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School of Business and Management
Department of Industrial Management

Master Thesis

ANALYSIS OF THE CHANGE MANAGEMENT PROCESS IN A MULTINATIONAL COMPANY

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ABSTRACT

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The purpose of this thesis was to study change management and find out how the theory applies to practise with the help of studying an organizational change process. The goal was to investigate the different ways of the change management and how those could be utilized in practise. The purpose was also to see what kind of tools and information packages for change management the company involved has developed and taken in to use and check if these could have been utilized in the change process studied in this thesis.

This thesis was established by studying the theory of change management and interviewing the people involved in the organizational change and the stakeholders. The questions were formed in line with the change management theory. The main theory used was John P. Kotter's Eight Steps of Change.

The study revealed valuable details about change processes in real life and concrete improvement ideas were recognized from the interviews. Overall the people were quite happy with the outcome of the change process. There were also some failures identified in this change process. Most probably those can be avoided in the future if people planning the change are familiar with the company's new information packages and tools for change management.

Change management is a complex area that is still today quite often forgotten by companies. Effective change management can give a huge competitive advantage for a company. Acknowledging that change process is always complex and not easy is already a good step forward in handling change processes. All changes need change management and understanding the way people react on change. A good and efficient change management is the key to make the change process smooth and easier for the people involved.

TIIVISTELMÄ

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Hakusanat: muutoksen hallinta, muutosjohtaminen, muutosprosessi organisaatiomuutos	
<p>Työn tarkoituksena oli tutkia muutosjohtamiseen liittyvää teoriaa ja havainnoida sitä käytännössä tapahtuneen organisaatiomuutoksen kautta. Työn tavoitteena oli selvittää muutosjohtamisen eri keinoja ja sitä, miten niitä voitaisiin hyödyntää käytännössä. Tarkoituksena oli myös tutustua esimerkkiyrityksen kehittämiin muutoksen hallinnan työkaluihin ja tietopaketteihin sekä selvittää olisiko näitä voitu hyödyntää jo aiemmin tapahtuneessa tutkimuksessa muutoksessa.</p> <p>Työ toteutettiin tutkimalla muutosjohtamiseen liittyvää teoriaa ja sen jälkeen haastattelemalla organisaatiomuutoksen läpikäyneitä ihmisiä ja sidosryhmien edustajia. Kysymykset luotiin teoriakehyksen pohjalta. Pääteoriaksi muodostui John P. Kotterin Muutoksen Kahdeksan Askelmaa.</p> <p>Tutkimuksesta saatiin arvokasta tietoa muutosprosessin hallinnasta käytännössä. Tutkimuksessa paljastui myös konkreettisia parannusehdotuksia. Kaiken kaikkiaan ihmiset olivat tyytyväisiä muutoksen tulokseen, mutta myös epäonnistumisia tunnistettiin. Tulevaisuudessa epäonnistumiset luultavasti pystytään välttämään, jos ihmiset, jotka johtavat muutosta ovat tutustuneet yrityksen muutoksen hallinnan työkaluihin. Näistä työkaluista löytyy myös hyödyllistä tietoa ihmisille, jotka ovat mukana muutosprosessissa.</p> <p>Muutoksenhallinta on monimutkainen asia ja vielä nykyäänkin yritykset unohtavat sen tärkeyden. Tehokkaalla muutoksen hallinnalla voidaan saavuttaa suuri kilpailuetu muihin yrityksiin verrattuna. Muutoksenhallinnan monimutkaisuuden ymmärtäminen on jo hyvä askel eteenpäin. Kaikissa muutoksissa tarvitaan muutoksenhallintaa ja ymmärrystä ihmisten erilaiseen reagointiin muutostilanteissa. Tämä on avain asemassa muutosprosessien tekemisestä sujuvimmiksi ja helpommaksi osallisille ihmisille.</p>	

ACKNOWLEDGEMENTS

I have seen many change processes as I have been working several years in the forest industry and there the change was constant. There were change processes ongoing in our own organization or in the surrounding groups all the time. Then I changed the company and industry and found myself in the middle of organizational change. This led to it that I got interested in the topic of change management. I wanted to see the theory behind the change and see how change processes are managed. This proved to be a really interesting topic.

I would like to thank my family and friends for the great support during the time spent with this thesis. Especially I would like to thank my colleagues how agreed to be interviewed. Without them this would not have been possible. I wish also to express my gratitude to my supervisor Martina Haglund and examiner Petri Niemi.

Thank you, Anton, for pressuring me to finish my studies.

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TABLE OF CONTENTS

LIST OF FIGURES	8
LIST OF TABLES	9
1 INTRODUCTION	10
1.1 Purpose and goal of the study	10
1.2 Scope of the study	11
1.3 Theory of the thesis	11
1.4 Research methods	11
1.5 Outline of the thesis	12
2 CHANGE MANAGEMENT	13
2.1 History	13
2.2 Why do change processes often fail?	14
2.3 People and internal change	16
2.4 Own responsibility in change process	17
2.5 Change Curve	18
2.6 Innovation/adoption model	19
2.7 Management versus leadership	21
2.8 Processual approach	23
2.9 Four Rooms of Change	24
2.10 Successful Change process, Kotter's Eight Steps	26
2.10.1 Establishing a sense of urgency	27
2.10.2 Creating the guiding coalition	27
2.10.3 Developing a vision and strategy	27
2.10.4 Communicating change vision	28
2.10.5 Empowering broad-based action	28
2.10.6 Generating short-term wins	28
2.10.7 Consolidating gains and producing more change	29
2.10.8 Anchoring new approaches in the culture	29
2.11 Change in future	29
3 CASE COMPANY BOREALIS	31
3.1 Base Chemicals, Hydrocarbons and Energy	32
3.2 Finland	33
3.3 Mission and vision	34
3.4 Values	34
4 CHANGE MANAGEMENT AT BOREALIS	36

4.1 H2C, How to Change?	36
4.2 Change tools at Borealis	40
4.2.1 Risk assessment	41
4.2.2 Measuring Change Strategy's probability to succeed with 12 indicators	41
4.2.3 Change Overload	43
4.2.4 Rogers' Adoption/Innovation Curve	44
4.2.5 Temperature Check/Change Process Survey Items	44
4.2.6 Change Curve	45
5 CASE: ORGANIZATIONAL CHANGE	47
5.1 Responsibilities of the sales and supply chain teams	47
5.2 Background	48
5.3 The reason for the change	48
5.4 Communication of the change process	49
5.5 Change in Supply Chain	49
5.6 Change in Sales	51
6 RESEARCH	53
6.1 Questions related to the change process	53
6.2 Questionnaire form	54
6.3 Questions related to change management	56
7 INTERWIEV ANSWERS	57
7.1 Organizational change	57
7.1.1 The changes to own tasks	57
7.1.2 The opinion about the change regarding own tasks	58
7.1.3 The change in working locations	59
7.1.4 The opinion about whole change process	60
7.1.5 The reason and vision for the change	62
7.1.6 The current state of the change	65
7.1.7 The Goal of the change	66
7.1.8 The situation before and now	67
7.1.9 Dividing of the tasks	68
7.1.10 Workload	69
7.1.11 Communication	69
7.1.12 Four Rooms of Change	70
7.1.13 Points for the organizational change	71
7.1.14 Evaluating and further improvement	74

7.2 Theoretical questions	75
7.2.1 The need for the change	75
7.2.2 The leaders of the change	75
7.2.3 The meaning for Borealis	75
7.2.4 Ability influence on the change	76
7.2.5 Consolidation and improving	76
7.3 The stakeholders of the change	77
8 RESULTS	79
8.1 Establishing a sense of urgency	80
8.2 Creating the guiding coalition	80
8.3 Developing vision and strategy	81
8.4 Communicating the change vision	81
8.5 Empowering broad-based action	82
8.6 Generating short-term wins	82
8.7 Consolidating gains and producing more change	83
8.8 Anchoring new approaches in the culture	83
8.9 People handling the change	84
9 CONCLUSIONS	85
REFERENCES	87
APPENDIXES	

LIST OF FIGURES

Figure 1. The Change Curve (Educational Business Articles 2015)	14
Figure 2. Rogers Adoption/Innovation Curve (Value Based Management 2015)	20
Figure 3. A Processual framework	24
Figure 4. Borealis locations (Borealis Annual Report 2014)	31
Figure 5. Integration in Porvoo (Introducing Borealis and BU Phenol 2015)	33
Figure 6. Borealis change mascots (Introducing How to Change 2015)	36
Figure 7. Bumpy road of the change (Initiation package change management 2015)	37
Figure 8. H2C . (Overview of Change Process 2015)	39
Figure 9. Organizational Change (Overview of Change Process 2015)	40
Figure 10. Change overload (Change Overload 2015)	43
Figure 11. Rogers' adoption/innovation curve (Rogers Adoption/Innovation Curve 2015)	44
Figure 12. Temperature check (Temperature Check 2015)	45
Figure 13. The change curve (The Change Curve with leadership style 2015)	46
Figure 14. BU Phenol Porvoo organization before the change	49
Figure 15. BU Hydrocarbon and Energy Porvoo supply chain organization before the change	50
Figure 16. New organization, Supply Change, Phenol and Acetone Business	50
Figure 17. New organization, Sales, Phenol and Acetone Business	52

LIST OF TABLES

Table 1. The Four rooms of change	25
Table 2. Borealis Key Figures 2014 (Borealis Annual Report 2014)	32
Table 3. Changes to own tasks	58
Table 4. People's opinion about the change	59
Table 5. Change to working location	59
Table 6. Opinion about the working location	60
Table 7. Feeling towards the change process	61
Table 8. Office workers' feeling towards the change process	62
Table 9. Reason for the change	63
Table 10. Change vision	64
Table 11. The state of the organization	65
Table 12. Completion of the change	66
Table 13. Goal of the change	67
Table 14. Feeling towards the communication of the change process	70
Table 15. Opinion of Four Rooms of change	71
Table 16. Points for the organizational change	72
Table 17. Points from different groups	73
Table 18. Points for change process regarding the level of change experienced	73

1 INTRODUCTION

Change is constantly around us. Change processes are not limited only to business life, changes are happening everywhere around us in our private lives too. There can be for example new IT systems taken in to use, mergers, layoffs, new jobs and organizational changes. Changes can be big or small and can even influence on a whole industry.

All change processes need change management. The better the changes are managed the faster the change process and adaption to the new is. Change management started to play a bigger role in the business world in 1980's but today change management is more relevant than ever.

Companies forget the change management quite often and this causes that the goals for the change processes are not met or the whole processes fail. There are many things to be covered in the change process. All of the objectives must be managed well to be able to handle the change successfully. Companies can develop a huge competitive advantage with efficient change management.

1.1 Purpose and goal of the study

The purpose of this thesis is to study change management and find out how the theory applies to practise with the help of studying the organizational change process in a multinational chemical company, Borealis. The goal is to see if the change management theory is used in the real life. The other area of interest is to understand people focus in change processes and how people involved in a change process experience the change. There had been some negative feedback about this change process so it was good to investigate the change closer and see if some concrete problems could be recognized.

The purpose is to find out how the process was handled and how people experienced the change. The purpose is also to see what kind of tools Borealis has

implemented for change management lately and how those could have been utilized in this change case.

1.2 Scope of the study

The case was limited only to the organizational change in the Borealis Hydrocarbons and Energy Supply Chain teams and Sales team in Finland. The whole change process was wider but this thesis concentrates only to this specific organizational change. The background for the change is also explained carefully. The information about the organizational change was gathered by interviewing the people involved in the change process.

1.3 Theory of the thesis

The theory part of the thesis includes theory from literature and introduction of common change management tools. There was quite lot of information available about different kind of change management models and tools. The main theory used in the thesis is John P. Kotter's Eight Stage Process to handle the change. These Eight Steps seem to be the most relevant change management theory at the moment and also Borealis has used Kotter's Eight Steps in developing their own change tools.

1.4 Research methods

The research was carried out as a qualitative case study. The data was collected by interweaving the people involved in the change process. The interviews were conducted face to face and recorded. People were also asked to fill in a short questionnaire form to support the data received from the interviews. The stakeholders of the change were also interviewed. The interviews were done when about a year had passed from the organizational change.

The interview questions were divided in to two groups. The first questions were purely about the actual organizational change and the second part concentrated in applying the theory in the practise. The theory based questions were formed in line with John P. Kotter's Eight Steps.

The meaning was to get a full picture about the details of the organizational change process and to get an idea about how people had experienced the change. The purpose of asking the theory related questions was to see if the theory was applied in this change process.

1.5 Outline of the thesis

This thesis consists of the theory part, the company and case introductions, the case study and the final results and conclusions. The theory of change management from literature and commonly used tools for change management are introduced first. This part also includes some information about the history of the change management and how the change management is seen in the future.

The case company Borealis is introduced next. The company introduction includes general info about the company, vision and mission and values of the company. The business unit Hydrocarbons and Energy is introduced more closely as the case used in this thesis is from this business unit. The change tools of Borealis are presented after the company introduction.

The next part concentrates on the organizational change case. The details of the change are explained mainly according to the information received in the interviews. The study methods are introduced after this. The results of the interviews are presented at the end of the thesis. Final parts of the thesis are the results and conclusions of the study.

2 CHANGE MANAGEMENT

Change is the word of today and change processes are happening everywhere in our working life as well as in private life. There are different types of change for example big, small, voluntary, compulsory, sudden and planned changes. Changes can be: organizational changes, layoffs, new positions, new ways of working and fusions or new IT-systems taken into use. Change processes can even have an effect on the whole industry and change the ways of working for good.

2.1 History

Change management has been a topic for a long time already. There have been studies about change management already at the late fifties. Different kind of models for change has been developed already this time. For example E.M. Roger's innovation/adaption model for people adapting to change was developed in 1960's. (Dawson 2003, 15)

The change management as it is seen today started developing in 1980s when large companies started to pay attention to management of change. Companies saw huge saving potentials in more efficient implementing of new programs and ways of working. Companies also started to see the meaning of good leaders in the change. This work was a base for the early change management models and also for John P. Kotter's Eight Steps. (Dawson 2003, 15, Prosci 2015)

John P. Kotter wrote a book called "Leading Change" in 1996 and today it is more relevant than ever. The theory behind this book is used to guide many change processes today. It is easy to understand and quite simple to apply in practise.

2.2 Why do change processes often fail?

Change processes do not always fill the expectations that have first been set to it. The whole process might fail. John. P. Kotter claims that there are few major issues that will cause change process to fail. Those are:

- Allowing too much complacency
- Failing to create sufficiently powerful guiding coalition
- Underestimating the power of vision
- Under communicating the vision
- Permitting obstacles to block the new vision
- Failing to create short-term wins
- Declaring victory too soon
- Neglecting to anchor changes firmly in the corporate culture

(Kotter 1996, 4-14)

The people involved in the change process should feel that the change is urgent and that the change needs to be done. If people are allowed too much complacency the fail is almost certain. (Kotter 1996, 4)

The head of the organization must support the change. Otherwise the change is almost impossible to achieve. The support must be active and visible. The whole top management must form a unite group to support the change. This group must be committed to the change and also make other people notice this. (Kotter 1996, 6)

The most important factor in a change process is the clear vision and that people understand and believe in the vision. It is not only important to create a vision but it must be well communicated to the people involved in the change. Without a clear vision people do not see the need or the meaning of the change. If the vision is made clear and people believe in it, they will want to make the change happen and are committed to it. (Kotter 1996, 7- 9)

The big mistake that companies often make is that the vision is clear for the people planning the change but they fail to communicate it to the people involved in the change process. This will lead to the people not understanding why the change is needed and what the company is trying to achieve with the change. People are not engaged to the change process then. (Kotter 1996, 7- 9)

Many things might make the change process seem too challenging. The vision might be well understood and praised but there are obstacles too big to concur in the way of the vision. In these cases people will not pursue the new vision. Change processes should be planned so that there are not too big obstacles in the way or it must be addressed to the people that no obstacle is too big to overcome. People should believe in the vision so hard that they are ready to overcome all the obstacles. People must also have power to change things that are not in line with the new vision. (Kotter 1996, 10-12)

Dividing the change process in to a smaller steps and creating short term goals is a good way of making the change process easier. It is also important to celebrate every time when one step is achieved and finished. This makes the process easier to handle and helps people to not wear down during the change process. (Kotter 1996, 10-12)

It is also important that the change process is not declared to be finished and celebrate the victory too early. People might get tired with the process and want to just get it over with. This is a big mistake and the risk that the change will not be permanent increases. The changes must be anchored as a part of the corporate's culture. This is extremely important because there is a big risk that people will not take the changes as common way of working and over time they start to slip back to the old habits. Then the whole change process has been for nothing. (Kotter 1996, 13-15)

2.3 People and internal change

People have good capability to adapt to change. This demands that people put an emotional effort to handling the change. People have to adapt, learn new things and deal with different kind of thoughts and feelings in every change process. The people's reactions to the change can vary a lot. It is important to understand the internal change process to make the change process be successful, faster and less painful for the people. (AS3 companies 2012, 1)

The emotional adaption to change is called internal change process. The internal change is not same thing as the actual change process. People react to change very differently and also the internal change processes are very different. The internal change process can start on a person's own initiative or some outside force can trigger the internal change process to start. If the change happening is meaningful for the person, then the internal change process cannot be avoided. The internal change process will be faced whether the change is positive or negative for the person. (AS3 companies 2012, 1, 12)

The internal change process takes a part of people's resources during the external change. The internal change process can have a big effect on the motivation and work efficiency. The effect can be quite often negative as people have to learn and adapt to new ways of working and it always creates uncertainty when people are forced to deal with new things and forget the old habits. (AS3 companies 2012, 1)

The effect can also be positive if people experience the change as a positive thing that creates possibility to develop and use their skills. The change can be experienced as exciting and people can feel curios and enthusiastic towards it. (AS3 companies 2012, 1)

People also deal differently to the internal and external change. The most important thing that influences on the way people are reacting to change is the fact how involved they feel in the change process. People need to take responsibility for the change to make internal change process easier and faster. Quite often the

internal change process takes more time than the actual change project allows. (AS3 companies 2012, 8, 33)

Internal change processes are complicated and have three phases: end, adaption and new beginning. The different phases might mix up with the other phases so it is not always clear which phase the person is dealing with. In the phase end, some change has started to affect to a person. The change might be on going or there might be an idea that change will occur. The change fills the thoughts and starts the internal change process. In this phase the main feeling that people experience is usually uncertainty. (AS3 companies 2012, 17-33)

In the adaption phase people let go of the old and make room for the new. It depends on the change and how people feel about the change how long the adaption phase takes. There is also a risk that people do not want the change to happen and for example avoid learning the new tasks. When people start to feel that they understand the change and know all the things that have a meaning for them in the change they start to feel clear about the change. After this the new beginning can start. (AS3 companies 2012, 17-33)

2.4 Own responsibility in change process

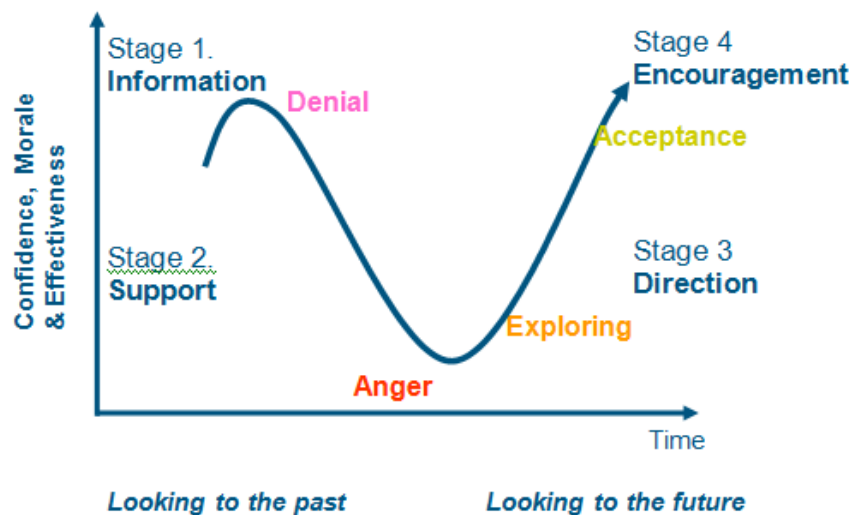
People can also have an effect on how they feel about the change and how fast they adapt to it. If people can relate to the changes from a positive side the internal change process is significantly easier and faster. A person's personality and way of thinking has a great influence in this. Some people are more open to change than others. These people feel change as source of motivation and are eager to learn new things. Others tend to stick with old and feel unsecure when facing even a small change. So it is good for people involved in change process to recognize their own characters. That way it is easier to deal with emotions caused by the internal change process. (AS3 companies 2012, 8)

2.5 Change Curve

The Change Curve was originally developed by psychiatrist Elisabeth Kubler-Ross in her own grieving process. This curve helps in understanding the different phases of the change. There are many different versions of the change curve available. The change process people go through is not simple and not easily predictable. This model visualizes it in a quite simple way. In the figure 1. is an example of the change curve. (Educational Business Articles 2015)

Figure 1. The Change Curve. (Educational Business Articles 2015)

The Change Curve



The time people need to go through these phases of the change depends on the person. The challenge in change processes is to help people go through the curve and understand which phase they are in. The general phases are denial, anger, exploring and acceptance. (Educational Business Articles 2015)

The first phase is denial. It is a natural reaction for a human. The most common reactions are that people think that the change will not help anything or that it is not possible to go through it. Disbelief is also a common reaction. In this phase it

is really important to communicate face to face with the person and try to get the person to realize and understand the change. (Educational Business Articles 2015)

The next phase is anger. A person understands that the change will happen but does not accept it. The other emotion often felt in this phase is bitterness. People need time to understand the change and in meantime the communication with the people must be open and strong. (Educational Business Articles 2015)

After the anger phase comes the exploring phase. People start to think about the opportunities of the change and understand that the change will happen. In this phase it is important communicate the timeline of the project and encourage people to take part to the change. It is also important to give visibility to the project. (Educational Business Articles 2015)

The last phase of the change curve is finally acceptance. In this phase the person has gone through the whole curve and is finally on the phase of acceptance. It is the phase of learning to live with the change, getting involved and dealing directly with it. Now it is important to reinforce the change and get people really attached with the change. The successes should also be celebrated. (Educational Business Articles 2015)

2.6 Innovation/adoption model

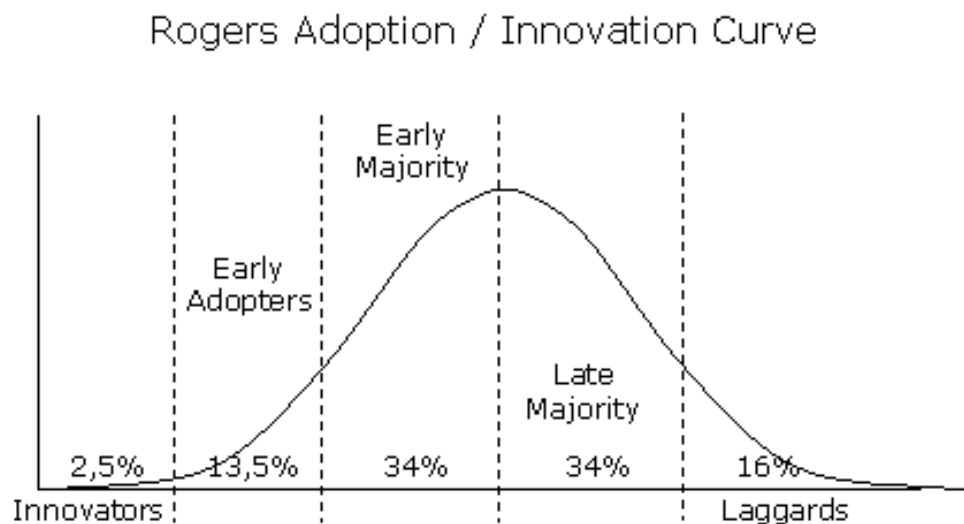
E.M. Rogers developed the innovation/adoption model already in year 1962. It is one of the first social science theories. This model shows how people react on change, new product or adapt new behaviour in different ways. Some people accept and adapt to change easier than others. This is due to different personalities inside the society. When change process starts, it is very important to understand the different characteristics of the people involved in the change. (Rogers Adoption/Innovation Curve 2015)

According to this model there are five established adopter categories as shown in the figure 2. The categories are:

- Innovators
- Early Adopters
- Early Majority
- Late Majority
- Laggards

(Rogers Adoption/Innovation Curve 2015)

Figure 2. Rogers Adoption/innovation Curve. (Value Based Management 2015)



Innovators want to be the first to try out any innovation. They like adventure and are interested in new ideas. These people are risk takers and eager to develop new ideas. This group adapts to change really easily. About 2,5 percent of the population are early adopters. (Rogers Adoption/Innovation Curve 2015)

Early adopters are opinion leaders. They usually feel comfortable in leadership roles and promote the change opportunities. They know that there is a need for change and they are comfortable with change and new ideas. They do not need

convincing. 13,5 percent of the population are early adopters. (Rogers Adoption/Innovation Curve 2015)

Early majority consist of people who are rarely leaders. They adapt to new things earlier than average people. Usually they need some convincing though, they need to believe that change is for good and it will work. 34 percent of population belong to group early majority. (Rogers Adoption/Innovation Curve 2015)

Late majority is group of people that are sceptic about the change. They will not adapt to the change easily. They first need a proof that the change is working after the majority has tried it out first. 34 percent of people are in late majority group. (Rogers Adoption/Innovation Curve 2015)

Laggards are very conservative and bound by tradition. They feel very sceptical about change. They are by far the most difficult group to get on board in change projects. They are also quite big group of population; about 16 percent of people are laggards. (Rogers Adoption/Innovation Curve 2015)

In change processes it is important for the leaders to understand that there are different types of people who adapt to the change in different ways. All the people involved in the change can most probably not be handled in the same way and communication cannot be similar to everyone. Of course this model is not always solid as for example a person who is an innovator as a basic character can change into laggard if the change is really unpleasant for him or her.

2.7 Management versus leadership

It is important to understand the difference between management and leadership in the change processes. This is something that is quite often missed in change processes. Usually the focus is mainly on management and leadership is forgotten. Management cannot replace leadership though.

Managers make the change happen and the system work. Management includes budgeting, planning, organizing, staffing, controlling and problem solving.

Managers make sure that process goes ahead as planned. Leaders build new systems and transform old ones. Leaders define the goal: how should things be after the change, aligns people with the vision and inspire people. Leadership makes the people want to pursue the change and fight against the obstacles.

(Kotter 1996, 28)

The change processes need both management and leadership to make the change process succeed the best possible way.

Management:

- Planning and budgeting: detailed steps and timetables for achieving needed results, also making sure enough resources are available.
- Organizing and staffing: creating structure for accomplishing plan requirements, staffing the structure with individuals, delegating responsibility and authority to carry out the plan, guide people by providing policies and procedures and creating systems to monitor implementation.
- Controlling and problem solving: monitoring results, recognizing deviations from the plan and planning and organizing to solve these problems.
- Gives the process predictability and order. Produces short term results that stakeholders expect.

Leadership:

- Establishing direction: creating a vision of the future and strategies for producing the changes needed to achieve the vision.
- Aligning people: communicating the change so that all whose cooperation is needed, people understand the vision and strategies and also understand the need for change. This helps to form teams and coalitions that are pro-change.

- Motivating and inspiring: energizing people to overcome obstacles in change process by satisfying basic human needs that are often forgotten.
- Produces change, even in dramatic sense.

(Kotter 1996, 29)

In successful change process the percentages between management and leadership should be 70-90 percent leadership and 10-30 management. Still today many change processes are handled without leadership. This is one of the biggest problems in managing the change. This is due to management based culture in the organizations. Management is also easier than good leadership. Creating vision and strategies are totally different than dealing with plans and budgets, so organization led by managers and not having good leaders will not develop and change. (Kotter 1996, 28-30)

2.8 Processual approach

Patrick Dawson has written about processual approach to organizational changes. This theory has roots already in the late fifties. In that time these studies were quite often ignored and misunderstood. (Dawson 2003, 15)

Processual perspective is a very effective way in studying change as it takes in consideration the environment and surroundings of the change. First there is the need to change (conception), then starts the process of change (transition) and the result is the implementation of new ways of working (operation). The things affecting to the change process are past, politics, context, substance, the present situation and the future. The figure 3 shows the processual framework of change. (Dawson 2003, 7-8, 15)

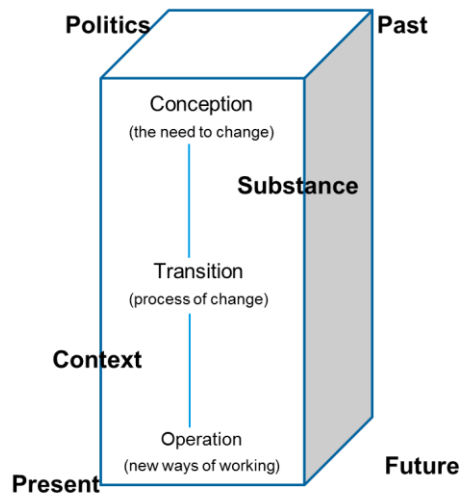


Figure 3. A processual framework.

Change is always complex and there are lot of factors involving on the outcome. It should always be remembered that the result rarely or never is exactly as it was originally planned. When the change process is examined it is easy to use processual perspective as it captures all the details of the change not just result or certain phase of the change. (Dawson 2003, 142-143)

2.9 Four Rooms of Change

Claes Janssen has developed a theory for handling change and this theory is called the Four Rooms of Change. The model of Four Rooms of Change is based on wider self-assessment test. This model shows four different steps or rooms for the change process. These four rooms are walked through in every change process. The method describes how people often feel in different phases of change process.

The process of Four Rooms of Change starts with answering to seven questions. These answers will help in grouping people in to four different groups. These groups describe four different mind sets and can be seen as four rooms that we all visit during a change process. The feelings experienced in the rooms are described in the table 1.

Table 1. The Four rooms of change

<p>NO+ Comfort</p> <p>Calm, secure, efficient, I like myself, relaxed,</p> <p>Willing to compromise, clear, resting, skilled, “good girl”, hardworking, part of something, nice, optimistic, content</p>	<p>YES+ Inspiration/renewal</p> <p>Enthusiastic, strong, open, live, everything is possible, light, flow, intelligent, independent, growing, warm, glowing, creative, understanding, ecstasy, brave</p>
<p>NO- Censorship/denial</p> <p>Annoyed, bored, hard, determined, mean, frozen, hidden, tight, cynical, critical, hostile, domed</p>	<p>YES- Confusion/chaos</p> <p>Worried, lonely, frustrated, disoriented, different, no self confidence, restless, worthless, helpless, failed, doubtful, burn out, lost, broken, chaotic</p>



These four rooms can show where a person is regarding the change, how he or she is feeling. When the room is recognized people can try to move on to the next room. During the change process people go through all of these four rooms. It depends on the person how long a certain phase lasts.

The four phases are comfort, inspiration or renewal, censorship or denial and confusion or chaos. In the comfort phase people are content with everything and nothing too special is happening. If something sudden happens for example a change process at work starts, a person loses the sense of comfort and changes the room from comfort to some of the other rooms. (Janssen 2007, 9-10)

Most probably the next room is the censorship/denial –room. The person might pretend to be still content but starts to feel anxious and bad-tempered. The person tries to use censorship to his own feelings and wants to deny the whole change. The reason for denial and censorship emotions or room is that the next phase is confusion and chaos and these are something that people want to avoid. No one wants to feel confused and chaotic. The next phase though is the confusion/chaos

–room. In this room a person starts going through the emotions related to the change and gradually steps in to inspiration/renewal –room. (Janssen 2007, 9-10)

After going through the things and thoughts related to the change, the change starts to feel interesting and inspiring; a person is in inspiration/renewal phase. A person gets excited about the change and may start to feel really alive. He feels finally open for the change. . (Janssen 2007, 10)

2.10 Successful Change process, Kotter’s Eight Steps

A successful change process meets the goals set for the change. The original change plan might change during the process but it does not matter if the result is good. Very often new things are discovered during the process and it is good to knowledge that things might change and adapt the change plan as the change progresses.

Change processes rarely exceed or reach the goal set to it though. There is no easy and simple way of getting change processes done. John P. Kotter has developed simple and effective steps toward successful change. The Eight Steps of Change are:

1. Establishing a sense of urgency
2. Creating the guiding coalition
3. Developing a vision and strategy
4. Communicating the change vision
5. Empowering broad-based action
6. Generating short-term wins
7. Consolidating gains and producing more change
8. Anchoring new approaches in the culture

(Kotter 1996, 22-23)

2.10.1 Establishing a sense of urgency

People involved in the change process must feel that change has to happen and continuing with the old is no longer possible. It is important to really create a sense of urgency in change processes. It helps people see the need for change and importance of doing the change immediately. It is also important to identify and discuss crises, potential crises and major opportunities of the change. (Kotter 1996, 23, Kotter & Rathgeber 2013, 82)

2.10.2 Creating the guiding coalition

Creating the guiding coalition means putting together a group that has enough power to lead the change and get people to work together like a team. They are the sponsors or promoters for the change and they make it clear for everyone. This group must include leadership skills, credibility, communications ability, analytical skills, authority and sense of urgency. It must be a powerful group that have a capability to get the rest of the people also on board with the change. (Kotter 1996, 23, Kotter & Rathgeber 2013, 82)

2.10.3 Developing a vision and strategy

Creating the vision is really important to help to direct the change and it is important to develop strategies for achieving the vision. Every change process must have a clear vision. Without the vision people do not understand why the change is made. There is no point in starting a change project without a vision. It must be clarified how the future will look like and how it differs from the past. It must be also clarified how the vision can be made real. (Kotter 1996, 23, Kotter & Rathgeber 2013, 82)

2.10.4 Communicating change vision

The vision needs to be communicated loud and clear. Every possible way at hand must be used in communication of the vision and strategy. It is also important to keep on communication during the whole process and keep the guiding coalition as a role model for the behaviour expected from the employees. Communication is a must for people understanding and buying in the change. It is important that as many people as possible understand and accept the vision and the strategy. (Kotter 1996, 23, Kotter & Rathgeber 2013, 82-83)

2.10.5 Empowering broad-based action

Empowering broad-based action means getting rid of the obstacles for the change, changing systems or structures that should be changed before the change can happen and encouraging risk taking and new ideas, activities and actions. It is also important to make sure that people feel that no obstacle is too big to overcome in the way of change. All the possible barriers should be removed so that those who want to make the vision a reality can do so. (Kotter 1996, 23, Kotter & Rathgeber 2013, 83)

2.10.6 Generating short-term wins

It is important to plan short-term goals or “wins” for the change process. These are visible improvements that can be achieved on the way to the final goal. When a goal is achieved it should be recognized and rewarded or even celebrated. Often changes take time and people start to feel tired. Cutting the process in to smaller steps makes it easier for the people. It is important to create some visible and simple successes as soon as possible from the start of the change process. (Kotter 1996, 23, Kotter & Rathgeber 2013, 83)

2.10.7 Consolidating gains and producing more change

All the systems, structures and policies changed during the change process should be consolidated firmly in to a corporate culture. After the first successes it is important to press harder and faster towards the vision. The leaders should be relentless with initiating change after change until the vision is a reality.

Producing more change can be done by hiring, promoting and developing people who can implement the change vision in to organization. (Kotter 1996, 139-140, Kotter & Rathgeber 2013, 83)

2.10.8 Anchoring new approaches in the culture

It is highly important to make the new ways really a part of the organization's culture, anchoring new approaches and ways of working. A totally new culture should be created in the company after a change process. It is important to hold on to the new behaviour. The leaders should make sure that the new ways of behaving are success. After that people can become strong enough to replace old traditions with new ones. (Kotter & Rathgeber 2013, 83, Kotter 1996, 155)

2.11 Change in future

In today's working life the change processes and projects are definitely going to increase. The world is changing fast and companies must adapt to new business environments. Industrial life is going through a big change; there are new fields of business growing as old branches are demising. The change is constant. A company can have a huge competitive advance if it is fast to change and adapt to new ways. Competition will also increase in most industries. Globalization and developing of new technologies will be big factors in the change of business world.

The organizations of the future must be different than in today to cope with constant change. The organizational structure must be non-bureaucratic with

fewer rules. There must be limited amount of levels in an organization and the top level should lead and office workers should manage. Policies and procedures will be created so that there is a minimal internal interdependence in serving customers. Systems will be much more effective than now. The performance of the company will be measured more effectively and information will be distributed more widely. Especially there will be more data from the customers available. The company culture must develop to externally oriented, empowering, quick to make decisions and open and candid as well as more risk tolerant. (Kotter 1996, 169-181)

There is a big challenge for companies to go from today's situation to the state needed in future. Most certainly the companies that are not willing to change will drop out in the competition.

3 CASE COMPANY BOREALIS

Borealis is a leading provider of innovative solution in the fields of polyolefins, base chemicals and fertilizers. Borealis employs around 6 200 around the world and operates in over 120 countries. The locations are shown in the figure 4.

(About Borealis 2015)

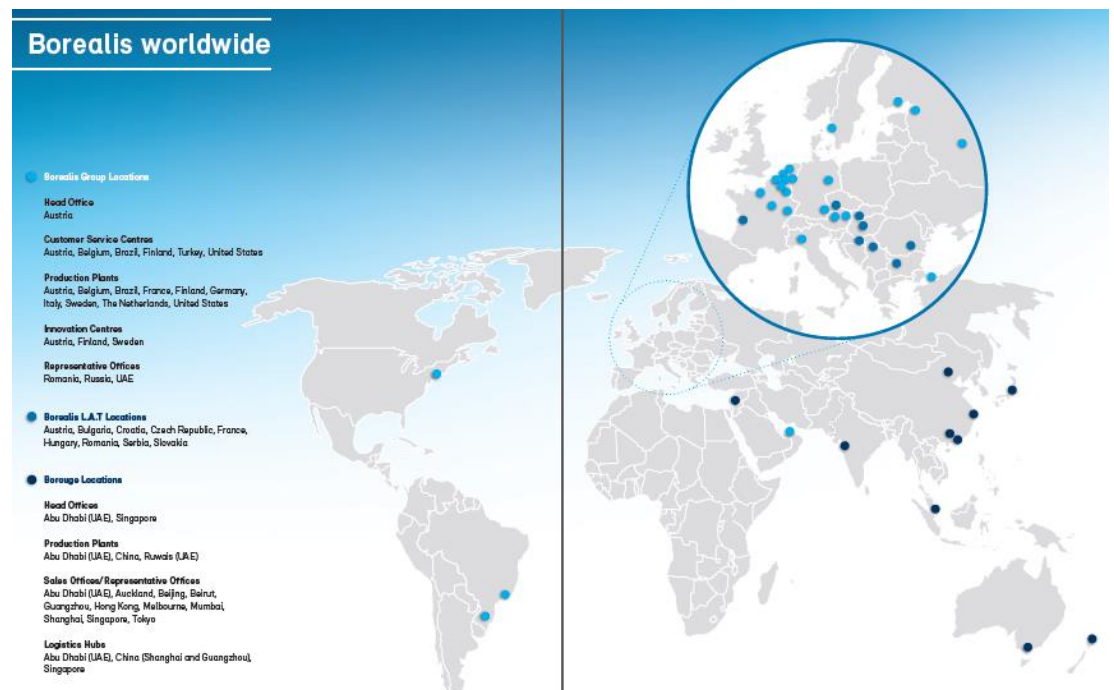
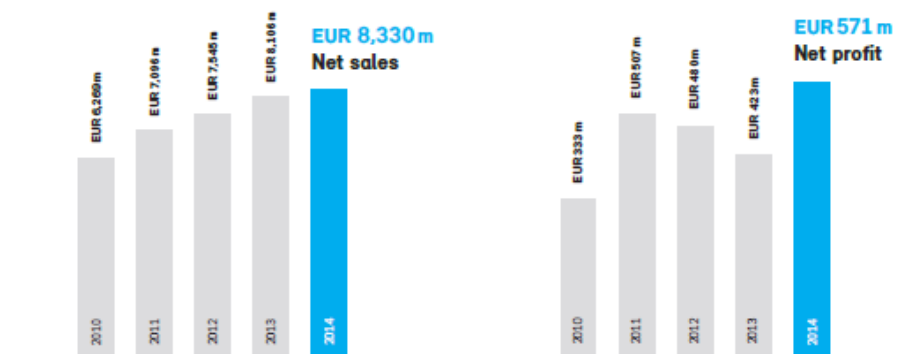


Figure 4. Borealis locations (Borealis Annual Report 2014)

The headquarters is located in Vienna, Austria. The company is owned by The International Petroleum Investment Company (IPIC) of Abu Dhabi by 64 percent and with 36 percent by European OMV. Borealis has also a joint venture with Abu Dhabi National Oil Company (ADNOC) in Borouge, United Arab Emirates. Borealis sales revenue was 8,3 billion euros in year 2014. The closer economic figures can be seen in the table 2. (About Borealis 2015)

Table 2. Borealis Key Figures 2014. (Borealis Annual Report 2014)



The company is divided to two business units: Polyolefins and Base Chemicals. Polyolefins are the basis for many plastic products and Borealis provides innovative and value-creating plastic solutions. In Base Chemicals Borealis produces a wide range of chemicals for example Phenol, Acetone, Melamine, Ethylene and Propylene. Also the fertilizer business is a part of Base Chemicals Business Unit. (About Borealis 2015)

Borealis solutions are used for example in the field of energy and infrastructure, in pipe systems for water, gas and sewage, power and communication cables, in the field of transportation: in automotive parts and storage and transportation packages and in advanced packaging: in medical packaging and appliances and food and beverage packaging. Safety is a key asset in everything that Borealis does. During the years Borealis has introduced several safety improving ways and programs. (About Borealis 2015)

3.1 Base Chemicals, Hydrocarbons and Energy

Base chemicals business unit is further divided to Hydrocarbons and Energy, Fertilizers and Melamine and Guanidine Carbonate. Hydrocarbons and Energy is further divided in to Feedstock, Olefins and Energy and Phenol and Acetone. Phenol and Acetone use to belong to an own Business Unit Phenol but now it is combined to Hydrocarbons and Energy Business Unit. The redesign of the

Borealis Base Chemicals business group into three separate units, Hydrocarbons & Energy, Fertilizers, and Melamine was accomplished at the end of year 2013.

3.2 Finland

In Finland Borealis is located in Porvoo, Kilpilahti and employs all together 920 employees. Borealis produces plastics raw materials: Polyethylenes and Polypropylenes, Phenol, Acetone and olefins: Ethylene, Propylene and Butadiene in Porvoo.

Hydrocarbons and Energy unit's Phenol and Acetone plant and Steam Cracker are located in Porvoo. These two plants are integrated together and also with the Neste Oil Refinery as in figure 5. The yearly production figures are also visible in the figure 5.

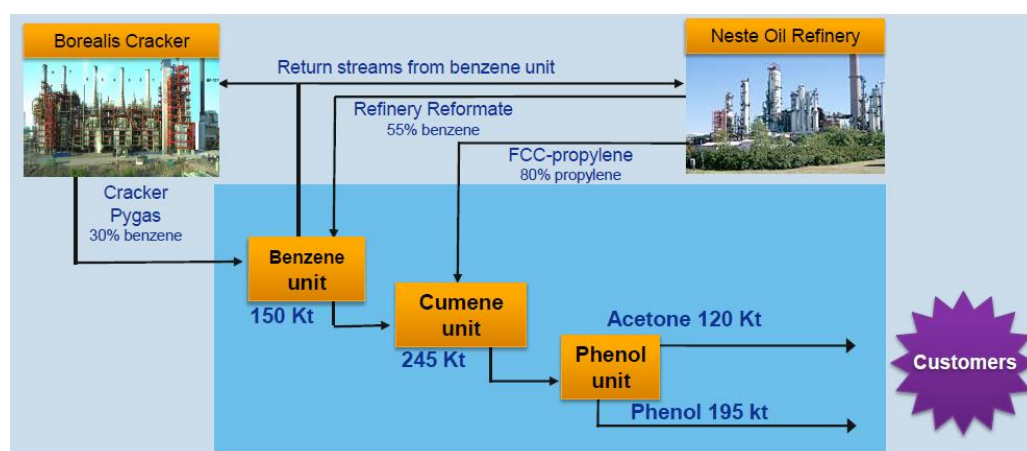


Figure 5. Integration in Porvoo (Introducing Borealis and BU Phenol 2015)

Phenol and Acetone unit commercial products are Phenol and Acetone. Phenol and Acetone are used as raw materials for example in the production of special plastics and fixing agents. The unit employs about 130 people and the turnover is about 350 million EUR/a, from this about 90 present is exported. (Presenting BU Hydrocarbons and Energy 2015)

The Steam Cracker products are Ethylene, Propylene and Butadiene. These are intermediates of chemical industry and are used as feedstock in the production of Polyethylene, Polypropylene and Styrene-butadiene latex. Olefins unit employs about 130 people and the production value is 300 million EUR per year. (Presenting BU Hydrocarbons and Energy 2015)

3.3 Mission and vision

Borealis mission is “to be the leading provider of chemical and innovative plastics solutions that create value for society”. This will be achieved by:

- GROW Polyolefins business in Infrastructure, Automotive and Advanced Packaging.
- Expand Borouge to supply growth in the Middle East and Asia and leverage into Europe.
- Pursue operational excellence, considering safety at all times.
- Exceed in customer service with a focus on quality and reliable execution.
- Strengthen the European base and ensure cost competitiveness from feedstocks to customers.
- Drive productivity in Base Chemicals with a focus on growth in Fertilizers and strengthening the cracker asset base and business.
- Achieve a step change in innovation.
- Continue to develop cross-cultural organisational capabilities and a learning organisation.
- Outperform financially, +11 percent average return on capital employed (ROCE) after tax, 40-60 percent dept. to equity ratio.

(Borealis Mission, Strategy, Values 2015)

3.4 Values

Borealis values guide everything Borealis does. The values are Responsible, Respect, Exceed and Nimblity™.

Responsible

- To be leaders in Health, Safety and the Environment.
- To act as good neighbours wherever operating.
- To do business according to high ethical standards.

Respect

- Involve people and communicate in a straightforward way.
- Work together helping and developing each other.
- “One Company” mind set –building on diversity.

Exceed

- Our customers’ and owners’ success is our business.
- We win through commitment and innovation.
- To deliver what is promised – and a little bit more.

Nimblicity™

- To be fit, fast and flexible.
- Create and capture opportunities.
- Seek the smart and simple solutions.

(Borealis Mission, Strategy, Values 2015)

Nimblicity™ is Borealis own trademark of working in most nimble way. A weasel is used as a mascot for the whole thinking or mind set. This visualizes the lean and fast way of operating. Especially the Nimblicity™ has generated a lot of change initiatives inside Borealis. (Borealis Mission, Strategy, Values 2015)

4 CHANGE MANAGEMENT AT BOREALIS

Borealis has started to really focus on the importance of change and how to handle it. Borealis has introduced a new program for change management. The slogan for this programme is H2C, How to Change. Linking to John P.Kotter's book: "Our Iceberg is Melting", a penguin has been chosen as a mascot for this program (see figure 6). The material regarding this new program is available in the internal website of Borealis. The program was launched after the organizational change case studied in this thesis. One point to be studied in the thesis is that would the change process gone smoother if this material would have been available earlier.



Figure 6. Borealis change mascots (Introducing How to Change 2015)

4.1 H2C, How to Change?

Borealis wants to drive with excellence everything they do and wants to grow. Borealis will be benchmarked in its competence to shape the future. So the change management was decided to be developed even further.

It was seen an increased need for change from leaders and employees in the organization. The risk that Borealis will lose what has been built and a danger for not existing anymore was recognized Change is also a constant factor in the

business and around Borealis in these days. The people survey results showed also a need for change and improve. An important fact was that Borealis needed to earn more to cover spending and investments. (Introducing How to Change 2015)

The whole change management in Borealis starts with understanding the fact that change is here to stay and it is necessary to keep the company live and vital. It also highlights determining; “What is change?” this needs to be understood before starting projects. Borealis has also created internal change principles and it is important to understand all the people roles related to change. (Introducing How to Change 2015)

Below picture from Borealis change management material. The picture shows the “bumpy road of the change”.

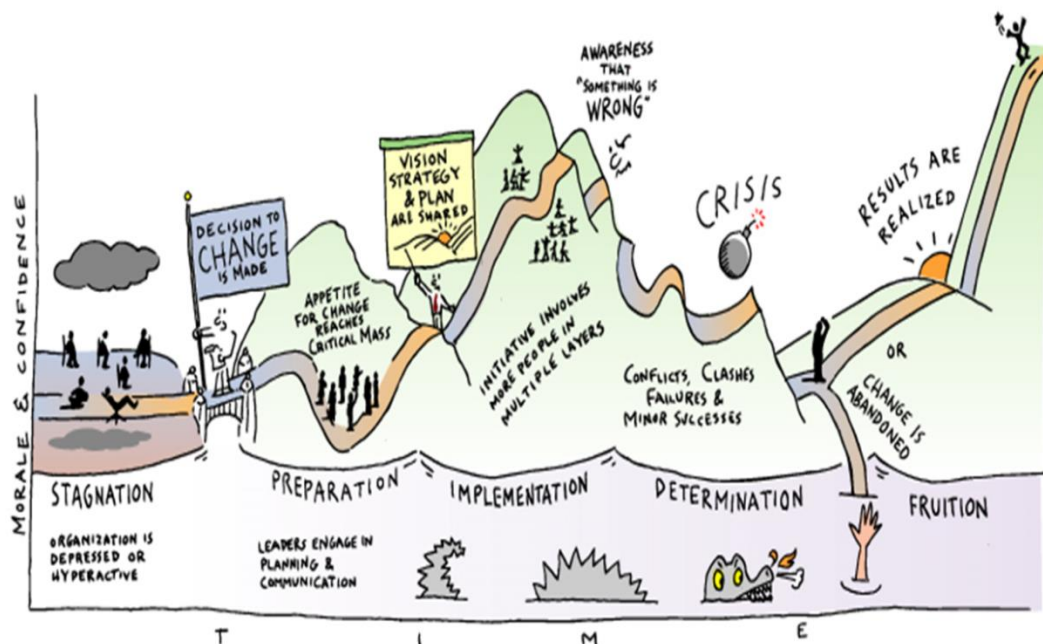


Figure 7. Bumpy road of the change (Initiation package change management 2015)

Borealis believes that change is all about people and wanted to achieve an active and competent Human Resources business partner in organisational change processes. Borealis also wants to encourage people to be open to change.

Borealis change principles that should be followed during a change process are:

- Demonstrate the Borealis values and C-L-I, acting with integrity, honesty, and fairness
- Handle all change situations in line with local legislation and agreements and strive to involve unions and employees to come to the best solutions.
- Communicate clearly:
 - Provide timely relevant information to impacted individuals prior to any broader announcements
 - Clarify employee expectations on an ongoing basis, giving regular updates on where we are in the process.
 - Tailor communication to the specific needs of various target audiences.
- Have Senior Leaders and Line Managers available and accessible for regular open change dialogues.
- Describe and evaluate new/significantly changed roles using the standard Borealis processes
- Ensure that individuals have the specific skills, capabilities and behaviours to become proficient and effective for the future.

(Initiation package change management 2015)

Borealis also sees really important the determining the roles in change process.

The roles are:

- Change owner/Leader
- Change agent
- Target Groups/Individuals
- Champion/advocate

(Initiation package change management 2015)

Change owner has the power to approve the change and holds other accountable. Change agent, might be a person from human resources, develops and carries out implementation plans. Target groups are the people affected by the change. Champions support the change, influence others but do not have the authority. Effective change management ensures that the necessary commitment and skills are in place so that the change is successful and targets are met or exceeded. This is done by orchestrating the people and organisational factors and integrating them into a total transition plan. The figure 8. shows the H2C project objectives. (Initiation package change management 2015, Overview of Change Process 2015)



Figure 8. H2C. (Overview of Change Process 2015)

In the figure 9. is visible the organizational change flow chart with all the important things to be considered in an organizational change.

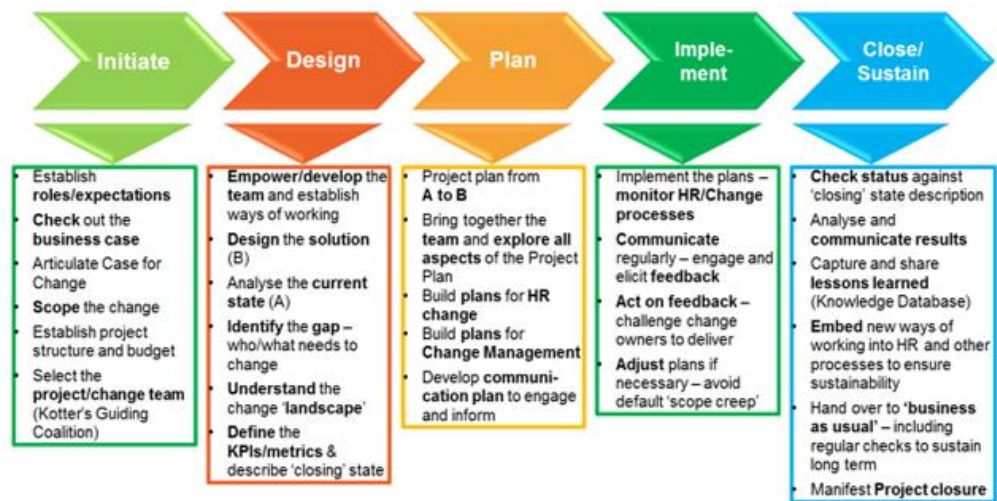


Figure 9. Organizational Change. (Overview of Change Process 2015)

4.2 Change tools at Borealis

Borealis has developed and taken in to use different tools to make change processes easier and gathered info to their intranet for people to read. Human Resources department has also trained persons to act as change agents.

H2C-intranet page has a lot of information about change. The information is divided into communication, toolbox and library. It is easy to find reading material about change and the tools are also easily available at the page. Reading material includes following:

- An initiation package for change management
- “8 Steps” by John P. Kotter
- Borealis case of change
- “Change Curve” by psychiatrist Elisabeth Kubler-Ross
- Information about resistance to change and how to handle it
- Rogers’ innovation/adaption model

There are also different tools available for supporting in the change projects and tips to make the change process easier, scenarios about change processes, marketing packages and templates.

4.2.1 Risk assessment

Quite often companies evaluate risks really carefully for example when taking new technology in to use or while doing maintenance work at a factory.

Especially in chemical industry the changes related to production are evaluated extremely carefully. An organizational change can be a risk too. It might be that for example knowhow is lost, or some tasks are forgotten in the change process.

Before starting any change process it is really important to do a risk assessment to the change project. All the possible risk factors should be identified and evaluated. The risk assessment should be done well in advance prior the change.

Risk management in organizational changes starts with specifying the planned change; what is the change about, where will it take place, whom does it concern. Next phases are making the risk assessment and defining the actions; what are the risks, are the risks severe or not, what are the actions, when should the action be placed and who is responsible for the actions.

4.2.2 Measuring Change Strategy's probability to succeed with 12 indicators

12 indicators for change process to succeed can be used before the change process starts. It measures the probability to succeed in the change. This is done with 12 questions listed on next page.

1. What is the level of agreement between the key players?
 - It is important to have agreement between the persons charged with responsibilities
2. Do people co-operate during the change?
 - Decreasing readiness to co-operate is a strong sign of potential problems and risk.
3. How solid is the process structure?
 - Unclear process structures often result in a risk for planning and executing change projects and processes.
4. Are you ready for surprises?
 - The complexity of change projects is often underestimated, especially in the planning phase.
5. Are your eyes on the prize?
 - Always keep the goals in mind to make sure that change management is on the right track.
6. Are your goals smart?
 - Not having smart formulated and committed goals is seen as one of the most reliable indicators of impending failure.
7. Is there enough time for change?
 - In many cases, sponsors do not take the time to support their change projects in a sustainable manner.
8. How often are deadlines not met?
 - Increasing tardiness could be a signal to monitor as a potential risk indicator.
9. How important is office politics?
 - Setting a priority on intra-company politics rather than entrepreneurial results jeopardizes change projects.
10. Are people hunting for scapegoats?
 - Change fails when common challenges are not accepted as such, but are rather viewed as an opportunity to find a scapegoat.

11. What is the sponsor's managerial capability?

- The sponsor's readiness to take accountability and/or responsibility is especially important when change projects accelerate.

12. Is bad news being sugar coated?

- When evident bad results are communicated in a positive manner usually indicates a considerable risk of failure.

(HR Change Material 2015)

4.2.3 Change Overload

Change projects might sometimes cause change overload described in the figure 10. This should be recognized when starting new projects. One change idea might cause need to change other things too. None of these possible further changes needed should be forgotten.



Figure 10. Change overload. (Change Overload 2015)

4.2.4 Rogers' Adoption/Innovation Curve

Rogers' adoption/innovation curve is described already earlier in this thesis and it helps people leading the change processes to understand how people react to the change and how big group of population usually belongs to a certain group. The figure 11. shows the different people types and the common percentages how most of the people are.

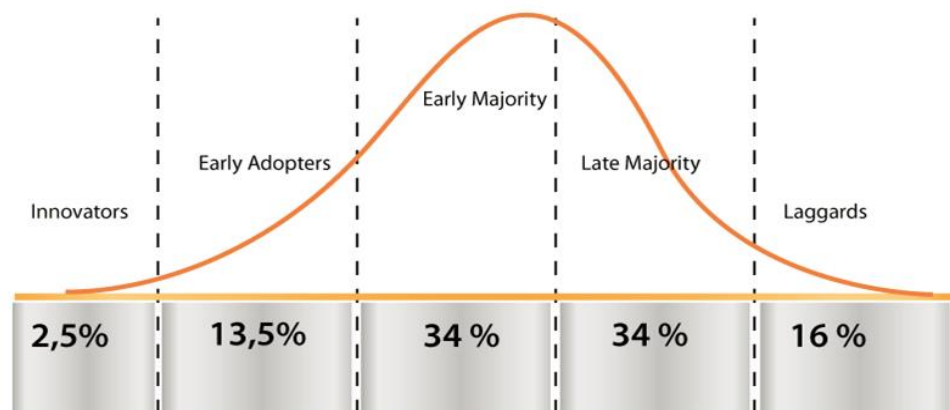


Figure 11. Rogers' adoption/innovation curve. (Rogers Adoption/Innovation Curve 2015)

4.2.5 Temperature Check/Change Process Survey Items

With the help of the Temperature Check it can be checked how people feel about the ongoing change. The lower the points or temperature is the better the project is going. This tool should be used when the change project is ongoing but it is also possible to measure the success of the change after the change has established.

The questions used and the answer options can be seen in the figure 12.

Agree (1)	Tend to Agree (2)	? (3)	Tend to Disagree(4)	Disagree (5)
--------------	-------------------------	----------	------------------------	-----------------

1. I understand how the ...change program contributes to the success of Borealis (PS)
2. I can describe the ...change program to others
3. People in my team feel involved in the ...change programme
4. Borealis has established a climate where people can challenge the standard way of doing things (PS)
5. People are ready to change the way they do things
6. There is effective sharing of knowledge: (PS)
 - a) In my team
 - b) Across different departments within Borealis
7. There is good co-operation between my team and other teams (PS)
8. The leadership style in Borealis encourages employees to give their best (PS)
9. How consistently do people in your team live the Borealis values?
(Always-Most of the time – sometimes – not very often – almost never) (PS)
10. Please indicate on a score from 1 to 10 your overall satisfaction with the ... change program so far

1. Please share your feedback on the...change program so far:
 1. Things to improve
 2. Positive feedback

Figure 12. Temperature check. (Temperature Check 2015)

4.2.6 Change Curve

Borealis also use earlier described change curve as one of their change tools. The change curve is used to explain how people react to the change. The ultimate goal is that the curve would climb back up as fast as possible after the beginning of a change process. The change curve visible in the Borealis H2C toolbox can be seen below in the figure 13. This curve also reminds about the important steps and leading ways during the change process.



Figure 13. The change curve. (The Change Curve with leadership style 2015)

There are some differences in the curve used by Borealis and earlier described basic curve. In this curve used by Borealis the change starts with shock, then follows denial, depression, experiment, acceptance and integration.

When person is between shock phase and denial the most important things are explaining and listening. After that it is important to keep repeating the message, stick to the goal, show empathy and listen. After depression phase, comes experiment. In this phase important is visualizing achievements and coaching and encouraging people. At the end there are acceptance of the change and integrating it. In this phase most important things are communicating the results and recognizing and demanding again. (The Change Curve with leadership style 2015)

This tool is really good for the leaders of the change to go through before the change process is started. It helps understanding the emotions and reactions of the employers and how to react on them.

5 CASE: ORGANIZATIONAL CHANGE

This thesis concentrates only to the organizational change in Business Unit Hydrocarbons and Energy Supply Chain and Sales teams in Porvoo, Finland. This change was made before Borealis launched the How to Change platform. The information about the organizational change was gathered in the interviews of the people involved in the change process. All together there were 13 people involved in this organizational change.

The preparations for the organizational change started in the beginning of 2014. The organizational change in the top level of the organization was completed already earlier. The goal was to get the new organization fully running before summer 2014. The organizational change was not finished in the planned timetable. One point of this study is to find out if the organizational change is fully completed today. The interviews were made during spring and summer 2015.

The sales team remained to be in the separate organizational stream than supply chain and two separate supply chain teams were combined in to one team in the new organization. No one was let go during the change and some new personnel was hired. These organizational changes were made due to already earlier established organizational structures. These structures were created due to combining Business Unit Phenol in to Business Unit Hydrocarbons and Energy. The whole organizational structures of Business unit Hydrocarbons and Energy is visible in the appendix 1.

5.1 Responsibilities of the sales and supply chain teams

The main responsibilities of the teams were handling the sales of Phenol and Acetone produced in Porvoo, handling the customer service and logistics regarding the sold Phenol and Acetone, handling the logistics regarding the incoming raw materials, production planning and handling the outgoing products

from Cracker. These tasks remained the same also in the new organization. Some functions were changed and tasks were divided little different than in old organization.

5.2 Background

The organizational change started from the fact that Business Unit Phenol became a part of a bigger Business Unit Hydrocarbons and Energy. The organizational changes had been done in the higher lever already earlier. The reporting structure change mostly in that part that the new organization is much bigger than the old Business Unit Phenol organization. In the old Business unit Phenol organization there was one person to whom the sales and supply chain reported even if sales and supply chain belonged to different organizational streams.

During this organizational change there were also changes in the surrounding groups of this organization. These changes had also some effect on the responsibilities and working ways of the new organization.

5.3 The reason for the change

The main reason for the organizational change was that there were two totally separated supply chain teams after combining the Business Units. The other reason was that there was different reporting structure in the sales. The previous sales manager got a role as a business manager and new people were needed in the sales team.

The goal for the change was to get the benefit of one bigger supply chain team instead of two separate teams, to widen the knowledge base of the people and give people an opportunity to learn new thing and rotate inside the team. The change in the supply chain teams was led by the Supply Chain Managers of the both teams. The Business Unit Hydrocarbons and Energy Supply Chain Manager had also a

role in planning the change. The sales team change was led by Phenol and Acetone Business Manager.

5.4 Communication of the change process

The coming organizational change was first communicated to the employees in their monthly meeting. It was only informed that there will be changes. When the new roles were set, titles and persons holding the position were decided, the people were invited one by one to a discussion with the managers. Then it was told which role the person will take in the new organization. After this there was a joined meeting where the date when the change should be ready was informed. The stakeholders were informed about the change when the change progressed. There was also additional info given about the substituting in the new organization when the interviews for this thesis were ongoing.

5.5 Change in Supply Chain

Business Unit Phenol had teams handling the supply chain and sales before the change. The old organization Phenol and Acetone Sales and Supply Chain organization can be seen in the figure 14.

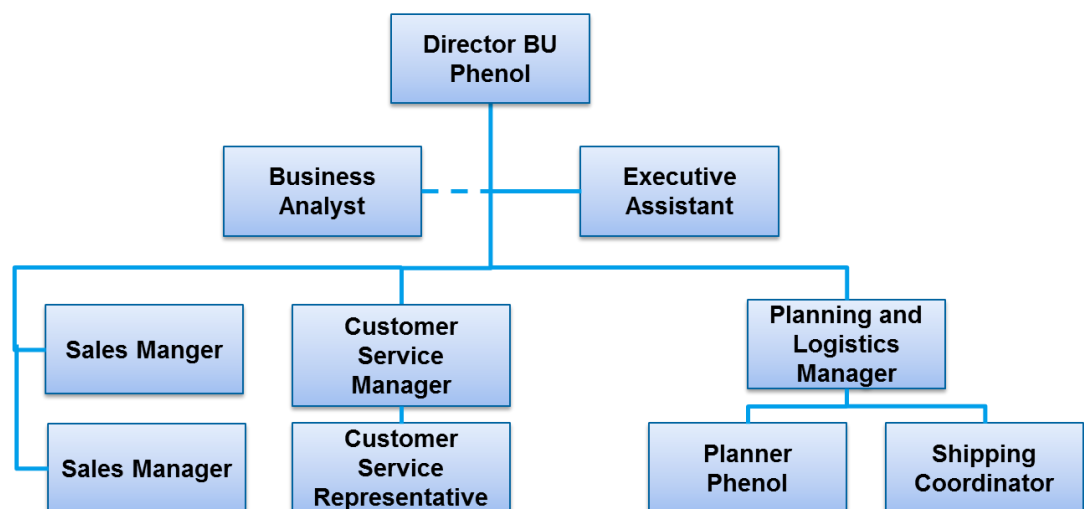


Figure 14. Business Unit Phenol, Porvoo organization before the change.

In the Business Unit Hydrocarbons and Energy there was one supply chain team. The old Hydrocarbons and Energy's supply chain team is visible in the figure 15.

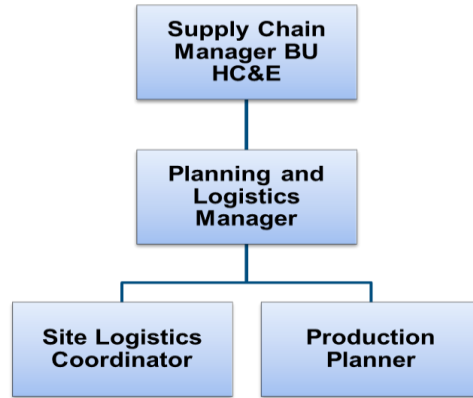


Figure 15. BU Hydrocarbon and Energy Porvoo supply chain organization before the change.

In the new organization the Business Unit Phenol sales and supply chain are in different organizational streams. The supply chain organization was combined with Business Unit Hydrocarbons and Energy's supply chain organization. The new supply chain organizational structure can be seen in the figure 16.

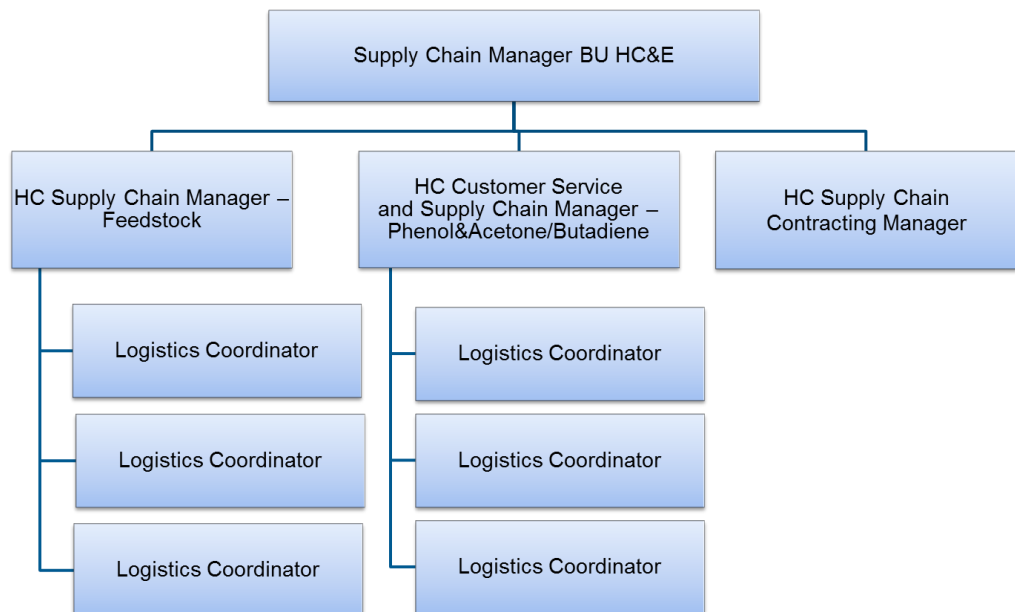


Figure 16. New organization, Supply Change, Phenol and Acetone Business.

Changes were made in the positions. The Customer Service Representatives, Planners, Shipping coordinator and Site Logistics coordinator titles were changed to Logistics Coordinator and new position for contracting manager was created. Customer Service Manager's position was changed to Hydrocarbons Customer Service and Supply Chain Manager Phenol & Acetone/Butadiene. Planning and Logistics Manager's position was changed to Hydrocarbons Supply Chain Manager Feedstock. People holding the positions were changed too. Sales Manager, Business Analyst and Executive assistant from the old organization joined a different organization.

The work was divided between the teams so that the Feedstock team is responsible for incoming materials and outgoing Cracker products and Phenol, Acetone and Butadiene team for the outgoing Phenol, Acetone and Butadiene. This was changed little during the project, small part of the responsibility of the outgoing Butadiene volumes were transferred to the feedstock team.

The tasks remained quite much the same but the work was divided in a new way. Some changes were made to ways of working and responsibilities. The separation into two teams remained but working together was increased. The two teams were still located in two different plants near to each other. Part of the people had to change the building where they were working due to their new positions. Changes were also made in the surrounding groups. For example optimization of the plants started to play bigger role than before.

5.6 Change in Sales

The change in the Sales team was a little bit different than the change in Supply Chain teams. The Sales team is in different organizational stream than the Supply Chain team. The previous Sales Manager got a role as a Business Manager. The Sales organization needed also new people as there was only one Sales Manager in the whole team when the change process started. Two new persons were

recruited to the team. They both started when the organizational change had just started. In the figure 17 is visible the sales new organization.

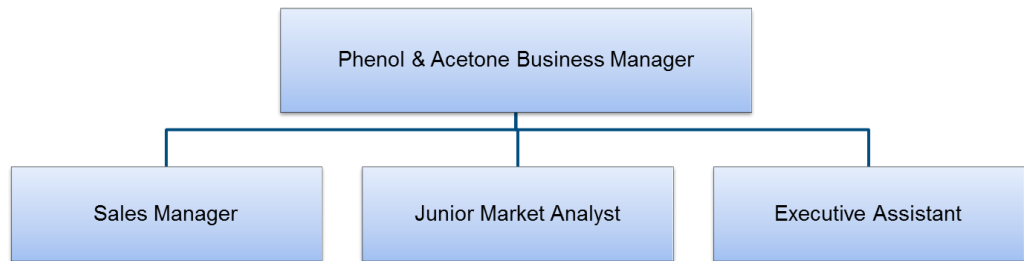


Figure 17. New organization, Sales, Phenol and Acetone Business.

There was a new persons hired to the Sales Manager and Junior Market Analyst positions. Executive assistant's organizational position was also changed little. The role of Business Analyst is outside the scope of this thesis.

6 RESEARCH

The empirical research was made by interviewing personnel involved in the organizational change. There were 13 people directly involved in the organizational change. 12 of them were interviewed. Four of the interviewed were managers and experts and eight office workers. Two stakeholders were also interviewed.

The interviews were conducted face to face and recorded. The strategic information was picked out from the interviews and interviews were viewed as a group not so much on the individual level. People were also asked to fill in a questionnaire form. Interviews took place during spring and summer 2015 when a year had passed from the organizational change. People seemed to be eager to tell how they felt and what they thought about the change process.

6.1 Questions related to the change process

In the interview there were 14 questions related to the actual organizational change. Questions were chosen based on the theory of change management. The idea was to get people thinking about the whole change process. There were also questions about matters that were earlier criticised in the change.

The questions regarding the actual organizational change were given to the people already before the interview with a brief introduction letter. People had time to think about the change process and the questions before the actual interview.

A part of the answerers was from sales department. The change process did not have an effect on them as clearly as they were hired when the change had just started. The same questions were asked from them as from the supply chain team. Everyone was asked to answer purely on how they felt about the questions. The questions were:

1. Did your work duties change? A lot or little? Did your working location change?
2. Are you satisfied with the change regarding your own tasks and duties and the working location?
3. Are you satisfied with the change process over all?
4. Why was the change made?
5. What was the goal/vision of the change?
6. What use to be better?
7. What is better now?
8. How do you feel that the tasks have been divided?
9. How do you think the workload has been divided?
10. How well were the change and the phases of the change communicated?
11. Has the change process been completed?
12. Is the new organization fully running and everyone knows their new tasks?
13. What would you have done differently or did everything go well?
14. Was the “Four Rooms of Change” –training useful? If yes, please explain how, if not, why not.

The last question was about “Four Rooms of Change” –training that the whole group participated after the change process. The meaning was to see how people had experienced the training and was it seen useful.

6.2 Questionnaire form

During the interview the people were also asked to fill in a questionnaire form. This was done as a support for the actual interviews. It was also asked in which position the employee is in the company and how many points they would give to the change process. The questionnaire form is visible in the next page.

Questionnaire

Position

- Manager
- Expert
- Office Worker

Did your work duties change?

- Yes, completely
- Yes, little
- No

Are you happy with the change regarding your own work tasks or the fact that there was no change?

- Yes
- Partially
- No

Did your workplace change?

- Yes
- No

Are you happy with the location of your workplace?

- Yes
- No

Is the new organization fully running and does everyone know their new tasks?

- Yes
- Partially
- No

Was the goal or vision of the organizational change met?

- Yes
- Partially
- No

Points/Grade for the whole organizational change process (1-10) ____

6.3 Questions related to change management

People were also asked questions related to change management theory. The questions were formatted referring with John P. Kotter's Eight Steps of Change. The purpose of these questions was to link the change process with theory and see if basic steps of successful change were applied in this change process. There were seven questions about the theory in the interview:

1. Did you feel that the change was necessary for Borealis?
2. Was it clear for you who were planning and leading the change?
3. Was it clear for you what does the change mean for Borealis/where does Borealis aim with this change?
4. Did you feel that you could influence on the details regarding your own work? (According to the goals of Borealis)
5. Were you able to give development ideas to the plan?
6. What has been done and could be still done that the solution would be permanent and you wouldn't go back to the old?
7. What has been done and could be still done that the solution could be still improved?

7 INTERVIEW ANSWERS

The results were all together quite positive but criticism was also given. There were really similar answers to certain questions and some answers varied a lot. It was clearly visible that the managers and people holding higher positions were quite clear about the vision of the change but this information was not clear for the whole group. The management level was also much more content about the change than the office workers. There were also quite different opinions about the reasons for the change. Communication of the change was one topic criticised almost by everyone interviewed. It was quite clear to everyone who was leading the change.

7.1 Organizational change

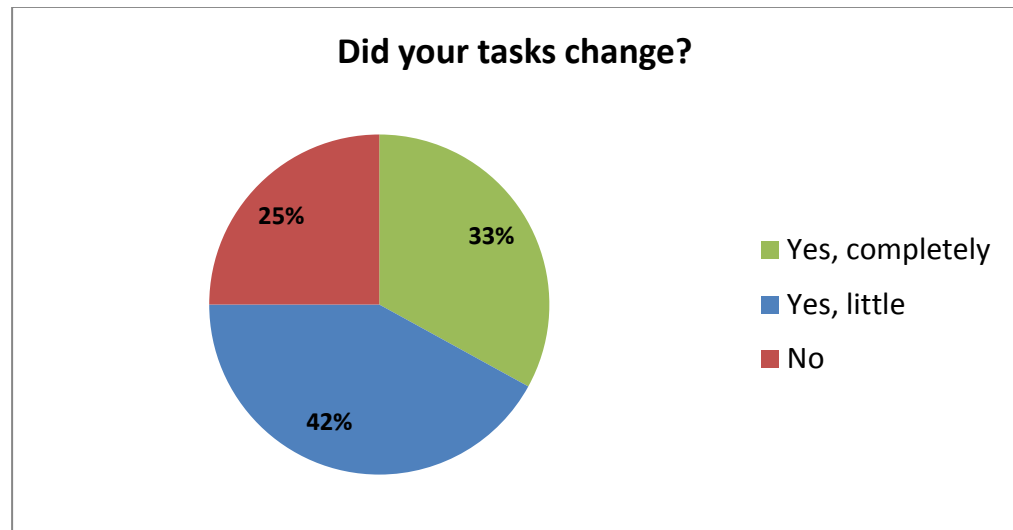
There were 14 questions related to the actual organizational change in the interview and in addition people interviewed filled in a questionnaire format. The interview results were combined together with the answers of the questionnaire formats. The answers were reported in groups if questions were related to each other. A part of the interview answers were grouped according to the tone of the answers. The groups were positive, somewhat positive, somewhat negative and negative.

7.1.1 The changes to own tasks

The interview's question number 1 and number 2 from the questionnaire form.

There were three answer option to the question "Did your work duties change?", those were: yes completely, yes little and no. Below table shows the answers to this question.

Table 3. Changes to own tasks.



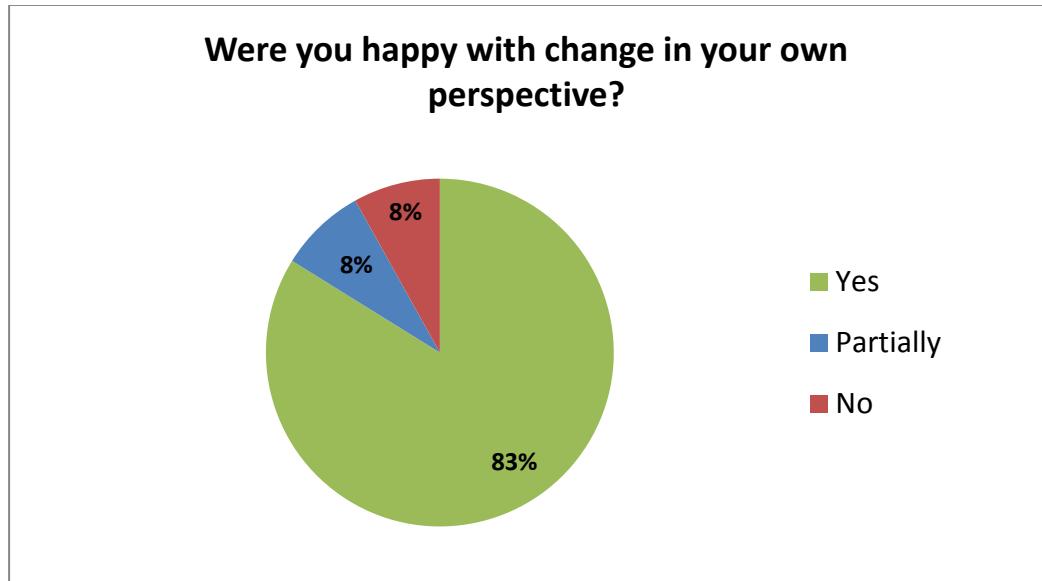
33 percent of the answerers said that their work duties changed completely, 42 percent that change was little and 25 percent that their tasks did not change at all. 75 percent of the organization tasks were changed during the change project. In the interview there were also comments that the change was bigger regarding the own tasks than originally planned. Overall the amount of changes for the personnel was remarkable.

7.1.2 The opinion about the change regarding own tasks

The question number 2 from the interview and number 3 from the questionnaire form.

Most of the interviewed were happy about their new tasks and position or to the fact that there was not a major change in their own tasks or location. 83 percent from the answerers were happy about the change happened in their own tasks or the fact that their own tasks remained the same. 8 percent did not feel content about the change and 8 percent was partially happy on the outcome regarding their own tasks. It seems that even if the change process was criticized by the personnel the outcome was pleasant after all for the most of the interviewees. The result can be seen in table 4.

Table 4. People’s opinion about the change.

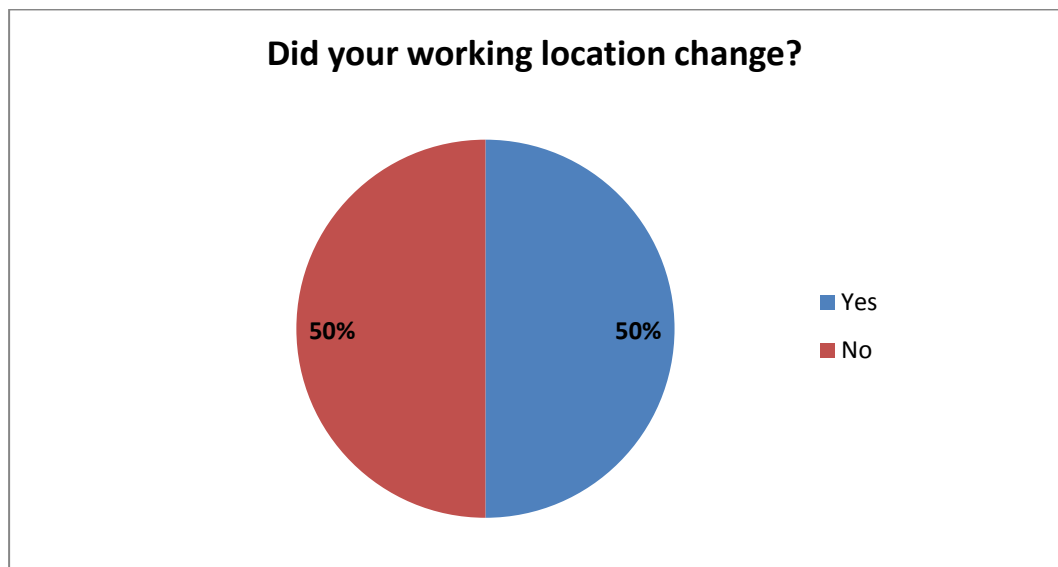


7.1.3 The change in working locations

The question number 1 from the interview and question 4-5 from the questionnaire form.

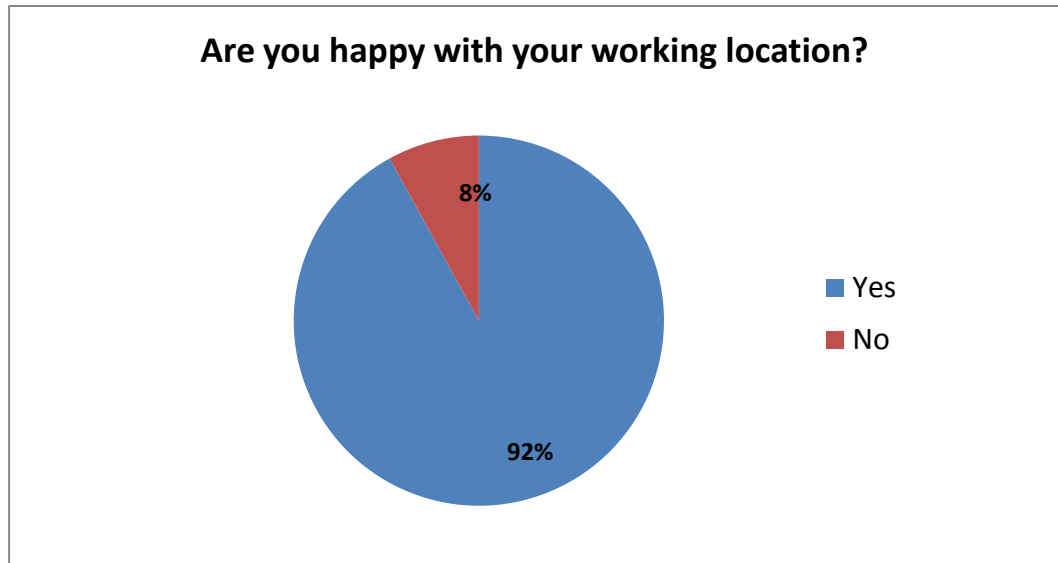
The table 5. shows the answers to the question “Did your working location change?”.

Table 5. Change to working location.



The working location was changed for 50percent of the people interviewed. Majority of the answerers were happy with their current working location. Only 8 percent was not happy with their current location. This result is visible in the table 6.

Table 6. Opinion about the working location.



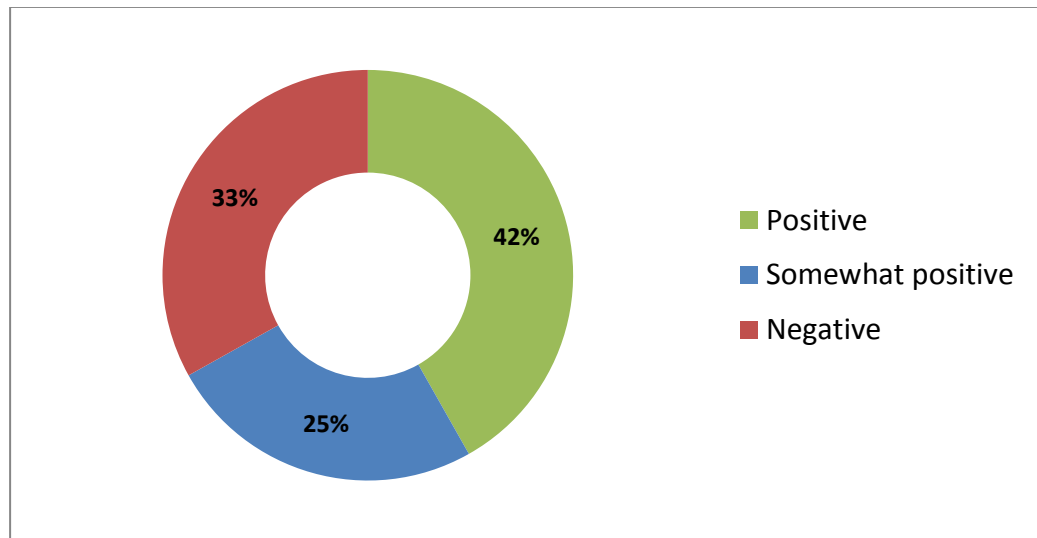
When a year had passed from the organizational change people had had time to get use to the new working location so most of the people were content about current location.

7.1.4 The opinion about whole change process

The question number 3 from the interview.

The whole change process was not seen so positive. There were many respondents that only commented that they are not happy with the process overall. They did not give any further explanation to their comment. From the table 7. can be seen the overall dividing of the comments.

Table 7. Feeling towards the change process.



42 percent of the interviewed felt that the change process was positive. 25 percent felt that the change process was somewhat positive and 33 percent felt negative towards the whole change process. Overall 67 percent felt positive towards the change. Comments regarding the overall change process varied a lot.

Comments why the change process was not seen so successful:

- “Communication was poor.”
- “All the details regarding the new tasks were not clear.”
- “It was a pity in the beginning that the nearest colleagues changed.”

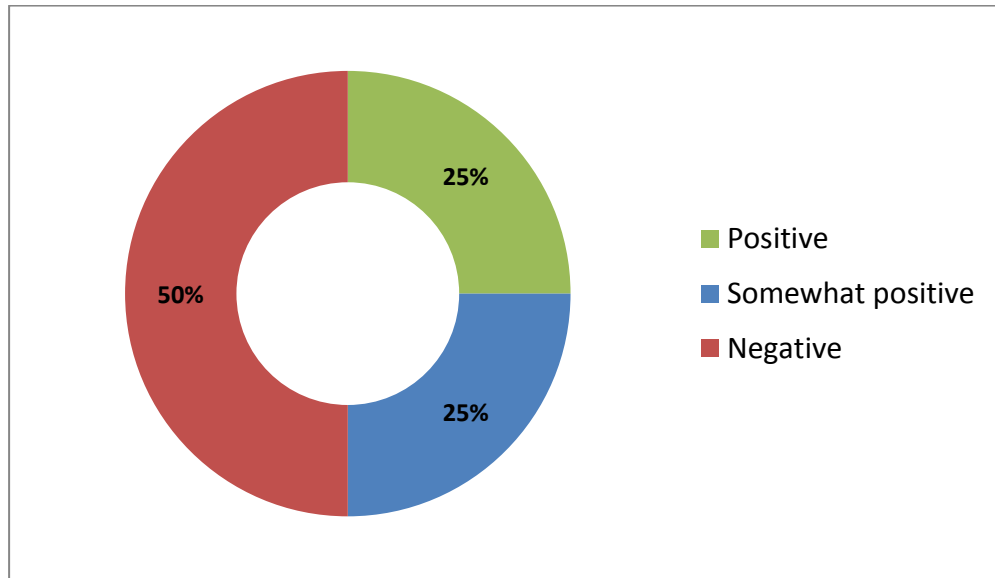
Positive comments were:

- “Overall positive feeling.”
- “Best change process experienced in working history.”

When comparing the feelings between the management and the employees, it was obvious that the office workers felt much more negative towards the change than the management. 50 percent of the office workers felt negative toward the change process overall. 25 percent felt that overall change was somewhat positive and 25 percent felt positive towards the change. The whole management felt positive or

somewhat positive towards the change. These results of office workers' opinions are visible in the table 8.

Table 8. Office workers' feeling towards the change process.

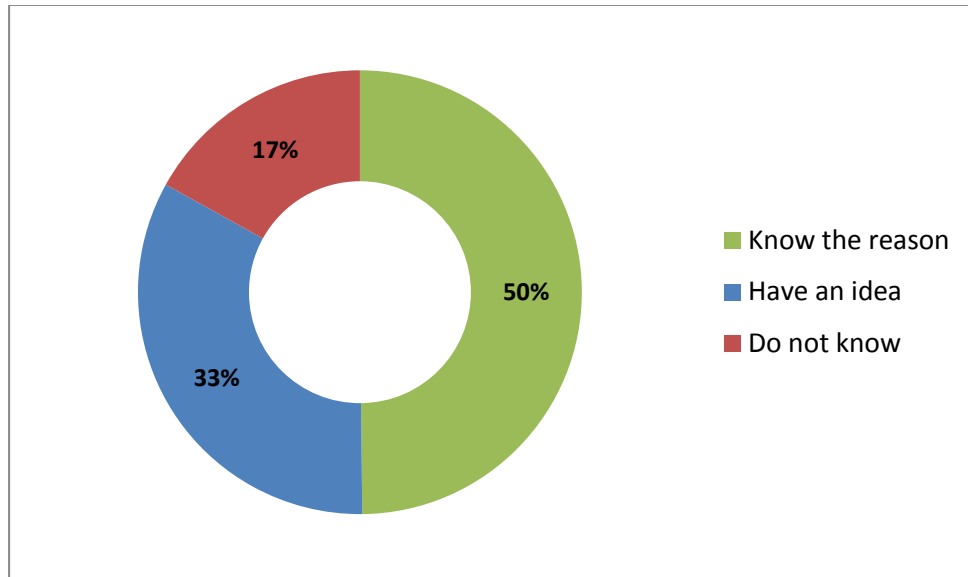


7.1.5 The reason and vision for the change

The questions number 4-5 from the interview and number 6 from the questionnaire.

According to the interviews there were some lack of the information about why did the change really happen and what was the driver and vision for the change. At the manager level the reasons were clearly recognized but the reasons were not clear for the whole group. There was even a comment that no idea about the reason for the change. The table 9. shows the answers to the question: "Why was the change made?".

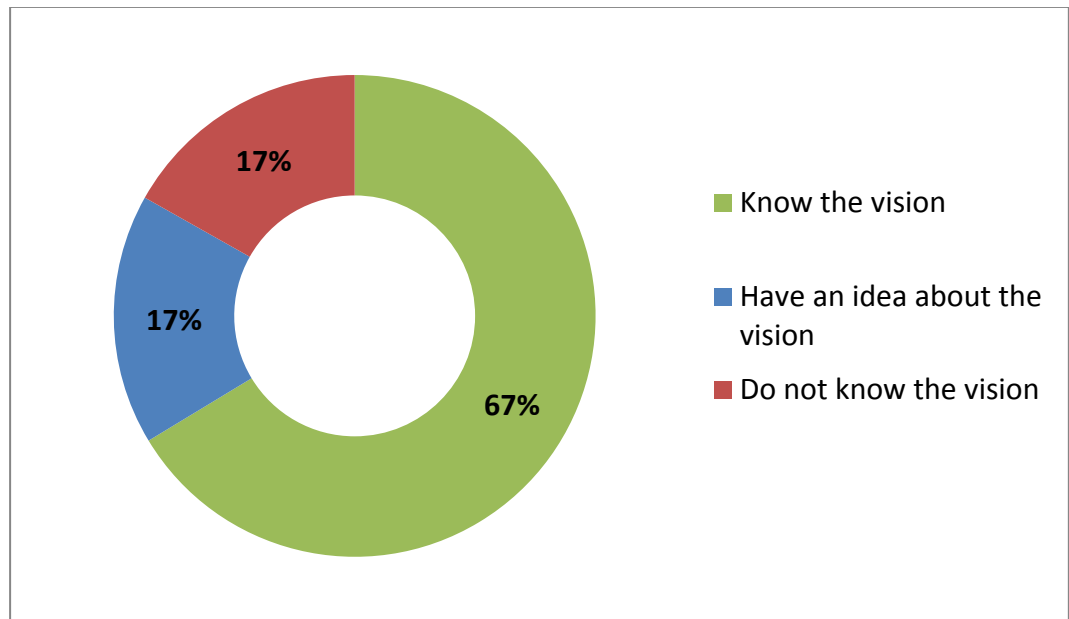
Table 9. Reason for the change



50 percent of the answerers thought that they know the reason for change. 33 percent felt that they have an idea about the reason for the change and 17 percent said that they do not know why the change was made.

There was also a lot of variation in the answers about the goal or vision of the change. There was no unanimous answer to this question. Still 67 percent of people answered to question “Did you know the goal/vision for change” that they knew the vision. The table 10 shows the answers to the question “What was the vision of the change?”

Table 10. Change vision.



It was clear from the interviews that the vision was not known as well as it should be because there was a lot of variation in the answers. Quite many named the cross learning and widening the knowledge of the people as one of the goals. The vision was seen for example this way:

- “BU Phenol and Acetone became part of bigger unit, change was needed.”
- “Cross learning.”
- “Giving people more career opportunities.”
- “Increasing the knowledge base.”

The reasons and vision of the change are the crucial information that every person involved in the change should know. These should have been communicated more clearly before and during the change.

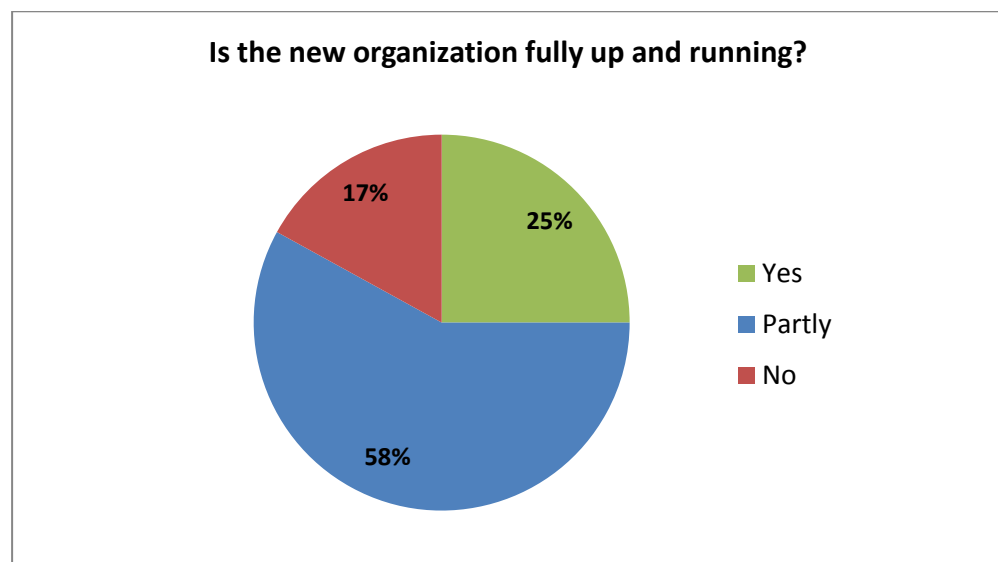
7.1.6 The current state of the change

The questions number 11-12 from the interview and number 6 from the questionnaire.

There was some diversity in the answers. Most felt that the new organization is fully running and part felt that it is not. There were also comments that the organization is always changing and that there is not even a need to be completely ready. People also felt that it had taken too much time to agree small details related to the change.

People were asked if the new organization is totally up and running and everyone knows their new tasks. 58 percent felt that the organization is partly running, 17 percent felt that is not yet running and 25 percent thinks that organization is fully up and running. This is also visible in the table 11.

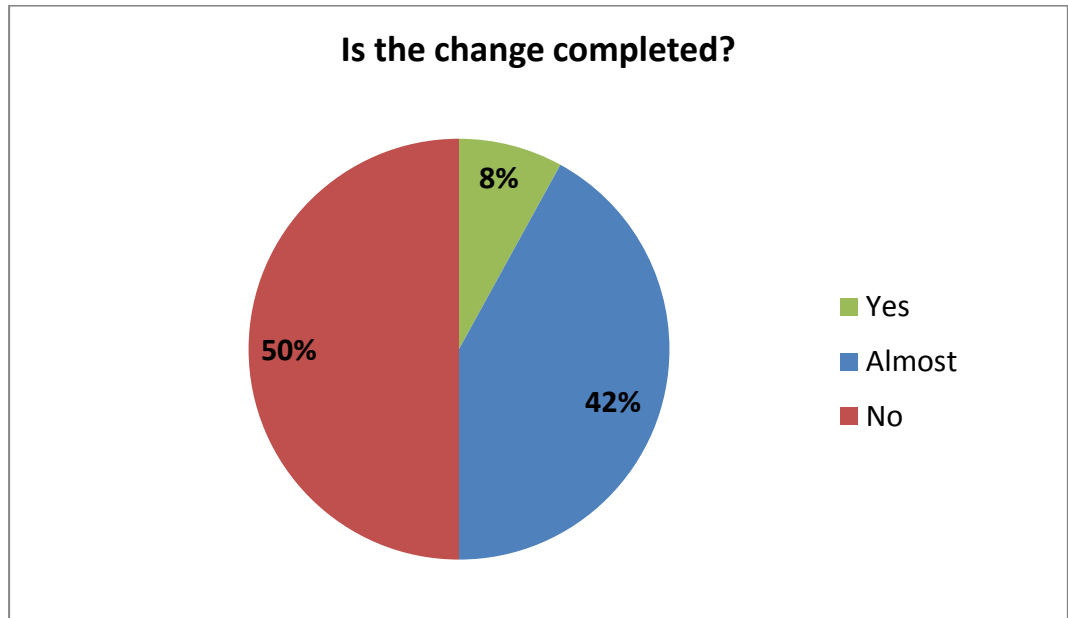
Table 11. The state of the organization.



There were apparently still some open issues in dividing the tasks and people did not yet know completely their new tasks. For example many brought up in the interviews that the substitutes are not yet clear and people are uncertain about all

the tasks they should really know. The table 12. shows the answers to the question if the change process is completed.

Table 12. Completion of the change.



50 percent of the interviewed felt that the change is not yet completed, 42 percent felt that it is almost completed and only 8 percent felt that the change is completed. It is important to remember that there were also answers stating that the organization should never be completed and the change should be constant. So it was not seen only as a negative thing that the change process is not yet finished.

During the interviews the management gave additional information about the substituting in the new organization that many of the interviewees were hoping for. If this info would have been given earlier the results might be different.

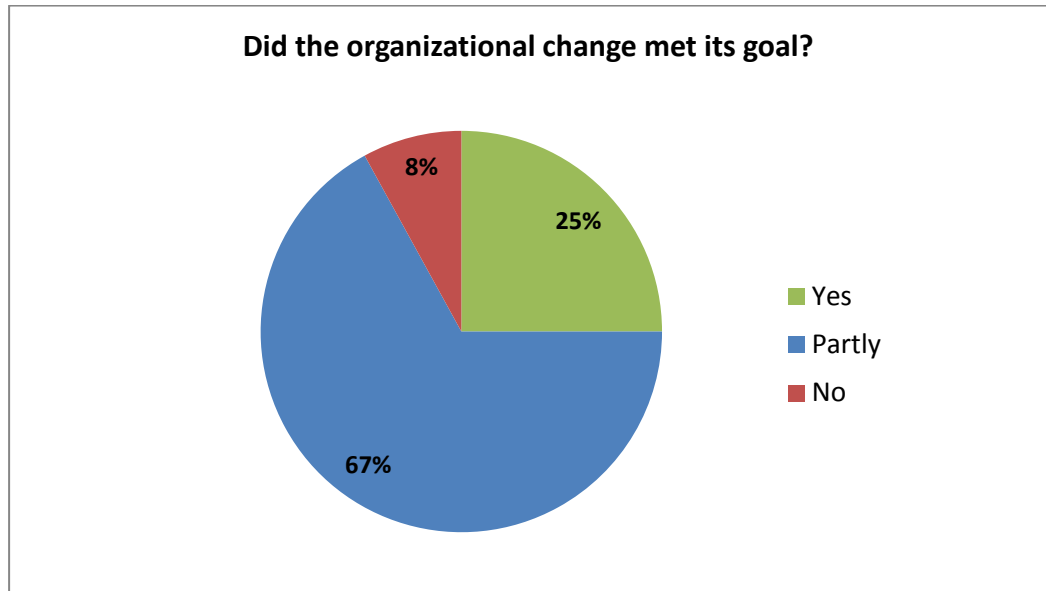
7.1.7 The Goal of the change

The questionnaire form question number 7.

It was also asked if the organizational change met its goal and was the vision achieved. 25 percent of the answerers felt that the goal was met and 8 percent felt

that it was no met. The rest of 67 percent of the answerers felt that it was partially met. The result can be seen in the table 13.

Table 13. Goal of the change.



From the interviews it was clear that the vision and goal of the organizational change was not that clear to everyone and there were different opinions about what the original goal was. That is one factor that most of the people did not think that the goal was met completely. Another reason is that majority of the answerers felt that the new organization is not yet completely up and running.

7.1.8 The situation before and now

The interview questions number 6-7.

There were some things that were seen better handled before but also positive things after the change were recognized. In the interviews was said that things were simpler before the change. Tasks were recognized that are still not assigned to anyone and it seemed that these kinds of matters were still popping up time to time. It was also mentioned that responsibilities were divided clearer before. It was experienced that the work load was smaller and the working was more

relaxed before. There were also comments that work was more interesting before. The decision making was felt being easier before as the smaller teams could make all the needed decisions. Communication was felt being better before and thought that people took more responsibility on their work. The amount of mistakes was also seen being smaller. There were also comments that it use to be easier to learn new things, now it seemed that many information was passed without even hearing about it.

There were also several things which were felt being better after the change. It was felt that the change brought new challenges and interesting tasks. It was felt that it is better to be a part of a bigger business unit; this will bring more visibility and significance to the Phenol and Acetone plant. It was mentioned that the organization is more important now. It was good that people got new challenges and that they were forced to step out of their comfort zone. The workload was also felt smaller than before in some interviews. It was felt that there was better support for all the different functions and more possibilities to develop in the new organization. The change also gave wider view to many things.

7.1.9 Dividing of the tasks

The interview question number 8.

There were different opinions about how the tasks are divided among the teams. A part of the answerers said that the tasks are divided well and some did not want to comment on this. There were comments that the new dividing of the tasks created job rotation and gave people new challenges. There were also comments that the tasks should be still evaluated and the change should be possible if still needed to develop further.

7.1.10 Workload

The interview question number 9.

In this question people answered mostly in the point of view of their own small teams. Most felt that the workloads are evenly spread but there were also totally different opinions about this. Part of the people interviewed felt that there are huge differences in the workloads between different people. Part of the interviewed did not want to evaluate other people workloads.

It was seen that there is difference between the two supply chain teams. There was also a comment that it was known that workload will not be even in the beginning but the situation will gradually change. There was also comment that people experience the workloads very differently. Some people would also like to do even more and some were saying that the workload is too big.

7.1.11 Communication

The interview question number 10.

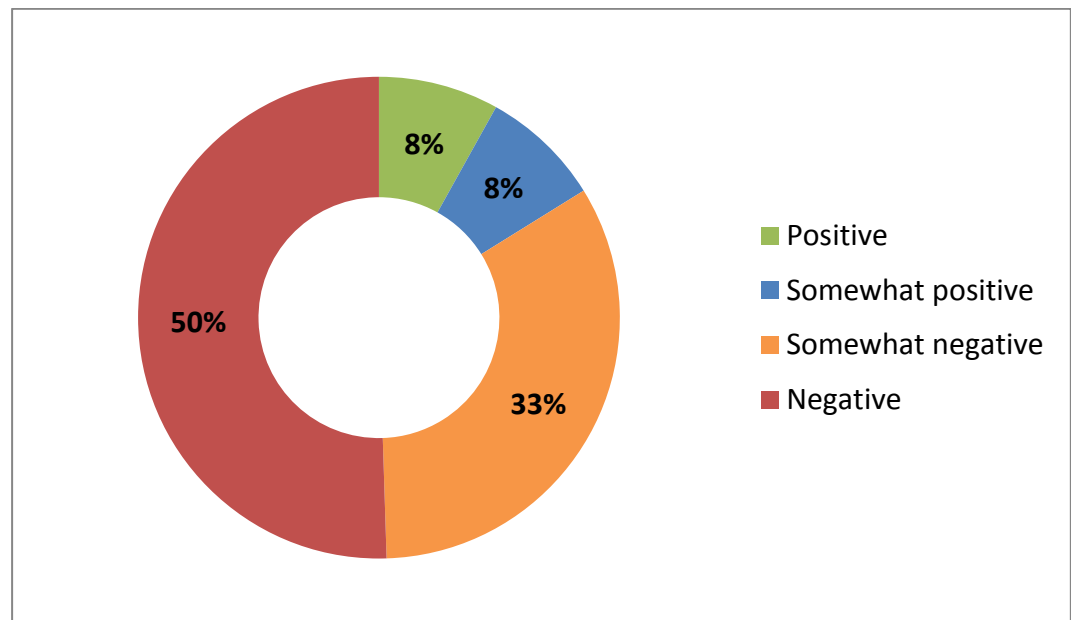
People were quite unanimous in the question about the communication of the change. Everyone felt that there would have been room for improvements in the communication. Most of the interviewed felt that they would have wanted more communication and discussion about the coming change before everything was decided. Many felt that the change was just announced and no one was heard about the willingness towards possible new tasks.

General feeling was that people were quite disappointed on the level of communication and even little bit confused what is the current state of the change. Communication towards the stakeholders was criticized also in the interviews. There was a comment that all the stakeholders did not know even after a year whom to contact. People also felt that there was too big separation between the

two supply chain teams; they wished there would be more communication between the teams.

There were also few comments that communication went well and could not see how it could have been done better. Below table 15 shows the feelings towards the communication of the change process. 50 percent answered clearly negative to this question. 33 percent's answer was somehow negative and 16 percent felt positive or somewhat positive about the communication.

Table 14. Feeling towards the communication of the change process.

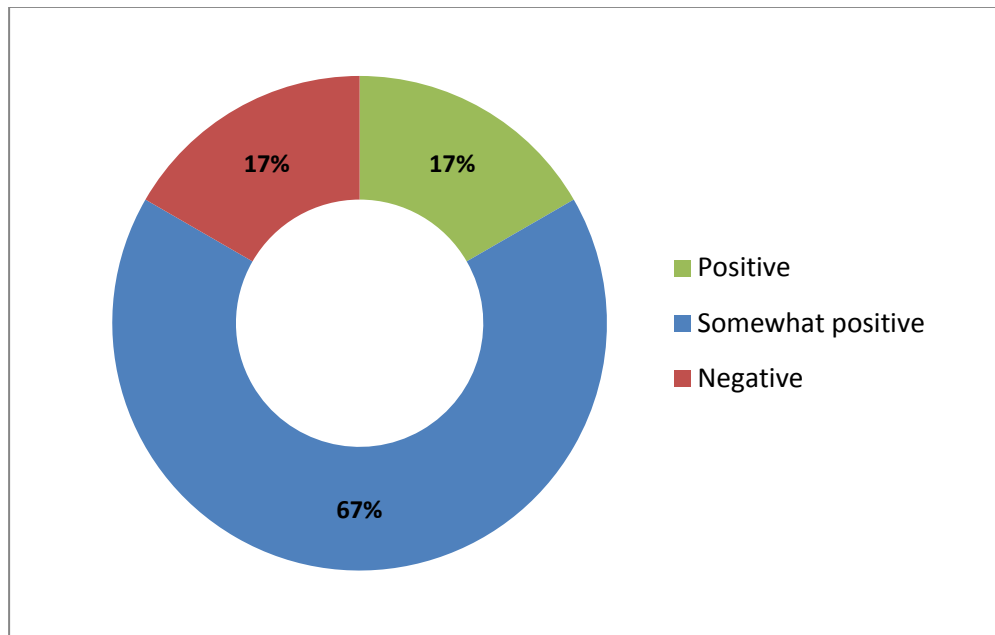


7.1.12 Four Rooms of Change

The interview question number 14.

Generally all the interviewed felt that The Four Rooms of Change was an interesting training and they saw the point in the workshop but there was also criticism that the results were not as good as they first expected. People felt it was quite a long day with hard topics. Quite many of the interviewed would have wished little more time to go through the topics. This training was seen by the interviewed either positive or negative as the table 15. shows.

Table 15. Opinion of Four Rooms of change.



Interviewed gave following comments about the training:

- “The day was too long but otherwise really good training.”
- “Hard day with interesting topic.”
- “Really interesting topic.”
- “Was useful.”
- “Did not experience it as useful training.”
- “Beginning was great but the result wasn’t that good.”
- “Didn’t solve anything.”

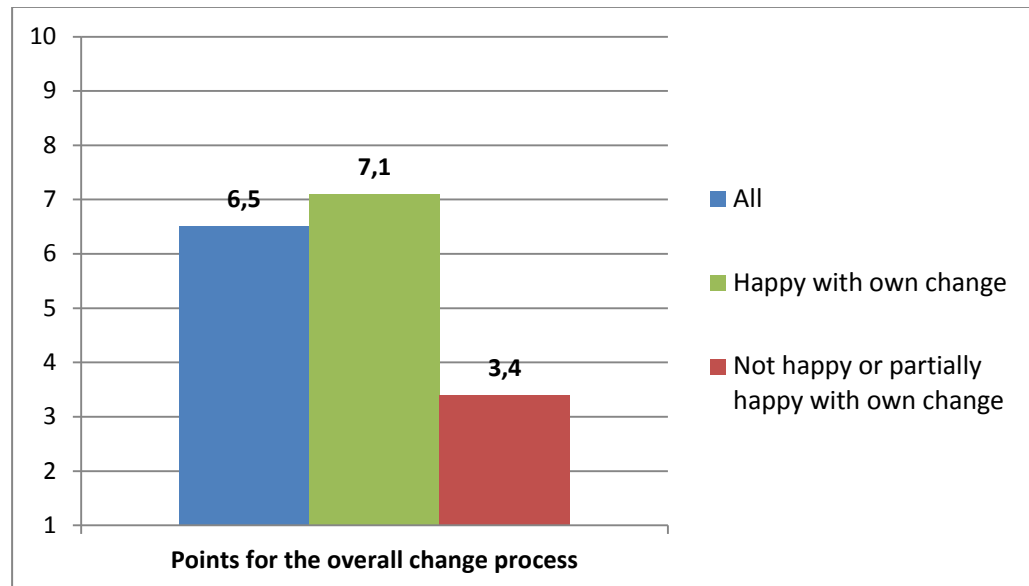
7.1.13 Points for the organizational change

The questionnaire format the question number 8.

People were also asked to give points from 1 to 10 for the whole change process.

The result can be seen in the table 16.

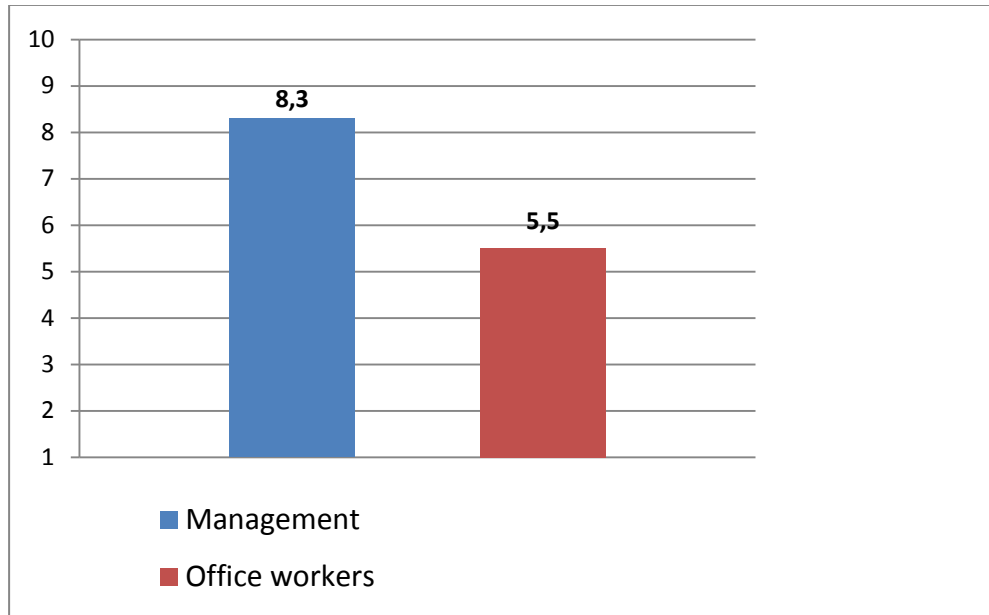
Table 16. Points for the organizational change.



The average points were 6,5. For people that were happy about the change in their own perspective the points were little better 7,1. The points from people that felt that change was not good or they were only partially happy with the change in their own tasks were obviously worse regarding the whole process. The points were only 3,4.

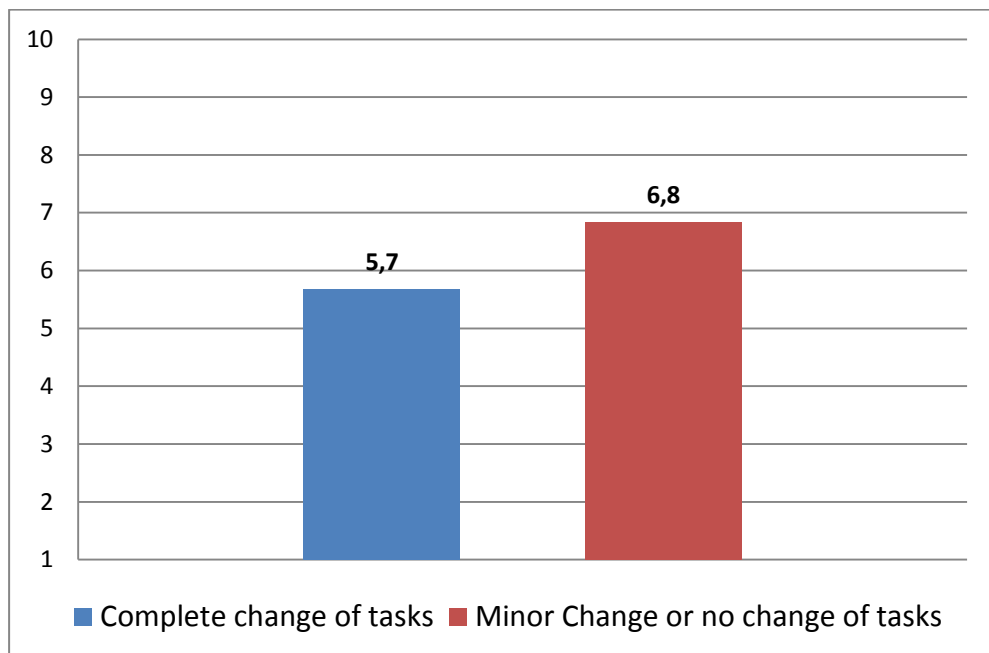
When comparing the management and expert level to the office workers there were visible difference in the points. The average for management was 8,3 and the office workers 5,5. This is visible in the table 17.

Table 17. Points from different groups.



When comparing the results for those whose tasks changed a lot to the results of other interviewees, the points were worse. The table 18. shows the points regarding the level of change experienced.

Table 18. Points for change process regarding the level of change experienced.



It is clearly visible that the feeling about the change of the own tasks has an effect on the general opinion about the change. The amount of changes has also an effect on the opinion about the change process overall. If the changes are big or unpleasant for the employee the whole change process is seen more negative.

7.1.14 Evaluating and further improvement

The interview question number 13.

Every answerer revealed a small detail or a bigger thing they would have done differently in the change process. There were also positive comments and it is always easy to look back and think what could have been done better. These answers helped to get better idea why all the people were not that satisfied with the change process.

There were for example following comments in this question:

- “Better checking also of the small details should have been done.”
- “More communication towards the employees and asking how they are feeling about the change.”
- “There should have been used more time and ways to get the whole organization to understand the vision.”
- “More communication and informing toward employees and stakeholders.”
- “Discussions with the employees before the change, checking the strengths and weaknesses of the employees.”
- “Closer follow up of the progress.”
- “Scheduled plan for the change.”
- “More team meetings.”

7.2 Theoretical questions

The purpose for these questions was to link the theory to practise and see if any of the fundamentals of theory had been applied in this change process. The questions were created linked to John P. Kotter's Eight Steps.

7.2.1 The need for the change

Majority of the people interviewed felt that the change as it was now was not necessary. They understood that changes will happen time to time but the actual need was not felt. There were also some total opposite comments. Some interviewed felt that the change was a must. They felt that the organization was in hurry to change and they could not have continued as it was.

7.2.2 The leaders of the change

It was clear who were managing the change. It was not sure how wide the actual leading and designing group had originally been. The local change management was clear to everyone. It was not clear if the higher management had part in the planning and leading of the change.

7.2.3 The meaning for Borealis

Actual meaning of the change for Borealis was not that clear. Most of the people recognized the meaning for the current business unit but meaning for the whole Borealis was not recognized. There were also people who did not know the meaning for the company at all.

7.2.4 Ability influence on the change

It was clear that only people who were planning and leading the change had an opportunity to influence on the change process. Part of the people interviewed felt thought that they had had some power to decide how they are handling their own new tasks. But most of the interviewees felt that they had no saying on the change.

7.2.5 Consolidation and improving

People were wishing for more communication and discussion about the change and were eager to develop the organization even further. Part of the interviewed felt that there had already been some actions to improve the current situation. There were also lot of ideas how the solution could be improved further:

- “Additional communication about the actual reasons for the change and the vision.”
- “Further improvements and more change.”
- “More follow up and improving of the work well being of the employees.”
- “Finishing the unsolved matters.”
- “Continuous improvement.”
- “Discussion event.”
- “Developing team rules.”
- “Checking the workloads and the substituting.”
- “Clarify the decision making and responsibilities.”
- “People should be open, active and positive towards further improvements, it is all about us.”
- “The collaboration between the two plants should be improved.”
- “It should be still checked if the correct persons are in correct positions.”

Interviewees also felt that there is no risk that people would slip back to the old working habits. They felt that the developing the organization even further should continue. Many were promoting constant change. The organization should never just stay in status quo.

7.3 The stakeholders of the change

The stakeholders are really important to keep in mind when planning a change. The change is always affecting on the surrounding groups. Mapping down the stakeholders of the change is one of the Borealis change principles.

The stakeholders from the production side were also interviewed. Questions were little different than the questions asked from the other group. Interviews were conducted face to face and the interviews were recorded. No questionnaire format was introduced to the stakeholders. The questions were:

1. Are you satisfied with the change over all
2. Why was the change made?
3. What was the goal of the change?
4. What was better before?
5. What is better now?
6. How do you feel that the tasks have been divided?
7. How do you see the workloads? Are those evenly spread?
8. How well were the change and the phases of the change communicated?
9. Has the change process been completed?
10. Is the new organization fully running and everyone knows their new tasks?
11. What would you have done differently or did everything go well?

The satisfaction towards the change overall was not high. It was clear that in their point of view things had become more complicated. Interviewees could also see the positive side in being part of the bigger business unit and the opportunities that this opened to the people in the sales and supply chain organizations.

For them it was clear why the change was made. They saw it was no need to have two separate supply chain organizations. They also understood the goal as simplifying processes and widening the information base in the supply chain organizations.

They saw that communication was simpler before the change. There was a small group who could decide everything fast. In the new organization this came more complexed and they felt that it was not clear who was making which decisions in the new organization. They also felt that all the tasks were well taken care of before and in the new organization there were still tasks that were not handled by anyone and there were uncertainties how some things should be handled. They saw that there were still some tasks that are not assigned to anyone. Otherwise in their perspective they thought tasks and workload are quite evenly spread.

They saw issues in the communication of the change, they felt that the change was just announced and then immediately up and running. They would have wanted some more communication and clearer instructions about the changes and how will the changes effect on them and their work.

The reason why they felt that the new organization was not fully up and running and the change process is not totally finished yet was that they saw that there were still tasks not assigned to anyone. There were still for example unassigned reporting tasks recognized and they had also seen that the substituting was not yet clear. A question was also raised if there were any risk assessment made for this project.

8 RESULTS

It was decided to look at the results also from the point of view of the Borealis' newly created How to Change tools. The main point in viewing the results is Kotter's Eight Steps as these have been the frame work of the How to Change tools. It is important to remember that Borealis introduced How to Change material and tools only after this change case.

The results from the interviews were overall surprisingly positive. This indicates that because some time had already passed from the change people had already adapted to the new organization. The results might have been different if the interviews had been done during the active phase of the change process. People would have still been in the bottom of the change curve.

A risk assessment should also be done in organizational changes. It should be carefully thought through what risks the change process possesses. In the organizational change all the tasks and the stakeholders should be mapped carefully. All the other processes that might be affected by the change should be checked. There is always a risk that some knowledge is lost and some of the tasks are forgotten. In the risk assessment the risks should be recognized and a plan to avoid them should be created. According to the interviews it seemed that there are still tasks popping up that are not assigned to anyone. This might have been solved with a better risk assessment of the project.

According to the interviews the change was maybe thought to be smaller and not having that big impact on the people or to the surrounding groups as it actually had. It also seemed that the leaders of the change understood quite well the reasons and the vision for change and it might be that they thought it was clear to the others too. The vision and reasons were seen as obvious things. But it was clear that the vision and reasons were not obvious for the employees.

According to the interviews the change in the sales team was little easier and more simple than the change in the supply chain organization as new people started working in sales team during the change. There was no need to change the people position or tasks. It was easier for new people to start from the beginning to work with their new tasks.

The responsibility of handling the actual change process was given quite strongly to the personnel. The date was only informed when everyone should change to their new position and when the new organization should be up and running. No intermediate goals were given and the responsibility was left to the personnel. It would have most probably made the change process faster if intermediate goals would have been set and the management would have supported the change process stronger.

The higher management input was also missing from this organizational change. It seemed that they had left the work for the local management. The input from higher management could have helped in selling the vision to the personnel.

8.1 Establishing a sense of urgency

For change process to succeed in the best possible way people involved should feel that the change must take place. It was clear from the interviews that majority of the responders did not feel the urgency of the change. They felt that there was no must for the change to happen. If the sense of urgency would have been established the change process would have been faster.

8.2 Creating the guiding coalition

Creating a guiding coalition helps getting the people on-board in the change. When people see others being really positive and proactive towards the change, they start also considering whether the change might be good thing after all.

No guiding coalition was created in this change. The managers only lead and informed that the change will happen. If a guiding coalition would have been established the people involved would most probably felt more positive towards the change and this would have also speeded up the process.

8.3 Developing vision and strategy

The key thing for successful change is the clear vision about what is really aimed for with this change. The strategy towards the vision should be also created carefully. That helps the change process to reach the goal easier. There was a quite clear vision and need for the change in the this process. The strategy was created, it was decided how the tasks were divided and which position people will take in the new organization. According to the interviews the strategy should have been created with more details and steps, short term goals. The strategy could have been also updated from time to time during the change.

8.4 Communicating the change vision

The vision should be communicated before and during the change process. When people understand the vision and believe that it is something to aim for, the change becomes easier for them to handle. It makes the change meaningful. If trying to drive through changes without explaining the meaning and reasons for change, it is rarely going to be a success.

The vision was not communicated enough to the people involved in the change. There were lot of variation in the answers regarding the vision and clearly it should have been communicated better. It was clear that part of the people involved in the change did not recognize the vision for the change at all. According to the interviews the vision was clear for the management and most probably it was obvious for them and they missed the fact that it was not obvious for all the employees.

It would have been good to continue the communication and inform about all the minor changes to the plan as the process went on. The communication about the reasons and the vision for change should have been more active. It was visible in several comments that people felt that the communication just stopped and people were left alone coping with the upcoming change.

8.5 Empowering broad-based action

This means getting rid of obstacles that could jeopardize the change process and making sure all the systems and working habits support the new vision. Also people should be encouraged to take some risks and thinking outside the box.

There were changes also happening in the surrounding groups and these changes had an effect to this organization. These effects were recognized in the interviews and people felt that it is not always clear who is responsible for certain tasks. More encouragement should have been given to the people involved to speak up about these matters. It should have also been addressed to the people to highlight matters they saw were not working in the new organization already during the change.

8.6 Generating short-term wins

It is good to split the change processes in to minor projects inside the actual change project or set minor goals on the way to the actual target. This makes the actual change process feel shorter and it helps people to keep up their spirits. Every time an intermediate goal has been achieved it should be recognized and celebrated. This helps people to stay positive and helps people not to be worn down with the process. It also shows that the change is ongoing and something is happening.

This was not done at all in this change process. It was only announced the day when the new organization should be up and running. No intermediate goals were

set to the actual organizational change. People felt in the interviews that their new tasks were announced and the date when the new organization should be up and running was informed. People felt even little overwhelmed with the change. It was clear that people would have wanted more support from the management to the change. Cutting the process in to smaller steps would have most probably made the change easier for those who had to deal with big change in their own tasks.

8.7 Consolidating gains and producing more change

A change process can be good start to create further developments. All the things that are not line with the new vision should be changed. The new vision cannot work if the surroundings do not support it. In this change process there were some changes made to the original plan to make solution better.

It seemed that people felt that there is also room for improvement and constant change. They were eager to develop the organization and working ways further. No change resistance were recognized in this study.

8.8 Anchoring new approaches in the culture

It is important that the change is anchored to the corporate culture. It is also important to anchor the new way of thinking. Change should create an atmosphere that people are willing to improve and change even further, continuous improvement should be the aim.

In this kind of operational change the risk of slipping back to old ways of working is smaller than in for example changing only ways of working. It seemed that overall people were quite content in the situation after the change and did not see any risk that would cause a risk of going back to the old situation.

8.9 People handling the change

It is important to remember that people react on change in different ways. In this change it was also clear that the change was bigger to some than it was for others. That also has a great effect on experiencing the change. According to the interviews some people were really open and positive toward the change. They looked forward to the change when it started. Some were disappointed and some even felt dreadful about the change. For the interview results it was clear that people really belong to different groups as described at Roger's model. Some adapt to change easier and feel positive about change and for some it is much harder. According to the interviews it seemed that people had gone through the innovation and adaption curve and the climbing back up was quite long for some. Some might not be at the top yet.

People's attitudes towards the change are also affecting on how they handle the change and how fast the internal change process is. If attitude is positive in general towards changes, the changes confronted in life are easier. The feeling and attitude towards the change of the own tasks has also a big effect on the internal change. It also influences on the speed of the actual change process. If the internal change process takes a long time it also slows the actual change process down as the internal change takes energy from handling the actual change process.

Overall people were quite happy in the situation currently but the process had been quite hard. There was a good comment in the interview; "It is up to us how the current solution and organization develops even further."

9 CONCLUSIONS

The goal for this thesis was to investigate how the theory of change management applies in the practise. This was done first by examining the theory of change management from literature and studying the organizational change case in multinational chemical company Borealis. The other interest was to explore the internal change tools of Borealis.

The fact is that change is here to stay. All changes need change management and understanding the way people react on change. A good and efficient change management is the key to make the change process smooth and easier for the people involved. Companies must be able to develop and change when needed. Ability to change is crucial. It can be an enormous competitive advantage for a company if it is flexible and open to change. Change management is a complex area that is still today quite often forgotten by companies. Acknowledging that change process is always complex and not easy is already a good step forward in handling change processes.

Change processes and projects always need good preparations and management must be well educated about the possible obstacles they might meet during the change process. It is also important to go through all the tasks and people involved in the change process. It is a must to map all the tasks and make sure those are handled also after the change. Mapping the stakeholders is also crucial in making sure that all the related parties are informed well about the change and how it will influence on them.

The most important thing in change management is the people involved in the change process and it is crucial to keep in mind that people experience change in different ways. For others changes are generally easier to handle and for some it is really challenging to get use to new things. Naturally the amount of changes and whether the changes are positive to the person affects also greatly on the opinion about the change.

For example John P. Kotter's eight steps model for change management is a quite good tool for management of any change. These steps can also be used in personal changes not only in business world. Steps are quite easy to understand and use in practise.

Borealis has done a really good job in discovering that change is here to stay and that people should not be afraid of it. They have taken good steps toward effective change management and created functional tools and good reading material that is easily available for all personnel. It is important to inform and promote the change tools to the personnel. This way people know that information and help for handling change is available.

The study revealed valuable details about change processes in real life and concrete improvement ideas were recognized in the interviews. Overall the people were quite happy with the outcome of the change process. There were also some failures identified in this change process. Most probably those can be avoided in the future if people planning the change are familiar with the new How to Change information packages and tools. The How to Change platform has also a lot of useful information for the people facing a change.

Valuable instructions and tools to use in managing of change processes can be found from the theory of change management. It is important to recognize all the change related details and understand the importance of different phases and details of the change. Understanding the fact that people react differently to the change is extremely important. With all these details taken into account the probability of the change process to succeed or even exceed the expectations is really good.

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APPENDIX 1/1 Organization Business Unit Hydrocarbons and Energy

