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PRACTICAL TITLE	**MANAGING STRATEGIC CHANGE IN AN ORGANISATIONAL CONTEXT: A CASE STUDY**
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MSc in Technology, Innovation & Entrepreneurship

Report in the module of:

MANAGING STRATEGIC CHANGE (TIE-4230)

with subject:

**Managing Strategic Change in an Organizational Context:
A Case Study**

**By
ERGEN Evangelos**

Module Director: Dr Alexandros PSYCHOGIOS

Thessaloniki – 20 June 2008

ABSTRACT

By taking the responsibility to accomplish this project, we foresee a great challenge that motivates us to make a survey and research for models and thoughts upon managing strategic change. It is true that – when studying in real cases – where customized solutions are followed, there is no a "wrong-right" relationship. However, there are a number of similar cases already applied, there is relevant experience and there is useful material that can be adopted and incorporated in the customized philosophy.

In our effort to fulfill the requested stages, it is true that we have adopted knowledge acquired from personal experience as well as information from literature review. We consider though that the current assignment has given us the opportunity to work in a much broader domain. Therefore we have focused our research in journals, technical reports and bibliography that is related to the given subject and we have tried to combine our findings with the information derived directly from the case study.

It is a great challenge, many years later, through the view of an observer, to analyze and discuss a change, experienced in a professional field, especially when you had been member of the team that undertook the relevant responsibility to accomplish it successfully.

We have decided to follow a mind-map, which is given in the introduction of our report, and illustrates with clarity the stages and its sub-parts where upon we have based our thoughts and findings.

This mind-map helped us as a guide in order to cover all requested tasks, while in parallel to follow a definite path trying to widely cover the assignment's requirements. It is a real case although for business reasons we have changed the company's name. The rest of information and processes as well as historical and financial data are all real and derived from published sources.

SUMMARY

Purpose – Our purpose is to make a research in the area of Managing Strategic Change, trying to investigate different models of change, studying in relevant material, experiencing and brainstorming, aiming to conclude in a number of recommendations based in a specific case ("Triple K" company).

Design/Methodology/Approach – The report is based in a given questionnaire which is the application tool in the survey. This questionnaire is adapted to a case study and is analyzed and discussed in details. In continuous, using the results of the questionnaire we try to compare them with literature that is related to change management.

Findings – Although the number of findings and conclusions derived were sufficient and different, we have focused in the area of human capital and its culture during the change process. The company's environment, the attitudes and behaviors are the essential components of the managing of change. This is the weakest point, where top managers should concentrate and take into consideration when designing their plans.

Research limitations/implications – Information used to support the case was true but some elements kept confidential. These data do not alter the nature of the case study. In addition, we have avoided using real names. All material processed are derivatives and conclusions of research made by various groups of authors/scientists on this issue. We have tried to include material that has approached managing of change in various ways, in order to cover the subject in a broaden manner. Personal experience was used as well, brainstorming elements and conclusions of work.

Practical Implications – This report is aiming to investigate the introduction of change in a company and the implications that have been derived. Moreover, we have tried to make a number of recommendations based on literature review and study. These recommendations target to improve the results and give possible different scenarios of the final outcome.

Originality/Value – This report was prepared as the fifth paper to submit for the MSc in Technology, Innovation and Entrepreneurship course (University of Sheffield – CITY Liberal Studies). The relevant module for which is submitted is the *"Managing Strategic Change"*, with module director *Dr Alexandros Psychogios*.

Keywords – Change, transformation, communication, training, support.

Paper type – Individual Assignment (100%)

TABLE OF ACRONYMS

KPI	Key Point Indicators
ICT	Information & Communication Technologies
IT	Information Technology
COPs	Communities of Practice
TQM	Total Quality Management

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INTRODUCTION

The purpose of this assignment is to explore the essence of strategic change through the survey of a real case, which took place approximately 14 years ago.

The objective of this case is the "Triple K" company. The information and data provided throughout this study are real, but for professional reasons, we have changed the name of the company. The writer of this assignment, had the opportunity to gain significant experience from the change introduced, as he was a staff member during the referred period and member of the team that undertook the relevant responsibility to accomplish it successfully.

Today, 10 years after the transition and implementation period, we consider it a great challenge to examine this case, with the help of the academic literature and the material acknowledged from the current course (Managing Strategic Change - MSc in Technology, Innovation & Entrepreneurship).

We have used the questionnaire given and have treated it as an application tool to extract information and knowledge. We have included only one completed questionnaire, and that was placed in the main part of the assignment and not in the appendix section. It was a strategic decision, as we consider it crucial for the development of our findings and conclusions, as well as for the roll of the reading.

Since the questionnaire was a result of two key-persons discussion who actually were self-interviewed, we preferred to present out findings throughout the main body of the assignment.

In continuous, based on the relevant literature found, we are discussing theories and models regarding change, as well as comparisons, thoughts and conclusions, which are derived from the case's characteristics.

In all assignments and reports, we use the mind-mapping approach, as this gives us a clear guider of how to develop our thoughts and support our conclusions. For the reader's convenience below we give the mind-map of this assignment (*Figure 1*).
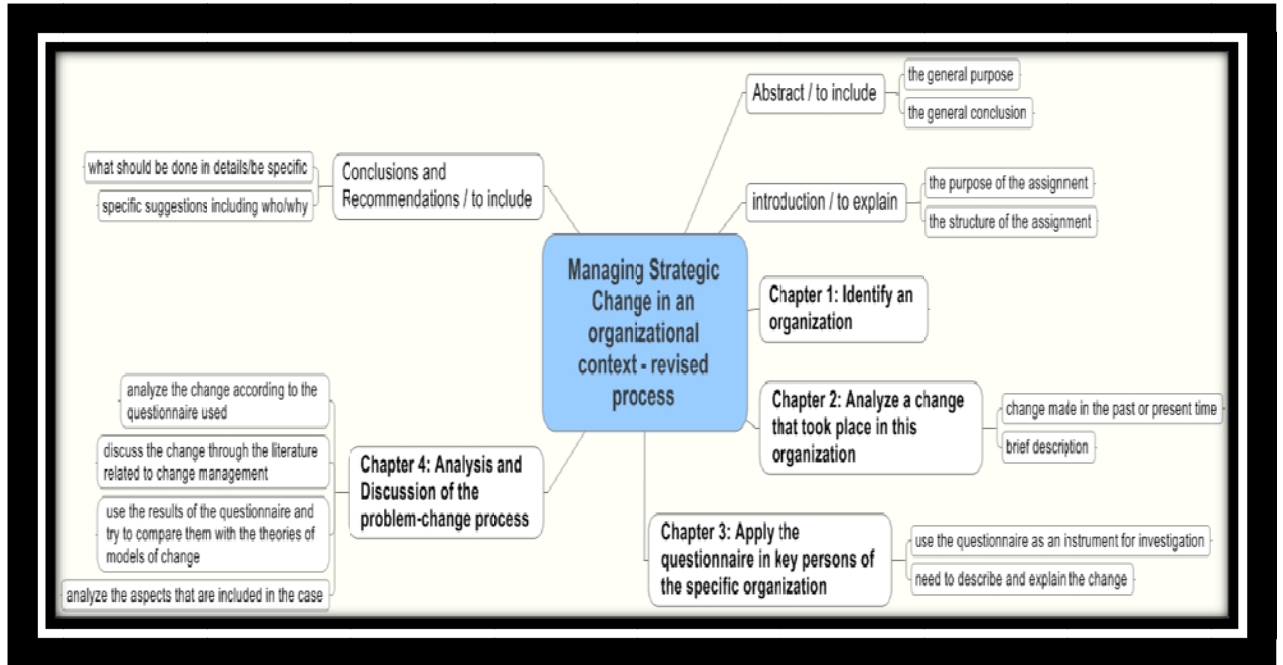

Figure 1. Mind-Mapping of the assignment and its structure

CHAPTER 1: Identify an organization

General

Company: *"Triple K" Express Worldwide Courier & Logistics Services*

"Triple K" is one of the biggest providers in courier and logistics services worldwide. It considers being a leader in the specific industry as it currently operates in 63 countries and employees around 159,000 people. It owns a logistics network in more than 220 countries worldwide, administering more than 900 storehouses and relevant hub centers. In addition, it owns a fleet of approximately 43 airplanes and 19.000 vehicles of all types.

Among them, it has a steady presence in the Greek industry since 1989. It has offices in Athens, Thessaloniki and Heraclion as well as a network of private agents and cooperators all over Greece.

National and International standing

"Triple K" is a multinational company that has a significant presence in Greece, as it is one of its primary targets in the area of South-East Europe. Greece, due to the importance of its geopolitical place and the fairly high quality level of life, has been recognized as an area of high priority.

The company employees more than 300 people in Greece, owns a fleet of 200 vehicles of all types and operates in 4 premises, which 2 of them in Athens, where are located the head offices, 1 in Thessaloniki and 1 in Heraclion.

Since 2004, the company has recognized the significance of its office at Thessaloniki, as a major pioneer for further growth in Balkan countries. As a result, big investment has been made, and relocation of the company was decided to owned and more convenient premises, where all facilities could be offered more efficiently to their customers. *The initiative*

Company Shareholders

"Triple K" is a multinational private company. Company's shares are negotiated in the Stock Markets of Amsterdam, New York, London and Frankfurt. In the capital share of the

company, there is a spread participation of other companies (not necessary from the same field), which owns a percentage of 3% to 30% in a range relevantly. There are also a percentage of shares that is split to small investors. It is a private company, very competitive and high-promising, considered a leader in its market and in addition, it continuously invests in people, technology and knowledge.

Company Administration

In multinational level, there is the Global Board of Directors which is administered by the President who is also the CEO of the company. Moreover, there is the Shareholders' Convention which meets once a year on the regular annual meeting. In the region of Greece, there is a Regional President-CEO, who is appointed by the Global Board of Directors.

Greece operates under its own organizational chart which is given at the end of this chapter (*Figure 2*).

Financial data

Based on recent data issued on 2006, company's gross sales were 10.1 billion dollars on that year. There was a 35% increase in sales compared to the previous year. Having in mind that for example, the net profits deriving only from courier services were 276 million dollars for the year 2003 and 373 million dollars for the year 2004, it is clearly understood the size of the company.

Products and services

The company offers a number of services as follows:

- Courier services
- Logistics services
- Post office services

Status of competition

"Triple K" is one of the leader companies worldwide and holds a big share in the market, although it is facing very high competition from its competitors. Actually there are three more competitors that share the global market along with "Triple K". Therefore, more or less we can talk of a specific market with pre-defined players in it.

The change introduced, was ***the restructuring of Thessaloniki's office,*** as it would provide better services based in a customer-oriented philosophy. In addition, the implied idea was to begin attracting Balkan customers from the nearby market. Last 15 years, a number of Greek companies have spread their activities in other Balkan countries, changing the competition's climate, while in parallel increasing market's share. This had to be equally incorporated by the company, which was obliged to adapt to this change.

Strategy

The company is one of the oldest worldwide, with mature philosophy and specific targets. Its expansion is continuous and the investments are focused in a number of strategic aims which are the following:

- Optimization of all provided services.
- Continuous improvement in customer service, trying to keep customers satisfied at all levels.
- Focus in being the fastest and most reliable company in the world.
- Training of employees and contribution of company in their continuous improvement, in order to achieve high-satisfaction levels. People first.
- Expansion of company's network at all aspects (warehouses, hub centers, fleet management) in order to improve the provided services.
- Development of activities dedicated to "economies of time", through the approach of "doing something correctly from the beginning".
- Implementation of Total Quality Management techniques and adoption of this philosophy in every day operations.
- Better use of technology and greater involvement of people with it. Use of technology as an added value in the company.

Corporate Social Responsibility

"Triple K" has connected its name throughout the years, with social care and offer. It is an active member of United Nations, participating in special programs related to feeding. Moreover participates in other programs related to the environment and the fight against pollution.

In addition, participation of employees to actions for the society and the environment, are strongly encouraged.

Company's vision and mission

The vision of the company is to: be the fastest and most reliable provider of services in the area of courier and logistics in every market involved (global philosophy).

The mission of the company is to create the environment and give the opportunity to its employees providing such services to the customers. Through application of quality standards, all people involved in the company can work better and are dedicated to the company's vision.

Quality standards of the company

The company is dedicated in applying a number of definite quality standards in all aspects of its every day operations. The set of standards are the following:

- Customers' satisfaction
- Excellent leadership
- Exemplary teamwork
- Good and effective communication
- People come first
- Successful co operations
- Economies of time
- Continuous improvement
- Contribution to the society

Figure 2. "Triple K", the organizational chart before change

CHAPTER 2: Analyze a change that took place in this organization

In *Figure 2*, presented in the previous chapter, we gave the organizational chart of the company, at its original stage (before the introduction of change).

In *Figure 3*, right below, we can find the revised organizational chart where it is clearly stated the change. To be more specific, as said before, the company had identified very early the significance of Thessaloniki's operation center. Although "Triple K" was established in Greece in 1989, the depot in Thessaloniki was more like an operations center than a real branch. Primarily its characteristics and responsibilities were supportive to the head offices in Athens. It did not have any autonomy and all services were actually directed from Athens.

This situation had a duration of 4-5 years, when in 1994 the decision made by the company's CEO in Athens was, to convert Thessaloniki's depot to an active and autonomous branch of the company.

This change actually implied a number of smaller changes that had to take place, in order for the idea to succeed.

Figure 3. "Triple K", the organizational chart including the change introduced

CHAPTER 3: Presentation of the case through the use of the questionnaire as an instrument for investigation

At this stage we will present the findings gathered from the given questionnaire. We have interviewed and collect information from only one person in the company. We consider it though as one of the key persons regarding the introduction of this change.

Actually he was the inspirer of the idea, in developing Thessaloniki's storehouse to an active and autonomous branch, foreseeing the challenges that would come from the Balkan area.

As mentioned earlier the final approval for the change to take place, was given by the CEO of the company. Before this action, the Board of Directors in Greece made their own proposals, giving credit or objections to the proposed change. So, a period of process and communication took place (*Figure 4*).

Figure 4. The Board of Directors ("Triple K", Region: Greece)

Our key person is the Director of Operations Department. Considering that his department was using and administering the 70% of company's resources, both in staff and premises,

we easily conclude that the specific person had acquired great experience and had a number of crucial responsibilities to fulfill. He was used to work with targets and his style was following the management by objectives philosophy.

Besides the fact that significant information and feedback extracted from the application of the specific questionnaire - as mentioned in the introduction of this report - we pinpoint that the writer of this assignment, had acquired knowledge and experience through the transition from the one status to another. Actually the writer was employed by the Director of Operations Department at Thessaloniki, to participate in the second stage of this effort and undertake the post of Operations Supervisor.

Therefore, for the completion of this assignment, two sources were used. First, the *The sources* information gathered by the Director through the questionnaire and second, the personal experience (of me) of the Operations Supervisor, who actually designed and implemented a series of smaller changes, in order for the primary target to take effect.

Before proceeding, a necessary acknowledgment should be noted. Although the change concerned Thessaloniki's branch, the questionnaire was filled under the wider concept of the company as a whole. So, the information given is focused in the total effort given trying to cover different and multiple dimensions.

The change had multiple impacts in all company's departments, both in Athens and *The duration* Thessaloniki. The project started on 1994 (from inspiration and brainstorming phase) and lasted till late 1997 (last items of the puzzle were established and the new branch was fully operable). ***Thus, the change had a three years period to be incorporated and communicated to all people involved.***

Below we give the combination of replies both of the Director of the Operations Department, who basically was located in Athens and the Operations Supervisor, who was located in Thessaloniki and experienced the actual transition and application period of the change.

We admitted that it was better to make a long interview with the interested parts, instead of simply leaving the questionnaire to be completed.

QUESTIONNAIRE

Introductory Questions

1. *Name of Organization:* "Triple K" Express Worldwide Courier & Logistics Services
2. *Sector:* Services
3. *Organization size:* 300 employees in Greece
4. *Organization Life Cycle:* 19 years in Greece
5. *Type of Organization:* Large Multinational

6. Brief description of change process to be investigated:

The company has decided to upgrade the status of its warehouse at Thessaloniki and convert it to an active and autonomous branch. The change introduced was due to the identification of Thessaloniki, as a significant pole for immediate future penetration in the nearby Balkan market.

Technology

1. Why did the company change or introduce the new system? What were they trying to achieve?

The company trying to act proactively and wishing to fully adapt to the continuous changes of the market, had organized the introduction of the specific change. This action was strictly bound to its general mission and vision, which both are aware of a global philosophy.

Maintaining a leader's place means, continuous improvement, innovative approaches, operating proactively, investing in people and embracing uncertainty.

In addition, considering that the company was facing a tough and every day competition, the chances for failure had to be minimized from the beginning of the project. *A successful conversion of a local storehouse to a branch, situated in a key area, would guarantee a*

quick penetration and initiation of business actions to the booming markets of south-east Europe.

The change had involved a number of technological improvements, as well as the introduction of new more efficient and customer-oriented tools, that had to be facilitated in the new branch.

2. From where did the pressures come for change? (Internal / External)

Willingness for change was primarily an internal force, as the mentality of the company clearly supported such thoughts. Multinational companies, especially the ones with wide split of operations in different places of the world, are easily and fast adapted to such philosophies and likewise better reacting to external threats as well.

These two factors, internal-external, are interdependent and the company's reaction to this relation, normally characterizes its level of preparation for risk and change. Risk avery is sometimes related to change resistance. Both of them may lead a company to an incremental failure and bankruptcy while in result their opposites, to high returns and success.

As we understand, "Triple K" through a healthy and broad-minded culture, accepted the external stimuli and incorporated it through a built-in internal motive for change and adaptation. Actually the top management of the company had a full consensus which is considered to be one of the essential components in every aspect.

3. What were the driving forces? (costs, competition, flexibility, quality, speed of delivery)

This question requests more details by asking to name the driving forces that drove the change. Therefore, we may conclude that the driving forces were:

- The competition and the role that could play the company in the next decade
- The customer-oriented philosophy and the improvement of services to them
- The increase of market's share and the development of a cost-scale scenario to reduce costs
- The preparation for penetration to the nearby Balkan markets, which were high-promising

- The desire to convert one small unit to a fully competitive branch, increasing in such a manner the internal company's competition, among the world's branches (develop a model branch)

4. What has been the nature of the change in terms of technology? What new equipment has been introduced and what did this replace? What change does this represent in terms of investment per employee?

The change had caused a number of smaller changes that affected all people involved in the company. One of these parts was the component of technology. For Thessaloniki's branch, this meant a total restructuring regarding the adoption and use of technological elements.

In brief, any operation that took place at the head offices at Athens should be completed as well at Thessaloniki. That affected all units.

Accounting & Cashier/Invoicing Unit (at Thessaloniki Branch)

A version of the software package named "KEFALAIO" was established and this was in synchronization with the relevant office at Athens (every night an automated feedback took place between the two systems). As a result, a new desktop pc, a scanner, a printer for printing invoices and other relevant peripherals were purchased for the unit.

The unit had access to a local network (branch network) that had been established in order to cover local needs. In this manner, the units' offices had gained interconnectivity.

The above investment contributed to the modernization of current procedures and the crucial improvement of tasks' management.

Sales Unit (at Thessaloniki Branch)

The unit had also been modernized with the introduction of a new desktop pc and the purchase of a CRM customized application (new version in cooperation with Athens' relevant office). The aim was to feed the system with useful information, on daily basis, regarding key customers as well as new potentials.

This office was connected to the local network as well.

Customer Service Unit (at Thessaloniki Branch)

The unit was equipped with a new telephone center, which could handle efficiently a bigger number of calls, managing a queue list and giving feedback on average service times as well as other important statistics.

In addition, this system was controlled by the local desktop PCs, which were manipulated by the Customer Service Representatives. This system actually was part of the customized CRM that was used by the Sales unit.

Customer service joined the local network.

Operation Depot Unit (at Thessaloniki Branch)

The unit was equipped with new smart vehicles (6 motorcycles and 6 vans) and a new Motorola system for internal communication between the drivers and the center (with license). That concerned the out-of-office technological improvements.

Internally the operations office was supported with hand-scanners to scan all packages handled during the day, which scanners were connected to a central database (tracking system) and feed it with its unique data. This information was directed to the CRM customized system. As a result, almost all offices of the branch had immediate access to the requested information.

Moreover, the operations' employees had their own desktop PCs to get track of every pack (consignment) and attend the pick-up and delivery tasks of the couriers who worked outside office.

Operations system was accessed by other units. The unit was also joined the local network as well.

Below we are giving a graphical illustration of the technology network at Thessaloniki's branch, as it was introduced by the change (*Figure 5*).
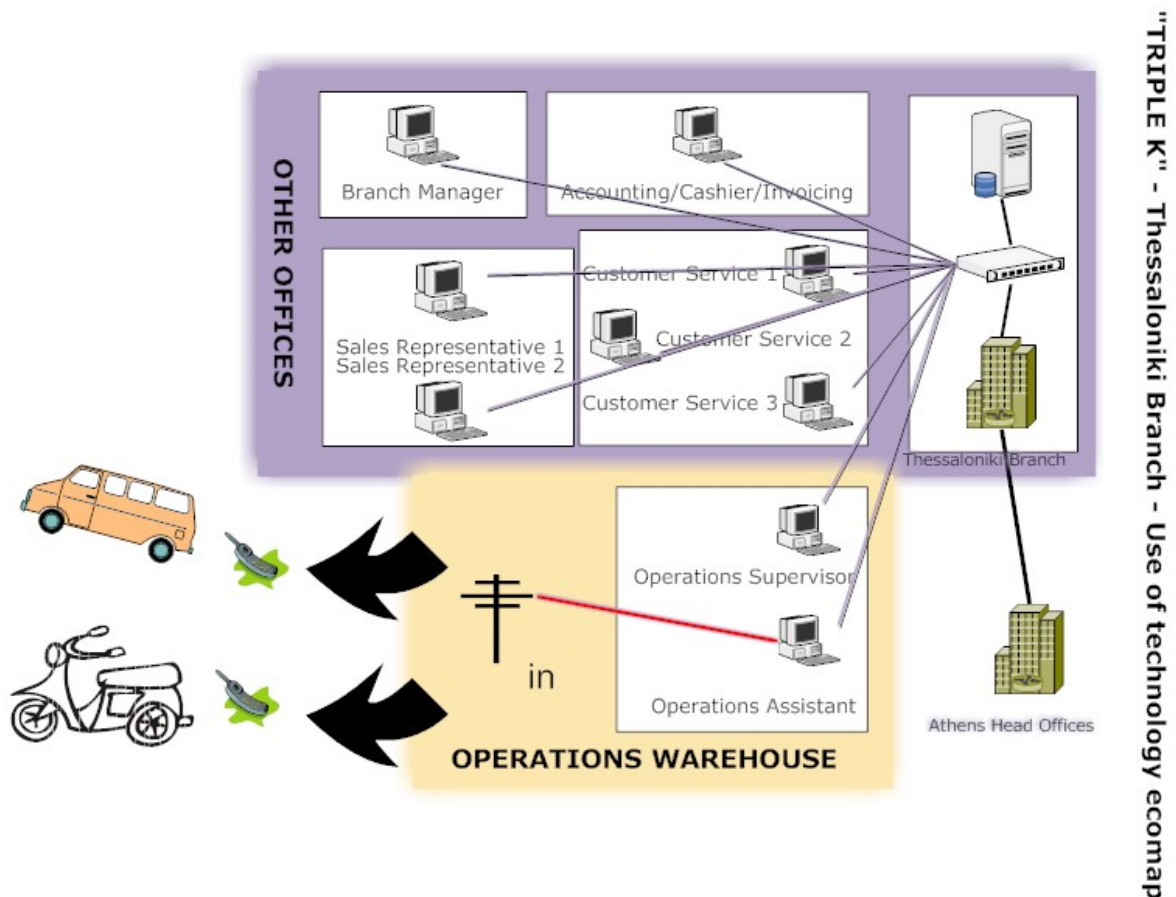
Figure 5. Thessaloniki's Branch – Use of technology

5. *How was the new system designed/developed (package, purpose-built, in house-external, expertise?)*

Actually the change introduced, was based in experience theoretically gained by other depots who converted into branches, in other countries. Regarding Greece, that was done for the first time, since in Athens the head offices were established with branch's characteristics from day one.

Concerning technology, the path followed was strict and with specific guidelines. The company in a global sense had already a "manual of branch". Therefore, the responsibility of the local Directors was, whether this had to be incorporated in all details and which adaptations had to be made evaluating the local characteristics.

So, there was more or less an in-house expertise, but not acquired in Greece. Top management had to travel to other branches, mostly in Europe and discuss with local managers in order to get a face-to-face feedback about similar occasions.

The company in Greece had outsourced all information technology issues, as this is the global policy. There was no IS department in any of branches or storehouses. Usually such co- operations are covered from a full contract which includes a variety of supported services.

6. *What are the advantages of new system from the Company's point of view?*

First of all, the specific office was expected to be fully competitive in the area. From its previous status of being just a warehouse for dispatching packs, it should be converted to a model branch.

The essence of autonomy would re-enforce people's effort for their job. The decentralization aspect would derive to better management and quicker development.

In addition, the branch should have more expert staff, better trained and better paid, as the whole investment was expected to raise gross income and boost net profits. Economies of scale and economies of time were the first objectives to be met.

7. *Benefits/results*
   a. *Company? (O/P, productivity, cost reduction, speed of delivery, quality, industrial relations)*
   b. *For employees? (job security, job interest, involvement, new opportunities)*

Creating a new cell sometimes means strong potential for growth and competitive advantage. Since the 70% of company's daily tasks referred to operations, we realize that moving a number of workload to be administered by the branch, this by itself, would increase productivity, balance costs and improve offered services.

The company was certain from the beginning that at least, in the worst-case scenario this change would improve its offered services. That was expected to be the most immediate result. So as happened.

On the other side, usually a change causes direct as well as side-effects. Human capital is always in the center of such effects. So, managers should consider possible losses and possible challenges and opportunities.

We experienced a number of losses, mostly regarding employees who did not want to adapt to or accept the new operational framework. In Thessaloniki's branch, that was a percentage of 50% of the staff in operations unit (4 of the 8 employees). In the other units staff remained and accepted the change as a way for self-improving, better-involvement and higher job interest. At least, that is what we have perceived, as no serious problems were registered or discussed.

In addition, top management had tried to cultivate the feeling that company would plan to do more for them and put them in the center of its strategy. And that was good. Employees are the definitive work-force. If you succeed in getting them by your side you have placed strong potential to grab your target.

We have faced though some behavior problems, especially during the first months of transition period. Those were sourced mostly from the fear of individuals about their future status in the company.

We addressed them as communication problems which easily could happen in every case that new procedures cause misunderstandings and temporary inefficiencies.

Tasks / Jobs

1. *In what ways have there been changes in the number and nature of job involvement?*
   a. *Changes in type and number, e.g. increased programs etc,*
      - *programs always there*
   b. *Changes in tasks/job content (assembly, testing, measuring/inspection, monitoring, planning)*

Keeping in mind that the change introduced, involved almost all staff, both in Thessaloniki and Athens, we realize that actually the internal environment of the company had changed.

Regarding the branch, procedures have changed; employees were obliged to start thinking differently while job processes in parallel were radically altered. All offices had their own impacts in their daily operations.

For example, the Accounting/Cashier/Invoicing office had now the full responsibility to register and issue an invoice for every service offered by the branch. In the previous situation the same office had just the responsibility to issue a temporary receipt and send the information to the main offices. Then the Accounting Dept. had to issue the invoice and send it to the customer.

At the new stage, staff at Thessaloniki had greater responsibility and involvement on every aspect regarding their tasks.

2. *How far has it affected the characteristics of the jobs e.g. variety, autonomy, task identity & significance, feedback.*
Use Job Diagnostic Survey to validate opinions expressed.

<u>Variety:</u> Job descriptions had been changed, as they had to include more technology and less traditional approach to their tasks. Thus, staff escaped from monotonous ways of doing things and transferred to another dimension, where new challenges stimulated their minds.

<u>Autonomy:</u> At the beginning, being employed in a warehouse, where main task is to just facilitate some operations, is not more interesting than having autonomy to manage the whole circle of task. Under the new scheme, and having strong tools provided by the latest technology, employees had the freedom and discretion in scheduling their work and determining the micro-procedures that had to be carried out for each task to be accomplished. The new branch established, was based in the philosophy that each office should be responsible for its operations and simply would report to the branch manager.

<u>Task identity & significance:</u> Each employee had the credit of his job. Limits between job descriptions were clarified, and each individual was expected to do his job from the beginning to the end, presenting a visible outcome. The use of a common CRM system, involved all people in the same framework, so any mistake or success to one of them, would create substantial impact to the work of the others.

<u>Feedback:</u> In such a system, where employees create a chain, effectiveness is a prerequisite. In addition, the information regarding this effectiveness of their performance is necessary. This is feedback. The aim is to obtain direct and clear information from the job about the effectiveness of each employee's performance.

People

1. How has the new system affected the type of staff you are looking for/need? (age, training/qualifications)

The new system had changed the job characteristics as well as the job requirements in almost all offices in the branch. As stated earlier, job descriptions were altered and adapted to the new company's requests.

People had to acquire a fairly good use of technology, had to adapt to the intensive and high-demand tasks and accept the new environment. Of course great emphasis was given to the training of our staff. During the three years transition period, all employees participated in a number of in-house seminars as well as customized outsourced training programs.

Moreover, regarding the operations unit, which employs a big percentage of staff, job requirements were radically changed. For example, it was necessary for a driver to have an at-least 5-years experience in van or trucks driving. In addition, extra skills related with technological instruments were considered as important.

Regarding other positions, a good relation with computers, a fluency in the English language and additional personal and communication skills were considered as advantageous for the new staff.

It is true that the new system had increased the level of our demands concerning potential staff's expertise and knowledge.

2. What changes are required in terms of?

   a. Knowledge (e.g. computing, machines)

   b. Skills (decision making, programming, perception)

     i.e. What sort of person is needed if system is going to work successfully?

The new system unavoidably created a set of required skills for all job positions. That was expected anyway, but the most important issue for us was to align current staff with new demands. It was a challenge for the top management to find ways of not loosing human capital, but in contrary to facilitate a cultivation of a positive philosophy among people.

The company, through the Human Resources department, made a deep survey in the skills and knowledge of each employee separately, and had concluded with a company's matrix, including this information, codified but readable.

A "training framework" was decided to take place and to include every single employee. It was clarified from the beginning that according to the job position, a special training program had to be followed. This framework included a number of learning outcomes as aims. The bottom line was for the people to acquire the proper knowledge and improve a number of skills related to their jobs' requirements.

3. What special education/training was given or is needed?

This issue has been covered so far. Through the "training framework", a 3-years training program had started from the first moment of introducing the change. Actually people were trained just before establishing the new technology, and in parallel with the change as it took effect.

The training had been focused in three axes:

1. ***Business issues,*** regarding change effects from the enterprise point of view and how these could be handled efficiently.

2. ***Information Technology issues,*** regarding procedures, techniques and knowledge about new technologies, how these can be incorporated in every-day life and how could be used as tools for ease our job tasks.

3. ***Psychology issues,*** regarding job satisfaction, job performance, personal improvement through job and administration of change from the human psychological perspective.

4. Where have you recruited people for the new system from and what problems have been experienced in getting the right staff?

Company had a strict staffing policy which followed specific rules and was based in its global mentality. People recruitment is primarily a job of the Human Resource Department. According to the job position, the HR dept. co-operates with the department in interest, trying to frame the actual needs of the position. The recruitment was done through advertisements in the internal announcement boards of all branches all over the world, as well as in local advertisements in press and relevant magazines (Thessaloniki and Northern Greece area).

As explained previously, due to the specific change, a number of employees have been found in the difficult situation of leaving the company. That was due to their negative attitude of accepting the change and adapted to the new situation. This occasion, immediately created open job positions.

Moreover, the new system had contributed in the opening of additional positions especially in the Customer Service (1 position), Sales (2 positions) and Operations (4 positions).

The HR department in close cooperation with the Operations and the other departments (which had available positions) started interviewing candidates. The main problem experienced though, had to do with the inadequate level of the candidates.

In Greece, local perception about courier services, especially when discussing about job opportunity in such a company, was that candidates is not necessary to have special skills to do the job. Moreover, the job is simpler when this refers to a position in Thessaloniki which considered being a small market.

The company had to face a paradox.

On the one side, there were *candidates* that gave low-recognition and low-status to the job, while on the other side, there were *job positions* which requested high-skilled people with communication efficiency, being at least high-school graduates (university or college preferably) and understand English language. In addition, the remuneration packages offered by the company were extremely challenging.

These two, had to be aligned and meet together within the company's limits.

The answer was, (a) close monitoring of candidate's interviews, (b) prompt them in a number of tests, (c) train them in specific procedures and (d) select the ones that had showed the expected results.

Structure

1. **In what ways have new systems required changes in organization structure?**
   What changes have been made in the type of structure employed?
   Has the following increased or decreased?

   i.   Levels-number of levels in hierarchy
   ii.   Degree of supervision involved/span of control
   iii.   Specialization- e.g. programmers/operators
   iv.   Flexibility between tasks and jobs
   v.   Degree of involvement in decision making (use check list)
   vi.   Centralization/decentralization
   vii.   Individual/group/team approach
   viii.   Independence/interdependence
   ix.   Formality/informality
   x.   The size of operation units?

   What changes have been necessary in the wage or salary structure in the new system?

The new system actually was a reformation and restructuring of company's organization chart. At the beginning of the assignment both charts have been presented (before and after the change). It is clear that the change concerned the organization of "Triple K" at a national level.

Through the conversion of Thessaloniki's office to branch, a number of advantages were achieved.

The branch had its direct representative (the Branch Manager) to the company's meetings. The supervision of each unit had moved directly to the Branch manager instead of reporting to the different Directors at Athens. Each task was decentralized as the employee was responsible for his performance and that was measured as well. Results were stayed for evaluation at the branch and nothing forwarded to the Head offices unless it was evaluated by the manager.

Decision making about branch's issues was of primary concern for local employees. The formal independence given by the Directors had authorized the staff to have extra obligations as well. All of them had formed a local team, who had to act as members of the same link. As a result the degree of involvement of staff was increased due the change of nature of their participation in their daily tasks.

Team's members were increased, as additional staff employed. This had increased the size of human capital and the communication channels in result. Thus, the professional communication got more official and formal. For example each office of the branch, had to prepare a formal report in the end of each month. That was a new task.

A new salary system was introduced as part of the change. In addition to the existed one, there were two significant changes.

Salaries were strictly connected to the initial skills and previous experience and knowledge of each employee. Moreover, a bonus scheme had been established for all offices within the branch, just in the same philosophy already applied to Athens.

Especially for the Operations office, since it would have a supervisor, a framework of Key Point Indicators (KPIs) was agreed to take effect from January of 1995. Specific targets, set each month should be reached and measures would take place to observe improvements or decreases in unit's performance.

These KPIs, were strictly related to the bonus system.

The Operations Supervisor was the person to ensure that change should be introduced in an effective way. With his presence and supervision, the span of control was specific and clear for all parts involved.

The new system increased the offices' interdependence within the branch and created a special environment, where all staff had to interact and communicate under the supervision of the Branch Manager.

Moreover, such changes had increased the team approach, because employees had to interrelate and cooperate in order to achieve the same targets, through their own responsibilities.

Introduction of change

1. How was the introduction of the new system handled?

The introduction of change was undertaken by the team appointed by the Director of Operations. At Thessaloniki though, there was a need to employ a new member who could be the liaison and the key person for supervising it. That was the Operations Supervisor.

First mission for him was to clearly understand the guidelines and ensuring that anything in the branch would guarantee the plan's success. It is true that the Branch Manager was in our plans to be hired at a later time. We preferred to keep the existing staff, got advantage of the senior employees and hired a new member as Operations Supervisor.

2. Which were involved in planning the new system?
- *Production engineering*
- *Systems analysts*
- *Personnel/training*
- *Design*
- *Trade unions*
- *Employers/operatives*

The planning of the new system was based in previous experience from other branches, where the same change had already been applied. But, each case has its own characteristics and attributes.

For that reason, the Director of Operations had created a team to assist him in the project. Following a path of guidelines, each time the team had to evaluate and decide if local characteristics could be adapted as it was given by the book, or modifications had to be made.

The team was consisting by senior employees.
The book of guidelines was a global edition, which included all handouts of similar past changes and the experience gathered from each occasion.
Top management of the company had just decided that it was the best timing to implement the change.

3. How long did it take to develop and implement the change?
As already discussed so far, the total duration of the change introduction and implementation took 3 years (from 1994 to 1997). And we mean from the idea capturing till the first feedbacks and evaluations from the fully operated branch.

4. How has the exercise been coordinated?
The coordinator in charge of this project was the Director of Operations Department. Although the decision was made by the Board of Directors at Athens, there was only one person in charge. He had previous experience; he was a well-organized manager and had top management's and other staff's respect.

Of course he had support from different sources; (a) company's guidebooks, (b) same-level managers from other branches, who exchanged information with him, (c) internal staff who were experts in technical issues and knew company's features very well.

5. What have been the main constraints and problems associated with its introduction?
- Resistance from TUs/unemployment issue
- Resistance from employees
- Technical problems e.g. programming

- Departmental resistance or conflict

- Cost implications

- Resistance from managers/supervisors

We could say that the change had come in the right moment for the people of Thessaloniki's office. The office at the time of change introduction had only 8 employees. There was no supervisor or manager. All had to report in the relevant office in Athens. In such occasion, we knew that, unofficially, *seniority* played the role of management.

It was true that the most important problem faced, at this point was, *a general change resistance,* which have been identified and it was more psychologically, than professionally oriented. Actually, most of the employees wanted some kind of change. Probably they did not specify what kind but some kind in any case.

Senior officers had a fear of what would be their new position, tasks and perspectives, since they had already acquired a type of power and a degree of respect.

6. Did you have/do you have a New Technology Agreement? – If so
 - with which union?
 - what aspects does it cover?
 - how helpful do you believe it is to have a New Technology Agreement?

We did not use a New Technology Agreement. Although this document was absent, there were a number of other means that helped us to forecast and secure a number of arrangements.

Especially in that occasion, where the company had decided to upgrade a small storehouse to a fully operated branch, there was global experience. This experience was registered in guidebooks, which had been revised to newer versions from time to time.

7. How have you handled the redundancy/unemployment issue?
So far, it is clearly recognized that the change, introduced a big investment in the local office. Primary aim was, to back up and support the branch with more expertise staff, than send a number of them to unemployment.

Although at that period, many companies were running at a downsize phase, through cutting costs, restraining operations and applying narrow-policies, *we*, <u>as a global player</u>, had decided to upsize and expand. That was a positive move. Considering that the new plan required the increase in the number of employees, it was welcomed from all parts involved, especially from the locals.

Of course, usually such decisions imply restructuring practices. Staff recruitment is the most important factor for the company. The problems we have faced were more concerned to the restructuring than any other issue.

8. ***What do you feel has been learnt from its experience?***

   What recommendation would you give other organizations contemplating this type of change?

Although the procedure of change had been guided from specific manuals, needless to say that each case has its own attributes and specialties.

The case of "Thessaloniki" had presented a number of difficulties which more or less were presented in our description so far. Special characteristics of local people and market are the most identifiable. Sometimes it is not enough to have the perfect plan of applying a new system. It is more important to perceive correctly the environment and act accordingly.

Even if a change, needs its own change and adaptation to information and knowledge acquired, throughout the whole process.

We have decided to start our operations at Thessaloniki further aiming Balkan region. Each area was a project by itself. Now, approximately 10 years later, we can conclude that, although the design of the plan was tested in similar cases and approved, we have omitted to identify some special characteristics. Those characteristics that had to do with, local mentality and attitude.

CHAPTER 4: Analysis & Discussion of the problem – change process

Our purpose at this chapter is, to analyze and discuss the change through the use of literature related to change management.

Irrespective of the size of the company, the case here is to clarify whether this change was necessary and crucial for the future of the company.

Usually, (a) *the low morale* and (b) *the attitude that management fails to react successfully to needs for change,* are the first impressions when a new idea is introduced. This idea more or less is supported by a quote we have found in a very interesting article:

> In these days of economic stringency, most changes are perceived
> as a negative impact on working conditions or as imposing an
> additional burden of effort *(Muir, 1995, p. 16).*

Risk avery and change resistance are the two components of inertia. Competitive advantage at this point would be the flexibility to adapt accordingly to meet new challenges. Therefore, the case for considering change had never been stronger, than the specific period for "Triple K".

We realize that, employees are affected by changes in terms of the way it is organized, their jobs, staff numbers, the technology to be used. Although, people know that structures and procedures may change, there is an underlying fear of change and inherent opposition to it.

In this case, top management did not face direct redundancy problems, due to the nature of change. Instead, it had faced the problem of upgrading and improving current staff regarding their skills. Actually, the restructuring demanded the operational change in a number of tasks. Although this was not beyond the scope of staff's jobs, methods and means to achieve the same results had changed.

The availability of new technology, the globalization, and the force of economic pressures, place the company in a status of continuous change in order to survive. Sometimes these changes may be painful. Nowadays *managing change is the essence of the manager's job (Muir John, 1995, p. 16).*

The company, from the very first moment, had started to compose training programs for the staff, as well as to communicate the expected outcomes from the change. Thus, parallel to the change, consultation took effect, which aimed to prepare people accepting the new situation and get used with it.

The employees' role and attitude were of crucial importance, especially when the branch was in transition period. So, management would like to achieve two things for its people:

- Retrain for new skills
- Redeploy to other jobs within the company, where this considered necessary

There is a school of thought that claims, "Do not change anything since it works properly" *(Muir John, 1995, p. 16).* This is a philosophy which tends to ignore the usefulness of the parts in a system and is dedicating only in the whole as a machine. This machinery idea motivates to do nothing, unless the machine is broken.

From our literature review, we have concluded that probably this theory has little to do with job change.

The case of "Triple K" was an issue of organizational change. Such change requests huge investments in energy, time and resources. Moreover, we accept that behind a change there is an expectation. So, the alignment among these two components is a big challenge, always placed at the forefront of the efforts.

Furthermore, we have tried to identify the framework of managing the change.

There were 4 axes used as the basic cornerstones. These elements have been found in relevant literature as well *(Oakland J.S and Tanner S.J, 2007, p. 573).*

4 axes for the change

- Leadership and its key role to play
- Definition of change and measurement of success
- People and managing the culture within the organization
- Learning and acquisition of new knowledge

Trying to detail our research around these axes, we have ended in a number of conclusions. *Change due to external drivers* First of all the change had been triggered due to external drivers.

Recognizing that "Triple K" was a global player, **market competition** and **stakeholders demand** were the primary forces that initiated the change. In continuous, internal factors such as requirement for process improvements, increase in quality, improvement in operational efficiency was added in the change matrix.

Based on our research, we have identified that the most interesting target was **to successfully communicate the strategic issues of change, to operational issues.** Nothing can be realized, unless splitting the strategic targets to daily operations and try to analyze them piece-by-piece.

At this point, is significant the key role of leadership. Top management and especially *Leadership & Project Management* people, who are leading this effort, need to **support and guide** effectively. The introduction and application of this change was a project by itself. Leadership and direction are strictly connected to the project management *(Oakland J.S and Tanner S.J, 2007, p. 575).*

The Operations Director had set from the beginning, clear objectives and clear success criteria. The Operations Supervisor was the man responsible, for the direction and the evaluation of the results on daily basis. In addition, he had the task to prepare detailed reports and send them to the Director.

The company first employed the Operations Supervisor, who actually experienced the change and he was the highest hierarchically employee in the local branch, during the specific period. Then the company employed the Branch Manager, during the late stages of change.

Therefore, the Operations Supervisor acted as the Project Manager according to the supervision and guidelines given from Athens' Head Offices.

In terms of the combination of the project management and the change process, we could accept that the company applied a number of specific policies which were:

- The project was led from the top and was carried out by medium and low level managers
- Top management embraced and supported the change process
- Reports on measurable outcomes were prepared very often to supervise the development of change

Actually *the project team* was consisted of the Operations Director (from Athens) and the Operations Supervisor (from Thessaloniki), who had prior experience and professional background to support it. But there were also *a functional team* which was consisted of senior employees. Employees' participation was considered of high importance for the company. These employees were the operations assistant, the sales officer and two more officers from Athens head offices.

Project's Teams

Needless to mention that, the Board of Directors were the consultants at this project, who had continuous feedback and provided their experience.

Thereby, the change was approached more project-based than as a simple change process.

From the interview derived that the company had applied a pilot implementation. The application of a KPIs philosophy, was crucial to start getting results and testing the system. This kind of metrics was used to illustrate quick and measurable results.

The company had applied a number of workshops, seminars, training sessions, even if one-to-one coaching, in order to train and prepare people. This action had focused in training people to accept new processes, redesign their tasks and skilled them to accomplish effectively. Processes really were at the center of the change.

Training

Training was done during the change program and probably that had a negative impact. As said, management decided that current staff had to be trained since their skills were not adequate for the new system.

However, how people's competencies were identified and matched to the new system's roles was done in consideration of three parameters *(Oakland J.S and Tanner S.J, 2007, p. 578):*

- The company tried to match process needs with people's competencies
- A gap analysis assessment was done to lead in the possible training needed
- An identification of new roles was reported in details, which were results of the change

This work was done by the Human Resource Department in cooperation with the Departments' Directors.

Another issue was the behaviors and attitudes by employees. Communication and consultation were two of the primary objectives for the company to achieve. Human capital was considered irreplaceable, thus, since the beginning of the project, top management would like to affect positively people's attitude.

In the end of a change, people are required to do things differently. This affects their behavior which in result forms the culture of the organization. If culture is negative, or presents resistances, this is a crucial obstacle in facilitation of the change.

Actually the company, tried to minimize resistance and remove barriers through its training program, the internal support of the change from top management and people's involvement and finally through the actions of key persons who undertook project's success.

We have found a very interesting figure (*Figure 6*), where it illustrates the powers that participate in the organizational change *(adopted from Oakland J.S and Tanner S.J, 2007, p. 584).*

"TRIPLE K" Courier & Logistics
The Organizational Change Framework

External Events

Leadership & Direction

Readiness for Change

Need for Change

Planning

PROCESSES

Organisation & Resources

Implementing Change
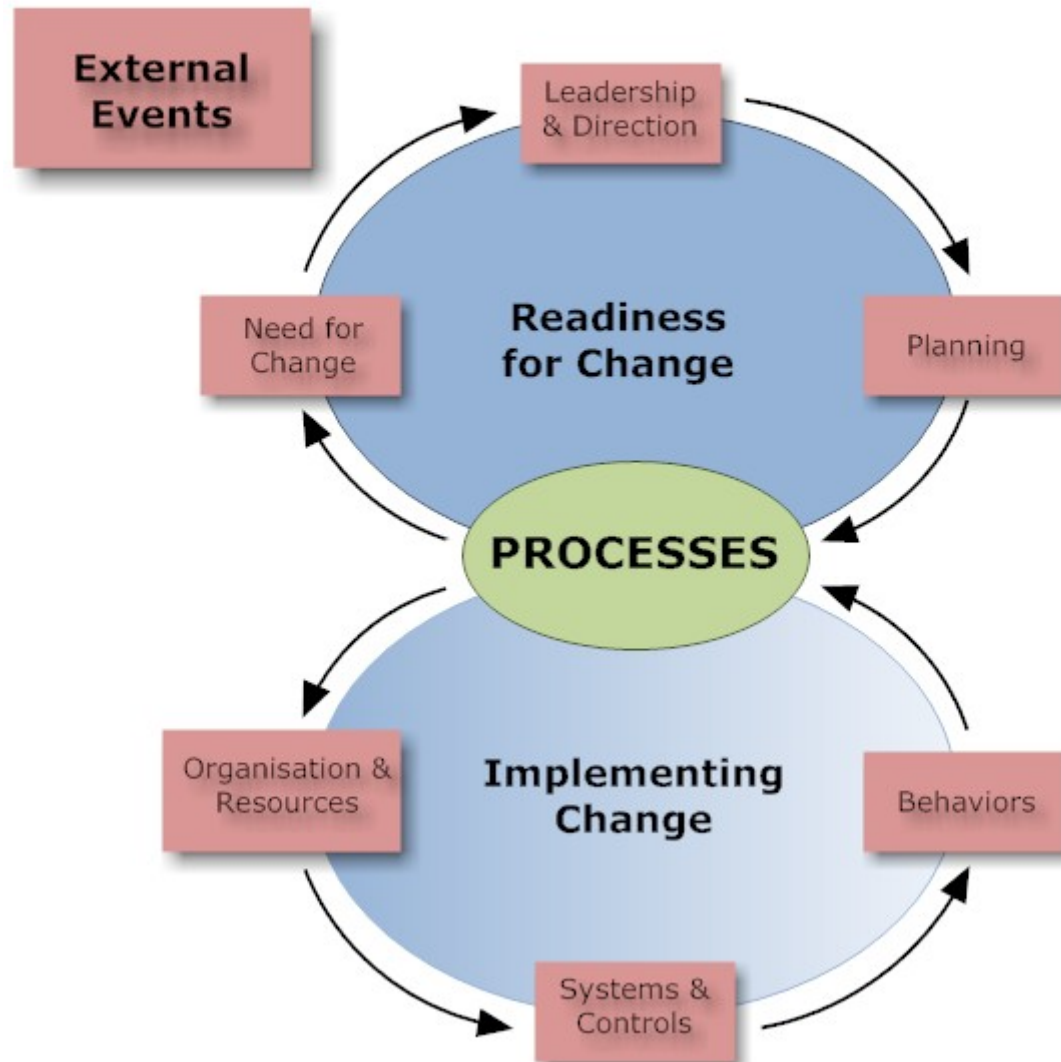
Behaviors

Systems & Controls

Figure 6. "Triple K", the organizational change framework

Recalling the change and its effects, that took place 14 years ago, we realize that the company had aimed to achieve organizational excellence through organizational change. This excellence was expected to come from ***better customer results.***

The Key Point Indicators were inspired by the effort ***to accomplish customers' demands.***

Throughout our research, we have found a dynamic model of change as described by Scott Gardner & Colin Ash (*Gardner S. and Ash Colin, 2003*), who tried to represent the variables and entities that participate in a change process, and how they interact. More or less we have recognized in this model, many similar thoughts and ideas that took place during the period of change at "Triple K". For that reason in *Figure 7*, we have copied and pasted this model.

This model is essential as represents latter theories of change, where it was admitted that organizations are obliged to bring business outcomes in a very complex and dynamic ICT-enabled network environment.
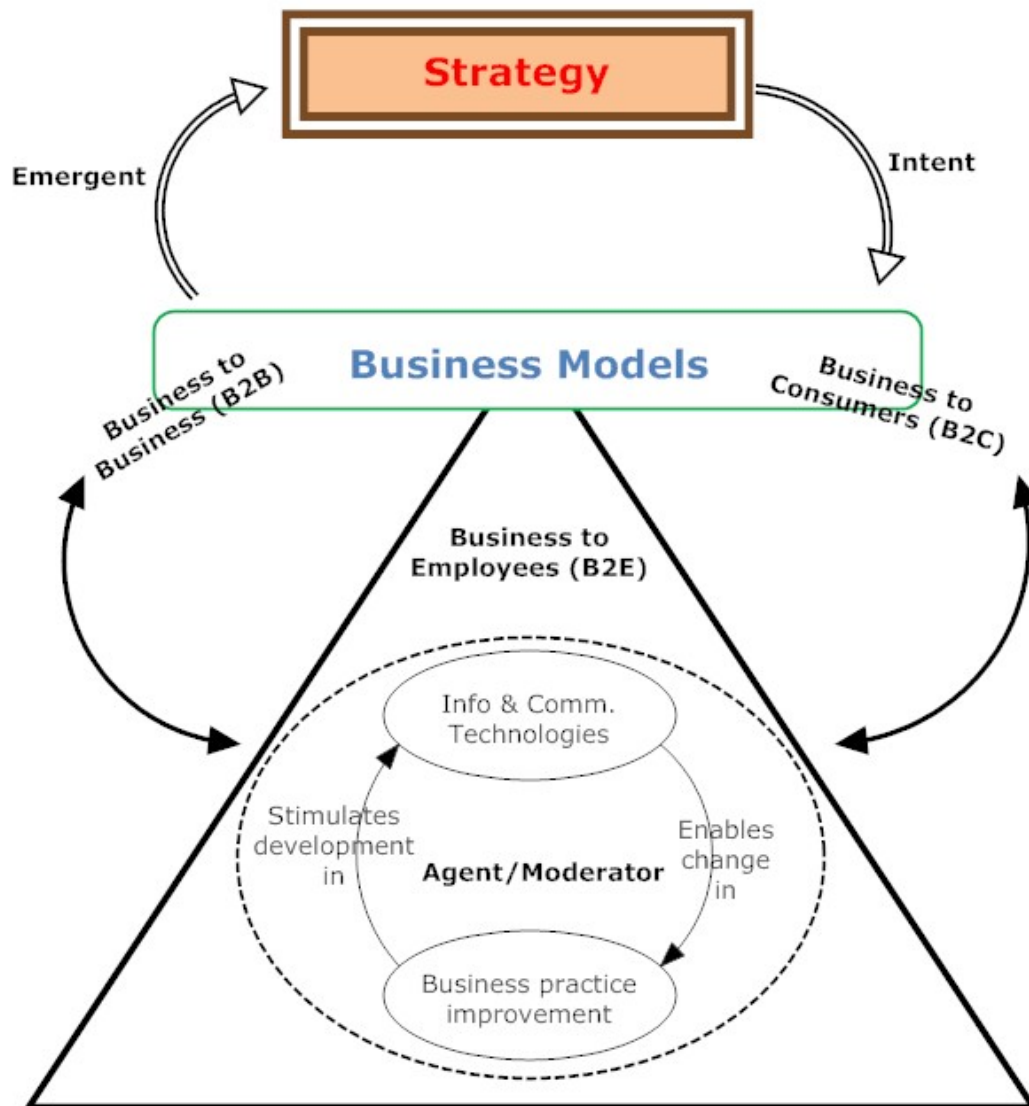
A dynamic model of change in ICT-enabled networks

Figure 7. A dynamic model of change on ICT-enabled networks

As concluded in the academic paper of *Annie Bartoli and Philippe Hermel (2004, p. 424)*, the change resistance may be caused by the lack of quality of the overall project. Barriers and problems can generate failures. If the change is handled as an innovative process and is

supported by qualitative actions (a total quality approach), then resistance will be monitored and incrementally disappear or will be minimized.

Four dimensions were filtered and placed in the center of activities, since the aim for the management was to remove the barriers to change.

- Strategic
- Structural
- Cultural
- Behavioral

Regarding the strategic and structural dimensions, it was positive that "Triple K", as a multinational company had acquainted knowledge, which could be used in the new system. Of course, adaptations should be made, but this task was undertaken by both the Director and the Supervisor.

For the cultural and behavioral dimensions, mostly were used tactics that had to do with training, communication of the changes among staff, support from the management and detailed, day-to-day approach at personal level.

Technology is a mean and as such has to be treated. IT brought some negative impacts, considering the relation between people and machines. Older staff and senior officers had reacted with feelings of insecurity and fear, but the answer was the immediate and two-way communication.

Through this chapter of discussion and aligning the case study's elements with the academic literature review, we have concluded that "the change" was not just an upgrade of the local office to a branch type.

More generally, the change would represent a modification for the company, while the innovation would be an absolute move forward going past the current field of the company considered *(Bartoli and Hermel, 2004, p. 417).*

Therefore, the specific change had real innovative elements inside, which made its management more complicated and demanding.

Complexity lies also in the holistic view of a new model for managing change, *by Adcroft, Willis and Hurst (2008, p. 40).* Therefore, it is recognized as an integral part of the change process.

Complexity

Organizations are complex creatures and they interact in a complex manner with the environment in which they operate. In addition companies are consisted of people, processes, functions, products etc. So, they include a complex set of forces. In the same way, the environment is a complex collection of forces.

Strategy incorporates strategy models, which aim to simplify and make complex things more approachable and manageable.

Through these models, managing change is affronted as a transformation. According to the holistic view, the model of managing change is based in collection of individual activities, arranged into a sequence that has an inner logic, from the beginning to the end *(Adcroft, Willis and Hurst, 2008, p. 42).*

Transform- ation

Actually, the change at "Triple K" **was a transformation** that followed a pre-defined path under its internal logic.

At this point may we indicate an ecomap structure, where we try to represent the triggers of the strategic change for a company and how it can react and manage this change to use it for its own success (*Figure 8*). This graph, was inspired by the academic paper of *Hsiao and Ormerod (1998, pp. 21-52),* regarding the technology-enabled strategic change.

Resistance to change was mentioned earlier in this discussion but let us add another dimension in the analysis of this factor. People working in the company could be considered as organizational members. These members behave in a defined manner during their professional time and – why not - may act similar to actors. Just like the actor who sometimes has a dilemma crisis of which role to choose, employees produce such behavior in front of a change.

There is a dilemma of being positive, negative or present the picture of a balanced coping ability.
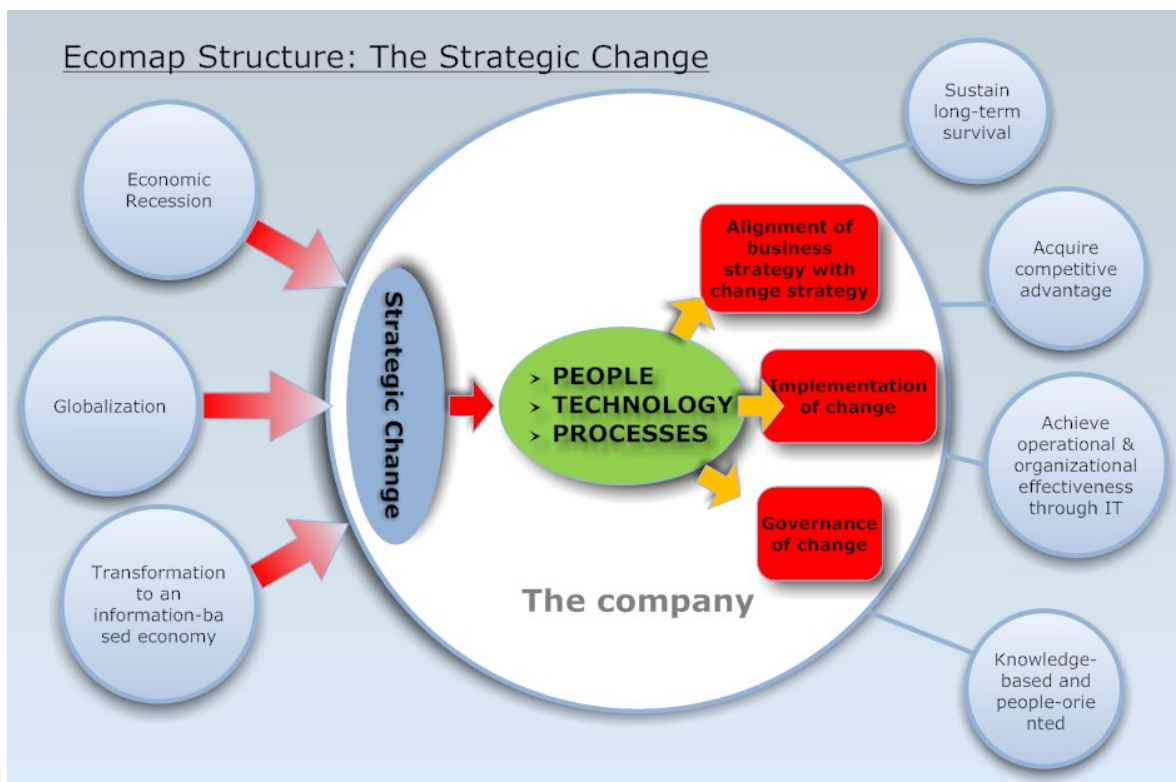

Figure 8. Ecomap of the strategic change in a company

The strategic change at this case was actually the translation of business strategy repositioning, into action. The organizational change was unavoidable, since the company had decided to activate such dynamic re-structuring.

In such situation, directive or coercive leadership may be essential for the company to achieve its business objectives *(Stace and Dunphy, 1992, p. 205).* From the questionnaire's feedback, it was implied that management had to act coercively regarding the policies to be followed. That was probably necessary as the demand for quick and successful results was high.

Closing this session of discussion, we will not omit to refer to a general scheme which includes some basic components of strategic change, and it is based in related literature *(Hsiao and Ormerod, 1998, p. 24).* We believe that through the effort of trying to research

and find explanations on this scheme (*Figure 9*), we can understand clearly the meanings that have to do with the change.
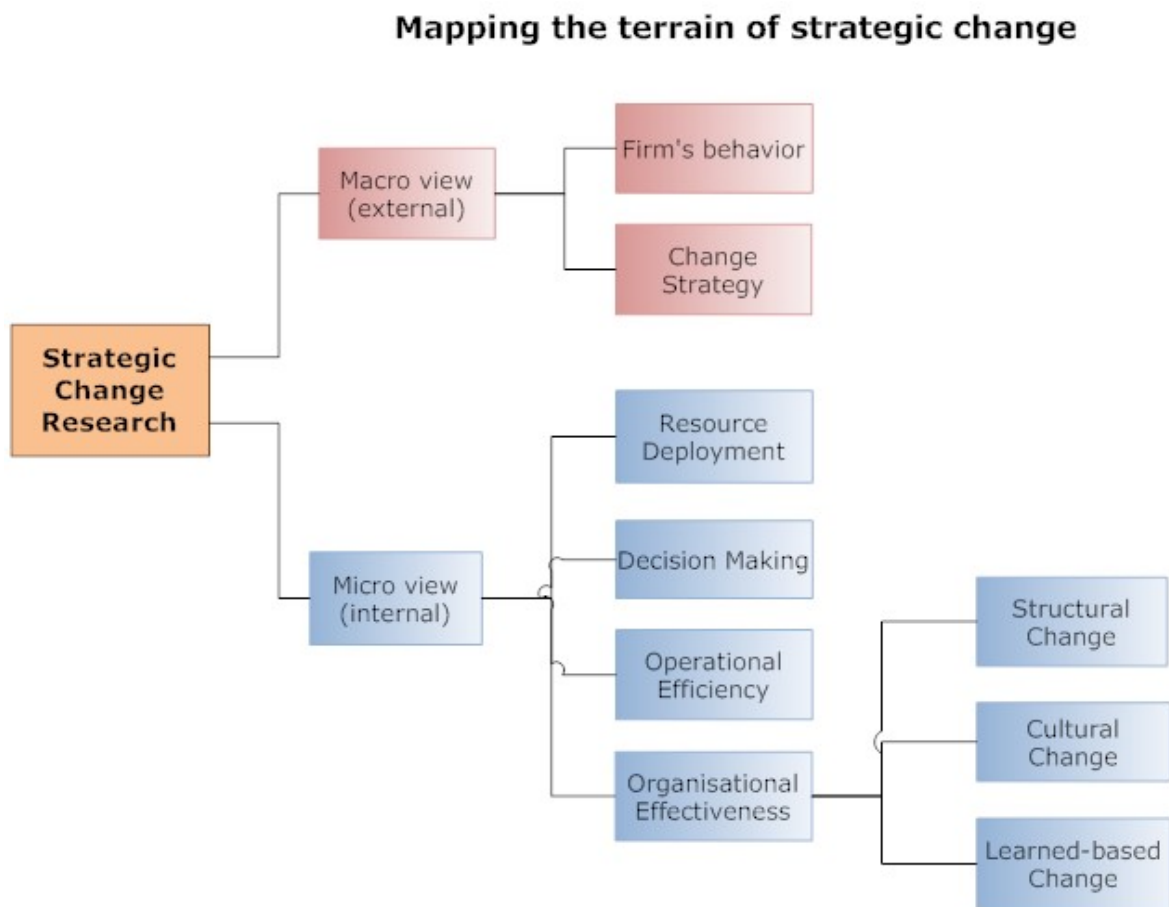
Mapping the terrain of strategic change

Figure 9. Mapping the terrain of strategic change

There are two major ways to approach and study on strategic change, according to the above illustration. The macro view has to do with the company's strategic behavior within a highly-competitive environment and how links its performance with the ability to adapt to changes. The micro view refers to internal issues. These are how the company rearrange its resources, organize its operations and enhance the quality of interdependence within the company.

CONCLUSIONS & RECOMMENDATIONS

"The only human institution which rejects progress

is the cemetery"

Harold Wilson

As mentioned in the taught material of the module "Managing Strategic Change" *(A. Psychogios, 2008),* we have realized that changes are taking place within a complex environment. Chaos and complex networked environments constrain the change process and requires different strategies to be applied.

Especially when ICTs are present, the change model is not determined only from people or technology. On the contrary, the management of both is necessary.

Managing the change means, to consider three basic components:

1. People
2. Processes
3. Technology

Three basic components

From the information gathered from the questionnaire we fairly agree that the company had followed this three axes strategy.

Though, a posteriori, it would be interesting to recommend a platform that could be used in our case (the "Triple K" case), but it didn't. The model is discussed in the academic paper of *Hsiao and Ormerod (1998, p. 45),* and although it was published during the specific period, probably no one, from the interested parts, found it.

Introduction of a platform

This platform illustrates four significant relationships, which participate in the change process.

- Technology coherence (which implies a detailed specification for the technology needed to support the particular business processes);

- Organizational coherence (which brings the integration of organizational structure and job design or re-design);

- Inner infrastructure synergy (signifies the strategic fit between processes and culture);

- Outer infrastructure synergy (signifies the strategic fit between technology and structure)

Probably, based on what we have found at this article, if we had applied something more closely to this model, we would have introduced a dynamic understanding of the specific strategic change in the company, which besides all; it was IT-enabled as well.

Such models may help us get a clear view of the nature of strategic change and be prepared for the potential risks and consequences. Therefore, staff problems, tasks re-designing, staff recruitment, could be faced more effectively.

Although the transition period had normal results, nothing can guarantee that a different approach couldn't direct to better results or the opposite.

Regarding the training issue, described earlier, we would recommend to the Human *Training* Resource dept. of the company to invest more in staff. Seminars and training programs are mostly surface, job oriented processes that can help but only for specific purposes. They are mostly helpful for improving professional skills.

Since we agree that education may provide people with useful tools, we would anticipate the company to invest in executive education. Education is not only an issue of personal development, but a tool for organizations to accomplish effective change.

On the other side, a number of very helpful materials regarding managing of change are very recent, so the knowledge about this issue is still evolving. It is changing just like others.

Learning is a competent for a company. Knowledge may provide an absolute competitive Learning advantage. A company should develop many tiers of advantages in order to expand its overall competitive strength. Among them is the process of learning.

The capacity of an organization to develop learning techniques as a means to managing strategic change may have a potent effect on competitive strength *(Whipp R., p. 187)*.

Therefore, it is necessary for the company to maintain a knowledge base which should be updated, reconstructed and adapted on daily basis. This should be a key task for the managers who undertake the responsibility to transform this base to competencies and advantages.

A company has people who actually comprise its human capital. This capital is a network of knowledge which either is being exploited successfully or not. The ability of a company to learn should be under strict monitoring. Thus, we could recommend a learning framework to be established, taking advantage of human capital.

This framework could have specific employees, as key contacts who would act as liaisons and have as mission to facilitate knowledge and spread information all over offices. An idea of

Figure 10. COPs and their key characteristics

applying communities of practice, specialized in most-desired areas, could be an option.

Communities of Practice (COPs) are a useful tool, which if used effectively, may direct to a successful communication of knowledge and information. In addition, we believe that this tool can facilitate changes and support management to monitor and direct them in a controlled manner.

In the next figure (*Figure 10*), we give the key characteristics of Communities of Practice in order to combine them with the aim of a company to find ways to manage changes.
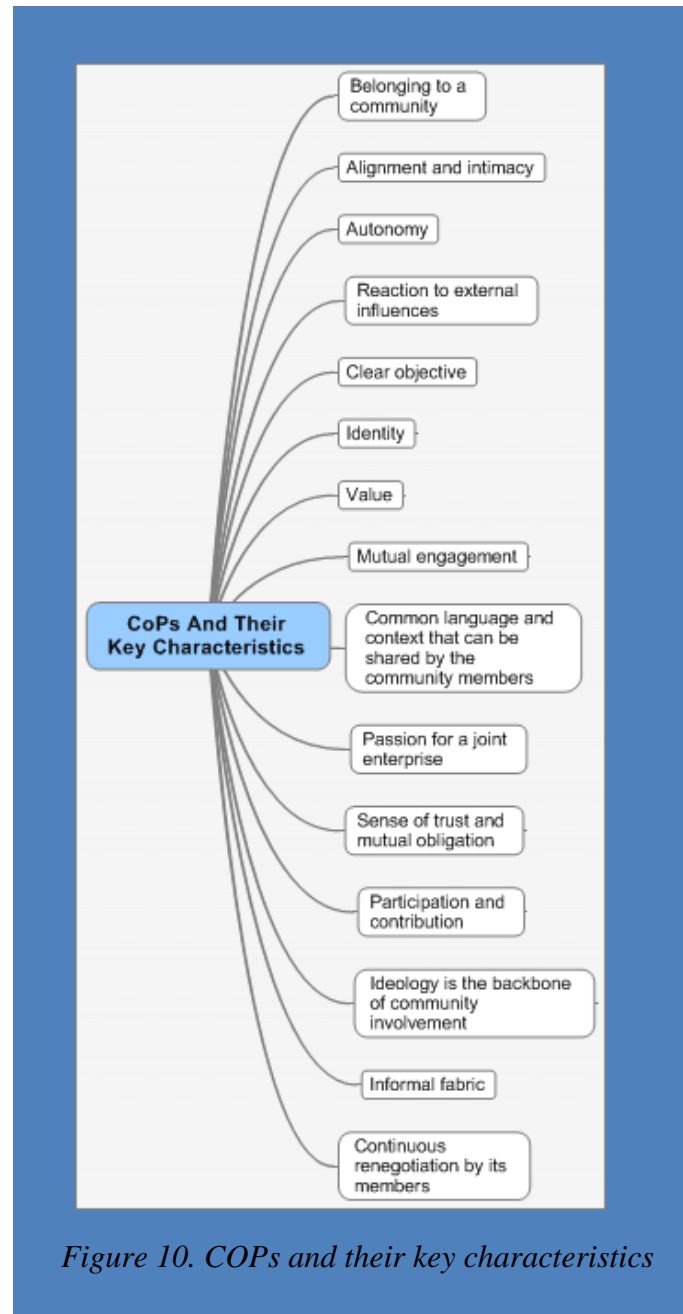
Another major point during the change process is the loss of key employees. It is certain that, there are always a number of factors that influence people and direct to turnover. Loss of human capital during a change indicates faltering knowledge or inadequate change management, which might determine the further results of the change *(Levisauskiene and Ramanauskas, 2004, p. 90).*

We would suggest to the top management insisting on the idea of investing more to the employees, during the change. Probably it seemed that this wasn't as deep as it could be for "Triple K", regarding the new branch. Although "people first", was one of its strategies, we expected to see a broaden approach.

Three specific recommendations on this issue are the following:
- It was necessary to identify whether the human resource challenges – regarding the change – were local oriented or company oriented.
- In addition, more focus should be given to talented staff, which accepted the new vision but had to face problems during the change process.
- Special discussion and efforts for cultivation of individual commitment would be necessary, as well.

To accomplish a change, means a high demand of flexibility of the parts involved, referring mainly to people. It is difficult to design a change without taking into consideration or by underestimating current culture.

The discussed change could be characterized as ***an imposed transformational change,*** which is closer to the disruptive than the incremental. Such types need a prior-to-start period of introduction, where all efforts are directed to the preparation of people.
The most valuable asset for the company is its human capital. During the change process "the new culture" that is about to be formed should be of primary concern.

Several factors affect people's job status on daily basis. We recommend a number of them below, that had to do mostly with the corporate culture in the company. Current corporate culture is an unavoidable metric, which top management had to show great concern during the decision of a change.

We mention these factors from the individual's perspective.

- Feeling as important team member
- Job important for the company
- Participation in solving problems
- Trust by the managers
- Coaching by the managers
- Permanent performance appraisal
- Friendly-family work environment
- Social life with colleagues
- Company caring for the employees' wealth
- Proud to be employed by the company

It is necessary to consider that people have emotions, so employees' emotional involvement is an important variable for the change process. Moreover, emotions affect the commitment to change, which in result define behaviors.

Top management should give special focus in a number of parameters in combination with the ones mentioned above. These are crucial regarding the success of change, and are referred to the new environment, after the introduction of change.

These are the following:

- The satisfying or dissatisfying content of job
- The work overload
- The lack of competence
- The salary package
- The working conditions – bad/good
- The career opportunities offered through the new scheme
- Level of clearness regarding vision and strategy
- Creativity and initiative, how encouraging is the new climate
- Identification of personal success and company's success
- The microclimate in the departments

- The lack of responsibility
- The lack of trust
- The lack of recognition
- The new levels of autocracy
- The new levels of bureaucracy
- The possible lack of support
- The management style and how this is applied in the new environment
- The lack of objective appraisal

Change management should involve all these elements as equal weight, due to their significance regarding the possible success or failure of a change process.

These elements define the organizational culture and may shape the needed framework for the effective alignment among personal and company expectations. In any case, what we propose is only one desired outcome: consensus.

At the end, we have kept another small model that could help in measuring the final outcome of the change in "Triple K". This includes the following important elements that could be researched, among staff, to investigate whether they had a positive attitude regarding the change.

- Improved results of the organization
- Improved company's image
- Improved employees' compensation
- Increased individual development
- Increased career opportunities
- Improved job management
- Employees are more authorized
- Employees are more involved
- Improved communication
- Change was motivating
- The environment is friendlier

As discussed earlier, changes create fear and insecurity to staff. These emotions are translated into stress and low morale.

If not administered correctly this situation may lead to low quality services, bad publicity, loose customers and high employees turnover. So, the new situation should be properly managed in order to help staff be adapted more easily.

The change should guarantee sustainability for the company and ensure that key competencies of the company should remain effective and advantageous for the next steps.

We have identified that the change case of "Triple K" at Thessaloniki, was a transformational change. Such changes usually have strong associations with total quality management, thus quality programs are applied during the change and are parts of a wider change initiative *(Redman Tom and Grieves Jim, 1999, p. 55).*

TQM is a philosophy that a company should first accept and adopt and then introduce it in its strategy. Cultural re-orientations and periods of crisis are two cases where TQM, can support and lead the efforts. Of course some objections have been found in the bibliography, where it argues that TQM gives emphasis in continuous incremental improvements, rather than radical strategic changes *(Redman Tom and Grieves Jim, 1999, p. 56).* The idea that TQM is more associated with "comfortable" changes, found to be too hard.

Because a TQM program doesn't solve every problem does not mean that it cannot obtain benefits for the company.

Managing strategic change is a way of life for the companies. To manage such changes, companies and their managers will have to confront a number of basic questions regarding technical, political and cultural foundations of their company *(Tichy, 1982, p. 80).*

Traditional practices could be avoided and new approaches can be cultivated. Managers must be willing to think big and different. Therefore, thinking "out of the box", at this case, means to give the same importance to these three components (technical, political, cultural) and include them in future policies and actions.

Human resource management although used to be a neglected area, now is the major leader in a strategic level for the company.

Change management involves all human and social related adjustment and cultural changes techniques, needed by management to facilitate the insertion of newly designed processes and structures into working practice and to deal effectively with resistance.

Finally, change management involves: creating a culture for change, revising reward systems, communicating, empowering, stimulating receptivity of the company to change people involvement, and training and education *(Mashari-Al Majed and Zairi Mohamed, 2000, p. 267)*.

Therefore, we conclude that to manage a change it is necessary to have strategic vision. This vision will enable the business change with an overall direction. It is difficult to orchestrate and accelerate the change process, but we can use a number of tools and techniques to confront them.

In the case of "Triple K", we would suggest to evaluate the entity of the stakeholders of the company. Stakeholders are individuals who can affect others, thus have an influence in groups and they can either support or raise obstacles in the path of change *(Grundy, 1997, p. 50)*.

Their investigation and evaluation may help top management to define its further actions and take into consideration their attitude regarding the change.

In the end of this session we could suggest to the top management of "Triple K", as a last recommendation to use a performance measuring model during the change period *(O'Mara, Hyland and Chapman, 1998, p. 182)*. We know that this period lasted for almost 3 years. Therefore, it could be a perfect opportunity to create a performance criteria framework, in order to motivate all people involved during the change process.

We consider that this decision could motivate either stakeholders and other staff, while in addition could create an internal competitive environment in the branch. A model which

could be connected to key performance outcomes, probably would determine the effectiveness of actions related to the change process.

Beyond company's culture, change resistance, fear, insecurity and stress there is a need to raise awareness of staff regarding their job performance and appraisal. In the end of the day, each individual needs to have a clear picture of what the company expects from him and what he expects from the company.

Closing this session, we dare to share an idea in terms of a general approach. Business process re-engineering is a technique that is used to re-design and re-engineer processes within the company. Thinking globally, we propose that top management should consider sometimes the event of reengineering the entire enterprise to deliver capabilities that can give sustainable competitive advantage.

In any case, our primary aims should be to *(Veasey, 2001, p. 436):*
- Manage change and satisfy stakeholders and other staff
- Understand and manage key implementation issues
- Sustain the momentum of change
- Try to build capabilities
- Operate an open learning environment

Recalling some useful conclusions, regarding uncertainty and change, found during a book review we had experienced in the recent future – "The Strategy Paradox", by Michael Raynor - we are convinced that cases' analysis and study are crucial for future reference and evaluation.

Closing this session, we strongly believe that all information and data described and analyzed in this report formed a change model, that it was evaluated based in literature and post-review technique (a-posteriori approach). We do not claim that the recommendations presented are correct. However, as mentioned in the abstract of this report, our aim is to contribute in the examination of the specific case through the use of a number of resources.

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