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Corporate Identity in relation to Culture and Image in the Returns Department of IKEA Malmö

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Purpose: The purpose of our study is to identify and describe the processes that shape organizational identity at the Returns Department of IKEA Malmö through the interaction of managerially controlled transfer of culture and images of customers.

Methodology: The case study comprises a post-structuralist reading of the empirical material in an interpretative and explorative approach.

Conceptual framework: The chosen conceptual framework is the identity dynamics model put forward by Hatch and Schultz (2002)

Empirical foundation: The empirical material was generated by means of semi-structured interviews with managers, employees, and customers of the Returns Department, observations of the department and participative observation of the recruitment process of IKEA.

Abstract: The growing focus on customer relationship forces enterprises to tailor their processes in a more customer oriented way. The concept of customer relations is a topic of marketing studies, but it has strong implications on organization studies because of its role in the formation of employee understanding. "Customer orientation" is said to be at the very heart of the IKEA way, especially in Returns Departments; however, negative customer feedbacks and inconsistent framing and expression of the concept by staff explains how there might be possible gaps even in strong corporate cultures such as IKEA's. The existing literature has devoted little attention to the gaps in the content and processes that form employees' social identity at work. Hence, adopting an interpretative perspective, this thesis

contributes to the empirical and theoretical understanding of this aspect of framing and expression of employees' social identity. We draw a skeleton model to obtain a comprehensive view of the interplay of organizational culture, identity and image, and to explore possible gaps in the processes through which organizational identity is constructed. In doing so, we aim at unpacking the concept of customer orientation as part of IKEA organizational culture.

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1 BACKGROUND

The Returns Department, in its role as the provider of customer service, is one of the most important frontline faces of every IKEA store. Customer orientation is a major concept that encompasses daily work life in the department, even if its now always mentioned explicitly. This concept, which is sometimes taken for granted, is assumed to be deeply rooted in employees' understanding, as it shapes the way they conceptualize and perform their work. In order to distinguish the various processes involved in the sense making of employees at the department, the concept of culture and image are introduced as the key factors that build the social identity of the employees. In 'Organizational Identity Dynamics Model', Hatch and Schultz crafted a model that illustrates the processes identified in the empirical material. Hence, their model inspires the framework of the study. Furthermore, the authors' own model ("Dynamics of Customer Orientation Understanding") will be developed and further explored to clearly demonstrate how people actually experience and express culture at work.

The Company

IKEA's success is said to be built on "radical business innovation" (Edvardsson and Enquist, 2002) that focuses on achieving a competitive advantage by doing things in a new, innovative way, different from the one applied by competitors. To make a good use of its internationalization and fulfill the overall concept of low-priced

products IKEA effectively uses economics of scale. Although, IKEA operates in very different and diverse markets the product range is fairly standardized which applies to Levitt's (1983) reasoning that today's globalization processes based on information technology make the customers' needs and preferences much more comparable. These processes also make it easier to influence people's own identity and image through advertisements and word of mouth.

Another important factor of IKEA's success, as pointed out by many researchers, seems to be its strong and influential corporate culture. Most of the articles and books on this topic set IKEA as a role model for the creation of an effective and efficient organizational culture. Moreover, the culture of IKEA is often identified and generalized as 'typical Swedish' distinguished by friendliness, openness and simplicity. This view of corporate culture is also shared by many of its employees, who mention the pleasant atmosphere as the biggest advantage of working for IKEA. This particular perception has influenced most of the writings about IKEA, where the corporate culture is glorified without closer consideration of possible gaps and problems. Although this study takes into consideration the success of IKEA culture, it also gets inspiration from post-structuralism (Alvesson & Skoldberg 2000), claiming that incoherencies and paradoxes of often vague and ambiguous realities should be taken into account and considered very seriously.

Those inconsistencies and paradoxes create the main part of this paper and are of the highest importance for the researchers. In the analysis part we will explore how the understanding of the same concepts differs tremendously amongst the employees, and even among the managers. In doing so, we will focus on the meanings and interpretations of key concepts such as *customer orientation*. Customer orientation has been identified as one of the pillars of the culture of the Returns Department at IKEA Malmö and for that reason it will be treated as a central concept of IKEA's culture in

this paper. We will examine IKEA's claim of being customer oriented and how it translates into practice, and we will try to distinguish which forces influence the mindset of the employees when they think of the store as customer oriented. To actually get an understanding of how people experience work, the main focus will be put on identity as an expression of culture. In other words, this paper will try to ask: Is there a possible myth of customer orientation being created? Is the gap between the managers conveying the ideas (without a stronger focus on their meanings) creating a well-known corporate phenomena known as hyperculture (Alvesson & Sveningsson, 2008)? Or maybe customer orientation has become a part of the employees' identity due to the customers' belief that customer orientation lies at the heart of IKEA's values? To answer this question the issue of organization image will to be further studied and analyzed.

To sum up, the paper will try to dig deeper into issues of identity, culture and image directing special emphasis on the interaction of these concepts in the formation of social identity. This undertaking will hopefully give a reader a clear understanding of "what are the natives up to?" (Alvesson, 2009).

2. PROBLEMATIZATION

This paper will strongly focus on three main phenomena; namely culture, identity and image, and to how they relate to the employees' understanding and interpretation of their duties. The cognitive, affective and behavioral levels of understanding will be discussed, which means that the actual meaning, liking and impact of the phenomena in question will be investigated. Furthermore, the study aims to 'unpack' the view of customer orientation, identifying possible fragmentations, inconsistencies, vagueness and ambiguities in its understanding.

Thus, we will discuss how gaps in the understanding of the central concepts of identity and culture ultimately influence the image the organization has of itself.

The following paper will encounter two types of problems: empirical problems and theoretical problems. The former is represented by the strong organizational identity in the Returns Department of IKEA Malmö, which may be influenced unequally by image and culture. The implications of a possible stronger influence by one of these concepts will be further examined in the analysis part of this thesis. The latter type of problem arises from the lack of in-depth studies of social identity that encompass the interaction of various concepts, included culture and image. Thus, we believe that studies of identity, culture and image will have an impact on understanding the phenomena of social identity and its relations to culture and image.

Empirical Problems: An additional ambition of this research is to connect the three concepts of identity, image and culture, and show clear connections and interactions between them. Those connections and interactions establish four main processes that will be described in detail in the 'practical/ analytical model' section. The processes not only relate and consolidate the three central concepts, but even more importantly for the outcome of this study, they highlight gaps in influencing and triggering social identity within the Returns Department of IKEA Malmö. The reasons for the existence of these gaps and their implications make up the analysis part of this paper.

Theoretical Problem: The notion of *culture* was introduced into organizational studies during the late 1970s and early 1980s (Alvesson & Svingsson 2008). In the following years organizational culture became a popular topic and was considered as the most important part of organizational success. There is a widely-held belief that organizational culture is central to the wellbeing of the firm, together with

topics like commitment, motivation, resource allocation and organizational change. This particular view has been questioned many times since. Probably the biggest problem when dealing with organizational culture is the risk of blurring that occurs when the fantasies and wishful thinking take over a deeper understanding of the essence of culture. As Alvesson and Sveningsson accurately point out: "It is very common amongst managers and others to characterize organization as unique and special but then to characterize it in simple and standardized terms such as 'We are customer- [or market] oriented', 'We are quality leaders'". These statements seem very 'empty' and 'cliché'. Although, they might of course represent some deeper meaning and orientation of the company, they are too often used to show the company in a good light without any explicit action that should follow from them. We will try to investigate whether it has been a problem in the particular case of Returns Department of IKEA Malmö. As can probably be seen above, organizational culture is a very tricky phenomenon that does not allow for clear categorizations or measurements. To truly analyze the culture one has to focus on meaning and emotions, lived experience and relations rather than empty policies, systems and structures. For this reason we have decided that identity, as an expression of culture, will be the central concept of this thesis.

As previously mentioned this particular study aims to unpack and further investigate the notion of customer orientation, taking primarily into consideration the processes of understanding and meaning-making of the employees at the Returns Department at IKEA Malmö. It is believed that *identity* which closely connects with previously described notion of culture (Dutton & Dukerich, 1991) is the way to do that. Furthermore, identity is assumed to be built in interaction, gathering a feedback from those interactions and making comparisons with others (Ashforth & Mael, 1989). For this reason the central role of identity seems to be fully justified in this study, as it is influenced by both culture and image. In the case of

Returns Department of IKEA Malmö, corporate identity is believed to have very solid foundations. Employees' interactions with stakeholders, particularly between the management and their customers, is one of the topics which most interests the researchers involved in this study. This brings us to the last main concept of this thesis- image.

From theoretical side, a review of the literature shows that a vast majority of the studies about corporate *image* have been made within the fashion or grocery sector. However, some undertakings on this topic have touched upon retail industry (Samli et al., 1998). In this paper the concept of IKEA image will partially be drawn from the previous studies. However, the main conclusions and analysis come from our independent study undertaken on the staff and customers of IKEA Malmö. In fact, image together with culture are the main sources of influence on identity. In this study image itself exerts a dual interference on the understanding of employees by, on one hand, mirroring the images of others and, on the other hand, receiving certain impressions.

While discussing the influence of image and culture on identity, we will attempt to discover the way these two factors influence the values of the employees, how they build their own sense-making, and how they express it in their everyday work. From a cultural perspective, the role of the managers and the top-management in 'transferring' company's culture to their subordinates will be investigated. From the image side, we will ask whether the image held by the customers has an impact on the employees' work, especially since the notion of customer orientation will be discussed in detail as a main value and a cornerstone of IKEA's culture.

3. PURPOSE

There are two major purposes of this study. First, we have the practical purpose of drawing a picture of the understanding of customer orientation at IKEA Malmö today. In doing so, the concept of customer orientation will be highlighted to identify possible knowledge gaps and diversity of interpretations between employees and the managers. The meaning of customer orientation will furthermore be investigated from the cognitive, affective and behavioural perspectives. Essentially, the thesis asks the question, “what is going on at the Returns Department of IKEA Malmö today?” Hence, the second purpose of this study aims to find the theoretical correlation and interdependence between the concepts of social identity (employees understanding), culture (organizational values and their framing at the level of management) and image (customers perceptions). This is achieved by the construction of a skeleton model inspired by Hatch and Schultz (2002) that includes all the above processes described.

4. METHODOLOGY

4.1 Overall method

The aim of this thesis is to investigate the collective or social identity of the employees of IKEA Malmö's Returns Department. The study takes an abductive approach as the authors begin with observations, and consequently generated hypotheses from these observations (Bryman & Bell 2003). By looking into the interaction of various concepts that weave together a theoretical process on the meaning making of the employees, this study can be seen as a conceptual study using empirical material to generate insight, metaphor or a conceptual model. This

thesis is concerned with meaning interpretation and sense making of those involved in the study. This interpretative aspect of how this thesis was conducted makes this paper an explorative project on the social identity construction and development of IKEA employees.

The interpretative position described above indicates that a qualitative method is logically best for the purpose of this thesis. A qualitative method opens opportunities for reflection on the subjects' experience, descriptions and actions. Inspired by post-structuralism, this study focuses on interpreting language, carefully identifying the ambivalent, the evasive, and the metaphorical (Alvesson and Skoldberg, 2000: 152). It attempts to be especially sensitive to inconsistencies, gaps and differences in the interpretation and meaning making of those concerned in this thesis. The post-structuralist inspiration also affects the analysis of empirical material. The subjects are viewed in what Alvesson and Skoldberg (2000) explain as multiplicity, variation and fragmentation, where the participants are seen according to the labels imposed on them. Managers and employees of IKEA are not simply employees; they are also customers, a mother, a brother, a friend, a student, etc. Depending on their frames of reference when interviewed for this thesis, meaning making and understanding is affected. Hence, multiple social identities are already assumed to be constructed among the participants through the various groups and backgrounds where they come from. Using the interpretative lens of post-structuralism, the methodology adopted in questioning and analyzing responses is more conscious of these fragmented identities.

4.2 Research Design

To understand how people make meaning of concepts, relationships, processes, or events, qualitative research has provided a long, rich and tested tradition (Kvale 1996, Denzin & Lincoln 2000, Hammersley & Atkinson 1995, Bryman 2004). Using the case-study research design seems most appropriate as the focus of this thesis is

the analysis of only one department in the IKEA store in Malmö (Yin 1989, Kvale 1996). According to Yin (1989), if compared to other methods, the strength of the case study method is its ability to examine, in-depth, a “case” within its “real-life” context. Two things made us choose the case study research design. First and most important, the case study method is pertinent when the research addresses either a descriptive question (*what* happened?) or an explanatory question (*how* or *why* did something happen?) (Yin 1989). This thesis is both descriptive and explanatory. Other methods like experiments or surveys only limit the study and enclose it within questions of causal relationships and frequency of phenomena.

Second, the case study design was chosen because we want to illuminate a particular situation, to get a close (i.e., in-depth and first-hand) understanding of it (Yin 2004, Kvale 1996). The case study method helps to make direct observations and collect data in natural settings, compared to relying on “derived” data (Bromley 1986: 23 in Yin 2004).

Unlike most other methods, Yin (2004) also elaborates that in doing case studies, researchers need to do data collection and data analysis together. Hence, when the authors begin the study with preliminary interviews, data analysis is already taking place. For example, the interview with one person may produce information that conflicts with that from another interview (ibid). Doing the interview is considered data collection, but surfacing the conflict is considered data analysis. Hence, analysis happened quickly in the case study as the authors were able to modify data collection plans while still in the field. Re-interviewing earlier respondents and seeking further sources to understand the conflict happened thereafter. The section on Data Collection below describes the methodological process involved in this case study.

4.3 Data Collection

To assess the study environment and identify the research topic, the authors began with open-ended unstructured preliminary interviews with a few managers and staff of the Returns Department. As the case study research design suggests, the advantage of beginning with this strategy is the quick identification of research gaps, and the possibility of an agile identification of the junctures where the organizational problem might lie (Yin 2004).

After the preliminary interviews and initial diagnosis of the problem, the next step of the research was to formulate a semi-structured set of questions designed to interview the rest of the staff of the department. Themes such as employee perception of their work in the Returns Department, their feelings and attitudes towards the concept of Customer Orientation, and their knowledge of customer issues were the main topics highlighted in the interviews. Furthermore, a short questionnaire of open-ended questions was also designed to interview customers who were waiting on queue (See Appendix 3 and 4 for the questionnaires). Customer perception of the Department is inquired, as well as a description of their expectations and feelings towards service given at the Department. This form of interviews to both staff and customers was chosen as the best strategy since it is in-depth, flexible and a quick way to collect empirical data (Bryman and Bell, 2003). A questionnaire with fixed answers would not help the researchers achieve its goal to analyze discourses stemming from dialogue. Furthermore, the interviews were designed to be conducted face-to-face as it is best to establish trust among the researchers and the respondents. Moreover, the researchers had the advantage of gaining access to meet with individual staff members and customers thus gaining substantial individual responses from each. A disadvantage of this strategy, however, is the presence of author biases and preconceptions in the designing of the semi-structured questionnaire, especially the central themes of the study have been identified a priori. Questionnaires sent via traditional mail are costly and receiving

the answers is time consuming. Questionnaires sent by e-mail are known for having a low response rate and could also be time consuming and for being unable to lead to follow-up questions or further clarification (Malhotra and Birks, 2003).

A common drawback with semi-structured, open ended interviews is that interviewees become influenced already by the question and limits responses within the framework of the questions asked (Bryman and Bell, 2003). However, the interview guide helps interviewers avoid going off-track. On another note, since the respondents were approached face-to-face, the level of trust and openness is important. The assurance of anonymity upfront increased the probability for the respondents to feel free to reveal their true opinions without any kind of reservations (Ibid). Interviews began with an introduction of the authors as students from Lund University and assured the anonymity of their responses. The authors also asked the respondents' permission to record their answers on a digital voice recorder.

4.3.1 Primary Data

Interviews, observations, mystery shopping and participant observation are the primary data gathering methods conducted. To gain a comprehensive impression and grasp different points of view in the department, a total of two store managers, 7 staff members from the Returns Department, and 55 random customers were interviewed during the 9 weeks of data collection. Both males and females were represented. During this time, observations were also made at random peak and off-peak (2-4pm weekdays) hours, done at least once every day of the week for comparison. The authors sat at the waiting area to observe customers and the staff behind the counters. Furthermore, seven mystery shoppers also came to buy IKEA products and return them at the department during peak and off-peak hours, sometimes on weekdays and sometimes during the weekend. These were friends who came to buy as normal customers but were asked to take a closer look at the

return and exchange process, at how much time they had to wait, how much time did the exchange transaction take, what particular words were used by the staff, and their general feelings after the return transaction was completed.

A participatory observation of the recruitment process was undergone by one of the researchers as an applicant to a summer job at the IKEA store in Malmö. This method was essential in understanding the process involved in the recruitment of employees and get an in-depth picture of how management begins to shape the mind of the potential employees. The researcher joined the group job interview conducted by three store managers to gain a deeper insight on the meaning construction from the managerial level. Attention to language and image shown to the applicants were of primary importance. Furthermore, one of the researchers also participated in a site visit of the IKEA headquarters in Älmhult, Sweden for a recruitment and marketing event sponsored by IKEA. There was a presentation of the IKEA video, a trip to the IKEA museum and two seminars with Human Resource Managers. The researcher was able to interact and ask questions about the recruitment process and specific values they seek relating to 'customer orientation' and 'service-mindedness'.

4.3.2 Secondary Data

There were two major sources of secondary data that supports our primary data. First is the set of documents, reports and written material that IKEA handed to us to support the research. They are documents used to train newly hired staff, general information about the history and environment of the particular IKEA Malmö store, and statistics recorded by the queue-machine. The authors decided to use materials from December 2008 until the first quarter of 2009 to get a snapshot assessment of the performance of the Department in terms of waiting time. Furthermore, the authors also used earlier studies on IKEA's corporate culture and image as well as journal articles related to the concepts or theories used in this thesis.

4.3 Methodology Reflections

4.3.1 Data Sources

Regarding primary data sources, this study is limited to the IKEA employees that have been present during the random times the authors visited the store to interview staff and customers. The majority of the staff interviewed were those available during off-peak hours (between 2pm and 4pm) as this was the window the authors were allowed to borrow time off from the staff's works schedule. A limitation is that they were always busy and undermanned, so the interviews had to be rushed times. Another limitation is that interviews were conducted at the waiting area of the Department, clearly visible by customers and other staff members. The possibility exists that the staff being interviewed might have been conscious that customers or colleagues were observing them, hence limiting the extent of answers to questions. It is noted that comments made by the staff may have been said to project a positive image of their company and their activities. In terms of customers, interviews were conducted while they were waiting for their turn. If their number was called, the interview would be put on hold and would resume after they had completed the transaction. The advantage is that they could be asked about their interaction with the frontline staff seconds after. The disadvantage was that some customers did not want to be disturbed again after their transaction and wished to leave immediately.

The credibility of statements from both the staff and customers may not be measured as there are personal biases in saying something positive about their work and involvement; attributable to high spirits or deep sense of mission that their world view may be different from the authors. There is also the dilemma of language mirroring objective reality and the inability to assess the intention of interviewees in terms of power plays and favorable identity construction (Alvesson, 2003). Language barrier was also one disadvantage as English is not the native language of any of the

subjects involved (neither of the authors nor of the managers, and most likely not of the customers either). Some customer interviews were conducted in Swedish, and there is a large tendency of losing some meanings and understanding in translation. Thus, it was necessary to use content analysis technique and careful observation of body language to analyze responses. The researchers are careful to note that since this thesis is explorative in nature, the interviews have been framed according to the study's theoretical aims. However, there might be interpretation inconsistencies not dependent on any theoretical framework proposed. The data collected may be relevant beyond the case. The researchers note that:

“Without a theoretical understanding, any use of interview material risks being naïve and interpretations of it rest on shaky ground” (Alvesson, 2003, p. 14).

4.3.2 Generalizability

There are common criticisms with the use of a single-case study. Yin (1989) says that the single-case study is somehow unique and idiosyncratic and therefore has limited value beyond the circumstances of the single case. However, through triangulation of the multiple methods used in conducting the case study, the thesis has a modest amount of comparative data, helping us to analyze our findings. Yin (1989) suggests that generalizing from case studies reflects substantive topics or issues of interest, and the making of logical inferences (analytic generalization). Hence, the theoretical-conceptual generalization derived from the empirical aspects of the case contributes to the development of concepts, metaphors and new understandings of the dynamics behind the formation of social identity. This means that the case study contributes to a new model on customer orientation formed and expressed through the dynamics of culture, identity and image.

5. THEORIZING SOCIAL IDENTITY, CULTURE AND IMAGE

Our aim is to analyze the way in which employees at the Returns Department at IKEA Malmö interpret and make sense of the concept of customer orientation. In doing so, we primarily refer to three theoretical concepts, organizational identity, organizational culture and organizational image, with the concept of identity occupying the central role. In describing the relations among them, we are primarily inspired by Hatch and Schultz's (2002) 'Organizational Identity Dynamics Model'. In the light of it, we will propose our own skeleton model, with which we will analyze the processes of identity shaping at the department through the use of our empirical data. Inspired by an interpretative perspective, we pay attention to the way the concept of customer orientation is made sense of. We are interested in the vagueness and heterogeneity with which we have seen the concept being framed, explained and implemented by employees. Thus, we will focus on some gaps in the processes of identity construction which we claim may help explaining the way the concept is made sense of and framed by employees.

In order to render our theoretical framework as clear as possible, we will frame the discussion according to *content* and *process*. The content begins with a definition of what we mean by 'customer orientation'. Then we will clarify which perspective we use on the three main theoretical concepts of our study, and what are their relations to customer orientation, since organizational identity, organizational culture and organizational image can be conceived and referred to in various ways. Then we will describe the relations among the three concepts through the processes illustrated in Hatch and Schultz 'Organizational Identity Dynamics Model', and describe the practical usefulness of the model according to the authors. Finally, we will develop and explain our own model, with which we will analyze the empirical material.

Customer orientation

We refer to customer orientation as the set of beliefs according to which customers' needs and satisfactions are the priority of an organization. Our focus is

on the presumed dynamics and interactions between internal members of the organization, precisely the employees at the Returns Department of IKEA Malmö, and external stakeholders, precisely the customers of the department. According with Drucker, we can define customer orientation as "the business seen from the point of view of its final result, that is, from the customer's point of view." (Peter F. Drucker, 1994, p.39).

While managers often claim the label of being 'customer oriented' as a key feature of their organizations, perhaps defining it in a well rounded way and with strongly ideological overtones, our approach is different. From an interpretative perspective, we mainly focus on the way in which employees at the department make sense of the concept. We therefore focus on vagueness, heterogeneity and local character of the way the concept is made sense by members of the organization, and possibly highlight the gaps between official statements and their understanding and implementation in everyday life of the organization.

5.1 Organizational Identity

Organizational or social identity is a label that can be used in different ways.

We refer to the concept of social identity from a mainly interpretative perspective. We refer to how groups define and understand themselves, and more specifically as to how employees define themselves as members of the organization. It is important to note that organizational identity comes from corporate culture as managerially framed; hence the way members make meaning of culture from above is evident in their thinking and actions as an expression of management control (Alvesson and Willmott, 2004). We take heterogeneity, meaning-construction processes and local character of interpretation as central in our view on identity. In this sense, we may further specify it in contrast to our view on culture, since the distinction between the two concepts is complex and blurry. Inspired by Hatch and Schultz (2000) we distinguish the two concepts using three dimensions: textual and contextual, explicit

and tacit and instrumental and emergent. Even though the differentiation is rather vague, we refer to culture as mainly contextual, tacit and emergent, while identity, when compared with culture, is rather textual, explicit and instrumental (Alvesson and Sveningsson, 2003).

Moreover, we refer to organizational identity as processual. In so doing, we move away from Albert & Whetten's (1985) organizational identity definition as something which is fundamentally stable. According to them, it could be classified on the basis of three criterion: of claimed central character (identity refers to the essence of the organization), of distinctiveness (to which identity distinguishes one organization from the others), and of claimed temporal continuity (referring to the endurance of identity, since it is to some extent the same over time).

We view organizational identity as continuously constructed, created and negotiated in the processes of social interaction; in the terms of Alvesson (2002, p.190):

identity is best understood as constructed, multiple, and varying, rather than something fixed, monolithic and robust`.

We do not therefore look for stable and monolithic traits when referring to organizational identity, but are mainly interested in the processes that influence identity construction in organizations. In this sense, we refer to the processual nature of identity that is built during the ongoing dialogue between culture and image.

5.2 Culture

Culture is referred by many authors (Bang, 1999; Smircich, 1983; Cook and Yanow 1993; Hatch, 200; Alvesson and Sveningsson, 2008) as the tacit organizational understandings (e.g. assumptions, beliefs and values) that contextualize efforts to make meaning, including internal self-definition or identity. According to Alvesson (2002:3), culture is "a tricky concept as it is easily used to cover everything and consequently nothing". However, most of the known definitions of organizational

culture share the idea that culture is connected to some form of shared meaning, interpretations, values and norms (Alvesson and Sveningsson, 2008). Such shared meanings and interpretations can be assumed in this thesis as factor for shaping social identity. Moreover different shared assumptions about cultural phenomena can be revealed (Hofstede et al, 1990):

1. *culture involves a larger group of individuals*
2. *culture is historically related*
3. *culture is difficult to change; people tend to hold on to their ideas, values and traditions*
4. *culture is a socially constructed phenomenon, culture is shared by people belonging to various groups, where different groups create different cultures*
5. *culture is soft, vague and difficult to catch*
6. *terms as “myth”, “ritual”, “symbols” are commonly used to characterize culture*
7. *culture refers to ways of thinking, values and ideas of things*

Hence, an interpretative approach on this concept brings us to regard organizational culture as construction of meaning and sense-making expressed in social or corporate identity. We are interested in organizational culture as that which is created and sustained through shared experiences by the use of shared symbols (Alvesson and Sveningsson, 2008: 37), and expressed in language, stories and rituals (Cook and Yanow, 1993). While culture may be expressed in actions, observational data and artefacts, it refers in our interpretation on the meaning members give to these artefacts. We are interested in the meaning, values, thinking and sense-making of organizational members. In the process of our studies we will address some gaps in communication between the way the concept of customer orientation, as one important aspect of the IKEA culture, is claimed in IKEA in everyday life of [one department in] the organization. In our view the varied interpretations of customer orientation and the gaps in employee understanding of this concept may be manifestations of hyperculture. Hyperculture is defined as:

‘cut-out representation that is loosely related or even quite unrelated to the complex and mixed meanings, ideas and orientations characterizing organizational everyday life.’
(Alvesson and Sveningsson, 2008: 128)

We tend to be critical towards any assumption or claim of homogeneity in organizational culture, especially that the IKEA culture [including the value of customer orientation] seem to be strong and stable as presented in advertisements, employee recruitment, and training. We thus aim at addressing the possible 'loosely related meanings' found in the local interpretation of customer orientation. To do this, we look into how it is understood by the managers and made sense of by employees; in this way we may highlight heterogeneity and complexity in IKEA's 'strong' organizational culture.

5.3 Image

Assuming that organization culture influences organization or social identity, some authors also agree that organizational identity influences the organizational or store image external stakeholders have. The general meaning we refer to organizational image in our research may be conceptualized in Mazursky and Jacoby's (1986, p.149) definition of the concept of store image:

"store image is an individual's cognitions and emotions that are inferred from perceptions of memory inputs that are attached to a particular store and which represent what that store signifies to an individual"

Alvesson (1990: 376) also adds similar definition of image as the "holistic and vivid impression held by a particular group [i.e. customers] towards a corporation as a result of information processing (sense making) of the group's members." We refer then, to the way in which customers relate to a store, in terms of their experience, memories and perceptions of it.

More specifically, we refer to the way customers at the Returns Department at IKEA Malmö experience the service at the department. Hatch and Schultz, talk in this sense of the "set of views on the organization held by those who act as the organization's 'others'" (Hatch and Schultz, 2002: 995).

The study inquires into how customers experience customer orientation at the department based on their pre-conceived images and ideas of IKEA as a retail company and their actual experience at the department. We consider how customers feel and think about service at the department as organizational image. The Returns Department is the site where external definitions of organizational identity is built by the customers-the main external stakeholder of IKEA. It is an important element in the processes of IKEA employees' identity construction as described in the model below.

6 IDENTITY CONSTRUCTION DYNAMICS

This section outlines how the three concepts, in the view of Hatch and Schultz Organizational Identity Dynamics Model, interact in the process of identity construction. Two new concepts (narcissism and hyper-adaptation), which Hatch and Schultz label as dysfunctions, will be as well introduced to explain possible abnormalities in the processes. This model is particularly interesting for this thesis as identity is put in the center as the immediate result of the relationship between organizational (cultural) self-expressions and mirrored stakeholder images' (ibid: 1004).

Identity is created, maintained and changed as a result of the continuous cycle of the various processes, between cultural self understandings and images of external stakeholders, as internal and external definitions of the identity of the organization. The forces that make the process go around are highlighted: the self of the organization is continually constructed and reconstructed in the dance internal members and external stakeholders join.

The point of departure of the model stems from Mead's (1934) (in Hatch and Schultz 2002: 992) classic definition of individual identity, according to whom it

“Arises in the process of social experience and activity, that is, develops in the given individual as a result of his relations to that process as a whole and to other individuals within that process”.

Thus, in light of Mead’s framework, identity is seen as composed of two distinguishable phases, the ‘I’ and the ‘me’. The ‘me’ is conceived as the set of attitudes of others towards himself, and the ‘I’ as a part one is not aware of that shapes the responses of the individual to the attitudes of others.

Generalizations from individual to collective phenomena are often problematic. Hatch and Schultz refer to Jenkins, who said generalizing from individual to collective phenomena when talking about identity is possible (ibid). In their view, the development of identity at the collective level could be described in parallel by processes involved in organizations.

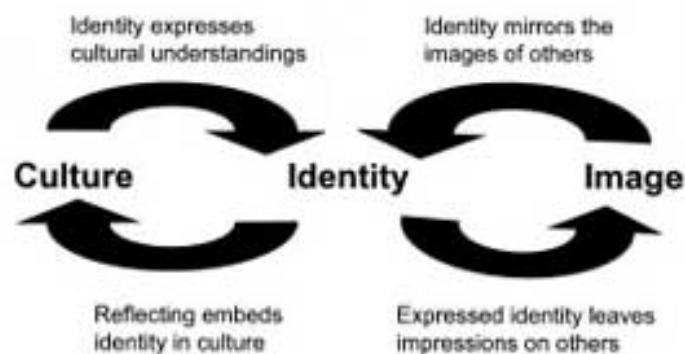
Hence, Mead’s ‘me’ refers to when organizational members assume the images of the organization (set of views on it from external stakeholders’ point of view); thus, the organizational ‘Me’ finds his correspondent in organizations in the concept of image.

In terms of Mead’s ‘I’, Hatch and Schultz refer it to organizational culture, defined in this context as “tacit organizational understandings (e.g. assumptions, beliefs and values) that contextualize efforts to make meaning, including internal self-definition” (ibid: 996). It is assumed in this reasoning that culture is considered as operating mainly beyond members’ awareness. It mostly resides in deeper meanings and assumptions that artefacts represent (Hofstede et al, 1990). Moreover, it is considered as the context and grounding for meaning-making activities. It shapes organizational responses to external stakeholders’ attitudes towards the organization.

In summary, the model proposes an analogy with Mead, where individual identity is formed in relation to both internal and external definitions of self while

organizational identity is considered to be shaped in the ongoing relation between organizational culture as internal definition of identity ('I') and image, as external definition ('Me'). This model is illustrated below and inspires the study in analyzing the processes of identity construction in the Returns Department at IKEA Malmö.

Figure 1: The Organizational Identity Dynamics Model



In the next paragraphs, we will describe the four processes as in Figure 1, which show how culture and image influence the shaping of identity in organizations. The sections below describe the four processes as conceived in the model.

6.1 The four processes of identity shaping

6.1.1 'Identity mirrors the images of others'

Dutton and Dukerich (1991) found in their studies that opinions of external stakeholders affect identity, through a process which is labelled as 'mirroring'. Located in the upper right corner of the model, this process begins with either negative or positive impressions external stakeholders have, that may affect organization members' identity. Ideally, if the image is negative, it should motivate the members to change the perception outsiders have of them by influencing the negative image (as seen in section d) or changing their culture (as seen in section

6.1.2 and 6.1.3). Hatch and Schultz (2002) argue then that traces of the images of the stakeholders leak into the identity of the organization.

In this respect, another process becomes central next to mirroring, one of self-examination. Image often acts as a force capable of changing and influencing identity, requiring sometimes organizational members to somehow revisit the way they perceive themselves and their own organization.

6.1.2 'Reflecting embeds identity in organizational culture'

According to Hatch and Schultz, *"once organizational images are mirrored in identity they will be interpreted in relation to existing organizational self-definitions that are embedded in cultural understanding"* (2002: 1000). The development of organizational identity, as shown in the lower left hand of the model, is not only influenced by external stakeholders' images, but also by members' self-perception. In fact, if we consider culture as the deeper understandings that serve as a context for meaning-making activities, organizational culture, embeds members' reflections upon their own identity.

Then, the production of artefacts tends to express organizational culture. When members express what the organization is, their statements or attitudes are likely to be imbued of the deeper cultural context of the organization. In this way, identity expresses cultural understandings.

6.1.3 'Identity expresses cultural understandings'

The upper left part of the model describes how organizational cultures have expressive powers through the grounding of the meaning of their artefacts in the symbols, values and assumptions that cultural members hold and to some extent

share (Hatch and Schultz 2000: 1002). There is a connection between the deep patterns of organizational meaning found in cultural symbols and artefacts such as company manuals, training, physical surroundings, etc. that gives power to communicate it as organizational identity.

Thus, identity claims or any reference to collective identity, embedded in organizational culture, enable members to speak about the organization to external stakeholders through words and actions. Hatch and Shultz (ibid: 1001) explain this using the hermeneutics of interpretation, according to which every text *“is constituted by layered interpretations and thus carries (a portion of) its history of meaning within it”*. Traces of the original meaning of any expression of organizational identity are likely to remain.

Then, when external stakeholders enter in connection with these culturally embedded forms of expression, these are supposed to leave impressions on them.

6.1.3 'Expressed identity leaves impressions on others'

The fourth of the processes of identity construction, as shown in the lower right hand of the model, refers to how the expression of identity, elaborated inside the organization, leaves impressions on outsiders. This comprise both intentional, deliberate and perhaps carefully elaborated forms of expression, such as logo, mission statement, architecture, as well as everyday attitudes and behaviours. When an object is used to express identity, his meaning is linked to the features of organizational culture; even though the meaning outsiders give, for instance, to the artefact or statement, is elaborated in various ways, at least a part of the original meaning is supposed to remain. Hence, image is influenced by the use of organizational artefacts such as uniform, choice of words, manner of behaviour, shared stories, jokes, etc.

After having briefly portrayed the four processes of the model, we will describe in the next section which is the practical aim Hatch and Schultz attribute to the model.

6.2 A dysfunctional view on the process of identity construction

The processes described in the Organizational Identity Dynamics Model should, in an ideal situation, be aligned and balanced in the proper way, in order to produce a coherent organizational identity. Thus, according to Hatch and Schultz, the model enables to open up questions and build awareness of likely dysfunctions an organization may fall into in the dynamics of identity construction. Albert and Whetten (1985), argue that a non-balanced relationship between the organizational 'I' and 'Me', in terms of discrepancy between internal and external definitions of the organization, may have severe consequences. If the way members view the organization is divergent from the ways in which external stakeholders view it, and the dynamics between culture and image are not coherently balanced, culture and image may risk to be dissociated and the links between the two ignored.

According to this view, if identity shaping processes are not balanced, identity may result to be dysfunctional, in the psychological sense of the term. Hatch and Schultz describe two possible dysfunctional orientations, labelled as narcissism and hyper-adaptation which encourages one to be more critical of the clashes, gaps and inconsistencies that 'customer orientation' may not be well-aligned among members of the Returns Department.

6.1.1 Organizational Narcissism

According to Brown (1996, in Hatch and Schultz, 2002), narcissism in organizations mainly consists of self-aggrandizement and denial, and it becomes a problem as it leads to overprotection of self-esteem. This inhibits the ability to listen and be sensitive to information from the outside that could change organizational identity. Such a kind of dysfunction may emerge in case identity construction privileges

organizational culture, perhaps risking losing the interest or support of external stakeholders. In the light of Organizational Identity Dynamics Model, this dysfunction can appear when too much reliance is upon the processes of reflecting and expressing:

'organizational members infer their identity on the basis of how they express themselves to others and, accordingly, reflect on who they are in the shadow of their own self-expressions' (Hatch and Schultz, 2002: 1007).

In this way, mirroring turns out to be ignored by internal members, leading to mainly internal identity construction dynamics. What stakeholders think of the organization becomes taken for granted and falls into the sidelines. Feedbacks coming from the mirroring process are not taken into consideration in the construction of corporate identity. When a narcissistic organizational identity develops, it means that there is only one-way communication from organization members towards external stakeholders which is rather the result of a conversation going on only between culture and identity.

6.1.2 Hyper-adaptation

In the case of hyper adaptation, listening to market and external stakeholders too much leads to a loss of organizational culture. In this sense, reflection upon identity becomes too much lead by the changing environment and too less from the cultural context of the organization, and the organization risks becoming empty of meaning and of a common framework for understanding. From the perspective of the Organizational Identity Dynamics Model, the processes of mirroring and impressing monopolize most or the whole of identity construction process.

The view of Hatch and Schultz towards this tendency is, as stated above, dysfunctional, and they suggest that the increasing access and exposure of corporations to external stakeholders and media may mitigate the orientation towards producing images of the organization as pure simulacra, not linked within

organizational culture. In this way the links between culture and image are likely to be re-established: in the same way in which consumers tend to lose trust in too much a narcissistic organization, they would not trust an organization in which culture is not tangible.

6.3 Our position on a dysfunctional view of the identity construction processes

Our aim is primarily to describe, inspired by an interpretative perspective, how we see the processes of identity construction working at the Returns Department through the use of our model and empirical data. Moreover, in investigating on some gaps in the processes of identity construction, we want to highlight heterogeneity and vagueness of the way employees perceive and make sense of the concept of customer orientation. Therefore, we are not looking for the diagnosis of any particular dysfunction in the process of identity shaping.

Nevertheless, we are going to use the concept of organizational narcissism since, from the analysis we have conducted, we claim that a slight form of narcissistic orientation goes towards direction of identity construction.

In the next paragraph we will develop our own model, inspired by the framework of the former, using the concept of customer orientation at the Returns Department of IKEA Malmö.

7 ANALYTICAL MODEL

The case study of the Returns Department of IKEA Malmö, like probably any other, is very unique and possesses many distinctive characteristics. For that reason it was decided to modify Hatch and Schultz' 'Identity Dynamics Model' to better present the main problems of this particular case. Furthermore, we believe that the previously mentioned model, although very helpful, is too general. In-depth studies

like this one require much more specific and exclusive approach. For this reason, we advance a model aimed at making it possible to investigate customer orientation in practice. Our analytical model which we call 'Dynamics of Customer Orientation Understanding' present a possibility to incorporate the main concepts mentioned above, specified and adjusted to the requirements of the study, and be open and critical to the gaps and misalignments in the processes.

Figure 2: Dynamics of Customer Orientation Understanding



Figure 2 above serves two purposes: first, it has guided us in framing what met in the field; and second, it is used to interpret the processes of employees' identity construction at the Returns Department of IKEA Malmö and how they regard the concept of customer orientation. It helped us mark distinctions in the phenomena.

Our interest is to combine the result of both empirical and theoretical analysis of this case. Hence, it describes how the processes of shaping identity work, how identity is constructed, expressed and reflected upon. We will highlight some gaps in the processes, through which we will try to explain the heterogeneity and vagueness with which we see the concept of customer orientation being framed by employees.

The content

Culture, a broad and extremely difficult to grasp concept, is here narrowed down to 'customer orientation', as a central aspect of the IKEA Returns Department culture. It is specially emphasized for this department compared to corporate IKEA as face-to-face interaction with customers is the core of the department's work. This is furthermore evident since the issue of customer orientation has been mentioned as central by all the employees interviewed. All the employees, including managers, seem to believe that customer orientation is the main concept while talking about the culture at the department. For that reason, the following parts of this paper will use customer orientation as the concept expressing culture in Returns Department of IKEA Malmö.

Identity, mentioned before as the core of this particular study, is further specified as employees' understanding of customer orientation. The main reason for that is the authors' interest in matters like understanding and meaning-making as thorough representations of identity. In this case, identity cannot be clearly distinguished from the overall process shown in Figure 2. Employees understanding is constantly developed and changed depending on, for instance, managers suggestions, internal communication, methods of training used, but also customers behavior and attitude towards the staff. In that sense identity becomes constituted of the processes, and influenced from one side by company culture and from the other by external images of the department. Processes influencing employees' understanding and the degree of influence constitute the main interest of the following analysis chapter.

The last concept discussed in Hatch and Schultz model is image. 'Customer perception' is our way of understanding 'image', treating customer as the only stakeholder. Image here is seen as customers' perception upon the department. Furthermore, in this particular study customer is not everybody shopping in IKEA, but consumers that have actually visited the Returns Department. Thus, customer perception is entirely based on the internal study conducted for the need of this very paper.

The four inter-related processes

The first process refers to how the images held by customers about the service at the department influence the collective identity of employees. We will highlight the set of views customers have on the department, and the way in which employees make sense of the concept of customer orientation. Then, we will analyze how and to which extent these images influence this understanding, and will investigate in detail some gaps between external images and internal self-definitions.

The second process refers to the way in which members frame their own identity in relation to company's culture and the images held by customers. We will see how they reflect upon culture and external images, in the context of meaning-making activities constituted by organizational culture itself. Moreover, we will see how and to which extent images contribute in shaping their identity and culture. We will then try to explain the main factors that in our view have guided these reflections, and express our view on the overall orientation of identity shaping in the department.

The third process refers to the way in which the concept of customer orientation, as the main cultural value of the department, is communicated to employees by

management, including top management. We will highlight some gaps in the process, between the understanding of the concept at the level of managers, and among managers, and at the level of employees; these gaps will contribute to explain the vagueness and heterogeneity with which the concept is framed by employees.

The fourth process refers to the expression of employee understanding in terms of words, feelings, and behaviour that create impressions to the customers. This process considers how employee understanding is influenced by managerially framed ideas of who they are and what they should do at work. This part looks into how employees look upon themselves and interpret cultural messages from above—whether they are simply following rules, executing company policies, or acting in light of their embraced organizational identity. And into how these self-understanding is expressed to external stakeholders.

8 CASE DESCRIPTION

IKEA is nowadays an international company with its headquarters located in Delft, the Netherlands. The group's turnover exceeds 22 billion euro and the number of customers reaches enormous number of 631 million (<http://franchisor.ikea.com>). It operates in 35 countries possessing over 290 stores mostly in Europe, USA and Canada.

IKEA was founded by Ingvar Kamprad in 1943 in Sweden and is currently controlled by the Kamprad family. The IKEA Concept is based on “offering a wide range of well designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them. Rather than selling expensive home furnishings that only a few can buy, the IKEA Concept makes it possible to

serve the many by providing low-priced products that contribute to helping more people live a better life at home” (<http://franchisor.ikea.com>).

IKEA Malmö, where the research has been conducted, was first built in 1967 and is nowadays the third largest store (when considering sales) in Sweden. The store sales for financial year 2006 reached SEK 885 million. Furthermore, in the same year the store was visited by 2 million people, which makes it the fourth most popular store in entire Sweden. Currently, the store employs 450 workers out of which 42 hold managerial positions. IKEA Malmö customers are mostly the residents of the Skane province that accounts for 1,152,697 people. Malmö city population itself reaches over 280,000 (Commercial review, 2000). Most recently the store became very popular amongst the Danish customers mostly from Copenhagen region. The ethnical diversity of Skane region, together with increased demand from Danish customers make IKEA Malmö a very interesting subject of investigation especially from cultural point of view.

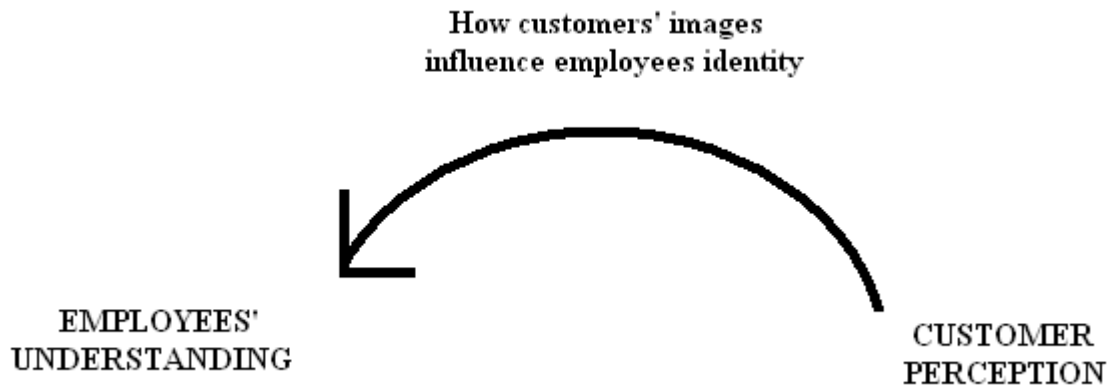
The single-case study chosen is the actual real life case (Yin 1989) of the Returns Department of IKEA Malmö. This department was chosen as IKEA management intended to study possible problems and issues in the department. The intention of management makes this case interesting as giving access to outsiders like us is a sign of confidence in their own culture, identity and image. The Returns Department is one of the three departments of the Customer Service section of the IKEA store (the other two as the Cashiers and the Information & Play Area). The Returns Department is not only the place to return an item, but also a hub where customers complain and inquire about a product or service of IKEA. At the time of the study, the department consisted of 22 staff members. Two of them are managers. Managers and employees have similar tasks and responsibilities where everyone does front line interaction with customers.

Managers are responsible for making sure the employees are trained and informed of their responsibilities. Employees in this thesis are pertained to the people who man the counters of the Returns Department of the IKEA store. The distinction between managers and employees is hardly visible as everyone wears the same uniform. Customers in this thesis pertain to clients of the IKEA store who visit the Returns Department for any reason.

9 ANALYSIS

9.1 How do customers' images influence employees' identity?

Figure 3. Mirroring



The role of customers' images:

We have conducted 55 interviews with customers, in order to understand the feelings, perceptions and comments of those who were currently waiting for their turn to return or exchange an item they have bought in IKEA. We have interviewed thirty customers during off-peak hours and twenty five during peak hours. Based on this data, we will analyze this first process according to how the images of customers influence collective identity at the Returns Department of IKEA Malmö. This process is closely linked to the second process below, in which we will highlight how employees reflect upon their own identity in relation to customers' images and organizational culture.

In this first process, our attention goes in particular to how customers experience client service at the department, how employees see themselves in terms of customer orientation and how customers' images influence employees' identity.

Positive feedbacks: Each interview with a customer began with the question, "What do you like about IKEA? the Returns Department?". These questions helped interviewees to focus on their shopping experience while waiting to be served. Feedback forms have also expressed appreciation for IKEA as a corporation and as a brand. Twenty three customers have expressed appreciation for IKEA as a whole; some have commented on the fact that price is reasonable, quality is fine, and that

there are many items to choose from. Some have underlined the easiness and friendliness of the atmosphere; according to one 'coming with children is great', and one other said: 'I love IKEA'. Regarding the Returns Department, common expressions such as the area's cleanliness, neatness and ample space give a feeling of satisfaction, and 'nice atmosphere', 'good place', 'easy to wait and to return' are some of the comments we have registered.

Those who were interviewed during off-peak hours also noted that the transaction was usually quick and easy. Five persons interviewed during peak hours said that despite the waiting time, they enjoyed the experience. When asked why, they said they were able to get what they want and the service was good. There were also many positive comments on the comfortable couch, the drawing board for children, the picture atlas of the world for children and the IKEA catalogue available to be read.

In general, then, we have registered overall positive feelings about IKEA as a corporation and a high number of positive customer feedbacks about the service at the Returns Department of IKEA Malmö. Nevertheless, we have registered some negative comments as well, which are the most interesting for this thesis. We have thus highlighted two main gaps between staff' and customers' perception about the service, and the implications of these gaps on customers' discontent.

Gap1 (ignoring statistics)

According to IKEA policy, customers are not to wait more than nine minutes before being served. Even if waiting time at the Returns Department of IKEA Malmö respects to a good extent this policy, in Appendix 1 we can see the percentage of waiting time exceeding nine minutes from January and February 2008 and 2009. Furthermore, if we can see in Appendix 2 that in the period studied (January and February 2009) waiting times performed better than in the same period in 2008, this

improvement has been very narrow: in the first two months of 2009, an average of 22.2% of the times the wait has exceeded 9 minutes, compared to the 23.8% of the same period in 2008. We found out as well a significant tendency of waiting time being between 20 to 40 minutes. It may be assumed that in this case there were not enough counters open to serve waiting customers; or that long wait happens during peak hours, when, despite all counters open, there is simply too many customers.

Further observation shows that there is no measure of time spent per customer while at the counter. Though every customer case is treated differently and with utmost care, one explanation of the delay could be the lengthy process time spent per customer. Though many customers regard the service at the Department very well, five especially passionate customers remarked that the staff members are not very quick in dealing with customers. "They take their time; they do not seem to be in a rush". Hence, the problem may be both lack of staff available in comparison with the number of customers and the length of time spent per customer at the counter.

Nevertheless, these issues seem to have been basically ignored by staff at the department; a manager, in introducing us to the department, stated that in his opinion there was not a real problem in waiting time; he said it is 'a problem which is only perceived by customers', thus that there was no real problem. And employees, perhaps more importantly, have said in interviews that they were not aware of the problem. Only one said he had heard of it, but did not remember any detail nor when and where he had been informed about the issue.

Implication 1 (customers' complains about waiting time)

While problems related to waiting time have been generally underestimated by members of the department, or members have declared not to be aware of them, waiting time has been highlighted as the main problem by customers. Quite a big

number of them have expressed their dissatisfaction about waiting time in interviews and in the computer-based customer feedbacks

A commonly raised issue in regard to long waiting time is the problem of boredom. Despite the reading materials available, fifteen people have said they were bored waiting, especially when the waiting area is crowded. One customer said, *“there is nothing to do here while waiting, especially if you come alone”*. Two people commented that it was the same as two years before. They did not feel any change in waiting time nor in the physical surroundings of the area. Grandparents and parents, waiting around 30 minutes or longer during weekends, mostly complained because there is nothing for children to do and no places to sit. When asked about what they felt about waiting time, people interviewed between 11:45 a.m. to 2 p.m. say that they hope it goes faster because they need to get back to work.

Gap2 (Ignoring complaint forms)

Another gaps relate to the fact that it has been observed that only one staff member has been trained to work both at the neighbour Transportation Desk and at the Returns Department. None of the other staff members expressed being trained in both. No other staff member that has been seen on the Transportation desk was seen on the Returns desks. This becomes an issue of flexibility because observations noted extra staff members in the Department, but not filling empty counters, and this issue was raised in complaint forms as well.

Implication 2 (lack of flexibility)

A general sentiment on the Customer Feedback forms is the lack of staff members at the Returns Department to speed up the waiting time. Customer interviews and our observations noted extra staff members in the Department, but not filling empty counters. Customers notice one or more empty counters while they wait for their turn. Eleven customers expressed spontaneously that an empty desk is a problem to

them, especially if there were more than 5 people waiting in the queue. All eleven of them were interviewed during peak hours (anytime except 2pm to 4pm weekdays). Nineteen other customers said YES only when prompted if the empty counters are a problem to them. Two customers asked us why Transportation staff cannot assist at the Returns desks when there were many people in the queue. Two other customers also expressed having seen many IKEA staff members inside the department store but asked why there was only one person at the Returns Department.

Comments show that customers are conscious of the number of IKEA staff members present at the counters. It becomes an issue of flexibility to complain about if there are many people in the waiting area and they cannot be served immediately because there is only one or two staff members available.

Summary

When asked what customer orientation means to them, answers from the staff have been heterogeneous. For instance, one manager stated that customer orientation means 'taking the point of view of the customers seriously', and one other said that it meant in his view to make the atmosphere pleasant for both customers and visitors, being generous, making people feel welcome. One employee stated that customer orientation means "*paying attention to customers, listening to customers*", and added: "*we listen a lot to what customers think, we have to follow the view of customers*", who "*have the right to complain*".

We thus perceive a fundamental difference between the way in which employees frame and implement the concept of customer orientation and what customers perceive as being central about customer service. By one side customers have generally highlighted waiting time as a central issue; by the other, none of the employees have in any way mentioned waiting time when asked what customer

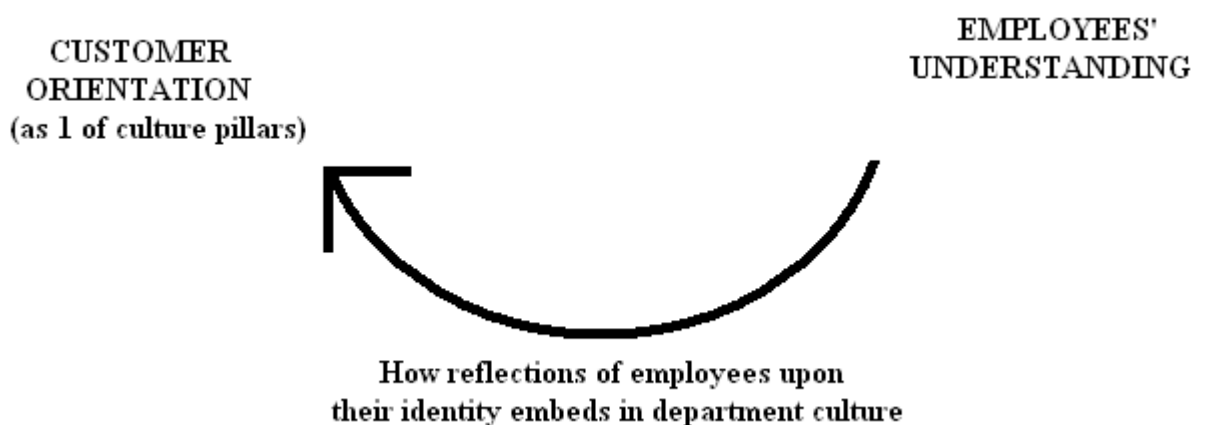
orientation is about. In this sense we see a gap between the set of views on the service at the department held by customers (the images of customers of the department), and the meanings staff ascribe to the concept of customer orientation.

According to the model, it is reasonable to assume employees' identities to be affected by customers' views on them; members are supposed to listen to the complaints and reflect upon them, perhaps questioning their self definition as members of the organization. As a matter of relations with clients, and as a matter of customer orientation being a pillar of the department culture. The identity of employees should change when external images are different from collective identity.

In our case, then, we claim that images of external stakeholders have not totally influenced the way in which staff members see themselves for what concerns customer orientation. We diagnose this as a symptom for *soft narcissism*, that will be further discussed in the next section.

9.2 How reflections of employees upon their identity embeds in department culture?

Figure 4. Reflecting



In this section we will analyze how employees reflect upon organizational identity for what concerns customer orientation.

Reflection is mainly influenced by department culture and customers images; we have analyzed the way in which employees frame their identity in relation to these two labels, and found some gaps that help us understand how identity has been constructed. In light of these gaps, we claim that reflection has lead identity to be constructed with an orientation that we label as *'soft narcissism'*.

Gap 1: Culture related (different perceptions of employees upon the concept of customer orientation)

The concept of customer orientation is viewed very differently amongst the staff working in Returns Department in IKEA Malmö. Listening to the customers and having "nice rules" or "good policy" were the only understandings of customer orientation that have been mentioned by more than one member of the staff. The rest of the employees had their own explanation of what being customer oriented really stands for, for instance:

"Being customer oriented means that our goal is to turn angry customers into happy ones" (employee, 16-mar-09)

What seems interesting here is the fact that all the employees were more or less able to define the concept of customer orientation in their own words and according to their own understanding. Only one of the staff members when asked about customer orientation answered spontaneously "I have no idea", but after few seconds of reflection added that it is all about being patient and pleasing the customer. Besides the cognitive level that has just been mentioned above, the staff in Returns Department seem to think very positively of the concept of customer orientation. All, but two of the interviewees stated that they like the idea, they are happy about it and

that they fully support it. The problems arise when asked how they demonstrate customer orientation in practice or how does the concept affects their everyday work. It was hard for them to find examples when they have demonstrated the concept.

Implication 1 (blurry and vague understanding)

Employees said that they show customer orientation by giving customer the possibility of returning the item not only two weeks after the purchase, but up to 3 months. Some staff also added that they accept items without receipt or after the box has been opened. These explanations may show the care of a customer but does not give any clear answers of how the staff work with “creating a better life for themselves and the customers”. That is because the return time and the possibility of returning an item without a receipt does not come from the employees themselves, but from top-driven institutionalized rules and procedures that became the company policy. If we understand customer orientation in this way then we can conclude that all the IKEAs in Sweden and around the world are customer oriented only because they share the same policy. However, as was underlined many times in this paper the main focus here is on in-depth identity studies in order to come closer to how people actually experience working culture. Policies themselves do not help in understanding this particular phenomena.

Gap 2: Image Related Gap (customers negative images not reflected in culture)

Even though culture does not influence identity in homogeneous way, we claim that the culture of the department has anyway played a major role in shaping employees identity. Reflecting occurs in fact in the cultural context of the organization, and this has strongly influenced employees’ perception of customers’ images.

We have described in the previous section some gaps between customers and employees’ view on customer orientation. We will now try to understand why this

gap occurs, through the analysis of the way in which we saw department staff deal with customers images and reflect upon them. This process of reflection, we claim, has had some consequences in the way identity is shaped at the department.

First of all, while interviewing employees, we have asked them if they thought there was any problem at the department and, afterwards, if they thought there was any problem with customer relations. As stated in the previous section, employees in general did not seem to have perceived or to have been told about any problem.. After explaining the perceived problem to the employees, we asked them what was their opinion about it; the answers were as follows.

A member of the staff stated that *'If there is hundred customers in queue it doesn't matter to me, I can serve only one'*, while another, stated: *'I am tired of complaints; customers make small things look bigger. Other things are more important'*. A third one said that *'customers should help themselves'*. One other when asked whether he thought there was something to change about it, answered: *'I wouldn't change anything; it works, so why should I'*.

Implication 2: (soft narcissism)

In this sense, according to the model, we may say that the way in which employees have been perceiving customer orientation in the level of social identity was not much influenced by the images customers had of the service at the department. More precisely, the group identity reflected the overall good situation, but tends to ignore the portion of customers who encountered problems.

Since reflecting is placed in the wider cultural context of the organization, this phenomenon suggests that the internal cultural influence is greater than images of external stakeholder. We propose some hypotheses that explains the possible soft narcissism in the Department:

First of all, the department does not have a big problems of waiting time, but fails to see that portion of customer images that expressed discontent about the service. That can be a first sign of narcissistic behaviour. The department is in fact known for its good results in terms of waiting time if compared with the others in Sweden; nevertheless, it does not regard the issue as a priority problem to be dealt with. In our view, it may be possible that the overall good situation at the department discourages members from taking the issue of waiting time seriously.

Secondly, employees being parts of IKEA are at the same time members of an organization in which the concept of customer orientation is claimed as a central value. In fact, every member of the staff has said during interviews that customer orientation is a central element of IKEA. Even though we will see in next section that their framing of the concept is heterogeneous and vague, it is possible that staff members have been too confident that they already embody this concept hence becoming a bit loose on the issue. Consequently, the fact that being 'IKEA member' may have led them to be content and assumed that customers are satisfied. In this way, cultural influences may have prevented them to understand what the needs of customers really were. Hence, when made aware of the problem that waiting time is misaligned to the concept of good customer orientation, they are surprised and deny that it is an issue.

A third, but perhaps more incisive reason, concerns problems in communication between managers and employees, since managers do not seem to have communicated the issue to employees in a proper way; and managers themselves have expressed a vague idea of the problem. This theme, due to its importance, will be further highlighted in the next section.

Summary

We claim that cultural influences have been the most influential factors in shaping employees framing of customer orientation. According to the labels of Hatch and Schultz, we may refer to this orientation as narcissistic. In fact, when identity in organizations is mostly or solely shaped by cultural influences, the processes of mirroring and reflecting of external images are denied or weakened. Identity may not be shaped in a balanced way and, in some cases, it may be dysfunctional. According to Brown (1996 in Hatch and Schultz, 2002: 1008), we can conceive narcissism as dysfunctional only in the case in which it is taken to the extreme:

“Excessive self esteem . . . implies ego instability and engagement in grandiose and impossible fantasies serving as substitutes for reality”

Thus, it implies a situation in which identity is constructed by the dialogue almost solely between culture and identity, in which image is ignored. Hence, this tendency to privilege organizational culture over external images leads to denial of external images and partial inhibition to listen to information from the outside; we label this as *soft narcissism*. The implication is that this narcissistic orientation may cause more serious problems to the department if they persistently take for granted the occasional negative comments. The few tendencies customers give negative feedback may continue to increase if narcissistic behaviour persists. Furthermore, we think that another consequence of soft narcissism is a problem of learning. The lack of learning from customer feedback may prevent staff to recognize discrepancies between the way they perform their job and customers' perception of it, with the result of increasing the number of clients being dissatisfied.

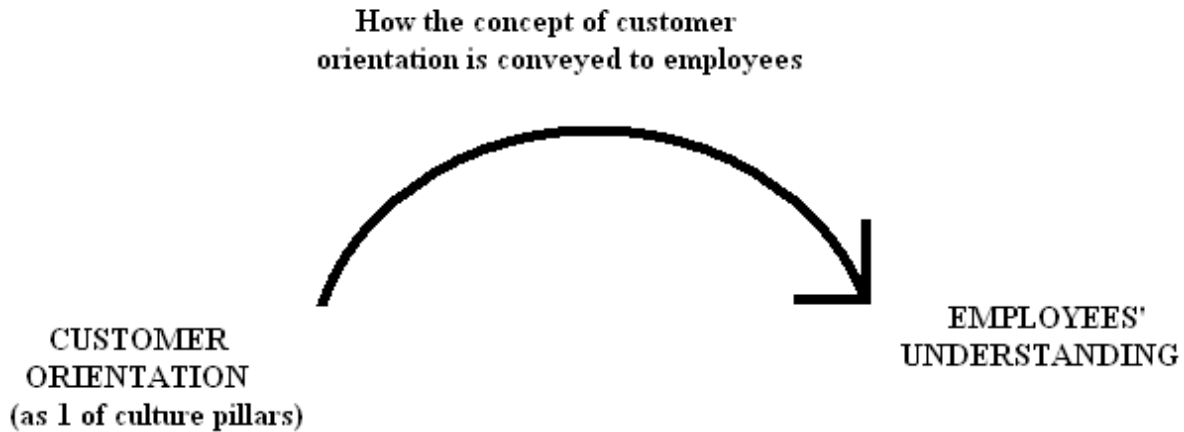
In the analysis of this process, we may be able to focus on a partial but perhaps interesting way, on the heterogeneity and vagueness of a label, such as of being 'customer oriented', which is often proudly claimed by organizations as a distinctive quality; we claim that the way in which the concept is actually made sense of and

implemented in everyday organizational life at the department is much less univocal and well rounded than it is claimed.

9.3 How the concept of customer orientation is conveyed to employees?

The following part of the analysis is going to focus on the phenomena of culture represented mostly by the notion of customer orientation and identity which in our case is treated as employees' understanding (see Figure 5 below). To be more specific the influence of culture on identity will be deeply discussed including possible distortions and deformations of culture on the way from formal statements, strategy, company values, etc. to what people really identify themselves with during everyday work. Furthermore, the statement that "identity expresses cultural understandings" will be put into question. The central word being understanding will gain further attention to illustrate how the company slogans and positive-sounding stated values influence employees' identities. Here the issues of communication and training will be further developed to observe whether there are any inconsistencies that might cause misunderstandings. Possible differences in perception on managerial level, but also between managers and employees will be highlighted.

Figure 5. Conveying to Employees



Gap 1 (start-up package)

The first very explicit finding that we encountered was the issue of start-up package that was explained by one of the managers in the following words:

“Everyone receives a start-up package where all the necessary information including IKEA’s culture are explained in details.” (manager, 2009-03-16)

From the above example we can clearly see that the management have quite instrumental attitude towards very vague and ambiguous concept of culture. Here the role of a manager seems to be limited to the post office worker whose main responsibility is to deliver the parcel to their subordinates. The delivery of the package is believed to transfer the culture to the employees in some magical way. It is furthermore interesting that the employees were not asked any follow-up questions about the cultural information or what they possibly learned from it. What is more, they were not given an opportunity to discuss or ask questions about possible difficulties of ‘the culture’. It seems quite clear that the usefulness and possible success of transferring the company values through the pile of paper is very limited. This finding is further confirmed by IKEA Malmö employees who despite remembering getting the start-up package, have lots of problems in recalling what it actually contained. One of the employees stated the following:

“Yes, yes I remember the package very well! There were facts and figures about IKEA and some yellow pages about IKEA’s vision.” (employee, 2-April-09)

When asked what the IKEA’s vision was, unfortunately, she could not have remembered the details.

Implication 1(thing-like treatment of company’s culture)

Culture as a parcel is something completely different than the literature about this particular topic suggests (Alvesson 2002; Geertz 1973; Schein 1985). Culture can never be treated as a simple, distinct, specific and thing-like concept because as far as the authors are concerned it is very dynamic, constantly changing and developing process based on regular interactions and relations between humans. “Culture is complex, messy and difficult to understand and grasp. It is the opposite of a parcel or a thing” (Alvesson & Sveningsson, 2008: 121). The meaning of the parcel metaphor suggests management wishful thinking that the success of culture implementation lies in the delivery of the parcel and that the above mentioned complexity and messiness can be easily clarified in few pages.

As Alvesson and Sveningsson describe it hyperculture is “a carved-out set of positive-sounding statements about values, often decoupled from everyday-life thinking and practices” (Alvesson & Sveningsson, 2008: 119). In the case of IKEA Malmö it seems as the hyperculture is detached from the ‘real’ organizational culture. The typical example of that is treating culture as clear, strong and homogenous phenomena. In IKEA Malmö it is illustrated by giving the employees “IKEA culture in a pill” as one of the managers stated it. This refers to the cultural information pack that all the employees are given prior to start their journey with IKEA. ‘Package’ in this case acquires double meaning- metaphorical and literal.

Gap 2 (different perception of managers upon the concept of C.O.)

Another interesting aspect is how the corporate idea of customer orientation was actually understood on managerial level of the company. In the general leaflet of IKEA customer orientation is explained in the following words:

...we are strongly committed to creating a better everyday life for ourselves and our customers.

From this statement we can draw quite general conclusion that the customer is treated as “one of us” or as a part of IKEA family. This concept is further strengthened by issuing IKEA Family cards to repeat customers. Here the idea of inclusion and joint effort to improve everybody’s life seems to be vital. One out of nine interviewees has actually presented very common understanding of customer orientation to the one presented above. In his personal opinion the customer role is the one of a middleman.

It is up to us, but also very much to the customers to help us fulfill the general concept of lowering down our prices. In this process customer is pretty much in the middle (employee, 13-mar-09)

All the other interviewees presented pretty diverse and distinct perception upon the concept of customer orientation. Amongst the managers themselves the notion seems to mean quite different things. One of the interviewed managers explained customer orientation as a “fun day out”. He, furthermore, mentioned that in the core of customer orientation lies the idea that customers and visitors are both treated equally and that they are both always welcome. It is a fairly unique view especially for a manager with ten years of corporate experience with IKEA who claims to “live and breathe IKEA” since none of the IKEA manuals, brochures, nor company website mentions anything about ‘visitors’. Furthermore, looking at this particular concept from typically business perspective ‘visitors’ are not exactly what every

company strives for. However, this argument can be easily undermined for instance on the basis that IKEA has never been like any other company and its company culture can be called anything but imitative. What is more important here is that the point of view of the above mentioned manager is not exactly mirroring the corporate statements, nor it is similar to the viewpoint of other managers. Thus, according to another manager customer orientation is all about “taking the customer’s way”, “taking their point of view” and “understanding” them. Unfortunately, in this particular case the manager was not able to further specify the above statements that although sound good seem not to possess deeper meaning. As pointed out for instance by Alvesson & Svingsson (2008) it is easy to talk about company values and culture in general terms, but it is completely different thing to really embrace those wishful thinking and catch-all phrases in everyday work. Moreover, the important matter here is the completely different understanding and perception of customer orientation by managers.

Implication 2(unclear messages sent to employees)

As indicated in figure 5 above the concept of customer orientation being one of the pillars of IKEA culture is being transferred or conveyed to employees becoming part of their identity and creating the understanding of their work and company as a whole. In this process the core important role is exercised by the managers that play the role of brokers between the top management and the employees. Of course the company at the higher level has a big impact on all its employees. In this particular case, however, the role of top management was to create the start-up package discussed at the beginning of this section. The ‘cultural parcel’ as concluded above did not influence the employees in a noticeable way and had very marginal impact on their understanding of corporate culture. Hence, the customer orientation of the employees should most likely be influenced by the managers. However, as discussed before their perception upon this concept differs tremendously. There is no one clear

perception amongst management so how could the coherent picture be conveyed upon the employees?

Gap 3 (top-driven explanation of C.O. and employees understanding)

IKEA itself further speaks about customer orientation on its website using the following words:

We should always offer the lowest price, instant gratification, ease of shopping and- last but not least- helpful, friendly and knowledgeable co-workers (www.ikea.se)

From the in-depth staff interviews it can be concluded that employees seem to remember and acknowledge the former part of the statement, but completely ignore the latter which seems to be really vital and fundamental especially in Returns Department. It was once defined by one of the employees as “the real face of IKEA” because of constant interaction between customers and staff members. Employees connect customer orientation with company’s policy because it is a part of their everyday work. Helpfulness, friendliness and knowledgeableness should, without a doubt, be broadly shared amongst all the members of the department. The researchers do not try to claim that in the case of Returns Department in IKEA Malmö the staff behaves completely opposite, but these values do not create employee’s understanding of what customer orientation should be about. Perhaps on some level all these values are shared and embodied, but as some of the observations as well as mystery shoppers demonstrate the staff often forget about such milestones of friendliness as warm greeting, smile, etc. This very interesting matter will not be further discussed here since it is an entire topic of the following chapter. However, it has been mentioned here to illustrate that there is a big space for improvement and development on employees’ perception and understanding of customer orientation.

Implication 3(different understandings on different levels of the company)

According to the research the staff has very basic and shallow understanding of the whole concept. As was, moreover, stated above the most important issues such as friendliness seem not to be part of employees' identity. One of the most important reasons for that can be excluding signals that the staff receives from their managers. First of all, the concept of customer orientation is understood completely different by the managers. Hence, no coherent message can possibly be transferred to the subordinates. Furthermore, the start-up package that includes IKEA manual is not treated seriously neither by the managers nor by the staff. The management acts here as a postal service, delivering the parcel to their subordinates. However, no follow-up action are being taken, no questions about the package are asked and no pressure on the employees, even to read the material, is put. The employees, on the other hand, often do not find enough motivation to embrace into the reading of the pile of paper. Although, everyone claimed to read it, no one was actually able to provide us with any kind of details of what the "mystical cultural package" included. The parcel as a start-up package brings us to the issue of training that will receive some more space in the following part.

Gap 4 (the real picture versus the desired one)

Training is another issue that seriously affects staffs' identity and is one of the processes that are taking place between customer orientation and employees' understanding (as shown in figure 5. In the case of Returns Department in IKEA Malmö training is actually quite a controversial issue due to very different opinions amongst managers and employees about the training itself, its length and content. One of the main components of the training is already discussed in details start-up package. Another training strategy is basically learning by doing or rather learning by observing how the senior member of staff is performing his/her everyday duties.

The managers claimed that a newcomer gets one to two weeks training standing with a senior person at the counter. However, only one employee claimed that the training time is actually one week. All the rest of the interviewees shared the opinion that the training took place only during the first one, two days.

Implication 4(unmet assumptions)

Although, for most of the personnel the training time has been perceived as sufficient, there were still cases when employees expressed dissatisfaction and discomfort with such a short training time. One of the recently hired employees said the following about the training:

If I could change something in this department it would be the training. At the beginning I have followed another person for a day and already the next day I was suppose to work on my own. (employee, 4-mar-09)

The above sentence suggests not only that the training is not sufficient, but also indicates that there is quite a big gap in training time perception between managers and employees. Maybe one, two weeks of training is the desired time that is actually very difficult to achieve in practice in dynamic business environment. Here the mixing of ambitions and descriptions becomes very apparent. The same pattern was observed when discussing the waiting time. The managers claimed that the staff is aware of the problem of waiting time at the department. However none of the employees when asked about possible problems facing the department has addressed this particular issue. Furthermore, the management did not perceive customers' complains and waiting time as an internal problem, but only a customer perception. As one of the managers put it:

We do not have a problem with long waiting time at the department. Our policy is that we serve all the customers within nine minutes period. It is the perception of customers who think they wait longer than they actually do. (manager, 4-mar-09)

Even though some customers might in fact perceive the waiting time as longer than the actual time the research did not confirm those findings. What the research did discover though, is the fact that the waiting time continuously exceeds nine minutes, reaching up to forty minutes (see appendix 1). The issue of waiting time was already explained in more detail in the previous section. It has been mentioned here, however, to clearly illustrate how the managements' descriptions and positive-sounding statements fail to translate into practice.

Summary

This chapter broadly describes how the corporate self-definition of customer orientation affects employees' understanding of this phenomena. Moreover, the differences in perceptions between managers and staff members were particularly discussed. The chapter focuses its attention on the concept of hyperculture which seems to be the key issue in understanding the concept of managing corporate culture and triggering staff identity. Although, hyperculture is claimed to be one of a kind, it is in fact institutionalized. Managers stating the differences do it in very standardized ways- 'uniqueness paradox' (Martin et al. 1983). The corporate values are very often adopted from mass media or other organizations just because they are very 'catchy' and they sound good. According to Alvesson and Sveningsson this is mostly done to "provide legitimacy and have an aesthetic appeal" (Alvesson & Sveningsson, 2008: 127). As shown above managers often confuse ideal and reality which leads to the overlaps between the 'true' culture and hyperculture. That issue has been particularly highlighted while discussing training and waiting time. Furthermore, the parcel metaphor has been incorporated to underline the thing-like attitude towards culture which probably does not fulfill its role in transferring or conveying the concept of customer orientation to the employees (see figure5). Moreover, the managers' perception of customer orientation has been explored. The findings show that it differs tremendously from manager to manager, but what is

more it is not even in line with the general description of the concept stated in leaflets and on the website of IKEA. Those differences, together with very thing-like attitude towards company culture and in some instances insufficient training make the transfer of company values very difficult for the employees to comprehend and understand.

9.4 How do we want others to see us?

Behavior of employees towards customers.

Figure 6. Expressing Identity

EMPLOYEES'
UNDERSTANDING

CUSTOMER
PERCEPTION



How we want others to see us

The next and final part to complete the loop of our theoretical model is about how employees express their understanding of 'customer orientation' towards the customers. As described in the sections above, employees build their identity as a result of conversations between managerial or top organizational influence and the mirrored expectations of stakeholders such as the customers. In this way, identity is created, maintained and changed as a result of the continuous cycle of the various processes of meaning making in IKEA's Returns Department. After the sections above describing what, how and why culture and image interact to produce employee understanding, in this section the main interest is how the employees present themselves to customers. We analyze how they behave behind the service counters and what kind of image they present. As frontline staff members and being the main faces of the customer service of the IKEA store, we take a closer look on how they speak, act and express their body movements as means of communication with customers. The employee interviews are also analyzed as how they interpret management guidelines and how they play their role based on customer expectations.

First, we begin where employees' understanding come from. It is built by self-definition through the influence of managerially formed values and ideas (upper left arrow affecting employee understanding) and the images of customers of the

company (upper right arrow mirroring image). The particular image customers have on IKEA is partially from the marketing campaigns of the company through advertisements, word of mouth, etc; and partially from the service they personally receive in their shopping experience. (See Figure 6 above) Hence, the latter process of IKEA staff interacting with the customers, particularly at the Returns Department is of importance to us in this section as it constitutes in the creation of the IKEA image.

Employees leave a mix of positive and negative impressions on customers. More than half of the time, customer interviews express positive comments and satisfaction in the service of the Returns Department. Hence, negative comments stand out and make this case more interesting because there might be inconsistencies in employee behavior in the department. Asking the question WHY some customers express dissatisfaction brings us to question HOW employees treat customers and what image they show from behind their counters.

Gap 1 (strong recruitment, weak training)

Employees are said to have been trained to put the customer first and at the center of their work in IKEA. After a few days of shadowing a more senior employee, a new member of the staff of the Returns Department is expected to have the right attitude, know his/ her tasks well, and be an 'IKEA no' or embody the IKEA culture, (employee, 16-mar-09). Managers and staff say that it is assumed that an employee is hired because he or she already lives the IKEA culture of customer orientation. However, this 'IKEA culture' is vague in terms of fleshing out how the IKEA branded customer orientation must be embedded in the employee. One explanation is through the recruitment style of IKEA. This is confirmed as one of the researchers did participative observations undergoing the recruitment process and job interview. The job interview was conducted in a group with three managers and 7

other applicants. Here they test the applicants' 'service orientedness' through group activities and solving real life cases in the IKEA store. A major part of test was to sort out a puzzle on how to prioritize customers over other tasks in the department store. Thus, based on the recruitment process, it can be said that the value of customer orientation was already introduced. Furthermore, a marketing recruitment trip to IKEA's headquarters in Älmhult, Sweden verifies this assumption. Human resource managers and the IKEA museum tour guide repeat the words 'service mindedness, open, down-to-earth, friendly' in all their presentations of IKEA. The IKEA introduction video also highlighted happy customers who express satisfaction on the products and services they get from IKEA. However, amidst a strong recruitment strategy, the employees do not describe any form of training as to how they must behave in front of the customers such as proper conduct, behavior, or specific greetings to be said. The only documentation employees use as guidance is a set of policies on returned items (Customer Service Policy, IKEA Byten och Återköp). There is no set formula on what customer orientation is in terms of employee behavior. An employee said,

“There was no training on customer relations. Here [in IKEA], you are expected to work on your own and develop in your own way. It is very independent.... Most of the time, we learn from our mistakes or the mistakes of others” (employee, 3-mar-09)

Hence, the need to work closely with colleagues and help each other becomes greater.

Implication 1 (informal group culture)

Given that employees do not get more education on customer orientation beyond the 1 or 2 days of shadowing a more senior employee, employees tend to rely on each other to correct their own mistakes and develop. The informal internal culture of the department is key to the meaning making and forming the individual understanding of what customer orientation is (Alvesson and Sveningsson, 2004;

Sandberg and Targama, 2008) especially since formal training is absent. One of the managers noted that the subculture in the Returns Department is “open and positive; the atmosphere is easy going—we need that because we have to talk to each other always on customer issues [and collaborate]”. The well appreciated informal culture among employees creates not only a sense of belonging, but also opportunities for developing a better understanding of customer orientation. On the other hand, it could also be coupled with negative implications as described below.

Gap 2 (strong group culture leads to relaxed behind-the-counter behavior)

Employees express that they enjoy their work because their colleagues are their friends. It is easy to approach each other and ask for help. Apparently, some customers who see this behavior think this ‘groupie’ culture produces longer waiting times. Customers may see the ‘chatting’ behind the counters as counter-productive. Observations also note that employees do chat with each other quite frequently. This may be due to problem-solving or work-related conversations or something non-work related—but customers would not know that. To the outsiders’ eyes, they are simply ‘chatting’. The informality of the work culture makes the employees seem relaxed and appear to take less attention to other waiting customers.

Implication 2 (negative image)

The negative comments point to slightly dysfunctional image of the department. Observations and feedback forms suggest that some customers perceive the ‘groupie’ culture behind the counters as one reason why staff cannot respond to customers immediately. These negative impressions when employees chat behind the counters may be attributable to possible building of a negative department image.

Gap 3 (lack of staff)

It has been expressed by a few employees that there is a cost-cutting issue of reducing the number of staff and number of work hours. The employees themselves feel that they have to catch up with work as they are not at work that many hours. On another hand, both managers and employees find that it is difficult to determine when peak hours normally are, as the flow of customers is very arbitrary. Hence, it is hard to know how many members of the staff must be present at particular hours. One of the managers note that they are trying to work things out in terms of scheduling and giving their employees better working hours

“We work better with our customers than our staff. We have to work on giving our staff more autonomy to decide when they want to work. Maybe we can make better contracts to make up for the lack of work hours and help employees feel safer.” (manager)

It is noted that a few weeks after the interviews were conducted, the Returns Department changed the policy for work hours. Employees at the department are now able to decide when they want to work according to the number of hours specified for them. This also hopes to create better flexibility in feeling how many members of the staff must be present during peak hours.

Implication 3 (stress)

It has been expressed that the lack of staff had been an issue for quite some time. Less number of employees on the desk means more work. It also means having to cope with the pressure to serve more customers in less time. More than the result of longer waiting times for customers because there is only 1 or 2 staff members serving a flood of customers, there are also physical manifestations of the stress. Mystery shoppers also found that greetings over the counter are inconsistent, meaning some greet good afternoon, some just ‘hej’, some ask how they can help, some just smile and wait for the customer to speak. Observations and mystery

shoppers also indicate that some employees behave mechanically without a smile and little or no eye contact during conversations. These were also key factors in establishing a negative relationship with the customer. These observations were noted after having seen staff standing at the counter for over an hour; hence it might be stress or fatigue causing the less friendly smile or unmaintained eye contact. The negative customer impressions and observations recur especially during peak hours or when more than five people are waiting at the waiting area.

Gap 4 (quality over quantity of service)

Relationship building during customer interaction was an important value mentioned in the interviews. "It is important to us to listen to customers and understand their point of view because we want to maintain the strong view customers have of IKEA". In marketing, the customers need to feel important as their word of mouth is still a powerful way of letting a brand, product or service be known.

In the meantime, employees react differently on the issue of waiting time. It is a debate between quality of service over quantity of customers served over a given period of time. One employee said that he thinks he is able to manage the stress of many customers waiting and still stay calm and happy in front of customers. For him, customer orientation is providing quality time with the customer once he/she gets to the counter. He says that the staff must not panic and stress despite the waiting queue getting longer because "customers come with high expectations and we must help them" (employee, 16-mar-09). He continued that it is "hard to react to a customer's anger; we have to protect the company image and not act based on individual impulse" (ibid). On the other hand, another employee thinks otherwise. For her, it is a challenge to maintain the positive image of IKEA towards customers because the employees at the Returns Department are human too and get tired.

Some customer cases are harder to solve and requires more time. She also expressed feeling annoyed at customers who make small problems seem bigger. More than dealing with angry customers, she says, “we also have to deal with shortage of staff, taking the Transportation desk when needed, and help new colleagues.” The employees receive pressure from all directions. She feels that she cannot relax because even after work, she still thinks about work. She said, “I must learn to say no sometimes.” These two contrasting opinions on the perception of their work is a good example of differing self-understandings and identity. Employee behavior in terms of body language, words used, and attitude towards customers is a result of expressing that identity.

“Image affects the way I work. Customers can decide what my reaction is. I need to make them feel secure.” (employee, 16-mar09)

Three employees express how customer feedback affects the way they work positively. When customers leave the counter happy, it boosts their pride and of the company. “Here you see the result of work”—a comment in an interview how customer image of IKEA affects them. “When customers talk positively about us [self and company], it is an affirmation of our work” (ibid). It is inspiring and motivating to employees to perform well when they receive positive feedback—not only from customers but also from their managers. An employee said, “You know that there is always room to learn and be more effective” (employee, 3-16-2009).

In summary, the expressed employee behaviors are dependent on the customer’s issue, the number of people waiting, the amount of stress or hours of work, customer expectations and management’s expectations.

Implication 4 (long waiting time)

There is a standard that customers must not wait more than 9 minutes on the queue but 22% of the time, the staff cannot meet this guideline (monthly average for January and February 2009, IKEA statistical reports). If the focus of IKEA is to give customers quality service, then it seems to be measured in the customer-employee interaction, not the waiting time. Because of this prioritization, the long waiting time creates negative images. Furthermore, the customers also feel bored while waiting, thus adding to the negative image.

10 SUMMARY OF FINDINGS

In order to abridge, conceptualize and visualize the main findings of the above study the researchers propose two means of summing up. First, we present the 'Reversed Pyramid of Identification Levels' and second, the 'Matrix of Customer Orientation Dynamics'.

10.1 The 'Reversed Pyramid of Identification Levels'

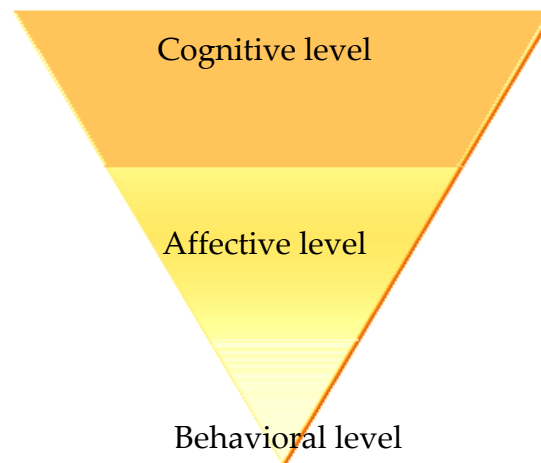
The pyramid is build from three mayor levels: cognitive, affective and behavioral taking customer orientation as a point of departure for employees' identification. The size and color of each stage show the intensity of identification. The distance between cognitive and behavior is similar to what Argyris and Shön (1978 in Schein, 2004) describe as 'espoused theory'. It is a way where beliefs and values understood consciously will predict much of the behavior that can be observed. This means it is predictable what employees will *say* in a variety of situations but what they *do* may contradict what they say. However, Schein (2004: 30) is optimistic that if espoused beliefs and values are aligned with actions, "then the articulation of those values into

a philosophy of operating can be helpful in bringing the group together, serving as a source of identity and core mission. “

The widest and most intensified is the upper level that stands for cognitive identification. As the above study shows customer orientation is recognized and accepted as a cultural pillar of Returns Department of IKEA Malmö by all the staff members. What employees consciously believe may be based on prior learning (i.e. recruitment, training) or the influence of their situation (i.e. customer interactions and expectations). This is what Argyris and Schön identified as ‘theories-in-use’— the implicit assumptions that actually guide behavior, that tell group members how to perceive, think about and feel about things (Argyris, 1976 and Argyris and Schön, 1974 in Schein, 2004).

The second layer of the pyramid is composed of affective identity which answers the question of how one feels about the concept: whether they like it, dislike it, etc. From the total of nine interviewees only two expressed negative opinion about customer orientation as the main concept representing culture.

The last and final level represents behavioral identification that as can be seen below consists the tiniest and less intensified layer. The reason for that is relatively low impact of customer orientation on everyday work of the employees. It was not only hard for the employees to define customer orientation, but also hard to find an example when they displayed or practiced this concept. Only one manager was able to give a spontaneous and explicit example of being customer oriented when asked. Hence, what they say at this level are the ‘espoused values’ as everyone was able to give their own explanation but found it difficult to provide examples of when they had applied the concept at work.



Of course, the above pyramid could be viewed from the other side down, but the aim of this particular study was to measure the understanding, meaning and sense-making of the employees that can be best observed at the behavioral level. Furthermore, the research recognized identity as an expression of culture in everyday work. The reverse image of the pyramid in this particular example is supposed to direct the reader's attention to the weak and unstable base of employees' identity in Returns Department of IKEA Malmö. As shown in the analysis there are numbers of processes that influence employees' identity. The gaps and incoherencies between those processes, as shown in the 'Matrix of Customer Orientation Dynamics' shown below, create the above mentioned situation of unstable and blurry social identity of Returns Department of IKEA Malmö.

10.2 The 'Matrix of Customer Orientation Dynamics'

The matrix sums up gaps and implications we have highlighted in the four processes of identity shaping at the Returns Department of IKEA Malmö. These gaps helps us describing how we saw the concept of customer orientation being constructed, and explain heterogeneity and vagueness in the way in which it has been framed and understood by employees.

Possible improvements of those gaps and reduction of negative implications will be further discussed in the last and final chapter of this thesis.

Processes	Gaps	Outcome/ Implication
<i>Mirroring</i>	<ul style="list-style-type: none"> - Ignoring statistics - Ignoring complaint forms 	<ul style="list-style-type: none"> - Customers' complains about waiting time - Lack of flexibility
<i>Reflection</i>	<ul style="list-style-type: none"> - Different perception of employees upon the concept of C.O. - Customers negative images not reflected in culture 	<ul style="list-style-type: none"> - Blurry and vague understanding of C.O. - Soft narcissism
<i>Conveying</i>	<ul style="list-style-type: none"> - Start-up package - Different perception of managers upon the concept of C.O. 	<ul style="list-style-type: none"> - Thing-like treatment of company's culture - Unclear messages sent to employees

	<ul style="list-style-type: none"> - Top-driven explanation of C.O. and employees understanding - The real picture versus the desired one 	<ul style="list-style-type: none"> - Different understandings on different levels of the company - Unmet assumptions
<i>Expressing</i>	<ul style="list-style-type: none"> - Strong recruitment, weak training - Strong group culture lead to relaxed behind-the-counter behavior - Lack of staff - Quality over quantity of service 	<ul style="list-style-type: none"> - Informal group culture - Negative image - Stress - Long waiting time

11 CONCLUSIONS

To conclude the case study, we will first of all return to the research questions and reflect on what we have learned from the findings in IKEA. Secondly, it is valuable to provide practical and theoretical contributions of the study and suggestions for further research.

Reflections

The research question refers to the processes involved in social identity shaping with regard to the concept of customer orientation. As described in the findings above, social identity of the Returns Department is not shaped in a homogenous way that would simply translate into expression of organizational culture. Hence, social identity tends to stay in two rather basic levels of recognition and affection. Employees are very often unable to express a consistent description of the concepts (like customer orientation) communicated by the corporation and their closest managers. This, consequently, prevents them from implementing desired outcomes of the concept consistently and using them in everyday work. The main reason for this situation comes from the gaps in processes that occur in identity creation and development as shown in 'Dynamics of Customer Orientation Understanding Model' as inspired by Hatch and Schultz (2002). The main problems identified in this case are 'soft' narcissism and hyperculture.

Gaps in the processes as outlined above point to a slight tendency to narcissism. Culturally related conditions tend to prevent department managers and employees to see customer related problems. As discussed in the analysis part, staff tends to ignore negative comments and do not implement customers' suggestions; thus problems such as the one of waiting time are likely to be underestimated or not even acknowledged.

Thing-like attitude towards company culture has been illustrated using the parcel metaphor. Here it has been shown how the company culture is introduced to the new employees in a very instrumental way without any follow-up actions and clarification procedures. The training is not very strong on focusing on employee behavior on being customer oriented, but gets limited into the theoretical conveying

of the concept. Hence, the expression of 'customer orientation' is loose and seems to have mixed meanings as what Alvesson and Svingsson (2002) refer to as hyperculture. The concept is explained in many different words, and employee thinking and behavior is not consistent (i.e. quantity versus quality of service).

Practical and Theoretical Contributions

We advance a model of understanding customer orientation based on organizational identity dynamics, built on four processes linking organizational identity to culture and image. Through inspiration from existing theories and models, we construct the interaction of all four processes working dynamically together to create, maintain and change employees' understanding of customer orientation [organizational identity]. The implications of the model make it possible to study in-depth gaps and misalignments of the content and processes involved.

The resulting model is a product of both empirical and theoretical rigor applied simultaneously on the field and analysis. This is a result of the abductive approach consistent with Yin's (1989) single case-study research design where one confronts both data and theory at the same time.

The study began with the premise of strong, idealistic organization culture, identity and image. However, this study has taken a critical, post-structuralist approach focusing mainly on dysfunctions. Hence, the focus on analyzing the more positive, ideal scenario in the creation and maintenance of customer orientation may be a good subject for further research.¹

¹ See Appendix 4 for Recommendations/ Suggestions to IKEA Returns Department

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APPENDIX 1

Average Waiting Times More Than 9 Minutes for January and February 2008 and 2009

Day/Month	2008	2009
02-jan	78	73
03-jan	47	14
04-jan	30	16
05-jan	1	49
06-jan	37	
07-jan	5	4
08-jan	20	3
09-jan	30	5
10-jan	15	39
11-jan	11	64
12-jan	25	12
13-jan	51	14
14-jan	44	16

15-jan	11	10
16-jan	27	3
17-jan	1	23
13-feb	16	
14-feb	3	
15-feb	18	7
16-feb	30	2
17-feb	43	31
18-feb	3	33
19-feb	12	43
20-feb	14	5
SUM %	572	466
AVERAGE		
%	23.8	22.2

APPENDIX 2

Waiting time comparison 2008-2009

02.01.2008/2009		03.01.2008/2009		04.01.2008/2009		05.01.2008/2009	
543 ppl	78%	552 ppl	47%	547 ppl	30%	348 ppl	1%
579 ppl	73%	496 ppl	14%	504 ppl	16%	559 ppl	49%
06.01.2008/2009		07.01.2008/2009		08.01.2008/2009		09.01.2008/2009	
445 ppl	37%	429 ppl	5%	396 ppl	20%	420 ppl	30%
-	-	457 ppl	4%	388 ppl	3%	420 ppl	5%
10.01.2008/2009		11.01.2008/2009		12.01.2008/2009		13.01.2008/2009	
347 ppl	15%	351 ppl	11%	419 ppl	25%	516 ppl	51%
535 ppl	39%	312 ppl	64%	382 ppl	12%	305 ppl	14%
14.01.2008/2009		15.01.2008/2009		16.01.2008/2009		17.01.2008/2009	
446 ppl	44%	355 ppl	11%	379 ppl	27%	371 ppl	1%
347 ppl	16%	313 ppl	10%	322 ppl	3%	470 ppl	23%
13.02.2008/2009		14.02.2008/2009		15.02.2008/2009		16.02.2008/2009	
383 ppl	16%	267 ppl	3%	351 ppl	18%	387 ppl	30%
-	-	-	-	397 ppl	7%	374 ppl	2%
17.02.2008/2009		18.02.2008/2009		19.02.2008/2009		20.02.2008/2009	
455 ppl	43%	469 ppl	3%	360 ppl	12%	442 ppl	14%
373 ppl	31%	340 ppl	33%	332 ppl	43%	365 ppl	5%

Staff interview questioner

CULTURE:

1. What is IKEA culture to you?
2. Who created this?/Where did it come from?
3. Has it changed since you began working here?
4. Do you have an impact/ influence the culture?
5. Are there any subcultures in the Returns Department?
6. Can you described any particular incident when you showed IKEA culture?
7. What is customer orientation? Do you support it? Can you give examples how?

IDENTITY:

1. Do you identify yourself with IKEA's culture?
2. What influences you as a person?/ Your sources of identity?
3. Have the IKEA values influence your personal life?

IMAGE:

1. How do you think customers view IKEA/Returns Department?
2. Does the IKEA image influence the way you work?
3. Is there anything about IKEA image/IKEA itself you do not like?

OTHERS:

1. How do you find the right talent?/How were you recruited?
2. Do you focus on training or recruitment?/ HR strategy?
3. What are the most important things in 'training package'?

4. How is the communication in the department? Formal/informal? Main channels?

APPENDIX 4

Customers interview questionnaire

1. What do you like about Returns Department?
2. How do you feel about waiting time?
3. What do you think could be improved?
4. What do you think of IKEA culture?
5. What is your attitude towards empty desks?

APPENDIX 5

Recommendations to IKEA

In order to develop coherent social identity in this particular example of Returns Department of IKEA Malmö the initiative to bridge the above mentioned gaps needs to be undertaken. First of all, the management together with all employees should acknowledge that even in a smoothly running machine there are some loose parts that shall be adjusted. Here probably the voice of customers calling for instance for more flexibility could be heard. Secondly company's culture shall be treated as live, constantly changing and developing process that in order to fulfill its requirements needs to be deeply shared, but first of all understood. For that reason more follow-up actions and discussions on the main issues of company culture are required. New employees after reading the start-up package should be given a chance to share their uncertainties with their colleagues and managers for example during the monthly company's meetings. That would, furthermore, increased managers' awareness upon employees' problems and concerns. Finally, the coherent understanding of core concepts as customer orientation between managers should be developed in

order for them to be able to transfer the desired company values upon their subordinates.

The above mentioned suggestions if implemented and followed may most likely not change the overall social identity of the department, but make it more homogeneous, coherent and working even better in the long run.