Agile Project Management to Become an Innovative Service Organisation

Can You Bank on It?

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Abstract

**Title:** Agile Project Management to Become an Innovative Service Organisation: Can You Bank on It?

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**Aim:** This study aims to explore employee perceptions, thoughts and views on change to issues surrounding the implementation of agile working methodologies in a Swedish financial services organisation. The case study also aims to contribute to the discourse surrounding the changes required to adopt agile ways of working.

**Method:** This single case, holistic case study was conducted with a qualitative approach. Empirical data has been collected through semi-structured interviews with nine employees belonging to and involved in the organisational change ongoing in the organisation of interest. The interviewees were chosen to represent several perspectives and individual backgrounds eg. education, professional roles, departments in order to gather a wide scope of relevant data. We analyzed the empirical data through a deductive, thematic analysis. Codes were structured into themes that were found by deconstructing the research question into the themes we saw relevant in regards to answer the research question.

**Result & Conclusion:** Our findings show that the change to agile project management is perceived positively by employees. Further the research concludes that the key enablers of cultural change to adopt agile methods are engaging leadership and communication which support the change process. Overall, the study concludes, that agile project management has increased innovation. Thus, you may be able to bank on agile concepts for innovation outside the traditional context of use although the transition to agile has a number of caveats which must be taken into consideration. Those seeking to implement agile must further be aware of the cultural changes required for agile working due to the difficult nature of changing organisational culture.

**Keywords:** Agile Management, Organisational Change, Culture, Leadership, Financial Industry, Innovation, Competitive Advantage
Preface

“When in doubt, be Courageous and Creative”.

Those words were given to us as guidelines during our first meeting with the class of the master program Managing People, Knowledge and Change. This last year has contained many new insights and lessons, but having a critical outlook has been significant throughout this program. The submission of this thesis marks our end as students of the class 15/16. However, being Courageous, Creative and Critical summates the key elements we take with us from this year and will further guide us going forward.

We would love to thank our fellow classmates for this amazing and giving year and most certainly Sverre Spoelstra for the support and valuable insights in the research process during this thesis. Further we wish to extend thanks to our interview participants for their time and participation in this study. Without their participation, this will study would not have been possible to do. Finally, we would like to thank our friends and families for their ongoing love and support.

Many Thanks!

Lund 2016-05-20

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1. Research Background

Throughout the history of organisations, innovation has been the key for organisations to both survive and thrive. Organisations therefore are keen to look towards new ways of working to gain competitive advantages. One of these newly popular ways of working is Agile project management. Essentially agile management embraces uncertainty and allows organisations to embrace fast failures and rapid prototyping to test ideas (Highsmith, 2004). Increasingly agile project management techniques are being lent from their traditional context of technology and software development and are being applied to other contexts. One of these contexts where these principles are being applied is in large bureaucratic organisations who are attempting to replicate the success and innovative abilities of technology and software development companies. The search for innovation capabilities and competitive advantages for firms has led them to look to new and emerging ways of working which have not yet been adopted by their competitors.

In the financial sector this need to drive towards innovation and new ways to compete is particularly evident. The Swedish financial services sector is experiencing a gulf of change on a macro level that has a potential to create a disruptive environment for market incumbents (Swedish Bankers Association, 2015). Increasingly these new firms are able to compete with large market incumbents and they are seeking to exploit the barriers and structures, which have traditionally existed between banks. This has led organisations to adopt new ways of working like agile project management which is designed to allow these large organisations to compete and innovate in competition with small, agile competitors. The increased customer expectations and demands of user experience, speed and service for other services has too increased the pressure on banks and financial services organisations to become more innovative and agile (Chishti & Barberis, 2016). The financial sector as we know it is experiencing a significant restructuring with many factors forcing traditional banks to change or they will become irrelevant within ten years (PwC, 2014).

1.1 Research Problem

Like all other organisations, banks and other financial services firms undoubtedly have been attempting to gain competitive advantages by looking towards new and innovative ways of working. These new and distinctive ways of working are often borrowed from other contexts and applied to organisation for whom they were not initially intended. In this way, banks and
financial institutions are a perfect case of ongoing organisational change given their recent tumultuous history. Whilst there is some research into the effect of culture on the performance of financial services firms, there is a particular gap in research with regards to the application of agile project management in contexts outside the area of software development and the effect that these methods of working have for organisations. The culture of each firm will naturally depend on a range of factors (Cohen, 2015). These include the business model of the organisation, their risk appetite, the national culture, the history of the firm, their management approach, group dynamics, stakeholder expectations, and the behaviour of their direct and indirect competitors (Aman, 2012; Gordon, 1991). The studies published to date are useful but they are broad in their scope, however, very few focus on particular institutions and instead tend to draw broad comparisons between cultures rather than an in depth investigation of particular instances of cultural changes. This has led to an opportunity to research the application of agile project management techniques and their effect on the innovation of an organisation by using a qualitative methodology to investigate agile methodologies and their fit within this context. The case studies that do exist on this subject may be considered outdated given the rapid pace of change, which is taking place within this dynamic industry. Given the adoption of these techniques is new to this context, this is a phenomenon that warrants further study. And while there is recent research that has taken place into the changing culture of financial institutions such as Cohen (2015) and Skvarciany & Ijlins (2015), these are not exhaustive in nature as well not conducted in the context of the Swedish Financial services market.

1.2 Research Purpose

This research aims to explore employee perceptions, thoughts and views on change to issues surrounding the implementation of agile working methodologies in a Swedish financial services organisation. The case study also aims to contribute to the discourse surrounding the changes required to adopt agile ways of working.

This study is guided by the following research question:

How do employees in a traditional financial bureaucracy perceive the attempts of the organisation to introduce agile concepts to become an innovative organisation?
1.3 Disposition

- In chapter two is the study's research design and process is presented along with the ethical considerations.

- In chapter three the literature review explores the theory and concepts which the authors find applicable to the case of interest.

- In the fourth chapter is a summary of the macro organisation within which the case organisation finds itself. In addition, empirical findings are presented.

- In chapter five the empirical findings are analysed and discussed in relation to the theory presented in chapter four to achieve the purpose and answer the research question which the study posed.

- In the final chapter, the study's conclusions are discussed along with the study's contribution, applicability and limitations. Finally, we present areas for further research.
2. Literature Review

In order to discuss the concept of innovation, it is essential to gain an understanding of the concepts which enhance and enable innovation capabilities. These enablers include leadership, organisational culture and organisational change. In this section we seek to outline these topics and introduce the discourse in these fields and how they relate to agile project management. We will also present the concept of agile project management in depth and its abilities to encourage and develop innovative capacity for an organisation.

2.1 Innovation

Plato once stated “necessity is the mother of invention.” According to Troedson (2016) this statement is the key to understanding innovation and how necessity can be the catalyst for innovation. He suggested that it was not only distress or chaos that are origins of innovation. While crises or environmental pressures can trigger innovations such as the vaccine or the radar, the prices we pay to get these innovations from crises like war and disasters are an unnecessary high price to pay. Troedson and Alsén (2006) argue that environmental pressure from necessity can also trigger innovation which can bring innovation without experiencing crises. These positive environmental pressures, trigger innovation and is derived from a sense of necessity which is a positive for organisational development such as receiving an order too big to be accommodated by the current logistic system. Troedson (2016) discuss that there is a fine line between necessity and distress which can mean the difference in experience courage or affliction. The key for an innovative is to become adaptable whilst being aware of and reacting to environmental pressures which may present themselves. In this way firms can react out of necessity rather than distress which often accompanies change (Troedson, 2016; Troedson & Alsén, 2006).

Starkey and Tempest (2003), argued that an innovative organisation needs to be different than a traditional operating organisation. The primary culprit of a lack of organisational innovation has been the short-term, profit motif of management. However even long term focused managers cannot exhaust innovation (Starkey & Tempest. 2003). At times patience, money and supportive leadership is not enough to create an innovative organisation (Lerner, 2012). In order of having a chance of becoming innovative an organisation needs to be specifically designed to become innovative through how their structure, processes, rewards and people are combined. The point to be emphasized here is that an innovative organisation is
completely different than a traditional organisation. Traditional organisations are generally operating organisations, designed to efficiently complete tasks within a rigid and predefined frame of reference. An organisation that is designed to undertake a repetitive process is usually not good at doing something new or innovative. This creates the need for organisations to combine, an operating organisation and an innovative organisation to continue to be successful through time, with a need to transition process to transfer ideas from the innovative organisation to the operating organisation (Starkey & Tempest. 2003). According to Johnson (2014, online), “Inventing and innovating are the most exciting and risky activities in business and absolutely necessary if companies are to thrive”. But innovations are only new and innovative if they haven’t been done before. Therefore, an organisation successful at producing innovations often work with an idea in an iterative way, and like a hypothesis, test, develop, evaluate, revise, continue, or abort (Johnson, 2014; Troedson & Alsén, 2006). The nature of innovation being new it is also crucial for success that the product or service idea has a short time to market process to ensure that no one releases a similar solution. Therefore, innovative organisations make decisions on short term knowledge through real-time management which requires a development process that has ability to adapt to new information along the way. The revision and evaluation which decides the direction of development and modification is done in collaboration with the customer who ordered the product or evaluated and compared to the expected customers’ demands on responsive design. Therefore, successful inventions today are applicable, practical and serves a purpose (Troedson & Alsén, 2006).

2.1.1 Talent and Teamwork

Competencies in innovative organisations, specifically technology capabilities, are particularly important in the innovation of management, process, and procedure, all of which can lead to economic success and sustainable business (Wu et al., 2015). According to Johnson (2014), talent is an essential ingredient to succeeding in discovering and developing an innovation to the market. Therefore, recruiting and retaining the brightest and most creative talent from all over the world becomes a key for success (Lundvall & Nielsen, 2007).

Now, in the 21st century, scientific advances are commonly attributed to teams of researchers collaborating together, rather than the endeavors of lone geniuses. This is also reflected in organisations signified for their innovation capability which often organise people in small teams rather than having vast R&D departments where innovation is supposed to occur. Utterback (1994) states that not only is collaboration necessary for innovation, but also, networking and transparency within and between the teams in an organisation. This because
the complexity increases with the now expected integration and merge ability between a company’s products and services which result in that few products are today developed by one type of specialists with experts in only one field or industry (Johnson, 2014; Lundvall & Nielsen, 2007). Troedson and Alsén (2006) also discusses the more complex business environment and refer to the new desired competence and talent as ‘complexists’, people with a complex and multidisciplinary nature of skills. Further, they argue that in this changing environment with the demands of ‘complexists’ in the job market, the specialist’s will be take over the generalist’s traditional tasks and roles (Troedson & Alsén, 2006). Despite the collaboration between competencies as knowledge, successful organisations also include a wide variety of diversity in their teams. Particularly, mixing age groups is essential since people tend to be more cynical and resistant to change as they age. This is not a rule but to succeed in innovation it is crucial to have input from youngers contributors since they are closer in age to consumers who tend to be the early adopters of most products (Johnson, 2014). In conclusion, it is more credible that new fresh insights and developments come from more flexible, dispersed teams. Lastly a successful team does not signify by the budget they have in producing or inventing a new product or service, rather the budgets for successful innovations are also signified by reduced project budgets since it is proven that large budget does not equal great results. In contrast, frugality and scarcity can increase innovation since it requires people to think of new ways to achieve the idea (Johnson, 2014).

2.1.2 Explorative Leadership and an Open Culture

A culture open for new ideas is crucial for innovation and agile management since invention does not always occur through logic reasoning, relentless testing or application of rigid plans. Rather some of the greatest innovations occurred by chance. A culture open to suggestions can lead to big leaps in innovation if the inventors are observant and open to see mistakes and make then to fortuitous ideas (Johnson, 2014). Another important aspect of successful organisations in innovation is a culture and leaders that allows for failure and have patience with innovations being a non-linear process. Experimentation naturally involves ideas and products that do not work. They involve dead ends which should be seen as temporary setbacks not as disasters. It is also important for management to recognize that advances take time, a sense of urgency matters but so does a long term vision. The role of leaders in innovative organisation has also more of a guide in exploring and researching role where they are leading employees to be courageous and work in new territories that have not proven to be successful yet. Encourage innovation is important and innovative organisations sometime apply Kaizen, a Japanese
management theory, that promotes bottom up ideas for continuous improvement (Johnson, 2014; Lerner, 2012).

2.2 New Ways of Working: A Paradigm Shift

In 1970, Dr. Winston Royce presented a seminal paper on agile management which was entitled “Managing the Development of Large Software Systems,” (Royce, 1970). This paper criticized the traditional sequential development processes of software development companies. In this paper Royce asserted that software should not be developed in the same ways as automobiles or products built on an assembly line. On an assembly line each piece is added in preset and rigid sequential phases. In this way of development, every phase of the project must be completed in order to allow the next phase of the project to begin. Royce recommended against the adoption of a phase based approach for software development in which developers gather all of a project’s requirements, then complete all of its architecture and design, then write all of the code, and so on. Royce (1970) specifically objected to this rigid approach for the software development industry due to the lack of communication between the specialized groups that complete each phase of work. Thus agile ways of working were born as an alternative to these traditional, assembly line style of working was born. Royce (1970) referred to the traditional assembly line style of project management as a waterfall approach. This was due to the stream like process which occurred from start to delivery. The traditional approach which is usually adopted by large organisations using their existing processes to make a rigorous plan before following a linear execution of the steps in the initial project plan (Hallin & Karrbom Gustavsson, 2015).

Table 1: The differences in characteristics between traditional and agile approaches, adopted from Spundak, 2014.
Agile ways of working represent a departure from traditional ways of working and involve the adoption of new approaches. (See Table 1). It’s easy to see how this “waterfall” methodology is regarded by software development firms as being far from optimal. First of all, the waterfall method of working relies on the assumption that every requirement the project or task can be identified before the design or coding occurs for the project (see figure 1). The question one must ask is whether it is possible to tell a team of developers absolutely everything that required to be in a piece of software before it was even developed? Would it not be easier to describe your vision to the team who could react to the implication of this for realising your vision? Many software developers have learned the answer to that question the hard way. With this way of working it is entirely possible that upon completion of a project, a team might have been successful in achieving the goals that were set out but it is possible that the competitive environment may have shifted dramatically, making the product which was developed irrelevant. In that scenario, a company would have spent resources creating software that no one wants. Is it possible to ensure end product continue to be relevant throughout the development process? Surely cutting or changing the projects in real time would allow the organisation to get the most of their resources? In the area of software development there has been a paradigm shift in project management to agile thinking (Hallin & Karrbom Gustavsson, 2015; Spundak, 2014). In the context of software development, projects had historically been hallmarked for going over deadlines, with costly results and not value for the features produced. Inspired by that dilemma agile project management was developed as a concept which allow software development firms to meet deadlines as well as allowing them to integrate flexible iterations and continuous innovations (Gustavsson, 2014).

Figure 1: Waterfall process example. Adapted from Royce, 1970.
Agile project management essentially involves what Karleskey and Voord (2008 p.1) described as, ‘burning your gantt charts’. This was said in recognition that projects are fluid and externalities change and therefore those working on projects must operate with a degree of agility and flexibility. This ability of a project team to react to what is happening rather than conforming to a strict procedure is what Verganti (1999) termed as ‘planned flexibility’, where organisations seek to take into account the fact that all projects do not flow in a binary way and as a result projects are often subject to constant change.

Although first conceptualised by Royce in 1970 the uptake of agile project management has largely been kept to the confines of software development. Denning (2012) claims that agile management is the world’s best management “secret” and that more than software companies should apply to their organisation. Further Gustavsson (2014) argues that agile concepts can ultimately lead in the long run a method to gain sustainable competitive advantage. Working in an agile way is not a set of methods on its own, rather it is an approach which can be adopt the by many ways of working such as management scrum, Kanban, Lean and Six Sigma (Gustavsson, 2014). These concepts are fundamental to the understanding of agile techniques. Scrums are the most popular way of introducing agility due to its simplicity and flexibility. (See figure 2 for Scrum process overview).

Figure 2: Scrum Process Overview. Adopted from http://scrummethodology.com/. 
Because of the popularity, many organizations claim to be “doing Scrum” but aren’t doing anything close to Scrum’s actual definition. Scrum principles emphasize the adoption of empirical feedback, team self-management, and striving to build properly tested product increments within short iterations. Introducing Scrums as they are actually defined often conflicts with existing habits at non-agile organisations. In a scrum there are only three roles, these being Product Owners, Teams, and Scrum Masters. The responsibilities of the traditional project manager role are split up among these three Scrum roles. Product owners are responsible for ensuring the maximum return on investment is achieved for the organisation, further they focus on the broader picture and can themselves be a member of the scrum team. Teams are 3-9 individuals working in a cross functional team working with the scrum masters and product owners. Scrum masters help to facilitate the scrum moving forward, attempting to resolve the issues facing the scrums progress. However, they are not a coordinator and do not have management control over the scrum. A Scrum has five distinct meeting types, these being: Backlog Grooming, Sprint Planning, Daily Scrum, the Sprint Review Meeting, and the Sprint Retrospective Meeting.

Another agile way of working is through the adoption of lean, kanban and six sigma principles. Lean and Kanban techniques were developed by Toyota in the 1990s in the production of automobiles (Keegan & O’Kane, 2012). Lean involves centering what adds value and minimizing what does not. Lean is regarded as the cause for the success of Toyota in becoming the largest vehicle manufacturer in the world. The principle of lean, developed in Japan has conceptual links with kanban and six sigma methods of working given the similar contexts. These principles are designed to reduce waste as much as possible. In this way agile ways of working represent a departure from traditional working methods (see Table 1). Agile ways of working combine many different ways of working aimed at ensuring maximum resource efficiency is achieved. (See Appendix 1 for the agile manifesto).

A key to the understanding of agile is the embrace of uncertainty which allows companies to embrace fast failures and rapid prototyping to test ideas. Through working in an agile way, organisations are able to achieve resource allocative efficiency and they are able integrate customers at an early stage to develop the product or service. This co creation of value has the benefit of ensuring a customer focus while ensuring that what is developed is in demand by customers. After feedback is received from the customer the team later goes back for a development and revising process. Leading to better outcomes, usually this cycle lasts between 2-4 weeks before going back to the client with the results. In agile ways of working roles in the
teams are preset from the beginning but instead of having a set project manager the roles depend on the project. Agile management involves the use of small cross functional teams with a maximum of nine people per team. In summary, no matter which method you adopt under the agile umbrella, agile focus on an iterative process with fixed time and cost and quality, in comparison to traditional planning projects with set outline of features. (See figure 3).

**Figure 3:** Fixed vs. flexible resources when planning by agile or traditional approach, adopted from: http://www.solutionsiq.com/3-paradigm-shifts-of-agile/.

There has undoubtedly been an increasingly popular uptake of agile project management throughout various industries looking to become more agile and responsive in their product development processes both in and outside the development of software. This uptake of agile project management by firms has largely been attributed to the focus of firm on reducing product development cycle time in an effort to attain a relative advantage over their direct competitors (Karlsson & Ahlstrom, 1999) Banks have also sought to become more responsive to their customers and have been looking to involve customers into their product and service developments at an early stage. Traditionally banks have been regarded as rigid in their approaches to developing their products or services. This approach would best fit the detailed approach discussed by Verganti (1999) where product development follows a sequential approach. Banks and other financial services organisations looking to agile methods utilised in the development of software and technology to reduce their development cycles and to also become more innovative and agile (Glaiel, 2012). Increasingly agile project management has become a mainstream way of organising for the development of new products and services. According to Chin (2004 p.12), agile project management is justified in a fast-paced business
environment filled with uncertainty and change as too often. The line between software development firms and traditional bureaucracies are becoming blurred. As banks look to increase their technological orientation it is only natural that they, like other firms involved in digitisation are increasingly borrowing these methods of working which have been adopted by technological firms (Conforto & Amaral, 2015). Like agile project management, these large organisations have begun to adopt new techniques of working such as cross functional teams have to become an ever more popular mode of working for organisations (Donellon, 1993).

2.3 Organisational Change

The move to agile working methodologies represents a departure from the past ways of working for traditional organisations, making organisational change key to implementing agile methodologies. As organisations develop and compete they must change to stay relevant to the context in which they find themselves, the transition of companies to work in an agile way is no different. Change is the action of doing or making something in a different or new way. Organisational change is therefore change, which occurs within the context of organisations. Organisational change is something that has occurred since the inception of organisations. Similarly, since the inception of industry, change has always been a characteristic which has shaped industry. Industry has had to change their products and methods over time in order to respond to the changing demands of the external environment. These organisations must keep pace with the continued advances in the world of science and technology to ensure they remain relevant and competitive within the contexts they face (Coch & French, 1948). Organisational change is therefore something which is natural for organisations to undergo. Although it may be a natural occurrence, organisational change is something which organisations often have difficulty in achieving. This difficulty of achieving desired changes are fundamentally tied to the issue of resistance to change which so often accompanies undergoing organisational change. While change is quite often difficult and complex to achieve and while management of an organisation cannot always perfectly predict the outcomes of change programmes. It is fair to assume that these senior managers of organisations who instigate change have the power and control exercise at least a moderate level of influence on some values and meanings of the wider organisation under certain circumstances (Alvesson & Svenningson, 2008).
There are two predominant models of change which emerge from discourse on the subject. Firstly, it is important to state that there is no universal theory on change management which emerges from discourse. Instead change can either be viewed as stagnant, where change takes place between large periods of stability, between periods of freeze and unfreeze (Lewin, 1951). It was Lewin (1951) who proposed a three stage model of change management which theorized that change was temporary and came between large periods of stability. Lewin’s three stage model was unfreeze, change and freeze. Lewin proposed that the status quo was unchanging during most times and this was interrupted and changed before a new status quo emerged. Lippitt, Watson, and Westley (1958) who sought to extend Lewin’s Three-Step Change Theory into a five step approach. In these models change was viewed as transitory and the means to an end where a change can be completed in a planned and organised way.

The second mode of thinking on change is the view that change itself is ongoing and is a constant rather than an intermittent occurrence (Martin, 2014). The view of change as a constant was first attributed to Greek philosopher Heraclitus. Heraclitus was purported to have said at the time that, “all things are in process and nothing stands still” (Allen, 1978 p.42). This idea is the basis of the model proposed by Kotter (1996). Kotter (1996) proposed one of the many N-step models which seek to act as a guide through organisational change. Kotter proposed an 8 step model of change management.

Kotter’s model was the following 8 steps:

1. Establishing a sense of urgency
2. Forming a powerful guiding coalition
3. Creating a vision
4. Communicating a vision
5. Empower others to act on the vision
6. Planning for and creating short-term wins
7. Consolidating improvements and producing still more change
8. Institutionalizing new approaches

(Kotter, 1996)

According to Kotter (1996), change must be treated as a constant within organisations and that change was key to organisations performance. In 2013, Kotter suggested that one of the main barriers to rapid change in contemporary organisations was the high levels of bureaucracy which made rapid change increasingly difficult to achieve (Kotter, 2013).
Increasingly change within organisational contexts is viewed as a necessary response to the changing context within which organisations operate. However, this causes many effects on the organisation which are often indirect. Gini (1998) and Erez & Early (1993) among many others suggest that the identities of organisational members are very closely linked with the tasks and work that they perform in a work or organisational context. This means that the concepts of organisational culture and organisational change are closely linked. Organisational change, by attempting to change the work performed by individuals is in a way challenging the identities of organisations which are socially constructed around their work. The link between organisational culture and organisational change can be seen as a reason supporting why individuals often resist change within organisational contexts. According to Stets & Serpe (2013) Individuals naturally seek to exhibit a set of behaviours which support their individual identities. Given that there is such a strong link occurring between identity and work individuals perform it can be seen as natural to incur resistance to change. Therefore, it is a fair assumption to make that culture and change management are concepts which are intricately linked.

According to Cohen (2015), banks and other financial services organisations have suffered great reputational damage and intense regulatory and public scrutiny as a direct result of the financial crisis of 2008. After the financial crisis, the most extensive revamp of global financial regulations has taken place. Cohen (2015) further argues that both regulators and customers of these organisations are now becoming insistent that these financial services firms fix their culture. The perception of there being cultural issues in the banking sector has now become commonplace, leading to organisations in the area of banking to increasingly look to other organisations to discover new ways of working. According to a recent Deloitte study (2013), there are significant cultural challenges facing the banking Industry. The study reported that 65% of bankers surveyed by Deloitte agreed that there were serious cultural problems evident within the banking industry. However, only 35% of respondents reported they felt there were substantial cultural problems at their own institution.
2.4 Management Fashions

Like clothing, management as a subject has gone through evolution over time. What is in fashion today and what is in fashion a decade or a century ago are worlds apart and what we do reflects these changes in fashion. Abrahamsson (1991) suggests that over time management fashions have been adopted by managers according to their perception of aesthetics. Like Abrahamsson, Mintzberg (1979) similarly observed there were changes in patterns of management behaviours which were adopted over time. Mintzberg (1979) theorised that one could observe fashion trends in decentralisation and centralisation of organisation which could be seen over time. Abrahamsson (1991) argues that management should not seek to be subject to fashion or ‘fads’ but rather instead should be consistent in how their behaviour changes and evolves over time.

Management fashions are approaches developed in a small selection of organisations and is then further expanded to other organisations and contexts. Some examples of these techniques are quality circles, lean production, business process reengineering (BPR) and total quality management (TQM) (Keiser, 1997). Keiser (1997) argues that management fashions can be likened to the fashions of clothes. He argues there are three families of fashion theories which are evident in fashion literature, these being the following:

1. The first theory is the **trickle-down theory** of fashion. This is where the fashion setters are those at the top of the social order. Comparably these approaches to management fashions can also be seen where concepts which are set out by organisations which are successful in the marketplace.

2. Secondly is the **collective selection theory** which is founded by Blummer (1971). This being a theory which suggests fashion is an expression of wider societal trends. This too can be applied to management approaches.

3. Finally, the third fashion theory is the **marionette theory**. This suggests that fashions are a direct result of the marketplace which helps to dictate what is in fashion.

   All of these management fashion which are described by Keiser (1997) are designed to develop a competitive advantage for the organisations imputing these trends. Porter (1980), suggests that the goal of the firm is to create a sustainable competitive advantage which will allow the organisation to both survive and thrive within their market, explaining their adoption of the newest and latest management fashions. According to Porter’s generic strategies there
are two types of strategies available to firms who are looking to create a competitive advantage, these being cost and differentiation strategies. In the cost strategy firms look to their ability to produce goods and services at a lower cost to their competitors. This type of strategy is exemplified by Ryanair and Lidl amongst many other organisations. The second type of strategy for creating a competitive advantage according to Porter is to differentiate your offering from the offering of your competitors. It was Jay Barney (1986) who questioned whether organisational culture could be regarded as a means of creating a competitive advantage for an organisation. According to Barney, there are three criteria which an organisational culture must meet in order to create a sustained competitive advantage. The first criteria is that the culture must be valuable and must be an enabler for firms to achieve a greater financial performance. Barney explains that as superior financial performance is an economic concept which is crucial to competitive advantage. In order for culture, to be an advantage, an organisational culture must result in positive economic consequences. Secondly, the culture must be rare; it must have attributes and characteristics that are not common to the cultures of a large number of other firms. Finally, Barney suggests that the organisational culture must be imperfectly imitable. He stresses that in order for organisational culture to be a sustained advantage, firms with different organisational cultures must not be able to engage in activities that will change their cultures to replicate your culture. Furthermore, any effort to imitate these cultures, must result in some disadvantage for the firm which is trying to imitate another’s organisational culture.

2.4.1 Agile Management as a Fashion

Any of the three management fashion theories that are outlined by Keiser (1997) could be applied as a reasoning to why organisations are increasingly adopting agile approaches to management. It is therefore perhaps possible to view agile project management as a type of management fashion. According to the trickledown theory of fashion, fashions are adopted by the masses after trendsetters at the top of the social order adopt these fashions. Adopting agile project management inspired by the success of the approach in its origin context of software firms, it can arguably be seen that an organisation strive to propel them to the top of the social order and become in vogue. This means that the techniques organisations use can be argued to have trickled down to organisations in different contexts. The approach of agile project management can also be viewed as a fashion according to collective selection theory. The collective selection theory of fashion suggests that fashions come about as a result of wider social trends. The adoption of agile project management by organisations can to be viewed as a wider social trends. In this way the transition to agile ways of working can indeed be
considered to be a part of a broader trend amongst organisations. Lastly, the marionette theory suggests that fashions are adopted because of the marketplace and due to market forces. In this way, according to the marionette theory of fashion, this would regard the introduction agile project management in this context as a management fashion according to the marionette theory. Overall the introduction of agile project management does indeed seem to have all the hallmarks of a management fashion. This perhaps is a cause for caution amongst management looking towards this approach for sustained competitive advantages. Furthermore, as Mintzberg, (1979) suggests, management should not be subject to the effects of fashions, but instead should remain reasoned and rational in their application of management theories and frameworks. This possible view of management fashions should perhaps be a cause for caution amongst the organisations looking to implement agile approaches outside of their traditional purview.

2.5 Leadership & Culture

In management discourse, leadership has traditionally been seen as a key determinate in the success of organisations and their ability to achieve organisational change. As organisational change is important in the introduction of new concepts like agile principles, leadership of these changes are pivotal for successful implementation. The concept of leadership is perhaps best understood by asking the simple question, what does it mean for an individual to be a leader? Leadership is most often view as a concept which is forward looking and visionary in nature, the ability of a leader to impart a vision, like the move towards agile ways of working. The concept of leadership can also be thought of as a trait which people can have and which can be employed to help achieve a goal. There are several contrasting approaches to leadership which are discussed throughout academic literature. These theories include the trait approach theory to leadership, the situational approach to leadership, the leadership style approach and the contingency approach to leadership. These theories are based on the basic premise that leadership is a net gain for society or organisation in which leadership is being undertaken, that leadership is better than a lack of leadership. The trait theory of leadership regards the leadership skills of an individual as something which comes naturally to an individual. As a result, leadership and leadership skills cannot be taught nor learned. The trait approach to leadership is described by Zaccaro, et. al (2004) who view leadership as distinct set of patterns of characteristics. These characteristics are common to leaders across different contexts. This trait theory is often critiqued as having many flaws (Northouse, 2007). Firstly, trait leadership is seen to ignore marginalise the situational contexts within which leadership takes place.
The trait leadership approach is contrasted by Hersey and Blanchard (1987), who discuss ‘situational leadership’ where a leadership style or the leadership skills should be altered depending upon the situation within which the leadership is being deployed. Researchers in general have formed a consensus that it is important to consider the context and situation where leadership is being exercised (Sveningsson & Alvesson, 2016) This can be contrasted easily with the contingency leadership approach which suggests that the success of the leader and their leadership is contingent of the scenario in which they are operating. As a result of this view, no single theory of the contingency approach to leadership exists in discourse (Sveningsson & Alvesson, 2016). However, one of the more popular contingency theories in discourse is Fiedler’s contingency model (1978) which lists three contingent factors which are crucial determinants of leadership success. Fiedler suggests that these three factors are the leader-member relations, the structure of the task undertaken and leader’s position to exercise power within the given context. Fiedler’s model while popular, is criticised as it is seen to be lacking the flexibility required. As a result, it is thought as not able to fully understand all the contingent factors of inherently complex situations. The leadership style approach significantly differs from the trait theory approach and the situational approach to leadership. The leadership style approaches’ sole concern is the actions of leaders (Hersey, 1985). There are thought to be two general forms of behaviours which leaders, those which are task oriented behaviours and those that are relationship oriented. (Hersey, 1985) Situational leadership is formed on the principle that there is no universal style of leadership which is the best style for all situations.

Traditionally leadership is seen as the foundations upon which successful ventures, organisational transformations and thriving businesses are created. Leadership is viewed as a facilitator of organisational prosperity. Jim Collins for instance, famously suggested that achieving, ‘level 5 leadership’ was made good companies into great ones (2001). Although leadership is widely regarded as impactful, there are detractors such as Pfeffer (1987) who question the assumptions behind leadership theories which have grown throughout management literature. Many researchers have brought into question the importance of leadership in organisational success, given leaders are thought to have a limited level of influence within many situations when compared to the effects of the other factors which affect business success which are described in more detail in the works of Michael E Porter (Alvesson & Sveningsson, 2012). In summary, leadership is viewed as being central to the development of organisations. One of these areas which leadership is seen to have a big impact upon the culture within an organisation.
2.5.1 Organisational Culture

Organisational culture is a key enabler for changing to agile working methodologies. Organisational culture in the contemporary context has become an umbrella concept for “a way of thinking which takes a serious interest in cultural and symbolic phenomenon” (Alvesson, 2002 p.3). There are many views as to what organisational culture is. Gagliardi (1986) views the concept of organisational culture as a group of shared or sacred values and beliefs. Culture is often too understood as a set of common symbols and meanings (Geertz, 1973). According to Geertz (1993), Organisational Culture is defined as the way in which members of an organisation relate to their environment. How they interact with each other, their work and the outside world in comparison to other organisations. This definition of Geertz (1993) of organisational culture as a set of shared group of shared or sacred values and beliefs of a group is intriguing. The view of culture as a set of shared assumptions and beliefs raised the question as to what level of influence management can have on the culture of an organisation? Peters (1978) expresses belief in the ability of managers to effectively manage cultural change. He argues that management have that an effective set of cultural change tools within their communication and that effective cultural change methods are embedded in senior management’s communication activities. The argument that organisational culture is stagnant and fundamentally void of any substantive change is a view dependent on a definition of organisational culture which is restrictive in its nature. (Alvesson & Sveningssson, 2008) However while management can have an important role in shaping culture within organisations, organisations cannot be separated from the context in which they exist. They are defined by who its relevant employees, customers, suppliers, and competitors are. (Louis, 1983). As DiDonato & Gill (2015 p.1) suggests, a change of organisational culture represents “one of the biggest challenges a company can face.” Therefore, any changes made in an organisational culture should not be taken lightly.

Taking the resource based view of the firm (RBV), firms are viewed as unique bundles of resources of capital and those who compose the organisation are therefore also unique resources (Barney, 1991; Boxall & Purcell, 2000). This resource based view of the organisation seeks to explain the differing results of businesses operating within the same competitive environment. As human capital is a key resource and a key determinate of a firm’s performance, the way those within a company act with one another and other stakeholders becomes of extreme importance to determining their success (Cummings & Marcus, 1994; Schuler & McMillian, 1984). As a result, organisations are increasingly treating organisational culture as
something which can become an enabler or can ultimately hinder an organisation's strategy. As a result of organisational cultures ability to influence the success of an organization's strategy and therefore has competitive value (Barney, 1986; Klein, 2011), it has become a key concern for organisations who seek to turn their cultures into competitive advantages (Sadri & Lees, 2001). As a result, organisational culture has become a key aspect for many researchers looking into organisations efforts to create competitive advantages through organisational culture over recent decades. Many companies have increasingly been looking towards culture as a way of achieving a sustainable competitive advantage. Particular examples of this are easy to come across. Most famously, companies such as Apple, Google and other technology firms are noted in their use of organisational culture as a mechanism which is used to attain and retain highly educated and innovative workers (Hill, et. al, 2015).
3 Research Methodology

3.1 Starting Point

Given the nature of the topics under discussion a qualitative methodology was chosen -to answer the research question in the best possible way. Bryman (2011) argues, a qualitative approach fits best with research objectives which are aimed at finding detailed understandings and which aim to answer how and why questions. We as researchers use the understanding that our world and perception is socially constructed by the individuals and the interactions of those individuals, the socially constructed paradigm discussed by Merriam (2002). As this study is based on questions around how people perceive phenomena within an organisation undergoing organisational change, it is imperative to conduct in depth interpretations of the empirical findings. This study will therefore be founded upon perception, attribution, interpretation and exploration of the context in which the study takes place. Further we, the researchers, believe that there are no objectively real truths, but instead we believe there is multiple realities. In summary, the present study departs from a constructionist approach and the hermeneutical paradigm in which the understandings are based on interpretations of the participants’ experiences and perceptions within the organisation in focus.

3.2 Design

As this study wishes to investigate the application of agile techniques within a specific context, a holistic case study design with interviews utilised as a method to gather data has been chosen. Merriam (2009) summated that the most defining characteristic of case study design approach to research lies in the ability of one to delimit the object of study, the case. Stake (2005:443) suggests that a case study is less of a methodological choice, rather it is more the “choice of what is to be studied.” The “what” in this case being a single organisation, with clearly identifiable and definable boundaries (Smith, 1978). The methodological approach of a qualitative case study provides tools which enables studying a range of complex issues which occur within the context we are researching (Baxter & Jack, 2008). According to Yin (2014), a case study approach is best applied for researchers aiming to answer how and/or why questions, as we are in this study. Further, a case study approach is also applicable when the researchers are concerned with the contextual condition that are experienced by the subjects. As our study investigates the perceptions of contextual conditions, this is a useful method of research (Yin, 2014).
3.3 Data Collection and Procedures

The data collection method used is best described as semi-structured interviews. Because of the flexibility and the nature of the research questions, as well as the interview subjects various educational and professional background, we decided that qualitative semi-structured interviews would be best suitable method to collect the primary empirical material for the study.

All the steps in the research process was conducted in English, allowing both researchers to take part and understand the interview conversations and as well as aiding the later process for data analysis. Throughout the study an abductive approach was used, which can be described as an iterative approach with an inductive theory generating process and a deductive, theory testing approach (Bryman, 2011). The participants for this study were selected through a snowball selection, as described by Bryman (2011) as a form of convenience sample. This convenience sample was made through one initial contact, in this case a person in one researcher's personal network, could provide further possible participants contact details who later were asked for other participants. The selection was directed to finding participants with any form of connection to the development and/or role in the implementation of the organizational change with some managerial role. Ultimately interview participants were five women and four men, represented in the segments of human resources, strategy development, digital banking, finance, internal advisory and organisational branding and diversity and talent management. The primary, empirical data that provided the foundation of the study were collected through nine telephone interviews with individual participants and were conducted between 1st and 27th of April 2016. The interviews’ main objective was to gather information about the participants’ own opinions, views and perceptions around the phenomena organisational culture, the strategy and change ongoing within the organisation and what difficulties surrounding these. The interviews allowed the researchers to have a prepared list of open questions that set the scene for discussion and enabled the interview subjects to start reflecting and later steer the interview in the way as they saw fit their perceptions and stories surrounding the topics. The interviews, which took place varied in length from 35 to 55 minutes. The reason for telephone interviews, were the location, time and resources which ruled out the options of a physical meetings. The telephone interviews still enabled us to gain good voice material but as a natural result did not allow for observations of the working environment in the organisation or observation of the people working in the organisation. Furthermore, anonymity was granted as this allows for participant to feel secure in their answers to the researchers.
3.3.1 Analyzing Process

The data was analysed through deductive thematic analysis (Braun & Clarke, 2006). Thematic analysis is a way to code qualitative material using themes to sort and identify relevant data to present an in-depth description of the findings.

The initial steps of the process involved analysing the material. Both authors read through the transcribed interviews to get to know the data. After reading, an open coding of all the interviews were performed separately by each author in order to find recurring themes, contradictions or points of specific interest. The separate findings were then compared to identify recurring thoughts or differences. According to Ryan and Bernard (2003), themes for a qualitative study can be identified by deconstructing the research question. Thus, we identified themes and topics that were found essential in order to achieve the aim of the study. Three themes were formulated that encompassed all the data found relevant for the research question. After identifying data for each theme, a third coding of the material was performed to find relevant sub-themes.

3.4 Ethical Considerations

This study was conducted according to the ethical guidelines and four demands for social science research regarding information, consent, confidentiality and usage developed by the Swedish Research Council (2014). In order comply with these ethical demands, each interview subject was contacted via email to ask for their consent for participation in the study. The subjects of the study were also informed in this email that the information gathered from interviews would only be used in the present study. Potential participants were also informed that the participation in the study was voluntarily and as a result they were free to withdraw their participation or statements at any time. Additionally, the participants were also provided the opportunity to read their statements used in the final study prior to publication, to ensure they felt their identity and their views and the interviews were represented accurately. To facilitate the research collection and analysing process of the empirical material, each participant was asked for his or her consent for the researchers to record the audio from the interview prior to the first question in the interview. The participants partook in the research with the understanding that the identity of the organisation, their professional roles as well as their identity would not be disclosed in the publication of the study. The transcription of the interviews is therefore not included as appendices. To ensure anonymity when presenting and
discussing the interview subjects’ perceptions, we will refer to them through using fictional names with no links to subjects other than their gender. The names used to represent the interview candidates are Katie, Caroline, Amy, Gary, Nadia, Sean, Mike, Amanda and Joseph.

3.5 Authenticity & Credibility

We made purposeful efforts to reflect upon the language used, how we understood the underlying meanings behind what was said, and not to solely focus on facts or causal effects which we encountered. We conducted our research under the understanding that there are no real truths or realities as reality and truth are based upon the situational factors which constitute the environment within which they are discussed. As we are conducting qualitative research, we must pay particular attention to the object of our study, the interview participants from whom we gained our research data, and the data on the social context in which they operate. (Alvesson and Sköldberg, 2009). Through achieving reflexivity, we wish to enhance the credibility of the findings, which emerge from our research. To summate we did not take our empirical material for granted; instead we analysed our data with a skeptical view in attempt to increase the study’s trustworthiness.

Criticism concerns issues such as authenticity, bias, distance and dependence that can be used as a way of confirming the credibility of our research. (Alvesson & Sköldberg, 2009). Authenticity is the evaluation whether or not the source is authentic and whether it is genuine. Concerning authenticity, we as researchers must always question this due to the biases which may exist (Alvesson & Sköldberg, 2009) given the implications of authenticity for both researcher and participants in qualitative research. Distance and dependence is concerning the actuality of understanding, and in both cases ‘the researcher asserts her ability to interpret the event better than the informant’ (Alvesson & Sköldberg, 2009:112). Since the interview subjects are employed by the organisation that is the case in focus, the distance criticism will not be an issue. Dependence refers to how many intermediaries that the collected information has passed by. We do not see this as an issue since all our interviews are primary data conducted by us. The main event that we are discussing is moreover on top of the agenda for the whole organization.

We understand that the participants and their subjective understandings are the empirical focus in our study. Our findings are as a result not aimed to be for complete generalizations but can be used as inspiration and insights for other companies facing similar
situations, encouraging them to ask similar questions about their organisation and their approaches to the topic. Schein (1985) suggests that through conducting academic studies of management, researchers can detect the ‘hidden part of systems behaviour’ in organisational contexts, making these studies valuable for both academics and practitioners. Thus, this case and the experience of others can be helpful for other organisations and the individuals who compose these organisations. It offers the possibility of understanding complexities early in a change process regarding the people aspect which is undoubtedly embedded within organisational change. Our knowledge contribution from this study will therefore focus on an effort to add to the discourse on topics such as organisational change towards an innovative service organisation through applying agile working methods and to understand the people within a change process.
4. Findings

4.1 Macro Environment

The banking and financial services industry in Sweden is currently responsible for approximately 3.9% of the country’s gross domestic product (GDP) (Sweden Bankers' Association, 2015). The Swedish banking sector has been forecast to grow rapidly over the coming five years. The Swedish banking industry is forecast to grow at an unprecedented 42.3% over the 5 years between 2014 and 2019 (Marketline, 2015). The Swedish banking industry is made up of a number of major incumbents. Four of these banks have been deemed as systemically important to the Swedish economy are Nordea Bank AB, Skandinaviska Enskilda Banken AB (SEB), Svenska Handelsbanken AB and Swedbank AB. These ‘big four’ banks accounted for 70% of all deposits and lending in Sweden in 2014 (Swedbank, 2015). Although these banks largely dominate the Swedish market, these market incumbents are increasingly being challenged by other large international banks and financial institutions such as Deutsche bank and DNB, who are looking to expand their presence in the Swedish market. Smaller banks such as ICA banken and Forex bank also offer niche services to Swedish customers (Euromonitor International, 2015).

Figure 4: Banks Market Share: 2014, Figure made by the authors.
Today in Sweden, transactions which are conducted via cash represents only a small part of the Swedish economy. It is estimated that only 2% of all GDP per annum, far lower than most other European countries. Sweden has over the last decade or so, become what has been described by observers as an almost cashless society (Alderman, 2015). Many of the country’s largest banks such as SEB and Nordea simply do not accept cash deposits at major bank branches and many bank branches do not store cash at all. It is expected that an increasing and above European average level of use of online banking by Swedish consumers will fuel a decline in the number of bank branches in operation throughout Sweden. This is as customers increased use of online banking has made many existing branches financially unviable. According to Bengt Nilervall from the Swedish Federation of Trade, Sweden is a world leader in the area of cashless trading (Russell, 2014). This significant uptake of cashless transactions has posed both a challenge and an opportunity for Swedish banks. These banks must build payments platforms which are built for purpose and they must be able to effectively change and respond to the demands of an increasingly digitalized customer base. Recent years have seen a move by Swedish banks to increasingly offer services online and via mobile. World Bank (2016) data shows the number of commercial banking branches in Scandinavia per capita today is much lower than even other European nations. Sweden has quite low number of commercial banks at a rate of 21.1 commercial banks per 100,000 inhabitants. Similarly, neighboring Norway and Denmark also have a relatively low number of commercial banks at 18 and 27.9 branches per 100,000 inhabitants respectively. This compares favourably with many other European nations particularly those in Southern Europe. Spain for instance has in excess of 70 branches per 100,000 inhabitants, in excess of three times the number of banks per capita in comparison to some Scandinavian countries. Southern European banks in nations which suffered during the financial crisis compare similarly to Spain in this regard with Portugal having 54 bank branches per 100,000 of population and Italy which has 59.6 banks per 100,000 inhabitants (The World Bank, 2016). This is particularly evident as Sweden is one of the countries which has most reliably adopted new banking technologies, particularly in terms of facilitating payments (Russell, 2014). According to Bengt Nilervall from the Swedish Federation of Trade, Sweden leads the world in the area of cashless trading, with high customer adoption of new banking technologies and cashless payments (Russell, 2014).
4.2 Organisational Overview

The organisation of interest in this study is a large financial services firm operating in the Swedish market. The organisation has a long history of involvement in the Swedish market and has a large customer base. The organisation is deemed to be systemically important to the Swedish economy and as a result of their size and presence in the market the organisation is a household name. The company is a publically traded entity with their shares listed on the OMX Stockholm 30 index. Whilst the organization's primary market is Sweden, it has been increasing its international presence and can be described as a diversified financial services organisation. The organisation employs tens of thousands of employees, both in Sweden and in their other operating markets. The organisation can be easily described as a knowledge intensive firm operating in the tertiary sector of the economy.

The organisation is currently undergoing a high level of organisational change. This change is designed to make the organisation more agile and furthermore, it is aimed to increase the level of customer satisfaction. In order to achieve these goals firm has attempted to adopt agile project management through changing their culture. The organisation wishes to enable their employees to become more innovative and to prioritise customer value rather than solely focus upon profitability and revenue concerns. The organisational change is top down in nature with the changes being led primarily by the CEO. The organisational change to an agile way of working has been driven by the past failures of the organisation in their projects relative to their competitors.
4.3 Empirical Findings

When analysing the data collected, we saw a clear link from all the interviews that the organisational change is the organisation’s attempt to become innovative through adopting an agile approach and in the long run gain a sustainable, competitive advantage. These findings supported the initial information gained from connections in our personal network as well as information published by the organisation on their website about the on-going organisational change. Our identified themes are:

1. **Change Overview** - Reasons why the organisation need to change according to employees.

2. **Change Journey** - Employee's perception of what key priorities and focus areas the organisation needs going forward to become an innovative organisation and gain a sustainable competitive advantage.

3. **Change Progress** - Where they are currently in the change process based on adoption of new values, innovative climate and view of change.

4.3.1 Change Overview

The organisation in this study has gone through a change in the organisation designed to make them into an agile services organisation. Amy, among others, suggested that prior to this change in their values the organisation was perceived as being professional in nature. “I would say that we are a very professional organisation with a lot of skilled people, very hard working organisation, proud of what we do.” Nadia suggests this is how the organisation is viewed in the market today: “In the brand, we are known in our market to be the most professional and the most expert at what we do.” Further Katie agreed with this assertion as she suggests: “I think our signum has been professionalism and has been how we would have labelled ourselves.” In the past decade the organisation has, according to Gary, come to the realisation that: “if we don’t fix this (culture), then as someone said the big banks won’t be here in ten years’ time. I believe that we really need to change and I believe that as always top management and all management in the bank gets this.” There are several reasons expressed by interviewees as to why this change has occurred. The organisational change to agile ways of working is perceived, by the interviewees, as a central component of their ‘vision 2025’ strategy. Mike states that, “Agile comes in many flavours and many names. Simply agile is a way of thinking that surrounds you.” He continues by explaining how the organisation are implementing agile but not necessarily labeling them as being agile. “Currently we’re implementing lots of different
types of change and practices and lots of different kinds of methods. They are applying to agile principles but aren't actually called agile per se.”

The desire to adopt of agile thinking is also widely perceived to be as a direct reaction to past internal failures. Gary explains that: “We had undertaken an IT project to replace our core IT infrastructure and this was one of the largest IT projects in Sweden at that time. This IT programme was seen as a catalyst for the move to a new way of approaching topics. Gary simply says, the organisation “We didn’t succeed with that. After that we realised we can’t work like this, so we need to work in an agile way rather than a way which is means we are strictly adhering to a particular timeline.” In addition, Mike also discussed the failed project as a reason for adopting agile methods:

“We had this really, really big project going on, it was a huge undertaking. Planning to replace our entire systems stack. The project progresses and we really didn’t get the intended outputs. We realised we weren't doing this right. That's when management got involved and looked at what agile management could offer and see if we could do things differently. So that's the reason why management got interested in the new ways of working and agile methodology.”

A changing macro environment in which the organisation finds itself is, according to the interviewees, also explained as reasons for the need to change. A macro environment affected by changing customer demands, the constant changes in regulation, technology advancement and competitive landscape. The uncertain external environment has furthers become a key tool for creating urgency regarding the change for the organisation. As Gary suggested, these changes to an agile way of working are, “driven by the fast changes of the market when we see other companies nagging our territory. Gary further argues that larger companies like the case organisation are increasingly being challenged by new niche players in the market, who are more agile and innovative. Gary suggests the way that banks can compete is “to have long term relationships with our clients and customers. That is going to be increasingly important in the future. That is one thing which we can definitely build upon.”

The organisation’s adoption of agile working methodologies is a perceived by staff in a broadly positive manner. Those interviewed for this study also seem to be very adapt to change with only one of the interviewees in this study having experienced change resistance in their own contexts. This lack of change acceptance is partially attributed by employees to be as a result of the bank's employees being aware that change is necessary to secure their survival going forward. This change was further viewed as urgent in nature given the rapid rate of change
in the organisation. Katie suggested that there is buy in to the new changes which are occurring in the organisation as,

“we see the trends that we see that make us understand that we need to change. It has to do with the trends that you are very much aware of, digitization. The global competition and it has to do with we are facing competition from new placers as you know the FinTechs' and also they pick off our offering and that means that we have to be really quick or we cannot compete with them in their small field.”

4.3.2 Change Journey

For around ten years has the organisation has focused on employer branding and talent management. This was in recognition of the changing demand for talent and the growing need to be more multi skilled, especially within the contexts of IT or service design. Furthermore, on the agenda for management had been increasing the diversity and inclusion of the organisation. Integrating IT and HR to more holistic supportive approach has also been a point of focus within the organisation prior to the launch of the vision. However, the previous vision of professionalism has been an enabler of HR in their ability to attract the best new talent and competencies. There is agreement that the organisation should view HR as a partner and enabler for IT and should be viewed rather as integrated in service development. This, all of the interviewees agree on, as well as recognizing that the work is never done in an ever changing world the talent needs to be retained, trained and developed for the future. The key priorities of the organisation have changed since the launch. They are now, agile thinking, customer centrisim, engaging leadership and changing culture through the new values. The priority changes are a result to achieve the vision of 2025. (See figure 5).

The change in the way the organisation works is evident in their changed approach to a range of issues. This is particularly the case in their outlook on technology and how they approach the topic. As Mike told, “years ago before this change we could see that top management before almost never spoke about IT. Except in derogatory terms.” Mike explains that today this is not the case as “Now today IT is constant on top management’s agenda. Our CEO is embracing IT as the heart of our business rather than something which just supports our business.”
This change in the way the organisation treats technology is further illustrated by Amanda who says that:

“prior to vision 2025 this part of the organisation was they had been told to were allowed to invest in everything apart from FinTech’s, and now we change that so now you are only allowed to invest in FinTech’s because we need to learn more about this area. We need to be better at partnering and not be afraid, not necessarily as seeing them as competitors but also seeing them more as partners in order to provide a better customer experience.”

This perception that the organisation has changed their outlook is common amongst interviewees, illustrating the change that the company has gone through since implementing their change programme. The interview subjects described a clear shift in the organisation to become more customer centered in nature. It is clearly the desire of the organisation to use the change to agile ways of working to become more innovative and customer centered in their outlook. The need to engage more with the customer is perceived as a clear priority for the interviewees. All interviewees without exception mentioned the need for the organisation to engage more with customers to stave off competition and to increase the value they offer to customers. As Karoline suggested, “I think we need to be even more customer oriented. I think we are customer oriented but that I think will be key in being better in the future.” The changes as Amy suggests these changes are aimed at being aligned with the customer, “we should be the service company that we are aiming at we need to be more like a customer’s smart partner.”
She suggests that the organisation, “need to provide services when and how they are needed and wanted. And we also need to be proactive when it comes to the knowledge that we have.” Katie agrees with Amy’s assertion, suggesting that the organisation “want to deliver world class service to our customers, and that is actually now our vision.” This vision according to Katie is “to deliver world class service to our customers.” She further shows the importance of the customer to the organisation as she states. The most important stakeholder is of course our customers, what do they want? And what do they expect of us? And how can we serve them?

The question that remains is, what does it mean for the organisation to become more customer centered. Amy suggests that as an organisation is now “very customer centric” but she agrees there is more to be done as the organisation “still need to change how you interact and how we should develop things, if we develop a person or develop a digital service.” In order to achieve this Katie outlines the steps taken by the organisation. These include, “educating, by giving hands on experience, all of our top managers. This is what we call fine thinking, so we are beginning to prototype and research and to develop something.”

4.3.2.1 Communication of Change

The communication of the organisational change process has according to Katie developed substantially over the past decade she has been a member of the organisation. She states that the organisation like many other have a history of “sending out messages with processes in the organization and its suppose to help the whole organization but the very seldom works”. Further she explains that the process and launch of the new vision were sent out as an invitation for everyone to apply to the big event with first come first serve where 3000 employees took part in the launch. Nadia and Amy also spoke about the launch as a new way of communicating change, adding that the event was also broadcasted into 28 different locations for those who were unable to attend the event. These locations were also moderated to facilitate discussion. Katie summarises the significance of this event that and the communication it enabled, saying, “everyone could somehow get this message and the communication of the change has been a continued dialogue around in your work teams.” As Sean suggests, communication is pivotal to the organisation as currently “People are not good enough at describing what success looks like. It is hard... What does the future look like?... If you want to work in a different way you must spend time on it” The importance of communication to enable change is clear according to Sean as he suggests the organisation “have to be able to have a kind of conversation. A lot of times people don’t have that skill... because they cannot communicate it. And if you cannot communicate it then you can’t design it and if you can’t design it then you can’t implement it.”
From the start employee engaged in the vision launch event, used mobile phones as an interactive feedback tools participate in the event and the conversation surrounding the change. This was purposely done in order to achieve a high degree of buy in and participation from attendees which would spread throughout the rest of the organisation. Further this also illustrated the change in approach to technology which was being adopted by the organisation and their desire to work in more innovative ways. While there is a new way of communication being used by the bank, there is a perception amongst employees that while the employees of the company have been communicated to regarding the vision future of the company. There are still many questions regarding how the organisation will begin to realise this vision and this is more unclear. Caroline compares this to the process of building of a cathedral. She explains,

“People struggle to understand exactly what we want to be in the future. And that it’s because the future it’s not here yet, we have not created the future yet. It’s not a very clear cathedral we are building 10 years from now. We don’t really know how many rooms there is in this cathedral, how high it is and how many people will live in it. And people want to have exact and very precise descriptions about what we are going to do because then we can understand and the future it’s not so clear. The only thing we know it’s that it will be different, and we are here to develop it along the way. Together. And that is a very big difference in the change nowadays compared to how change used to be. It used to be very clear, what we are building and what their goals were and they pretty much knew their role in the change. “

This comparison of the communication of organisational change to construction of a cathedral helps to illustrate the difficulties in communicating an agile approach which are being experienced and the high degree of uncertainty which is described by the interview subjects.

4.3.2.2 Leadership and Appraisal to Create Engagement

Leadership is perceived by employees as being key to bringing about collaboration and achieving lasting success within the organisation. Interviewees perceived that the move to become innovative through adopting agile management techniques requires a new style of management. As Amanda identifies:

“I’m absolutely sure that it’s if we should be able to fulfill our vision a few things which is very, very important such as our leaders and how they lead and how we can attract the right people and the right competence and what kind of company they want to go to. So I think in order to be a good company that attract the right people and to retain the right people and to
be able to increase the level of creativity and innovation and you know letting loose everything we need to be able to compete in the future.”

Mike further views leadership as being key to achieving a collaborative culture. He says, “it’s not just saying we need to do things differently. Top management has begun to do things differently in what they do as well.” Amanda further argues there is a need for new ways of working among leadership. She asserts “I think we need to have more of sort of the soft skills or emotional intelligence (EI) or the inclusive leadership.” She explains that this kind of leadership is critical and that leaders, “must include everyone and I think that is more of the soft skills or EI such as self-awareness, to be able to show empathy, delegate, to enable for others to work and do their best. “

There is a definite sense among interviewees that leadership is aware it must act differently in this new way of working. Gary mentions a new way of talking about change evident at a meeting with the top 500 managers. Historically these meetings would historically discuss numbers, business plans and similar issues. Now these meetings didn’t talk a minute about numbers but rather only focused a whole day on new ways of working, about the new values and how they could live them daily. “The full day yesterday talking not about numbers but about ways of working, collaboration and our values and behaviours. That was the only theme and that was very exciting and very engaging. I think all management there were amazed.” Gary regards this as a stark contrast which illustrates that the bank is slowly transforming the way they communicate.

At the moment the organisation have realised that this change in communication is a key enabler of performance. Gary suggests that the organisation has the firm belief that: ”if we have engaged co-workers who are motivated this will ultimately help us to fulfill our strategy and ultimately have happy customers.” He further argues the organisation are not alone in this perception as he suggests that “many companies have realised that traditional appraisal doesn’t create that much engagement. “
4.3.4 Change Progress

There is a clear perception amongst interviewees that the shift from thinking and talking about change as a project and temporary to change being viewed as a constant process in the organisation. As Amy elaborated on this, “I think we change constantly. There are so many things happening, right now. I think that everyone would feel that we are changing everything during the last year or is still changing.” This point was further emphasised by Katie who suggested that, “of course you are never done. I think that it's complicated, the change is the new normal. I mean when are we done, never.” Katie further suggests that change has become the new norm, she argues, “I think we have to get used to this that we are constantly changing... today. I think it will take at least 2020, until we are seeing some real results of the change.”

4.3.4.1 Changes in Organisational Structure

Nadia and Amanda discuss the recent restructuring of the divisions as a way to achieve the vision to become more customer centric and agile by involving the customers in the value creation and development process. Amanda suggests that the change to agile ways of working, “started with a new sort of structure... I would say that we have started a lot of processes by doing this reorganization that will lead to cultural change.” The interviewees described in detail the divisions realignment from five divisions, which are sorted by product segments. In this change organisation has now reduced this to four divisions organised by three customer segments and one support segment. This reorganisation is engineered to allow for more cross skill collaboration and customer centricity. One of the most interesting aspects of this reorganisation is the creation of the Corporate Strategy Office (CSO), which covers the support areas of digital banking, the innovation lab, venture capital and the internal advisory. This consolidation, according to the interview subjects, is designed to be a support for the change towards the new ways of working and becoming more simplistic, collaborative and innovative. The restructuring does not stop at changing the organisational chart, the reasoning around team setup and collaboration has also become new ways of working. Amy, among others believes that large organisations will always have a need for an organisational chart but that it shouldn’t limit new ways of collaboration and team’s setups. She suggests the organisation requires a change in perspective when it comes to teams, “now we have a lot of virtual teams, you can belong to one part of the organisation on the chart but right now five weeks or five months or even longer than that you belong in a virtual team where you do the work together” Amy explained that her department is taking the team view even further by making the team members not only have temporary collaboration but also making them sit together to increase
collaboration. Although initially unpopular after the introduction there was a perceived improvement in creativity and networking within the teams.

**4.3.4.2 Climate for Innovation**

The development of an agile culture within the organisation has so far led to a perception that there is a currently a positive climate for innovation within the organisation. As Gary suggests the organisation have introduced their agile ways of working as a way of increasing the level of innovation that is evident within the organisation.

“As you know we have begun an innovation lab and have started learning how to rapidly develop new services. From an IT project perspective, we have already worked this way for a number of years now.”

The organisational attempts to become more innovative in their orientation and as a result they have introduced innovation labs in an attempt to become innovative and agile in nature. The innovation labs according to Katie is a place where employees who come up with an idea can present and get help and resources to develop it. In addition, Katie also mentions that collaboration across functions help creativity and by that increase innovation. This collaborative outlook is a part of the new ways of working which the company has initiated. They have tried to create an environment where creativity and collaboration is encouraged. In comparing the organisation today as opposed to how the organisation looked a decade ago, Sean commented that in the organisation there were now ‘less silos’ then previously had existed in the company.

While the organisation is perceived to be making what are seen by the interview subjects as positive inroads into becoming a more innovative company, as Caroline among others suggests the change towards innovative ways of working is a journey and has: “started off but not at all finalized, I think we have a lot going that I think we can improve a lot.” There was an acceptance amongst interviewees that the changes ongoing were still in progress. Finally, a majority of interviewees recognized issues with understanding what being innovative and working in an agile way meant for the wider organisational members. These organisational members are those who work in everyday in the bank’s operations rather than product development.
4.3 Adoption of New Values and Culture

While there was an acceptance amongst employees that change had occurred over the recent past with the introduction of new values and principles. The organisations change to new ways of working involves a cultural change and the adoption on new ways of working. And as Gary suggested, “there has definitely been a change in culture”. Further, Mike suggests that cultural changes are key in the implementation of agile working methodologies:

“I think agile thinking is a vital piece of changing the company. Recently we, well a couple of months back, we actually did change our corporate values. So the values that we apply to the entire company were changed. The values we are talking about today are much closer to the agile values rather than the kind of values which we had before which were much more, I would say corporate in their ways. I think that’s a big change and a big change towards moving the culture of the company in a different direction.”

Resistance to change was known about was purely anecdotal in nature. The disposition of staff towards change was best described by Gary, who said “I see resistance to change yes. But the main reason which I see that is not because people do not want to change but instead it is because these people are busy.” Resistance to change, although seemingly rare, is further viewed as a positive in the organisation rather than a negative in the change process. Interviewees agreed that resistance to change should be harnessed and used to address concerns in the change management process. Katie summated the organisation’s outlook on change, she argued that resistance is not viewed as a purely negative for the organisation.

“Resistance is very natural and actual really good. I attended a session yesterday, we had a change training a change training for leaders. We talked about resistance to change, it’s sometimes natural and actually something we should embrace, it’s good that you are able to express your problems, it’s our way to continue. If it’s okay to express your worries and your thoughts and your fears for this change. That’s the only way we can meet the resistance and do something about it. It’s a way of proceeding in the change curve.”

Further Gary agreed in this view of change, suggesting that change can be useful to the organisation in helping to enhance the change process. He said, “If you’ve built the best system that has ever been built, then it is only natural that you defend... there may be resistance, that’s natural.” The new ways of working are being implemented and a new culture beginning to take hold in the organisation, there is still remnants of the organisation’s old culture and ways of working which still permeate the culture today. These are particularly evident in the perception
of how the organisation deals with failure. Furthermore, this difficulty in dealing with failure is also perceived to be as a result of applying techniques from another industry which is fundamentally different in nature to that of the financial services sector. When asked what she would like to change about the organisation Nadia responded suggesting that the organisation “I think we still have a culture of fear.” She suggests that this culture is due to the fact that,

“People are afraid of saying the wrong things and need top management approval. We need to be allowed to make mistakes. Big mistakes and we need to learn from these mistakes and keep improving. We can’t be scared of failing when we are thinking or new ideas. No idea is a bad idea.”

This fear of failure is a common perception amongst those interviewed in this study and it represents the fact that the organisation is still transitioning from their old culture and values to adopt new ways of working and agile approaches.
5. Discussion

This research aims to explore employee perceptions, thoughts and views on change to issues surrounding the implementation of agile working methodologies in a Swedish financial services organisation.

Our findings show that, the participants’ experiences are in general positive towards introducing agile ways of working. This perception is evident in the low level of resistance to change described by the participants. Further, all of the participants agree that this change is a necessary undertaking within their part of the organization. There is also a clear perception that with the new vision, in becoming an innovative, world-class service organisation, the view of change has transitioned from a more static nature. The old static nature, described by change projects and programs towards a view of an acceptance and understanding that this change is aiming to be continuous something which agile methods both allow and aid. This was perceived as a positive rather than negative by the interviewees.

There is a strong sense of urgency among the participants for change within the organisation. This urgency is considered to be due to failed internal projects and increasing competition. Since the launch of the new vision, the key priorities have shifted to applying and adopting agile ways of working. The organisation has transitioned from their past focus on integrating HR and IT as well as talent management programs to spur innovation. Instead, the organisation has now reprioritized how it can achieve innovation, focusing on introducing agile ways of working. As our results show, interviewees perceive that there are clear reasons why the agile approach could benefit the organisation in becoming more innovative and customer centric. Changing the culture through new values and engaging leadership will enable these agile methods, according to the interviewees.

5.1 Agile Project Management- a way to sustained innovation?

The introduction of agile project methods outside their traditional contexts of small technology firms is intriguing. As these techniques were developed by Royce (1970) for the software development industry, thus the study of the application of these principles elsewhere is warranted. While it is understandable that the organisation is looking to the software development industry to become more innovative, the application of the agile methodologies throughout the organisation raises the concern that these principles may not be suited to this
application. Particularly, employees take issue with the desire for all employees in the organisation to adopt agile methodologies and become innovative. The question the relevance that agile has for some of the bank's employees. This means an argument can be made that an organisation outside of the traditional software development sector adopting agile should not seek to do so in all parts of the organisation as banks and traditional bureaucracies are fundamentally different to software development firms in their activities. While banks now conduct some similar activities to software development firms like developing apps, analysing data and investing in technology there are roles in banks which one could argue do not necessitate agile ways of working.

As our results show, interviewees perceive that there are clear reasons why the agile approach could benefit the organisation in becoming more innovative and customer centric. The introduction of agile management through adopting cultural change raise the fundamental question as to whether cultural change should be utilised as a vehicle for organisational change and competitive advantage. Although culture is unique and hard to copy, the long term nature of organisational culture change makes changes in culture difficult to rectify. According to Boxall and Purcell (2000) resources are only creating a competitive advantage if they are arranged in a way where their arrangement capabilities are inimitable. The arrangement of resources can be seen as a way in which agile approaches lead to new ways of working and create new cross functional teams with an integrated customer focus. Arguably, agile ways of working can be adopted by any competing organisation in the market which the organisation operates, thus this makes agile working methods imitable.

Interviewees also recognize problems that emerge from the openness of access to knowledge regarding agile techniques. They- mention that the competition between the large incumbent banks are not between their service offerings, but rather on organisational culture. Interviewees conclude that agile ways of working will lead to the organisation becoming more innovative and customer centric. However, the use of agile methods to establish a competitive advantage is understandable as human capital is a key resource and determinate of a firm's performance. This means that the way those within an organisation acts with one another and other stakeholders becomes of extreme importance to determining their success (Cummings & Marcus, 1994; Schuler & McMillian, 1984). As a result, organisations are increasingly treating organisational culture as something that can become an enabler or can ultimately hinder an organisation's strategy. As a result of organisational cultures ability to influence the success of an organization's strategy and therefore has competitive value (Barney, 1986; Klein, 2011). It
has become a key concern for management of organisations who seek to turn their cultures into competitive advantages (Sadri & Lees, 2001). As DiDonato & Gill (2015 p.1) suggest that “one of the biggest challenges a company can face is changing people’s behavior” organisational culture can be considered a potential competitive advantage for organisations. In the increasingly competitive nature of the market in which the organisation operates it is only natural that managers look to new ways of creating a competitive advantage. As Porter (1980) suggested, there are two types of strategies available to firms who are looking to create a competitive advantage, these being cost and differentiation strategies. The use of organisation culture as a competitive advantage would represent a differentiation approach. However, while it can be argued that agile can create a competitive advantage, the degree to which this competitive advantage is sustainable is questionable and thus the benefits may be short lived if their culture is subject to imitation.

This cultural change, towards more collaborative and agile, thusly is designed to provide a better service customers and as a result this will lead them to become more competitive in the marketplace, thus creating competitive advantage. Adding to this, interviewees state that the culture will be the part that will make the organisation unique and bring into the mix of the structuring of resources. Organisational culture, according to the interviewees is an organisational resource which will converge all the capabilities into non imitable structure. Something that support the theories of Boxall and Purcell (2000) who argue that resources are only creating a competitive advantage if they are arranged in a way where the arrangement of all capabilities and resources are inimitable.

5.2 Engaging leaders to achieve cultural change?

The majority of the interviewees believe that a culture change is necessary and will be a key enabler to achieve the agile ways of working and customer centric. The interviewees suggest that leadership will be a key enabler to achieve the agile ways of working and to become more customer centric.

In management discourse, leadership has traditionally been seen as a key determinate in the success of organisations and their ability to achieve organisational change. As Peters (1978) suggests, leaders and managers have the ability to effectively manage cultural change, making it possible although difficult to achieve a real and sustained change in culture. As organisational change is important in the introduction of new concepts like agile principles, leadership of these changes are pivotal to the change to becoming agile for an
organisation. Leadership is most often viewed as a concept which is forward looking and visionary in nature, the ability of a leader to impart a vision, like the move towards agile ways of working. The adoption of new agile ways of working through agile concepts requires working towards uncertain, ambiguous and unclear goals and therefore leadership is key in the adoption of new culture and visions. Leadership of change requires leaders to create urgency about change and this has seemingly been accomplished in the organisation. Interviewees recognize that a culture change is not an easy journey. Alsén & Troedson (2006) suggest that change can come about in two ways, through crisis and necessity. Interviewees recognize the need to change out of necessity rather than approaching a crisis. They have also come to the insight that change while difficult is necessary means that it’s better to start the change process now. From the interviews, a clear perception emerges that the change to agile ways of working have involved significant changes to the organisational culture and the way employees work. These changes have involved instilling new values inspired by agile thinking. These values being simplicity, collaboration and innovation. A minority of participants perceived that the principles of agile concepts were already evident in the organisational culture. However, among other interviewees there is perceived little or no change in the organisational culture to date. It is also evident that there is low coherence, amongst the interview subjects, regarding the experience of what the current culture is and where the organisation is in the change process. The problematic nature of achieving cultural change is evident in the responses of interviewees.

The problematic nature of leading culture change is evident as several of the interviewees felt that the professional and ambitious culture of expertise is still evident today, leading to a culture of fear of failure. The fear of failure is supported by the remnants of the old values of the organisation, which sought to be professional rather than to embrace failure. In order for the organisation to change the way their employees view failures, it is crucial that they continue to change their rewards system to reflect their new culture and values. The current appraisal system of individual performance review is discussed by employees as a hindrance of introducing new agile ways of working and changing employee behaviors. This fear culture is being responded to by a desire among employees for change in the performance appraisal system to prioritize a team based approach. While to date the organisation has continued to appraise employees on a mainly individual basis, they have chosen to conduct two reviews a year instead of the traditional once a year, showing some change on the way leadership has operated but there is still room for improvement in this area. Developing appraisal systems is difficult given the size of the organisation and the work being done (Grove, 1996). Interviewees

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operating within the organisation's HR department discuss that they have an internal debate as to what the new, agile ways of working and collaboration will mean for appraisal and motivation going forward? Agile methods can complicate performance review in the long term with individuals interacting in many teams and with many leaders, making accurate appraisal a difficult task to accomplish (Grove, 1996).

Although the organisation has continued to give appraisal on an individual basis, there has been a shift from leadership about what success looks like. As required by the Agile Manifesto (see Appendix 1), the focus of organisations should be on teams rather than individuals (Royce, 1970). Communication of what organisations regarded as success and performance has been reevaluated in the organisation since the launch of the vision. Now, the organisation and their leaders have made the distinct choice to praise the accomplishments of teams and groups rather than individuals. Further, success is communicated through a change in storytelling which is now more focused on team accomplishments, thus highlighting the importance of teams to the members of the organisation. The organisation should look to transition away from a culture of fear as soon as possible and leaders must adjust their style due to the new context of agile. Researchers in general have formed a consensus that it is important to consider the context and situation where leadership is being exercised. (Sveningsson & Alvesson, 2016)

The majority of the interviewees described the existence of subcultures which is perceived to be unavoidable in a large organisation. As this is unavoidable, leaders should be aware of subcultures and how they relate to the overall organisational culture. Our findings show that fragmentation into subcultures can be addressed through the implementation of agile ways of working. These being achieved through, changing the organisational structure, adopting cross-functional teams and introduce new seating arrangements. The new seating arrangements, as described by Gary and Amy, where temporary teams are seated together, has decreased the fragmentation between departments and reinforce the culture of collaboration which has been strengthened. Interviewees agreed with that assertion, stating that the new restructuring of divisions has enabled cross-functional collaboration and broke down the silos evident in the old divisions. This suggests that a culture change might not just enable implementation of agile ways of working as perceived by interview subjects. The opposite of this is that agile ways of working can lead to a culture change and increased level of innovation despite the preexistence of subcultures in the organisation.
5.3 Changing to the New or Sticking to the Old?

Throughout the interviews there is a clear perception among interviewees that change is perceived as constant and ongoing in nature. However, this is something that must be questioned given the actions of the organisation.

The view of change as a constant is one of the two predominant models of change which emerge from literature. Lewin (1951) suggested that change takes place between large periods of stability, between periods of freeze and unfreeze. Lewin proposed that the status quo was unchanging during most times and this was interrupted and changed before a new status quo emerged. The second mode of thinking on change is the view that change itself is ongoing and is a constant rather than an intermittent occurrence (Martin, 2014). This idea is the basis of the model proposed by Kotter (1996). However, one must question whether the organisation views change as constant or static. While the perception of the employees is clearly that change is viewed as constant, the change programme within the organisation has a predefined date when the change is due suggesting that the change implemented is static. Adding to this change programme the organisation is undertaking a large leadership project to build leadership skills and this has implications on how the new organisational values are being implemented on a daily basis. This suggest that the organisation are using traditional project management approaches to implement agile ways of working. However, this is not ultimately negative, as Spundak (2014) asserts that agile management methods and traditional project approaches can coexist. This can occur as long as there is understanding that both methods are applicable for what is supposed to be achieved and that everyone knows what approach should be used for what purpose. The communication of the future of the culture and of the organisation within a bounded timeframe suggests an inflexibility surrounding the goals of the organisation. Simply, the organisation is not being agile in the change process. Thus, contradicting the perception of interviewees perception of change a continuous.

While the organisation is undergoing a value change, interviewees describe the espoused identity and culture of the organisation as incoherent to the organisation’s brand. The organisation’s brand is also described as strong and as a result it is seen as something they would like to keep. The brand is seen as crucial in attracting talented people who is attracted by an ambitious culture and the organisation’s professional image. This however, can be seen as contradictory to the organisation’s new values. interviewees also discuss that they need a new way to attract people with other competences than classical bank related ones. Mainly desired skills with multi competence, service design or IT. As Johnson (2014) describes, talent from
various fields working together as essential for innovation, it is an important task for the organisation to attract and retain people from all fields in the future to achieve the vision. To achieve this the recognition for the brand influenced by the new culture and identity is therefore of importance moving forward. To summate, although change might tempt you to keep what's working, picking pieces what to keep and focusing on changing only what not is working can be hard since a culture change will influence every aspect of the organisation.
6. Conclusions

This chapter, as its name implies, will conclude this master thesis and answer the research question.

6.1 Question

This study has been guided by the following research question, how do employees in a traditional financial bureaucracy perceive the attempts of the organisation to introduce agile concepts to become an innovative organisation?

6.2 Answer

Our findings show employee perception of change is viewed in the organisation largely in a positive way, with a broad acceptance that change is necessary for the organisation.

The identity changes of a historical bank to become a service organisation does not just happen by adopting new ways of working. It means a change in the very core of the organisation and requires a reevaluation of why the organisation exists and for what purpose. The brand, identity and image will be affected by changing the culture, values and behaviour. Although not recognized by the employees in the current phase of the change, a change in brand might actually be beneficial and strived for since the employees state that they need to attract talent that is untraditional for the banking world such as multi-skilled with both business and IT skills. The organisation may have to revise all aspects of the organisation, tangible and intangible, as a culture change will unavoidable influence all segments.

Leadership is perceived as a pivotal driver and enabler for the change to agile working methods as a response to the past failures suffered by the organisation in their IT project developments. Further, leaders are seen as key to engage and to motivate employees in the transition from traditional tangible measures of performance reviews to more collaborative appreciation. Leaders are also seen as crucial in communication between teams, since agile methods requires small teams working together. In addition, the current fear of failure, perceived by some employees, is perceived to hinder the transition towards adopting the desired collaborative and agile culture. The fear of failure is met by a desire to adopt performance reviews to a more team based approach, even though it’s realised to be a difficult undertaking.
Our results further imply that the increased use of agile project management
techniques outside of their traditional home of software development may have merit. However,
there must be consideration given to the situation in which one is attempting to implement agile
ways of working. For this organisation at least, they have banked on agile project management
to deliver innovative capabilities. There is some evidence that support the organisation in
becoming more innovative as a result of agile ways of working, especially with the new
innovation lab. However, there is also agreement among interviewees that there is confusion in
understanding what implications of working more agile and innovative means for an employee
in everyday operations. A revision in communication regarding what is considered an
innovation as not only being a new service but also ideas of incremental changes, to a daily
operations system. Many small incremental innovations made by employees might make the
culture transition faster as well as succeeding in being innovative and thus competitive. From
this study we can further deduce, that agile ways of working can lead to a culture change and
increased innovation despite the existence of subcultures in the organisation. Also showing that
agile working methods can influence a culture change through cross functional collaboration
and restructuring divisions through customer segments.

To summate one might adopt Robin Sharma’s statement:

“Change is hard at first, messy in the middle and gorgeous in the end.”
6.3 Limitations

We acknowledge that there are limitations to the research findings we have presented. Firstly, the case covers a single organisation and therefore making sweeping generalisations from the research findings is not the intention of this research. This research seeks to investigate the innovation capabilities and the effects of agile project management within a specific context and although this context may offer some insights for managers and researchers interested in agile ways of working, it must be remembered that organisations are unique and the experiences of organisations to agile project management will ultimately differ depending on context. Furthermore, the number of interviewees in this sample only represent a small number of the employees of the organisation and the experience of the organisational change to agile ways of working will be unique to the individual being interviewed. This was illustrated to us as there was differences in perception evident in our own findings. Although caution must be attached to attaching great significance to one study this case is designed to contribute to a broader knowledge base on the topic of agile project management.

6.4 Contributions & Applicability

This study seeks to add to the knowledge base and discourse surrounding innovation and agile project management. In particular, this study seeks to focus on the real world applications and implications for management who are looking to increase the level of innovation within their organisations. This study provides an example of a case where agile project management principals have been applied outside the traditional area of small technology companies in an attempt to become more innovative.

This study is designed to give valuable insights to both researchers and practitioners in the area of innovation. While there is vast literature concerning the approach and its origins, there is little known as to innovative approaches, like those described in this study. Little is known as to how applicable these approaches are to organisations outside of the technology and software development industries, especially regarding the context of the financial industry in Sweden. Therefore, this study will be of relevance to academics in the field of studying innovation. In addition, for practitioners, the study offers the insights of the case of an organisation who have looked to agile project management to improve their innovation capabilities and customer focus. Therefore, the study is of particular relevance to top management of organisations in the same or similar industries. The study gives a deep insight into the implications and results from applying approaches which have been developed in the
technology sector which operates in a much different way than larger bureaucratic organisations. The insights that this study offers can provide crucial information as to the implications of adopting an agile project management approach outside the area of technology and in rather large organisations. Furthermore, the information in this study can also help inform the decision making process of firms as to whether or not adopting an agile project management approach is suitable in their given situations.

We can therefore say that we have provided an answer to the research question and fulfilled the purpose of the study which was to answer the research question and in doing so discover the perspective of employees who are experiencing the change to agile ways of working.

6.5 Further Research

This research identifies many areas for further research on the topics covered. Firstly, as agile management is a new initiative and process for many organisations it is a topic which is worthy of further research. As agile management is rolled out by an increasingly higher number of organisations this makes it easier to compare the fortunes of those introducing agile methodologies with those who are not. This will enable practitioners to gauge whether or not these new ways of working produce more successful outcomes over traditional approaches.

Furthermore, there is also an opportunity for conducting qualitative research studies into the application of agile methodologies to contexts and sectors similar to that covered by this study. Additionally, it may be also beneficial to study the implications of introducing agile into other industries and cultural contexts. The results of this further research can then be used to compare findings with research similar to this study to find what experiences are common amongst staff undergoing change. The findings and discourse that these studies raise can then help to inform practicing management of what to expect when adopting agile management approaches.
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Gary. Gathering of empirical data [interview] (Personal communication, 2016-04-08)
Joseph. Gathering of empirical data [interview] (Personal communication, 2016-04-27)
Katie. Gathering of empirical data [interview] (Personal communication, 2016-04-01)
Mike. Gathering of empirical data [interview] (Personal communication, 2016-04-25)
Nadia. Gathering of empirical data [interview] (Personal communication, 2016-04-13)
Sean. Gathering of empirical data [interview] (Personal communication, 2016-04-13)
Appendix

Principles behind the Agile Manifesto

- The highest priority is to satisfy the customer through early and continuous delivery of valuable software.
- Welcome changing requirements, even late in development. Agile processes harness change for the customer's competitive advantage.
- Deliver working software frequently, from a couple of weeks to a couple of months, with a preference to the shorter timescale.
- Business people and developers must work together daily throughout the project.
- Build projects around motivated individuals.
- Give them the environment and support they need, and trust them to get the job done.
- The most efficient and effective method of conveying information to and within a development team is face-to-face conversation.
- Working software is the primary measure of progress.
- Agile processes promote sustainable development.
- The sponsors, developers, and users should be able to maintain a constant pace indefinitely.
- Continuous attention to technical excellence and good design enhances agility.
- Simplicity--the art of maximizing the amount of work not done--is essential.
- The best architectures, requirements, and designs emerge from self-organizing teams.
- At regular intervals, the team reflects on how to become more effective, then tunes and adjusts its behavior accordingly.