

The Impact of Change:
Reorganization of Tools, Norway
[Region West Case Study]



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Abstract

The awareness of change management is beginning to garner attention and respect within various fields of strategic organizational study. Change management is no longer the superficial strategic process of planning in how to move an organization from operational point A to operational point B based on free cash- flow, but rather a broad and inclusive field that encompasses the cultural, structural, social, and political areas of an organization.

The aim of this study is to investigate how the structural reorganization of Tools has impacted day- to- day systems and processes at Tools Region West, as well as to investigate the potential risks and personal attitudes regarding directly affected personnel. The objective is to provide a picture of how organizational change is not always a one- size- fits- all process, and to investigate how pushing for change with failure to investigate the unique aspects of an organization's workforce can lead to a messy, broken process that can ultimately weaken employee morale, and potentially dampen productivity.

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Preface

This final paper is a long-time coming, and is the cumulative ending point of an arduous 11 years of study that began at the age of 18 as a wide-eyed Freshman at the University of South Carolina, and is now meeting a new chapter's beginning at the age of 29, in Stavanger, Norway.

I do not know where to start when it comes to thanking all those involved. It is very hard to see this final thesis as a product of singular context. To me personally, it is more easily seen as the accumulation of all the professors, advisors, friends, and mentors that over the past 11 years have helped to shape and encourage me to reach for something I would have never dreamed possible.

To start with, I would like to offer my biggest heartfelt thanks to my parents, John and Patty Fayssoux. I do not know too many parents that would allow their 20-year old daughter to give up a swimming scholarship at a Division I school to pursue their dream of being able to live and study abroad. I know it hasn't been easy, so thank you for your never-ending support and love.

Next, I would like to thank my past institutions of study, the University of South Carolina, University of Stavanger, and Bi Norwegian School of Management. In addition, I would also like to thank my advisor Kristin Engh.

A big thank you goes to, Erling Husvæg and Tools Region West, for allowing me the opportunity to be able to sit, observe, and study the current reorganization of Tools Norway, and its impact on Region West. In addition, I would also like to thank those that I was able to have the pleasure of interviewing at the Stavanger, Haugesund, Stord, and Bergen offices. Without your participation, this study would not have been possible.

Lastly, I would like to thank my fiancé, Jan Erik Borsheim; the man is a saint.

Here's to a new chapter in life!

Lauren Patricia Fayssoux

13. July. 2015

1.0 Introduction

One of the most powerful levers of change available to an organization is reorganization¹. According to Day et. al. (2003), reorganization at its best, can sweep away cynicism and energize employees with a common sense of purpose that makes it easier to implement new strategy, digest an acquisition, or improve productivity. But in light of the previous accolades by Day, it should be noted that change does not occur without the strong potential to provoke anxieties and conflicts amongst members of an organization, especially those most affected by the change. So what does this mean? It means that personnel, especially directly affected personnel, are not always welcoming of change, nor are they convinced of the need for it.

A common view when it comes to the idea of reorganization is that a CEO reorganizes when they don't really know how to deal with difficult issues arising within an organization. These issues, in most instances, can be perceived as gaps; gaps which may prevent or hinder the optimal performance of an organization and the standards to which its business strategy may aim to achieve. Take for example, the case of a CEO who, for whatever reasons, may not be able to address performance gaps directly and therefore decides to take action by shifting around complacent and inert areas within the organization. The reorganization may be fine, but a lack of convincing motivation behind the changes may leave doors open for employees to jump to conclusions about what it will mean for them personally, and may automatically lead them to assume a defensive position.

Dealing with social realities isn't always about adapting an organization's design to them; sometimes it may be a social constraint that lies at the core of the problem. In the case of the reorganization of Tools it is predominantly evident that change was influenced due to the perceived gaps between sales and logistics that include but are not limited to: leadership, profit centers, sales, and stock assortment.

¹ Defined as a top down initiative that aspires to make fundamental changes in the way an organization operates or is structured in its entirety.

1.1 Background

A meeting on December 09, 2014, was held at Tools Stavanger involving the Region West Director of Tools. Discussions and a proposition for writing of a Master's thesis involving Region West were explored. Conclusions were drawn that an exploration into the changes and challenges of the recent acquisition and merging of four previous offshore supply market competitors by the Swedish owned Tools within the last decade could prove to be beneficial to the future operations and development of Tools Region West. However, further discussion proceeded to occur in mid- February, 2015, which were then followed up with a corporate wide announcement of further organizational changes on March 01, 2015 that would be implemented April 01, 2015, thus becoming the focus of this study.

1.2 A History of B & B Solutions, Tools, and the Development of Region West

B&B Tools has a history of over 100 years of continuous change. It was founded in 1906, as the trading company Bergman & Beving, with the ideology of creating technological import agencies that would lead to advance industrial capital within the Swedish market. On November 15, 1976, Bergman & Beving was listed on to the Stockholm Stock Exchange through a sale of 40 percent of shared capital to the public. As a result of this, international expansion and investments were made abroad with offices in Denmark, Finland, and Norway.

The foundation for the group's operation today begin in 1994 through the acquisition of the Gothenburg- based trade group Engros AB Ferro, with its subsidiaries Luna, Essve, and Järnia – which came to form the Bergman & Beving's business, Tools. The foundation for Tools began in 1999, when Luna Norway took the Tools initiative within the Norwegian Market. Between 2004 and 2008, B&B Tools acquired over 100 companies within Norway, Sweden, and Finland creating one of the largest suppliers within the industry, and in 2007 Bergman & Beving officially changed its name to B&B Tools.

B&B Tools today currently consists of Tools, Tools Momentum and various divisions operating within different market and product areas and channels. The primary mission is to produce and deliver competitive offers through the various marketing channels.

Region West

Tools Region West consists of four operating districts (comprised of previous market competitors in the region). The region consists of Rogaland South, Rogaland North, Sunnhordaland, and Hordaland North with district operations located in Åsen, Stavanger, Haugesund, Stord, and Bergen.

1.3 Perceived Gaps and Reorganization

In February of 2015, a meeting was organized in order to present proposed organizational changes for the entire organization at the regional levels. In the meeting it was determined that although Tools had managed to go from an enterprise of loss, to a robust and profitable organization within all regions, that the market today is tougher to compete in. The oil and gas industry has been currently put on the back burner, customers have higher demands, and the market competition is positioning itself to be more like Tools. As a result of the current market threats against Tools, an investigation was drawn in order to find potential areas for improvement, and to seek out current productivity gaps that needed bridging. As a result, the following gaps were identified:

Gap	Description
Leadership	<ul style="list-style-type: none"> -What HR competencies are missing from current leadership? -What sort of economic inadequacies does certain leadership possess? -How does Leadership intend to develop and strengthen the relationship between management and employees?
Sales	<ul style="list-style-type: none"> -What type of motivation and training will be offered to members of sales to ensure consistency throughout the region? -Has there previously been an introduction sales course regarding sales and the customer interaction process? Will this be required for all future new hires?
Stores	<ul style="list-style-type: none"> -What marketing tactics are being considered to increase foot traffic into the stores? -At what level are stores being integrated into basic sales operations within the region?
Supply	<ul style="list-style-type: none"> -Who is responsible for choosing product supply? -At what level (regional or corporate) are supplier relationships built? -At what level does inconsistent product coordination occur?
Logistics	<ul style="list-style-type: none"> -Are there plans to centralize inventories? -How do customers describe delivery precision?

Fig. 1.3.1

With the following conclusions and solutions to the identified gaps being drawn:

	Gap	Solution
Leadership	<ul style="list-style-type: none"> -Inadequate economic understanding -Inadequate HR competence -Too wide focus with little specifics -Unclear responsibility & authority -Received poor scoring on employee surveys 	<ul style="list-style-type: none"> -Encourage development of a leader network -Leaders to undergo various training and practices
Sales	<ul style="list-style-type: none"> -Not alive in the organization -Lack basic sales techniques -Too often focused on price -Weak follow-up -Too many roles in sales -No online store 	<ul style="list-style-type: none"> -Clearly update role profiles -Sellers undergo “Sales Courses” -Tighten follow-up -Online store project underway
Stores	<ul style="list-style-type: none"> -Function more as retrieval stores -Little competence in store operation -Unclear who is responsible for store warehouse -Store is not integrated into district sales -Economies of scale – supply, warehouse space not utilized 	<ul style="list-style-type: none"> -Centrally driven tactical marketing - Clear Goals -Development of Store Management. -Disengagement of stores and warehouses -Stores integrated into sales district

Supply	<ul style="list-style-type: none"> -Unclear who is responsible for supply -Difficult to get consistent product coordination -Too little capacity in product management -Product development done by suppliers 	<ul style="list-style-type: none"> -Product manager at most important areas -Build relevant A inventory -Develop product coordination -Have available market's leading product information -Develop supplier relationships through partnership
Logistics	<ul style="list-style-type: none"> -Unclear communication channels in logistics -Purchase process is unclear -No regulation for how to run the warehouse effectively -Many small warehouses are ineffective and create new competition -Undersized delivery precision 	<ul style="list-style-type: none"> -Clear Logistic Manager per region -Powerful reduction of stocked articles -Tight contact with transporters and group logistic functions -Reduce total warehouses -Reduce obsolete goods -Develop measures to achieve delivery precision -Clean up warehouse employee roles where possible

Fig 1.3.2

1.4 Bridging the Gaps – A Theoretical Connection to Change Management

Given the aforementioned gaps and solutions, the decision to reorganize Tools was made with an implementation date of 01 April, 2015. For the purpose of this study, reorganization will generally be defined as the process involved in changing the organization of a business that may involve making dramatic changes to a business by cutting out or merging departments that often has the effect of displacing staff members.

In the case of Tools, reorganization at the regional level was determined to be a viable option to bridge the gaps in productivity and profitability. However, this decision was not met without due restraint from Region West. The displacement of employees throughout the change process is not all too uncommon; however, the welcoming of said change in which employees are often met with a reorganization that causes a loss of title or shift in role responsibilities, may be hard to swallow for some; especially when the change process was not an inclusive one.

The aforementioned all leads to the analytical purpose of this case study that has been undertaken. The objective of this case study is not to evaluate singular positions or roles, but rather to look at the over all effects of the current reorganization of Tools, specifically Region West. The objective of this paper is to answer the research question of:

“To what extent does the reorganization of Tools affect the productivity of Region West, and what may be a viable recommendation for future change processes and improvements?”

In attempting to answer the research question that formulates the foundation for the thesis of this case study, it then becomes important for one to understand the need to call for additional lines of questioning in which the researcher will strive to answer throughout the course of the study. This line of questioning may be referred

to as sub-topic research questions. For the sake of this study a total of five sub-topic research questions is to be utilized by the researcher. The questions themselves are to be divided into three dimensions based on the subject area to which each of the questions strives to answer.

Dimension one will address the *needs cognition* in which the researcher will strive to answer if the reorganization of Region West is necessary. Dimension two will strive to answer questions regarding the *people* and *culture* of Tools Region West, and what attitudes and behaviors can most be expected by affected personnel. And, lastly, dimension three will address *work processes* and *systems* in order to research the affects that the planned organizational change could have on communication processes and the overall adaptability of Region West.

1. Needs Cognition:

1a. Too what extent is organizational re-structuring necessary for Region West?

2. People and Culture:

2a. What attitudes and expectations do affected personnel have in regards to reorganization?

2b. What behaviors and risks can most be expected of affected personnel?

3. Work Processes and Systems:

3a. What affect(s) does the current reorganization have on communication processes and channels?

3b. What affect(s) does the current reorganization have on the coping flexibility of Region West?

By answering these sub-topic questions, the researcher will be able to analyze and define a normative base for understanding. Through these questions, a narrative of the affected personnel's attitudes regarding reorganization can be transcribed in order to investigate the overall affect of the reorganization, and ultimately offer viable recommendations for future possibilities in organizational processes for the corporation.

2.0.Theoretical Connections

“The rate of change is not going to slow down anytime soon. If anything, competition in most industries will probably speed it up even more in the next few decades.”

-John P. Kotter

Leading Change

2.1. Change Management

Change management can best be described as the approach taken by an organization for transitioning the organization, or more so specifically the individuals of an organization, from its current state of operation to its future desired state of operation.

When it comes to change, there are several reasons that may cause an organization to push for change, amongst them are: complacency, conformity, isomorphism, and other sources of organizational inertia, but one driving force that is ubiquitous worldwide is globalization. With globalization comes an increase in market competition, and with an increase in competition comes the need for an organization to not settle into a comfortable state of inertia, less they succumb to the outside forces of the exponentially growing world of global competition.

At the heart of this study lies a strong foundation in change management, and the tool of change leadership². In today’s current market, where the oil and gas industry has been put on the back burner, change holds an ever- increasing value in adding

² “The driving forces, visions, and processes that fuel large- scale transformation... Change leaderships is more about masses of people who want to make something happen. It’s more about big visions. It’s more about empowering lots and lots of people. Change leadership has the potential to get things a little bit out of control...[and] what you do want to do, is make sure you have a highly skilled driver and a heck of a car, which will make sure your risks are minimum, [but the outcome being] fundamentally different.” (Kotter 2011)

flexibility and adaptability to an organization in order to ensure its sustainability. CEO's are faced at increasing rates with pressures from stakeholders and outside investors, while employees and personnel are left feeling the aftereffects of uncertainty, instability, and a strong sense of little, to no job security. The current stir of instability brewing in today's market for both organizations and the individuals making up said organization make it ever more important for CEO's to be aware that their companies are not just political, but also social.

According to Robert Grant (2012), "Organizations are both social systems and political systems. As social systems, organizations develop patterns of interaction that make organizational change stressful and disruptive. As political systems, organizations develop stable distributions of power, and change represents a threat to the power of those in positions of authority. Hence, both as social systems and political systems, organizations tend to resist change." In understanding this, it becomes clear that an interpretation calling for the understanding of the social system that lies within the very core of an institution is necessary; that neglecting to recognize social [people] systems by way of favoring instantaneous change implementations that come in a one-size- fits all packaging from high end consulting, may set an organization in a position to face a higher rate of failure regarding the planned change processes.

At a point in time where 60-70% of organized change projects fail (Ashkenas 2013), it is becoming more necessary than ever for CEOs and board members to recognize that change is not the same process for every organization alike, and that the social and cultural factors influencing an organization make each organization unique in the sense that a pre-packaged deal from an Ikea- like consulting group that is on trend and that works for one organization, may not necessarily be what is best for *their* organization.

One driving misconception today is that change processes are a one-size-fits-all package. At present, the concept of change management has a very clear trend

stemming from the in the wishes and desires of CEOs, stakeholders, and board member's where they desire neatly wrapped packages from high-end consultants that's on trend with their competitors. There is an increase in demand from the corporate world for consultants to recommend packages that are one- size- fits- all, and that consists of *best practice* [what is on trend] and that has promises of techniques and strategies that will provide the expertise that will *deliver* desired future success. This is however, far from what most organizations need. In reality, the practice of change management, more so specifically, change leadership, is not so simple; the social reality of an institution will never be removed. Where there are people, there are social systems, and where there are social systems, there will be culture, and no two institutional cultures will ever be identical; so why should planned organizational change be sold as a one- size- fits- all package? (Shaw 2002)

2.2 Change Management and Organizational Design

Over the past several decades a vital challenge has been neglected regarding the core of organizational theory. Practitioners of the field have shunned away from understanding the critical importance for organizational theory that organizational design holds for an institution, and instead has migrated towards a complexity of the subject that in itself ignores an approach which calls for a conjoint application of theories regarding strategic management and organizational theories.

According to Greenwood and Miller (2010), "We use the term *organizational design*' as a more conventional designation for what Nadler and Tushman referred to as *organizational architecture*. In doing so, we are emphasizing the *configuration* approach, defining organizational design as the structures of accountability and responsibility used to develop and implement strategies, and the human resource practices and information and business process that activate those structures." This means that organizational theory by design is about a specifically orchestrated collectivism that calls for a cooperation that allows for planned strategic change and reorganization to be founded and pursued to particular ends with a basis in rational,

behavioral, economic, and institutional factors, thus making organizational design the very framework that enables and allows for collective behavior to occur within an institution.

Design drives the formulation of strategies; it determines whether and how long the strategies are to be implemented, and it acts as the driving force by which organizations can push for a course of change that put their change efforts into effect. Organizational design in itself can be seen as the key for unlocking the opportunities of the 21st century; the importance of design, and the neglect there of, is shown by reflecting on how new ideas and approaches are developed within the change management fields.

It can be said that the most important capacity for contemporary organization is that of innovation. Innovation calls for an advocacy of specific adaptations that are required of, and particular to, specific organizations and their need to survive. The ability for an organization to adapt and sustain itself calls for addressing design not based on any one singular theoretical foundation, but rather on a complex, delicately woven thread of theoretical understandings that creates a rich symphony to which an organization may be able to orchestrate new design strategies that are tailor made for enhancing the innovative qualities that are unique to each individual institution.

Greenwood and Miller (2010) as well offer up a relevant example of how focus has shifted away from organizational design when they discuss the comparison of two highly influential handbooks published four decades apart. March's (1965) *Handbook of Organizations* discusses a clear interest in internal management and the organization of different institutions, while in contrast Clegg, Hardy, Lawrence, and Nord's (2006) award- winning *Handbook of Organization Studies* takes a much less centralized stance in regards to the issues of management within an organization. Instead, they systematically review current prevalent theories, such as

the institutional theory, and discuss issues that are more common today such as emotion, aesthetics, and compassion.

The point in Greenwood and Miller (2010) drawing this comparison was not to imply that either *Handbook* was wrong, but rather to emphasize that both *Handbooks* offered definitive reflections of their fields regarding organizational theory at their time of publication; thus highlighting how the field of change management has shifted its attention from being a more organization based focus, to a more people oriented focus with complex organizational arrangements that now populate the organizational landscape. This shift from being a field of study that studies organizations, to a field of study based empirically and theoretically on population and community has led to truncated descriptions of complex organizational forms that can be seen in transnational organizations, vertically disintegrated institutions, and even network, modular, or even virtual organizations. The attributed shift in negligence to address and recognize substantial differences across *all* types of organizations has led to a consequence of organizational design becoming a depleted and increasingly out of date resource in which institutions begin to demand theory based on the need for increasing shareholder value and the particular politics there-of, rather than the essence of letting organizational design be just that, the framework for support in leadership that *any* institution needs in order to realize *its* goal of sustainability.

2.3 Change Management and Organizational Learning

An important building block of theoretical connection for the field of change management and the process of reorganization is the concept of organizational learning, because in the absence of learning, organizations and individuals simply repeat old patterns and practices. According to Garvin (1993), most practitioners view organizational learning as a process that unfolds over time and thus link it with knowledge acquisition and improved performance. A learning organization is an organization in which is skilled at creating, acquiring, and transferring knowledge,

thus in return being able to modify its behavior to reflect the newly learned insights. This theory thus leads one to conclude that *new ideas are essential if learning is to take place.*

Opportunity motivates experimentation, and in return experimentation creates a concept of shared learning that favors a system in which risk taking can be seen as beneficial to an organization. Successful change programs require an incentive system that favors risk taking. At its simplest, the distinction between knowing how things are done, and knowing why they occur is rooted in the norms of behavior and standards of practice. Knowing this as an organization allows for the organization to fundamentally capture and be able to understand the cause- and- effect relationship that accompanies most organizations regarding their designs and call for leadership.

George Santayana coined the phrase, “Those who cannot remember the past are condemned to repeat it.” What this means for an organization in the simplest forms of failure, is that failure is the ultimate teacher. For an organization there is a clear distinction between the two different mindsets that occur with the onset of unsuccessful change. A more negative mindset is that of defeat, while that of a more productive and positive mindset, is that in which the leaders understand the unsuccessful outcome is best viewed through recognizing the value in a productive failure in contrast to that of an unproductive success. Simply put, knowledge gained actively is more valuable than knowledge gained passively.

So, how does an organization move from a non- learning institution to that of an actively learning one? Simple, the answer is Leadership.

2.4 Change Management and Leadership through Dialogue

According to Garvin, Edmondson, and Gino (2008), organizational learning is strongly influenced by the behavior of leaders, which is due in part to the theory that the key to better performance is better communication.

Leaders who take an active role in questioning and listening to their employees open up a pathway for communication that is key in shaping lasting solutions to fundamental problems. By getting people to reflect on their own work and behavior, a leader allows for the roll of decentralization within an organization's structure to occur, thus allowing for a decentralized system of communication. This in turn means that the allowance for decentralization builds a culture of trust, resiliency, and adaptability within the organization.

The concept of decentralization breeds resiliency and confidence, and it offers a diversity through which different perspectives allow for an organization to grow and adapt. In its most simple form, it broadens the knowledge of specialists, and it helps to break down *silos* in order to promote a learning environment where leaders become flexible and responsive to change by building stronger teams through co-creation, rather than relying on singular leadership functions to carry and adapt an organization through change.

When leadership crosses the path of reorganization, it is important for leadership to reflect on the idea that a ripple effect can and will occur in other *silos* or areas within an organization. Organized structure often forgets the effective risks that arise due to distance between leadership and those that they are leading. One such way of tackling this divide is attempting to understand what type of leadership styles are available and which style best suits attempting to bridge the leadership gap.

There are several theories regarding the various types of leadership, however, none is more self-prevalent in the area of decentralization than that of authentic

leadership. The foundation for authentic leadership finds its roots in the theory that no one can be authentic by trying to imitate someone else. In turn, the theory of authentic leadership is thus easily transferred over into the idea of an *authentic organization*³.

2.5 Change Management and the Process of Reorganization

A spike in an organization's ambitious plans to reorganize often occurs and can be seen as reflective of an economy's cycle. As an organization may feel the outside pressures of an economic downturn, CEOs, CFOs, and Managing Directors alike often feel the pressures from shareholders to medicate an organization with a strong dose of change within its organizational structure. While this is done in an attempt to shake up the entire organization with the hopes of bettering over-all performance, and may seem to be the most viable alternative for cutting costs, a survey ran by Mckinsey Global proved otherwise.

The results of the 2010 survey found that executives when looking at the shareholder value for the entire organization saw redesign as a powerful tool for change. The results then went on to state that, executives who aimed redesign with the goal of *increasing revenue* were most likely to say that they *increased value*, while in contrast the executives who aimed at *cost-cutting* were the likeliest to say that *value had been destroyed*.

In simple terms, corporate reorganizations are risky. More often than not, most planned reorganizational efforts do little to improve business when weighted against the heavy investments of time, energy, and resources that are allocated into making change a reality. A recent study by Bain & Company found that fewer than

³ Goes beyond the remit of authentic leadership and pushes towards the understanding that the concept of authenticity can and should be applied at an organizational level in which management has the freedom to operate with a meaningful dialogue and the autonomy and opportunity to make a key impact as the driver of productivity. (Ryde 2014)

one- third of reorganizational changes produced any meaningful improvement, and in many cases value for the organization was actually destroyed. This is due in part to the reasoning that in most instances of redesigning, executives often look to redesigning an org chart with little forethought as to what critical decisions are necessary for an organization and who should be responsible for making them.

The decision making process for an organization is centralized, and most often a latent organization is the result of a paralyzed management that has too many managers and not enough leaders. In today's world of business, managers are expected to replicate and utilize successful managerial fashions and techniques of other institutions because they are seen as the most effective tools for achieving performance goals. However, many executives are failing drastically at this attempt because they lack their own leadership skills to distinguish themselves from others. Apply this to the theory of organizational design and the restructuring of an organization, and it is easy to see why most attempts at restructuring fail. An organization is alive; it is a living and breathing being that acts and reacts according to outside stimuli. Simply put, it can most easily be stated that management fashion does not make a leader, just as organizational design trends do not make an organization. In lame- man's terms, no two organizations are a like, and nor should they be treated as such.

2.6 Summary and Theoretical Model

The main objective with this case study and thesis is to investigate the corporate wide reorganization and its effects on Region West, a sub- topic objective is to interpret what might be viable options for further future changes in order to maximize the profitability and productivity of not only the Region, but also Tools within Norway. The core perspective that lies at the base of this study is that of reorganization, and the theories of authentic leadership and authentic organizations.

The theoretical model that will be utilized during this case study is that of how strategy affects structure, which in turn affects operation, and thus vice versa.

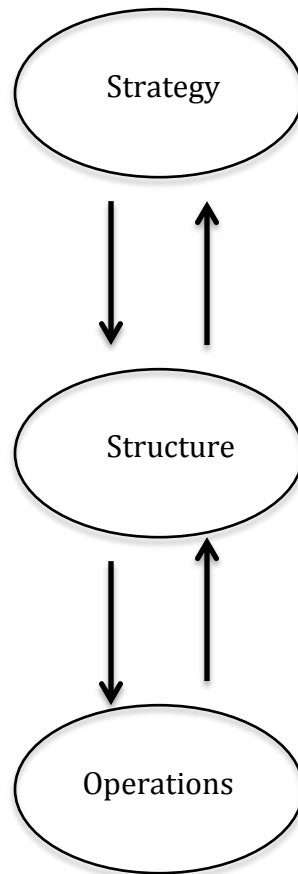


Fig 2.6.1

In addition to this, background research was ran on how the effects of organizational design, structure, and leadership can influence behavior and attitudes of affected personnel due to reorganization. The background research process itself involves the research of business strategy in the 21st century, and understanding how outside stimuli can lead some executives to strategize the reorganization an institution. This in turn naturally led to research regarding structure and reorganization, which inevitably led to the conclusion that structure also affects operations.

As previously noted, a set of research questions were formulated on the basis of needs cognition, people and culture, and work processes and systems. These questions were formulated with the aforementioned model in mind in trying to understand just how people, management and employees alike, fit into the system. This model will be kept in mind when assessing and analyzing the results of the individual surveys of the affected individuals in Region West. The theoretical framework is chosen, not because of the simplicity, but rather because it most simplifies the intertwined relationship between the people of an organization, management, and the overall goal of sustainability.

3.0 Methodology

This case study is designed to analyze the effects caused by the current reorganization of Tools, and in order to properly study this a collection of data must be ran. The purpose of this chapter is to define the parameters for research design and methods, and furthermore, discuss reliability and validity as an attempt to explain the acting controls of the study.

3.1 Project Applications

This case study focuses strictly on the change processes and the current reorganization of Tools; within a more narrow scope it specifically focuses on Region West. The central purpose of the study is to identify pitfalls or potentially acting pitfalls in regards to not only the process of identifying the need for change, but also through the implementation process, and the subsequent potential pitfalls that could result.

3.2 Qualitative Research Design

According to Neuman (1997), there are two different categories for data collection techniques: quantitative and qualitative. While the first is defined as collecting data in the form of numbers, the second is defined as collecting data in the form of words or pictures. However, this definition at best should be noted as superficial and oversimplified. To better understand the difference between the two techniques for data collection, Cassell and Symon (1994) offer a more complex comparison between the two in order to define qualitative research:

“...a focus on interpretation rather than quantification; an emphasis on subjectivity rather than objectivity; flexibility in the process of conducting research; an orientation towards process rather than outcome; a concern with context – regarding behavior and situation as inextricably linked in

forming experience; and finally an explicit recognition of the impact of the research process on the research situation.”

Regarding this case study, data collection is to be ran following a qualitative format. In a case study, questions are more likely to focus on answering *How* and *Why*, and are the foremost task to a researcher. According to Schramm (1971), “The essence of a case study, the central tendency among all types of case study, is that it tries to illuminate a *decision* or *set of decisions*; why they were taken; how they were implemented; and with what results.”

Case studies are widely used in organizational studies across the social sciences, and more so recently there is suggestion that the case study method is increasingly being used with growing confidence as a rigorous research strategy in its own right; suggesting that case studies have become one of the most common ways to perform a qualitative inquiry. (Hartley, 2004) To further develop this understanding a case study is to be technically defined as:

Empirical Inquiry	<ul style="list-style-type: none"> - Investigates a contemporary phenomenon within its real –life context - The boundaries between phenomenon and context are not clear
Case Study Inquiry	<ul style="list-style-type: none"> - Copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result - Relies on multiple sources of evidence, with data needing to converge in a triangulating fashion - Benefits from the prior development of theoretical propositions to guide data collection and analysis.

Fig 3.2.1 (Yin, 2003)

Given the above information, it is notable to mention that a case study is not a method, but rather a research strategy. Stake (2000) suggests this when he states that, “[A] case study is not a methodological choice, but a choice of what is to be studied. By whatever methods, we choose to study the case.”

With regards to this case study, the qualitative research is to be based on explorative design, which shall focus on individual interviews that will enable participants to be able to converse and articulate their perceptions and opinions regarding the reorganization of Tools, specifically Region West. As per the definition of exploratory design, this case study will, “be used to explore a situation in which the intervention being evaluated has no clear single set of outcomes.” (Yin, 2003)

In utilizing exploratory design, the interviews are to be ran in an unstructured format. This means that there is to be free flowing conversation, no set order to any questions, that both the interviewer and interviewee may initiate questions and discussion topics, and that the interviewer may answer questions and make clarifications. (Berg, 2004) The decision to run one – to – one interviews of an unstructured format has been made with respect to the nature of the case study. This is due to a certain level of sensitivity towards protecting the individually affected personnel regarding their personal attitudes and beliefs of the reorganization that directly affected their positions within Tools Region West. The idea being that of creating an environment in which each interviewee may feel he can speak with extreme confidence in regards to anonymity without the fear of being reprimanded.

3.3 Interview Guide

With regards to the interview being that of an unstructured format, the line of questioning is not locked into any specific numerical line of questioning. This means, with respect to the case study's specific lines of questioning, that there is the open possibility for the researcher to be able to draw upon the formulation of a new line of questioning in accordance to the emerging situation of each particular interview.

The interview guide⁴ is formatted based on literature, theory, and situational regards to the institution and the principles of the current reorganization process that began on 1. April 2015. The questions are designed to fall under three lines of questioning, offering two different perspectives to the case study. This means that the first line of questioning (Section A), is to be used to gather basic background information about the respondents, allowing for the researcher to not only gather necessary background information about each respondent, but to also allow the respondent to become familiar with the interview environment and open up to a specific line of questioning. The second line of questioning (Section B) regards personal beliefs in accordance to the institutional perspectives of the organization. The purpose for this line of questioning is to allow the researcher to gather pertinent information about the organization in order to conduct a further line of questioning, while also allowing for the informant to become comfortable with discussing basic personal attitudes towards the institution, before addressing the third line of questioning (Section C), where questions are formulated in specific contexts regarding personal attitudes and positions of the recent reorganization process.

⁴ See Appendix I

3.4 Selection of Informants

The ideal candidate pool for interview respondents regarding this case study is that of all Region West personnel directly affected by the reorganization of Tools. The total number of possible respondents for this case study is ten, however only a possible of nine respondents will be able to participate. Every participant in this case study works for Tools, more- so specifically Tools Region West, where the study is taking place with each respondent having previously held a managerial position at Tools prior to reorganization. In order to maintain anonymity and confidentiality the participants are to be identified by a Candidate ID, and then a simple position description as Sales or Purchasing in the following:

Candidate ID	Position
A	Sales
B	Purchasing
C	Sales
D	Sales
E	Sales
F	Purchaser
G	Sales
H	Sales
I	Purchasing

Fig 3.4.1

On a practical level, the decision to carry out individual interviews at each location has been established, with the interviews being ran over the course of four consecutive weeks, with one day during each week to be spent conducting interviews at the respondents home office within the region: Bergen, Stord, Haugesund, and Stavanger. Initial contact with the respondents is to be made via the

Regional Director who will arrange interview dates and time for each office location and respondent.

3.5 Interview Process

In total, nine interviews were conducted across four office locations. To illustrate the distribution of the candidate pool, it can be broken down as follows:

Location	Sales	Purchasing
Bergen	1	1
Haugesund	1	1
Stavanger	1	1
Stord	2	1

Fig 3.4.2

Since the interviews were conducted on an individual basis, interviews were conducted either in a private office, or a standard meeting room; all interview locations were a quiet, natural setting that allowed for the respondents to maintain a level of comfort with the interview process. The interview process itself began with about five minutes of small talk in which the moderator was able to introduce themselves and the study, this was followed by the reading of a formal introductory protocol to the participating candidate.

Upon verbal consent from the respondent, a short list of background questions were asked. The background questions served two purposes:

1. To allow for the respondent to adjust and become more comfortable with the interview process.
2. To gather potentially beneficial background information regarding general education, length of employment at Tools, and previous positions held at Tools or other organization.

Throughout the interviews, participant responses were prompted by asking open-ended questions. If the respondent came to any minor conclusions, or the conversation became at all inflexible, probes were asked in order to further and push the discussion along in order to gain necessary data..

One of the most challenging points of moderating the interview was ensuring that the moderator maintained good interpersonal skills and qualities through active listening and proper adaptation of the unstructured interview process. The process of active listening not only increased the chances of trust in the moderator, but also allowed for a more open and active dialogue to manifest itself throughout the interview process with participants answering questions before they were even asked.

At the end of each interview, each respondent was given the opportunity to add any perceptions or opinions that they felt could potentially contribute to the study, and upon the completion of the interview exercise, a post interview content sheet was tabulated marking the date of the interview, its length, candidate ID, overall attitude regarding the reorganization, the quality of potential data gathered, notable topics and questions with short descriptions, and notation for potential follow-ups in subsequent interviews.

The participants came up with a wide range of answers in which common themes quickly became evident, these include, but are not limited to: customer relations, stability, leadership, change processes, and motivation. Some of the perceptions and opinions were difficult to categorize, to which that entailed that not all data could be used for the purpose of this study.

3.6 Data Analysis

According to Babbie (2001), content analysis can be defined as, “the study of recorded human communications...” it is, “essentially a coding operation” with coding being, “the process of transforming raw data into a standardized form.” To analyze the gathered data, a transcript based analysis and systematic coding were utilized, following the methods of Morgan (1997). Manual methods were utilized for data analysis and coding.

The first phase was to code major points based on the interview guide, with key statements and/or quotes being recorded under each category. Quotations and statements were selected with regard to support or defined contradiction to theoretical considerations. Through this coding process, the most frequent words, phrases, themes, or concepts within the data were able to emerge; and for each new categorical emergence, the phenomena was appropriately labeled and marked for notation.

In the following phase major categorical phenomena were identified and developed, meaning that quotations and statements were able to be attributed for and assembled with each item being labeled according to the significant content meaning, thus making way for the final step in the content analysis.

In the final phase of content analysis, narrative reports based on the main content points were written, thus allowing for the creation of dimensions to arise and further build and develop the research case. *These dimensions will be discussed in the following chapter.*

3.7 Reliability and Validity

The data of this case study was collected via unstructured individual interviews, with the candidate pool consisting of only affected personnel. Prior to the interviews, an extensive and strong foundation in the theoretical subject matter regarding reorganization was formulated through reading and research. As a result, research questions were formulated and prepared from the foundational research in order to create points of discussion in the event of the conversation becoming inflexible, or the formulation of minor conclusions being formed.

3.8 Potentials and Limitations of Method and Data Analysis

According to Kvale (2001) there is always a chance that a respondent will be situationally affected and that questions could be answered differently if asked by a different moderator. The concept of change and what it means for an individual has varying degrees of meaning and acceptance based on personal perceptions and opinions. The question therefore becomes less of how should this case study define corporate reorganization, but rather how do the individuals define the process and the overall potential outcomes regarding the sense of instability that often accompanies change.

Throughout the interview process, interviews were recorded using an audio tape recording device. According to Kvale (2001), the use of a tape recorder can on one hand allow the moderator to concentrate on the respondents and listen actively, while on the other hand offer the disadvantage of making respondents more hesitant when answering some questions, and create an atmosphere to which is less open. In addition to the threat of validity through hesitation of openness, it should also be noted the interviews were conducted in English, thus further allowing for room in error regarding validity due to potential linguistic barriers.

Another point of discussion regarding limitations in validity is the use of one – to – one interviews, however with careful planning and moderation many limitations are

easily overcome. The advantages regarding a face – to –face interview, allow not only the moderator and the respondent to interact on a more personal level, but also for the moderator to read the body language and unspoken attitudes of the respondent. This was especially evident and helpful when conducting the recorded interviews. If a respondent at any point showed physical signs of being uncomfortable or distressed by the process, the moderator, due to the unstructured nature of interview, could if necessary help ease the respondent out of the state of hesitation by asking probes that the respondent was more comfortable with answering.

A fundamental target during the interview process was allowing the respondent to speak as much on a topic as they felt necessary. The allowed time for each interview was one – and – one –half hour, with the average interview lasting approximately forty- five minutes. By their very nature, qualitative interviews are naturally open – ended, and cannot be predetermined; therefore it became important for the moderator to create a context in which the respondents were prompted into expressing their own definitive and individual views, and not that of Tools, or Tools Region West. Individually, it can be presumed that the respondents are pre-tuned to speak within a certain context that emulates a specific culture or institutional attitude.

Through the utilization of face – to – face interviews the potential limitation of a respondent emulating a specific institutionalized attitude or culture was able to be stifled to a more manageable mean by the utilization of Sections A and B of the interview process. Section A, which gathered basic background information allowed for the respondent to answer questions based on them personally, while section B collected data regarding a more institutionalized overview in which after one or two questions, the respondents became fully open and expressive of personal opinions and presumptions that were suitable for the case study.

3.9 Ethics

Ethical considerations for face – to - face individual interviews are similar to that of other methods of qualitative research. Careful considerations were taken when formulating the interview guide, and assurance of strict confidentiality was given to each individual participant through the reading of the *Introductory Protocol*. Orally informed consent was obtained by all participants regarding the research process, and was formulated based on defined ethical guidelines.

All data collected in the interviews was treated with complete anonymity, with the assurance to the respondents that their names in no way would be identified, and that only extracted points of data would be utilized within the case study, ensuring a strict sense of confidentiality of responses for data collection. All interview recordings, guides, and post interview content sheets were identified by code lettering, and were deleted and destroyed following the completion of data analysis.

4.0 Case Study Findings: Reorganization as Perceived by Affected Personnel

This case study has been designed to study the effects of the current reorganization of affected personnel at Tools Region West in order to determine what possible effects the reorganization may or may not have had on productivity in order to make future recommendations for change processes. The purpose of this chapter is to guide the reader through the perceptions of the affected personnel within the region, that were expressed during all nine individual interviews at Stavanger, Haugesund, Stord, and Bergen.

Throughout the interview and coding processes patterns began to emerge that led to the conclusion that there are six dimensions of particular importance for notation regarding the data findings. These dimensions can be filed into the categories of *Needs and Priorities*, *Strengths and Weaknesses*, *Sales and Customer Relationships*, *Communication and Processes*, *Leadership and Change*, and *Motivation*. Throughout this chapter, the findings of these topics will be discussed as perceived by the affected personnel with drawn contrasts between the markets in the *West* of Norway and the markets in the *East* of Norway for Tools, as discussed by the participants of the study. A brief overview with areas for discussion can be found on the following page.

Dimension	Areas of Topic
Needs & Priorities	-Sustainability -Flexibility/ Adaptability -Conditions of Current Market
Strength & Weaknesses	-Pricing - Changes -Team/Unity -Product Range - Logistics -Stock Assortment
Sales & Customer Relationships	-Niche Market v. Bread and Butter -Changing Customers
Communication & Processes	-IT Systems -Communication Channels -CRM
Leadership & Change	-Level of Participation in Change Processes -Too many decision makers -Culture of Change & Future Changes
Motivation	-Job Security -Stability -Educational Opportunities -Marketing of Titles

Fig 4.0.1

4.1 Identification of the Needs and Priorities of Region West

The key needs and priorities identified by the participants of the study were not all too dissimilar. For the sake of this study, needs and priorities will be defined as the purposes, goals, and objectives for an organization.

As to be expected, one key priority mentioned throughout the course of the interviews was that of an ultimate goal of the sustainability, with one participant stating that, *“[The biggest priority] is to be sure that Tools is existing next year. That is what is important for both the organization and the people.”* In relation to this the participant then went on to discuss various ways in which the organization can remain sustainable by noting the importance of retaining knowledge capital within the organization, *“They [younger people] are going to search for different jobs, but it is important we keep them here. For this type of industry we are selling to, we need knowledge.”*

In addition to sustainability, another reoccurring theme under the dimension of *Needs and Priorities* was the mention of the importance of Tools being a sales organization and of course, sales being a number one priority in order to achieve sustainability. One participant when comparing Tools as a sale organization divided into two, stated that, *“What you find here in the West, you don’t necessarily find in the North or the East. So you have to have some slack to develop the market you are in.”* In relation to the ongoing reorganizations, the participant then went on to state that, *“It would have been more beneficial to tailor the design to particular regions and markets, rather than try and fit everyone into one box.”*

In addition to knowledge capital and sales being a key topic for sustainability, there was mention by some of the participants the importance in sustaining warehouse stock and ensuring key logistical processes are in place. One participant stated that when it came to delivery time, that, *“The challenges right now is that the market is falling, and the competition is higher than ever. We need to improve our delivery. And,*

I guess that is one of the intentions of the reorganization, but I am not sure if that is what is happening.” In addition to this participant’s skeptical stance regarding the recent reorganization, another participant went on to state that, “A few years ago they wanted to make it so we all had the same things. That is a total misunderstanding. We all have [customer] needs for different things. We need our things [here], just as they need their own [customer] specific things [there]. But the West coast of course is more alike in our needs than the East side, because of the oil.”

In addition to the commentary regarding the differences in the market, one participant noted the current state of the market, and how it is a critical factor playing into the *needs* and *priorities* of the organization in its striving stance to remaining sustainable. *“The most critical factor for us is the market- Oil. We are working with oil, here, and in Stavanger. It seems the market has collapsed, and I have never seen in my years the market collapse so fast. We have big problems with the economy, and I think that for now the market is our most critical part. Our turnover has never been so low as it is now. We have not lost customers, but the customers are buying less. As it is now, even if we work to get new customers, they still will not make up for the loss of our larger customers who are buying less.”*

As a final thought on the dimension of *needs and priorities*, the clearest and perhaps most simple, yet defining commentary regarding the *needs* and *priorities* of the organization with its sole focus as a sales organization, was best stated when one participant summed it up as, *“The goal everyone should think about is, ‘What is best for our customers?’”*

4.2 Identification of Strengths and Weaknesses of Region West

When it came to identifying the *Strengths* and *Weaknesses* of the organization there were several topic areas that began to emerge as a result of the interviews. When it came to *strengths*, notable areas of topic were that of Tools being able to supply customers all over the coast with the same ERP system, and that their wide variety

of product range offered them a strong stance in the market; this is supported by one of the participants when he stated that, *“The strength is that we are so wide in our product range, and we can deliver. Tools is a good product name in the market, with good reference from our customers. We have a lot of frame agreements with the most important customers. They account for 80 – 90% of our sales.”* In addition to this, another *strength* that was mentioned in various intervals by several of the participants was that of a sense of unity or team. There was a strong focus on building each branch as a team, and an even stronger sense of region unity with one participant stating that, *“We all agree on the same thing in the West. We are very united, and that is a very good thing.”*

As with any situation, where there are *strengths* there will be *weaknesses*, and although there were very few mentions of *strengths* throughout the interviews, there were several reoccurring themes that arose when it came to the areas of leadership, pricing, low [standard] stock assortment, and of course the comparison from the East side of the country to the West side of the country, with one participant stating that, *“One of our weaknesses is the reorganization. It seems to me like it is very far from East to West, how can they understand and see the markets that we operate in? In my opinion the market is quite different, and we can’t use the same management in the West that they use in the East. We are not Rema 1000. Rema 1000 has the same customers all over Norway. We [Region West] Have Conoco, Statoil, and such, and they don’t have that in the East. You can’t compare.”*

When it came to the recurring topic of leadership one participant particularly noted that there was *“Too much management.”* And, that before the change, *“It was much easier because we only worked for the management at our branch. They [corporate], now dictate too much, especially when they do not understand our needs.”* He then went on to further state that, *“The customer is what we should think of, and when we are a big company, it is all the time thinking about money and having low stocks. Our salesmen are out promising that we will have items in stock, but the company*

[corporate] says, 'Nope.' And, it doesn't work because they want higher [customer] scores with low stocks in the warehouse. We need to stock where the demands are."

Lastly in the area of weaknesses that were mentioned, there was a strong focus on the issue of pricing. One participant was particularly dissatisfied with the organization of B & B Solutions and having to purchase from internal suppliers at profitable rate for them [Luna] stated that *"We have a lot of challenges regarding pricing. Today, we are not satisfied because we should all have open books. We should know what price Luna buys for. Today, we are not acting like one company; we are acting like several companies. Luna has their own profits, we have our own profits, and we should be sharing profits. We are one company, so therefore we should act like one company – we have the same bank."* Another participant then went on to state in their interview that, *"There are problems with pricing for customers because of Luna. They [Luna] have to make a profit as well. If we knew what prices they were buying for, we could make our prices lower, and it would eventually make our deliveries easier. Logistics with Luna is very good, but the problem is in the prices."*

4.3 Identification of Sales and Customer Relationships at Region West

The third dimension that was discovered was that of *Sales and Customer Relationships*. There was a large emphasis on speculation as to what effects the changes regarding the redistribution of titles would have on the regions relationship with its customers. One participant stated that, *"There is more confusion because the people are part of a service organization who work in sales, and we are consumed with wanting to take care of our customers – we think of them first. But, by doing this reorganization, we cannot focus on the customers and we cannot see how this is going to have any good effect on doing daily work with them."* The same participant then goes on to state that, *"The change can influence the customers. Customers expect the same type of customer service from Person A, B, and C when purchasing. It is better to leave the company as one profit center with areas of specialization and retain the*

same customer service that Tools is known for, rather than focus on dividing the organization up [silos].”

In addition to this, another interviewee brought up the importance of titles when it comes to *customer relationship* and *sales negotiations*, *“When we are in meetings with customers, important meetings, they often need to talk to someone with responsibility; a manager; someone who can decide things.”* He then goes on to state that, *“If a salesman meets with customer’s, they are going to ask to speak with someone who has authority. They don’t want to meet people who cannot give an answer then and there - they want to meet with people who make the decisions.”* This is then further supported when in another interview the topic is brought up again with a participant stating that, *“What do the customers say if you have been a sales manager, and you go into a meeting? They are going to say, ‘You are not a sales manager anymore. You are just one step down.’”*

Lastly, When it came to discussing stock assortment and meeting the 95% delivery guarantee with regards to *customer relationships*, one participant noted how, *“Low stock on paper maybe looks good to an economist in Oslo or Sweden, but in practice it is not the same. Our customer relationships do struggle because we cannot always have what they need in stock. There is a certain level of stock that needs to be in place at local places that isn’t there.”* In addition to this, another participant also stated that, *“In the past we bought our own products directly from producers, but with the new system we have to buy from our own. It was a cheaper alternative before, and it was easier to offer our clients better prices when we used our old suppliers.”* He then adds to it by changing his focus over to the idea that perhaps Tools has too much focus in one area, without realizing the potential in other areas, stating that, *“Bolts give us [Region West] the most money. We don’t compete with the whole market because it is a niche for us. We set the pricing. But, the largest concern that the B&B group has is being focused on is just milk and bread.”* He then goes on to state, *“ We could be more flexible with stock assortment for our customers. Before, when we used our own suppliers, we could make more specialty products that our customers needed.”*

We had a flexibility to better be able to meet our customer's demands for both product and price. Now, it is much more difficult."

4.4 Identification of Communications and Processes

When it came to the dimension of *Communication and Processes* it quickly became clear that there were already new changes underway approximately one-month after the initial implementation of the reorganization. This particular item was quickly addressed in nearly every interview with standard commentary following along the lines of what one participant stated as, *"I think one of the problems is that they [Management in Eastern Norway] have no experience with the systems. They are doing a lot of changes all the time without knowing if the system can take it. They start one change before a previous change has fully been implemented. There are constant changes, a lot of changes, and it isn't possible for the system to keep up. They can't keep up. And now, we are going to change the ERP system again."* With another participant adding in his interview that, *"The most difficult thing is to get people to use it [new software], because they say it takes so much time. So we have to put in some small goals and make it a soft change."*

In addition to this there was also commentary regarding that of the need for *communication* and proper *communication channels* to be put into place. One participant stated that, *"The sales organization is very important here. It is important that we communicate and work together."* With another participant later adding that, *"We cannot operate and handle it in the same way as we have before. People now belong to different departments, and they now say that they can no longer do a job that they need to do because the channels are no longer there."* And, in connection with this, it was noted on a few occasions that there was a need for more *cross communication channels* between departments with one participant noting that, *"If the current reorganization had been made less flat, and allotted for more communication and flow of information between channels, it would have made way for future changes in reorganization to not be so difficult."*

On a final note, one other particularly interesting theme that began to reoccur was the mention of the West being loud. Some attributed this to a cultural characteristic, while others attributed it to the earnings that Region West has previously been able to boast, but the most proper summation regarding this idea was stated when one participant noted that, *“I think we have a culture in the West in which we speak up, and they [other regions] don’t. If we don’t like it, we say it. The reason for that is because we achieve results [earnings].”*

4.5 Identification of Leadership and Change

This dimension was perhaps the most prevalent dimension when it came to this study. Commentary regarding *Leadership, Change, and the reorganization* of Tools held center court throughout most discussions. When it came to addressing the actual *change process*, there were varying degrees of opinions on the matter. One participant stated that, *“The process [reorganization] has not been so good. If they wanted the change, it could have been done without all the noise.”* While another noted that the change was implemented in a bit of a *“Nazi way,”* due to the fact that branch managers were not informed of the changes until right before the implementation process was to begin. With a third participant adding in a jovial sense that, *“I think someone is just sitting there in Oslo trying to find something to do.”*

When it came to questioning whether or not the reasons for change were made clear, there was no clear answer from the participants. One gave a reason such as, *“The priorities for the change, and the strategy for the change were not made clear. Everything was only done with our local leader for the Region. Everyone saw the same power point, we did not get any additional information. It would have helped our attitudes towards this change if there weren’t so many generalizations [made in the power point]. That is the wrong way to do it. They could have done it in a more positive way. There are many ways to wrap a message – you can do it in a positive way, or you can do it in a negative way; and the presentation was made in a negative way. If it had been done differently there could have been more positive effects than*

what has happened now.” While another noted that his reasoning for the change was, “Control. Total control. The way it has been done, the power point that was shown, and the behavior of the leadership. The weakness in the change is that the organization was treated as one unit; they didn’t investigate the units to look for weaknesses. What is the problem over there, may not be the problem here. They took it all in one ball.” In addition to this another participant commented that, “I know they want to be clear with what is coming out, and that is how they think. But, if I had been the manager and wanted change, it should only be so easy. If I talk with everyone and find out their opinions and what they want to do with the organization, we could have a discussion where I describe what I want to achieve and then ask how the district managers feel about it in order to reach an easier solution. There needs to be some distinguishing between small branches and larger branches. We can’t all be treated the same. The East has small customer profiles who are builders; we have customers that are in the oil industry.”

However, in relation to the above commentary, it should also be noted that participants did understand that there were grounded reasons for change. This was noted by one participant who stated that, *“We understand that the reorganization could be in some ways good. It will be good according to purchasing and coordination. As of today we have four stocks of goods, it will be good to be able to finally coordinate where to stock those goods. We can now coordinate our warehouses, and that will be interesting to see; it was the right thing to do.”* With another participant adding in his interview that, *“The biggest change has been for logistics and purchasing; they have become one department. I think that if that can get together then the sales will benefit as well.”*

In addressing the idea of leadership when it came to the process of *reorganization*, the ongoing theme that emerged was there seemed to be the perception that the management responsible for these changes tried to put every district into the same box. One participant noted that, *“The leadership has not involved the leaders on the side regarding changes and what impacts that those changes may have on daily work.”*

Another participant noted that, *“They can’t compare us [Region West] with Region North, or Region South. It doesn’t work that way, and it isn’t so easy for us to work within these new boxes that they have put us in.”*

Another issue that was addressed in this dimension is that of how the *reorganization* did not address gaps that were left after the process was implemented. One participant noted that, *“The main thing they did is make us weaker. I had responsibility for more then, than I do now. The reality is that we are sitting with the same work we had before. The management tells us we shouldn’t do it, but I ask, ‘But, who is going to do it then?’”* In theme with this commentary, another participant added in his interview a discussion about the size of the operations within Region West, and then contemplated how the decision can be made to leave branches with less responsibility than they had before when they have such high turnovers. He was not alone in being quick to point out that, *“With the reorganization, the warehouse was divided into two. We cannot understand how it is possible to divide a branch that has a 100mil Kroner turnover, a big company, rather four big companies in the region [500mil Kroner turnover total], into two without having a branch manager. Who is going to be the boss of the branch? How can a branch with such high turnovers have no manager? That is a big question.”*

4.6 Identification of Motivation

The final dimension to arise out of the interviews was that of *Motivation*. The theme was clear when it came to *motivational* factors that arose out of the reorganization with one participant stating that, *“The first reaction to change is always negative. Time will only show how it will affect us. But, what kind of motivation do people have to work here? Motivation is very important. When all these changes come, people begin to wonder, ‘Ok. What is happening now?’”* In addition to this, another participant added that, *“If the market had been different, people would look for work somewhere else. I know that some of the sales people have ambition, and if you want to make a career it is more different now than it was earlier. I know that some of the guys*

have had an ambition to be a sales manager, and I don't think that this change is very motivating for them to see if they have ambitions [here]." With another participant shortly stating that, *"There have been two steps down in motivational factors when it comes to career opportunities."*

Other participants commented on the topic of job security, and the little motivation that this reorganization has offered the employees of Tools. One participant discussed the corridor gossip at his branch, while another participant added that, *"There have been a lot of changes at Tools, and the people who work here are nervous about what is to come and for their jobs. This is critical for us and critical for the people who are working here – we can't risk them leaving our company and going to another."*

However, with all the aforementioned, it must be noted that there did occur some talk of positive *motivational factors* regarding Tools and the reorganization, with one participant adding in his interview that, *"Even in this economy, Tools will pay for education. We are offering sales courses, management courses, and anyone, even in this economy, can still decide to take further education if they wish. We will pay for it, and I do think that is a strong motivational factor for the young people to work here."*

4.7 Conclusion on Dimensions and Final words on Future Speculations

To conclude this chapter, it can best be summarized that the change process itself has not been a welcomed process, or an easy one to accept. Conclusions were easily drawn that if more local management had been able to be involved in the decision making process in order to find out what is best for the Region and its operations, then the reorganization could have been implemented and ran without so much noise and distraction that ultimately takes away from the one thing that matters most to the entirety of the organization, sales.

In addition, there was also a lot of discussions on job security, the capability of leadership, and the speculation of what is to come next. In many instances when asked if there was any further commentary regarding the interviews, many participants spoke up with their own speculations as to why they thought these changes had really occurred. However, due to the sensitivity of the nature surrounding the reorganization and the confidence in which these thoughts were discussed, the decision to leave the closing commentary of several participants has been left out of the discussion. It can however be stated that although the speculations were interesting in nature, they do not at all affect the outcome of this study.

5.0 Discussion

The results of the individual interviews regarding this case study showed that the process of change within an organization often appears to be better suited on paper than when it meets with the realities of the social factors that are the heartbeat of every organization. The purpose of this chapter will be to discuss the findings mentioned in the six dimensions alongside the contents of this chapter which will include topics of discussion such as: the change process at Region West, the topic of strategy and the new realities of change implementation, and understanding the individual and change processes.

5.1 Change processes at Region West

According to Hrebiniak(2006), “making strategy work is more difficult than strategy making.” One basic problem when it comes to the strategic properties of change management is that management often knows more about strategy formulation than implementation. In most instances management has more often than not been trained to plan, but not how to execute. Formulation and implementation are two separate, but interdependent concepts; only the most successful outcomes are achieved when those responsible for implementation are also part of the formulation process.

When it comes to the reorganization that was experienced at Tools, the dimension of *Leadership* and *Change* held a strong and central role throughout the nine individual interviews. While background information involving risk analysis' shows that upper management had put a lot of forethought into the potential risks involved with the reorganization process, it quickly became clear after the announcement of planned change that middle management of Region West would not sit quietly by and accept the changes brought on by the reorganization.

In the following days after the corporate wide announcement regarding the reorganization of management at Tools, middle management within Region West convened and agreed to certain conditions which were sent to the Managing Director of Tools. Upon request, a meeting was held at the Stavanger office, concerning all of middle management within Region West, the Regional Director of Region West, and the Managing Director of Tools, Norway.

In observing the meeting which was held, it was very easy to conclude that middle management in Region West was not happy with the proposed changes, and in many instances felt as if trust and respect by upper management at Tools had suffered a fall as a result of the reorganization and displacement of personnel. This conclusion can best be supported by one of the participants with his commentary from an interview when he stated that, *"This is about respect. Respect for all managers in the West and in other places as well. We [Region West] have to do things differently because of the size. I don't think that they listen to us, that we have to do things different, even given our results. They just take a decision and say, if you want to be here, you have to do it this way."*

As the day progressed, opinions and perceptions were discussed in relation to the power point that was shown to all employees within Norway. Around this power point, points of discussion and negotiation were drawn regarding titles and lines of communication. As a result, in the following days the Managing Director responded via e-mail to the commentary and points of discussion the middle management of Region West made with amended conditions regarding the reorganization. While the amendments that were made were few, there was a small air of victory amongst the managers. However, this did appear to be short lived, because when the interview process began almost two months later, the sense of dissatisfaction and lost respect could still be felt regarding the reorganization and the processes by which it implemented.

5.2 Strategy and the New Realities for Change Implementation

“The essence of strategy is choosing what not to do.”

- M. E. Porter

What is Strategy?

According to Lorange (1998), “[The] latest trends indicate that human resources are becoming the key resource on which to focus the implementation of an organization’s business strategy.” More than ever before, business growth is being focused on the internal capabilities and resource management of organizations rather than the more traditional acquisition- based drive. In today’s world of strategic planning and implementation the reality has shifted from long term planning that was prominent of the 60s, 70s, and 80s which was defined heavily by the concept of free cash- flow, to focus more on internally driven profitability in which organizations become viewed as being more knowledge based, flat organizations with focus on applying pertinent cutting – edge – know—how into new channels of distribution and internal strategic planning. With this, however comes the more recent realization that practitioners of change are often trained to plan these strategies, but not necessarily to execute them.

When it comes to the reorganization that occurred at Tools it is easy to see the main objectives that the reorganization strived to achieve. Tools, as a corporate wide entity within Norway, has several small districts in which there are very few people working at each operating branch. In application to the reorganization, it is easy to conclude that one objective of this reorganization was to consolidate those branches and make them more internally manageable for the organization. This however did not create a winning solution for Region West where earnings reach over the 100mil Kroner mark for each operating branch, thanks to the offshore industry.

When interviewing the participants of the study the theme of contrasting the *West* to the *East* quickly became a recurring commentary by the individuals participating

in the study. Notable commentaries made by participants that are worth mentioning would include vast differences in customer profiles from the West to the East, as well as the size in annual turnover and ROS (Return On Sales) percentage, or operating margin.

In today's market, many organizations have introduced a *best of breed* comparison program in which they often look to the industry to find the best systems or processes utilized by competitors in order to form a composite of those best practices to set objectives for their own performance. This however can raise an issue when it comes to the performance management of the organization.

According to Kaplan and Norton (1991), "Much of the action takes place at the department and work station levels." This means that managers need to decompose overall cycle time and cost measures to local levels in order to ensure the linkage to top management's overall judgment regarding internal processes and competencies for understanding the effects on overall corporate strategy. In understanding the application of this concept one can interpret the situation at Tools to understand that although the reorganization has the potential to attain the goal of consolidating stock, the planning process failed to account for the high market value that Region West holds with regards to the offshore industry and its overall need to have management at a local or district level.

However, with that said it is important to understand that the parameters by which a company identifies its competitive success may oftentimes be blurred. Targets for success constantly change due to intense global competition which now requires continuous improvement to existing systems and processes in order to have the ability to be able to expand with new capabilities. As Kaplan and Norton (2006) stated, "A company's ability to innovate, improve, and learn ties directly to the company's value."

5.3 Understanding the Individual and the Process of Change

While the interviews regarding the reorganization were conducted at too early of a point in time to be able to draw a fair and concise conclusion about the overall success in improved productivity that may or may not result from the change, it can be deduced that the manner in which the changes were implemented and ran, that they were done so in a poor and not so thoroughly concise way. Throughout the course of the interviews a common theme of *participation in change* began to emerge. When asked if the middle managers had been allowed to participate in the change process, would their reactions be any different, the answer was a not – so – surprising and ubiquitous yes.

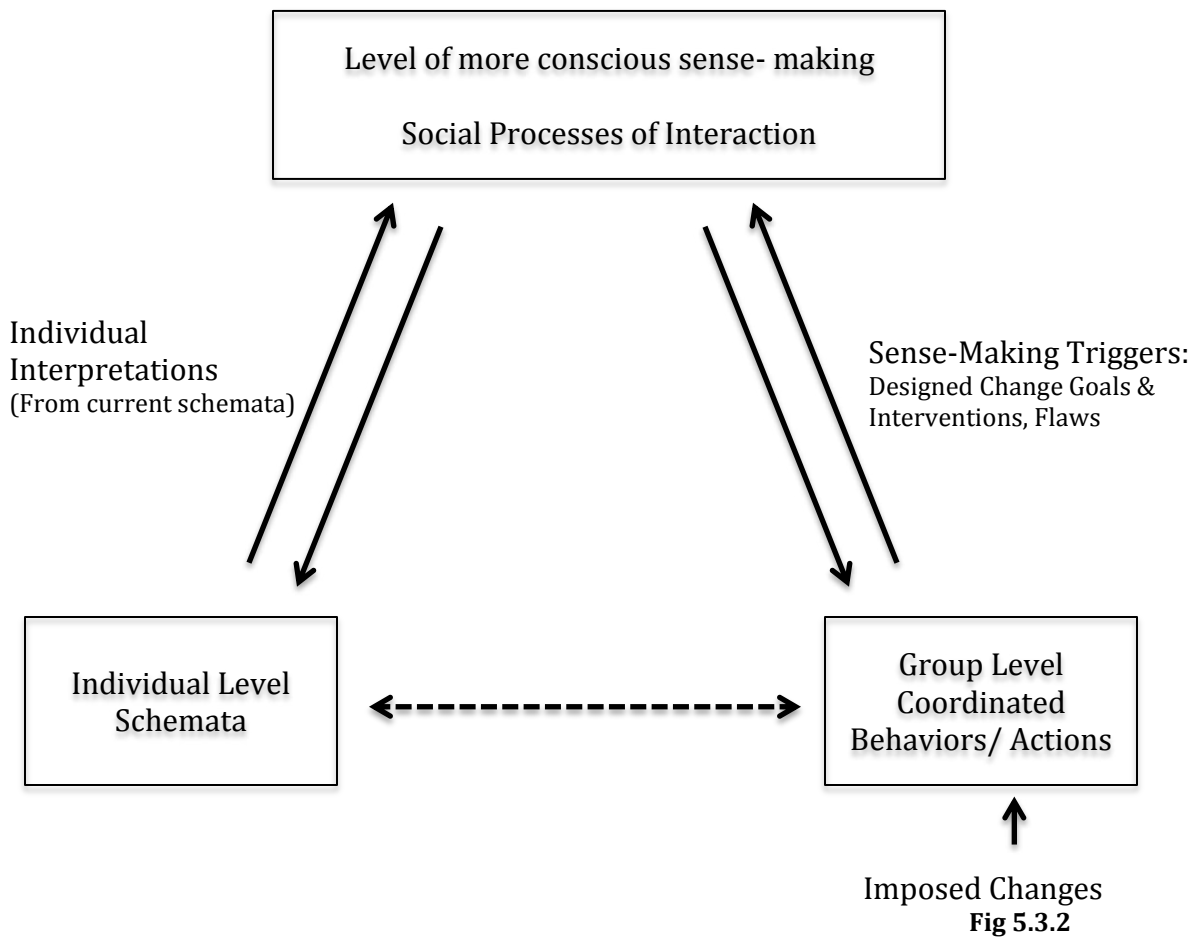
The theory of including or allowing personnel to participate in strategic change processes is well rooted within the field of change management. It is an effective way to curb some of the risks associated with change, shift path dependents onto a new track, and win over key personnel to the new business strategies that an organization may wish to implement. To simply state it, communication equals empowerment, and this is important to understand because change is not linear; it is dynamic, emergent, as well as frustrating and daunting for all parties involved. In addition to this, the process of sense-making changes in correlation to outside stimuli, and more often than not, executives in charge of implementing strategies tend to forget the importance of being able to interpret and understand *schemata* not just on an individual level, but also a group level. This is important to account for because during change initiatives, individuals tend to move to a more conscious sense-making mode in order to make sense of the differences they are experiencing, typically by sharing their experiences with others, which can be seen as illustrated on the following page. (Balogun 2006)

A. Sense- making During Times of Stability



Fig. 5.3.1

B. Sense- making During Time of Change



6.0 Future Recommendations for Planned Strategic Change – Region West

The purpose of this chapter is to offer potential and viable solutions for future strategic change processes at Tools – specifically Region West. Throughout the course of this study strong evidence has been presented that the day – to –day operations and customer profiles of Region West are very dissimilar to that of the other regions in Norway. Recommendations will be made on the basis of addressing Grant’s strategies for analyzing potential increase in market value:

1. The current market value
2. The value of the company as is
3. The potential value of the company with internal improvements
4. The potential value of the company with external improvements
5. The optimum restructured value of the company.

This will be done by first recommending internal improvements for region west with the ventilation of the departmental divides, before moving on and discussing the current external factors, such as the oil and gas industry that directly affects region west. To conclude recommendation regarding the development of an offshore/oil and gas division will be made with drawn comparison to that of a similar organizations operating within the oil and gas industry.

6.1 Ventilating the Silos

When it comes to the reorganization at tools, it can be seen that the organization went from being a more flat - hierarchical based institution to that of an even flatter organization with less middle management and a clear division between the sales and logistic/ purchasing departments.⁵ The Branch Manager of each location was then reorganized to the position of Sales Manager with the current Sales Manager becoming a Key Account Manager in the outhouse sales department. In addition to this the Logistic Manager at each branch was reorganized to report to a single Logistics Manager in Stavanger, with the Warehouse Managers of each location also reporting to the Logistics Manager in Stavanger as well.

When it comes to the division between the sales and logistic departments there becomes room for discussion regarding communication channels and the formation of silos within the organization. The idea of silos are oftentimes meant to conjure up images of isolation between departments, just as different grains are isolated in their silos. John Kotter often refers to silos as stifling communication, destroying trust, and ultimately allowing for an organization to become latent; this inevitably leads to the conclusion that they need to be broken down. This interpretation however, could not be further from the truth for many organizations. According to Holtz (2014), "Organizations don't establish silos – or boxes on org charts – with the goal of destroying trust, stifling communication and fostering complacency. They do it to allocate resources efficiently."

This is no different than in the case of Tools. Throughout the process of studying the reorganization, it became clear that the intention with the division between the two departments was not to break them down and isolate them, but rather to consolidate and better manage stock throughout the warehouses in the region. While the division looks harsh on paper, Holtz noted that, "Smaller groups generally

⁵ See Appendix II for an Organizational Chart Pre- Reorganization (Region West)
See Appendix III for an Organizational Chart Post- Reorganization (Region West)

achieve missions more easily than big ones, just as it is easier to turn a speedboat than an aircraft carrier.” This means that it isn’t necessarily about breaking down the silos, or busting them, but rather about ventilating them and the containment of the resources within them.

If the key point of Holtz’s concept of ventilating silos is translated over to the current reorganization at Tools, key information could flow more freely within not only each branch, but also the region. The goal of management should not be to try and bust the silos, but rather to ventilate them and open up communication channels between the sales departments and the purchasing and logistic departments. It can be said that this concept is tantamount for the region due to it operating within the oil and gas market which is more complex and diverse than that of the needs of smaller markets in which the other regions of Tools operate. It is like comparing oranges to apples.

6.2 World Oil Trends: Supply and Demand Outlook to 2040

When it comes to understanding the main customer profiles and market to which Region West operates in, one can turn to the oil and gas industry to gain useful insight. Although the confidence in the industry currently at lower standards than previous two years, OPEC with its *World Oil Trends Report to 2040* reports that oil will continue to play a key role in satisfying world energy needs for the medium-term (2019) and long-term (2040) projections as the global economy is expected to double in size as populations grow and prosperity expands.

	Levels <i>mboe/d</i>				Growth <i>% p.a.</i>	Fuel shares <i>%</i>			
	2010	2020	2035	2040	2010–40	2010	2020	2035	2040
Oil	81.8	88.8	95.4	99.6	0.7	31.9	29.6	27.2	24.3
Coal	72.4	87.4	100.0	111.2	1.4	28.2	29.1	28.4	27.1
Gas	55.2	69.4	87.6	110.9	2.4	21.5	23.1	25.0	27.0
Nuclear	14.4	13.9	17.4	23.2	1.6	5.6	4.6	5.0	5.7
Hydro	5.9	7.4	8.8	10.0	1.8	2.3	2.5	2.5	2.4
Biomass	24.9	29.2	33.9	38.6	1.5	9.7	9.7	9.7	9.4
Other renewables	1.8	4.2	8.3	16.6	7.7	0.7	1.4	2.4	4.0
Total	256.4	300.3	351.4	410.2	1.6	100.0	100.0	100.0	100.0

Fig 6.2.1 (OPEC)

Over the projection period 2010 – 2040, energy demands are expected to increase 60%, and although oil will remain the main energy type throughout the initial part of the projection, gas is most likely to overtake post – 2040 with fossil fuels converging to similar levels of oil at 25 – 27% in the 2030s.

When it comes to looking at Non-OPEC suppliers, there are some terms of uncertainty, but these are mostly linked to scenarios where there are known given constraints and challenges such as steep decline rates and given *sweet spots* of shale gas. According to the IEA *Oil Market Report*, medium-term reports show that oil demands from the transportation sector will still continue to increase over the next 5 years while OPECS *World Oil Trends Report* also supports this in stating that the transportation sector will account for 63% of consumption by 2040. In addition, the *World Energy Outlook Report 2014* by the IEA also suggest that world oil supply will rise by 104mb/d by 2040, doubling the production of the 94mb/d that were seen in January 2015.

When it comes to addressing the projections for the Norwegian Oil and Gas Industry, one can turn to the NPD to look at forecasts for the coming years. While investments are expected to still continue to drop through 2017, there is an expected rise in subsequent years. While these investments are not expected to be

as high as the historical all time highs of 2009 – 2013, they can still be seen as considerably higher than that of the last industry crisis in 2008.

A. Investments excluding exploration – historic figures for the 2009 – 2013 period and forecast for 2014 – 2019

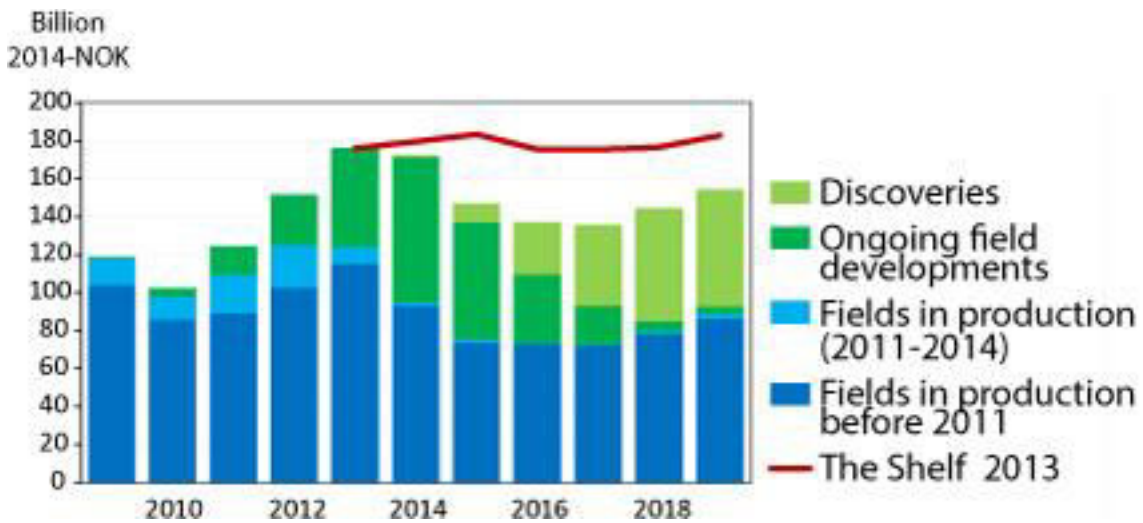


Fig. 6.2.2 (NPD)

B. Investment Figures for 2009 – 2013 period and forecast for 2014 – 2019

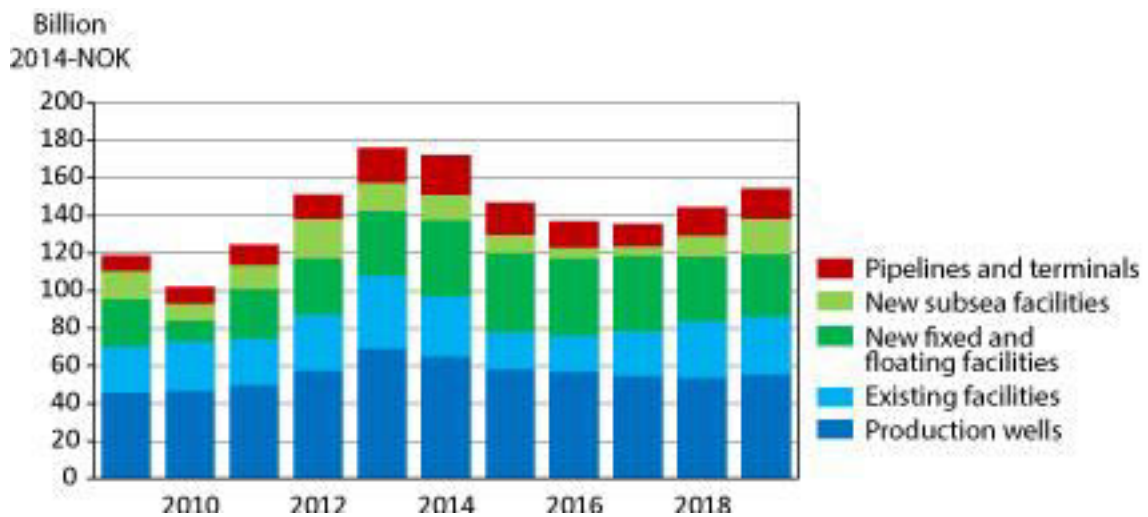


Fig 6.2.3 (NPD)

6.3 The Birth of a New Division – Tools Offshore

After a brief overview of the industry and market in which Tools Region West primarily operates, it is important to take a look at and draw comparisons of the various regions and their ROS (Return on Sales) percentages, or operating profit margins. In order to do this, a comparison will be drawn between Region West, North, and East as follows:

All Figures in Thousands				
	31 - March	West	North	East
	2011- 2012	23 272	16 413	-8 914
	2012- 2013	32 220	20 052	-15 025
	2013- 2014	50 924	17 614	-1 854
	2014- 2015	31 512	12 170	-4 720
		137 928	66 249	-30 513
ROS %	2013- 2014	9.8%	3.0%	
ROS %	2014- 2015	6.8%	2.5%	

Fig 6.3.1

By definition an ROS is a ratio that is widely used to evaluate a company's operational value; it is also known as an organization's operating profit margin. This figure is found by dividing the net income (before interest and tax) by sales, and is a helpful measurement in aiding management to gain insight into how much profit is being produced per kroner of sales. When a comparison is drawn using the ROS percentages of the three regions, it becomes clear to see that Region West is operating at a much more profitable rate per kroner than that of Region North and Region East. While Region West is operating the last two years at 9.8% (2013-2014) and 6.8% (2014-2015), it can be noted that Region North is only operating at

about one-third to one-half of those percentages at 3.0% (2013- 2014) and 2.5% (2014 - 2015), while the East is bleeding money in the red; all of which can be attributed to the oil and gas industry of the North and the West.

In looking for viable solutions for opportunities regarding Tools, one of the best alternatives is that Tools should develop and hone its own offshore division that specializes in supplying to the oil and gas industry. The division itself does not have to be limited to Region West, but can in short help to consolidate the differing needs and demands of the oil and gas industry's customer profiles. A frame agreement with the likes of Conoco Phillips or Statoil of which Region West holds, can be in no way be compared to the customer profiles that litter Region East which are more limited to the building and farming industries.

The idea of Tools creating its own division to serve the oil and gas industry is not too unfamiliar around the world. As an example, one can turn to Weir Oil and Gas, which is owned by The Weir Group PLC. Although the company is more present on a global scale than Tools, the divisional concept is still comparable to that of what Tools could strive to achieve. Weir Group is one of the world's leading engineering businesses, and they employ about 9,000 people world-wide across three divisions which include: Weir Power and Industrial, Weir Minerals, and Weir Oil and Gas. The business itself is supported at the group level by management, marketing, and training through their Scottish headquarters and regional *product focused centers* in which the three divisions work together as one towards achieving operational excellence.

Applying this divisional concept to Tools with the establishment of an offshore division would allow Tools to better collaborate, co-operate, and integrate itself towards meeting *all* of its customer's profiles as a singular organization that presents a more united front to the market. The establishment of an offshore division would not only allow for Region West to focus on what it knows best – oil and gas, but it would also allow for the other regions of Tools to focus more on

building and marketing to its own customer profiles – construction and farming. In addition to this, the establishment of an offshore division would also help to make any new and future changes more stable by allowing for more flexibility and adaptability within the structure of Tools as a whole organization. Changes would no longer have to be created and implemented in one- size- fits- all packaging that generalizes two very different sides of an organization, but rather it would allow for members of the organization to ultimately focus not on what matters least – the unnecessary noise from ongoing changes, but rather to focus on what matters most, sales and scores.

7.0 Concluding Commentary

The objective of this study has been to investigate the affects of the reorganization of Tools within Region West, and to offer viable recommendations for future change processes and improvements. While the study was unable to draw a fair and decisive conclusion on the long-term effects of productivity due to time allocations for the study, there was ultimately enough time allocated to be able to determine a conclusion that the noise created by the changes could have been avoided. if middle-management had been able to have a certain level of involvement in the planning and implementation processes regarding the reorganization.

Short-term effects that were noticed were ultimately concluded to be due in part to the poor planning and implementation of upper management responsible for the change. Thus supporting the arguments of Hrebiniak (2006), in which he argues that management today is often trained to plan change, but not necessarily to execute change. In addition to this, it was also concluded throughout the course of the interviews that if key middle- management had been able to have had a certain level of involvement in the planning and implementation processes regarding the reorganization, the resulting noise from Region West could have been kept more to a minimum; thus ultimately resulting in a much more smoothly ran hard change. After running this study, it can easily be concluded that the overall implementation process and procedures were not given as much time and attention to detail as the planning processes for the overall reorganization at Tools.

In addressing theory, this study greatly utilized and reflected upon theories surrounding strategic change management, and oftentimes called upon the works of Porter, Kotter, Rhyde, Hrebiniak, and Grant. The theoretical concept that most arose throughout the dialogue of this study is that all aspects of an organization play an equal role when it comes to addressing the field of change management. The importance of understanding and accounting for all aspects of an organization including, the social, political, and structural aspects was stressed repeatedly

throughout this document in hopes of creating the understanding that an organization is not just a conceptualization, but rather an organic structure that has many small parts that work together to equal a whole.

When it comes to addressing the future needs of Tools, recommendations for future change processes and improvements concluded that attention to individual and group *schemata* should be observed and accounted for during change processes, as well as addressing the concept of allowing the two silos that constitute Region West to ventilate and open up for key lines or points of communication between key personnel.

As a final recommendation, the concept of creating Tool's own oil and gas or offshore division was mentioned. This development would not only allow for more flexibility and adaptability within the organization, but it would also ease future change processes by allowing for consideration in addressing what Region West's needs are in comparison to that of the other areas in which Tools operates. In addition to this, an interesting study would ultimately be to dive further into the concept of creating an offshore division, and investigate further what viable future possibilities it could hold for not only for Region West, but also Tools as an organization.

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Appendix I

Interview Guide

[Contents: Introductory Protocol, Interview Guide, Post Interview Content Sheet]

Introductory Protocol

To facilitate my note-taking I would like to audio tape our conversations today. For your information, only I will be privy to the tapes which will be eventually destroyed after they are transcribed, and all information exchanged during this interview shall be handled with respect in confidentiality.

I have planned this interview to last approximately one to one- and one-half hour. During this time, I have several questions that we would like to cover. If time begins to run short, it may be necessary to interrupt you in order to push ahead and complete this line of questioning.

Introduction

You have been selected to speak with me today because you have been identified as someone who has directly been affected by the reorganization of Tools. The research project as a whole focuses on the organizational restructuring of Tools, and more-so specifically Region West. My study does not aim to evaluate your position at Tools, but rather, to learn more about how organizational restructuring can affect organizational procedures, processes, and systems, as well as the attitudes of affected personnel.

A. Interviewee Background

How long have you been...

_____ at Tools?

_____ in your present position?

_____ in your previous position?

What is your...

_____ present position at Tools?

_____ previous position at Tools?

What is your highest degree?

What is your field of study?

Briefly describe your present role at Tools?

Probe: How are you involved in the day-to- day processes at Tools?

Briefly describe your previous role at Tools?

Probe: How were you previously involved in daily operations prior to the reorganization?

B. Institutional Perspective

What are the most critical processes for the organization, and how would you rate/describe the effectiveness of these processes?

Probes: Is it working – why or why not?

Purpose, development, initiatives, administration

What are the overall strengths and weaknesses of the organization, and have they been addressed with the re-structuring of the organization?

Probes: What gaps have been filled?

Leadership, Warehouse, Communication, Sales, Customer Relationships

What are the organization's needs and priorities, and what factors and decisions are truly critical in relation to them?

Who in the organization must work closely together to achieve these needs and priorities, and does the current restructuring enable them to do so?

Probes: Communication Channels, Hierarchy,

Are the right people and capabilities in place after restructuring the organization to be able to achieve these needs and priorities?

Probe: In the event of sudden illness, or vacation, how are role vacancies filled?

After restructuring, what work processes and systems have been put into place that enables employees to be effective in addressing the organization's needs and priorities?

Probes: IT, Communication Channels, CRM

C. Reorganization Process and Effects

What is your view of management's rationale for the reorganization?

Probes: How necessary was the need for change?

At what level have affected personnel been allowed to openly be involved in the change process, through open and continual dialogue?

Were the strategic priorities of reorganization made clear prior to the change, and were they communicated clearly enough for all involved personnel to understand where the organization is wanting to go, why it is wanting to go there, and how they are going to get there?

Probe: How effective was management in communicating the need for change, and why it was being implemented?

What overall motivational factors for career development have been made available as a result of the structural re-design?

Probe: How has Tools been made a more attractive organization for employment opportunities and career advancement?

Post - Interview Content Sheet

ID:	
Date:	
Length of Interview:	

1. How would you describe the interviewee’s overall attitude about reorganization?

- Content Frustrated Discouraged
- Apprehensive Relaxed Other: _____

2. How would you rate the overall quality of the interview? Did the interviewee provide lots of interesting detail or very little?

Few interesting details	Some interesting details	Many interesting details
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3. Did the interviewee say something noteworthy in response to one or more of the interview questions?

Question No. and/or Topic	Short Description

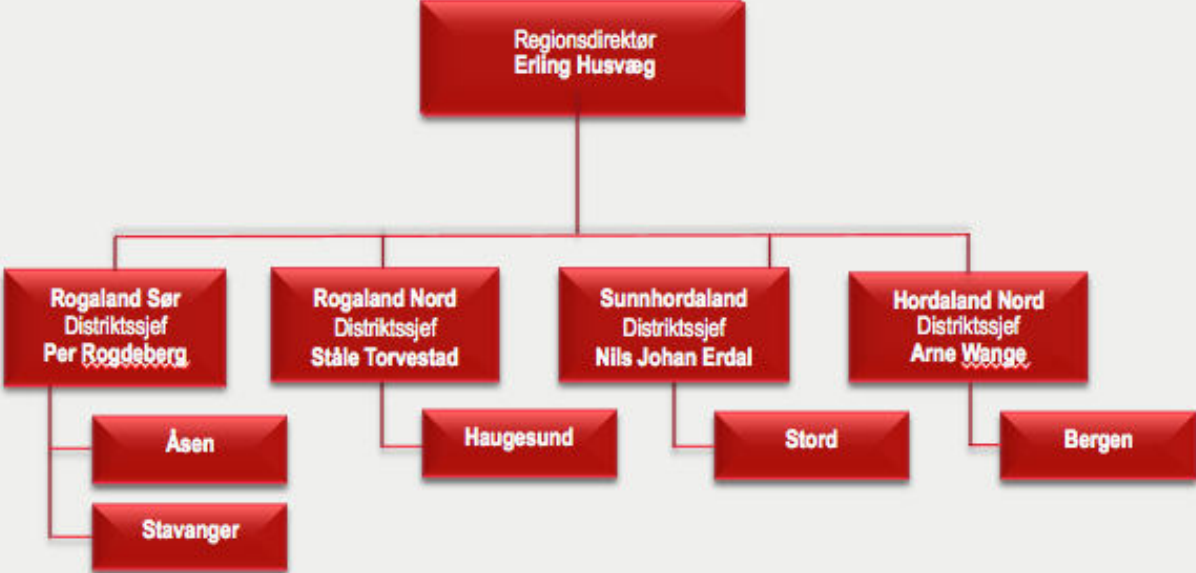
4. Items that came up in this interview that would be worth following up on during subsequent interviews:

- A.) _____
- B.) _____
- C.) _____
- D.) _____

Appendix II

Organizational Chart Region West:
Pre- Reorganization

Region Vest

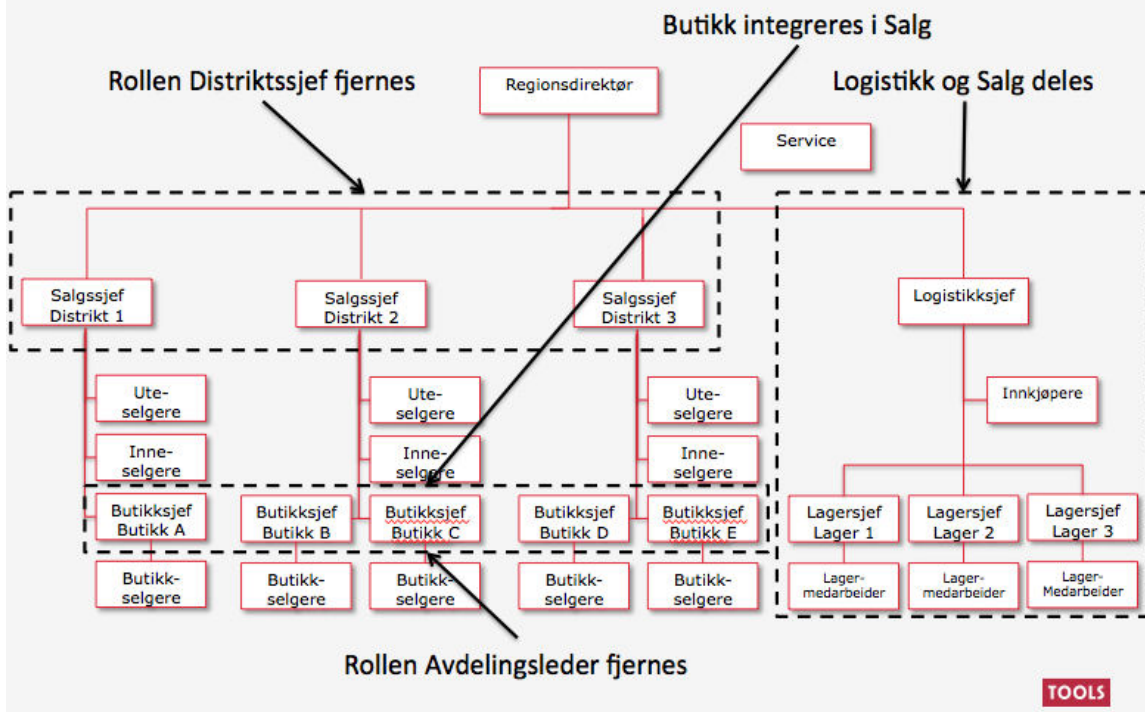


Appendix III

Organizational Chart Region West:

Post- Reorganization

Ny organisering – regionsnivå



Region Vest

