The Role of Frontline Employees

in the Innovation Process

A Case Study

by

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Abstract

Innovation enablement is of growing importance in order to stay competitive in the financial services sector. Although frontline employees are considered to be valuable innovators, the research about their involvement in the innovation process is still in its infancy. The existing literature acknowledges that the overall participation of these employees in the innovations is limited, without further elaboration how they are involved in each stage of the innovation process. The purpose of this study is to generate a comprehensive understanding of the frontline employees' role during every phase of the innovation process and suggest how it changes accordingly. To investigate the role, a qualitative research approach is adopted through a single case study on Swedbank and the primary data is acquired by conducting fifteen interviews with customer advisors, branch managers and a business development unit. The empirical findings suggest that two innovation processes exist in the organisation and impact the role of the frontline employees. While the employees' role in the central innovation process can only be idea generators and idea implementers, the local innovation process offers them opportunities to contribute to the idea development as well. The idea selector role is not adopted by the frontline employees in any of the processes, mainly due to high amount of policies and regulations within the industry. The study further explores that the frontline employees should have a more important role in the innovation process, which can be enabled by greater opportunities from the central unit and encouragement from the managers, mainly through recognition and feedback. This would also increase the frontline employees' motivation to innovate. By recognising the role of the frontline employees in the innovation process from a holistic perspective, this study covers the identified literature gaps and provides bank branches with knowledge on how fruitful involvement of the human resources in the innovation process may be facilitated.

Keywords: Innovation Management and Enablement; Employee-Driven Innovation (EDI); Frontline Employee Innovation; Innovation Processes; Innovation Roles; Innovation Opportunities and Encouragement; Financial Services Sector

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1 Introduction

1.1 Background

Organisations worldwide are currently undergoing a challenging time in their business evolution. While digitalisation remains a trend shaping future businesses across industries, increased competition puts pressure on firms to continuously innovate (Schilling, 2017). This is especially applicable in the financial sector as global consultancy firms highlight the need for constant innovation to stay competitive as a key finding in their yearly outlook reports (McKinsey, 2019; Deloitte, 2019; Capgemini, 2019). In banking, the biggest driver of change and innovation is digitalisation, which is expected to bring even more value to the industry in the coming years (Holmlund, Strandvik & Lähteenmäki, 2017; McKinsey, 2017).

The Swedish Bankers' Association (2019a) has evaluated the competitive landscape, indicating a tough environment for inefficient banks due to low operational costs. Moreover, new online banks and fintech companies have started to disrupt the industry, rapidly adapting to the strong tech development in Sweden (McKinsey, 2017). The increase of digitalised banking services has led to mass-closure of bank branches and downsizing tendencies, consequently putting pressure on the traditional retail banks to improve their total offering and implement digital solutions (Lindberg, 2018). As of December 2018, Sweden's leading traditional banks include Swedbank, SEB and Handelsbanken (Swedish Bankers' Association, 2019b). They have an ongoing challenge of effectively leveraging digitalisation and innovation capabilities to improve their banking services, and ultimately stay competitive. In addition, employees have to develop new work routines and processes that respond to contemporary demands to ensure organisational effectiveness and competitiveness (Bysted, 2013). It is commonly agreed among both scholars and practitioners that organisational innovativeness is a critical driver of competitive advantage and strategic resilience (Zhang & Bartol, 2010; Sawhney, Wolcott & Arroniz, 2007; Holmlund, Strandvik & Lähteenmäki, 2017).

The banking sector has become more responsive to innovative demands, where digitalisation has cultivated an environment of continual changes with innovation as imperative. Central in this transformation is the retail bank and its employees. According to a PwC (2014) report of

the retail bank industry and its top priorities, "enabling innovation, and the capabilities required to foster it" was identified as a key challenge for 2020. How to enable innovation has been addressed in numerous studies within innovation management literature, mostly focusing on establishing a work environment that promotes innovative employee behaviour (Alpkan, Bulut, Gunday, Ulusoy & Kilic, 2010; Woodman, Sawyer & Griffin, 1993; Amabile, Conti, Coon, Lazenby & Herron, 1996). The main results from the papers lead to the conclusion that the employees are important drivers for organisational innovation, as they are the source of generating, developing and implementing the ideas (Scott & Bruce, 1994; Amabile, 1988).

The traditional studies in the innovation management field mostly appertain to the employees in specific groups (e.g. R&D or project teams). On the other hand, more recent scholars attempt to map the importance of ordinary employees' involvement in innovation, which is commonly referred to as "employee-driven innovation" (EDI) (Kesting & Ulhøi, 2010; Høyrup, 2012). This concept assumes that the employees have hidden capabilities to innovate (Ford, 2001; Cohen, March & Olsen, 1972), thus sharing the resource-based view (RBV) and acknowledging human potential as a key source of competitive advantage (Barney, 1991; Grant, 1991; Hamel & Prahalad, 1994). More specifically, Karlsson and Skålén (2015) suggest that frontline employees are valuable innovators. They are the employees who directly interact with customers on a regular basis, representing the core of a company's customer service. Since frontline employees have organisational knowledge, practical insights and awareness about customer needs, their contribution to innovation can lead to relevant improvements (Karlsson & Skålén, 2015). Nevertheless, empirical studies show that these employees are typically excluded from participating in innovation activities (Kesting & Ulhøi, 2010). Only a few researchers pay attention to this disparity and seek to understand the reasons behind its occurrence. For instance, Moosa and Panurach (2008) explain that the main reason for frontline employees' exclusion from innovations is their unfamiliarity with the business plans. Hence, there is a rationale behind shedding more light on the lack of involving frontline employees in the innovation activities, since recognising their potential as innovators might be valuable for firms. Moreover, deeper research is needed in order for firms to understand how frontline employees can be encouraged and motivated to participate in innovation processes. Addressing this is important due to the benefits of employee creativity, potentially leading to useful innovations for the firm (Shalley, Zhou & Oldham, 2004; Scott & Bruce, 1994), in particular in the banking industry where innovation is of growing importance (McKinsey, 2017; Bysted, 2013).

While recent literature on innovation management acknowledges the intra organisational perspective, the research about involvement of ordinary employees is still in its infancy (Smith, Ulhøi & Kesting, 2012). Comprehension of employees' role in the innovation process is lacking, although the service sector shows evidence that frontline employees can enhance the innovation process of firms (Bäckström & Bengtsson, 2019). According to the referenced authors' mapping study of employee innovation, a recurring shortcoming in most papers is not recognising any innovation process, overlooking certain stages of it, or not differentiating between them. In specific, how ordinary or frontline employees are involved along all stages of the innovation process is underexplored (Amabile et al., 1996; Mumford, Scott, Gaddis & Strange, 2002; Høyrup, 2012; Kesting & Ulhøi, 2010). With only examining one stage of the innovation process follows the risk of missing a holistic view. However, it can be argued that a holistic view of the innovation process would display how the employees' contribution changes along the stages and provide a more comprehensive understanding of their role as innovators (Bäckström & Bengtsson, 2019). Elucidating the role and involvement of employees in each stage of the process is meaningful due to their insights and ability to innovate. For instance, frontline employees acquire customer inputs on a regular basis, which could be useful for generating ideas, but are also capable of developing and implementing the innovations themselves, as they possess in-depth knowledge of daily operations (Kesting & Ulhøi, 2010; Smith, Ulhøi & Kesting, 2012). Considering that product, service and process innovations are all of importance in the service sector (Oke, 2007; De Jong & Vermeulen, 2003; Damanpour & Gopalakrishnan, 2001), and that frontline employees are useful drivers of both incremental and radical innovations (Sok & O'Cass, 2015; Kesting & Ulhøi, 2010), this study will not be limited to certain innovation types.

1.2   Research Purpose

The purpose of this study is to contribute to the research about employee participation in innovation processes and to fill the identified literature gaps by explicitly recognising and exploring the role of frontline employees. The opportunities and encouragement for employee innovation impact frontline employees' motivation and creativity, which together determine what role they adopt in the innovation process. Studying the aforementioned aspects will generate a comprehensive understanding of the role and suggest how the role changes along

the process. The practical aim is to provide bank branches with knowledge and improved understanding of how to ensure successful involvement of their human resources, in particular customer advisors, in the innovation process. In order to address the theoretical and practical problems, the research question is formulated as:

"What is the role of frontline employees in the innovation process within the financial services sector?"

In order to determine and better understand the role of frontline employees, the opportunities and encouragement for innovating are examined through assessment of the employees' work environment structure. Answering the research question is enabled through a case study on Swedbank, where customer advisors represent the frontline employees. Swedbank is one of Sweden's leading traditional retail banks and can be argued to be a representative case due to the similarity in these banks' core offerings.

This research is claimed to have both theoretical and practical relevance. Firstly, it contributes to the innovation management literature by creating a deep understanding of the frontline employee role in the innovation process, contrasting the previous research focused mainly on innovation within assigned groups, e.g. R&D teams. Furthermore, studying the whole innovation process provides insights from a holistic perspective on how the employee involvement role may vary in every stage of the process. From a practical point of view, the exploration of the employee role in the innovation process can provide managers with knowledge to comprehend what factors impact employee innovativeness and how the motivation to participate in innovation activities is influenced. Lastly, as the financial services sector is highly dependent on continuous innovation due to increased digitalisation and competitiveness, an additional industry-specific study serves well for reaching extended understanding.

1.3   Research Limitations

In order to effectively study the research question above, the focus of the paper is limited. Central in this research are the frontline employees. However, these employees can be found in multiple areas across the bank, positioned as, for instance, digital support within telephone banking or customer advisors in the branches. This research focuses on the latter, as these are

the employees operating closest to the customers, but also most threatened by downsizing. Moreover, since customer advisors are the largest segment of employees in the banks, studying this specific group will create valuable contributions in practice.

The research about the frontline employee role in the innovation process is enabled through a single case study. As a particular group of people is in the centre of attention and their meanings have to be understood, it can be argued that the single case study will supply deep knowledge about the subject and richly describe the phenomenon, allowing the researchers to answer the research question.

1.4   Outline of the Thesis

The remainder of the paper is structured as follows: the second chapter reviews the existing literature on frontline employee involvement in the innovation process, starting with an exploration of the employee-driven innovation concept, its relevance for the study and connection to employee motivation and creativity. Next, different perspectives on innovation processes are presented. This leads to the mapping of previous studies on employee involvement in each stage of the innovation process. The third chapter presents the methodological approach and selected research design, with a further elaboration on data collection method, data analysis and the critical assessment of the design quality. The fourth chapter presents the empirical findings acquired from the case study interviews, followed by a discussion and analysis of the results in the fifth chapter. Lastly, the sixth chapter concludes the study by demonstrating the main empirical outcomes, theoretical and practical implications, research limitations and suggestions for future research.

2   Literature Review

The following literature review summarises previous research in relation to the problem, thereby pinpointing the research gap and stressing the importance of this study. It provides an overview of how the existing literature studies the frontline employee role and involvement in the innovation process. Firstly, in order to deeply understand the role, the opportunities and encouragement for employees to innovate are explored by presenting the concept of employee-driven innovation in connection to the resource-based view. Secondly, attention is placed on factors facilitating employees' motivation to innovate. Lastly, the involvement of frontline employees in the innovation process is mapped by reviewing studies that examine employee roles, based on the structural division in firms and different stages of the innovation process.

2.1   Resource-Based View (RBV)

While external factors such as increased digitalisation continue to shape the competitive landscape for firms, there are reasons to consider the internal aspects of firms and the ability to respond to these challenges. According to Kusunoki, Nonaka and Nagata (1998), a firm's ability to innovate depends on its underlying resources and capabilities. The resource-based view regards resources and capabilities as the main sources of competitive advantage, if they are unique, rare, valuable and inimitable (Barney, 1986). It can be argued that this internal perspective on competitiveness within strategic management identifies the firm's individual employees as the key resources, as the knowledge required for innovation resides in them (Barney, 1991; Grant, 1991; Hamel & Prahalad, 1994; Andreis & Czarnitzki, 2014). Within banks, these individuals are mainly frontline employees whose activities are directly tied to the customers, because the customer interaction arguably enables them to be a source of knowledge that is tacit, rare and socially complex, thereby making it difficult to imitate (Wirtz, 2016; Teo, Le Clerc & Galang, 2011; Barney & Wright, 1998). The research shows that these unique resources should be deployed to maximise value and create a competitive advantage (Teece, 2007; Andreis & Czarnitzki, 2014). Therefore, it is crucial to research the role of frontline employees in the innovation process of financial firms.

2.2 Employee-Driven Innovation (EDI)

RBV in conjunction with the idea that employees have hidden, underutilised abilities for innovation (Ford, 2001; Cohen, March & Olsen, 1972) leads this research to the concept of "employee-driven innovation" (EDI). According to Høyrup (2012), EDI is an umbrella concept covering a broad spectrum of processes and issues related to innovation. In the same book, a definition is proposed: "Employee-driven innovation is a form of direct participation in which the employee takes the initiative to develop, propose and implement change." (p.7). Furthermore, Høyrup claims that Schumpeter's (1934) traditional focus on innovation fails to recognise the daily work practices that the term encompasses, which has consequently intensified the importance of EDI. In the context of the social processes that unfold during innovation activities, the employees' involvement is crucial to investigate (Høyrup, 2012).

The main idea in EDI, unlike traditional innovation management research, is that innovations can emerge from ordinary employees, on all levels (Kesting & Ulhøi, 2010). These frontline employees typically acquire exclusive, in-depth perspectives that managers lack. Therefore, all employees, rather than certain functions, are regarded as fundamental for innovations. The authority to decide upon innovation typically belongs to specific functions, while the majority of employees are not part of these decisions. Hence, Kesting and Ulhøi (2010) argue that EDI is only relevant in organisations where the decision rights and duties of individuals are heterogeneous. Gressgård et al. (2014) add that EDI can be supported by the introduction of a systematic approach to involve employees in innovation (Tidd & Bessant, 2009; Høyrup, 2010), such as information and communication technologies (ICT) to gather and manage innovations, for instance idea submission systems (Gressgård et al., 2014).

In their theoretical mapping of employee innovation, Bäckström and Bengtsson (2019) state multiple arguments for including ordinary employees in innovation management. First, in advanced economies, competitive advantage is found in innovation capabilities, which requires innovative cultures where low-level employees are also included (Porter, 1995; Schneider, Günther & Brandenburg, 2010). Second, the service sector is less dependent on R&D departments and rather relies on temporary innovation projects as well as individual employees responsible for customer interaction (Den Hertog, Van der Aa & De Jong, 2010). Third, the development of ICT has enabled a more distributed innovation process (Nambisan, Lyytinen, Majchrzak & Song, 2017), where employees' ideas can be systematically sourced (Poetz &

Schreier, 2012) and developed in iterative steps (Bengtsson & Ryzhkova, 2013). In addition, several studies show that frontline employees are valuable sources of innovation (e.g. Zacher & Wilden, 2014; Sok & O'Cass, 2015).

As emphasized above, it is commonly agreed that frontline employees possess great potential as innovators, mainly due to their close interactions with customers. It can be argued that if EDI is applied in a firm, the frontline employees are involved as innovators and thereby perform a role in the innovation process. However, the understanding of frontline employees' involvement and role in the innovation process is still underexplored (Smith, Ulhøi & Kesting, 2012). Studying the EDI will contribute to the innovation management literature by extending the knowledge of how the role of frontline employees is adopted.

2.2.1 Factors Influencing Employees' Motivation to Innovate

As previously explained, the EDI concept proposes that participation of ordinary employees is fundamental for firms' innovation activities (Kesting & Ulhøi, 2010; Høyrup, 2012). Regardless, every employee needs encouragement or motivation to innovate (Shalley, Zhou & Oldham, 2004; Janssen, 2003; Shih & Susanto, 2011; Amabile, 1988), as employee activation at the individual level is an important driver of innovation (Kanter, 1988). Kesting and Ulhøi (2010) present that there are three main factors enabling the frontline employee to generate innovative ideas. Firstly, in-depth operational knowledge is crucial to identify attractive areas for improvement (Henderson & McAdam, 2001). Secondly, a network of contacts outside the organisation can lead to new knowledge and ideas (Galbreath, 2002). Thirdly, employees constitute a considerable creative potential to discover new opportunities or find new inspiration (Kirzner, 1997). Unlike the first two factors, creativity is considered to be an individual trait (Amabile, 1988; Shalley, Zhou & Oldham, 2004), implying that each employee has different abilities to generate ideas. In addition to Kesting and Ulhøi (2010), other scholars argue that the presence of creativity at the workplace is an important factor not only substantially influencing idea generation, but also the development of novel ideas that are potentially useful for the organisation (Shalley, Zhou & Oldham, 2004; Scott & Bruce, 1994). Amabile (1988) highlights that creativity has to be present during the whole innovation process if the innovation ought to be successful. Hence, it can be concluded that creativity is crucial in influencing the employee's ability to innovate and directly shapes his or her role in the

innovation process. Research shows that creativity is not a static element of employee innovativeness but rather develops, being impacted by the employee's social environment (Amabile et al., 1996; Shalley, Zhou & Oldham, 2004). Therefore, it should be examined how the workplace environment encourages creative behaviour and consequently how this influences the frontline employee role in the innovation process.

There are multiple aspects affecting individuals' creativity (Amabile, 1988). They have been widely researched and scholars generally agree that intrinsic motivation is the single most decisive component for stimulating creativity (Amabile, 1988; Shalley, Zhou & Oldham, 2004). Intrinsic motivation refers to doing a task because it fosters excitement and fun, rather than completing it because of external consequences (Ryan & Deci, 2000). It has been researched that the intrinsic motivation and creativity are directly impacted by characteristics in the employees' social environment (Shalley, Zhou & Oldham, 2004). The factors that have received the most attention in the literature are presented below.

The majority of researchers confirm that intrinsic motivation is facilitated when the supervisor's behaviour is supportive, providing non-judgmental and constructive feedback that encourages employees to share their concerns (Amabile, 1988; Deci, Connell & Ryan, 1989). The empirical studies show evidence that the more the leaders support the employees, the more creative ideas are received in the idea contribution platform (Frese, Teng & Wijnen, 1999). Lee (2008) suggests that managers should ensure a necessary degree of job autonomy for employees, as it is prerequisite for promoting innovativeness, especially in the financial sector (Bysted, 2013). Freedom in choosing and performing tasks gives a feeling of empowerment to employees, thereby satisfying the intrinsic motivation to be creative (Amabile, 1988; Shalley, Gilson & Blum, 2000). In addition to job autonomy, complex jobs generally involve high levels of variety, feedback and identity (Hackman & Oldham, 1980). Zhou and Oldham (2004) summarise that previous studies agree on the fact that higher job complexity boosts the creativity of employees by increasing the intrinsic motivation.

Regarding the relationship with co-workers, several studies indicate that teamwork fosters creativity (Dul & Ceylan, 2011). Individuals are also expected to be highly creative when receiving compassion from their colleagues or peers (Shalley, Zhou & Oldham, 2004). However, only a part of the research confirms these assumptions, as some studies found a non-significant relation between co-worker support and employee creativity (Shalley, Zhou & Oldham, 2004). That being said, it is also argued that better ideas are generated when

employees are competing (Shalley & Oldham, 1997). Bysted (2013) discusses that while innovation trust from co-workers increases creativity, some employees regard innovation as a threat since it disrupts routinised behaviour, in particular regarding process innovations in the financial sector.

Furthermore, Shalley, Zhou and Oldham (2004) suggest that evaluation of ideas is another characteristic to consider, since developmental evaluation focusing on constructive feedback is expected to increase creativity. The impact of rewards on creativity has also been widely mapped, but with minimal consensus (Shalley, Zhou & Oldham, 2004). While some scholars argue that rewarding employees can be a tool for controlling employee behaviour (Amabile et al., 1996), others claim that creativity increases when employees are shown recognition (Eisenberger, 1992; Eisenberger & Armeli, 1997; Dul & Ceylan, 2011).

According to the literature, time pressure at work is expected to contribute to lower creativity (Shalley, Zhou & Oldham, 2004). Empirical studies, however, have found mixed results. Whereas marketing professionals showed less creativity when working under time pressure (Andrews & Smith, 1996), scientists' creativity grew (Andrews & Farris, 1972). The impact of time pressure on frontline employees seems to be lacking in previous research.

To conclude, creativity is an important element in order to facilitate innovation, arguably influencing the innovation role of frontline employees. There is no consensus on how some of these factors impact the employees' creativity and the findings were acquired in specific project settings (Shalley, Zhou & Oldham, 2004). Therefore, the results cannot be assumed to fully apply in any case. Instead, these factors should be examined in the case setting to gain deeper knowledge of how the frontline employees are encouraged to innovate and how this impacts their role in the innovation process. In practice, understanding the factors leading to employee creativity will provide managers with knowledge on how frontline employees' role in the innovation process can be formed.

2.3 Frontline Employee Involvement in the Innovation Process

As the scholars studying EDI claim, the frontline employees should have an essential role in the innovations, since they have a unique knowledge acquired from daily contact with customers and practical experience from working with different systems (Kesting & Ulhøi, 2010; Moosa & Panurach, 2008). It can be argued that this knowledge can enable the frontline employees to generate, develop and implement innovations (Kesting & Ulhøi, 2010; Smith, Ulhøi & Kesting, 2012). Studying their involvement in firms' innovation process can discover how these valuable resources are utilised. This would provide a comprehensive understanding of the frontline employees' role (Bäckström & Bengtsson, 2019). Therefore, in this subchapter, it is highlighted how researchers use different perspectives to study frontline employees' involvement in the innovation process and understand their role.

2.3.1 Initiation of Innovation Processes

An innovation process can be defined as the path for initiating and developing new solutions in organisations (Gopalakrishnan & Damanpour, 1994). Earlier studies suggest that the role of employees in the innovation process can be understood by analysing the structural division in the firms (Daft, 1978; Damanpour & Evan, 1984). According to Daft (1978), organisations have two cores where innovation can be fostered. The first one is a technical core consisting of the frontline employees who are experts in their functional area and the most knowledgeable about local innovations' potential. The second core is administrative, characterised by the top managers who deal with administration issues and have a great overview of the firm's overall activities. The research indicates that the innovative ideas can move between the two cores, and as a result, different types of innovation processes exist (Daft, 1978; Damanpour & Evan, 1984).

According to Høyrup (2012), one of the innovation processes is bottom-up, risen from the technical core and driven by frontline employees. Their innovation activities are rooted in everyday cultural practice and done without a clear innovation goal. Daft (1978) found that in large organisations, as Swedbank is, both technical and administrative employees are highly

professional, so their role in the innovation differs. As the technical employees tend to be more specialised, they have a tendency to initiate innovations in their task domains (Daft, Murphy & Willmott, 2010). This means that once these employees see the problems, they become eager to solve them and generate an idea instantly. When the employees aim for a technical innovation, they are likely to organise it by themselves without further involvement of the administrative top managers. Thus, the role of the top management is minimised (Mumford et al, 2002; Daft, 1978).

The second innovation process is top-down, where the managers invite employees to participate in the innovation (Høyrup, 2012). In this scenario, the top managers take a greater role in innovation initiation and even propose technical innovations. The role of the employees tends to be overlooked (Daft et al., 2010; Damanpour & Schneider, 2006).

Lastly, a mixture of the bottom-up and top-down processes exists when the top managers aim to formalise some of the innovations initiated by the employees (Høyrup, 2012). This mixture fosters collaboration between the administrators and the technical employees, so that the management's initiative is reduced, but employee engagement is increased. It was found that this balanced approach of implementing both technically and administratively driven innovations can foster great innovations and lead to high performance (Høyrup, 2012; Ibarra, 1993; Damanpour & Evan, 1984; Kesting & Ulhøi, 2010). Høyrup (2012) explains that this process is typical for organisations where EDI is applied.

Although these studies provide an overview of role characteristics for both employees and top managers (Daft, 1978; Daft et. al. 2010; Ibarra, 1993), the role of the latter group is elaborated more comprehensively. Whereas the role of top managers in the bottom-up process is explained, the participation of the employees in the top-down processes is not clear. Imprecision exists in understanding whether these results apply to the frontline employees, as they were acquired by researching a specific group of technical employees, e.g. creative staff or educational agencies' employees (Ibarra, 1993, Daft, 1978), instead of frontline employees. Lastly, this perspective lacks a holistic view on the role of employees, as it mainly examines the idea initiatives, overlooking the rest of the process. According to Bäckström & Bengtsson (2019), the holistic view would provide a more comprehensive view on the role and discover how the frontline employee contribution differs along the process. Therefore, studying the frontline employee involvement in different stages of the innovation process is the perspective reviewed in the next section.

2.3.2 Innovation Process Stages

The majority of the researchers divide innovation processes into multiple stages (e.g. Utterback, 1971; Gopalakrishnan & Damanpour, 1994; Salerno, Vasconcelos Gomes, Silva, Bagno & Freitas, 2015; Bäckström & Bengtsson, 2019). The pioneer in structuring the innovation process is Utterback (1971), suggesting a linear model with the following stages: 1) generation, 2) problem-solving and 3) implementation and diffusion. Other authors enhanced the model by adding stages such as selection/idea screening, testing, production or marketing and commercialisation (e.g. Cooper & Kleinchmidt, 1990; Wheelwright & Clark, 1992). Sundbo (1997) studied innovation in service industries, including financial services companies, and identified that the innovation process can generally be described in a model of four phases. This model is rarely linear, but rather complex and chaotic. It can be argued that Sundbo's model fits the purpose of this study as it focuses on the service environment, which is the subject of this case study. Therefore, this model will be used to identify the innovation process in this research. The four stages of the framework are:

1) Idea generating – ideas inspired from various sources come from any part of the organisation.

2) Transformation into an innovation project – the idea generator must convince the decision-maker to proceed with the idea. In this study, the stage will be called *idea selection*, as the focus will be mainly on selecting ideas and limited attention will be paid on the conviction.

3) Development – once the idea has proceeded, a project group is formed to develop the idea into a prototype and screen the market opportunities.

4) Implementation – the top management decides how the innovation will be implemented (e.g. commercial product or organisational change). The innovation is then executed in a relevant department.

As previously stated, recent studies acknowledge that frontline employees are valuable resources in all stages of the innovation process (Høyrup, 2012; Kesting & Ulhøi, 2010; Smith, Ulhøi & Kesting, 2012), but most research papers focusing on employee innovation overlook the process per se. Furthermore, Bäckström & Bengtsson's (2019) literature review concludes that while some papers concentrate on idea generation, the others pay attention to selection and

development of ideas. Even though these papers recognise an innovation process, the focus on the frontline employee involvement in each of the stages is overall insufficient. Hence, the next section reviews how the aforementioned studies perceive the frontline employee role in each of the innovation process stages.

Idea generation

The importance of employee involvement in the initial stage of the innovation process has been well documented. According to Karlsson and Skålén (2015), as well as Moosa and Panurach (2008), frontline employees generate the most original ideas through value co-creation with customers, as they recognise the customers' needs and wants. Furthermore, Karlsson and Skålén (2015) add that these employees are in daily contact with the firm's products or services, acquiring deep knowledge about them, not only when providing the actual service to the customers, but also during discussions in the back office. Frontline employees are also familiar with operational procedures and routines, thereby having the best awareness of what should be improved (Lopez, Gonzalez, Cordo, Janvier-Anglade & Fitzpatrick, 2019; Karlsson & Skålén, 2015). Since their knowledge is gained from multiple sources, they can propose new perspectives on delivering the products and services. Considering these aspects, working in a diverse environment grants the frontline employees greater innovation potential than the managers (Moosa & Panurach, 2008). Based on the arguments stated above, most of the researchers conclude that frontline employees are essential in generating ideas for the firm's innovations (Scheuing & Johnson, 1989; Moosa & Panurach, 2008; Cadwallader et al., 2010; Karlsson & Skålén, 2015). On the other hand, Melton and Hartline (2010) found that the frontline employees' idea contributions do not correlate with better innovation project outcomes, but admitted that this may be a result of ineffective involvement procedures in the firms. Additionally, a recent empirical study showed that while banks spend more time on improving efficiency, managers would prefer a more customer-centric approach in the idea generation phase, but struggle to utilise profound customer insights (Holmlund, Strandvik & Lähteenmäki, 2017).

Idea selection

Idea evaluation and selection is a complex task and many companies lack a formal process to execute it (Onarheim & Christensen, 2012). Moreover, quality assurance is crucial to select the ideas with greatest potential, but people's bias to rate their own idea higher than the others constrains objective evaluation (Cooper, 2001). These may be the main arguments for not involving employees in the idea selection phase. However, by giving a broad range of employees the chance to participate in this stage through voting, effective and objective results to promote the best ideas may be yielded (Onarheim & Christensen, 2012). All in all, these results show that there is not enough research done to conclude whether the involvement of frontline employees in the idea selection leads to positive or negative outcomes.

Idea development

Mixed results are obtained in the research about involving frontline employees in the development stage. On the one hand, employees' presence is important (Garud, Tuertscher & Van De Ven, 2013; Karlsson & Skålén, 2015). In some cases, the managers may be unable to recognise the need for change in current development routines, while the employees can point the efforts in the right direction (Garud, Tuertscher & Van De Ven, 2013). Lopez et al. (2019) dedicated research to healthcare services and found that frontline nurses are the most valuable resource in problem solving, because their solutions improve efficiency. In particular, these frontline employees should be involved in the evaluation and testing of innovations, as they can provide a critical assessment based on experience with workflows and customers. In addition, Karlsson & Skålén's (2015) empirical findings showed that frontline employees who participated in the development stage of the innovation process could easily train other frontline employees to understand the innovation and deliver the value proposition to the customers. On the other hand, some scholars claim that frontline employee participation does not yield significant outcomes (Melton & Hartline, 2010; Sundbo, 2008; Karlsson & Skålén, 2015). Sundbo (2008) points out that this phase does not require frontline employee contributions, as this is an "introverted working phase" (p. 37) where the problems are solved mostly by a specific project group, either marketing or top management. However, if the frontline employees are not involved in the whole innovation process, late inclusion can be inefficient, leading to time waste and poor outcomes (Karlsson & Skålén, 2015).

Idea implementation

Consensus highlighting the high importance of frontline employee involvement in the implementation phase has been reached in research (Melton & Hartline, 2010; Sundbo, 2008). According to Sundbo (2008), the frontline employees' role in implementation is significant, as they must understand and accept the innovation in order to naturally translate it to the customer. Additionally, employees' participation in implementation is positively correlated with better innovation commercialisation and higher sales performance (Melton & Hartline, 2010; Lopez et al., 2019).

As identified in this section, most of the researchers studying employee involvement in the innovation process find that the frontline employees should be included in all process stages (Sundbo, 2008; Karlsson & Skålén, 2015; Kesting & Ulhøi, 2010). The majority of the identified studies focus on either the idea generation or implementation stage. Less attention has been paid to the phases of idea selection and development. Since the results of these studies are diverse, the employee role is considered as unidentified and additional research generating the comprehension is required. As the review presents, most of the scholars studying the innovation process examine the stages independently without distinguishing or recognising any process (Bäckström & Bengtsson, 2019). However, a holistic view on the innovation process is necessary in order not only to provide a more comprehensive understanding of employees' role as innovators in each stage of the innovation process, but also to demonstrate how their contribution varies between the phases. Therefore, unlike previous research, this study elucidates the frontline employee involvement in each stage of the innovation process.

3   Methodology

The purpose of this chapter is to explain and validate the methodological choices selected to answer the research question. Accordingly, the research design, data collection and analysis, as well as research quality, is explicitly described and reflected upon.

3.1   Research Design

This research aims to recognise and explore the role of frontline employees in the innovation process of financial services firms. To fulfil this purpose, the field of strategic management proposes a large variety of research approaches, principally distinguishing between the qualitative and quantitative alternatives (Creswell & Creswell, 2018). Since the research required developing a contextual understanding of the frontline employees' role as innovators, the qualitative design was chosen. Due to the chosen subject's close connection and dependence on dynamic social contexts, it cannot be measured by a quantitative approach (Bell, Bryman & Harley, 2019). Therefore, the thesis was designed as a qualitative study, facilitating the exploratory and interpretive aim of the research.

The qualitative methodology is associated with an inductive approach, meaning that the starting point when answering the research questions and drawing a conclusion is empirically collected data (Creswell & Creswell, 2018). Regarding the theoretical approach of this research, both inductive and deductive approaches were incorporated. The literature review employed a deductive approach, as findings were gathered from previous research and constructed an initial theoretical understanding. Meanwhile, the empirical results and analysis followed an inductive path, allowing further insights to be gained. The benefits of this course of action is the ability to continuously use both prior research and empirical data to theorize gathered findings. Hence, confirmation of existing theory as well as modifications were made possible. Emphasis was put on naturalism, which implies that the relationship between theory and research is generated in a setting arising without researchers' attempts to influence collected data (Bell, Bryman & Harley, 2019).

Furthermore, the case study design was chosen as it offers a detailed description of the studied individuals and setting. According to Eisenhardt and Graebner (2017), conducting a case study is a frequently used method in business research when specific cases are to be investigated thoroughly and in detail. What distinguishes case studies from other research designs is narrowing the focus to a particular phenomenon, which suits the chosen research question. More specifically, an instrumental case study was suitable, as it enables an in-depth analysis of the Swedbank case. Stake (1995) describes the instrumental case study approach as an elucidation of a particular case, aiming to provide better understanding of a socially complex phenomenon.

3.2 Data Collection

The collected data forming the basis of the thesis consists of relevant secondary and primary data that helped address the research problem (Creswell & Creswell, 2018). Secondary data, such as industry reports, databases and statistics, was mostly used for background information as well as to display the Swedish banking industry in which Swedbank operates.

Primary data, consisting mainly of interviews, was arguably the most vital source of data for answering the research question. In total, fifteen employees from Swedbank were interviewed: one member of the business development unit, four branch managers and ten customer advisors (see Table 1–3 below). Interviewing the business developer provided better understanding of the innovation processes within general business development, while interviews with branch managers showed how business development translates to daily branch operations and the accompanied innovations. Lastly and most importantly, the interviews with customer advisors, representing the main unit of analysis, contributed with knowledge about the frontline employees' involvement in innovation processes.

Table 1. Interview information: Customer Advisors

Respondent	Position	Job Task	Interview Date	Interview Length
1	Customer Advisor	Service-oriented tasks; loans/mortgages; savings/pension; insurances	22 April 2020	28 min
2	Customer Advisor	"	24 April 2020	33 min
3	Customer Advisor	"	24 April 2020	36 min
4	Customer Advisor (Premium)	(more focus on investments)	28 April 2020	28 min
5	Customer Advisor	"	29 April 2020	31 min
6	Customer Advisor	"	4 May 2020	32 min
7	Customer Advisor	"	6 May 2020	31 min
8	Customer Advisor (Premium)	(more focus on investments)	6 May 2020	24 min
9	Customer Advisor	"	6 May 2020	23 min
10	Customer Advisor	"	8 May 2020	25 min

Table 2. Interview information: Branch Managers

Respondent	Position	Job Task	Interview Date	Interview Length
1	Branch Manager	Lead and support the customer advisors in their daily work	22 April 2020	42 min
2	Branch Manager	"	22 April 2020	36 min
3	Branch Manager	"	4 May 2020	37 min
4	Branch Manager	"	6 May 2020	33 min

Table 3. Interview information: Business Development Unit

Respondent	Position	Job Task	Interview Date	Interview Length
1	Business Developer	Improve customer meetings	24 April 2020	42 min

All of the conducted interviews were semi-structured, as open-ended questions aid in-depth understanding of the studied population (Creswell & Creswell, 2018). The respondents were interviewed face-to-face at their natural work setting behind closed doors in order to feel comfortable in a familiar and undisturbed atmosphere. Some of the interviewees instead requested video conferencing interviews due to the COVID-19 situation (World Health Organization, n.d.). Prior to the interviews, each respondent received an email with general information about the interview content, also ensuring that their anonymity will be preserved. Furthermore, the respondents received a follow-up email shortly after the interviews had been conducted, welcoming additional comments or clarifications.

An interview guide with prepared questions was used when conducting the interviews, allowing the interviewee answers to be analysed based on coherent literature and theory (Appendix A–C). Hence, variables in the research question were operationalised when designing the interview guide. This facilitated the process of analysing gathered interview data, also linking back to the research purpose. Since the interviews were semi-structured, the respondents were left plenty of room for circumventing the prepared questions (Bell, Bryman & Harley, 2019). This allowed the researchers to ask follow-up questions connecting to the respondents' answers, even if these questions were not initially included in the interview guide. In addition, the respondents gave their consent to interviews being recorded. This did not only ensure documentation and preserved the authenticity of answers, but also allowed the interviewers to give full attention to the respondents.

3.2.1 Sampling

In order to identify the interviewees, grounded theory and a sequential selection process were used, as this sampling strategy suggests choosing respondents on the basis of criteria that make it possible to answer the research question (Bell, Bryman & Harley, 2019). The ambition was also to follow Glaser and Strauss's (1999) view, namely that sampling should ensure explicit understanding of the studied population and suggest theoretical interrelationships. As Hood (2007) recommends, a priori criteria for the employees was determined before the selection process. The criteria included: 1) permanent employment at Swedbank, 2) more than one year of working experience at Swedbank and 3) having a Swedsec-license. Swedsec is a license within banks that is mandatory in order to perform certain tasks, for instance give financial

advice, and also serves as an additional consumer protection on the Swedish financial market (Swedsec, n.d.).

First, the branches were chosen based on the geographical distance as well as their willingness and availability to contribute to the research. Second, in order to identify customer advisors for the interviews, the branch managers were provided with the selection criteria mentioned above to contact potential study participants. Thereafter, customer advisors who were interested in participating voluntarily signed up for the interviews. Regarding the sample size, there are shared opinions about what is necessary in order to reach trustworthy conclusions in qualitative research (Creswell & Creswell, 2018). Some argue that a sample size is optimal if it achieves theoretical saturation, which implies that the number of respondents can be extended until categories are saturated with data (Bell, Bryman & Harley, 2019; Charmaz, 2006). On the contrary, O'Reilly and Parker (2013) claim that the notion of theoretical saturation has become overused in qualitative research, saying that data saturation is an unrealistic target in the context of inductive research. The researchers believe that the chosen sample size was sufficient to show established and validated relationships between data categories.

3.3   Data Analysis

Creswell and Creswell (2018) suggest that qualitative data analysis can be completed by following procedures in specific qualitative design or by applying a general structure approach. In this particular case setting, the grounded theory was used, as it is appropriate for research within organisations and helps investigate the role of frontline employees in detail (Glaser & Strauss, 1999). The data was analysed in a systematic order (Creswell & Creswell, 2018). Firstly, all of the interview recordings were transcribed and the information was sorted to maintain the quality of the data analysis. As a result, the extensive descriptions were gathered into three groups: a) business development, b) customer advisors and c) branch managers. Secondly, to sort and analyse the large amount of qualitative data, a coding process was applied (Glaser & Strauss, 1999; Sinkovics, 2018). An open coding was conducted in order to segment the long statements into informative descriptions. The pattern matching coding style was applied in order to direct the categorisation of data towards answering the research question. This enabled the empirical data to be compared with the theoretical statements and created a deep understanding of the complex situation (Sinkovics, 2018). It was acknowledged that the

codes and categorisations should be constantly reviewed in order to maintain the right focus (Bell, Bryman & Harley, 2019). The data was categorised according to the frontline employees' tasks, their opportunities and encouragement to innovate and involvement during the innovation process, leading to comprehensive understanding of the employee role in the innovation process. Thirdly, each of the categories was presented systematically, stating the findings from the individuals in all three interview groups. The business development unit's perspective was presented separately, as this department offers an overall picture of Swedbank's innovation process. The findings acquired by customer advisors and branch managers were combined, allowing a comparison of different points of views on the frontline employee role. Finally, comparing and discussing the theoretical and empirical findings led to recognition of different roles and their development along the process, which raised additional questions that should be addressed in further research.

3.4 Research Quality

As the research design is supposed to represent statements that are reasonable, high quality needs to be assured. In this paper, the quality of the research design was tested in terms of validity and reliability (Yin, 2014).

Validity is based on determining whether the statements are accurate (Creswell & Creswell, 2018). Yin (2014) identifies that trustworthiness, credibility and authenticity of the research design can be tested as internal and external validity. Internal validity focuses on explanatory studies where the researchers aim to establish causal relationships (Yin, 2014). Since this paper's purpose is to explore the role of employees in the innovation process, testing internal validity is less relevant. However, a few strategies ensuring the credibility and accuracy of the findings were used (Creswell & Creswell, 2018). Collecting data from different sources such as employees, managers and business development units examined multiple perspectives on the problem and built a coherent justification of themes. Attending all interviews with two researchers delimited misinterpretations of the meanings and using an online transcription tool increased the accuracy of the data. The interviews were held in English and Swedish, so the participants felt comfortable to fully express their thoughts. The researchers were aware of the need for translation, but having a Swedish native speaking researcher in the team eliminated

possibilities of inaccuracies. After collecting the interviews, the summary was sent back to the participants for approval in order to maintain high authenticity of the data.

External validity tests whether the findings from the case study are generalisable (Yin, 2014). On the one hand, some researchers question how a single case can be representative and argue that the external validity would be insufficient. On the other hand, proponents believe that a case study can contribute to insights and knowledge that eventually facilitate generalisation. Yin (2014) mentions that results from case studies can be generalised, given that additional cases are studied. One possible disadvantage with conducting a single case study could be the lack of generalisability, limiting such studies to only provide an exemplification of industries (Bell, Bryman & Harley, 2019). However, this does not impose a threat to achieving the aim of this study, as contributing to the research about employees' role in innovation processes can be done without generalising the banking sector. It should be noted that Swedbank is arguably representative in some respect among its competitors in the Swedish banking sector (Swedish Bankers' Association, 2019b). Thus, the single case study still helps filling practical and theoretical gaps.

Qualitative reliability means that the research approach can be repeated across different studies and yet generate consistent results (Creswell & Creswell, 2018). To achieve high reliability, each of the steps in the research was well documented. The reasoning behind the choice of case company was disclosed together with the extensive literature review and interview guides, facilitating further replicability of the study. Moreover, the methods of empirical data collection were widely described, enabling other researchers to understand the decisions, including the trade-offs made at every step. As the interviewers' biases were clarified before the interviews (Creswell & Creswell, 2018), it is believed that reliable results were captured and that other studies would generate similar findings.

4 Empirical Findings

This chapter presents empirical findings gathered from the conducted interviews with fifteen Swedbank employees. The results are structured around a number of sub-headings aiming to cover key observations from the interviews. Since the frontline employees are the main unit of the analysis, the chapter starts with an exploration of customer advisors' tasks in order to better understand their profiles and importance of involvement in Swedbank's innovation activities. Afterwards, the opportunities and encouragement of frontline employees to innovate are explained, followed by an elaboration of the customer advisors' involvement in Swedbank's innovation process.

Since multiple units of Swedbank were interviewed, the findings are presented in a structured way. The results from the business development unit are presented separately, as they create an overall picture of Swedbank's innovation. The rest of the sections contain information from both the customer advisors and the branch managers in this specific order, facilitating comparison of the employee and managerial points of view by discussing similarities and differences.

4.1 Customer Advisors at Swedbank

Ten Swedbank employees with the position as customer advisors were interviewed. The interviews clarified that customer advisors across the bank share the same main tasks, regardless of which branch they are positioned at. In general, the tasks connect to the visiting customer's specific errand, thereby typically involving customer contact and interaction. Errands are relatively simple and more service-oriented, for instance guiding customers in their mobile or internet bank. On the other hand, the job as customer advisor also includes more advanced tasks, such as loans and mortgages, savings and pension, or insurances. Two of the interviewed customer advisors are so-called 'Premium' advisors, meaning that they are personal advisors to a limited group of wealthier clients. These advisors have the same tasks as the regular advisors, but are more oriented towards investments. All of the interviewees believe that they have a great variety of tasks due to the uniqueness of every customer. The

customer advisors also feel highly autonomous at the workplace, however adding that Swedbank has policies and regulations that must be adhered to.

The customer meetings occur either spontaneously as drop-in during opening hours, or as booked appointments. Additionally, one of the respondents mainly works in the front desk, being responsible for forwarding customers to the right person (handing out queue numbers) and ensuring a good working flow for the other customer advisors.

Every customer advisor states that their job impacts the success of Swedbank's performance. They all agree that taking care of customers with consistently good service is essential for the bank's performance. Due to the closeness to customers, the interviewees believe that they are very important for the success of Swedbank. For instance, one of the respondents explains:

> *"The employees who meet customers daily and work with customer service are the face outwards for Swedbank. It's important for us to give a positive image of the bank."* *(Customer Advisor 6)*

4.2   Opportunities and Encouragement to Innovate

To understand the opportunities for customer advisors to be innovative, their involvement in Swedbank's innovation activities is studied and presented in the following sections. Findings comprehending the customer advisors' motivation to innovate, as well as in what way employee creativity is encouraged, are summarised.

4.2.1   The Innovation System at Swedbank

Interviewing a member of Swedbank's business development unit provided a better understanding of how the bank handles innovation centrally. The business developer explains that half of their work involves work-related improvements, whereas the other half relates to business development towards customers. Employees working within the business development unit have many different tasks, but with the main purpose to improve the channels where the bank meets its customers (e.g. internet/mobile bank, contact centre or branches).

Specifically, the interviewee mentions that the goal is to *"make the customer meetings better in different ways"*.

When trying to explain how innovation activities are organised in Swedbank, the respondent expresses an undesirable distance between customer advisors and the business developers:

> *"It feels like we have a headquarter in one end of the bank, and the customer advisors in the other end. For me, it's not a clear way of getting their information to the headquarters."*

In spite of this recognised issue, the business developer believes that customer advisors have multiple ways for contributing with innovative ideas. The business development unit owns a page on the intranet aiming to build a bridge between the two counterparts. Besides the unit's page on the intranet, innovation activities are also organised in the form of open discussion in the 'Swedbank Forum'. This forum is administered by the bank's employees themselves without any strict follow-up routines.

The interviewed business developer claims that there is an innovation process at Swedbank, but since the bank consists of many different units, the process may not always be the same.

Furthermore, the interviewee believes that the ideas from frontline employees can easily be shared and submitted through the submission system on the intranet, but hesitates whether the customer advisors agree. Swedbank has a certain 'idea form' that invites the employees to suggest ideas for *"concrete improvement in work procedures, systems, products or concepts"* to improve the customer experience. Before proceeding to the actual form, employees are reminded to always follow the existing routine for registering customer complaints through that system. Thereafter, the form first has general inquiry, such as the employee's name or anonymity, followed by three main questions about the idea: 1) what the idea is about, 2) description of the current situation intended to be improved and 3) in-detail description of the target.

The business developer says that suggestions from customer advisors can also be submitted by emailing the person responsible for the unit affected by the idea. The interviewee adds that employee ideas discussed in the forum are instead recommended to be submitted through the suggestion box on the intranet, because otherwise they are not followed up.

The business developer explains that since some of the submitted ideas are uncomplicated, they can be solved immediately. When assessing ideas, the interviewee admits that there are no specific evaluation criteria.

> *"We sit at meetings, look at the suggestions and analyse them. It's so many different suggestions, so having criteria wouldn't work. It's not possible to have a system for it."*

Instead, two or three members from the business development unit review ideas by selecting the ones that seem interesting. The ideas are forwarded by email on a regular basis, either to the segment management group, or directly to a relevant person in the responsible business area. If the segment management group is contacted, they usually make requirements for other units (e.g. product owners or system owners) in the bank to proceed with the suggestion. For ideas considered as prioritised development, a project might be initiated. Additionally, the interviewee says that the headquarters demand some statistics for determining how to prioritise ideas, but the customer advisors do not have the time to provide research on the specific outcomes for each suggested development. The interviewed business developer says while ideas are easy to submit, the problem occurs after receiving the suggestions, as there are difficulties involving other units to prioritise the development needed.

> *"We get one suggestion from one advisor and it's an amazing suggestion, but nobody knows how many times this happens every day or how much time would be saved by responding to the issue, because it's only one person who said this. That's the problem for me."*

Regarding feedback on submitted suggestions, the interviewee explains that the employee proposing an idea will get at least two emails. First, a confirmation email is sent when receiving the idea. Then, another email is sent when the idea is assessed or developed. According to the respondent, it is primarily the responsibility of the segment management group to analyse suggestions, even though the business development unit scans them initially. The interviewee describes the role of business developers as the "bridge" between customer advisors and the development of ideas, adding that *"not many people develop the ideas, so we need to help each other if we want things to happen"*. Customer advisors are sometimes involved in the development process, for instance if there is something that the business development unit does not understand regarding the suggested idea.

"I strongly believe that the person who sends the suggestion is the one who actually knows what the problem is. For me, it's really important to involve that person in the process. We also need to investigate if other advisors in other branches and the contact centre agree."

The business developer explains that the implementation phase differs depending on the innovation. For instance, information about changes and how to apply them in daily work may be published on the intranet's home page or presented during 'Banknytt' (an internal Swedbank program aired once a week with banking news). Otherwise, the interviewee adds that modifications or improvements can be implemented instantly, for instance if systems are not working properly.

The interviewed business developer believes that the role of frontline employees in the innovation process is to be *"the source of what needs to be done right now"*, since they have all the information about the problem. Additionally, the respondent suggests that they are *"the source of the development"* and that the mission of business developers is to make the development happen. According to the interviewee, involving the customer advisors in Swedbank's innovation activities is crucial:

"It's for them (the customer advisors) and the customers that we're developing the improvements. They meet the customers every day, so they know exactly what the customers need and what must be improved – so I believe they are the most important part in the process."

Moreover, the interviewee believes that the role of customer advisors in the innovation process should be to contribute with ideas and be some kind of "sounding board". In other words, they should reflect on proposed innovations by providing the business development with feedback whether the problem is managed correctly and if suggested solutions are relevant. On the other hand, the respondent believes that the business development unit should lead the change by requesting ideas, prioritising them and turning them into reality, as the customer advisors' primary task is the customer meetings. The business developer argues that customer advisors should be motivated to innovate because it affects their daily work, but is not convinced that they truly feel motivated to innovate.

"I want to make things happen, but we work on other projects simultaneously that have deadlines, which take all our time. Therefore, ideas get down-prioritised, which is bad. I am not sure they believe someone is listening on the other side."

For instance, the business developer mentions that customer advisors do not receive any feedback at all after registering customer complaints, subsequently affecting their motivation to continue sending customer complaints. The respondent acknowledges this as a large problem, but adds that the segment management group tries to connect ideas submitted through the intranet with the customer complaints to provide other people in the headquarters better understanding of the relevance.

According to the business developer, Swedbank does not reward employees for suggesting ideas, yet adding that it would be *"a great thing"* to do. Instead, they receive a positive email that hopefully encourages them to contribute more. The interviewee also reveals that the business development unit have decided not to focus too much on encouraging employees to submit ideas, since they want to ensure a good process first:

"Right now, the process is very manual because of the prioritisation problem on the other end, so we haven't tried to motivate them a lot. We want to make a larger thing out of this, but first we need to understand how everything should work. We don't want to promote the system before we know that someone will actually help the advisors. But we want and will fix this in the future."

4.2.2 Innovation Opportunities for Frontline Employees

Half of the interviewed customer advisors mention that most of the innovation activities are organised by the central unit at Swedbank, as the bank is a large organisation with many regulatory frameworks. The customer advisors express that their contribution to these activities is limited, adding that despite having some freedom in deciding how to operate locally, there are constraints that cannot be overcome.

"If I have an idea, I can forward it to my boss, who passes it further. However, I think that the organisation is really big and when the central unit makes a decision, we have

to follow it. Every office in Swedbank works in the same way, so everywhere you go, the rules will be the same. So, it's not much I can do." (Customer Advisor 4)

These findings lead to an agreement among all the customer advisor respondents, who believe that the innovation activities with their direct participation are mainly possible on the local level. The activities are organised as an open discussion during daily or weekly meetings, rather than specific innovation sessions, either in teams or one to one with the manager. Additionally, sometimes when a new project is in focus for new ways of working, workshops are held. Overall, the respondents agree that innovation activities take place to make the daily operations more efficient and improve customer satisfaction.

Several of the respondents acknowledge that the innovation activities focus on adapting work procedures to help the customers in the optimal way. However, this does not have to be reconfiguring the ways branches operate internally, but rather teaching customers and facilitating their autonomy so that they can solve errands digitally, one customer advisor adds.

All of the interviewed customer advisors reflect that there are many possibilities for their involvement in innovation activities at the local level, mainly by getting an opportunity to share their ideas. The interviews confirm that the managers give the customer advisors a chance to try new things and usually involve them in designing the branch improvements.

The interviewed managers agree with the customer advisors' opinions about the innovation activities at Swedbank, also expressing that many new solutions come from the head office in Stockholm and are projected out to the frontline employees. The branch managers add that customer advisors are critical towards the central innovation process, as the head office seems to base their innovations on guesses of what the customers want, rather than real experiences.

"The bank is like a tree and we (the branches) are the leaves, so we are the end part. So, I think the innovation starts internally in the bank and goes all the way though some departments and then, we receive the final product. And of course, we can give our opinions about this, but I think it's a long way from where the innovation work has been done to where we use these innovations." (Branch Manager 1)

All four managers mention that they are open for branch-level work improvements and that they create opportunities for customer advisors to contribute with the ideas, suggestions or discussions during the weekly meetings. Three managers further elaborate on the importance

of customer advisors to be listened to, as their contribution can improve the products and processes, but also bring Swedbank a step ahead of its competitors. One of the managers underlines:

> *"I want people to come up with new ideas, think outside the box and do something that has a meaning and purpose on the market. If we can do things more effectively in the branch, of course we should do that." (Branch Manager 3)*

All in all, according to the interviews, both the customer advisors and the managers agree about two types of innovation activities at Swedbank. First, there is the central innovation with limited opportunities to participate. Second, on a local level, the managers have acknowledged the importance of customer advisors' in innovation and support them to be the leaders in the branch-related changes.

4.2.3   The Frontline Employees' Motivation to Innovate

Overall, the customer advisors express that they feel motivated to innovate and contribute with ideas at the workplace. The majority believe that their motivation is present since ideas may improve existing work routines so that they can perform their job more effectively. The interviewees indicate openness towards change, as long as it improves the customer meetings. Therefore, they are motivated to find new and improved solutions. Additionally, some customer advisors are motivated due to the individual sense of doing good and self-development.

One of the interviewed branch managers does not believe that the customer advisors are motivated to be creative, because they are not very interested in new changes and are satisfied with existing ways of operating. The manager admits that the average age at the workplace is high, claiming that younger team members are more open to innovations. The other three managers assume that motivation exists among the advisors since they care about the workplace, but that the level of motivation differs. While some employees are very creative and want to be involved in innovation activities, some are comfortable with relying on other people for innovations. One branch manager explains:

"I think it's the culture and people here who are used to working with guidelines, laws and doing things in a special way. It's not the most innovative people who work in banks." (Branch Manager 3)

In contrast, another manager responds:

"Motivation is fluctuating, but generally, it's on a high level. It's nice to see as a branch manager that they want to be involved. I think the reason is the strong team harmony, and my job is to ensure that their voice is heard by keeping ideas alive and discussing them." (Branch Manager 1)

Furthermore, one of the branch managers adds another perspective to the customer advisors' motivation to innovate, expressing that they are quite motivated to innovate locally, but are not motivated enough to carry the ideas further or willing to take full responsibility for proceeding with the ideas:

"I believe that the advisors have a feeling that other employees have already thought about the ideas before, so it's hard for them to pat themselves on the shoulder and say that this is something good." (Branch Manager 4)

Although the interviewed customer advisors generally feel motivated to innovate, all of them indicate that their motivation and creativity could be higher. There are similarities in the findings about what would increase their motivation. One prevalent statement is having more time and being involved in more innovation activities. Some of the customer advisors would feel more creative if they were able to allocate time for innovation tasks specifically and work on the innovations in smaller groups. One of the interviewees suggests:

"To be more motivated, one wish would be that I could have other tasks sometimes and maybe a project once in a month to develop new ideas." (Customer Advisor 2)

A majority of the customer advisors also mention that recognition of the ideas, for instance through feedback, would motivate them to become more creative. The respondents stress that if their ideas are not listened to, they will eventually give up and not be innovative anymore. Moreover, the customer advisors call for more people to exchange ideas with and clearer guidelines on how to proceed with ideas. Two of the customer advisors say that higher salary or financial incentives would increase their motivation to be creative:

"I mean there are people in the bank that are paid to find creative stuff and new ideas, so why should I put time and effort if I'm not rewarded." (Customer Advisor 3)

In general, the branch managers agree with the customer advisors' regarding what would increase the motivation to innovate. Their statements include showing the customer advisors more recognition for their ideas, giving them more responsibility to work with innovation and facilitating the procedure for going ahead with ideas. Recognition, in particular, is emphasized by the managers. For instance, two of the managers claim that the feedback from Swedbank centrally is insufficient and even absent sometimes. This applies to both ideas submitted through the intranet and the customer complaint system.

Lastly, one of the branch managers suggests that allowing advisors to try working at other branches would be fruitful for their motivation:

"Since our customers are typically older people, it might not be the optimal workplace for advisors to learn about new digital stuff. I think it would be motivating to see and learn how colleagues at other branches work." (Branch Manager 2)

4.2.4 Factors Stimulating the Frontline Employees' Motivation to Innovate

One of the factors discovered to influence customer advisors' creativity is managerial encouragement. The customer advisors generally agree that managers highly support them to be creative. Most of them state that managers regularly ask for opinions and ideas, allowing the advisors to feel free raising their thoughts, which motivates them to be creative.

The managerial support can be shown in multiple ways. For instance, customer advisors from one branch highlight that every other week, they have a personal development meeting with the opportunity not only to follow up on their personal goals, but also to share and reflect on any innovative ideas. One interviewee says:

"Our manager allows us to think outside of the box. If you have an idea, she asks challenging questions like: 'How would you develop the idea? What would be the outcome? If you take another perspective, how would you make it? If you set that goal, what are your steps to reach it?' So, she forces us to think our idea through." (Customer Advisor 1)

Additionally, the customer advisors from another branch express that their manager always aims to develop the advisors' competencies by offering tips for education. Other customer advisors state that their manager allocates them enough time in the schedule to process their thoughts and arranges the work environment according to the advisors' needs. According to the interviewees, these activities stimulate the feeling of having their voice heard, further motivating them to take part in the innovations.

All of the managers find it highly important to encourage the customer advisors to be creative. For instance, one of the managers says:

> *"I tell the advisors that it's important to feel free to say whatever comes to mind and lift them as the key for developing Swedbank, since their thoughts and ideas are the relevant ones." (Branch Manager 2)*

The most common means for encouraging advisors to be innovative is through weekly meetings, where they have the opportunity to share ideas freely in an open discussion. One manager adds that the possibilities to learn new things and application of problem-solving thinking also foster employee creativity. Two managers also mention that freedom and feedback are an inevitable part of facilitating employee innovations.

Lastly, one of the managers explains that a personal relationship between each employee and the manager is crucial in order to encourage employee innovativeness:

> *"As a manager, you have to be very close to the customer advisors and adapt your leadership depending on each personality. Someone needs more support and the others need less support." (Branch Manager 3)*

Regarding the relationship with the co-workers, the customer advisors from two branches strongly express that their colleagues enjoy discussing new ideas and giving constructive feedback:

> *"We're good at supporting each other and giving feedback when we talk the ideas through. If my colleagues find the idea good, but they have a different view of it, we start developing it, so the idea becomes even better." (Customer Advisor 1)*

Yet customer advisors from two other branches have mixed opinions about their co-workers' support in innovations. They state that some of the colleagues *"push for progress and the*

others are more conservative". Two customer advisors elaborate that the issue may be generational, believing that older people are less supportive towards changes and new ways of working. However, none of the interviewed managers acknowledge the latter statement, instead claiming that the customer advisors support each other well and are generally open to new ideas.

Concerning how teamwork impacts creativity, all of the customer advisors regard themselves as more creative in teams, believing that creativity can be limited when working individually. This is also supported by the managers. The customer advisors express that teamwork gives them different perspectives and opinions, allowing them to think more creatively so that ideas can be developed faster and better. Two customer advisors believe it is *"more fun and pleasant to work on something as a group"*. The managers agree with the statements of the advisors, and one of them adds:

> *"Working in teams is sort of a healthy competition within the group to try to develop and work things out in a different way." (Branch Manager 4)*

Nevertheless, one of the managers mentions that the employee creativity may also depend on self-esteem, which grows by experience. Whereas the experienced employees can feel more courage to lift ideas, the newer employees may lack this comfort. Therefore, they may be more creative when working on innovative ideas individually.

All of the customer advisors believe that evaluation of ideas and constructive feedback is very important for their creativity. Essentially, evaluation is highly appreciated because it makes the frontline employees feel important and facilitates their personal development. One of the customer advisors adds that it provides new perspectives:

> *"If you talk to yourself, you will always be right, while feedback helps you see things differently." (Customer Advisor 3)*

The advisors also feel curious about knowing what actually happens with their ideas, and want to ensure that they are listened to:

> *"If you come up with ideas and nobody listens, eventually you'll give up and stop putting energy into being creative, because you realize it's useless." (Customer Advisor 4)*

Likewise, the managers agree that evaluating ideas and providing constructive feedback is essential for the customer advisors' creativity. They perceive it as a way of encouraging their employees to continue generating new ideas. For instance, one manager says:

> *"If you don't get any feedback and don't know what happens with your ideas, you will not be that motivated to keep bringing them. I mean it's sort of an extra-task to be creative, so it's important that you receive positive feedback." (Branch Manager 4)*

One branch manager explains that evaluation is particularly important if the idea affects the way of working. In that case, the rest of the group should be invited so that the ideas can be discussed together.

The interviews indicate that customer advisors are not rewarded for being creative. Instead, it is common that the employees are praised and complimented at the workplace. Several of the customer advisors mention receiving a "good job" from the supervisor and colleagues, but not more than that. Many interviewees perceive feedback as a form of appreciation for their creativity. Meanwhile, two of the interviewed customer advisors do not feel rewarded at all. The branch managers agree that customer advisors do not receive any "real" rewards for their creativity. In line with what the advisors expressed, managers try to recognise their employees' ideas by praising and lifting them during group meetings. One of the managers adds that having good ideas might impact the yearly evaluation of employees, possibly leading to a higher wage or a new position at Swedbank.

Experiencing time pressure at work is common among the interviewed customer advisors. This is mainly caused by the customer flows during opening hours, as some periods of the years can be very busy. However, several respondents currently perceive less time pressure due to COVID-19, which stimulates their creativity:

> *"There is not that much time pressure right now due to corona. So, you take time to read and learn more stuff from the intranet, which can lead to new ideas on what to change or improve." (Customer Advisor 9)*

Nine out of ten customer advisors regard time pressure as detrimental to their creativity, as they are focused on finishing the current task and thereby prevented from thinking "outside of the box". The respondents clearly express that more time would allow them to reflect more.

"During time pressure, I am not motivated to be creative because it feels that I don't have enough time for it and to process my thoughts." (Customer Advisor 2)

The branch managers also believe that time pressure and stress has a negative effect on the customer advisors' creativity, as they would focus solely on solving the customer's errand and not reflect further.

"When you need new ideas the most, you have the least time to process them, and it's easy to forget what you've been through when the storm is over. So, if we had a more moderate flow of customers, it would probably be easier for the advisors to be more creative." (Branch Manager 4)

Lastly, one of the branch managers explains that the level of time pressure depends on the customer advisors' knowledge and experience acquired by working in the bank.

4.3 Frontline Employee Involvement in the Innovation Process

This section presents how the customer advisors are involved in each stage of the innovation process on both the central and the branch level. The next subchapter summarises the identified roles adopted by the frontline employees in these processes. Customer advisors as well as branch managers have difficulties recognising a specific innovation process. Whereas the customer advisors assume that there may be an innovation process on the central level, they are uncertain exactly how it works. Locally, the innovation process is not structured. Instead, the ideas are turned into reality by experimentation:

"Here in the office, it's a big chance that the ideas get into reality, because we have a really open process, as we like to try new things." (Customer Advisor 8)

The interviewed branch managers do not specify whether there is an innovation process on the central level. On the other hand, they explain how the local innovation process works:

"We do not have a standard process. The customer advisors often go to the sub manager or me and describe the idea. If it's a good idea, we can put it in action very

fast. We do not have a long decision-making process. We can manage a lot locally."
(Branch Manager 3)

Idea generation

The customer advisors admit that they generate a rich amount of innovative ideas. These ideas come primarily from everyday work. Idea sources most commonly mentioned include customer meetings, chatting with co-workers and working with different systems. Three respondents express that their innovative thoughts mainly occur from following industry news and mapping the competitors.

The interviewed customer advisors also mention that there are multiple ways for how their ideas can be shared. Half of them explain that if they have an idea that is relevant for the whole organisation, they can submit it via a suggestion box on the intranet. However, only one of advisors has tried it and says:

> *"If we have an idea suitable for the whole bank, there is a tool on the intranet, which we can use to send our suggestions. I think, if they find your idea good, they will implement it, but you do not get any feedback." (Customer Advisor 1)*

Another respondent who is aware of the suggestion system on the intranet claims that the form is tricky to find. The next option for sharing the ideas across Swedbank is to use the customer complaint system, which according to two respondents is underutilised. Furthermore, frontline employees have the possibility to email a person responsible from a relevant department (e.g. internet banking) who can develop the ideas further. While some of the customer advisors email that person directly, the others get their idea forwarded via their closest manager.

According to the interviewed advisors, it is fairly simple to generate and share ideas within the branch. Most of them mention that during the weekly and monthly meetings, time for discussing new ideas is allocated. Otherwise, the second option is to have an individual conversation with the manager:

> *"I can also discuss ideas with my boss who gives me feedback on them, so I can have a really open conversation about my ideas with him and ask him for his opinion." (Customer Advisor 3)*

Some of the respondents admit sharing their idea with the co-workers first. If these team members find it interesting, the idea would be brought up at the meeting, shared with the boss or even submitted on the intranet.

The branch managers agree that there are a few possibilities to bring an idea above the branch level. The advisors can use the intranet and submit the idea in the digital forum or email an employee in a relevant department. The managers confirm that sometimes, they are the ones receiving the customer advisors' suggestions for improvements and moving them further up in the organisation. One of the managers is worried that the emailed ideas do not receive enough attention and tend to be overlooked. Therefore, the manager believes that the customer complaint system is a better alternative for sharing ideas:

> *"We could use our customer complaints system if the idea or complaint comes from the customers. I think Swedbank is listening to our customers, so if the idea is submitted via the customer complaint system and it is reported multiple times, I think that hits harder than if one co-worker and branch office sends them an email." (Branch Manager 1)*

The interviewed managers encourage all advisors to contribute with innovative ideas on both the central and the branch level. Locally, the ideas are usually generated and discussed during the weekly meetings. In addition, managers' doors are always open, so the customer advisors are welcome to share the ideas individually as well.

Although the respondents admit there are many opportunities to contribute with gathered ideas, only three customer advisors express that their main role in the innovation process is to be idea generators. One of them states that *"I'm the voice and the ears"*, being the person listening to the customers' needs and translating them into the ideas shared further on. For instance, another advisor explains:

> *"We should always find new ways of working and improving the processes by embracing changes. Our role is most important in the early stages of innovations – to come up with ideas on how to improve the way we operate and ultimately help customers in the best possible way." (Customer Advisor 7)*

The branch managers also acknowledged the importance of customer advisors in the idea generation stage, further adding that a part of the advisors' role is to be amenable to the customers' ideas:

> *"The role of customer advisors is being the mediator between Swedbank and its customers. It's important to listen to the customers and their ideas by bringing them to the relevant units." (Branch Manager 2)*

However, some of the respondents do not feel directly involved in this stage on the central level, although there are many ways to contribute. Their perception is that the innovations would be better if the bank listened to the branches more and actively cooperated with them:

> *"I think that we as customer advisors should be more able to contribute with ideas and present them more often. It is a big difference to be around customers all the time and sitting by yourself at the office. The bank should try to get deeper understanding of our thoughts and listen even more." (Customer Advisor 10)*

All the branch managers agree with the viewpoint of the advisors and express that these frontline employees should be involved in Swedbank's innovation process actively with a more significant role. Most importantly, they also mention that the bank should be a better listener, respond to the ideas quicker and make it easier to share the ideas. One of the manager describes:

> *"We could have a much better process and ways of coming up with new ideas. We have a lot of good ideas in the office and in the organisation, but if we should be better, we should take care of those ideas and make it simpler to come up with the ideas and direct them to the right person. That should be the winning concept in Swedbank." (Branch Manager 3)*

Idea selection

The interviewed customer advisors generally lack knowledge about the process that follows after ideas are submitted to the central organisation. For instance, they are not certain how their ideas are evaluated and who is responsible. Although most of the advisors do not provide any comments on how the ideas are selected, one respondent expresses:

> *"I am not sure about the whole process. I think the bigger ideas go through my boss and through her boss. Hopefully, that is the final step and thereafter, we get feedback if decision-makers are going to bring them forward or decline them." (Customer Advisor 8)*

Two other customer advisors are disappointed with the lack of transparency about decisions on suggested ideas. For instance, they lack awareness of who selects the ideas and would be interested in knowing more about the procedure after the idea submission. One customer advisor adds:

> *"Swedbank has the key values open, easy and caring, and I think that the bank should think more about these values, since internal procedures and decisions are sometimes not explained openly." (Customer Advisor 1)*

On the other hand, all customer advisors have knowledge about the idea selection on branch level. A vast majority of the respondents claim that the decision to move the ideas forward is mainly generated by the managers.

> *"Even if we are a small branch office and one of the many branches Swedbank has, it is still run by a manager. We have a lot to say, but I think they have the final word." (Customer Advisor 2)*

According to the interviewed customer advisors, the managers' role is to evaluate the ideas' relevance for the work environment, make a selection and help the customer advisors achieve the innovation goal. A few of the respondents agree that their managers evaluate local ideas together with the co-workers in group meetings through joint discussions, allowing evaluation from various perspectives. Finally, one customer advisor states that if an idea is a small improvement, it can be applied right away without further evaluations.

While the suggestions registered through the customer complaint system are sent to the branch managers to be evaluated, the interviewed managers are not sure how the bank centrally evaluates ideas submitted through the intranet. The branch managers do not specifically mention who selects these ideas or how. One of the managers, however, criticizes that the idea selection stage is perhaps not structured well enough, as the central unit is too far from the advisors. As a result, the ideas are selected based on guesses and thoughts rather than knowledge and experience.

On the branch level, it seems that the managers encourage the customer advisors to proceed and experiment with small ideas. One of the managers adds that on the next day, they reflect on the ideas and decide together as a team whether it should be kept.

> *"It depends how big the idea is. If it's a small thing, we talk about them as they happen, if it's bigger, we sit down and reflect on them in teams and continue working on the idea in teams or individually." (Branch Manager 3)*

The managers also acknowledge their own importance in the idea selection phase. Their role is to reflect on the idea, point the advisor into the right direction and consider whether the idea has a potential to be applied locally, regionally or centrally. In addition, one manager explains that some things cannot be done without permission and that Swedbank has *"a culture of checking if things are okay and getting approval first"*.

Although the above results confirm that the frontline employees do not feel having the role as idea selectors, several customer advisors want to provide input in this stage. Half of the customer advisors express concerns about what happens after the idea generation when it comes to the centrally submitted ideas. Not being involved after their own ideas are shared through the submission system takes away the advisors' innovative spirit and motivation.

Idea development

The customer advisors' interpretations are similar regarding the development of ideas submitted centrally. They assume that a central unit in Swedbank develops the collected ideas, but are generally not aware how this is done. For instance, one of the respondents says:

> *"I know there is a unit, but I'm not sure how they develop it. I guess they analyse ideas and then they probably send them to a responsible unit." (Customer Advisor 7)*

The customer advisors express a desire for being involved in developing the ideas proposed through the intranet's submission portal. However, one respondent implies that since the bank is a large organisation, it is difficult for the advisors to develop their own ideas:

> *"Swedbank has many units with different responsibilities, where each unit takes decisions and enforces them downwards in the organisation. This makes it hard for*

individuals to develop their own ideas, if it's not on the local level." (Customer Advisor 4)

On the other hand, one of the customer advisors shares a positive experience of being involved in the development of an innovation project. The idea was initiated in a top-down manner, where the advisor's role was to test the project and contribute with feedback. Being involved was appreciated by the interviewee, who calls for further participation in the development of innovations.

Although the customer advisors' have more knowledge about how ideas are developed locally, the responses show varying results. The most common answer is that ideas are discussed and developed jointly in the group, where both customer advisors and their accountable manager participate. One of the advisors elaborates:

> *"We could be a group of 25 employees, and let's say that we focus on improving five working areas. Then, for example, five of us are responsible for how to welcome customers, five for computer locations, and so forth. We develop an idea within the team of five and present it in front of the supervisor. Then others who were not a part of the development group can give feedback as well." (Customer Advisor 2)*

The majority of the interviewed customer advisors feel that they are involved in the local innovation process, since the ideas are developed together in groups. However, two advisors mention that they are not involved, or that they at least cannot recall being involved in developing ideas at some point. One of them comments:

> *"Sometimes the idea ends up only being an idea. I don't consider myself involved in developing the ideas. I think it's up to my boss to proceed with the idea and develop it. Then they might ask for help, but they don't." (Customer Advisor 9)*

In line with what the quote above suggests, many of interviewed frontline employees acknowledge the role of managers in their responses. Two customer advisors mention that the managers sometimes have to consult innovative ideas with *"the next level"* (i.e. the regional managers). However, the interviewees lack knowledge of what this procedure looks like. Half of the interviewed customer advisors highlight that some smaller ideas do not have to be developed and can instead be solved immediately on a local level.

Whereas three of four branch managers were not completely sure about the development process for ideas submitted centrally, all of them agree that on the branch level, ideas are developed together by the customer advisors and managers. Notably, they can only develop smaller innovations, e.g. the form/application for new customers. *"If it's something impacting the brand and business in a more general way, then we have to proceed via the channel management"*, one of the managers says. The manager of another branch elaborates:

> *"We have different processes in Swedbank. For example, there might come an idea from Stockholm so that every branch works in the same way and so the customers have the same experience. But then, we can apply some changes to our customers and markets. Customer advisors are involved in developing this. Especially if it concerns customer meetings, they can be a part of the development." (Branch Manager 3)*

One the other hand, the same manager adds:

> *"Sometimes, the ideas are completely done and finished when they arrive to us for implementation, but I think we should be involved much more." (Branch Manager 3)*

Overall, the results point to a quite limited role of frontline employees as idea developers of central innovations. Half of the branch managers say that a part of the advisors' role is to provide feedback, but only two customer advisors mention that occasionally, they can reflect on the developed ideas. One of them states:

> *"Sometimes, the central unit sends people to our bank to learn how we work, so we can give some input regarding their ideas, but maybe not change them completely." (Customer Advisor 3)*

The customer advisor respondents believe that it is crucial to be involved in the role as idea developers, so that ideas can be embraced in the right direction to fulfil customer needs. Consequently, they would be engaged to participate more. One of them highlights that resources are sometimes spent incorrectly:

> *"The ones who are actually involved in developing the ideas are far away from the reality. We have better knowledge of what the customers demand. Therefore, it would be beneficial if they asked for more input from us." (Customer Advisor 9)*

A customer advisor from another branch adds that not working in a developing role will make them less innovative:

> *"The role is not as comprehensive as before, because work processes are decentralised, and you're only involved in a small part, then you forward it to someone else. You become less innovative when working as a command receiver rather than in a developing role, which is negative."* (Customer Advisor 5)

Additionally, the branch managers believe that the customer advisors' role should also be the reflectors, testing the proposed solutions and providing feedback on them. One manager explains:

> *"It's important to involve customer advisors throughout the whole process. Sometimes, the ideas come directly from the headquarters, but we can get a better advantage if everyone is involved early in the process. The customer advisors' feedback on the development is the most important part."* (Branch Manager 4)

Idea implementation

The interviewed customer advisors overall agree in their responses that they principally implement the ideas themselves. However, the interviewees add that the managers are responsible for deciding whether ideas should be implemented or not. In the next step, the advisors may receive instructions from the managers regarding how the changes should be implemented. This can for instance be presented during weekly meetings or in an email from the manager. Some of the respondents perceive freedom in how to implement the changes, so that *"it's the best for the customer"*. One of the customer advisors expounds on their responsibility as *"putting the ideas into action in our daily work towards customers"*.

Several customer advisors say that innovations are first tested for a couple of weeks and then followed up to review the adequacy for further adoption. One customer advisor disagrees, implying that changes are seldom followed up or evaluated after receiving new guidelines. Another advisor explains that the implementation may differ depending on the scope of the idea.

"Bigger innovations are usually tested in pilot groups before implementing them in the whole bank, while smaller innovations can be implemented directly on branch level. The offices have a big mandate in these changes, for instance if it doesn't include technical steps." (Customer Advisor 5)

The majority of the interviewed customer advisors agree with this statement, also claiming that ideas may be implemented immediately without instructions from the managers.

"For obvious stuff, we can implement new ideas by just deciding within the team and without having to tell the boss or ask for permission." (Customer Advisor 3)

Interviewing the branch managers confirms that the customer advisors are responsible for implementing new innovations, regardless of the source behind the innovation, but also that the implementation procedure depends on the innovation. Unlike the advisors, where only several respondents mention the follow-ups, all of the managers indicate that new changes are examined after being implemented. However, a consistent method for evaluating ideas after the implementation phase seems to be lacking:

"We don't have a standard procedure for following up changes. Especially when something comes from Stockholm, we should evaluate more afterwards. I think the dialogue between us and Stockholm could be much better." (Branch Manager 3)

Two of the other branch managers further discuss how innovations coming from Swedbank centrally are implemented and that customer advisors are informed in advance via meetings or other information channels.

"Most of the times we are informed in advance about innovations by the department or site (on the intranet) responsible for a certain innovation. When they are ready, they publish the news on the intranet and tell us when to start, and also how to start if necessary. Then, one person here has to inform everyone about the news in the morning or weekly meeting." (Branch Manager 1)

Finally, when reflecting on the role in the innovation process, six customer advisors conclude that their main role is connected to the final stage as implementers of the innovations. The branch managers support this statement, stressing that besides coming up with ideas, the customer advisors' role is to make sure that innovations are well understood, so they can be

implemented towards the customers. Both categories of respondents agree that once the innovation comes from the central unit, the advisors have to figure out the best way to implement it in practice. Therefore, new innovations may be modified, so they fit the way every branch is working and more importantly, to satisfy the customers. This also applies to ideas generated at the local level. One of the customer advisors describes the role in the following way:

> *"Since I meet customers, it's important for me to be clear and transparent towards the customers about our new ideas. Although we might change the way we work, it's most important to treat and behave towards customers in the best possible way. So, my role is important in the last step where ideas are communicated out to the customers so that they are satisfied." (Customer Advisor 10)*

To sum up, the interviewed branch managers mostly agree with the viewpoints of the customer advisors. On the local level, the frontline employees have rich opportunities to try different roles, stating that their participation along the branch innovation process is already high. Depending on how big the idea is, they can be seemingly involved in all of the stages. In regards to the central innovations, most of the customer advisors feel somewhat involved, but call for a more important role. In contrast, two customer advisors feel that their role in the innovation processes is in general sufficient, considering the size of the bank and its hierarchical structure:

> *"Right now, my role is okay, because we still need to bear in mind that Swedbank is a big bank and brand, so it is governed from above. It's not easy to do more on our level. Most stuff are improved for us, which is a benefit with working in a large organisation." (Customer Advisor 2)*

4.3.1 Presentation of the Innovation Roles

To conclude, the interview answers indicate that Swedbank utilises two separate innovation processes, where the customer advisors adopt different roles. These innovation processes and roles are briefly summarised below.

Central innovation process

This innovation process is predominantly managed by the business development unit, determining whether to proceed with proposed ideas or not. Firstly, frontline employees submit ideas through a form on Swedbank's intranet describing their suggestions. Secondly, these ideas are reviewed and selected by the business development unit in coalition with the segment management group. Thirdly, the latter department develops the ideas and subsequently forwards them to the affected unit. Lastly, the frontline employees receive information with guidelines on how to implement the innovations in practice.

The findings show that the role of customer advisors in the central innovation process is mainly being the *generators* and *implementers* of the innovations (see Table 4). Although the bank offers several possibilities for how the ideas can be shared and submitted, only three advisors consider themselves to solely have the role as idea generators. Establishing advisors in the role as idea generators is presumably counteracted by the business development unit not promoting the central innovation process, which may also explain the low awareness among the respondents. Meanwhile, there is greater consensus regarding the customer advisors' role as implementers in the innovation process, as they take responsibility and put innovations into action by modifying them to customer needs. The findings show that customer advisors can adopt a combination of roles as both idea generators and implementers. None of the interviewees express high opportunities for the advisors to be idea selectors or developers.

Local innovation process

Branch-level innovation processes do not have a fixed structure, but the frontline employees generally innovate according to the following procedure. Initially ideas are shared during group meetings or directly to the manager. Then the branch managers are responsible for the idea selection stage and reflect on ideas and determine which ideas to apply locally. Ideas are further developed in groups where customer advisors collaborate with their managers. Frontline employees generally implement local innovations themselves. However, branch managers are responsible for deciding whether the innovations should be implemented and providing instructions if necessary.

Summarising the interview results clarifies that the role of customer advisors in the local innovation process is to be *generators*, *developers* and *implementers* (see Table 4). A

combination of the roles characterised by involvement in three stages of the process is also common. The role as idea generators is strongly supported on the branch level as there are opportunities to contribute and encouragement from managers. Nevertheless, some advisors are less motivated and rather inactive in this stage. The interviews reveal that customer advisors can also act in the role as developers, depending on the size of the idea, but not as selectors to any greater extent. Lastly, the role of customer advisors as implementers is perceived as the most essential at the branches and recognised by every advisor. This is strengthened by the opportunity to implement small ideas immediately, without requiring approval or guidance from the managers.

Table 4. The Identified Roles of Frontline Employees in the Innovation Processes

	Central Innovation Process	Local Innovation Process
Idea Generator	x	x
Idea Selector		
Idea Developer		x
Idea Implementer	x	x

5 Discussion

In this chapter, the empirical findings are critically assessed in conjunction with the studies presented in the literature review. The chapter starts with discussing the case company's two identified innovation processes and the roles adopted by the frontline employees. In the second subchapter, the impact of factors and overall innovation opportunities on the roles are discussed. The acquired findings are compared to the identified theoretical views, resulting in novel insights.

5.1 The Innovation Process Stages

Based on the results presented in the previous chapter, a clearly defined innovation process at Swedbank seems to be lacking. However, after analysing the empirical findings from a holistic perspective, it can be concluded that two primary innovation processes are applied: a central innovation process and a local innovation process.

In line with what Sundbo (1997) proposes, the multiple innovation processes identified at Swedbank are complex and disorganised rather than linear. The case study respondents recognise a four-phase model similar to Sundbo's, where the process stages and ways of innovating vary, as several steps can be integrated with each other. For instance, the interviewees indicate that the selection and development stage can proceed in parallel, both in the central and local innovation process. Taking an example from the central innovation process, the segment management group, as well as the business area affected by the proposed change, are all involved in these stages simultaneously. Hence, it can be argued that since Sundbo's (1997) model focused on a service environment, including financial services firms similar to the case study, it accurately captures the complexity of Swedbank's innovation processes. The conducted study thus strengthens Sundbo's findings that companies in the financial sector tend to have complex and disorganised innovation processes. This is particularly evident for the case company's central innovation process. As a result, not having a clear process leads to sparse communication, which can be the reason why most of the respondents lack knowledge about it. Subsequently, it can be argued that this explains why the

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innovation role of frontline employees is more active on the branch level than centrally. While this improves branches' customer meetings, the business developers are missing out on valuable input that could improve the operations of other branches as well. Financial services companies should therefore ensure that central innovation processes, if applied, are easily understood by the frontline employees.

The two identified innovation processes at Swedbank have process stages that can be discussed and compared in relation to Sundbo's (1997) four-stage model. First, in line with Sundbo's hypothesis, the case company utilises ideas from all parts of the organisation in the idea generation stage, hence exploiting the frontline employees' innovation potential and recognising their important role as idea generators (Scheuing & Johnson, 1989; Moosa & Panurach, 2008; Cadwallader et al., 2010; Karlsson & Skålén, 2015). This applies to both central and local innovations. However, they are not sufficiently acknowledged or considered in regard to the central innovation process, despite being the business developer's emphasized intention, which may be a result of the unfinished innovation process (Holmlund, Strandvik & Lähteenmäki, 2017).

Equivalent to what Sundbo (1997) acknowledges in his idea selection stage, the idea generator is responsible for convincing the decision-makers to proceed with the suggestion. The results demonstrate that for central innovations, statistics are needed to determine whether the submitted ideas are relevant to prioritise. On the local level, ideas are selected by the managers based on propositions from the idea generator and input from other co-workers. Consequently, the results confirm Sundbo's (1997) statement that the idea generators are responsible for persuading the decision-makers. In addition, since the ideas are sometimes transformed into an "innovation project", it adheres to Sundbo's label for the idea selection phase.

Regarding the development of ideas, the gathered findings conclude that Swedbank only partially follows Sundbo's (1997) proposition. While the scholar indicates that a project group is formed to develop the ideas further into prototypes and investigating the market possibilities, the case company rarely proceeds in this manner for centrally-driven innovations. However, the findings reveal that project groups can be formed if ideas are considered as "prioritised developments". Some advisors even wish to occasionally be involved in such innovation projects, as it would boost their motivation to be innovative. Regarding the development of branch-level innovations, the development of ideas within smaller groups to examine their relevance can be compared to what Sundbo refers to as "project groups". It should be noted

that unlike his research, the studied idea development stage involves internal work improvements that do not require scanning market opportunities, as the innovations are only adopted internally by the frontline employees. Rather, the case company follows a less formalised, ad hoc idea development phase since project groups are not always organised, hence extending the complexity of innovation processes addressed in previous literature (Sundbo, 1997; Cooper & Kleinchmidt, 1990; Wheelwright & Clark, 1992).

Lastly, Sundbo's (1997) innovation process suggests that the top management decides on the implementation of innovations and that the implementation is executed in the affected department. This is also the case at Swedbank, but only to some extent. For instance, the fact that the implementation occurs in the area affected by the innovation applies to both the central and local innovation process. The findings show that customer advisors have the role as implementers due to their function as frontline employees. Unlike Sundbo's statement, the top management is not always in charge of deciding how innovations should be implemented. His theory is correct in regards to the central innovation process, as instructions are allocated downwards in the organisation. Nevertheless, on the branch level, innovations can sometimes be implemented without being obligated to receive permission from the top management. This procedure, where the frontline employees are able to participate in the implementation stage, has a stronger connection to the field of EDI, as it recognises the employees' importance as well as operational knowledge (Kesting & Ulhøi, 2010; Høyrup, 2012; Karlsson & Skålén, 2015; Moosa & Panurach, 2008). The results explaining the implementation stage on the local level are novel in relation to Sundbo's (1997) perception, which can be explained by the fact that EDI is a newer academic field. Hence, this research generates new insights about local innovation processes that complements the former literature on innovation processes by incorporating the EDI perspective.

5.2   The Innovation Roles of Frontline Employees

This subchapter begins with a discussion of the identified roles and compares them to the existing literature. Next, the motivational factors and creativity impacting the frontline employee role are compared with prior research and the overall frontline employee role in both innovation processes is examined with concepts of employee-driven innovation and innovation process initiation.

Idea generators

This research suggests that the idea generator role should be significant in the innovation process, as the frontline employees interact with multiple sources of information. Both prior research and this study claim that the main inspiration for the frontline employees to innovate is the customer (Karlsson & Skålén, 2015). Similar to the prior literature, the familiarity with operational systems and conversations with the co-workers have been understood as additional motives for inclusion of the employees in the idea generation phase (Lopez et al., 2019; Karlsson & Skålén, 2015, Moosa & Panurach, 2008). On the other hand, this study uncovers that external sources, such as industry news or competitive benchmarking, also contribute to the frontline employees' idea formation. These external sources have not been mentioned in the identified literature. Hence, the evidence that frontline employees' information comes from both internal and external environments implies higher potential to propose relevant ideas than the literature proposes. Therefore, this study contributes with an exploration why the idea generator role of the frontline employees has to be maximised. Additionally, the results challenge Melton and Hartline's (2010) explanatory research proposal stating that the idea contributions from frontline employees do not lead to better innovation projects. This study suggests that the frontline employees have a deep understanding of the overall business issues, providing another supporting point why their role as idea generators is crucial.

In the local process, the idea generator role is adopted, since the frontline employees are supported by the managers and motivated to improve the customer meetings. This research also highlights that frontline employees usually reject adopting the role as idea generators in central innovation processes. This can be explained by insufficient efficiency of the digital tools on the intranet, low encouragement to contribute and lack of direct contact between the branches and the central unit. There has been only one additional empirical study paying attention to this issue; Holmlund, Strandvik and Lähteenmäki (2017) confirm that idea generation based on the customer needs is hardly possible if an effective system for utilising contributions is lacking. The rest of the literature on idea generation focuses on the reasons why the role is relevant. Hence, this study's findings on how the idea generator role is adopted are novel and important to be acknowledged in the literature, as they generate an understanding of the role and why it is not fully exploited.

Idea selectors

The results show that the frontline employees are not a part of idea selection during the identified innovation processes. Instead, this role is adopted by the central unit or the managers due to multiple regulations and formal processes that require further reflection on the proposed ideas. It can be argued that the frontline employees lack the knowledge to make qualified decisions as idea selectors. This argument has not previously been addressed in literature and thereby provides increased understanding of why the frontline employees should not perform the idea selector role. The reason for the novelty could perhaps be explained by the low amount of studies dedicated to the idea selection stage. The second explanation may be the industry setting. Whereas other identified studies have been conducted in production companies (e.g. Onarheim & Christensen, 2012), this is the first study analysing idea selection in regulated service nature. Therefore, additional studies would be suitable to confirm this finding and enhance the comprehension of why the frontline employees should not take the role of idea selectors.

Another reason why the frontline employees are not idea selectors connects to the structure of this stage, stressing that the idea selection already includes discussions with other units and lacks coordination. For instance, it is revealed that the studied business development unit does not have specific evaluation criteria and that ideas are often judged based on guesses. Onarheim and Christensen (2012) found similar evidence, claiming that the complex task of selecting the best ideas and lack of formal evaluation criteria would cause difficulties for the employees to participate effectively.

On the other hand, this study also indicates that although the frontline employees do not adopt a role in this stage, they can provide relevant assessment of ideas, as they have the frontline experience and awareness of potential problems. Ideas would be evaluated based on a more solid foundation than only guesses if frontline employees had the role as idea selectors. Thus, this result contradicts Cooper's (2001) research and denies that employees' biases about their own ideas would lower the quality of the selection process. However, the interview findings show that being the idea selector is not considered to be a suitable role for frontline employees, but rather that it should be possible to provide input regarding the relevance of proposed ideas. Whereas this is possible locally, it requires better communication between the business development unit and the branches during the central innovation process. It can be argued that active participation in the idea selection stage has been neglected. Therefore, this study

strengthens the previous literature with new viewpoints of whether the idea selector role should be performed by the frontline employees and provides new reasons extending the prior arguments.

Idea developers

The findings clearly show that the frontline employees do not have any stable role regarding the development of central ideas while the opposite results are shown in the local innovations. Sundbo (2008) explains that it is crucial for the idea development stage to be led by a specialised project group and that contributions from the frontline employees are unnecessary, because this phase is introverted. This research partially agrees with this statement on the central level, arguing that the frontline employees' main task is to conduct customer meetings and that there are other units hired specifically to develop new solutions and innovations. However, this is the only argument in this study stating that the frontline employee role as developers in the innovation process should be limited. Hence, this research cannot confirm Karlsson and Skålén's (2015) findings that late involvement in the innovation process can cause time waste and poor outcomes. Instead, the findings suggest the opposite. Without the frontline employees' involvement in developments, the resources risk being spent inefficiently. It is important to discuss the cause of this discrepancy, as both studies are conducted in the service industry. While Karlsson and Skålén (2015) opted for a multiple case study approach comparing four organisations, this study solely focuses on one case study. Therefore, it can be concluded that Karlsson and Skålén's research takes a broader perspective on the frontline employee involvement in developments, whereas this study is limited to a narrow scope. Thus, its generalisability is limited, but may be validated through additional studies, preferably multiple case studies, to gather more perspectives.

The next explanation why the frontline employees are important in the idea development stage is in line with Lopez et al. (2019). They believe that the frontline employees can provide a critical assessment based on practical insights acquired from the daily customer interactions and usage of internal systems. The evidence of another study has been also confirmed in this research, as the frontline employees are claimed to have capabilities and knowledge to point the development efforts into the right directions (Garud, Tuertscher & Van De Ven, 2013). This study stresses that the frontline employee role as developers should be attributed as feedback providers and testers of the suggested ideas' relevance. Thus, this research describes

and exemplifies the development functions of frontline employees in the innovation process, while prior research only resolves whether they should be involved. This study, therefore, extends the knowledge provided by the prior research. It also acknowledges the valuable potential of the frontline employees as idea developers and provides novel findings explaining why they may be excluded from the innovation development stage.

Idea implementers

This study suggests that the implementer role is considered to be the most predominant among the frontline employees in both innovation processes. The frontline employees mainly adopt it by adjusting new solutions to fit the workplace environment, so the innovations are easily acknowledged and transferred to the customers. Similar findings have been discovered by previous scholars, highlighting the benefit of communicating new solutions to the customers more effectively (Melton & Hartline, 2010; Sundbo, 2008). The conducted study validates the previous findings by strengthening the reliability of the results in prior literature. In addition, whereas Melton and Hartline (2010) propose that higher involvement of employees in the implementation impacts the sales positively, this study rather addresses the benefit in terms of higher customer satisfaction. Although it can be assumed that high satisfaction leads to increased sales, the reason for the different interpretation can be explained by the research method. Melton and Hartline (2010) gathered data from a diverse sample of numerous industries, while this study focuses on a single case study with a strong customer-centric culture. It may be argued that if the study included more cases, the conclusions would be more unified with the ones made by Melton and Hartline (2010).

Furthermore, this study shows that the frontline employees can also be perceived as receivers of finished innovations rather than implementers, in case the innovation is communicated downwards from central units or instructed by the managers. Therefore, it can be argued that the frontline employee role as implementers is not always adopted actively, possibly preventing the previously explained benefits from being gained. None of the previous studies address this finding, which can be explained by their focus on acknowledging why the role is important instead of understanding how the role is performed. In relation to prior literature, this study arguably provides extended understanding of the frontline employees' role in the implementation phase.

Studying the employee role from a holistic perspective enables this study to determine that while some of the innovation roles can be performed separately, the others exist in combinations, implying that frontline employees have various opportunities to participate in the innovation process. This exploration is unique to the conducted study, as the previous literature has not addressed any specific innovation roles. The focus of the prior studies has been to understand why the frontline employees may be valuable contributors in one stage, whereas multiple stages were rarely considered. Therefore, these results extend the innovation management literature by addressing what the possible innovation roles are and how they may change or differ. These findings also provide high practical relevance, since involvement of the frontline employees in multiple roles may secure better understanding of the overall innovations or facilitate adaptation of the innovations to the customer needs.

In conjunction with the prior literature, this study suggests that the employees should have an active role in the idea generation, idea development and the idea implementation, as their involvement can yield efficiency in operations and customer satisfaction. Unlike many other studies, this research focuses on the idea selection as well and discovers that the frontline employees should not necessarily take a role in this stage. The empirical findings therefore contradict Kesting and Ulhøi's (2010) conceptual statements, suggesting that frontline employees should be a part of each stage of the innovation process. As Kesting and Ulhøi (2010) mention, it is difficult to assess the limits of employee involvement in innovation from a theoretical point of view, which may be one of the reasons for the disparity. Hence, the results of this study are crucial to complement the prior research by validating how the theoretical suggestions are performed in practice in order to deepen the knowledge about frontline employee roles in the innovation process.

Lastly, this study discovers that even though the frontline employees' potential to be successful innovators is recognised, there is a limited participation in the central innovation process, similarly to Kesting and Ulhøi's (2010) and Moosa and Panurach's (2008) findings. In contrast to the previous studies, this research acknowledges the reasons why the frontline employees are involved or excluded from each stage of the innovation process, thus filling the identified literature gap and generating valuable knowledge to extend the innovation management literature.

5.2.1 The Impact of Motivational Factors and Creativity on the Roles

Prior research acknowledges time pressure as a factor influencing the creativity of employees (Shalley, Zhou & Oldham, 2004). However, the results are not consistent, implicating that the creativity of employees can both increase and decrease due to time pressure. The empirical findings gathered in this study show aligned results on this topic. Time pressure at work is commonly experienced by the frontline employees, who believe that it certainly impacts the creativity negatively, as they only focus on finishing the current task without further reflection. This is in line with Andrews and Smith's (1996) suggestion that time pressure decreases creativity, but offers additional explanations in the form of limited opportunities for reflection. In sum, the conducted study extends the existing theoretical mapping (Shalley, Zhou & Oldham, 2004) by showing unilateral results that time pressure diminishes the innovation roles of frontline employees, especially as idea generators and developers.

In line with what the referenced scholars argue, the interview answers confirm that creativity is an individual trait, meaning that the innovativeness of employees differ (Amabile, 1988; Shalley, Zhou & Oldham, 2004). The empirical results also show that the creativity of the studied frontline employees is impacted by different contextual characteristics in their social work environment. One factor that has gained considerable attention in the literature is the relationship with managers (Shalley, Zhou & Oldham, 2004). More specifically, the intrinsic motivation crucial for employee innovativeness is facilitated when the supervisor is supportive. The results confirm that the frontline employees are encouraged by their managers to be creative. It can be argued that the managers try to enhance employee innovativeness and strengthen the individual competencies of the frontline employees by holding personal development meetings on a regular basis. In line with what the research proposes (Amabile, 1988; Deci, Connell & Ryan, 1989), the non-judgmental support and constructive feedback from branch managers increase the frontline employees' motivation to innovate. Hence, previous literature is enriched with additional evidence that feedback is essential in order to promote innovativeness from operational subordinates.

Frese, Teng and Wijnen (1999) demonstrated in their study that the more leaders support the employees, the more creative ideas are received in firm's idea submission systems, hence leading to a greater idea generator role. It is clear that the frontline employees would rather propose ideas through the local innovation process, even if managers encourage them to submit ideas centrally as well. This research also shows that despite the availability of ICT as

systematic approaches to support EDI, for instance as idea submission systems on the intranet, these systems do not necessarily stimulate innovativeness among frontline employees, thereby opposing previous research (Gressgård et al., 2014; Tidd & Bessant, 2009; Høyrup, 2010). This can be explained by the fact that the participants of this study lack knowledge about the central innovation process, but also feel that the probability that the suggested ideas are taken into consideration is not high enough. As a result, the frontline employees will aim their innovativeness towards local improvements instead. The gathered findings demonstrate that the frontline employees have better understanding of the branch-internal process and believe that the ideas are actually acknowledged by managers or co-workers. These findings have not been previously recognised in the EDI literature, suggesting that knowledge about internal processes, as well as acknowledgement of ideas, should be considered in order to facilitate innovative frontline employee behaviour outside the boundaries of the local workplace. Nevertheless, these factors are also important on the local level to stimulate the idea developer role, as frontline employees have higher possibilities to participate during this innovation process. This study highlights that frontline employees prefer proceeding with their ideas locally because of increased possibilities to adopt an active role throughout the innovation process, but also due to higher likelihood that the ideas will be considered and eventually reach implementation.

Previous research further suggests that job autonomy and high variety are examples of prerequisites for promoting innovativeness among employees in the financial sector (Lee, 2008; Bysted, 2013; Shalley, Zhou & Oldham, 2004). Therefore, this should be ensured by the managers. Due to the uniqueness of every customer, the conducted study recognises a high task variety for frontline employees. The autonomy is also seemingly high, but limited by the banking policies and regulations present in the financial industry. This research confirms that these conditions have a positive impact on frontline employees' creativity and influences their innovation role. High variety of tasks supports them to generate more ideas and autonomy allows the implementation of some innovations to be specifically tailored towards customer needs. The results imply a strong team spirit at the interviewed branches, as teamwork is generally preferred over working individually. In specific, it is clear that teamwork facilitates the development of ideas through absorbing different perspectives, which fosters creativity (Dul & Ceylan, 2011). The results imply that teamwork is a great driver of innovation as it stimulates the generation of new ideas as well as collaboration in the development stage.

Hence, it can be argued that when colleagues cooperate, it becomes easier for frontline employees to adopt the roles as idea generators and developers.

It should be noted that although the majority of frontline employees and managers strongly believe that innovations become better when discussing the ideas and exchanging constructive feedback with co-workers, older employees tend to be less keen about innovations or changes in general. Similar to what Bysted (2013) presents in his research, this has to do with the reluctance towards new ways of working in the financial sector, as employees often prefer maintaining routinised processes. Therefore, this study confirms the mixed results shown by Shalley, Zhou and Oldham's (2004) regarding the impact that relationship with co-workers has on the outcome of employee creativity. Additionally, since the strong team spirit stimulates some frontline employees to first discuss ideas with co-workers before submitting them, the innovation role may be impacted. For instance, some ideas perhaps never reach the central innovation units if co-workers do not agree with the proposal.

No consensus has been reached regarding the impact of rewards on creativity (Shalley, Zhou & Oldham, 2004). The results indicate that none of the interviewed frontline employees are rewarded for their creativity. Instead, it is commonly agreed that ideas are rather recognised by praise and compliments from managers and colleagues, which possibly impacts their motivation to innovate positively (Eisenberger, 1992; Eisenberger & Armeli, 1997; Dul & Ceylan, 2011). Moreover, evaluation of ideas and constructive feedback are regarded as essential for the frontline employees' creativity, which is supported by Shalley, Zhou and Oldham's (2004) study. Receiving recognition for being innovative, knowing what happens with the ideas and obtaining feedback on them is highly appreciated. It motivates the frontline employees to keep contributing to the innovation activities. Hence, the results imply that the more feedback is received, the greater the possibility that frontline employees contribute actively in the innovation process. The fact that feedback on centrally suggested ideas is insufficient explains why frontline employees take a more active role in the local innovation process. This finding provides bank branches with improved knowledge on how to facilitate the involvement of frontline employees in innovation pursuits from a central level. Meanwhile, it also confirms previous literature in regards to the impact feedback on creative employee behaviour (Shalley, Zhou & Oldham, 2004).

Prior research acknowledges time pressure as a factor influencing the creativity of employees (Shalley, Zhou & Oldham, 2004). However, the results are not consistent, implicating that the

creativity of employees can both increase and decrease due to time pressure. The empirical findings gathered in this study show aligned results on this topic. Time pressure at work is commonly experienced by the frontline employees, who believe that it certainly impacts the creativity negatively, as they only focus on finishing the current task without further reflection. This is in line with Andrews and Smith's (1996) suggestion that time pressure decreases creativity, but offers additional explanations in the form of limited opportunities for reflection. In sum, the conducted study extends the existing theoretical mapping (Shalley, Zhou & Oldham, 2004) by showing unilateral results that time pressure diminishes the innovation roles of frontline employees, especially as idea generators and developers.

Compared to previous research, including Shalley, Zhou and Oldham's (2004) review, no new factors are identified in this study to influence the different roles of frontline employees as innovators. However, feedback and recognition are widely acknowledged by the study participants as the most essential motivating factors to take the role of generators and developers. The same factors are also the most common responses regarding what would increase the frontline employees' motivation to innovate. While the presence of creativity influences the development of ideas (Shalley, Zhou & Oldham, 2004; Scott & Bruce, 1994), it should be noted that the factors discussed are most significant for the role as idea generators. An explanation to this is that generating ideas is arguably the first moment in how the frontline employees demonstrate their innovativeness. Yet, the previous analysis shows that being idea generators is not the single most essential role of the frontline employees. Therefore, it can be concluded that their intrinsic motivation is not high enough (Amabile, 1988; Shalley, Zhou & Oldham, 2004), as they would otherwise generate ideas to an even greater extent.

Overall, the frontline employees are mainly perceived to have the role as implementers. This role is not significantly impacted by the motivational factors and creativity, since it is a mandatory part of the advisors' job. Frontline employees can optionally propose ideas, but are obliged to implement innovations or changes that have already been decided upon. Meanwhile, Amabile (1988) claims that creativity has to be present during the whole innovation process if innovations should lead to successful outcomes. As the case study observation did not examine the outcome of the innovations, it cannot be assessed whether creativity facilitates the frontline employees to achieve better outcomes in their role as implementers. On the other hand, the empirical findings imply that the frontline employees do not participate in the whole innovation process, since they miss the role as idea selectors. Their exclusion from the idea selection stage

is not a result of low creativity or lacking motivation, but due to the factors previously explained. Hence, this research extends the previous literature by contributing to deeper understanding of the frontline employee roles, suggesting that essentially the role as idea generators or idea developers is impacted by motivational factors in the work environment. As a result, it impedes the financial firms' possibilities to enhance creative employee roles throughout the entire innovation process.

5.2.2 The Impact of Innovation Opportunities on the Roles

The findings suggest that there are different opportunities for the frontline employees to innovate, depending on the innovation process. Since the role of idea generators can be taken either by the frontline employees or central units, it can be argued that both top-down and bottom-up innovation initiations recognised by Høyrup (2012) are present. More importantly, the combination of top-down and bottom-up innovation initiative supports the generation of both technical and administrative ideas (Daft, 1978). This research confirms that the frontline employees' ideas are different from the central unit ideas. Whereas the frontline employees base their ideas on the experience gained from daily operations, the central unit relies on statistics and overall business knowledge. This division suggests that the company is composed of two cores, as suggested by Daft (1978). The frontline employees can be characterised as the technical employees, being experts in their branches and knowledgeable about customer needs. The central unit can be interpreted as the administrative employees, trying to monitor the innovation potential across the whole organisation. In theory, both cores should propose ideas in order to sustain the business success (Høyrup, 2012; Ibarra, 1993; Damanpour & Evan, 1984; Kesting & Ulhøi, 2010). This study shows that the technical and the administrative ideas are present in the firm, because they ought to increase the customer satisfaction. However, the measurement of their actual impact on the innovation outcome was not possible, so the conclusions in regards to the prior research cannot be addressed. This would require a longitudinal study design with a focus on both cores, which was not the subject of this study.

The results show that besides being the idea generators and implementers, the frontline employees' role in the central process is quite limited. Although Høyrup (2012) explains that this is typical for top-down initiated processes, this research shows that the frontline employees may also be overlooked when the innovations are initiated by them. It has not been specified

in the previous literature. One of the reasons may be the scholars' focus on the administrative top managers' role in the innovations (Daft, 1978; Daft et al., 2010; Ibarra, 1993). This research provides additional insights into the exclusion of the frontline innovations and therefore, contributes to the literature with evidence why and in which stages the frontline employees are excluded.

Since the intranet is an open space for idea generation, employee-driven innovation is stimulated by granting the frontline employees the role as generators of ideas (Gressgård et al., 2014). Hence, it can be argued that frontline employees are regarded as the key resource of the knowledge for innovations (Barney, 1991; Grant, 1991; Hamel & Prahalad, 1994; Andreis & Czarnitzki, 2014). However, the results show that the frontline employees are not utilised substantially during the whole process, contrasting the fundamentals of the resource-based view, as managers lack the opportunity to maximise the outcome value and strengthen the competitive advantage (Teece, 2007; Andreis & Czarnitzki, 2014). This leads to the conclusion that the employee-driven innovation is limited, and so is the frontline employees' role in the central innovations. The interview respondents, however, have understood the potential of the frontline employees and call for their higher involvement in innovations as they can provide a relevant assessment of innovation's usability in practice. According to Høyrup (2012), this approach can foster collaboration and lead to higher performance, as the administrative top management initiative is reduced and the employee engagement is increased (Høyrup, 2012; Ibarra, 1993; Damanpour & Evan, 1984; Kesting & Ulhøi, 2010). It can be concluded that even though the firm's procedures limit the frontline employee role in the central innovation process, the interviewees acknowledge their potential to innovate and wish for a more significant role. This contrast is noteworthy to mention, since it may have great practical implications. Further research should assess this disparity to provide the managers with knowledge on how to create opportunities for frontline employees to participate in the innovation process, as this is not the main aim of this study.

Different results were also acquired in regards to the local innovation process. Here, the process can be labelled as bottom-up (Høyrup, 2012), where the technical frontline employees are likely to innovate without a clear goal, but with the intention to solve observed problems immediately (Daft, Murphy & Willmott, 2010). As the frontline employees can participate along the whole process, which is based on the employee-driven innovation perspective, they are valued as significant resources for innovations (Kesting & Ulhøi, 2010; Barney, 1991).

This research complements Kesting and Ulhøi's (2010) theoretical research and suggests that frontline employees play a significant role, as they are key elements for the innovations, at least in the local process.

Unlike most of the previous research, this study focuses on frontline employees and not specific R&D or innovation groups. Therefore, the results extend the field of employee-driven innovation by bringing new insights to the existing literature and elaborating on the importance of these employees' participation in innovation activities. The results suggest that due to the two cores in the company, different innovation opportunities exist, directly impacting the level of EDI and the overall role of the frontline employees. This implication has not been mentioned in the previous research, so the results complement the existing literature with comprehension how the frontline employee role can be influenced. In addition, it can be resolved that EDI is relevant in the case company (Kesting & Ulhøi, 2010), due to the heterogeneous duties and decision rights of customer advisors. Although there is a culture to "ask for permission", the decision rights are arguably heterogeneous enough since some innovations can be implemented directly. To conclude, it can be argued that EDI is mostly present on the branch level, while the case company struggles to utilise it centrally, which is also reflected in the previous discussion points of this chapter.

6 Conclusion

In the following chapter, the conclusions derived from this study are presented by examining how the research aims were fulfilled and how the research question was answered. Afterwards, theoretical and practical implications are explained. The chapter ends with the acknowledgement of research limitations and proposals for future research.

The purpose of this study is to understand the role of frontline employees in the innovation process. In order to obtain a comprehensive knowledge about the role, it is examined what opportunities the frontline employees have to be involved in the innovations and how they are encouraged to contribute. The practical goal is to provide bank branches with knowledge on how to facilitate effective involvement of their employees in the innovation process. To achieve these aims, relevant literature was reviewed and validated with empirical findings acquired by a single case study on Swedbank, enabling the researchers to answer the following research question:

"What is the role of frontline employees in the innovation process within the financial services sector?"

The empirical findings suggest that the role of the frontline employees varies, depending on the innovation process type. If the innovation process is central, the role of the frontline employees is limited mainly to idea implementers and idea generators, whereas their contribution to idea development or selection is rare. In the local innovation process, the role of the frontline employees is more active, as they participate in implementing, generating and developing the innovations. The selection of the ideas is rarely executed by frontline employees locally, similar to in the central process. Therefore, unlike the literature suggests, it is concluded that the frontline employees are not involved in each stage of the process, despite their recognised potential as innovators. It is also clarified why these employees may be excluded from certain stages, primarily the idea selection stage.

The empirical findings further explore that the frontline employees' capabilities to innovate are not utilised effectively enough and that their overall role should be more significant. It requires more opportunities from the central innovation unit, constant support from the management and feedback that stimulate higher motivation to participate.

6.1 Theoretical and Practical Implications

This research attempts to explore what role frontline employees adopt in the innovation process of financial firms. It holds both theoretical implications for the innovation management literature, as well as practical implications for corporate leaders and managers within the financial services sector. Due to the increasing interest among academics and practitioners regarding the importance of frontline employee involvement in innovations, an additional industry-specific study was necessary to deepen the understanding.

Theoretically, the field of employee-driven innovation is extended by building upon the previous literature through the design of a case study incorporating several connected research topics, such as innovation processes and factors influencing the motivation to innovate. The conducted case study fills the identified literature gaps by explicitly recognising the role and involvement of the frontline employees in all stages of the innovation processes from a holistic perspective. Essentially, this research contextualises how the innovation roles of frontline employees differ depending on the innovation process and shows that a more active role is taken when innovating locally. This is a result of the factors influencing the employees' motivation to innovate. It is concluded that these factors are more influential at the branch level compared to when innovations are managed through central units.

On a practical level, determining the role of frontline employees in the innovation process allows the top management to reflect on the desirability of the identified roles and deliberate whether they should be adopted or if alternative roles are more appropriate. Moreover, the findings from this research can guide managers to better comprehend how to enhance creative employee behaviour. The empirical findings highlight that in order to ensure high innovation commitment among the employees, significant encouragement from the social work environment is required. Feedback on ideas and recognition of the employees' innovative endeavour, in particular, are identified as necessities for motivating their involvement in innovation activities. In practice, the results provide bank branches with improved knowledge and understanding of how fruitful involvement of human resources in the innovation process is facilitated. Ultimately, this understanding can give companies an advantage in the pursuit of sustained competitiveness in the financial services sector.

6.2 Limitations and Future Research

The aforementioned theoretical and practical implications should be considered in the light of its limitations, indicating the direction for future research. It can be argued that the main research limitation of this study is the case study design. As commonly acknowledged by academics, the external validity of case studies is questioned since generalisable results cannot be concluded. Although the results acquired from this research are argued to be representative to some extent, future research can indeed strengthen its reliability. Hence, there is a need for similar studies using another research approach or design, for instance a multiple case study including several financial services companies and more branches. By doing so, additional insights would be gathered regarding the roles of frontline employees in the innovation process. This would provide more generalisable findings that may validate whether the chosen case company concluded typical results for the banking sector. In addition, since a central conclusion is that frontline employees adopt different roles depending on the innovation process, further research may conclude novel findings if other case companies utilise contrasting innovation processes. Therefore, it would be interesting to conduct a similar study with, for instance, upcoming fintech companies to investigate their attempts to disrupt the competitive landscape by innovative means.

Lastly, this study is limited to the three viewpoints of business development, branch managers and customer advisors. Hence, future research can indicate if innovation roles are adopted differently compared to what this study suggests and exploit other perspectives on how to enhance innovativeness among frontline employees. Especially, investigating the intentions of top managers in regards to EDI would be compelling to understand how employee involvement is promoted from a central level. Lastly, a longitudinal study may be conducted to investigate whether the frontline employee involvement in innovation processes in fact lead to valuable outcomes, as some scholars show uncertainty.

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Appendix A

Interview Guide for Customer Advisors

1. What is your position at Swedbank?
   a. Can you describe your main tasks? How would you describe your job in terms of variety and autonomy?
   b. How does your job impact the success of Swedbank's performance?
2. How are innovation activities organised at your workplace?
3. How do you participate in innovation activities?
4. In general, is there a process for turning ideas into reality?
   a. So, first – where do your ideas come from?
   b. How can the ideas be shared and submitted?
   c. How are the ideas selected – what determines if the idea should be carried out? Who decides? Why?
   d. How are ideas developed? Who develops the idea? Why?
   e. How are the ideas implemented? Who implements the idea?
5. Based on the stages of the innovation process discussed before – what is your role?
   a. How do you think that you should be involved in the process?
6. How motivated are you to innovate and contribute with ideas for improvement at the workplace? Why?
7. How does your manager support you in your personal development? How does your manager encourage you to be creative?
8. How do co-workers support new ideas for improvements at the workplace? Do you feel more creative when working individually or in teams? Explain.
9. What would motivate you to be more creative? How are you rewarded for being creative or coming up with new ideas?
10. How and who evaluates your ideas? How important do you believe that the evaluation of ideas/constructive feedback is for your creativity? Why?
11. How does time pressure at work affect your creativity?

Appendix B

Interview Guide for Branch Managers

1. What is your position at Swedbank? Describe your main tasks.
   a. How would you describe the customer advisors' job in terms of variety and autonomy?
   b. How does their job impact the success of Swedbank's performance?
2. How are innovation activities organised at your workplace?
3. How do customer advisors participate in innovation activities?
4. In general, is there a process for customer advisors when turning ideas into reality?
   a. How can the ideas be shared and submitted?
   b. How are the ideas selected – what determines if the idea should be carried out? Who decides? Why?
   c. How are ideas developed? Who develops the idea? Why?
   d. How are the ideas implemented? Who implements the idea?
5. Based on the stages of the innovation process discussed before – what is the role of customer advisors?
   a. How do you think that they should be involved in the process?
6. How motivated are customer advisors to innovate and contribute with ideas for improvement at the workplace? Why?
7. How do you support the customer advisors in their personal development? How do you encourage the customer advisors to be creative?
8. How do customer advisors support each other's ideas for improvements at the workplace? Do you believe that the customer advisors are more creative when working individually or in teams? Explain.
9. What do you believe would motivate the customer advisors to be more creative? How are the customer advisors rewarded for being creative or coming up with new ideas?
10. How and who evaluates the ideas coming from customer advisors? How important do you believe that the evaluation of ideas/constructive feedback is for their creativity? Why?
11. How do you believe that time pressure at work affects customer advisors' creativity?

Appendix C

Interview Guide for Business Development Unit

1. What is your position at Swedbank? Describe your main tasks.
2. What is the purpose and goal of your unit?
3. How are innovation activities organised at Swedbank?
4. Does Swedbank have an innovation process? What does it look like? (If not, how are ideas turned into reality?)
    a. Can ideas be shared and submitted? Do you have a submission system? Is it easily accessible for employees? How do you make it easy for employees to contribute with ideas?
    b. How are submitted ideas evaluated and by whom? Do you have any evaluation criteria?
    c. How do you give feedback on whether the idea has been approved or declined?
    d. How are ideas developed? Who develops the idea? Why?
    e. How are ideas implemented? Who implements them?
5. What do you believe is the role of frontline employees in the innovation process?
    a. How important is it to involve frontline employees in Swedbank's innovation activities?
    b. How do you think they should participate in each stage of the process? Why?
6. From Swedbank's perspective – why should employees be motivated to innovate? Do you believe they are motivated?
7. How do you encourage employees to innovate and contribute with ideas for improvements?
8. How are employees rewarded for coming up with new ideas?