural aspect of change management. See also chapter 5.6 and chapter 6. In that sense, the 'Management as Control' image cannot stand alone in the event that the organization does not have the support of the employees.

These two images are also referred to as *being* and *becoming*. The first describes an organization that strives for stability and undergoes as little change as possible. This organization follows a linear path where everything is pre-planned. Changes are the only times these organizations experience instability and these periods are quickly overcome through the planning and implementation of the new changes by management. (Larsen and Rasmussen 2013, 28) see also 'incremental and experimental planning' in chapter 5.2.2.2

The *becoming* concept describes an organization that is constantly undergoing development and change. This organization is the opposite of the *being* organization and rarely finds itself completely stable. Furthermore, Larsen & Rasmussen describe how this type of organization does not follow a linear path, instead they undergo both small and large changes continuously and often with a lot of unknown parameters. (Larsen and Rasmussen 2013, 28) This *becoming* concept is how many scholars and practitioners describe the contemporary organization since it essentially is the new paradigm. In order to stay present and relevant in a disruptive and constantly changing world so too must the organization become disruptive and ever changing.

This makes the role of the Change Manager, or agent as it is referred to in Larsen & Rasmussen, even more important. If the contemporary organization is constantly moving, and strategy is shaped by daily activities, then the Change Manager must be able to make sense of it all in order to steer the organization in the right direction.

Jacobsen presents us with the importance of contextual translation in relation to organizational changes. Palmer introduces a way for managers of change to identify their role in controlling or shaping a change. Larsen & Rasmussen completes the picture by providing useful insights and practical examples of how organizational strategy and strategy management is shaped by the uniqueness of everyday decisions, situations, and actions. Furthermore, Larsen & Rasmussen, like Palmer et al. and Jacobsen, demonstrate two different takes on organizational strategy and change – the traditional and new paradigms as first introduced in Collins (1993) - something that will be explored in this thesis.

The case studies and findings presented in '*Strategisk ledelse som meningsskabende processer*' provides an interesting insight into how daily routines, norms and actions shape organizations. The book by Larsen & Rasmussen (2013) provides interesting material and will help in addressing and discussing some of this study's hypotheses and the problem statement. The traditional versus new take on how strategy should be approached helps in answering the following hypothesis:

1) *The traditional and new organizational paradigm more often than not collides and hinders the development of organizations*.

5.5 Collaboration between theories

Jacobsen (2018) highlights how organizational change is unique and greatly depends on context and the people involved in the change. People and context represent something unique. The context that an organisation operates within differs greatly depending on countless factors, which makes every organization's current context unique. The same can be said for people. It goes without saying, that people are unique and that nobody truly thinks or behaves the same way.

This is the foundation of Jacobsen's approach to change management, namely, changes are unique, because organizational context and people are unique. Jacobsen stresses the importance of contextual translation in order to adapt change planning, strategy, implementation, and management to fit the context that an organization operates within. Jacobsen's approach is based upon the work of many different change management articles and books. Jacobsen is not the first to present these thoughts, but he is part of a large group of practitioners and scholars who seek to change the normative and deterministic approach to change management that does not fit the contemporary organisation His approach aligns with the paradigm shift within management and organizational theory in general that has been long underway, as Collins (1993) showed. For this study Jacobsen serves as an introduction to a more solid foundation of the new paradigm and way of thinking about change management, that Collins (1993) argued was missing. In the analysis, the new paradigm will be explored in the meeting between the practical and the theoretical, as well as the new versus the traditional. Jacobsen puts a lot of emphasis on the importance of context and culture; we find that these are elements that are often underestimated and neglected in the more deterministic mindset that makes up a large part of contemporary change management.[18]

In the previous chapter we were introduced to Palmer et al.'s (2006) take on change management. Like Jacobsen, they belong to the new paradigm. They see organisations and organizational change as something dynamic and unique that cannot be encapsulated and addressed by a simple *n*-step recipe book. In their book *"Managing Organizational Change"* (2006), they approach the importance of Change Managers and being able to identify with one's role in controlling or shaping a change. We find that the role of management in change is of the utmost importance and where many change processes fail, this will be further unfolded in the analysis. It is exactly here, that the new mindset, that both Jacobsen (2018) and Palmer et al. (2006) advocates for must be embraced and unfolded. The collaboration between these two theories lets this thesis address how mindset and process is shaped by cultural influences in organizations and in theoretical practices. Furthermore, in their different images on management Palmer et al. presents

[18] This will be thoroughly explored in chapter 6.3.3

the complexity and blurred boundaries of change management. In the analysis the idea that this new versus traditional paradigm might not be as black and white but rather part of a spectrum will be addressed.

Jacobsen and Palmer et al. both stress that the contemporary world is becoming more dynamic every day, and that organizations must adapt continuously to stay relevant. In a sense, organizational change is becoming a cornerstone of any contemporary organisation. Key values today are often described as being able to adapt quickly and willingly to changes and opportunities in society and the global market. (Jacobsen 2018, 14)

With this organizational identity and strategy has become more complex than ever, as both predictable and unpredictable changes loom around every corner. The arena described here, that most organisations operate within, is not one where organisations are fully in control of all aspects of change. This puts into question the validity of the traditional deterministic methodologies that still exist today. Based on our theoretical inspiration we argue that cultural and contextual factors, be they external or internal, are the driving forces behind a successful contemporary organization as it strives to stay present and relevant. Palmer et al. (2006) describes this image as *Management as Shaping*. This image represents a bottom-up approach to change management which identifies the need to shape an organization and its employees, by instilling the right capabilities and mindsets. This approach is better suited for the continuously changing world organisations operate in, as the workforce is groomed to smoothly influence and shape the change that is an everyday occurrence for many organisations. Indeed, as Palmer echoes the thoughts of Weick, contemporary organisations can be seen as continuously undergoing change to stay competitive, it has become part of their identity and everyday affair. (Palmer et al. 2003, 32) Embracing this is imperative to sensemaking within organizations.

Jacobsen and Palmer both stress that there is not an end-all be-all approach to change management. Their works are not recipe books and the principles and practices they present have blurred boundaries that can easily overlap depending on the context.

We see change as something that is inherently part of any organization and a constant of any organization. This presents a dilemma, best expressed in the following hypothesis:

1) *It is not possible to plan or strategize for a contemporary organization & management cannot guarantee change results.*

To alleviate and address such a statement, identifying the importance of everyday actions and decisions is crucial. As we have already alluded to, organizations are shaped by the people and optimizations and changes to daily routines, norms and actions are the driving force behind organizational growth.

In Larsen and Rasmussen (2013) they present a new take on strategic management. They advocate that the daily actions and decisions by individuals shape organizational strategy. This aligns with the viewpoints described above and with the thoughts of both Jacobsen and Palmer. Larsen & Rasmussen belongs to the strategy as process mindset, something that both Jacobsen and Palmer could also be described as belonging to. Strategy as process is a broad field, a simplified description is that it sees strategy not as something static that can be represented in a recipe book, instead it is dynamic and something that is shaped through its implementation and execution. If strategy is a process, then it is fair to assume that the people of an organization and their actions influence this process. In turn these people are influenced by their own cultural understandings as well as the inherent organizational culture that they operate in. Thus, culture, made up by lived experiences, shapes the humans that shape the process that make up organizations. In the following chapter we will unfold our understanding of culture and its role in this thesis.

5.6 Defining Culture

Jacobsen introduces culture as a shared way of viewing the world. Something that can be both unifying and divisive. (Jacobsen 2018,99-101) However, we will explore what culture is in this section, based on *Meanings and Messages* by Inger Askehave & Birgitte Norlyk (2006).

In their book, they split culture into two perspectives: The Functional and the Interpretivist. The functional approach is, like its name suggests, about viewing culture in practical terms. In a business context, this means that it encompasses predictive and deterministic measures by which you can gauge and understand culture. This would be in the form of Hofstede's Culture Dimensions, or cultural distance when we look at export and internationalization motives. The critique of this approach is that it is too reductive and does not take into account how complex culture actually is. However, the predictability that it offers means that it is still used today in the business world, because it is largely based on observation. (Askehave and Norlyk 2006, 8-10)

In this thesis we use Hofstede's dimensions to explore the differences between American and Danish culture and what sets them apart. The functional approach will be primarily used to observe and explain *why* theories, tools, and methods created in a specific cultural context are sometimes incompatible in other cultural contexts. We will primarily explain this through the use of Hofstede's *masculine or feminine dimensions* and *individualism or collectivism dimension,* as these are the dimensions where American and Danish culture are mostly different.

The interpretive approach is about looking at, and trying to understand, these complex cultural structures. Instead of simply looking at culture and generalizing it along its observable patterns, the interpretive approach sets out to understand these patterns as interpreted by the people that are a part of, and that shape, the culture in question i.e. the interpretive approach is about understanding a culture that is under constant construction by the members of that culture. Furthermore, the interpretive approach is about understanding that there is not only one culture in play amongst these members, but rather there is a tight knit net of different cultures that come together to form a larger whole. (Askehave and Norlyk 2006, 9-10)

This is also the basic understanding upon which we base our understanding of organizational culture. We see organizational culture as being a diverse web of lived experiences and perceptions which creates a web of shared understanding. We base our analysis largely on this interpretive approach, centered around understanding complex cultural context, where interpretations are very important for long-term success. (Askehave and Norlyk 2006, 21) Furthermore, as was discussed in Jacobsen, there are a number of different *internal* cultural constructions when we look at organizations. (Jacobsen 2018, 99-101)

When talking culture outside these two perspectives, there are five points upon which most definitions of culture agree:

- *"(Culture is) a system of shared human behavior, ideas, values and rules of living*
- *(Culture is) the result of a learning process*
- *(Culture is) created in social contexts*
- *(Culture is) expressed in symbolic form*
- *(Culture is) taken-for-granted and assumed to be 'natural' by the culture itself."* (Askehave & Norlyk 2006, 8)

It should be noted that Askehave & Norlyk conclude that these two perspectives are not absolutes, but rather ends of a spectrum of cultural understanding. They argue that utilizing both approaches would be the most optimal for understanding other cultures. Furthermore, while the deterministic approach can easily broach wider culture, as in if we compare Americans to Danes, then it is perfectly acceptable, but it can only say very little about a specific American as compared to a specific Dane. (Askehave & Norlyk 2006, 15-16)

In this thesis, we base our cultural understanding on both perspectives. We look at broader culture via the functionalist approach, when describing how the cultures differ, and what values are important in relation to our research. We use the interpretive approach when trying to understand the narratives which are created within Nykredit, and how the culture is constructed within the different departments. When we discuss culture in this thesis, it is important to know that we look at culture in terms of two dimensions: The *internal* and the *external* cultural influence on organizations and change processes.

- The *internal* influence has to do with the cultural understanding and shared web of cultural understanding that the employees have, and how that can affect the change process if it is not considered.
- The *external* influence has to do with the underlying national culture and the therein inlaid norms and values that affect change processes. If the ingrained cultural norms and values of a theory are not considered before implementation, it can negatively affect the change process.

We use the functional approach for what is *external* to the Nykredit change process, and the interpretive to what we see as *internal*. This relation between the *external* and *internal* has been conceptualized in the following model:

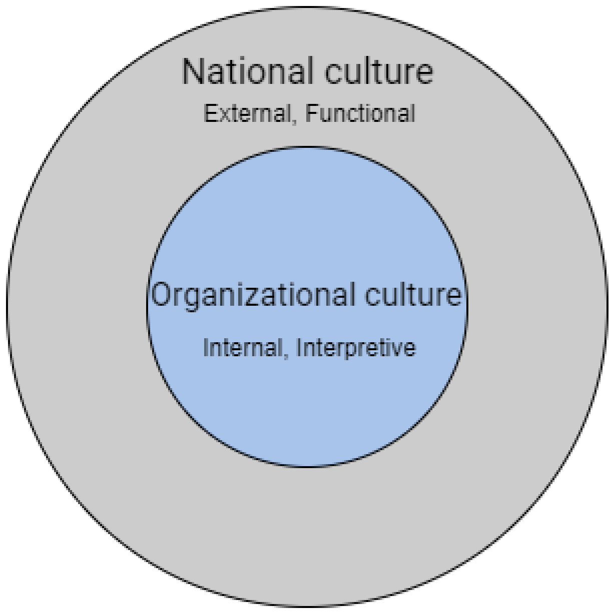


Figure 6: Internal and external dimensions, 2020, own creation

Ultimately, this thesis has set out to analyze the importance of cultural influence on organizational processes and the theoretical foundations used to guide these processes. Similar to Askehave & Norlyk (2006), we identify culture as an often-neglected element in organizational decisions. We judge that this stems from a lack of understanding of what culture truly entails and how to shape it. To us culture is something that is shaped by a collective of individuals, based on lived and shared experiences which in turn shapes the society and organizations we operate in. While some see culture as something inherent and traditional, that does not mean that culture is unchangeable. On the contrary, culture is something that is continuously changing. Human values and ideas change all the time and so too do the processes and social contexts that people operate in. Very often the essence of change describes the alteration of these contexts and processes. That leaves culture as one of the biggest driving forces behind change management. Throughout this thesis' analysis we will attempt to address and illustrate this point as we argue that contemporary change management is suffering due to an increased underestimation of cultural and contextual influences on change processes. We see organizational culture as something dynamic that once understood how to manipulate, can greatly increase an organization's capabilities, however if misunderstood can lead to failure.

> *"Underestimating the complexities of cultural processes can be detrimental to business negotiations and result in market failure."* (Askehave and Norlyk 2006, 18)

In the same manner, we argue that underestimating cultural complexities and contexts can not only lead to market failure, but also failed change processes. More on this in Chapter 6.3.

Chapter 6: Analysis

We ultimately seek to analyze the importance of contextual translation in relation to change management for contemporary organizations. By equipping the lenses offered in the new paradigm, we explore the impact of context, culture, daily processes, and the human aspect as elements that shape change and ultimately organizations. This analysis is critical of the traditional approaches and argues that these are quickly becoming obsolete in a world that is constantly changing, and where the organization is more people than entity.

Through the collaboration with Nykredit, this thesis gets close to the daily activities, decisions, and culture of one of the largest Danish financial organizations in the hopes of addressing the current state of change management and raising awareness of the need for organizations to not only consider plans and processes in their changes, but also culture, context, and mindset. Many organizations, who operate in a disruptive market, with a constant need for adaptation, must also adapt their strategies and methods for them to fit into the organizational context.

This thesis originates from an assumption that theories, methods, and tools are shaped by the culture and experiences that the author operates within. These theories are in turn created for the exact same culture and experiences. This raises the question of a need for contextual translation and cultural awareness when foreign organizations attempt to implement and utilize theories from inherently different cultural backgrounds, which were created to solve problems and describe strategies based on foreign experiences.

Furthermore, most contemporary organizations mimic each other, and that leading organizations often set industry standards.(Jacobsen 2018, 108-110) These organizations are typically American, as the American market accounts for some of the world's largest organizations and also hosts the largest and most globalized market in the world.(Forbes 2020) Based on this knowledge, it is fair to assume that American organizations are trendsetters and greatly influence organizational operations and strategies globally.

We can see it with concepts such as open office. This concept was devised as a means to save money on square feet, this originated in the American market and has slowly spread to the rest of the world. This office structuring is merely one example of how American principles shape foreign organizations and where a lack of contextual translation can lead to cultural clashes. (HBR 2019) (Politiken 2019)

6.1 Setting the stage

In 2017 Nykredit, who had been long underway with a large change in their IT-department, decided that things were not working out and thus started implementing a new framework that would hopefully correct their path.

We will analyze the Nykredit case addressing some of the principles, methods, and theories used in their change strategy. We will look into the complications and uncertainties that might have arisen throughout the change process. The thesis will attempt to compare traditional change management methods with those of the new paradigm as it identifies the important elements of change in a contemporary organization. The case and data are further bolstered by observations and field notes collected in the workplace during the change process. Moreover, interviews conducted with leaders and change agents will be analyzed to once again strengthen the conclusions drawn in this thesis regarding context, culture and people as leading elements that shape change.

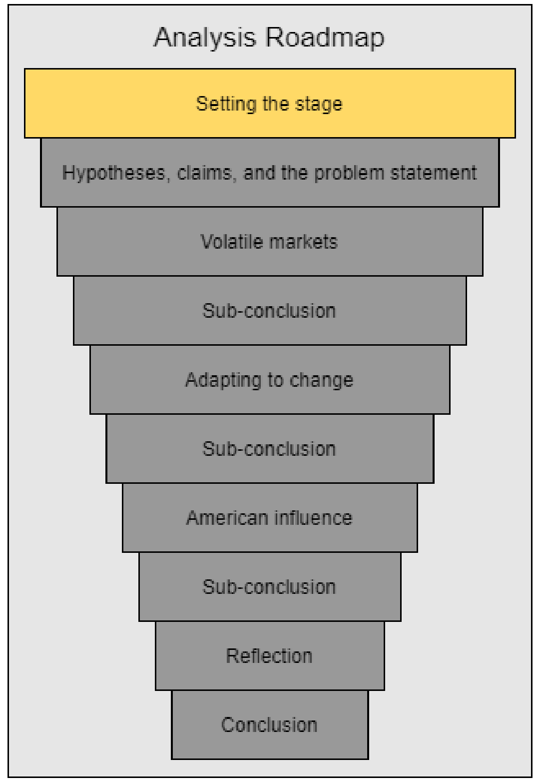


Figure 7: Analysis Roadmap, Stage 1, 2020, own creation

Based on the data, analysis, and reflections made in the following chapters we want to show that change management is no longer simply strategy, plan, and process. It is not possible to achieve large organizational changes through control alone. The contemporary organization is always moving as it attempts to reflect the ever-moving reality that it operates within. This complicates strategizing, as long-term plans and processes are no longer wholly reliable. This realization makes it difficult for organizations to expect specific results from changes, as changes often go through many iterations and adaptations during its inception and implementation. This leads many organizations to embrace consultant strategies (Jacobsen 2018, 218-223) and quick-fix solutions[19]. This thesis argues that the only way for most contemporary organizations to achieve successful changes is by embracing the human and cultural parameter as the most important influencer and shaper of change. Moreover, organizations must adapt to the way they approach change as for many the current solution is not sustainable. It is the people, who make up the daily processes, that influence the plan and ultimately the successful strategy and it is the

[19] See chapter 6.3.3

cultural background and experiences that shapes the people, change managers and their decisions. (Jacobsen 2018) (Askehave and Norlyk 2006) We argue that most contemporary organizations still approach change through traditional means and still suffer with lackluster results as they struggle to identify the driving forces behind changes. The Nykredit case will serve as a representation of the typical contemporary organization, as it goes through a change. The Nykredit case will serve as a showcase for some of the concerns we raise regarding the lack of an understanding of the importance of the new paradigm.

Throughout the previous chapters of this thesis, we have referred to both the American 'influence' on change management, and management theory as a whole, and how we see the connection between theory and culture from the perspective of social constructivism, specifically inspired by Kenneth Gergen. It is important for us as researchers, to stress that we are not looking at management as a whole, or at the cultural influence on *all* theory, we are looking at inherent culture in Change Management theory as it pertains to the Nykredit case, and how theory turns into practice.[20] Initially, this is also where we hypothesize that a significant part of the workload when doing change is located, in the 'translation' of theory from one culture to another, in addition to the aforementioned human elements within management and change management.

[20] See also chapter 2.2

6.2 Problem Statement, Hypotheses, and Claims

On the basis of our theoretical understanding and development of the contemporary change management field, we have raised the following hypotheses and claims. These will serve as a means to address some of the complications we see within Nykredit and change management as a whole.

The hypotheses and claims can be found in (Appendix 10.10) These will serve as the basis for the analysis and will enable discussion and analysis of contemporary change management. We argue that through an analysis of the data collected and by addressing the hypotheses and claims raised in this thesis, we will be able to interpret upon the empirical data and ultimately address the problem statement, that is at the core of this thesis. The problem statement is as follows:

What impact does basing change management practices on theoretical perspectives, that have their origin in other cultural contexts, have on the change process and how do theories, methods, and tools made in specific cultural contexts, in this case American, affect contemporary change management and is it translatable into a Danish context?

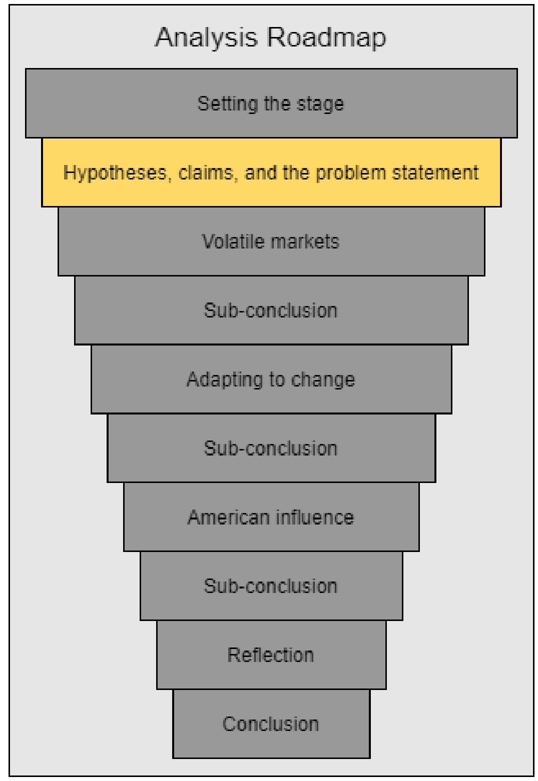


Figure 8: Analysis Roadmap, Stage 2, 2020, own creation

6.3 Analysis

6.3.1 Volatile markets

This thesis states that the world around us is continuously changing, it is a natural conclusion, since everything grows and evolves. This has always been the case and as such it should not come as a surprise to anyone. However, the pace with which new technologies, concepts, and ideas are introduced into the contemporary market has exploded. We have seen large changes in the past that have completely changed the world as we know it. See for example the industrial revolution that introduced new manufacturing processes and caused a vast increase in urbanization around the world. (History 2019) While the world has seen a continuous evolution of markets and industry throughout history the velocity with which changes occur today has increased exponentially. The contemporary market is rapidly evolving, and many organizations are struggling to keep up.

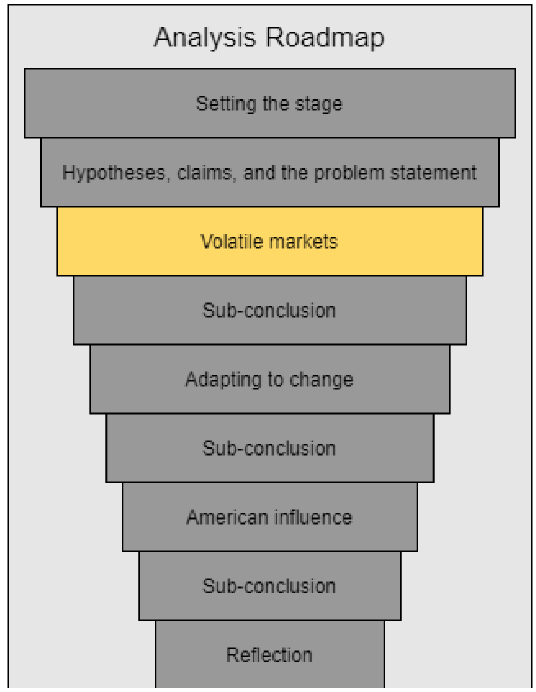


Figure 9: Analysis Roadmap, Stage 3, 2020, own creation

> *"Virtually every industry has been experiencing rapid, massive, and sometimes devastating change over the last couple years."* (Forbes 2018)

Organizations are struggling because they are often very set in their ways. This is especially true for older more solidified organizations where culture is based on trends and norms. In such organizations change, such as introducing new processes might be easy, but a change in process only gets you so far.(Jacobsen 2018, 95) The contemporary world we are describing here, and that every organization is currently operating in, requires a change in mindset. Gone are the days, where change was an organizational plan with visible and reachable goals simply to be executed. With change becoming an everyday possibility, we argue that organizations must adapt ahead of time and incorporate the notion of change as part of their organizational culture. It must become part of an organization's everyday operations and processes. With the possibility of new emergences in the market at any notice, the organizations must be wary and ready to adjust. We argue that most contemporary organizations are aware of this evolution and need for continuous readiness for change - but that many struggles with identifying how best to incorporate this new mindset and culture into the organization. We see this as an issue of contemporary change management and the influences that especially American culture has on how contemporary organizations think and strategize.

Medium to large organizations, that have been around for a while, often have a hard time realizing that their organizational culture and ways need to change - this is a result of it being completely ingrained into the fabric of the organization. Often without realizing it, these organizations become their own inhibitors for change. Jacobsen (2018) writes that many organizations value having one overarching organizational culture with the intent of creating one large family and a sense of belonging. However, as we argue here, Jacobsen states that an organization that represents only one organizational culture often has a very difficult time changing. (Jacobsen 2018, 100) It can be argued that smaller and newer organizations have an easier time as their organizational culture is still forming and have an easier time adapting to emerging trends in the market or world but these organizations also have to be careful not to settle into the wrong mindset.

> *"Pretty much of what we know today about digital technologies will be going the way of dinosaurs five to 10 years from now. As new entrants disrupt traditional business processes and make clearings for more efficient technologies (…)"* (Innovation Agenda 2020)

We raised the hypothesis that the contemporary market is unstable and disruptive. Perhaps it is not so much that it is unstable but more that it is constantly evolving, and organizations must find a way to operate in, and adapt to this new reality. We see this as paramount for contemporary organizations to sustain themselves. Currently, many organizations have realized the importance of this, but have yet to grasp exactly how to deal with it. Too many times they fall into old and comfortable habits when the going gets rough. Too many times we see quick-fixes, consultant strategies and traditional change management methods masquerade as new innovative initiatives. What many organizations seem to forget is that the change and adaptation they are seeking is cultural and contextual in its nature and not merely process. It is indeed interesting to note, as Jacobsen does, that of the top 10 organizations on the Fortune 500 listed from the late 1980s, who embraced one big culture and one happy family, no longer exist. (Jacobsen 2018, 101)

This thesis, in collaboration with Nykredit, explores how a large contemporary organization approaches change management. The case and data analyzed in the following examines to which extent culture and context plays a role in contemporary change management. We have argued that it is essential to incorporate culture, context and mindset into the organizations change efforts, lest they end up like the companies in "In Search of Excellence"[21]. We have also hypothesized that it has become hard for change

[21] See Chapter 5.2.1.1, Cultural context

managers to both plan and strategize for the contemporary organization, as well as not being able to guarantee results due to the aforementioned changing market. Nykredit is an example of an organization battling with the adaptation to the rapidly changing market as they attempt to balance stability and innovation.

6.3.1.1 Stability in the contemporary organization

Stability is in many cases, even in Jacobsen, synonymous with the organization standing still. The organization is stable, as long as there are no external or internal factors it has to contend with in a way that would mean large or almost paradigmatic changes. However, if there are constant factors and contexts the organisation is forced to contend with, then there is hardly time for the organization to reach a stable point and 'catch its breath', before undertaking a new large-scale change. With this being the reality, it invites a new way of thinking about organizational stability.

The current mindset in Nykredit is best described with the following quotes based on our observations from within the organization:

> *"Den eneste måde at opnå en stabil organisation på er gennem konstant ændring"*
>
> *"Vi lægger brædderne på broen, som vi løber over den"*
>
> (Appendix 10.8.2)

These quotes stem from observations in Nykredit, detailing talks about a new project and the introduction of ADKAR as a system for dealing with change management.

This seems like an appropriate mindset; as it builds upon one of the claims raised in the thesis, namely: *"In a disruptive market so too must the organization become disruptive to survive."*

However, this seemingly conflicts with the notion that Jacobsen holds that change is a process that can be bookended with stable, observable points in time. The temporal dimension is essentially lost if we look at changes as ongoing processes, rather than temporarily confined processes. However, we do agree with Jacobsen's notion that change is inherently chaotic, which then begs the question: How can we then achieve stability if we continuously change? We see this as an issue of mindset that is culturally ingrained in many organizations. We argue that organizations can overcome this problem if they change their mindset and adapt their organizational culture to embrace continuous change and turn its seemingly chaotic nature into something that provides stability. Currently, we have identified a clash of mindsets in Nykredit. From the observations above, it seems that Nykredit's mindset is prepared for continuous change, but in

(Appendix 10.8.3) we learn that in reality many of the employees are struggling with making sense of the continuous changes, and that the mindset illustrated above does not really correspond to the reality of the organization. We identify this as a conflict between the traditional and new paradigms. We can trace elements and narratives surrounding these clashes in both observations and interviews, where differing opinions and goals drive the change in different directions. This is further exacerbated due to poor organizational communication across departments and hierarchies of the organization. (Appendix 10.8.3, 11.8.4)

In our interview with Nykredit's lead competency manager he mentions how internal organizational cultures are in conflict. (Appendix 10.7, Ulrik) The current organizational culture is traditional in that it builds upon budgets, long-term plans, stability, and predictability. This is to be expected of a large organization such as Nykredit, that is dependent on many external factors in the form of customers and stakeholders. At the end of the day, Nykredit's goal is to be profitable and to keep their stakeholders happy, which is why they prefer stability and predictability. They must have a solid basis for working with their stakeholders. However, with the evolution of the market, stakeholders have begun to demand flexibility and adaptability in plans and budgets to better fit changing markets, regulations, and new business opportunities. To overcome this Nykredit is changing their approach to development, process, and planning. These elements are core to the IT-department, which represents the frontline that delivers products to stakeholders. However, as the lead competency manager mentions, this change is complicated by conflicting cultural contexts as the traditional and new paradigms clash. (Appendix 10.7, Ulrik, line 30-51)

Bjørn, a specialist within Nykredit, further elaborates upon this problem, as he mentions how missing alignment between IT and business results in conflicting agendas, issues of communication and levels of commitment as cultures and mindsets collide. Without appropriate commitment and sensemaking changing organizational culture becomes impossible. (Appendix 10.4, Bjørn, line 2-10)

This conflict in cultures is perfectly illustrated by this comment by Jan Dyhr, the leader of business solution for the NRP program. The program that is to spearhead this new change.

> *"Hvis jeg skal være helt ærlig så ved jeg ikke hvad drømmen var da man satte det i værk, og det tror jeg faktisk ikke rigtig at der er så mange der helt ved. Hvorfor var det vi gjorde det? Det er der måske nogle få i DCI der kan svare på, men jeg er ikke sikker på at der har været mere end at det var spændende og det ville give nogle øgede frihedsgrader ift. udvikling, men det er jo isoleret udviklingsmæssigt tænkt, og ikke så meget på output og resultater."* (Appendix 10.5, Jan, line 154-158)

It seems clear to us that Ulrik, Bjørn, and Jan are all talking about aspects of a fundamental flaw in Nykredit's change process, that the conflicting agendas and issues in communication stem from the lack of initial alignment of what the purpose of the change was. This has led to a series of unfortunate events, where leaders have taken it upon themselves to create the purpose of the change. It is clear that Ulrik has a very clear idea of what *he* wants:

> *"Ja, men det er ikke hvad jeg vil levere. Altså det peger simpelthen den forkerte vej. Så kan det godt være, at jeg bliver nødt til at bide mig i armen en gang imellem og så finde mig i at der må gerne være nogle få testmanagers til nogle af de traditionelle tværgående vandfaldsprojekter"* (Appendix 10.7, Ulrik, lines 175-179)

Ulrik is very clearly committed to his interpretation of the change, but his interpretation is not necessarily aligned with how the rest of the organization perceives the change. In truth, there is a very clear issue of communication and change management going on in Nykredit. It is evident that there is no identifiable change leader in charge of this change. Instead, we have a collection of proxy change managers, all tasked with operating within and making sense of this new change. This leads to many different interpretations of the change and ultimately broken sensemaking if alignment is not prioritized. This will be unfolded further in later chapters.

As mentioned, Nykredit has a lot of dependencies to their stakeholders who expect measurable results, so they can gauge if their investment is profitable or not. The change as a whole is focused on flexibility and delivering results more often. While it is working short-term, there is no long-term plan. Jan Dyhr also notes that:

> *"Det tror jeg ikke fordi der er ikke et systematisk videnscenter omkring hvordan bliver vi bedre til at arbejde agilt, vi har jo ikke engang et implementeret agilt koncept ud fra hvordan er det faktisk at vi lige gør det her, det er i gang med at blive lavet ikk', men det er ikke udbredt."* (Appendix 10.5, Jan, lines 203-205)

The aforementioned lack of initial alignment is something which Nykredit still struggles with, and in our opinion, the change will continue to meander and create problems until this alignment has been taken care of. The clash between what IT wants, in its most extreme sense represented by Ulrik, and what Nykredit/Totalkredit wants will continue to create problems until an agreement can be made, as to what the purpose of the change is, since IT has a focus on organizational development and adaptability, an O strategy, while Nykredit has a result oriented economical focus and a focus on predictability, E strategy. [22]

[22] See Chapter 5.2.2

In regard to our previous hypothesis of the market changing, and the claim of the organization having to adapt to this volatile market, it is clear that Nykredit IT at least sees this need for change, the need for adaptability. While Nykredit as a whole might not be wholly onboard, they still encourage the continued change process. However, they do so without commitment, something that complicates long-term planning and alignment, and therefore success.

We can conclude that markets are changing, and that being able to respond to new and sudden business opportunities is a good thing, at least for Nykredit and their Stakeholders. While the organizational efforts that Nykredit put into creating these aforementioned internal changes are a force for positivity, however, they are severely misaligned and miscommunicated, and at risk of being derailed because of it, mainly due to mounting resistance, indifference and apathy. (Appendix 10.8.4)

Are the markets in which Nykredit exists changing? Yes. Is it in their interest to adapt to these changes and try to innovate to be ahead of their competition and to satisfy their stakeholders? Of course, but there are still internal factors that threaten whether that will be possible in the long run.

6.3.1.2 The traditional and new organizational paradigms collide

In the previous section we highlighted a clash within Nykredit, we identify this as a conflict between the *being* and *becoming* perspectives.[23] *Being* describing a traditional organization that is stable and unchangeable while *becoming* describes an organization that is dynamic and ever-changing. The *Becoming* organization is the typical of the new paradigm, it is the ideal mindset to strive for. (Larsen and Rasmussen 2013, 28) As illustrated, these two perspectives are opposite ones, representing the traditional way of thinking about change and organization while the other represents a new cultural mindset that is adaptable to any context. In their meeting, these two perspectives are clearly causing issues for Nykredit and its change process. Bjørn, specialist, describes how the organization is very old, not just in terms of how long it has been on the market, but also in its culture, mindset, and structure. He explains how the organizational structure relating especially to the IT-department suffers under this as innovation is often hindered by politics and economics. (Appendix 10.4, Bjørn, lines 16-30) This is something that makes change even harder, especially change in culture, as there is clearly a division between departments within the organization. Nykredit clearly has an overarching culture as an organization, but each underlying element of the organization also has their own culture. In the case of IT, they have their own way of addressing problems, they have a lot of developers and the way they communicate problems and solutions may be in

[23] See Chapter 5.4

technical terms that are foreign to other parts of the organization - this makes contextual translation between internal organizational cultures extremely important for alignment and change management reasons. This is made even more difficult, because, as Bjørn puts it:

> "*Det er fordi at Nykredit ser stadig IT som en udgift, at det har ikke noget med og holde forretningen i live og det er simpelthen fordi man virkelig er gammeldags*" (Appendix 10.4, Bjørn, lines 32-33)

By attempting to implement new processes and ceremonies that completely change the daily operations of the employees, without addressing culture and mindset, Nykredit is running headfirst into complications. This approach might work short-term, but long-term it will run aground because the change that is sought is really a cultural change, rather than a process change alone. Nykredit must evolve, so that its culture is adaptable to any context. In that sense, it is important for organizations to realize the importance of contextual translation and adaptation of its strategies and approaches.

The new paradigm advocates a dynamic organization, but the employees and leaders expect stability, because that is what they are familiar with. This is ultimately a result of misaligned priorities and not realizing the importance of cultural contexts in change. We cannot embark upon a change that completely alters the way we operate without addressing culture, that much is evident. In an interview with the lead for the NRP-program, Mette explains how talking about the actual change journey and process is not a priority and will hardly ever be. There are simply more pressing matters, in her words. (Appendix 10.6, Mette, lines 187-192) Daily complications with deliveries and operations take precedence over addressing the overarching strategy that is to dictate the daily actions and decisions of the people and the program. That begs the question, why embark upon a large organizational change, when the commitment and maturity is not there? Mette goes on to say that it would be a very good discussion to have, but that it requires a bit more stability and calm. (Appendix 10.6, Mette, lines 190-192) We have already clarified that for the contemporary organization with constant deliveries, this stability and calm might never present itself. However, judging from the interviewee's responses this might be new to them.

> "*Men det kunne være fedt, hvis vi kom derhen – hvor man også havde tid til at se 3 år frem.*" (Appendix 10.6, Mette, lines 192)

Essentially Nykredit is pushing the problem they are facing ahead of themselves. There is no long-term plan and this needs to be addressed. Nykredit is stuck, as they keep approaching change management with the traditional mindset, where increased planning and processes will eventually solve the problems. It is obvious that the root-cause of the issues is a cultural and mindset matter. Contextual translation is important in the clash between paradigms, as we need to identify where we are coming from and where we are going.

Anne, the program lead, describes in her interview how change is made harder due to the way the organization is structured, something which Bjørn amongst others agree with. She talks about how efficiency and estimates are suffering with these new processes and plans. (Appendix 10.3, Anne, lines 78-82 and 97-98)

> "Vi kan se i vores PI planning, at så har vi lavet en plan, det er ret ofte, eller - det er næsten hovedreglen, at vi er forsinket på den." (Appendix 10.3, Anne, lines 79-80)

Mette goes on to say in her interview, when talking about quality assurance and alignment, that being unable to tell employees how they should be working and toward which goals, due to a lack of alignment and commitment, basically makes sensemaking impossible. She rounds it off by saying that this is not a proper way of treating one's employees. So clearly the managers in the IT-department are aware of the issues that are caused by the change they are undertaking, but still it is not addressed and they continue down the same path hoping that further process implementations will eventually solve the problems. (Appendix 10.6, Mette, lines 170-176)

Clearly, the meeting between the traditional and the new paradigms causes issues. The way we see it, the traditional paradigm, that advocates *n*-step theories, methods, stability, and control currently conflict with the new paradigm.

The new paradigm advocates for a dynamic organization that is flexible and adaptable, something that fits the contemporary world, and something that Nykredit is striving towards. This is achieved through a flexible culture and mindset. There needs to be a contextual translation between the traditional and the new. A dynamic and flexible organization that is ready for continuous change is shaped by the people of the organization. The human and cultural aspects of change management cannot be neglected, if long-term change results are to be successful, especially not when the change in question revolves around culture and mindset, it is outright nonsense not to have it at the forefront of the effort. To round off this section, here is a quote from the lead program manager, which perfectly encapsulates the situation:

> *"Nykredit er en kæmpe koncern, man kan ikke bare række fingeren op og sige, "jeg er irriteret på det her" og så i morgen, så er der lavet om på det. Det kommer stille og roligt. Man kan ikke sadle om sådan lige, men det kan man i en agil organisation"* (Appendix 10.3, Anne, lines 510-511)

She states how Nykredit is a vast organization and that change takes time. With that long-term planning is a requirement, at least in terms of setting boundaries and presenting a strategy, so that the people know what to expect. Furthermore, she states that it is not possible for the organization to suddenly make a change and adapt, however, if the organization was 'agile' then it was possible. It is interesting, because the change analyzed in Nykredit is the change from a traditional to an agile organization - she is basically saying, that the organization is not agile - and that the change they have been working towards for 5 years is not a reality in anything other than process.

6.3.1.3 It is not possible to plan or strategize for a contemporary organization & Management cannot guarantee change results

Change can lead to stability, but the notion of constantly changing, inherently invites constant instability. As we know from Jacobsen (2018), change is seen as something outside the norm that invites chaos into the organization temporarily. However, this is assuming that we are moving from one stable point to another, not being on a continuous journey of change and unpredictability. The problem with how markets function today, and the reality in which organizations exist, is that older deterministic approaches to both managing and measuring organisations become obsolete, which is also at the core of why Nykredit is facing the amount of problems they are.

Jacobsen (2018) addresses some of these older models and theories in his book, such as Larry Greiner's 1988 Lifecycle model, citing that many of the much older theories and models that are in the change management toolbox are not applicable in a modern organization, even though something like Kotter's 8 step change model is still being sold and taught today. We claimed previously that: '*Gone are the days, where management could decide on a plan and arrive at the expected result without any surprises*. We can back this claim up by saying that the older deterministic and normative theories and tools are no longer applicable in contemporary change management, but as we have seen, determinism and predictability is something which some parts of Nykredit favor.

Jacobsen is then perhaps a little too harsh when he deems that the normative and deterministic theories, methods, and tools are not applicable, rather maybe we should reevaluate how they can be understood and integrated into the contemporary organizations change management toolbox.

As we have seen in Nykredit, they can plan around the specific frameworks and current processes they have, but it becomes considerably harder for them if they have to plan further outside those frameworks. This essentially means that they have difficulties with long-term planning in the NRP program, because they are constantly delivering and constantly making changes. This then begs the question, in regard to our hypothesis, what do we do in regard to planning?

In the traditional 'Management as Control' image, as described by Palmer et al. (2006), change managers would typically assume a position of absolute control. That is, they would have the necessary funds, resources, and power to dictate and direct any organizational change. Palmer et al. (2006) refers to this as the 'Change Manager as Director[24]'. This approach relies on actions, planning, commanding, and coordination as illustrated in many *n*-step models. This approach goes back to a time where an organization was perceived as an entity or a machine that could be directed by simply adjusting some inputs. (Palmer et al. 2006, 27) Long-term planning and predictability is something that Stakeholders would obviously prefer, but it becomes increasingly harder for Nykredit to predict how the market develops, and which new business opportunities arise in the future.

Perhaps we should not look at it by means of planning and strategy being absolute, as our claim and hypotheses allude to, but rather that we should reevaluate how we plan and strategize.

> *"Typically, the organization is treated as if it is a machine It is up to managers to drive the machine in specific directions, people are told what their roles will be, and departments and business units are allocated resources (inputs) so that the machine can perform efficiently and produce the necessary products or services in which it is engaged (outputs)."* (Palmer et al. 2006, 25)

In the claims we posited in this chapter, we were essentially looking at it from a perspective of their needing to be a very well-defined end result, and there should be a very clear way of reaching those results. As we have shown, the contemporary organization is moving towards continuous change, or perhaps more aptly and as Jacobsen (2018) puts it in his O strategy, *incremental* and *experimental* change[25], which Anne Blak also explains is the case in Nykredit:

> *"Det er også lidt en iterativ proces, man kommer med ideér og man tænker lidt igennem og det bliver modnet og så prøver man det af og ser hvad der virker. Tidligere, så havde man en plan, så eksekverede man og så var det det. Her er det lidt mere stille og roligt, vi prøver nogle ting af, vender det. Så kommer det op på ARTsync, PI-planning og inspect and adapt. Nogle skriver til Jesper Andersen hvad de syntes og så kommer han med det. Artledelsen sidder og kommer med ideer. Der kommer input fra mange niveauer og så er det os i artledelsen der har ansvaret for at tage imod noget af det."* (Appendix 10.3, Anne, lines 499-505)

As was previously mentioned, this carries with it another temporal dimension in that our timeframe for change shifts from long-term linear planning, to short-term incremental planning.

> *"Men sådan samlet slutmål, hvor er NRP nu og hvor skal vi ende henne. Vi har tegnet det på kort sigt, vi har sådan et to-be målbillede for vores API'er og så kunne vi godt se vores teams var organiserede efter det og der ser vi gerne at vi når hen, hvis vi ser 2 PI's altså et halvt år frem. Men sådan en NRP*

[24] See Chapter 5.4

[25] See Chapter 5.2.2.2

> *i fuld agil organisering, hvordan ser vi så ud om et år, det billede har vi ikke. Det eneste vi har at arbejde med, det er de konkrete actions, som vi kan tage lige nu.* (Appendix 10.3, Anne, lines 166-170)

> *"Men, det er også fordi at der er ikke nogen på højt niveau der har sat sig ned og sagt "det her det vil vi og vi sigter herover imod og det er det vi løber efter"* (Appendix 10.4, Bjørn, lines 16-17)

> *"Ja, altså, men det er fordi, at der ikke i koncernen er sagt, at vi skal der og derhen, så vi kan ikke i NRP sige, at om 2 år, så er NRP organiseret på præcis den måde, med Totalkredit og kapital og funding og sådan og sådan. Altså, der har vi en afhængighed over mod, hvordan ser koncernen, at man skal være organiseret."* (Appendix 10.3, Anne, lines 181-183)

We were right in our initial assessment that for Nykredit, the change managers cannot guarantee change results, but it is not because they are incapable of making long-term plans. Rather, it is due to the way NRP is managed as a whole, and the framework that they are forced to work within. The experimental planning model is the only one that is currently feasible for them, and the expectation for a long-term plan, rather than a vision for the change, is actually working against Nykredit.

> *"Men det er klart, vi er ikke en selvstændig virksomhed i Nykredit, som bare kan gøre, som vi vil, altså vi er underlagt en masse restriktioner omkring os. Vi er også i gang med at lave en masse teams, vi har en ting, som vi skal nå, men pludselig så beslutter man et andet projekt. Jamen, så er det utroligt vigtigt og så skal vi til at tage ressourcer ud af programmet og flytte derover. Altså, det er jo ikke sådan, at vi kan sidde hernede i strømmen og prioritere hvordan vi vil bruge ressourcerne. Der kommer sådan nogle ting ovenfra, så skal vi flytte to mand over til et projekt, fordi så er det vigtigere. Men så må man bare acceptere, at det er den verden man er i."* (Appendix 10.3, Anne, lines 265-271)

Furthermore, it lets them be more organic and dynamic in the way they develop the organization over time. Perhaps then, much of the frustration that some of Nykredit's employees and leaders feel in regard to the change, stems from them expecting something that NRP is not currently capable of, due to the framework and context that it exists within. (Appendix 10.8.4)

In Field note 5 (Appendix 10.8.5), observation of conversations following NRP NEWS meeting, we find that changes in process and ceremonies are continuously made in an attempt to alleviate issues. We hear how planning meetings are to be reduced in the number of days allocated. The planning meeting is where the plan for the program is determined and where estimates are made.

> *"Ja, men vi kan ikke stoppe verdenen. Vi kan ikke forsvare det. Hvad er det vi levere, hvis vi skal bruge så mange dage på det, skal vi så være agile – hvis det koster så meget, at vi ikke kan levere noget samtidig, hvorfor synes vi så, at det er sådan en fed ide?"* (Appendix 10.6, Mette, lines 107-109)

It is interesting to note that the new paradigm describes exactly this dilemma. The world will never stand still, that means organizations will have to be able to deliver and change at the same time. Palmer et al. (2006) describes this as a perspective that they firmly believe in. (Palmer et al. 2006, 39) This describes an ambidextrous organization. An ambidextrous organization is one that can look back and handle its existing processes while always keeping an eye on developing new ones. (HBR 2004) This ought to be one of the goals of Nykredit, however, it does not come without commitment and alignment.

In Nykredit, we have shown that there is a disconnect in alignment and communication in regard to their change process, but as was also noted, the change itself is overall positive. While Nykredit has challenges in aligning what the business side wants, and what IT can deliver, they still find ways to make that process work, even though there is a demand from the top for the more deterministic approach. As our respondents have also said, adapting to the world that you exist in is a necessity, and an integration between the experimental planning approach and the deterministic measurement perspective is a requirement for Nykredit, and something that they somewhat succeed with, though the aforementioned problems in regard to culture and mindset are holding them back severely.

6.3.1.4 Sub-conclusion

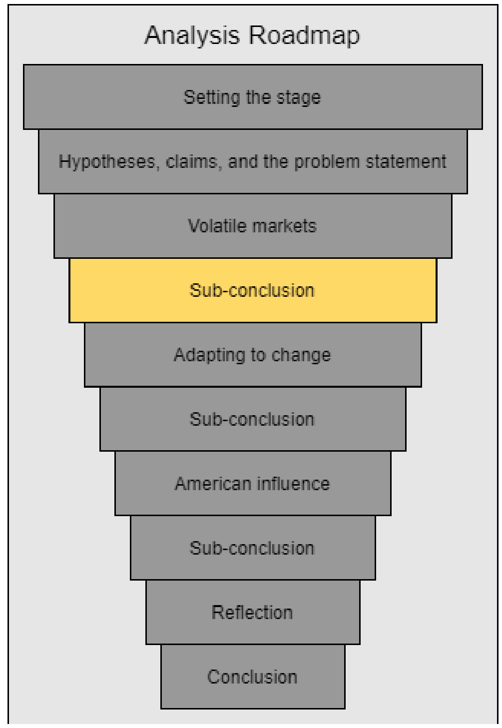


Figure 10: Analysis Roadmap, Stage 4, 2020, own creation

The contemporary market is volatile. We see this with the regular emergence of new technologies, competitors, regulations, concepts, and other disruptions. This is not a new reality for organizations but one that organizations, such as Nykredit, still struggle with adapting to.

It is clear that this lack of adaptation, in the case of Nykredit, results from a collision between the traditional and new paradigm. To best address and adapt to this new reality, the organizational mindset in Nykredit has to change. Stability in the traditional sense is no longer an achievable reality and contemporary organizations, such as Nykredit, must achieve stability through flexibility, because only then can they overcome the unpredictable nature of the contemporary market. This flexibility and adaptability are a question of organizational culture and mindset. The daily activities and decisions of the people in the organization must become elements that shape strategy, for the organization to sustain continuous optimization, growth and change in response to the changing world around us. We have identified the need for contextual translation in the meeting between the new and the traditional paradigms and cultures. Organizational cultural changes do not happen overnight. Culture is something that has been built up for as long as the organization has existed. It is ingrained in the values, norms, and daily operations and decisions of the organization. To implement change that radically changes the way people think and operate on a daily basis requires a cultural change. Nykredit, at least the IT-department, is still focusing on the short-term gains of becoming a more flexible organization. They do not have a long-term plan for what the change should be, which is a problem. Having a vision of where we would like to be in the future gives us the flexibility to adjust and adapt better than a strict plan in the traditional sense does. With this in mind, the organizational approach to planning has to change and adapt to fit the new cultural context, which contemporary organizations must embrace to remain present and relevant. Culture plays an integral part in this new approach and cannot be neglected in favor of process, which is exactly what is happening in Nykredit.

Nykredit is struggling with this realization and it is halting their change effort and making their contextual translation and cultural journey almost impossible. In the following chapter we will analyze further how change is not merely about process, as this seems to be a big misunderstanding in Nykredit's case. Furthermore, the chapter will expand upon this one as it analyzes how a contemporary organization, such as Nykredit, approaches contemporary change management. In Nykredit's case, there is a clear discrepancy in how change is perceived, and which elements are important. This has led to broken sensemaking, misalignment and a troubled change process, that are still unfolding.

> *"Ja, hvis vi tager selve kulturen og mindsettet, så syntes jeg egentlig, at vi er langt med(…)"* (Appendix 10.3, Anne, line 64)
>
> *"Jamen, det kommer an på hvor du måler henne. Hvis du måler kulturmæssigt, så er vi her ovre et sted <20%> "* (Appendix 10.7, Ulrik, lines 8-9)

6.3.2 Adapting to change

Contemporary organizations overcome the ever-changing market by introducing change continuously. This raises the question; how is this actually being done in practice? Through our observations from within Nykredit, it is evident that Nykredit at least attempts to live by this principle but perhaps does so by too strictly following traditional change management methods that are focused on process.

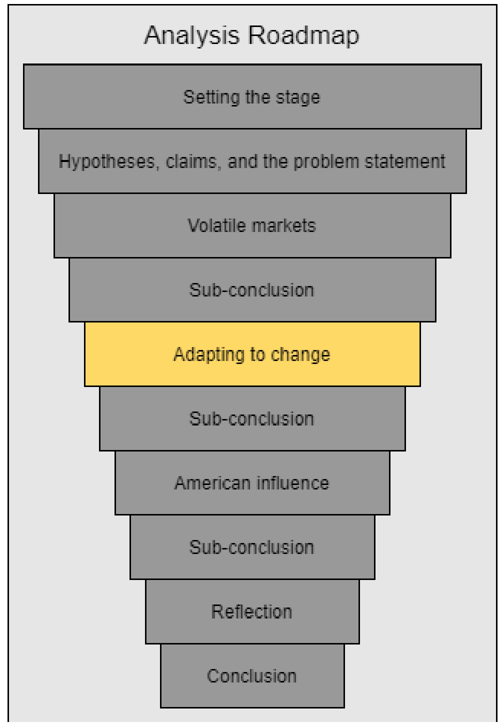


Figure 11: Analysis Roadmap, Stage 5, 2020, own creation

6.3.2.1 Change is not about process alone, it is about culture and mindset

Fifteen years ago, Agile was first introduced to the world and it is still as relevant as ever. (Atlassian 2020, *Advantage*) Agile is the go-to organizational methodology for organizations that seek iterative processes, continuous deliveries, flexibility, and the ability to constantly evaluate and adjust plans, requirements, and results. (Atlassian 2020, *Agile*) This methodology, or way of working, is the latest answer to how contemporary organizations adapt to the ever-changing world. However, Agile is not just a theory or a new process, it is a completely new way of thinking about how work should be done. Agile favors and advocates for the people of the organization. Most people have heard about Agile, but perhaps do not know exactly what it is supposed to convey. The term Agile is American in origin and builds upon a manifesto that details an organizational mindset that focuses on flexibility and adaptability. Agile in that sense is not about process or theory alone. Included in many Agile packages are methods, models, and frameworks, but at its essence Agile advocates for a new organizational mindset and cultural adjustments, something that cannot be achieved through a new model or framework alone. In many traditional change management theories, we see a lack of cultural and contextual understanding, something that an organization such as Nykredit carries on over into their new approaches.

> *"Doing agile right is not a cosmetic fix, but something that companies need to dedicate time and resources to in several key areas."*
>
> (Atlassian 2020, *Agile-is-a-competitive-advantage-for-a-digital-age*)

This is lost on an organization such as Nykredit that in its attempt to implement Agile ways of working merely thinks about process and ceremony as well as the short-term gains i.e. Nykredit is trying to implement a new paradigm methodology with a traditional paradigm approach.

Agile organizations are trending, (Atlassian 2020, *Advantage*) but with this trend unfortunately the term Agile has lost some of its meaning, especially for a contemporary organization such as Nykredit. It has become an abstract thing applied to everything without anything concrete to back it up. (Appendix 10.4, Bjørn, lines 218-224) When Bjørn was asked about the use of Agile in organizational communication and planning he responded saying:

> *"Der er ikke noget handling bag"* (Appendix 10.4, Bjørn, line 224)

This conveys that the change Nykredit is seeking is a switch from a traditional organizational context to an agile organizational context, which requires a clear switch in organizational culture and mindset. In Field note 6, "*Conversation following scrummaster meeting"* we learn that new processes and ceremonies are to be continuously implemented and tested. (Appendix 10.8.6) This entails that to push the change forward we must deploy and optimize processes. Here we see a clear focus on process and ceremony rather than culture and mindset. Nykredit does not seem to realize the collision between contexts and paradigms here. That raises the question, where should a cultural change come from and what has gone wrong? According to Bjørn, when asked about resistance to change, he said:

> *"Og det er hårdt arbejde at lave en kulturforandring, det skal komme helt oppe fra (...)"* (Appendix 10.4, Bjørn, 238-239)

Anne also supports the sentiment that cultural change should start from the top. She stresses how managers currently have no one to guide them and that leads them to simply try things.

> *"Vi har prøvet forskellige ting af, men vi har ikke noget agilt center of excellence på toppen til at guide os, så NRP står lidt alene, med de ting som man prøver af. Vi afventer lidt, at der kommer en koncern governance på området. Så det man kan sige er, at vi er first mover og prøver lidt ting af"* (Appendix 10.3, Anne, lines 140-142)

Ulrik, the lead competency manager, also mentions how culture has to be addressed by management.

> *"Jamen den eneste måde at angribe kultur og mindset det er med lederadfærd. Der er ikke andre aspekter, som der spiller ind i det – i min erfaring. Så det kræver, at du har ledere der sætter standarder og udviser den rigtige adfærd og at de ikke er accepterende overfor den forkerte adfærd."* (Appendix 10.7, Ulrik, lines 224-227)

Based on what we see in Nykredit, and the narratives that are expressed from the leaders we have talked to, it becomes clear to us that there is a very strong sentiment for implementing culture from the top-down, as opposed to bottom-up as they are currently doing. There can be a set of additional factors that influence how this change initiative has penetrated the organization, such as their structural context of being an older and more classic organization.[26] The most important factor of this change process, is the lack of initial commitment to building a change narrative, to "sell" the change to the organization. The change was so loosely defined, that it has become too abstract for the organization to deal with.

> *"Men der er jo noget, man er jo nødt til at i DCI og fortælle, starte med at skrive fortællingen og så bygge den op omkring værdiskabelse. Hvordan igennem ved at bruge de agile principper, ved at arbejde efter en skaleret model for det, hvordan skaber du mere værdi for forretningen. Hvad koster det? hvad er det for nogle udfordringer der ligger i det, men særligt hvad er det vi opnår ved det. Og den fortælling mangler. Cirka 100%."* (Appendix 10.5, Jan, lines 249-253)

> *"Jeg tror, at det er meget det med, at man er blevet ladt i stikken fra starten."* (Appendix 10.6, Mette, lines 37-38)

The most detrimental effect that this has had on the organization, is the culture and mindset of the change process being neglected, as there is no guide for *how* or *where* the culture should go, and what unifying cultural processes and understandings that the employees in Nykredit should have. Our respondents say that culture should be made top-down, but in reality, what is being requested is that a cohesive change narrative is created, a story that the culture can be built around. If we look at this change process, and why there has not been made a cohesive change narrative from the start, it could be argued that since Nykredit is a very old and *classic* organization, maybe they were simply not ready for the more abstract and non-deterministic way such a narrative would be formed, as it would be a vision, rather than a goal. Summed up, Nykredit was not mature enough to embark on such a transformational journey. The counterpoint is of course, that the change leaders should have tried of presenting the change as a whole, in a way that is presentable to an organization such as Nykredit. Essentially, they needed early *internal* contextual translation of what the change would entail, and how it would be made. This would also have made it easier for DCI to work within their resource contexts, as they would have had a better basis for "selling" their idea, and have internal resources allocated to their change efforts and projects.

The fact that the change narrative, and therefore the culture, has been neglected for as long as it has, means that Nykredit is struggling with their change, even now almost five years into NRP.

[26] See Chapter 5.2.1.1

6.3.2.2 Change processes are made harder by cultural differences

Nykredit have initiated an Agile transformation but nowhere have they addressed what that entails, which clearly leads to misalignment between managers. When talking about structure and how the NRP-Program is dealing with this new change Anne, the program lead, explains how the program is working following agile principles and ceremonies, and how their partners and stakeholders do the same. However, when it comes time to report to upper management it has to be done in the traditional manner. (Appendix 10.3, Anne, lines 263-264)

They expect long-term project plans, budgets, and clear deadlines. This is the traditional mindset in a nutshell and something that is in direct clash with the new context that the IT-department is working within. IT is attempting to work following Agile principles that advocate for iterative process, short-term planning, flexibility and often sees changes, which aligns it mostly with an O strategy change. This is something upper management has struggled with understanding, as it did not align with their expectations. (Appendix 10.3, Anne, lines 225-251) There are clear cultural differences in play here and a need for contextual translation. We have just established that cultural change is the biggest determiner in change success, and we have also argued that cultural change must come from the top-down. However, it seems that Nykredit has a big problem here, as upper management is clearly not aware of, or does not prioritize, the cultural aspect of the change they are pushing. The contextual translation here has gone completely awry because it was never properly considered as we showed in 6.3.2.1.

Nykredit has what Jacobsen (2018) describes as a differentiation perspective on culture[27]. Which are organizations that have different cultures for each of their departments. This structure causes cultural conflicts which results in issues of process. Clearly, departments and people of Nykredit see the world and organization in different ways and want different things with both the organization and the Agile change. This is also evident from our data and this is causing a troubled change process. We argue that with culture being the driving force behind change; and since culture is the way we interpret the world, then for change to be successful we must be culturally aligned, at least in how we perceive the world we wish to change. If we do not share the same culture, then at least we must understand the contextual translation that should occur between organizational cultures, so that sensemaking and communication becomes possible. As we have seen in our observations, the current lack of contextual translation and internal alignment has led to broken sensemaking processes and apathy in regard to the change. (Appendix 10.8.3)

It seems like a change has been left in the hands of the IT-Department without much support from upper-management. This leaves managers in the IT-Department to interpret the change in their own way. When

[27] See Chapter 5.2.1.1, Cultural context

talking about processes, estimation, planning and why the NRP-program was struggling, the lead program manager had the following to say:

> *"Jamen dels, så tror jeg, at man har taget det her agile setup og har lagt ned over det. Så tror jeg lidt, altså vi har en masse legacy, som vi bygger ovenpå."* (Appendix 10.3, lines 85-86)

She talks about how the Agile setup has been draped over the organization without much guidance, which is causing issues. Furthermore, the fact that each manager has essentially been tasked with making sense of the change on their own terms, means that there is no possible chance that they are aligned from the onset of the change. As we have established, each manager has their own cultural understanding and interpretation, even across departments, which means they sensemake in different ways. Creating aligned sensemaking when there is no guide is almost impossible.

Earlier we covered how strategy describes a goal while plan is what steps must be taken to reach that goal. Process is then the daily activities and decisions that enable the plan and ultimately the goal. That is what 'strategy as process' describes. However, simply introducing new processes without framing it in any way or introducing a goal, will lead nowhere. Strategy is seen as something the organization has; it describes actions, plans, commanding and controlling. It is management as control, as Palmer puts it. (Palmer et al. 2006, 24) What is not addressed in this setup is how processes come to be and how to shape them. We see strategy not as something inherent to the organization but rather something inherent to the way its employees operate.[28] (Larsen and Rasmussen 2013, 46)

From the field notes we learn that it is up to the people on the floor to think of practices and ceremonies that might help the change move forward. (Appendix 10.8.6) This is a bottom-up approach; it puts the change in the hands of the people. However, as we described in the previous chapter, this change directly related to culture and cultural change must originate from the top-down in some respects. Leaders must inspire, guide, and provide the framework for such a change to be successful. While the people on the floor have knowledge of tendencies and operations and possibly know where best to optimize, they can advocate and drive change, but they cannot shape it alone.

> *"Du skal have koncern PMOen med på din rejse og sige hvad er det for en verden vi arbejder inde i i dag og så kan man så tage de boards det er nødvendigt og sige vi træffer nogle aktive beslutninger og siger om det er vejen frem. Så du har nogen der arbejder efter principperne, men de har også en ledestjerne, lige nu mangler der en ledestjerne for det."* (Appendix 10.5, Jan, lines 280-283)

[28] In a way, strategy could be argued to be cultural in itself.

Palmer describes Management as Shaping as being the ability to instill competences in one's employees, so that they make the right decisions and initiate the right processes. (Palmer et al. 2006, 25) At first glance it looks like that is the approach here. This touches upon the same question from earlier, where should change come from?

In the observations, we learn that Nykredit's change process is more like a trial and error approach. It is not about instilling competences to lead to a better tomorrow it is about fixing issues right now by introducing new processes. (Appendix 10.8.6)

If we correlate this to Jacobsen's theory of O strategy changes, specifically his model of planning as an incremental process (Jacobsen 2018, 171), the change process is made up of many smaller changes that happen in sequence, where the change direction is guided by a unified vision within a set of predefined boundaries and contexts, but for the most part being like a trial and error approach. However, where the similarities end is with this basic description, as the process within Nykredit is not as focused as this model would make it seem, as has also been mentioned previously. The vision, boundaries and contexts are missing in Nykredit.

> *" (…) Du mangler og lave hele oplægget på at sige "hvor vil vi gerne hen med det her?", altså vi har kompetencerne inde i huset til at skrive den historie, men det er ikke blevet gjort."* (Appendix 10.5, Jan, lines 265-266)

This is echoed in several of our observations that speak to a large degree of uncertainty regarding the change. (Appendix 10.8.4) There seems to be a lack of communication from leaders and sometimes a direct disconnect appears. The change that the people expect is not what they are getting. When Anne was asked about who helps leaders align, she answered the following:

> *"Jamen lige præcis, lederne er der så ikke rigtig, altså hvordan er det at være leder i en agil organisation, det er et af de aktionspunkter, som der ikke rigtig er adresseret."* (Appendix 10.3, Anne, lines 207-208)

Previously we have talked about the missing commitment from management. It seems that the managers, at least in the IT-department, are aware of this and also realize how problematic it is, if management is not aligned with the change that they are tasked with implementing.

> *"(...)For det nytter ikke noget, hvis teams arbejder agilt og lederne arbejder som traditionel leder og går ind og styrer opgaverne, så er vi lige vidt"* (Appendix 10.3, Anne, lines 211-212)

In Field note 7, we learn about how the organizational structure and misalignment is causing issues. In the observation this seems to not only be an issue of alignment but also one of culture and context. We hear how the quality assurance team is supposed to contribute with test coaches to help with sensemaking and knowledge sharing. However, this is not the role that the delivery managers expect, instead they expect test managers, who can help lift tasks. This is a real-world example of the clash between the traditional and new paradigm. It is a question of coaching and instilling competences versus simply completing a task. (Appendix 10.8.7)

This dilemma is one instance that has caused a lot of confusion regarding the purpose of the change, since the ultimate solution to the dilemma above was to go with the traditional solution. (Appendix 10.8.7)

In another observation from Field note 5, as mentioned earlier, we hear how PI-Planning, one of the ceremonies from the SAFe[29] framework, is to be reduced in resource allocation. This is the ceremony where the iterative planning short-term is to be determined. (Appendix 10.8.5) We have already heard how estimations are going wrong, if the ceremony dedicated to estimate tasks is then cut in resources that does not bode well. We also see this in the reaction from people following the news. (Appendix 10.8.5)

While these observations talk about seemingly specific issues of the program, they all relate back to the change that Nykredit is going through. These issues showcase some of the consequences when two different perspectives meet. In another observation from a review meeting, we learn that that management thinks that with less time we will be able to consolidate and optimize the process. It is also the result of wanting to try new things. (Appendix 10.8.5)

It is possible that the real decision was made by upper management as a chance to reduce spending on the program, as the planning meeting requires 100 people to fly in from different locations to meet in Copenhagen. (Appendix 10.8.5) This is another example of trying to solve cultural and mindset issues with process changes. It is also a clear indication of misaligned agendas. If we relate this to the perspective of Jacobsen and his two strategies for change, it would seem that top management within Nykredit sees many opportunities for E strategy changes, which directly conflict with the ongoing O strategy changes that the employees are trying to drive within their part of the organization i.e. there is a conflict of interest between different layers of the organization.

We argue that not addressing these inherent cultural differences, as described in the cultural differentiation perspective by Jacobsen (2018), will lead to broken sensemaking processes within the organization, and ultimately a failed change process. In neglecting the cultural and contextual aspects of change, the organization is neglecting its employees. Ultimately this will lead people to be disheartened and apathetic

[29] Scaled Agile Framework enterprise; an agile framework for how to scale agile to larger organizations

to the change, as we already see in Nykredit. (Appendix 10.8.4) It is evident from the interviews and observations that both leaders and employees feel like they do not have enough guidance in this change process. We see the consequences of this in field note 8 *"Conversation regarding Agile coaches"*, where we learn that the NRP-Program did have a dedicated coach in the beginning but due to a lack of commitment from management and no progress he decided to leave the program out of frustration. (Appendix 10.8.8)

Some of our interviews and observations point towards a recurring sentiment among the more seasoned employees within Nykredit, namely, that change will eventually fade away. Any person hired into Nykredit that talks about new ways of working, new processes, and new ideas can safely be ignored, because they will soon be replaced by someone else advocating a new set of changes. (Appendix 10.8.8) It is not that people are directly resisting the change, they are indirectly resisting it through having given up on the organization and its *ability* to change at all. We find that this is only a natural development, if people are not being involved in decisions that directly affect their work, they will become apathetic if they feel they are neglected. It is of course important to note that this is not a view that all seem to share in any way, as is apparent when talking to the leaders of the change. However, it is still an underlying sentiment within the organization, according to (Appendix 10.8.8). It is not that the premise of the change is called into question as such, but the lived experiences of the employees have inadvertently led to several broken sensemaking processes, leading to what is best named *change fatigue*[30]. Jacobsen (2018) talks a lot about resistance to change, based on the fear of losing power, fear of losing benefits, and fear of being put in a situation which the individual finds disadvantageous. (Jacobsen 2018, 131-132) However, from these previous observations it seems not to be direct resistance and criticism of the change, of which there no doubt is plenty of as well, but rather of frustration and indifference. This is also what Jacobsen calls a Level 1 resistance to change, Apathy and Indifference. (Jacobsen 2018, 127)

From the field notes and the interviews, it is clear that a dedicated change manager does not exist within Nykredit. Instead we have a collection of leaders, who have become proxy change managers tasked with implementing change by an upper management, that is disconnected from the context that the IT-department and this change is supposed to unfold in. The change journey is clearly suffering from misaligned commitment, missing communication, and a clear clash between organizational cultures. The journey that Nykredit has embarked upon has not been properly described or communicated, instead it is left to the interpretation of the proxy change managers. Bjørn poses an interesting question in relation to this:

> *"(…) det sjove kunne jo være at spørge Jesper og Jespers ledergruppe, det her agile som alle går og snakker om, som i har på alle jeres slides, hvad er det entaget? Kan du ikke lige prøve at definere det*

[30] Change fatigue as in being exhausted and worn out by continuously failed change processes

for mig? Forklar mig det lige, og jeg vil love dig for, at de kommer til at svare i øst og vest og nord og syd, og der kommer ikke til at være noget alignment på det." (Appendix 10.4, Bjørn, lines 238-242)

6.3.2.3 Change processes cannot be measured quantitatively

In our interviews we interviewed four leaders that relate directly to the NRP-Program, the spearhead of Nykredits change. The first point on the agenda was to have these leaders identify how far along with the change they were. This was structured as a simple line with a traditional approach to change management at one end and agile approach at the other end i.e the traditional and new paradigms. Following their answers, we then invited them to elaborate on their decision. In the interview with Bjørn, he posed the question we saw in the chapter above. Bjørn stated that he would expect the answers to be all over the place clearly demonstrating the missing alignment and different interpretations of change and change process.

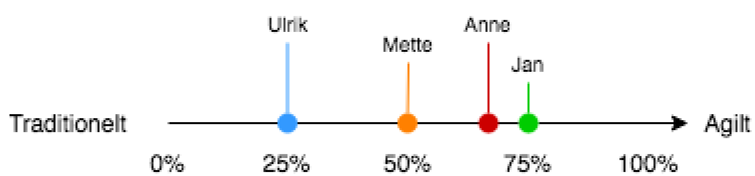


Figure 12: Change progress estimation 2019, own creation

When Anne was asked about the change progress, she mentions that in isolation the NRP-Program had made it quite far; but that it was complicated, because Nykredit as an organization does not support the new culture and way of working. She talks about both process and culture as she mentions that it is the architecture that is dragging everything down. (Appendix 10.3, Anne, lines 31-41)

> *"Problemet er bare, hvis NRP isoleret set er agilt, det er nemmere hvis hele koncernen arbejder agilt og understøtter continuous delivery og sådan nogle ting... Alligevel, så har vi løbende leverancer, så det kunne være en 60-65%"* (Appendix 10.3, Anne, lines 24-28)

Jan, the lead from business solution, has a different view on the progress. Jan is not a part of the IT-department but is the owner of the NRP-program from the business side. He sees this change from the outside in.

> *"Der er vi faktisk relativt langt. Vi ligger i min verden, der ligger vi nok på 75%, det er nok sådan bedste bud."* (Appendix 10.5, Jan, lines 13-14)

Jan goes on to describe the whole venture as being sort of a guinea pig, an experiment. When asked how it was visible how far along the change Nykredit had made it, Jan addressed practices and processes. (Appendix 10.5, Jan, line 16)

Mette was unsure, she set her mark in the middle but went on to say the following:

> *"Der er mange ting i det agile, som vi ikke har med. Så i virkeligheden, så skal den måske sættes længere ned."* (Appendix 10.6, Mette, lines 14-15)

When asked to elaborate on her decision she said that it was always easy to implement and measure progress in terms of process and ceremonies. She stresses that mindset or culture is much harder.

> *"Man bruger ceremonier, det er jo altid den nemme del ved at blive agil, det er at tage fat i nogle processer og procedure, som man bare følger og hakker af på, men det mentale er noget andet."* (Appendix 10.6, Mette, lines 17-18)

Lastly, Ulrik was very aware of the cultural aspect in his estimation. He mentions that the cultural journey is what is holding Nykredit back. He goes on to say that the change might seem to be taking a hold, but that processes alone do not make up change. The cultural aspect and correct mindset are completely missing. (Appendix 10.7, Ulrik, lines 8-16)

It is evident from these results and the previously discussed data that the change progress Nykredit is going through, cannot be measured quantitatively. There are simply too many parameters, dependencies, and uncertainties leading to different interpretations, which makes it impossible to gauge a cultural change quantitatively. Mindset and culture can be described as being abstract in that it depends on the interpretation of the individual. This is especially true when no framework, goal, or guidance is provided. The purpose of a change might be something abstract like more flexibility and adaptability that is hard to measure. While culture and mindset can be described as conveying something abstract it can still be measured and utilized as driving forces behind change. In fact, we argue that it is a necessity for any large organizational change to be successful. Nykredit, as we have mentioned, is still struggling with this realization and does not utilize cultural elements in driving forth their change. For a change process to develop and become integrated, capable change managers with the adequate support behind them must be present. We have already established that such a role does not exist on the NRP-Program. This harkens back to an issue of commitment but also of resource allocation. Furthermore, the different responses from the interviewees also point towards the lack of cross-department understanding of what is important for the change i.e. there is no contextual translation between the departments. Jan, coming from outside IT, has a much more optimistic view of their progress. Meanwhile, the leaders that are on the inside of IT see the clear lack of cultural progress, therefore measuring their progress much lower. Measuring culture that one is not *involved* in is obviously very difficult.

From a conversation with one of the senior specialists on the NRP-Program he makes it clear that no resources have been allocated to actually driving the change forward. Instead, it is left up to the leaders to be agents of change. He goes on to comment on how these leaders have had no coaching in how to implement the change only that they should find a way. (Appendix 10.8.8) This raises a lot of complications in and of itself. To further complicate matters, the NRP-Program is directly influenced by multiple managers. These managers, as evident from Figure 7 think differently of the change. This is the result of dealing with a matrix organization. It looks good on paper, but in reality, it is a complicated mess, as Bjørn puts it. (Appendix 10.4, Bjørn, lines 185-191)

In another conversation as part of field note 8, a different specialist, this time an in-house specialist in SAFe and Agile, describes when leaders have their back against the wall, they tend to revert back to their old and comfortable ways, because that is something they understand and know how to work with. (Appendix 10.8.2, 11.8.8) We have seen signs of this happening in Nykredit all throughout the analysis. This is an indicator that the traditional mindset still lingers within the organization even among the managers who are supposed to lead the change towards the new paradigm.

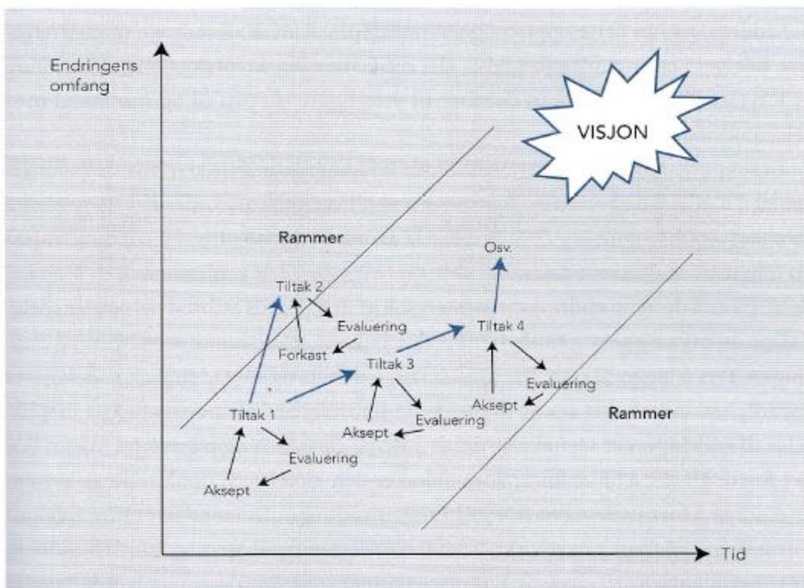
There is a general problem with sensemaking relating to the change process that Nykredit is undergoing. From the observations and interviews there exists no clear frames or goals for the change. Furthermore, no real resources are allocated from upper management to push the change. The situation is complicated. It is an old assumption within the organization, that the business department is worried that the IT-department will become too powerful if it stands alone as one of the major areas within Nykredit. This worry builds on previous experience and it has left the IT-department in an awkward position, where it is placed hierarchically quite far down in the organization with little actual power. (Appendix 10.8.1)

> *"Det er fordi at Nykredit ser stadig IT som en udgift, at det har ikke noget med og holde forretningen i live og det er simpelthen fordi man virkelig er gammeldags."* (Appendix 10.4, Bjørn, lines 32-33)

This makes alignment from the top-down difficult, as the IT-department and its leaders might have the correct mindset and approach, however, when they try to push change with the rest of the board they enter into a cultural conflict that spans many different contexts. We have both the context of the traditional versus the new paradigm. Moreover, there clearly exists a power and alignment context as well, and there is the constant influence of external contexts as well. Nykredit is very keen on comparing itself to other organisations and seeing what they are doing. At the same time, as we have learned, Nykredit is also at times very safe, and when there is the slightest doubt they revert back to what they know and are comfortable with, which is the traditional and tried methods. These conflicts explain how upper management has signed off on something they do not understand. There has been no communication or attempts at alignment, because of cultural and contextual conflicts, which means they had very little basis on making a decision in the first place. This might be a simple problem with the leader in charge of IT not having enough power to get through to the rest of the directory board and assure alignment and commitment. Regardless, this lack of commitment is resulting in a lack of a frame and goal for the change.

"Jeg ville elske at være et sted hvor det ligesom er noget, en ramme hvor du kan gøre noget. Og der er noget, ledelsesopbakning, men problemet er at Jesper han sidder så lavt i organisationen, så han refererer jo ind til David og jeg tror simpelthen ikke på at han har gennemslagskraft nok." (Appendix 10.4, Bjørn, lines 229-231)

We have identified that one of the major culprits in why the change process in Nykredit is facing problems, is that the initial vision, and consequently the framework built to surround the change direction, is missing. If we look at Jacobsen's model for incremental planning, (2018) it would essentially mean if we removed the entire framework or the guiding vision, or "lede stjernen" as Jan calls it. (Appendix 10.5, Jan, lines 281-282)



FIGUR 6.6. Strategi O – planlegging som en inkrementell prosess.

Figure 13: (Jacobsen 2018, 171)

The way we see it, when we talk about the meeting between DCI and upper management, the aforementioned cultural clash between the old and new, between the bottom-up and top-down approach, it is important to also contextualize which roles they play in this change process. If we use Jacobsen's model as a basis, we can conceptualize the frame and vision as being the responsibility of management, and the actual process as being the responsibility of the employees.

Management has not established these frameworks and visions for this change process, so it veers into different directions as the employees and the proxy change managers experiment with the change on the basis of their own understanding. As we have seen in our interviews, the proxy change managers are doing a good job of managing the change process, but the ultimate goal and frame of reference is unknown to them.

In 2017 we conducted a different study in collaboration with Nykredit. During this study we interviewed one of the leaders in Totalkredit. It is interesting to note that during an otherwise very politically reserved interview the leader pinpointed a question regarding the inherent cultural conflict of the NRP-Program, as being the most important action point in Nykredit. In the interview, the leader says the following:

> *"Fordi jeg synes du rammer ind i noget der er rigtig svært, og det der er, det kunne man sikkert været en hel del eksperter, der har meget bedre svar på, men der er rammerne for det her program politiske, og den her konstruktion med datacentralerne, der bliver de nødt til at vide, at der er nogle rammer, som ikke nødvendigvis er så agile. Der er nogle økonomiske rammer, der er rammer omkring tidsplanen der ikke er agilt, og så kan man sige, at den måde vi kommer frem til leverancerne på anvender vi en agil metode, men hvis du kigger på hele programmet i sig selv, så er der jo en governance der er meget fast defineret, program organiseringen med også et PMO, programkontor, og artefakter, og styregrupper og alt det, og det skal der være, når det er så stort et program. Så det er der en udfordring ind imellem i forhold til den arbejdsform der er meget agil, og så et program på den her størrelse, der har så stor en governance og kompliceret i forhold til datacentralerne, skal hele tiden vide, hvad de skal udvikle…"* (Appendix 10.9)

The issues we are identifying today go all the way back to 2017 and the inception of the change. Furthermore, Nykredit has seemingly been aware of issues almost since the beginning. The root-cause of the problem has yet to be identified and addressed in Nykredit, or upper management has simply accepted that the change process will stagnate and have turned a blind eye to it, which in itself is a terrifying proposition for the employees.

6.3.2.4 Sub-conclusion

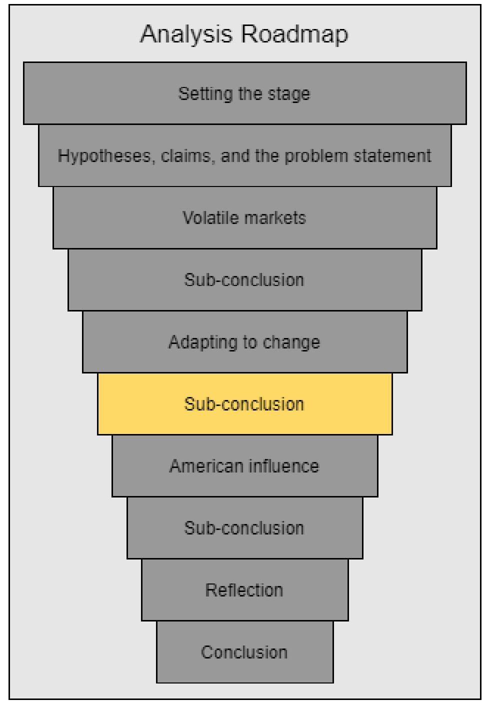


Figure 14: Analysis Roadmap, Stage 6, 2020, own creation

In this chapter we have claimed that change processes cannot be measured quantitatively and have to be measured qualitatively, which in the case of Nykredit is both true and false. It is true if we look at changes as being purely about culture, pure strategy O. However, if we are talking strategy E changes, all we care about are deterministic measurements. This puts the Nykredit case in an interesting scenario, as it is both an E and O change, depending on who in the organization is asked. We talked about the differentiation perspective, and from that we can establish that there are in fact two cultures that clash in this change, trying to move the change in different directions. However, in the meeting between these cultures and the expectation that they each hold, it becomes clear that we cannot measure the change purely in deterministic and economic terms, but neither can we measure it solely on qualitative terms, since that would make the measurements too abstract for one of the parties in this change process.

Essentially, according to the contexts which an organization lives in, it has to measure and present information and progress differently, according to who the recipient is. It is clear that Nykredit/Totalkredit have external context, partners, and stakeholders that want the organization to be profitable, and the best way for them to gauge that is via deterministic tools and methods. As was also mentioned previously, that cultural change is a hard and arduous process, and if it is to succeed when we have these external dependencies, and have internal cultural clashes between interdependent departments, the change has to be translated between cultural contexts, so that it becomes possible to build a common frame of reference and understanding of the intent of the change, and the processes which are a part of the change.

Therefore, the deterministic theories and methods cannot stand on their own, they have to be adapted to the context they are used within, especially as organizational theory moves towards a more human-centric focus. We cannot neglect the human-aspect of what an organization is and how it operates. However, at the same time we should take care to not forget that an organization has a very clearly defined goal which is to make money, which is also where the deterministic theories and methods shine and often overshadow the most important elements of the new paradigm. Many of these deterministic theories have advantages, but also their own share of problems if they are not integrated properly.

6.3.3 The American influence on Change Management

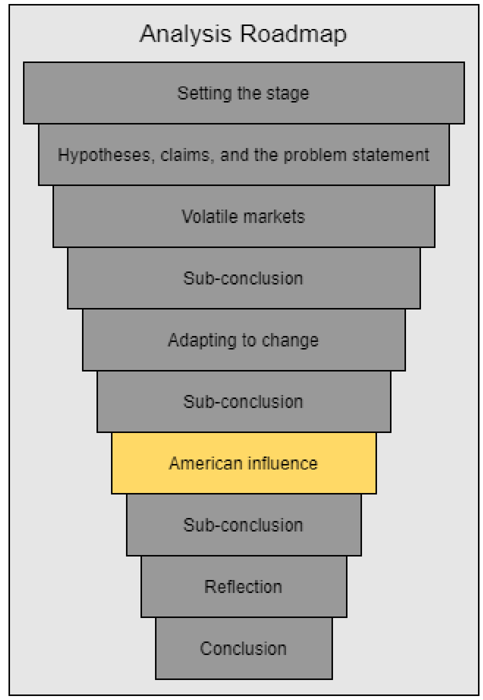


Figure 15: Analysis Roadmap, Stage 7, 2020, own creation

Throughout this study we have analyzed contemporary change management approaches as a response to the continuously changing market that organizations operate in. This was done with Nykredit as a case and by looking at the traditional and new paradigm. So far, we have seen examples of continued struggles for Nykredit to identify the root-cause of their change issues. This has resulted in change fatigue. Change fatigue leads to employees displaying levels of apathy and indifference towards the change. We see this as a result of several failed or prolonged change processes that have neglected the cultural and ultimately the human aspect of organizational life and influence.

Larsen and Rasmussen (2013) talk about the importance of sensemaking and realizing the importance of the people in the organization as the driving forces that shape strategy through their daily actions and decisions. For strategy and change to be successful, a change manager must identify how to best build competences and influence the daily processes of the people to drive change. (Palmer et. al, 2006) In the Nykredit case we see them struggle to consolidate this effort, because of misalignment and missing communication. The traditional mindset still lingers with upper management and is in direct conflict with the core elements of the new paradigm within change management, which the change implementation relies on. This conflict leads to broken sensemaking for leaders, management, and employees. Lived experiences become vital when leaders and employees have to rely on their own interpretations. However, these experiences are heavily influenced by the culture that they are trying to change, and more importantly, the culture which they themselves are from. This is paradoxical, since leaders are tasked with interpreting a cultural change but in many cases rely on their own experiences to do so, which harkens back to the culture they operate in. Ulrik pin-points the complications of this here:

> *"Det næste er, at de har meget bagud skuende kultur* <leaders>*, som fører til, at folk falder tilbage til gamle arbejdsmetoder."* (Appendix 10.7, Ulrik, lines 36-37)

The culture which leaders originate from has a larger impact on how change is, and should be, implemented in organizations than is often acknowledged. However, what is not obvious to some, is that the inherent cultural context of theories, tools, and methods are equally important when managing change, as their inherent cultural context also affects the change process.

6.3.3.1 Danish and American cultures are inherently different

It seems that contemporary organizations are neglecting context and culture more often as we move into a disruptive world where discourse, trends, and buzzword shape many organizational strategies. We have also previously talked about Jacobsen's *cognitive context*, as being problematic, as it entails organizations choosing theories and methods they *think* are correct, based solely on them being used by their competitors or partners, without considering the context they operate in. We argue that many organizations fail their changes because they neglect this contextual element. Instead organizations, such as Nykredit, simply mimic what others are doing without considering the cultural implications of their decisions. We argue that this is a fundamental issue of the contemporary approach to change management which we see as being heavily influenced by American culture. America is a melting-pot and as such its culture is hard to encapsulate. What we refer to, when we say that contemporary change management is influenced by American culture, is the theories, methods, framework, and mindsets that originate in the American market, for the American market. These elements are shaped by the experiences and the cultural understanding that the authors have.

American and Danish culture are alike in some respects, but also differ greatly in others. For this thesis, the difference in organizational culture is the most pressing, as it is directly related to how we understand business and the theories, tools, and methods that we employ. We see the American market as being the foundation of many of the current management theories. Methods such as Agile (agilemanifesto 2001), SAFe (scaledagileframework 2020), and ADKAR (Prosci 2020) are American inventions, and as such carry with them ingrained cultural understanding of how the world looks, and how it *ought* to look. This view of the world is in conflict with a typical Danish understanding of the world. Hofstede's cultural dimensions give a surface level look at how each culture is different, as can be seen in the following figure:

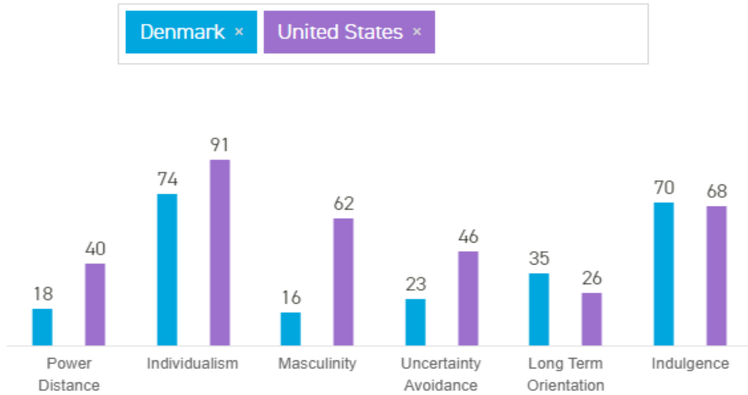


Figure 16: (Hofstede 2020)

While it may seem that the cultural distance is not that extreme, there is one major difference when we discuss how the cultures differ, especially in relation to organizational culture, which is the Feminine and Masculine dimension. While the other dimensions of course matter, this sole dimension is at the core of what we see as a major problem in change management theory.

The Feminine and Masculine dimension essentially deals with the drive to either care for those around you, something we as Danes would call *'medmenneskelighed'*, as opposed to the desire to excel and *be the best*. The main connection to our argument for theories, methods, and tools having ingrained cultural contexts is: if they originate in the US, then they will have a propensity for favoring *being the best*, i.e. favoring making the organization as profitable as possible, while neglecting the people of the organization. In a Danish context, where we have built our system around trust and care for each other, such a sentiment stands in opposition to what we would deem appropriate, according to our own cultural understanding. Danish culture is focused on the collective while the American culture is focused on creating your own path e.g. *The American Dream*.[31]

The global market has seen an increased emergence of what Jacobsen refers to as *consultant-strategy* throughout the past years. With increased globalization the Americanization of many concepts, theories, and models; contemporary organizations tend to copy what leading organizations are doing. We argue that due to the size of the American market and success of many American organizations (Fortune 2020) its influence on organizational strategy and change management is not negligible. This assumption is solidified by the sheer popularity of concepts and theories that originate in America such as Agile, SAFe, LeSS, SCRUM and the many *n*-step models such as ADKAR and Kotter's 8-step that we also see utilized and implemented in Danish organizations. The issue with these theories, models, and frameworks is that they

[31] There are no limits to what can be achieved

were often made with an American cultural context in mind. These models have gained popularity because, as the *n*-step description indicates, they are practical and by simply following *n* amounts of steps, anyone can be successful. As we have observed in Nykredit, some layers of the organization prefer these deterministic models and methods, because they are very predictable.

As an example of these predictable and normative *n*-step models, Kotter's 8 step change model is perhaps one of the most well-known within change management. Kotter's 1988 model prescribes a progression between eight steps that will essentially lead to successful change and is largely the basis on which the model is sold in 2020. Kotter's model belongs in the category of normative theories, and as such is something that is taught and sold in many courses[32] and solutions. The '8-step' model has since been updated, as Kotter himself recognizes that his original model is becoming obsolete in a continuously changing world. Kotter has replaced the 8 traditional steps with a more accelerated version that is better suited for today's organizations. An article on this updated model was published by John Kotter in 2012 detailing this new model. However, as evident from this thesis the normative mindsets and concepts live on in today's organizations. (HBR 2012*)*

In a contemporary world where the market is constantly evolving and changing, the notion of quick-fix solutions, short-term gains, long-term success, and easy to follow plans have infested organizational culture. It is no surprise, since as we mentioned, some parts of an organization, such as stakeholders, prefer the deterministic approach to maximizing profits. This is a mindset that unfortunately many contemporary organizations follow, which in a Danish context often leads to misalignment. Therefore, it is important to be cognizant of the different goals and cultural understandings that theories, tools, and methods are created on the basis of, as it has ramifications on how they are implemented and understood in the adopting organization. More importantly, there seems to be a connection between Masculine culture and that culture producing normative, prescriptive, and deterministic theories, methods, and tools. The more human- and culture-centric theories used in this thesis, Jacobsen (2018) and Gulddahl & Rasmussen (2013), are from Norway and Denmark, countries that are predominantly feminine.

Individualism is an essential part of American culture and life which ultimately influences American organizational life. When a Danish organization attempts to mimic these organizations, we have a conflict of context. Individualism is also a prominent feature of Danish culture but not to the extent that it is in America. Furthermore, the trend we see with concepts such as Agile is a move towards collective, community and teams rather than individualism. The individual is still an important factor in the human perspective of contemporary organizations, but it is important for one to be able to be a part of something

[32] When being introduced to Change Management, Kotter's 8 step change model is often one of the first theories students are presented with.

bigger. In that sense it is a move away from the deterministic methods that are still prominent in organizations today and is greatly influenced by especially American culture oriented on results.

6.3.3.2 Culture and context translation is a necessity of any change

With the clarification that indeed American and Danish culture are different it should come as no surprise that a Danish organization cannot blindly follow what is trendy among the most influential organizations without considering contextual translation and cultural differences. If these key elements are not considered, then a change is bound to face long-term complications. The Nykredit case showcases some of the consequences of not considering context and culture in contemporary change management and does a good job illustrating why it is a necessity.

Throughout this thesis we have argued that contextual translation is incredibly important when we engage in change management. We have shown that the markets that contemporary organizations exist within are always changing, and that large organizations today are often very complex due to the internal power relations and differing cultural perceptions across departments. We have shown the importance of aligning the different layers of the organization to better foster change, but there are more external factors that should be considered and taken care of when we talk about contextual translation.

It is important to note, that in this thesis we distinguish between two sets of cultural distinctions that affect organizational change. We showed that there are *internal* cultural differences i.e. the differentiation perspective of the different departments in Nykredit, however as we have shown in this chapter, there are also *national* cultural differences that play a role in the change process.

We can further segment these into two areas of cultural significance, the *practical* culture, in how the internal power relations and power struggles play out within an organization, and then the *theoretical* culture, which is played out in the form of the theories, tools, and methods that the organization uses and how they can conflict with the *practical* culture.

We posit that methods and theories are heavily influenced by the culture they originate in, and that means they are not always fully compatible as is. Jacobsen (2018) termed these traditional theories as normative, as they were too generalized for use in the contemporary organization leading not to a *one-size-fits-all* theory, but rather a *one-size-fits-none*. We see these theories not only as highly normative, but also as highly prescriptive. As we have also previously shown, some elements of Nykredit tend to favor the more deterministic theories and methods because of their quantifiability. However, this mindset is outdated and does not lead to sustainability and successful change processes on their own. These deterministic theories do not consider culture or the human aspect of organizations. These elements have become crucial as the driving forces behind contemporary organizations and the theories and approaches deployed must reflect that for them to be successful.

6.3.3.3 Change management theories belonging to the 'Management as Control' image cannot stand alone

In the previous section we argued that; when organizations look to make changes their approach to contemporary change management is often influenced by what seems to be the easiest solutions. Organizations favor the *n*-step solutions, because the normative and deterministic tendencies they are based on are easy to implement. If everyone else can do it, then so can we. This plays directly into the generalized American theories and models, which are based on American culture and experience, have become a staple of contemporary change management. However, while these theories promise, and sometimes deliver success, they do not address the problems that the contemporary world poses.

Previously we have established that the world is constantly changing and that organizations must adapt their strategies and mindset in order to deal with this reality. A change in mindset indicates a change in culture, which is not something organizations can achieve through traditional means. We argue that these *Management as Control* approaches and traditional theories are becoming obsolete, as all they do is deliver quick-fix solutions and push the actual problems ahead of the organization. This will ultimately culminate in a devastating way if it is not addressed. We see examples of this in Nykredit, where change fatigue, increased turnover rate, and frustrations are the result of these old mindsets conflicting with the new.

> *"Det gør jo, at der kan komme ændringer til teams og sådan noget. Der har også været nogle ændringer, dog mest på grund af opsigelser."* (Appendix 10.3, Anne, 280-282)

The contemporary market is harsh and disruptive. When new challenges are seen from a management perspective it can be difficult to identify how best to deal with new situations, especially if the organization does not have something fundamental in place that sustains continuous change. To overcome frequent changes, and in the hopes of adapting, a lot of organizations turn to consultant strategies. Consultant-strategies, as Jacobsen (2018) describes it, are where consultant firms are hired to implement changes within an organization. The downfall of this approach is that these solutions are very often built on deterministic and traditional methods. These strategies are meant to be simple, easy, and fast to implement. It is not something that has the time to address organizational culture or take into account unique contexts, which was also a problem within Nykredit. (Appendix 10.8.9)

Most of these consultant firms, that have their origin in the American market, sell finished products. That is, normative *n*-step solutions that guarantee success. These consultant strategies might mention the importance of culture, but it is not something that they have the time to address, and as we have already highlighted changing organizational culture does not happen overnight.(Appendix 10.8.9) Consultant strategies are often favorable to upper management, because they present easy to comprehend models and guides that are quick to implement. They sell new processes and ceremonies, not culture.

In Field note 9, we learn that McKinsey was hired to help NRP, but as we have heard in our interviews and gathered from our observations their guidance did not help. (Appendix 10.8.9) Unfortunately this is often the case, when consultants are hired in to address and alleviate complex issues relating to organizational change. Strategy E and strategy O uses consultants differently. In strategy E consultants are used as a means to solve tasks and problems, they implement the change. In strategy O consultants are used to coach and teach, they coach the change. (Jacobsen 2018, 174) In Nykredit we see them moving away from strategy O and towards strategy E in regard to how they employ consultants. The root-cause of the problems are context dependent and without thorough insight all you can do is comment on the superficial and pragmatic. In the Nykredit case McKinsey was brought in to help with the stalling change progress of the NRP-Program. According to Anne, they made suggestions which Nykredit tried, but ultimately deemed that they were not mature enough for yet. (Appendix 10.3, Anne, lines 399-400) From our observations, we see that the people on the floor were very vocal about the suggested changes not being feasible in a Nykredit context. (Appendix 10.8.9) It goes to show that knowledge and respect of the organizational culture and level of maturity is critical in strategizing. Which is something that consultants cannot speak to, as they do not have the necessary knowledge and experience with the internal culture.

> *"Fordi man bragte faktisk et Rumænsk firma ombord, det var en dårlig beslutning. Det underminerede faktisk mange års god QA tradition i Nykredit, fordi man afviklede på det tidspunkt det interne QA team og erstattede det med den her leverandør, som kom ind fuldstændig blank for domæneviden, selvfølgelig."* (Appendix 10.7, Ulrik, lines 82-86)

> *"Vi køber nogle ind, som vi tror på er superdygtige til det. Det virkede ikke. Så vi kom af med dem igen. Der var stor modstand mod det i starten. Så vores implementering var heller ikke noget at råbe hurra for må man sige. Jeg tror, at det er meget det med, at man er blevet ladt i stikken fra starten."* (Appendix 10.6, Mette, lines 35-36)

We argue that the consultant industry is very heavily rooted in the American market, and the theories, methods, and tools that they employ have to be so generalized that they can be used in any client organization. Instead of this resulting in a strategy that fits all, it results in one that fits none. It is obvious that this kind of approach cannot take into account something as unique and abstract as organizational culture, which is based on years of lived experiences. It is an example of why the normative traditional change management methods are obsolete in contemporary change management. With this clarification, it begs the question: why are so many organizations still going down this path? We argue that it is like the concept of a matrix organization. It sounds great and easy in theory but in practice it is complex and confusing.

> *"I matrix organisation, der flytter du jo folk rundt hvor der hele tiden er opgaver. så kan man sige du har bedre udnyttelse af dine medarbejdere og det lyder mega fedt på papir, at få det til at fungere, det fungerer ikke, det er en anden snak."* (Appendix 10.4, Bjørn, 189-191)

We showed how Danish and American culture differ, most importantly in the feminine vs. masculine dimension. We see this as another factor of why consultants are used the way they are in the contemporary organization. It feeds into the idea of getting and ensuring long-term success for the organization, with little consideration for the human aspects of organisations. Moreover, the consultant industry is a money-maker with a great amount of influence. The methods that they employ are perfectly competent, but they fall short in their implementation because, as we argue, factors such as culture and context are not accounted for, or at least are not at the forefront, of solutions such as Kotter's 8-steps, ADKAR, SAFe, LeSS and all the rest. In a post-structuralist world where the human aspect of organization is front and center, it is peculiar that these outdated mindsets are still so prominent.

> *"Sjovt nok, så er der en kæmpe efterspørgsel efter testmanagere i den traditionelle forstand. Helt vild efterspørgsel."* (Appendix 10.7, Ulrik, lines 172-173)

Test Managers here representing the traditional school of thought. Palmer writes, when describing the 'Management as Control' and traditional organization image:

> *"Typically, the organization is treated as if it is a machine It is up to managers to drive the machine in specific directions, people are told what their roles will be, and departments and business units are allocated resources (inputs) so that the machine can perform efficiently and produce the necessary products or services in which it is engaged (outputs)."* (Palmer et al. 2006, 25)

Which is a definition of an organization that is so archaic that its existence would be unimaginable, at least in a Danish context. The reality is though, that many organizations, even Danish ones, fit into this definition, at least partially. We showed that parts of Nykredit align themselves, explicitly or not, with this view of the organization. However, it should be noted that in many cases, there actually are supposed good reasons for viewing organizations and strategy with a more deterministic focus.

Larger organizations, such as Nykredit, simply grow to a size where the organization becomes so complex to manage, that the deterministic and machine-oriented view becomes easier for upper management to deal with. This is not a direct critique, but rather an acknowledgement of the complexity of larger organizations, and how slow moving they can become. It stands to reason that an organization that employs 4,500 people will never be as 'easy' to manage or as adaptable as a small organization with 20 employees. It could be argued that upper management has a propensity for detaching themselves from the lower parts of the organization, so that they are not completely overwhelmed. This is expressed through the use of more deterministic, and essentially *detached from organizational culture*, metrics that can create a more simplified and less complex way of looking at and managing the organization. However this leads to differentiation in organizational culture and when it comes time to change that culture, it becomes overwhelmingly complex to even begin to address it, which is possibly why we see that it has not been done in Nykredit.

6.3.3.4 Sub-conclusion

Contemporary change management is directly influenced by American culture and experiences, we see evidence of this from the wide-spread embrace of consultant strategies, mimicry of organizations that set industry standards, and influx of normative change management theories, models, and tools, of which the authors are most often American.

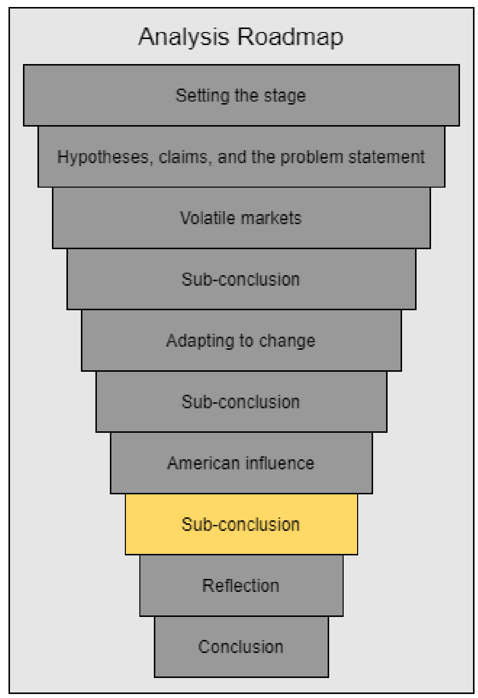


Figure 17: Analysis Roadmap, Stage 8, 2020, own creation

We have concluded that the traditional paradigm within change management cannot stand alone in its meeting with the new paradigm. The elements of context, culture, and uniqueness that stem from a human perspective on organizational life is quickly becoming the predominant factor in organizational strategy. We argue that an organization such as Nykredit must find a hybrid solution to their problems as a means to meet in the middle. Due to the differentiation of cultures in Nykredit, change is greatly complicated in the meeting between cultures, be it organizational or national. We argue that the traditional change management methods that favor process and ceremonies function in a world where organizations are still seen as machines that simply need input. However, the contemporary organization is no longer a mere machine, instead it is a collection of people with a shared narrative in the form of their culture.

Given that American and Danish culture is inherently different, and that contemporary change management is heavily influenced by American theories, models, and frameworks. It stands to reason that context translation and cultural awareness must be front and center of any change process that relies on these trendy concepts. If they are not aware of these elements of the new paradigm, then in their journey to move away from these static, inflexible traits of the *being*[33] perspective, they instead end up further embracing the traditional methodology, which no-longer fits the world they are trying to adjust to. Consultant strategies employed as a means to resolve this problem of contemporary change management is an example of why these traditional *n*-step methods are becoming obsolescent. Furthermore, the traditional paradigms way of utilizing consultants may be a problem in itself, as Jacobsen shows there is a large difference between how the two paradigms employ consultants. The traditional paradigm uses consultants to *create* the change, while the new paradigm uses them to *guide* and *coach* the change. (Jacobsen, 2018, 174) If a contemporary organization utilizes consultants as *creators* in a context where *guidance* or *coaching* is needed, then the usefulness of the consultants is severely diminished. Again, change management today is heavily context reliant, and making successful changes is entirely dependent on change managers choosing the correct solutions for their individual context, be it *internal* or *national*.

[33] See chapter 5.4

Chapter 7: Reflection

In the following chapter we will reflect upon some of our findings. In doing so we will address the prominent complications that we see with Nykredit's change process and reflect upon contemporary change management as a whole.

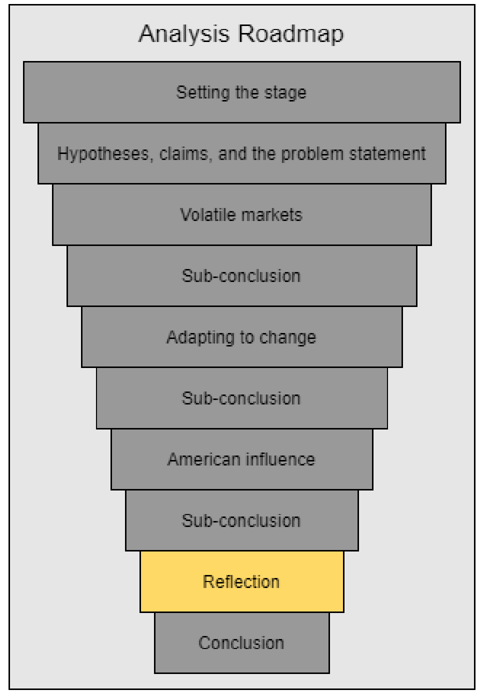


Figure 18: Analysis Roadmap, Stage 9, 2020, own creation

When talking with people in Nykredit, leaders or people on the floor, there is a consensus, that the financial industry is 10-15 years behind in terms of technology. (Appendix 10.8.8) Perhaps it can be argued that not only technology is behind its time, but also the theories and methods utilized in change management. We know, from our observations, that Nykredit has decided to adopt ADKAR as the new approach for dealing with organizational changes, but that this approach quickly results in a 30-page long recipe. The main complaint being, that it does not consider changes and it is not flexible. (Appendix 10.8.2) Due to the sheer size of an organization like Nykredit, perhaps the best approach is to generalize certain approaches, but doing so without leaving room for contextual translation is the same as neglecting the people of the organization. Doing so will result in conflict.

In this thesis we talked about how contemporary organizations tended to compare themselves to competitors and to mimic the strategies and methods employed by leading organizations without considering cultural and contextual differences. In the interview with Anne she talks about how Nykredit's agile transformation is not doing that well, but when compared to competitors, then Nykredit is more than fine.

> *"Jeg vil nok holde det lidt på 60%, men det er også fordi, at jeg kan se Nordea og alle dem der siger, at de er langt. Når man så hører hvor de er, jamen så er de jo ikke længere."* (Appendix 10.3, Anne, lines 535-537)

> *"Som jeg hører hvor andre er så må jeg sige "nå okay", altså der er ikke mange som er langt. PFA har også reklameret med alt det de kunne. Når man så hører hvordan de arbejder, så er det mere på PowerPoint rapportering, at de er kommet langt, men det er de ikke i virkeligheden."* (Appendix 10.3, Anne, lines 522-525)

Palmer et al. (2006) talk about the importance of identifying one's role as a change manager. This is important, because as we have learned, the contemporary world's need for continuous change brings with it a lot of complexity and a changing mindset in organizational processes. In the *Management as Shaping* perspective, Palmer et al. (2006) describes how managers must instill competences in the 'people' of the organization, so that they can lead change from the ground up. However, we argue that this entails cultural adjustments that must be inspired from the top-down. This supports what Palmer et al. (2006) writes that managers, who are no longer in the same position as control as in the traditional 'Management as Control' image, can still greatly influence change results and direction by instilling the right competencies in their employees. Nykredit does not appear to have any assigned change managers, instead upper management is approaching the change from an *image of director* perspective. That is with full control, planning, coordination, and actions. This is a very traditional approach and one that does not align with the change that Nykredit is trying to implement, it is similar to creating an O strategy change with an E strategy mindset.

In reality, the proxy change managers that have become unofficial change managers can be identified by the 'Change Manager as Interpreter' image, that is the managers are in a position of creating meaning for the employees and interpreting the reason and purpose of the change. The managers in Nykredit have little control and are tasked with their own interpretation and implementation based on these interpretations.

> *"Men sådan en NRP i fuld agil organisering, hvordan ser vi så ud om et år, det billede har vi ikke. Det eneste vi har at arbejde med, det er de konkrete actions, som vi kan tage lige nu."* (Appendix 10.3, Anne, lines 169-171)

There are obvious problems with this, especially because, as we learn from our data, we are dealing with multiple proxy change managers possibly identifying with the interpreter image. These are all left to their own interpretations. Palmer et al. (2006) writes that a typical problem of this Change Management style is that:

> *"However, it is likely that there will be competing meanings within the organization of the same events and actions, especially given that there are differing groups in organizations not all of which share the same interest and understandings."* (Palmer et al. 2006, 31)

We see this exact conflict unfold in Nykredit. Not only do we have a complexity due to the inherent matrix organizational structure of Nykredit, but also because several leaders have assumed positions of change interpreter. There are also the contextual and cultural differences both horizontally and vertically in the organization that all have conflicting agendas i.e. the differentiation of the internal culture. Palmer goes on to write that such a construction often leads to only some meanings turning into actual change intentions.

(Palmer et al. 2006, 31) This construction is the result of limited control and alignment due to mismatching contextual understandings.

Larsen and Rasmussen (2013) have built their book upon the strategy as process notion. This entails that daily actions and decisions make up processes, which in turn directly affect strategic outcomes, which is a thought that we subscribe to. In contemporary organizations that operate with continuous change, it is inevitable that strategy must be shaped by the daily operations and people of the organization. Methods and processes must be in place to support this. Truly gone are the days where management can embark upon a change and arrive at the expected result without complications and changes to the plan. In Nykredit, when change managers are left without control, and to do their own interpretations, then sensemaking is at great risk. This is especially true when multiple interpretations have to align, even more so when the basis upon which the sensemaking *should* be made is non-existent. Broken sensemaking makes it difficult for change managers and organizations to influence the daily processes and operations in the correct direction. If the change has no clear frames or visions, then trouble, frustration, and apathy will quickly follow. We see this in Nykredit, and it is of the utmost importance that Nykredit addresses these critical elements immediately as with every passing day conflicting agendas, sensemaking, and alignment digs the hole deeper.

Strategy as process is a reality and if organizations do not adapt to and utilize it as a resource, then their change processes will fail. We have talked about strategy as process in previous chapters and highlighted that change is not merely about process but also culture and context, which influences process. Of course, when we now say that organizations must embrace strategy as process, they must also understand what makes up and shapes these processes. Culture is the foundation upon which organizations are built and it makes up the context that strategy, planning, and process must be adapted to.

Previously we wrote that, *in a disruptive market so too must the organization become disruptive to survive*. Indeed, contemporary organizations must become disruptive and challenge their own inherent cultural dimensions and understandings. Culture is something inherent to each individual and something that they bring with them in their baggage, this is national culture. However, as we have covered, organizational culture is a different size and also something to be acutely aware of. Organizational culture is extremely complex, in that it dictates interpretation of organizational life, processes, decisions, visions, and much more. Organizations operate in many different contexts, and the context of the organization itself changes over time. Therefore, it is important to realize the significance of contextual translation as a means to facilitate sensemaking. Whenever something foreign enters the organization, be it new ideas, concepts, or models, it ought to go through a contextual and cultural translation to fit into the boxes that make up the organization. This takes time to do, and as such, as we have seen, is often neglected in favor of quick results.

With the introduction of change into an organization, the culture is inevitably affected. However, organizational cultural changes are extremely complex and difficult to grasp because they are based on the lived experiences of many separate individuals. As we have come to argue, such a change must be addressed through an awareness of the contextual differences that are shaped by lived experiences and cultural understandings. The organizations must identify the different internal cultures and what is essential to them. Once that is done then they can start to find similarities and break down barriers. The same goes for external cultural influences.

To us, it is evident that the contemporary organizational toolbox must include contextual translation capabilities, so that organizations can quickly adapt their strategies and methods, to reflect the flexible and adaptable mindset that it is striving for, in response to the continuously changing world. This point was raised earlier, with the following claim:

> *With this clear shift from a static to a dynamic organization that survives due to a willingness to constantly change and adapt to its surroundings, so too must the strategies and methods deployed be changed and adapted for this organizational lifestyle to be sustainable.*

The importance of this statement has been cemented even further on the back of this thesis. Concretely, it is clear that the change process in Nykredit is viewed differently by different parts of the organization. We have argued that upper management, for various reasons, look at this change as, at least partially, an E change. They see clear problems and solutions, concerning strategies and structures. However, DCI and the NRP-program see it as unclear problems and solutions concerning their culture. (Jacobsen 2018, 218) Again, as we have shown, this is another point where we can pinpoint the misalignment regarding this change.

In our interview with Bjørn an exchange around the position of the IT director, and the amount of power he does or does not have, was had. (Appendix 10.4, Bjørn, lines 46-49) Bjørn's argument was essentially that many of the problems that the current change is going through, stem from the IT directors position, the leader of DCI, not having enough power to actually make a difference in the organization as a whole i.e. he cannot make upper management take the change seriously enough, to where they introduce top-down cultural change into the organization, which leads them to being stuck doing it bottom-up. Whether this is completely true or not is hard to say, and maybe it being true or not does not matter, if this is the narrative that has been created within DCI. The apathy and negativity around the change has maybe expressed itself in the form of projecting their own inability to affect the change, onto the IT director and his inability to affect upper management due to his position. As we have shown, there was a lack of vision when the change process started in 2016/2017, and the vision has yet to be established. It stands to reason then, that the IT director's inability to affect upper management does not only stem from his position in the organization, but also from the fact that upper management is not onboard with the change.

Jacobsen (2018) calls the building of an initial vision by three factors: 'Viktig, Riktig og God' i.e. it is important to address *why* the change is important, *what* the change would require in terms of resources and *what* problems it would solve, and *how* the change will improve the organizations current situation. (Jacobsen 2018, 181-183) None of these have been addressed initially in Nykredit. The only actual reasoning for undergoing this change, that we have heard of so far, was that Agile was *exciting*. (Appendix 10.5, Jan, lines 131-137)

It is important to note, when we address what we label as traditional, much of the theory and methodology utilized in this paradigm is born out of the US. We see classic management literature, such as Fordism or Scientific management, as being predominantly American. This plays into our previous argument that the masculinity of the American culture plays a larger role in why these older methods worked and were accepted. The view of the organization as a machine was very predominant then, as is still very much alive in 2020. This has become abundantly clear in the era of COVID-19, where companies such as Amazon have been heavily criticized for not disclosing infection numbers and even deaths among their workers. (Heater 2020) (Dzieza 2020) In a time where Americans are buying stuff online at an unprecedented rate, Amazon has prioritized their profits, rather than their workers in hiring 175,000 new employees for their warehouses. (Dzieza 2020)

Furthermore, we can see aspects of the masculine American culture in the rampant anti-unionism of giant corporations like Walmart, that will close entire stores if they find out that the employees have joined a union. (Zimmerman 2000) (Greenhouse 2015) Even though business has developed much over even just the last 25 years, the American businesses of today are still very much rooted in a very traditional mindset, due to their cultural context. In Danish culture, and even in northern European culture, unions, higher taxation rates, and public healthcare are the norm because of our very feminine culture. The Danish culture is built on trust in each other, trust in our government, trust in our system, and based on *medmenneskelighed*[34] Therefore, it would stand to reason that more progressive human-centric management literature would come out of these cultures. Additionally, this further stresses our point of contextual translation of methodology and theory, since the basis upon which we understand the world is so different. Essentially, the American way to do business is more based on E strategy, while the Danish is much more based on O strategy, *being* and *becoming*, traditional and new.

[34] Interestingly, there is no good translation into English for this word

What we have called the traditional and new paradigms are not an ‘A or B’ type paradigm, it is a spectrum in which all organizations fall. Some organizations will lean more towards type A, the traditional, but may still have a lot of type B internal processes, such as Nykredit. As mentioned, the typical American organization, such as Amazon or Walmart, will be much more towards the traditional, with very little focus on the human aspect, when compared to a Danish organization’s stronger focus on the new paradigm. Even within the cultural confines, there can be large degrees of variation e.g. Nykredit is a Danish organization, yet is much more aligned with a traditional organization, with its focus on top-down, deterministic management. While the traditional paradigm within change management sounds outdated, the new paradigm can quickly become an abstract utopia. We see this in an example such as Agile, which is heavily built upon the new paradigm elements and greatly favors personal responsibility and autonomy. However, this ideal image does not fit into an organizational context and it is described as “being a bit too religious”.

> *“Det er den verden du lever i. Det er også der jeg syntes, at det agile bliver lidt for religiøst. Man er nødt til at få tingene til at hænge sammen. “*(Appendix 10.3, Anne, lines 514-515)

As we have also argued, there can be no clear determination of whether traditional or new is *best*, as what constitutes *best* is entirely based on the context in which an organisation finds itself. Therefore, we would argue that the *best* solution would not be either/or, but rather a pick-and-choose approach where organizations can create specific and specialized solutions based on their own contextual confines. Again, traditional, and new should not be seen as two absolutes, but a spectrum on which any organization lands, in relation to which theories, tools, and methods they choose to incorporate in their organization. With that being said, we would argue that keeping your employees in mind, and taking the necessary steps to properly care for them would be preferential, but that of course stems from our own cultural understanding of how the world is constructed. Ultimately a hybrid solution might be the best solution for large organizations facing complex cultural constructions. The new paradigm invites complexity into organizations, which can be difficult to overcome, especially for larger organizations. However, it is a necessity as this complexity reflects the complexity of the contemporary world. Moreover, the traditional paradigm does not account for this level of complexity, which makes it unfit in an unpredictable world.

Chapter 8: Conclusion

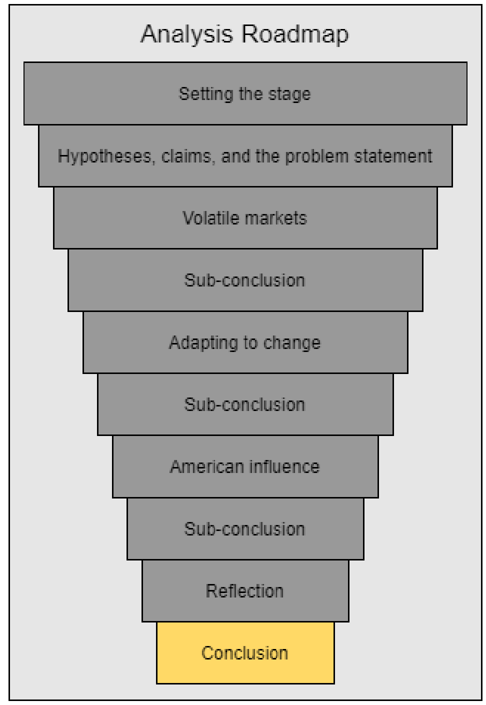


Figure 19: Analysis Roadmap, Stage 10, 2020, own creation

This thesis set out to analyze the current state of contemporary change management and how the meeting between different cultural contexts affects the practical utilization of change management theories, methods, and concepts. The thesis set out with the assumption that American culture is the leading influencer on contemporary change management practices. Based on this assumption the thesis argues that contextual translation has become a neglected discipline in a time where inherently different cultures often intermingle and need to co-exist. We see this negligence as one of the main culprits of contemporary change management and the reason for many failed change processes. Based on a case study conducted in collaboration with Nykredit, this thesis set out to address the following problem statement:

What impact does basing change management practices on theoretical perspectives, that have their origin in other cultural contexts, have on the change process and how do theories, methods, and tools made in specific cultural contexts, in this case American, affect contemporary change management and is it translatable into a Danish context?

In 2015-16 we conducted our first study in collaboration with Nykredit. The study explored change management within Nykredit. The study concluded that Nykredit had embarked upon a complex organizational transformation, which needed a lot of attention and alignment to succeed, but that Nykredit otherwise were approaching their change in accordance with the norm at the time. In 2017 we revisited Nykredit in a project regarding communities of practice and Agile teams operating under strict prioritization. In the project we wrote in 2017, we identified that the change Nykredit had embarked on two years earlier was still unfolding and had not made much progress. In fact, during our collaboration with Nykredit in 2017, Nykredit had just revisited their change approach. They had concluded that their initial approach had become too complex as the methodology and theory they based their changes on did not scale well into larger organizations. This was something we also concluded in our 2017 project. Since then, Nykredit has decided to start operating following the principles, processes, and ceremonies described in

SAFe[35]. In 2019 one of the authors of this thesis completed an internship in Nykredit ITs Quality Assurance department. Throughout this internship it was concluded that due to misalignment, lack of commitment, and lack of communication the overall quality of work and mindset was suffering. This seemed to be the culmination of years of following the same organisation and exploring its many different assets. However, throughout the internship it became apparent that the change which had begun in 2015 was still underway and had still not become properly ingrained in the organization, in reality it seemed to be stagnating.

> *"Vi står stille i vores forandring. Der er et konkret behov for at italesætte problemstillingen, men det sker aldrig. Vi fortsætter i samme retning og håber på, at vi finder ud af det hen af vejen."* Excerpt from conversation with competency manager in Nykredit regarding the Agile transformation. (Appendix 10.8.4)

This left us to wonder exactly what the root-cause of the problem was. Why had the change Nykredit had begun, not taken better shape, and become integrated by now? From our observations and later interviews, we learned that this problem was not isolated to Nykredit but seemed to be a general problem for many Danish organizations, at least in Nykredits opinion, it was not an uncommon problem.

> *"Se bare på Nordea, der er en grund til, at de har startet deres Agile transformation om 3 gange."* Excerpt from conversation with Agile specialist in Nykredit (Appendix 10.8.8)

> *"Som jeg hører hvor andre er så må jeg sige "nå okay", altså der er ikke mange som er langt"* (Appendix 10.3, Anne, lines 522-523)

> *"Man kan se BEC, de kører også agilt og de har sådan *inaudible* og har kæmpe konsulentomkostninger, man kan se hvordan de kører og så syntes jeg absolut vi er på niveau med dem"* (Appendix 10.3, Anne, lines 518-520)

> *"PFA har også reklameret med alt det de kunne. Når man så hører hvordan de arbejder, så er det mere på PowerPoint rapportering, at de er kommet langt, men det er de ikke i virkeligheden."* (Appendix 10.3, Anne, lines 523-524)

In reality the problem that many contemporary organizations are facing, is that the world they are operating in has changed over the last couple of decades. Many organizations, especially in the IT-sector, have moved away from the more traditional development methods towards more agile approaches. Traditional and Agile represent two different schools of thought and cultures. The concepts that they build on are

[35] Scaled Agile Framework enterprise

encapsulated in the traditional and new paradigms. This change is a transition for contemporary organizations and is a move from one organizational mindset - which embraces stability through infrequent changes, long-term planning, strict budgets, and deadlines - towards one that focuses on frequent changes, flexibility, iterations, short-term planning and feedback. While this touches on a specific change, and the thoughts in this thesis might not be applicable to any and all changes, we find that this transition is quite unique, yet provides a valuable example. We argue that this transition is something most modern organizations will have to go through in order to stay competitive. This is a unique change because it directly affects and is influenced by culture. This is an element that we find has been underestimated and outright neglected in the way contemporary change management is deployed in organizations. In the Nykredit case we see this firsthand. Askehave & Norlyk (2006) also write that a definition of culture that most can agree on, is that it is often underestimated and taken-for-granted. (Askehave & Norlyk 2006, 8) In conclusion we find that culture and contextual translation is a neglected discipline in change management, and one that is becoming more evident than ever, as contemporary organizations attempt to move from the teachings of the traditional paradigm towards the teachings of the new paradigm. From a perspective that organizations are machines and that culture is functional to one that sees organizations as a collection of people and sees culture as something interpretive. (Askehave & Norlyk 2006, 8-10)

Observation from a conversation with Lars, agile specialist:

> *"Ændringen til det Agile virker let, men den er ofte kompleks, og den kan være svær, specielt for den gamle skole. Det kan være svært at se, hvorfor det er bedre og billigere at være konstant omstillingsparat, og dermed risikere at arbejde på de samme opgaver flere gange, frem for at følge en fastlagt plan."* Excerpt from conversation with Nykredit in-house Agile and SAFe specialist. (Appendix 10.8.10,)

The change process that Nykredit has embarked upon is complex because it changes the fundamental understanding of how people should operate. We see these frustrations in our observations and interviews:

> *"Ja, men vi kan ikke stoppe verdenen. Vi kan ikke forsvare det. Hvad er det vi levere, hvis vi skal bruge så mange dage på det, skal vi så være agile – hvis det koster så meget, at vi ikke kan levere noget samtidig, hvorfor synes vi så, at det er sådan en fed ide?"* (Appendix 10.6, Mette, lines 107-109)

Throughout this thesis' analysis and data, we find that Nykredit is suffering under missing alignment and a lack of communication and commitment. However, this is only the tip of the iceberg and something that goes back to the experiences and cultural understandings that individuals in organizations have. In Nykredit, we see the scenario presented in the prologue unfold. Leaders become proxy change managers to fill a void, due to a lack of commitment and planning from upper management. In reality the people of Nykredit's IT-department are presented with new processes, based on theories that have not been adapted to the organizational context, and without any cohesive change narrative behind it. This leaves multiple people to interpret and make sense of a situation with no boundaries or common goals. In this situation cultural influences are critical, as the only thing these proxy change managers have to base their interpretation on is their internal cultural understandings and whatever material is available to guide them, something that is in turn influenced by external cultures. When theory is then turned into practice, we suddenly have complications as different cultural contexts collide. These complications can be both horizontal, vertical, and external to the organization. Thus, if change managers and organizations are not aware of the inherent cultural differences that they operate within and utilize, then they will have a difficult time getting to the root of their problems. It is difficult to align, when interpretations and assumptions are based on different understandings of the world.

Throughout this thesis we have argued that the world around us is continuously changing and that organizations too must become adaptable and flexible. This is something most contemporary scholars, researchers, and practitioners agree on. There is no single reason for this exponential increase in market volatility, according to Bratton & Gold, many factors are behind this. (Bratton & Gold 2018, 3) In reality, the traditional change management methods that this thesis argues are obsolete, are in *theory* the best. They advocate for stability through control and predictability. The *n*-step theories, that the traditional paradigm is built on befits a world where the future is predictable. In such a world continuous organizational changes and reiterations is a waste of money. However, to us this describes a reality that is long past its prime. However, it demonstrates how there can be different interpretations of the world and how this can lead to differences in mindsets and approaches. In the quote above, from the in-house agile specialist, we learn that especially people belonging to the old school of thought within organization and change management can have a hard time changing their views. This could explain some of the inherent cultural and mindset issues that Nykredit is facing. Upper management is simply too rooted in the traditional paradigm's way of thinking. This might even be so ingrained within them, that they do not notice it affecting their decisions, which results in issues when theory is to be turned into process.

Based on our research and the data collected for this thesis, we conclude that indeed the world is continuously changing and at an exponentially faster rate than previously. In practice this makes the future even more unpredictable than ever before, which creates an evident mismatch between the traditional change management paradigm and the reality organizations operate in. This meeting between the traditional and the new can also be described as the meeting between theory and process. For in this thesis we have argued that the theoretical mindsets of Nykredit's upper management is based in the traditional paradigm, something that does not align with the change processes they are trying to implement in practice. This problem raised the question of what impact basing change management practices on theoretical perspectives had on the change process.

We can conclude from this thesis that the new paradigm that Collins addressed in his paper (1993) does exist in 2020, but more importantly it is much more fleshed out now than it was when he addressed it. Furthermore, we have identified that while the new paradigm exists, it also clashes with the traditional paradigm for various reasons.

Throughout the thesis we have linked these paradigms to a number of related descriptors which we have summarized in the table below:

Traditional Paradigm	New Paradigm
Being	Becoming
Strategy E	Strategy O
Machine	Human
Management as Control	Management as Shaping
Predictability	Adaptability
Masculine	Feminine

We have identified a number of issues in contemporary change management throughout this thesis, that all relate to the cultural aspect of change. We have found that not only are there cultural tensions between departments in Nykredit, but also there are cultural conflicts between different theoretical viewpoints of management as a whole, based on their own national-cultural origin. This is the conflict between the Traditional and New paradigms.

It has become clear over the last couple of years that contemporary organizations must update their strategies and methods to reflect the continuously changing world around them. Gone are the days of the static organization that through control and planning alone guides its operations. When new technologies, concepts, and ideas are introduced at a higher frequency than ever, organizations must be ready to adapt at a moment's notice. This ability to adapt, as we have touched on multiple times, requires a new organizational mindset as change has gone from being a rare occurrence to an everyday possibility. The level of complexity in organizations has increased exponentially as both internal and external parameters become more unpredictable due to a continuously changing market.

As we have shown, the traditional paradigm is based on deterministic and normative theories, methods, and tools that have often been created in a masculine cultural context, where performance is the priority. Meanwhile, the new paradigm has a much more feminine cultural basis, favoring inclusion and education as their approach, with the purpose of becoming an adaptable, dynamic, and organic organization. The new paradigm fits into a feminine cultural context, where there is a larger communal focus.

The focuses of the paradigms is mirrored very directly when we look at American and Danish culture. We showed through Hofstede that the primary difference between American and Danish culture is the Masculine and Feminine dimension. The traditional is, as we argue, more directly related to American culture and American business culture, being built on a long history of traditional management theory, such as Scientific Management and Fordism. This cultural heritage is something we argue has a large influence on the traditional paradigm and how it has been historically engaged with. Today, the new paradigm is being built on values that are partly foreign to the American cultural context but is more in line with a Danish cultural context, as the new paradigm is much more feminine. That being said, we should not completely discard the notion of the traditional in favor of the new for a couple of reasons.

If we look at the two paradigms as extremes of a spectrum, the new paradigm seems to be a utopia of total freedom without restrictions and dependencies, neglecting the business part of an organization. Meanwhile, the traditional paradigm resembles a dystopia of absolute control and no regard for the human aspect of the organization. As we have also argued, these perspectives have their uses but are not capable of standing on their own in a change management context and are very dependent on the cultural context in which they are being used. If an organization wants success, it must balance the traditional and the new in accordance with the *internal* and *external* cultural contexts it operates within.

In a Danish cultural context, the use of the traditional paradigm is not an uncommon sight, as we have also seen in Nykredit. We argued that upper management's propensity for the deterministic and normative, is mainly due to them having external dependencies in the form of stakeholders, that favor the traditional due to the predictability that it entails. However, in a Danish cultural context the employees of the organization expect to be treated in a certain way, due to their own experiences and cultural understanding. If the employees are not taken care of, then they will oppose change that goes against their cultural understanding. Therefore, if a theory has a masculine basis, then it should be contextually translated into a more feminine version, so that it meets the understanding and lived experiences of those that it will affect. If this is not done, counter-narratives will start to form within the organization. So far, the resistance that has shown itself in Nykredit is primarily apathy and negativity, while leaders argue over what direction the change should go. When the people that are to drive and embrace change are not included or considered in the change process, then it is bound to fail in a contemporary organization where the human perspective determines organizational success more than ever.

From a cultural viewpoint, we can say that the performance driven world of classic business was an indicator of it being inherently masculine. However, we live in a widely different world today, a world more open to other forms of expression, even in the way that we do business.

Many older businesses still have their roots based in the traditional e.g. Nykredit, in its current iteration[36], dates back to 1985. The age and size of the current Nykredit means that it is resistant to change, because the organization becomes slow and bureaucratic. The organization loses a lot of its adaptability through its size alone. In a contemporary Danish context, the traditional should not be the basis on which an organization is built, but often it is. While we can lament this seemingly rotten foundation, we should not cast out the concept of changing such an organization as Nykredit entirely. As we have shown, the main problem in Nykredit's case is simply that the necessary steps towards a guiding vision for their change were never taken. We wanted to find out why this was, and so far, it would seem that the most likely explanation is simply:

> The abstract nature of Agile development was hard to formulate into more traditional terms; therefore it was never formulated at all.

With how this change was started, and how it by that consequence is now being led, it is bound to fail if corrective steps are not taken. They are essentially building their castles on sand.

The overarching problem for change management is that the traditional mindset, which is very disinterested in culture, clashes with the new mindset, which mostly focuses on culture. We have argued that while these paradigms often clash, neither can stand on their own. Furthermore, we also found that some parts of the organizations have very valid reasons for favoring the traditional mindset. This is in part due to the normative and deterministic *n*-step theories being 'easy' to use and implement, and them being sold as 'solutions' by consulting firms. However, with how complex the contemporary organizations is, especially as we have moved from a view of the organization as a cohesive, singular, and stable organizational culture, towards a view of the internal culture as being a web of many different cultural understandings, we can no longer engage with organizational culture via a functionalist approach.

[36] Nykredit as a business date back to 1851

This cultural aspect of the organization and change stands almost in opposition to the use of the deterministic and normative theories, tools, and methods because they often engage with culture in the functionalist approach.

The solution is then, to create organizations that are ambidextrous. Organizations that are capable of both contextually translate from one part of the organization to another, but also contextually translate the theories, tools, and methods that they employ, so that they match and align with both the organization and their employees. The organization should favor not stability through predictability but aim for stability through *adaptability*. If something unexpected should happen to the organization, they should be deft enough to deal with it in a manner where it hardly affects them. Change is something the organization should live, not fear. Change should not be seen as chaotic, but rather as a part of organizational life.

Based on this thesis' findings and the problem statement raised therein, we have reached the following overall conclusions, when attempting to address the following problem statements.

1) What impact does basing change management practices on theoretical perspectives have on the change process.
2) How this is affected when they have their origin in different cultural contexts.
3) How theories, methods, and tools made in specific cultural contexts, in this case American, affect contemporary change management.
4) Whether it is translatable into a Danish context.

- In the traditional change management paradigm theories, methods, and models are often based on *n*-step solutions, as we have referred to throughout this thesis. This indicates that by following certain steps, as described in these theories, success is guaranteed. This sounds great on paper, however, as we have argued these steps have a tendency to the normative and generalized, even too much so. This is the result of these theories, methods, and models having to be applicable in every organization. Given that contemporary organizations are more complex than ever, and that the arena they operate in is equally complex, these theoretical principles are not easily applicable in practice. Theory must be adjusted and adapted to fit the context that makes up the practices and ultimately the processes of an organization. Therefore, we conclude that basing change management practices on theoretical perspectives has a great impact on change processes and organizations as a whole. If a change manager neglects the cultural background and context that these tools were created for and simply try to turn it into practice, then they will experience tensions and a muddled change process. However, by embracing the discipline of contextual and cultural translation the impact can be turned into a positive rather than a negative.

- In the Nykredit case, we have identified that missing results stem from missing alignment. This is the result of a lack of proper change managers who have correctly identified their roles as managers of change. We argue that this is the result of a lack of resource allocation. It is evident from the data, that no plan or strategy was set in place for the change process. We see this then as the result of missing top-down communication and commitment. Nykredit is looking into a change that has a large cultural element at its foundation. This is in direct conflict with the existing cultures within Nykredit and is one of the downfalls of the differentiated culture. In conclusion, we find that Nykredit is missing a cohesive change narrative, which is the root-cause of their stagnating change process. Culture and context are supposed to be carrying elements in this narrative, but they are completely missing. Nykredit must address this immediately to put the change back in motion. Upper management has to address the change that the organization is undergoing. They must set the boundaries and present a cohesive vision for their change managers and agents to follow. Upper management has to embrace a new mindset, one that aligns more with the new paradigm, than with the traditional.

- We find that the American influence on contemporary change management is inherent in the traditional paradigm. The American market is one of the leading global influencers due to its size and reach. Many of the theories, methods, and tools in the traditional paradigm's toolbox are American inventions, and therefore carry with them an implicit view of the world, and a view of what is '*correct*'. We can trace this all the way back to the birth of Scientific Management and Fordism, which paved the way of how management as a whole look today. The deterministic and normative approach is a consequence of how American business has developed over time, and how consulting firms and the culture around them has evolved. Historically, there has been a need for consultants as *change makers*, but the contemporary organizations have a need for consultants as *change guides*. The traditional way is one of predictability and stability, but with how the contemporary market looks today, it is simply not a realistic approach to change management, or management as a whole.

- It is clear that the traditional paradigm cannot stand on its own, due to how mismatched it is in form and function to how we see the world today. However, we also argued that the new paradigm represents a Utopia and if followed to the extreme will likely hurt an organization's ability to function. We have concluded that the traditional approach to change management is ideal in a static world that is ever predictable. Unfortunately, that is not a reflection of the world we live in. Therefore, organizations must find a healthy combination of the two and through contextual and cultural translation find the best way for them to adapt to this new reality.

- If we choose theories, methods, and tools, we should not choose them from the traditional paradigm's toolbox alone, as they do not fit with the contemporary market and organization. However, we can see that not all organizations are developed to the point where they either can or feel safe in letting the traditional paradigm go. Change is slow in larger organizations, especially if they are also old, but in time they will either develop and embrace ambidexterity and adaptability or stagnate and end up in *In Search of Excellence Vol. 2.* While picking *n*-step models should be avoided, every theory, method, and tool that we rely on, be it a recipe book or a new concept, should be subject to contextual and cultural translation. In that sense everything should be seen merely as a 'guide'. This is especially true for the theories that build on deterministic perspectives, as they greatly lack in the human and cultural aspect. However, even for the newer models, that were based on elements in the new paradigm, contextual and cultural translation is important. We see it in Nykredit, as they recently decided to use ADKAR. (Appendix 10.8.2) This still should only serve as a guide and requires its own internal adaptation for each project or situation. It is not something the organization can blindly apply to everything without consideration. Contexts change even those internal to the organization and so too must our strategies.

- Anything is translatable into a Danish context if the necessary steps are taken. In the case of theories, methods, and tools, we can translate them quite easily, if we know what cultural context they have, and what the cultural context it is being translated into. The question is entirely if organizations see the value in doing so or would prefer taking something wholesale and implementing it like *"laying a blanket over the organization"* as one respondent called it. If we implement something that is so culturally contingent, we risk a great deal of misalignment and complications if we do so haphazardly.

- We see organizational change as something unique. However, the theories, methods, and tools that inspire and dictate change processes, are rarely unique in their initial inception. In fact, they are often normative and generalized, which makes them able to fit everyone. This is in conflict with the fact that organizational change is unique. While the elements behind change processes are not unique, the way they are influenced by culture and context makes the change processes unique. In conclusion the theories, methods and tools utilized in organizational change processes must be translated to fit into the uniqueness that is the overall organizational change, thus making the change process unique to the organization.

- Internal to Nykredit is a new department called People & Identity, we hear about it in Field note 2. (Appendix 10.8.2) This is the internal department responsible for contextual and cultural translation. This is a rather new department; it is also in charge of internal change processes. The department relies heavily on methodology and models like ADKAR to guide projects. However, this department is quite new and still perhaps needs a bigger focus on cultural influences. Moreover, it needs to connect top-down as well as bottom-up. Nykredit gains nothing from them strictly dictating how change should be implemented or perceived. If the employees are not taken into account, then they will resist change. This department is doing their best, they have had courses in ADKAR (Appendix 10.8.2) and know to merely use it as a framework instead of a strict rule set. However, with the establishment of such a department, it is extra important, in its role, that it recognizes the cultural influences on change processes. Currently, judging from the observations, they are merely 'helping' communicate changes to the organization in a broad sense. They need to be a link between the projects, people, and upper management. Right now, what they decide and communicate is based on models alone. (11.8.2)

- Specifically, contextual translation is the act of taking into account complex cultural relationships both internally and externally to the organization. The point is to establish alignment within the organizations departments, hierarchies, and between leaders and employees. It is also considering the national cultural context, which we argue is extremely important when we select the method, theories, and tools that we use. They have an implicit goal orientation that has a precise use, based on their national cultural origin. As an organization, and as a change manager, we need to acknowledge what that goal orientation is and whether it can be combined with our own national cultures and internal organizational culture. If it cannot, then we can pinpoint where the differences and discrepancies lie and adapt it via contextual translation. Contextual and cultural translation is then simply a discipline of recognizing, analyzing, and adapting cultural contexts to fit into our own context, or align with our cultural interpretation of the world.

For Nykredit, we would suggest creating a cohesive change narrative to ensure alignment of their internal agendas. Upper management has to communicate the vision and framework of the change process that they have initiated. This alone will align the change managers that are currently pulling the change in different directions, which is currently halting the change process. Communicating and committing to the change and creating the necessary environment for proper sensemaking is crucial, and not doing so has led to the unfortunate, and avoidable, circumstances that Nykredit currently find themselves in. Had they done so proactively, they would have avoided the apathy and negativity that current lingers in Nykredit, but it is not too late for them to course correct.

In aligning the organization on a consolidated path, the discipline of contextual and cultural translation is crucial. Contextual in the sense of where the organization is right now, what is important to us as an organization and as a collection of people, what are our possibilities and capabilities. Moreover, where do we want to go and how do we get there? Internally, change managers and upper management must be aware of culture both horizontally, i.e. between departments and change managers, but also vertically through the different hierarchies and layers of the organization. Only through complete alignment and commitment can a change such as the one Nykredit is going through be achieved.

Something that was brought up during our interviews, was that there was no center of excellence at the top of the organization, to guide changes and align different departments. This is a possibility for an organization such as Nykredit, but it is not without its own problems as it would take time and resources that are hard to justify the expenditure for, unless a proper case for such a unit can be made internally. Conceptually, such a department would wholly deal with the contextual translation of foreign theories, models, and concepts in both the *external* dimension, but also in the *internal* dimension. The main workload would be to ensure internal alignment between departments, ensuring a cohesive and well formulated continuous change narrative that allows for greater adaptability. Essentially, this would become a department dedicated to accelerating change and adaptability. This is essentially what the 'People & Identity' department should be, but they are so far off the mark at this point, that it is hardly comparable.

Nykredit is currently utilizing what we refer to as Americanized concepts and theories. That is theories and models like Agile, SAFe and ADKAR, to mention a couple. Nykredit has to realize that these were all designed by Americans for the American market. While they advocate for and introduce processes and ceremonies that fit the new paradigm, they are still normative in their construction. These examples are still recipe books, and it can be argued most theories, methods, models, frameworks, and tools are, that is their inherent purpose. However, it is also important to realize the importance for these, to translate them to fit into how we can, and want, to use them. This is still a neglected discipline and one Nykredit needs to address.

We see the Nykredit case as an example of how a contemporary organization approaches contemporary change management. We have identified many complications with this approach and have addressed some of the short-comings and what we see as the main culprits. This thesis serves as an example of an extreme case of contemporary change management in practice within a large Danish organization, and goes to show that while we have progressed from the early formulations of the new paradigm in Collins' 1993 paper, we still have long ways to go before it becomes substantial. Paradigmatic change is slow, but as we see in Nykredit it is under way, it just has some kinks to iron out along the way. All in all, culture is *vital* in any change, and not considering or engaging with it at the start of a change is catastrophic. In time, the contemporary organization may end up being wholly driven via the new paradigm, but as it currently stands, the Traditional and New paradigm have to be run in a hybrid solution, so that upper management and stakeholders are convinced of its importance when running a contemporary organization.

Change is a constant in the human experience, something which we can never be free from. Likewise, organizations should not defer from embracing continuous change as part of their DNA and *culture*, as their continued survival may yet depend on it.

Chapter: 9 Bibliography

Agilemanifesto. *Agile manifesto.* 2001. https://agilemanifesto.org/ (senest hentet eller vist den 31. May 2020).

Andersen, Emil Sloth. *Opråb fra djøf'er: Åbne kontorlandskaber er helvede på jord.* 11. February 2019. https://politiken.dk/debat/debatindlaeg/art7021567/%C3%85bne-kontorlandskaber-er-helvede-p%C3%A5-jord (senest hentet eller vist den 13. May 2020).

Atkinson, Paul, Amanda Coffey, Sara Delamont, John Lofland, og Lyn Lofland. *Handbook of Ethnography.* SAGE Publishing, 2001.

Atlassian. *Report: agile is the competitive advantage for a digital age .* u.d. https://www.atlassian.com/agile/advantage/agile-is-a-competitive-advantage (senest hentet eller vist den 10. 1 2020).

—. *The agile advantage.* n.d. https://www.atlassian.com/agile/advantage (accessed January 10, 2020).

—. *The Agile Coach .* u.d. https://www.atlassian.com/agile (senest hentet eller vist den 10. January 2020).

Cagliano, Raffaella, Federico Caniato, Annachiara Longoni, og Gianluca Spina. »Alternative uses of temporary work and new forms of work organisation.« *Production Planning & Control*, 2014: 762-782.

Collin, Finn. »Socialkonstruktivisme i Humaniora.« I *Humanistisk Videnskabsteori*, af Finn Collin og Simo Køppe, 419-454. Lindhardt og Ringhof Forlag, 2014.

Collins, David. »New paradigms for change? Theories of organization andthe organization of theories.« *Journal of Organizational ChangeManagement, Vol. 9 No. 4*, 1993: 9-23.

Donaldson, Lex. »Organizational Portfolio Theory: Performance-Driven Organizational Change .« *Contemporary Economic Policy*, 2000.

Doval, Elena. »CHANGE MANAGEMENT MODEL TO INTEGRATE NEW CULTURAL VALUES INTO THE ORGANIZATION'S STRATEGY GLOBALIZATION AND INTERCULTURAL DIALOGUE: MULTIDISCIPLINARY PERSPECTIVES - ECONOMY AND MANAGEMENT.« *2nd International Conference on Globalization, Intercultural Dialogue and National Identity.* Tirgu Mures, 2014. 32-39.

Duncanbucknell. *The Difference Between a Strategy, a Plan, and a Process.* 12. April 2013. https://duncanbucknell.com/2013/04/12/the-difference-between-a-strategy-a-plan-and-a-process/ (senest hentet eller vist den 2. May 2020).

Dzieza, Josh. *A seventh Amazon employee dies of COVID-19 as the company refuses to say how many are sick.* 14. May 2020. https://www.theverge.com/2020/5/14/21259474/amazon-warehouse-worker-death-indiana (senest hentet eller vist den 25. May 2020).

—. *Amazon warehouse workers are outraged after a coworker tested positive for COVID-19 and they weren't notified.* 26. March 2020.

https://www.theverge.com/2020/3/26/21194739/amazon-warehouse-workers-coronavirus-covid-19-outraged-informed (senest hentet eller vist den 25. May 2020).

Emerson, Robert M., Rachel I. Fretz, og Linda L. Shaw. *Writing Ethnographic Fieldnotes.* University of Chicago Press, 2011.

Forbes. *Global 2000.* 13. May 2020. https://www.forbes.com/global2000/#12572d1d335d (senest hentet eller vist den 26. May 2020).

—. *How Can Businesses Adapt To A Rapidly Changing World?* 5. January 2018. https://www.forbes.com/sites/quora/2018/01/05/how-can-businesses-adapt-to-a-rapidly-changing-world/#539ca5e59303 (senest hentet eller vist den 8. March 2020).

Fortune. *Global 500.* 2019. https://fortune.com/global500/ (senest hentet eller vist den 16. April 2020).

Greenhouse, Steven. *How Walmart Persuades Its Workers Not to Unionize.* 8. June 2015. https://www.theatlantic.com/business/archive/2015/06/how-walmart-convinces-its-employees-not-to-unionize/395051/ (senest hentet eller vist den 16. May 2020).

Heater, Brian. *An eigth Amazon warehouse employee had dies from COVID-19.* 23. May 2020. https://techcrunch.com/2020/05/22/an-eighth-amazon-warehouse-employee-has-died-from-covid-19/ (senest hentet eller vist den 25. May 2020).

Hechanova, Ma. Regina M., Jaimee Felice Caringal-Go, og Jowett F. Magsaysay. »Implicit change leadership, change management, and affective commitment to change: Comparing academic institutions vs business enterprises.« *Leadership & Organization Development Journal Vol. 39 No. 7*, 2018: 914-925.

Hiatt, Jeff. *Prosci.* u.d. https://www.prosci.com/adkar/adkar-model (senest hentet eller vist den 31. May 2020).

History. *Industrial Revolution.* u.d. https://www.history.com/topics/industrial-revolution/industrial-revolution (senest hentet eller vist den 31. May 2020).

Hofstede Insights. *Country comparison: Denmark United States.* u.d. https://www.hofstede-insights.com/country-comparison/denmark,the-usa/ (senest hentet eller vist den 28. April 2020).

Innovation Agenda. *Staying Relevant in a Rapidly Changing World.* u.d. https://innovationagenda.asia/asset/staying-relevant-in-a-rapidly-changing-world/ (senest hentet eller vist den 7. March 2020).

Jacobsen, Dag Ingvar. *Organisasjonsendringer og Endringsledelse.* Fagbokforlaget, 2018.

Jørgen, Larsen, Mette Vinther, og Gulddahl Rasmussen. *Strategisk ledelse som meningsskabende processer.* Jurist- og Økonomforbundets Forlag, 2013.

Kotter, Kotter P. *Accelerate!* November 2012. https://hbr.org/2012/11/accelerate (senest hentet eller vist den 23. January 2020).

Kvale, Steinar. *Doing Interviews.* SAGE Publishing, 2008.

Kvale, Steinar, og Svend Brinkmann. *InterViews: Learning the Craft of Qualitative Research Interviewing.* SAGE Publishing, 2009.

Leffingwell, Dean. *scaledagileframework.* 2020. https://www.scaledagileframework.com/about/ (senest hentet eller vist den 31. May 2020).

Levitt, Barbara, og James G. March. »ORGANIZATIONAL LEARNING.« *Annual Review of Sociology* , 1988: 319-340.

Nelson, Richard R., og Sidney G. Winter. *An Evolutionary Theory of Economic Change.* Harvard University Press, 1982.

Nykredit. *Om Totalkredit.* u.d. https://www.totalkredit.dk/om-totalkredit/ (senest hentet eller vist den 7. January 2020).

—. *Organisationen.* u.d. https://www.nykredit.com/om-os/organisation/ (senest hentet eller vist den 8. January 2020).

O'Reilly, Charles A., og Michael L. Tushman. »Ambidextrous Organizations: Managing Evolutionary and Revolutionary Change.« *California Management Review*, 1996: 8-29.

O'Reilly, Charles A., og Michael L. Tushman. »The Ambidextrous Organization.« *Harvard Business Review*, 2004.

Palmer, Ian, Richard Dunford, og Gib Akin. *Managing Organizational Change A Multiple Perspectives Approach.* McGRAW HILL Companies, 2006.

Pollack, Julien. »Understanding the divide between the theory and practice of organisation change.« *Organisational Project Management*, 2015: 35-52.

Rose, Jeremy. *Software Entrepreneurship: Two paradigms for promoting new information technology ventures.* Software Innovation, 2012.

Sarasvathy, Saras D. »Causation and Effectuation: Toward A Theoretical Shift from Economic Inevitability to Entrepreneurial Contingency.« *The Academy of Management Review Vol. 26, No. 2*, 2001: 243-263.

Sarasvathy, Saras D. »Entrepreneurship as a science of the artificial.« *Journal of Economic Psychology* , 2003: 203-220.

Singh, Jitendra V., Robert J. House, og David J. Tucker. »Organizational Change and Organizational Mortality.« *Administrative Science Quarterly Vol. 31, No. 4*, 1986: 587-611.

Thompson, James D. *Organizations in Action: Social Science Bases of Administrative Theory.* 1967.

Weick, Karl E. *Sensemaking in Organizations.* SAGE Publishing, 1995.

Weick, Karl E., og Robert E. Quinn. »Organizational change and development.« *Annual Review of Psychology Vol 50*, 1999: 361-386.

Zimmerman, Ann. *Pro-Union Butchers at Wal-Mart Win a Battle, but Lose the War* . 11. April 2000. https://www.wsj.com/articles/SB955407680495911513 (senest hentet eller vist den 10. May 2020).

Chapter: 10 Appendix

Appendix uploaded separately