Enabling Conditions for Organizational Change Production by Cross Functional Teams in Multinational Corporations : An In-Depth Multi Cases Study of the Marketing, Sales and Distribution Transformation in Pharmaceutical Multinational Companies

Christine Baldy Baldy Ngayo

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Enabling Conditions for Organizational Change Production by Cross Functional Teams in Multinational Corporations

An In-Depth Multi Cases Study of the Marketing, Sales and Distribution Transformation in Pharmaceutical Multinational Companies

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Par
Christine BALDY NGAYO

JURY

Président du Jury :

Monsieur Marc BONNET
Professeur HDR
Ecole Universitaire de Management – IAE de Lyon
Université Jean-Moulin – Lyon 3

Co-Directeurs de Recherche :

Monsieur Charles-Henri BESSEYRE des HORTS
Professeur Associé HDR
Ecole des Hautes Etudes Commerciales

Madame Françoise CHEVALIER
Professeur Associé
Ecole des Hautes Etudes Commerciales

Rapporteurs :

Monsieur Claus D. JACOBS
Swiss NSF Professor
University of St Gallen, Switzerland

Monsieur Bert A. SPECTOR
Professeur Associé
Northeastern University, Boston, USA

Suffragants :

Monsieur Patrick GILBERT
Professeur des Universités
I .A.E. de Paris 1 – Panthéon Sorbonne

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"Never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has.

(Nancy C. Lutkehaus, 2008, Margaret Mead: The Making of an American Icon,

Princeton University Press)

Court résumé - Abstract

**LES CONDITIONS INTERNES DES EQUIPES PLURIFONCTIONNELLES FAVORISANT LE
CHANGEMENT ORGANISATIONNEL:**

Une Etude Comparative de Cas de la Transformation du Marketing, de la Vente et de la
Distribution dans des Entreprises Pharmaceutiques Multinationales.

Dans un monde de compétition économique en évolution constante, les équipes projets
plurifonctionnelles constituent un outil de management apprécié pour mettre en place des
transformations stratégiques majeures dans les multinationales. Cependant, de nombreuses études
empiriques (Kotter, 1995; Beer, Eisenstat and Spector, 1990; Beer, 2000; Stvetena and Damian,
2006) montrent que ces équipes, à moins qu'elles ne soient bien gérées, conduisent à l'échec. A
partir d'une étude comparative approfondie d'une équipe pilote et de quatre autres équipes dédiées à
la transformation du marketing, de la vente et de la distribution, dans deux entreprises
pharmaceutiques, nous examinons les conditions internes des équipes plurifonctionnelles dédiées au
changement organisationnel au sein d'organisations multinationales. Les résultats montrent que ces
équipes réussissent mieux lorsque qu'elles couplent leurs activités avec le reste de l'organisation
dans la première phase et la dernière phase du projet, lorsqu'elles pratiquent un leadership partagé et
lorsqu'elles sont organisées en semi-structures. Cette étude contribue à la littérature sur le
changement organisationnel en transcendant les relations paradoxales entre stabilité et changement,
à la littérature de l'approche par les pratiques en explicitant les relations entre les pratiques et les
organisations, et propose des enseignements clés pour les managers impliqués dans des
transformations majeures au sein d'entreprises multinationales.

Mots clés: *Changement Organisationnel, Equipe Plurifonctionnelle, Approche par les Pratiques,
Multinationales*

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**ENABLING CONDITIONS FOR ORGANIZATIONAL CHANGE PRODUCTION
BY CROSS FUNCTIONAL TEAMS:**

An In-Depth Multi Cases Study of the Marketing, Sales and Distribution Transformation
in Pharmaceutical Multinational Companies.

In today's ever-changing, competitive business environment, CFTs are an increasingly popular
mechanism to implement major business transformations within multinationals. Yet empirical data
(Kotter, 1995; Beer, Eisenstat and Spector, 1990; Beer, 2000; Stvetena and Damian, 2006) support
for the prevailing view that such teams, unless they are well managed, lead to failure. By drawing on
an in depth comparative study of one Pilot Team and four teams dedicated to marketing, sales and
distribution transformation in two pharmaceutical companies, we examine under which internal
conditions CFTs dedicated to organizational change enable or hinder organizational change within
multinational corporations. The findings suggest that they succeed best through high level coupling
activities with the remainder of the organization during the early and the later phases of a project,
when practicing shared leadership and when organized as a semi-structure. This study contributes to
the literature on organizational change in transcending the paradoxical relationships between stability
and change, to the literature on the practice-based approach in making more explicit the relationships
between practices and organizations and provides implications for managers involved in major
business transformations in multinational corporations.

*Keywords: Organizational Change, Cross-Functional Team, Practice-based Approach, Multinational
Corporations*

Overview of the contents

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List of Abbreviations

BBP: Brand Building Plan

CFT: Cross Functional Teams

CRM: Customer Relationship Management

CRS: Call Reporting System

HRM: Human Resource Management

ICIC: innovation Culture and Customer Intimacy

ISMO: International Sales and Marketing Organization

IT: Information Technology

KAM: Key Account Manager

KOL: Key Opinion Leader

MEX : Marketing EXcellence

SAM: Strategic Account Manager System

SFE : Sales Force EXcellence

SGCI: Swiss Chemical and Pharmaceutical Industry

Résumé en français

Audience centrale, Ecart dans la littérature et Contributions clés

Cette étude s'adresse aux auteurs du changement organisationnel ainsi que de l'approche par les pratiques. Cette littérature met avant le besoin d'analyser en détail les relations entre les équipes plurifonctionnelles, dédiées au changement organisationnel, et leurs implications pour maintenir ou modifier les institutions. Notre étude adresse ce besoin en examinant les caractéristiques des équipes plurifonctionnelles, étudiées en tant que pratiques stratégiques pour mettre en œuvre un changement organisationnel, et leurs implications pour la mise en œuvre de cette stratégie. Notre argument central est que les équipes plurifonctionnelles dédiées au changement organisationnel favorisent le changement des organisations dans les entreprises multinationales à travers le leadership partagé, la séquence dans le temps des activités avec le reste de l'organisation ainsi qu'en étant organisées de façon « semi-structurée ».

Dans un monde de compétition économique en évolution constante, les équipes projets plurifonctionnelles constituent un outil de management apprécié pour mettre en place des transformations stratégiques majeures dans les multinationales. Cependant, de nombreuses études empiriques (Kotter, 1995; Beer, Eisenstat and Spector, 1990; Beer, 2000; Stvetena and Damian, 2006) montrent que ces équipes, à moins qu'elles ne soient bien gérées, conduisent à l'échec.

Cette thèse analyse les conditions internes par lesquelles les équipes plurifonctionnelles dédiées au changement organisationnel favorisent ou limitent le changement organisationnel au sein des entreprises multinationales. L'accent est mis sur le changement organisationnel. Quelle est sa nature ? Selon Spector et al. (2009, p.viii), le changement organisationnel est adopté lorsque « les comportements des employés sont altérés de façon à être alignés avec la stratégie ». Le changement est ainsi stratégique, lié à un objectif et comportemental. Quelles sont les différentes approches du changement organisationnel? Le changement organisationnel est mis en œuvre par des méthodes planifiées ou guidées. Dans l'objectif de l'orchestrer, différents moyens, outils et pratiques sont utilisés. Parmi ces pratiques, les entreprises forment et mettent en place des équipes plurifonctionnelles (CFT).

Elles traversent les frontières internes de l'entreprise et constituent un lieu spécifique pour les activités exploratrices et les activités courantes. Introduites comme une forme alternative d'organisation, elles apportent de la nouveauté à l'organisation. En tant que pratique de conduite du changement, leur objectif est d'apporter de la nouveauté au reste de l'organisation. L'enjeu est d'incorporer cette nouveauté – l'aspect d'exploration – dans des activités régulières de l'organisation. En effet, ces équipes plurifonctionnelles constituent le paradoxe de formes temporaires au sein d'une organisation donnée, avec des effets à long terme sur celle-ci. La séparation de l'équipe plurifonctionnelle avec le reste de l'organisation constitue un obstacle au transfert des idées et de la créativité. Au cœur de l'exploration et de l'exploitation, les équipes plurifonctionnelles constituent un sujet idéal pour étudier la combinaison de la stabilité et du changement.

Notre objectif, dans cette étude, est d'explorer les conditions dans lesquelles les équipes plurifonctionnelles dédiées au changement, facilitent ou empêchent le changement dans les entreprises multinationales. A travers le cadre de l'approche basée sur l'étude des pratiques et la perspective « stratégie comme pratique », nous analysons les équipes plurifonctionnelles en tant que pratique organisationnelle, et centrons notre analyse sur les actions et les interactions de ces équipes. Qu'est ce que les équipes plurifonctionnelles font réellement lorsqu'elles sont impliquées dans la mise en œuvre du changement? Quelles sont les conditions internes des équipes plurifonctionnelles dédiées au changement nécessaires à la production d'un changement organisationnel ?

Utilisant les données issues de l'étude d'une équipe pilote et de quatre équipes dans deux entreprises pharmaceutiques, comprenant 54 entretiens, nous cherchons à identifier les structures et les processus des équipes plurifonctionnelles favorables à leur succès ou à leur échec. Cette étude explore les relations réciproques entre la pratique de la mise en œuvre de la stratégie – mise en place d'équipes projet plurifonctionnelles dédiées à un changement organisationnel – et les institutions.

L'objectif principal de cette recherche est de contribuer, théoriquement et empiriquement, à notre compréhension de ce que les équipes plurifonctionnelles font (Whittington, 2006) durant le processus de mise en œuvre du changement, ainsi que de poser la question sur la manière dont elles contribuent au transfert d'idées d'un petit groupe de personnes vers le reste de l'organisation, et ainsi au changement des organisations.

Cette synthèse managériale comprend quatre parties. Premièrement, nous présentons une revue de la littérature sur le changement organisationnel et les équipes plurifonctionnelles, à travers l'approche par les pratiques. Deuxièmement, nous présentons le cadre empirique de recherche. Troisièmement, nous décrivons les résultats empiriques en mettant en valeur les caractéristiques principales des équipes plurifonctionnelles facilitant le changement des organisations. Enfin, nous discutons les résultats, leurs contributions à la littérature sur l'approche par les pratiques et les implications pour la recherche future.

Changement Organisationnel et Equipes plurifonctionnelles

Afin de répondre à la question de savoir quelles sont les conditions internes des équipes plurifonctionnelles dédiées au changement organisationnel qui facilitent ou contraignent le changement dans les entreprises multinationales, nous nous référons à la littérature sur le changement organisationnel, les équipes plurifonctionnelles ainsi que la littérature de l'approche par les pratiques et la perspective de la stratégie comme pratique.

Recherche sur le changement organisationnel

Selon Spector et al. (2009, p.viii), le changement organisationnel est adopté lorsque « les comportements des employés sont altérés de façon à être alignés avec la stratégie ». Le changement est ainsi stratégique, lié à un objectif et comportemental.

« 1- Stratégique – l'objectif de l'accompagnement du changement est d'aider une organisation à mettre en œuvre une nouvelle stratégie dans l'objectif d'achever et de maintenir une performance remarquable dans un environnement dynamique. Une perspective stratégique met l'accent sur l'alignement des comportements avec une nouvelle stratégie et les besoins d'une performance remarquable.

2- Lié à un objectif – un changement peut agir sur une organisation ou par une organisation, le plus souvent par la combinaison des deux. Une approche par objectif met l'accent sur des interventions explicites au sein de l'organisation, conçues pour répondre à un environnement dynamique et compétitif.

3- Comportemental – bien que le changement puisse se révéler sous différentes formes, c'est la modification du comportement des employés – comment les employés font vivre leur rôle, leurs responsabilités, et leurs relations interpersonnelles – qui permet aux organisations de mettre en œuvre de nouvelles stratégies et atteindre une performance remarquable. Une perspective par les comportements met en lumière le processus de

motivation des employés à tous les niveaux de l'organisation afin de modifier les types de comportements de façon à ce qu'ils deviennent durables, adaptables aux changements de l'environnement externe, et qu'ils contribuent à une performance remarquable. (Spector et al, 2009, p.viii)

La revue de littérature sur le changement organisationnel traite de la dichotomie entre deux approches opposées – l'approche du changement planifié et l'approche du changement continu. La plupart de la littérature concerne le changement planifié ou le changement dit « épisodique » (Pettigrew and Whipp, 1991; Pettigrew and Massini, 2000; Kotter, 2007; Beer, 2000, Beer, Eisenstat and Spector, 1990) ou du changement continu (Buono and Kerber, 2008; Kerber, 2001; Weick and Quinn, 1999; Orlikowski, 1996; Pettigrew and Whittington, 1999; Kamoche and Cunha, 2001; Weick, 1993; Brown and Eisenhardt, 1997 and 1998). Cette dualité est transcendée par des approches qui intègrent la stabilité et le changement, l'exploration et l'exploitation (March, 1991; March, 1996; Tushman and O'Reilly, 1996, 2004, 2008; Farjoun, 2010).

L'approche planifiée et l'approche guidée du changement organisationnel sont la plupart du temps opposées. Cependant, certains auteurs argumentent que ces deux approches peuvent être complémentaires. Farjoun (2010) propose une vue alternative qui combine stabilité, fiabilité et exploitation avec changement, innovation et exploration dans un modèle appelé « stabilité et changement comme dualité ». Ce modèle présente quatre classifications (l'exploitation ; le changement qui facilite la stabilité ; la stabilité qui facilite le changement; l'exploration) selon deux mécanismes (la stabilité et le changement) et deux résultats (stabilité et changement). Les mécanismes consistent en des processus, des pratiques et des formes d'organisation. Les mécanismes impliquant la stabilité regroupent les habitudes, les routines, les institutions, la discipline, les liens, les limites, les engagements, le contrôle et une faible variance. Ceux impliquant le changement consistent en la recherche d'information, proposent la redondance ainsi que l'ouverture, et combine préoccupation pour l'échec, l'imagination et la variété. Les résultats de stabilité sont la continuité, la faible variance, la prédictibilité et la fiabilité. Les résultats de changement sont l'adaptabilité, la variance importante, l'innovation et la flexibilité.

Le premier quadrant du modèle « stabilité et changement » est l'exploitation. Les mécanismes stables produisent des résultats de stabilité. La manifestation de ce type de relation est que le contrôle réduit la variation. Des routines standardisées conduisent à

l'efficacité et réduisent l'innovation. L'engagement et la spécialisation favorisent la fiabilité et réduisent l'adaptabilité. Le deuxième quadrant traite de la situation où le changement favorise la stabilité avec des mécanismes de changement et des résultats de stabilité. La redondance et les liens faibles augmentent la fiabilité. Le peu d'expérimentation évitent des échecs trop importants. Le doute et le niveau d'attention favorisent la sécurité et la continuité. Le troisième quadrant se nomme « la stabilité permet le changement » et comprend des mécanismes stables et des résultats de changement. Le contrôle permet la conception et l'invention. Les routines et la formalisation aident à gérer la non-routine. L'engagement et la spécialisation développent l'adaptabilité. Le quatrième quadrant est appelé « exploration » lorsque les mécanismes de changement conduisent à des résultats de changement. La redondance et les faibles liens favorisent la flexibilité et l'innovation. L'expérimentation promeut l'adaptabilité et réduit la fiabilité. Le doute stimule la découverte et le changement.

Dans ce modèle, le lien clé est entre la performance et le changement associé. Alors que dans le court terme, les entreprises recherchent l'efficacité et l'exploitation, elles doivent aussi chercher dans le long terme l'exploration et la fiabilité. Les implications de ce modèle pour la conception des organisations sont la dualité des tâches. Il devrait également être demandé aux individus engagés dans des tâches de routine de fournir également des actions clés exploratoires. De même, il devrait être demandé à ceux engagés dans des tâches de créativité de conduire des tâches routinières également. Outil de l'approche planifiée du changement, les équipes plurifonctionnelles sont vues comme une pratique stratégique qui implique des mécanismes plus subtils de changement.

Recherche sur les Equipes plurifonctionnelles

Dans cette étude, nous analysons les équipes plurifonctionnelles dédiées au changement organisationnel, en tant qu'une pratique formelle et particulière stratégique. Ces équipes sont définies comme des groupes spécifiques de personnes représentant des métiers divers (système informatique, vente, marketing, logistique, stratégie etc…), organisées en mode projet pour une période de temps limité, en dehors de la structure organisationnelle normale, et, qui sont mises en place explicitement pour apporter un changement organisationnel spécifique.

La littérature classique sur les équipes plurifonctionnelles met l'accent sur la performance de ces équipes dans un contexte de développement produit (De Luca, L. and Atuahene-Gima, K., 2007, Campany, N., 2007; Keller, 2001; Sewell, 1998, Sewell and Barker, 2006; Cole, MA, 2007; Gebert et al., 2006; Dyerson and Mueller, 1999). Certains auteurs argumentent que la plurifonctionnalité est une clé de la performance (De Luca, L. and Atuahene-Gima, K., 2007, Campany, N., 2007). D'autres souhaitent montrer que ce n'est pas toujours le cas (Keller, 2001) et les ambiguïtés morales du travail d'équipe n'en font pas une forme organisationnelle de travail supérieure (Sewell, 1998, 2005, Sewell and Barker, 2006). D'autres auteurs argumentent que certains facteurs modérateurs peuvent modifier les résultats et que les équipes projet plurifonctionnelles ne devraient être utilisées que dans certaines conditions (Cole, MA, 2007; Gebert et al., 2006; Procter and Mueller, 2001; Dyerson and Mueller, 1999). La plurifonctionnalité influence favorablement la performance de l'innovation de produits directement à travers les mécanismes d'intégration de la connaissance (De Luca and Atuahene-Gima, 2007). Dans son étude de 51 équipes plurifonctionnelles engagées dans le développement de nouveaux produits pharmaceutiques, basée sur des enquêtes et des entretiens comportementaux, Campany (2007) propose des comportements d'équipe, des pratiques et des méthodes pour atteindre le succès, ainsi que des facteurs externes qui permettent de différentiel le niveau de performance des CFTs.

En testant des hypothèses dans une étude de 93 groupes de recherche et développement, Keller (2001) montre que la diversité fonctionnelle a un effet négatif indirect à travers la communication externe une année plus tard. Alors que la qualité technique, le planning et la performance de budget progressent, la cohésion d'équipe diminue. La diversité fonctionnelle a aussi un effet indirect à travers le stress du poste sur la cohésion d'équipe. Selon Cole (2007), les structures d'équipe plurifonctionnelles ne sont pas forcément une panacée pour raccourcir les temps de développement ou améliorer les taux de succès. L'efficacité d'une base fonctionnelle ou d'un arrangement organisationnel dépend des clients et des technologies sur lesquelles ces derniers sont servis. Les équipes plurifonctionnelles devraient être construites en fonction de ces clients et technologies, en particulier lorsque les tâches sont de générer des nouvelles idées pour le futur.

Gebert (2006) va contre la croyance répandue chez les praticiens que la plurifonctionnalité constitue un chemin sûr vers l'innovation en équipe. Il propose un modèle, basé sur une perspective théorique du conflit, pour expliquer les résultats empiriques contradictoires. Le modèle explique comment et quand la plurifonctionnalité améliore ou

empêche la communication synergique entre les membres de l'équipe. En se basant sur 409 individus faisant partie de 45 équipes de développement produit dans 5 entreprises du secteur de la haute technologie, Ancona et Caldwell (1992) recherchent l'impact de la diversité sur la performance. Ils montrent que, d'un côté, plus la plurifonctionnalité est forte, plus les membres des équipes plurifonctionnelles communiquent en dehors des frontières de leurs équipes et plus important est le taux d'innovation. D'un autre côté, la plurifonctionnalité impacte également la performance. Il se pourrait que, bien que la diversité fonctionnelle apporte plus de créativité dans la résolution des problèmes et le développement produit, elle réduise la mise en œuvre, suite à une capacité réduite du travail en équipe par rapport à une équipe homogène. Les auteurs suggèrent que les équipes doivent trouver un moyen de réunir les processus positifs de la diversité, tout en en réduisant les effets négatifs. Au niveau de l'équipe, il peut être nécessaire de développer des compétences pour un plus grand sens de la négociation et de résolution de conflits. Au niveau de l'organisation, les équipes peuvent avoir besoin d'être protégées de pressions politiques externes et être reconnues en tant qu'équipes, plutôt qu'en fonction de résultats fonctionnels. L'efficacité des équipes plurifonctionnelles n'est pas donnée en tant que telle. Bien que la plurifonctionnalité apporte des avantages, les équipes plurifonctionnelles restent des équipes, avec leurs avantages et inconvénients.

Les équipes dédiées au changement atteignent parfois leurs objectifs mais finissent souvent par un échec (Beer et al., 2000: Beer, Eisenstat et Spector, 1990; Svetena et Damian, 2006). La séparation des séminaires stratégiques peut empêcher le transfert des idées et des plans vers la situation de travail de tous les jours (MacIntosh, MacLean et Seidl, 2010). Nous suggérons d'appliquer cette constatation aux équipes plurifonctionnelles. De plus, alors qu'une large recherche traite des équipes projets, peu d'auteurs ont examiné comment les équipes projet contribuent au changement des organisations (Clegg and Courpasson, 2004, Ancona, D et Bresman, H, 2008; Orlikowski, 2009), au changement stratégique (MacIntosh, MacLean et Seidl, 2010) ou au changement culturel (Pick, 1999). Aucune de ces études n'a analysé en détail les relations entre les équipes plurifonctionnelles dédiées au changement organisationnel, étudiées en tant que pratique stratégique, et leurs implications pour maintenir ou changer les institutions.

En étudiant les complémentarités entre stabilité et changement, Farjoun (2010) appellent à de futures recherches empiriques, dans l'industrie pharmaceutique, pour explorer les conditions dans lesquelles des arrangements organisationnels, avec succès et sans succès, produisent de la stabilité et du changement au sein des organisations. Notre

étude a pour objectif de s'attaquer à cet écart dans la littérature et à répondre à cet appel, en examinant les caractéristiques des CFTs et leurs implications pour mettre en œuvre le changement organisationnel.

L'approche par les pratiques comme grille d'analyse

L'approche par les pratiques constitue la grille d'analyse par laquelle nous analysons le phénomène. Elle aide à regarder les équipes plurifonctionnelles en tant que pratique ayant pour objectif de diffuser un changement organisationnel. Elle fournit une grille d'analyse approfondie sur ce qui se passe vraiment dans la conduite du changement et des autres activités liées au changement des organisations. Elle fournit une grille d'analyse pour ouvrir la boite noire du changement organisationnel.

La pratique a émergé comme un concept pour comprendre les questions centrales sur comment l'agent et la structure, l'action individuelle et les institutions sont reliées en tant que systèmes sociaux, cultures et organisations (Giddens, 1984). L'approche par les pratiques est visible dans la recherche sur les organisations (Orlikowski, 2000). L'accent mis sur les pratiques fournit une opportunité d'examiner le niveau micro de l'activité sociale et sa construction dans un contexte ou un domaine social réel. Les activités sont comprises comme favorisées ou contraintes par les activités dominantes dans le domaine en question. Une approche par les pratiques ne devrait pas mettre l'accent sur les comportements ou les actions des managers mais devrait examiner comment ces comportements et actions sont liés aux pratiques dominantes. La notion de pratique permet de traiter la question sur comment l'action sociale est liée à la structure et au système d'agence. Il permet d'expliquer pourquoi et comment l'action sociale suit et reproduit les routines, règles et normes, et, parfois ne le fait pas. La sociologie de la pratique (Bourdieu, 1977, 1993; de Certeau, 1984; Giddens, 1984) a défini ces pratiques comme :

> "éléments matérialisés de l'activité humaine, centralisés et organisés autour d'une compréhension pratique partagée." (Schatzi, 2001)

Les chercheurs regardent la vie interne des processus et examinent les acteurs organisationnels comme des êtres riches en connaissance et ayant un aspect pratique de leurs affaires (Giddens, 1984). L'approche par les pratiques (Orlikowski, 1992, 2000; Jarzabkowski, 2004, 2005; Whittington, 2006) examine comment les institutions sont construites, et comment elles construisent l'action (Giddens, 1984). Les académiques,

spécialisés dans cette approche, regardent les actions et les interactions entre des acteurs multiples, comme niveau central de leur analyse (Jazabkowski, Balogun and Seidl, 2007).

Orlikowski (2010) identifie trois modes de recherche : la pratique comme phénomène, la pratique comme perspective et la pratique comme philosophie. La pratique comme phénomène souligne l'importance de la compréhension de ce qui se passe en pratique. Les chercheurs regardent ce que les acteurs font en pratique. Ils réalisent des investigations en profondeur et des ethnographies des acteurs au travail. La pratique comme perspective regarde certains aspects de l'organisation. L'approche par les pratiques est une grille d'analyse utile pour étudier des phénomènes sociaux particuliers. Elle analyse la nature récurrente, et dans son contexte, de l'activité quotidienne. La première génération des académiques utilisant cette approche sont Bourdieu (1977), de Certeau (1984), Foucault (1977), Garfinkel (1967), Giddens (1984) et Taylor (1985). Ces auteurs ont mis l'accent sur l'importance des actions des agents, des interactions et des improvisations. Ils ont porté leur attention sur la façon dont ces actions, interactions et improvisations transforment la structure sociale et organisationnelle. La seconde génération compte Pickering (2001), Reckwitz (2002), Rouse (1996) and Schatzi (2001, 2002). La dernière génération propose d'adopter une grille d'analyse via les pratiques sur les phénomènes sociaux.

La pratique comme philosophie met la pratique comme partie constitutive de toute réalité sociale. Jarzabkowski et Balogun (2009) utilisent cette approche par les pratiques pour étudier comme le planning stratégique produit une communication, participation et intégration à travers la considération de processus réciproques par lesquels les perspectives des acteurs, et le mécanisme du plan lui-même, sont modifiés au cours du temps dans l'objectif de faciliter l'émergence d'une activité commune. A travers l'approche par les pratiques, la stratégie est considérée comme un courant d'activité continu qui est construit grâce aux interactions et négociations entre les différents acteurs. Jarzabkowski et Balogun (2009) concluent que les processus de planning ne devraient pas être réifiés parce que les acteurs résistent ou s'adaptent, selon les cas. Les différents acteurs, plans stratégiques et résultats stratégiques forment en même temps qu'ils sont formés par les uns et les autres à travers des activités de résistance et de conformité. Leurs résultats sont utilisés pour développer un modèle processuel qui capture les multiples étapes par lesquelles les activités de communication et de participation favorisent l'intégration stratégique entre les différentes unités d'activités économiques au sein des mécanismes de planning stratégique.

Paroutis and Pettigrew (2007) utilisent l'approche par les pratiques pour étudier comment les équipes centrales et périphériques de stratèges dans des entreprises à multiples activités, au travers de leur pratique quotidienne, adoptent des comportements récursifs ou adaptatifs au cours du processus stratégique. Ils utilisent les concepts de parxis, pratiques et de praticiens (Balogun et al., 2007; Jarzabkowski, 2005; Jarzabkowski et al., 2007; Whittington, 2006). La praxis fait référence au travail de construction de la stratégie ou de la mise en place du changement comme les réunions, les présentations, la rédaction est nécessaire pour exécuter la stratégie ou le changement. Les pratiques font référence aux normes, traditions et procédures nécessaires à la mise en place de la stratégie ou du changement. Les praticiens sont les professionnels en charge de l'exécution de la stratégie ou du changement. Utilisant ce concept de praxis, Paroutis et Pettigrew étudient ce que les stratèges font. L'approche par les pratiques offre ainsi une grille d'analyse intéressante pour étudier les équipes plurifonctionnelles et le changement organisationnel.

Construction de la recherche et méthode d'analyse

Afin d'étudier les conditions dans lesquelles les équipes plurifonctionnelles dédiées au changement organisationnel favorisent ou préviennent le changement dans les entreprises multinationales, nous présentons ci-après notre démarche de sélection des cas et de collecte de données, la mesure de l'objectif de changement organisationnel et notre méthode d'analyse.

Sélection des cas et collecte des données

Nous avons choisi une approche interprétative (Avenier, 2010) basée sur une étude de plusieurs cas (Yin, 1994; Eisenhardt, 1989; Eisenhardt and Graebner, 2007). Les unités d'analyse sont une équipe plurifonctionnelle pilote dans une entreprise et quatre autres équipes dans deux entreprises du secteur pharmaceutique. L'accent est mis sur l'exploration des structures et processus des équipes projet plurifonctionnelles dont l'objectif est de mettre en place de nouveaux modèles et outils de marketing, vente et logistique. En utilisant les critères de Yin (1994), nous avons choisi une étude exploratoire de plusieurs cas et une question de recherche explicative.

En ce qui concerne la méthode pour construire une théorie à partir de l'analyse d'études de cas, nous nous sommes basés sur Eisenhardt (1989) qui propose un processus de construction de théorie à partir d'études de cas, en huit étapes, et des critères

d'évaluation. Nous avons adopté le raisonnement en abduction (Holmstrom et Ketokivi, 2009). Les études de cas comprennent de multiples sources incluant des données primaires et des données secondaires. Nous avons collecté des données grâce à des entretiens, des observations et des sources secondaires. Les données primaires consistent en des entretiens semi-structurés avec des répondants des trois entreprises étudiées. Nous avons conduit 54 entretiens basés sur l'étude des comportements et semi-directifs. Les personnes interrogées faisaient partie des quatre équipes étudiées dans deux différentes entreprises et également de l'équipe pilote. Nous avons conduit ces entretiens en face-à-face, en anglais, pour une durée de 60 à 90 minutes. Ci-joint quelques exemples de profils des personnes interviewées: vice-président exécutif en marketing stratégique, manager marketing, responsable vente ou encore directeur stratégie. La performance des équipes a été opérationnalisée avec la combinaison d'auto-évaluations par les interviewés et des documents internes relatifs aux projets et aux entreprises. De plus, tous les entretiens ont été enregistrés et transcrits. Nous avons analysé les données primaires selon la méthode d'analyse de contenu thématique (Thiétart, 2003). Afin de conduire l'analyse des données, nous avons d'abord procédé à une analyse de cas individuel puis, par la suite, à une analyse comparée de cas.

Organisation	Métier	Taille	Nombre de pays	Ventes mondiales (US $)	Orientation vers les ventes	Importance de l'intimité client et de la gestion de la relation client	Rythme élevé de changement	Innovation, facteur clé de succès
PharmaCo 1	Une des entreprises pharmaceutiques leader mondial, avec une large gamme de médicaments destinés à combattre des maladies dans des domaines importants de la santé	66 000 employés	100	$ 26.5 Billion	Oui	Oui	Oui	Oui
PharmaCo 2	Entreprise du secteur de la santé, basée globalement, dédiée à la découverte de nouveaux médicaments, nouvelles technologies et nouvelles façons de gérer la santé	68 000 employés	130	$ 25.9 Billion	Oui	Oui	Oui	Oui
PharmaCo 3	Le fabricant avec les plus larges gammes de produits de santé au monde	250 entreprises opérationnelles	57	$ 61.1 Billion	Oui	Oui	Oui	Oui

Table 1: Aperçu des organisations étudiées

Les trois organisations étudiées présentent des caractéristiques communes. Elles sont toutes trois engagées dans l'industrie pharmaceutique qui est caractérisée par un rythme de changement élevé et une orientation vers les ventes. L'importance de « l'intimité client » est un facteur clé, ainsi que l'innovation qui prend de plus en plus d'importance dans la poursuite du succès. Les entreprises opèrent dans plus de 50 pays et leurs ventes (2009) étaient de plus de $26 Billion. La transformation étudiée concerne le marketing, la vente et la logistique (distribution) dans l'industrie pharmaceutique, qui a été récemment introduite. En effet, pendant des années, la recherche et développement a été traditionnellement la fonction la plus reconnue. Récemment, les pressions de l'environnement sur l'industrie et d'autres contraintes ont conduit ces entreprises à rechercher plus d'efficacité dans d'autres fonctions. Alors que la vente et le marketing ont été pendant longtemps considéré comme des fonctions administratives, le management a décidé de les optimiser et de les développer comme des composants clés de la chaîne de valeur. Le fort engagement de ces entreprises envers leurs clients a étendu l'accent mis sur le développement des produits vers la mise en place de la stratégie et la planification des produits. Le marketing, la vente et la distribution ont ainsi accru leur rôle et leur importance.

La gestion de la relation client dans l'industrie pharmaceutique est particulière, dans la mesure où les médicaments sont prescrits par les docteurs qui ne sont pas les acheteurs directs des produits consommés. Les docteurs constituent l'audience que les entreprises pharmaceutiques ciblent et vers lesquels elles axent leurs efforts de marketing, sans pour autant bénéficier des informations individuelles habituellement disponibles dans une relation traditionnelle client – fournisseur. Les divisions de marketing et vente ont besoin d'une meilleure compréhension du lieu où se vendent les médicaments et le matériel médical, qui les prescrit et pourquoi. La gestion de la relation client dans l'industrie pharmaceutique est distincte de la gestion classique dans d'autres entreprises, dans laquelle un fournisseur vend directement ses produits à ses clients, qui, en retour, commandent directement ces biens au fournisseur.

Dans l'industrie pharmaceutique, la vente et le marketing sont traditionnellement séparés. D'un côté, les visiteurs médicaux vendent les médicaments aux professionnels de santé. Ces professionnels prescrivent ensuite ces médicaments à leurs patients mais ne leur vendent jamais. Ensuite, les ventes de médicaments sont réalisées par des dizaines de milliers de points de vente, y compris les pharmacies. Ces dernières sont fournies par des canaux de distribution variés, comprenant des grossistes. Ce sont ces distributeurs qui constituent les clients principaux des entreprises pharmaceutiques. Si la connaissance de

ces entreprises se limite à ces clients directs, elles sont incapables de déterminer où les médicaments sont vendus, pourquoi les professionnels de la santé les prescrivent ou d'évaluer leur efficacité dans une perspective d'efforts promotionnels. Dans la mesure où les patients sont libres de choisir leur docteur ou leur pharmacie, le lien entre le lieu où les médicaments sont prescrits et le lieu où ils sont vendus n'est pas clair. De plus, les produits génériques peuvent être substitués à ceux prescrits par le docteur. Ce réseau d'intervenants a besoin d'être connu et analysé afin de créer des bases de données stratégiques ainsi que des progiciels. Les produits et services spécifiques permettent aux départements vente et marketing des entreprises pharmaceutiques d'optimiser leurs stratégies et de fournir les informations et les outils les plus efficaces aux professionnels de la santé.

D'une façon générale, les entreprises de cette industrie ont récemment mis en place de plus en plus d'équipes projet plurifonctionnelle afin de mettre en avant les fonctions de marketing, vente et distribution et, ainsi, mettre le client au centre des préoccupations. Les équipes étudiées dans cette recherche possèdent des caractéristiques communes, entre cinq et quinze collaborateurs de diverses lignes métier (marketing, vente, stratégie, management général, support au client, logistique, affaires légales, fournisseurs ou même clients, etc…). Elles travaillent en mode projet et ont pour objectif de concevoir et de développer des nouveaux modèles dans les fonctions de marketing, vente et distribution. Elles sont associées à la mise en place d'outils de gestion informatisés.

A PharmaCo 1, l'équipe pilote étudiée était l'équipe « plan de construction de la marque » en charge de la création, du développement et de la mise en place de nouveaux modèles et outils en marketing. Cette équipe était basée à Paris en France. A PharmaCo 2, nous avons étudié l'équipe « d'innovation » (team A) et l'équipe «système de reporting des appels ». Le principal objectif de l'équipe « d'innovation » était d'encourager l'innovation dans toute l'organisation. L'objectif de l'équipe «système de reporting des appels » était de mettre en place un nouveau modèle et un nouvel outil pour les responsables médicaux. Ces deux équipes étaient basées à Zurich en Suisse. A PharmaCo, une étude de l'équipe « FASE » a été conduite. L'objectif de cette équipe était de mettre en place de nouveaux processus métiers ainsi qu'un nouvel outil. La dernière équipe étudiée était l'équipe « initiative stratégique pour la logistique » dont l'objectif était d'augmenter le niveau de qualité de la logistique. Ces équipes étaient également basées à Zurich en Suisse.

Organisation	Equipe	Mission	Objectif souhaité	Lieu	Nombre de membres	Nombre de fonction représentées	Mode projet	Objectif de transformation des modèles métiers et outils en marketing, vente et distribution	Associé à un progiciel intégré
PharmaCo 1	Equipe Pilote	Concevoir, développer et mettre en place un modèle et un outil de marketing et vente	Changement de modèle et outil en marketing et vente	France, Italie & Allemagne	8	4	Oui	Oui	Oui
PharmaCo 2	Equipe A	Définir, développer et mettre en place un nouveau modèle et outil de vente	Changement de modèle et outil en marketing et vente	Suisse	7	3	Oui	Oui	Oui
PharmaCo 2	Equipe B	Encourager l'innovation dans toute l'organisation	Nouvelles idées en marketing et vente prêtes à être mises en place	Suisse	10	5	Oui	Oui	Oui
PharmaCo 3	Equipe C	Mettre en place un nouveau modèle et outil de marketing et vente	Changement de modèle et outil en marketing et vente	Suisse	12	4	Oui	Oui	Oui
PharmaCo 3	Equipe D	Optimiser le niveau de qualité de la distribution	Changement pour une distribution plus efficace	Suisse	6	3	Oui	Oui	Oui

Table 2: Aperçu des équipes étudiées

Mesure de l'objectif de changement organisationnel

Nous décrivons, dans cette section, comment le succès des équipes, c'est-à-dire un changement organisationnel réussi - a été mesuré. Utilisant la méthode de Brown et Eisenhardt (1997), Martin et Eisenhardt (2010) et Bresman (2006), nous avons mesuré le succès des équipes – un changement organisationnel réussi – de la façon suivante. Nous avons regardé, dans un premier temps, les mesures officielles de performance dans les documents des projets. Ensuite, nous avons fait la moyenne des évaluations de performance réalisées par les personnes interrogées (sur une échelle de Likert en 6 points – 1 étant le plus faible et 6 le plus élevé.). La performance des équipes a été basée sur les indicateurs clés de performance définis par les interviewés. Nous avons mesuré leurs évaluations en demandant directement aux personnes interviewées de donner leur évaluation sur l'échelle de Likert en 6 points. Nous avons ensuite réalisé une moyenne avec ces scores. Enfin, au cours des entretiens, nous avons recueilli des évaluations plus qualitatives concernant les points forts des équipes ainsi que leurs points d'amélioration ainsi que les recommandations des personnes interrogées dans l'éventualité de projets futurs. Ces informations ont également été utilisées afin de fournir une évaluation qualitative des interviewés. Des commentaires positifs indiquaient une performance élevée de la façon suivante :

« Les forces de cette mise en place ont été de présenter des liens globaux et d'assurer une cohérence de l'approche stratégique de l'entreprise. Nous avons maintenant une approche des marchés avec des outils et des concepts, qui avaient été traités, jusqu'à présent, de façon isolée. Le fait de rassembler ces concepts, de les communiquer de façon coordonnée et de rechercher l'appropriation et la compréhension de la force de vente ont été clé dans cette mise en place. » (Manager produit)

Une faible performance a été indiquée par des commentaires comme celui-ci :

« Nous, représentants sur le terrain, n'avons pas été assez impliqué. Le directeur marketing, les managers produits et le directeur vente décidaient des campagnes. Mais les représentants sur le terrain peuvent avoir des besoins également. Nous avons eu des campagnes mal ciblées. Cela aurait mieux si on nous avait demandé ce que nous attentions en terme de campagnes. (Représentant commercial)

Méthode analytique

Afin d'explorer les conditions dans lesquelles les équipes plurifonctionnelles dédiées au changement organisationnel favorisent ou préviennent le changement dans les entreprises multinationales, nous avons utilisé une étude thématique qualitative. Tous les entretiens ont été enregistrés et transcrits. Les 54 répondants ont fourni une présentation détaillée de leurs projets : leur historique, leur rôle, leurs motivations et les objectifs des équipes, les structures, processus, rôles et responsabilités, mise en place des équipes et évaluation. Nous avons procédé en deux étapes pour conduire l'analyse de ces entretiens.

Tout d'abord, nous avons analysé chaque équipe séparément en tant que cas individuel, avant de conduire une analyse croisée entre les cas. Les répondants ont fourni une auto-évaluation des résultats de leur équipe. Ces paramètres descriptifs ont fourni une base pour la suite des analyses qualitatives des pratiques des équipes.

Deuxièmement, nous avons analysé ces données primaires selon la méthode d'analyse de contenu thématique (Thiétart, 2003). L'analyse de contenu avait pour objectif d'expliquer la structure des arguments des répondants, leur comportement et la logique de leurs actions. Cette analyse a consisté à mettre en lumière des éléments de sens qui faisaient partie du corpus des entretiens et dont la présence, ainsi que la fréquence, pouvaient signifier quelque chose au regard de l'objectif analytique. Dans cette étude, l'unité de code était l'unité de sens, c'est-à-dire, un groupe de mots, de phrases ou un groupe de phrases. Nous avons lu les transcripts d'entretien à travers une grille de lecture et d'éléments de sens pour ainsi définir des catégories. Le codage est un processus de découpage et de classification du discours selon les éléments de sens, de deuxième niveau de sens et les catégories. Une catégorie est une représentation du concept concernant une information riche en sens pour un groupe de mots particuliers. L'analyse de contenu thématique cherche les répétitions de ces éléments et catégories, les similarités, les différences ou les régularités. Cette technique nous a permis de rechercher les répétitions du discours, et d'expliquer certaines stratégies et comportements des collaborateurs. Ce type d'analyse est ainsi cohérent avec notre objectif de comprendre les pratiques des équipes.

Les caractéristiques des équipes plurifonctionnelles dédiées au changement organisationnel

Notre étude pose la question de recherche suivante: dans quelles conditions les équipes plurifonctionnelles dédiées au changement organisationnel favorisent ou empêchent le changement dans les entreprises multinationales ? Les résultats de cette étude empirique montrent ceci: une CFT a eu un résultat initial non satisfaisant mais a fourni des résultats à la fin du projet (Equipe A); une équipe a échoué dans l'atteinte de ses résultats (Equipe D); trois équipes ont atteint leur objectif de changement (Equipe pilote, Equipe B et Equipe C). Afin de répondre à la question de recherche, nous avons trouvé que les équipes plurifonctionnelles qui réussissent le mieux sont celles qui présentent les caractéristiques suivantes : alternance des activités liées et séparées, leadership partagé et équipes semi-structurées. Nous développons ces trois caractéristiques ci-après.

Organisation	Equipe numéro	Equipe	Auto-évaluation du résultat	Alternance d'attention interne et externe à l'équipe au cours des phases du projet	Leadership partagé	Equipes semi-structurées
PharmaCo 1	Pilot	Equipe Pilote	Changement organisationnel mis en place	Oui	Oui	Oui
PharmaCo 2	A	Equipe A	Résultats initiaux pas satisfaisants au début mais satisfaisants à la fin	Oui à la fin	Oui à la fin	Oui à la fin
PharmaCo 2	B	Equipe B	Changement organisationnel partiellement mis en place	Oui	Oui	Oui
PharmaCo 3	C	Equipe C	Changement organisationnel mis en place	Oui	Oui	Oui
PharmaCo 3	D	Equipe D	Echec du changement organisationnel	Non	Non	Non

Table 3: Aspects critiques des équipes et auto-évaluation des résultats

Activités couplées et découplées

Nous avons conduit une comparaison de cas afin d'analyser les structures et les processus des équipes avec succès et celles ayant échoué. Cette comparaison a mis en évidence que les équipes avec succès ont suivi une alternance de centrage sur l'interne et l'externe de l'équipe. Au contraire, les équipes avec des résultats non satisfaisants au début mais satisfaisants à la fin du projet n'ont fait preuve d'une telle alternance qu'à la fin du projet. Les équipes qui ont échoué étaient trop centrées sur elles-mêmes.

Nous avons trouvé que l'équipe pilote a couplé ses activités avec les activités courantes de l'organisation, en début de projet. Tout d'abord, le sponsor et les cadres ont été activement impliqué dans le projet afin de partager la vision, créer le désir du changement et légitimer le projet. De plus, le directeur marketing a organisé très tôt des réunions avec des cadres dirigeants de façon à gagner leur sponsor. De même, l'équipe a bénéficié de connaissances externes. Les membres de l'équipe ont demandé conseil à des consultants en stratégie qui ont apporté leur connaissance. Cette connaissance externe a apporté les « meilleures pratiques » en marketing disponibles sur le marché, et ont permis de procurer une légitimité au nouveau plan marketing, à assurer la standardisation des plans et à favoriser l'homogénéisation au sein de l'organisation ainsi que d'obtenir une appropriation du plan par les membres de l'équipe.

Au cours de la phase de développement du projet, les activités du projet ont été découplées du reste de l'organisation. L'équipe pilote s'est concentrée sur la conception d'un modèle. Les collaborateurs ont adapté la connaissance apportée par les consultants à leur propre contexte économique. C'était pour eux une tâche ajoutée à leur charge de travail habituel. Le résultat final a été la création d'un modèle de plan marketing. Même si la phase de développement était centrée sur le travail réalisé au sein de l'équipe, cette dernière communiquait toujours, au-delà de ses frontières, auprès du reste de l'organisation et continuait à recevoir des commentaires à tous les niveaux.

Au cours de la phase de mise en place, les activités du projet ont été à nouveaux mêlées avec les activités métiers quotidiennes. Ce « recouplage » a permis de traduire le changement de nouveau plan marketing au sein de toute l'entreprise. En effet, lorsque l'équipe pilote a achevé la conception du modèle et obtenu les validations internes nécessaires, elle contribua à l'organisation d'une session de formation pour les autres équipes marketing en charge de produits ou de gammes de produit. Une session de

formation d'une durée de 3 jours a eu lieu à Bruxelles. Cette formation a joué un rôle crucial dans la transmission d'information entre l'équipe pilote et les équipes présentes dans les trois pays pilotes (la France, l'Allemagne et l'Italie). Appliquer le modèle de plan marketing à un produit, dans trois pays différents a permis de réaliser un véritable test en grandeur nature pour vérifier que ce plan était utile pour construire des plans marketings sur d'autre produits et dans des pays différents. Cette expérience a également véritablement constitué une victoire à court terme, en impliquant des collaborateurs en dehors de l'équipe pilote et en donnant à ses membres le rôle d'ambassadeurs.

Les consultants étaient en général utilisés comme experts et n'ont pas particulièrement joué de rôle clé dans le pilotage des projets. Les manettes du pilotage du projet étaient entre les mains des chefs de produit. Cette séparation entre les consultants, qui ont introduit initialement la connaissance externe, et les équipes, a également contribué à transmettre la connaissance du projet initial au reste de l'entreprise. Les résultats du plan marketing ont été progressivement inclus dans la mesure de la performance des collaborateurs. Cette activité a constitué un moyen de relier les activités réalisées dans le contexte du projet « brand business plan » avec les activités courantes de l'entreprise. Durant cette phase, la communication sur les plans marketing était conduite de façon consistante au sein de toute l'organisation. Les réunions ou points d'avancement existants étaient utilisés. Les différentes équipes projet se réunissaient également afin de réaliser des points d'avancement.

En ce qui concerne l'équipe ayant échoué (Equipe D), lorsque les activités de l'entrepôt ont été déménagées de la maison mère, l'entreprise PharmaCo3 a rencontré des difficultés notables en ce qui concerne les retards, les produits, les plaintes de la clientèle et la méfiance interne entre les collaborateurs travaillant dans la vente, le marketing et la logistique. Cet échec initial a été principalement le fait d'un découplage total des activités de l'équipe projet, des employés de la vente, des chefs produits et des employés de l'entrepôt. L'équipe projet a complètement sous-estimé que les chefs de produit étaient largement impliqués dans la logistique. En effet, c'est eux qui définissaient les groupes de produits, qui cherchaient les implants et les instruments et, même parfois, assemblaient implants et instruments lorsque cela était nécessaire. Les employés de l'entrepôt se sont retrouvés complètement dépourvu de ces compétences, de ces connaissances et également de ces ressources. Ils ne pouvaient pas préparer eux-mêmes les groupes de produits nécessaires. A un certain moment, de nouvelles équipes ont été mises en place. L'une d'entre elle était en

charge de la modularité des produits appelés les « kits orthopédiques ». Cette équipe conduit ses activités fortement en lien avec les activités de la logistique, ave les personnes travaillant en vente et les chefs de produit. Ce couplage d'activités aida l'équipe à définir un agenda propre et à conduire les actions nécessaires à la définition des différents modules de groupes de produits. Ce n'est qu'à partir du moment où les représentants de vente et les clients ont été pris en compte que le projet a commencé à connaître le succès. Lorsque l'entrepôt a été déménagé initialement, les représentants de vente n'ont été ni impliqués, ni adhérents au projet. Cette situation a conduit à de nombreux échecs, au mécontentement général de tous les départements de l'entreprise, et, également aux plaintes des clients et à leur insatisfaction.

Les représentants de vente ont été pris en compte tardivement et leurs voix se sont fait entendre, bien après le déménagement. Ce n'est qu'à partir de ce moment que la qualité a commencé à s'améliorer et qu'une meilleure coopération entre le personnel de vente, du marketing et de la logistique s'est établie. Ce projet stratégique a contribué au succès de la mise en place de la modularité des kits lorsque ses membres ont lié leurs activités avec les activités quotidiennes de toutes les parties prenantes, lorsque les collaborateurs du marketing et de la vente ont eu une compréhension suffisante des préoccupations de toutes les personnes impliquées, et lorsqu'ils ont pu définir un plan d'action commun afin de résoudre leurs difficultés. Ensuite, chaque partie prenante s'est concentrée sur ses tâches. Les chefs de produits, chefs de groupes se sont concentrés sur la stratégie et le planning marketing, les collaborateurs de la logistique sur la documentation liée aux kits et la vente sur la relation client. Lorsque le projet a enfin été mis en action, toutes les parties ont coordonné la demande provenant des clients avec les processus logistiques ainsi que la vision et la cible marketing.

"Les clients vont être informés. Si nous ne communiquons pas à la force de vente, nous sommes morts. Si la force de vente ne croit pas, les clients ne croiront pas de toute façon. » (Répondant Equipe D, Directeur de branche)

"La collaboration entre les différent départements n'a pas toujours fonctionné dans la bonne direction. Il est vrai que lorsque les fonctions et le travail quotidien diffèrent grandement entre les gens, il est difficile de collaborer. Par exemple, c'est très difficile entre la force de vente et l'entrepôt. Certaines personnes réalisent un travail très technique et opérationnel. Les points de rencontre sont si faibles qu'il devient compliqué de faire en sorte que certaines personnes

comprennent ce que les autres sont en train de faire. Et ainsi, lorsqu'une erreur apparaît, il est très difficile de comprendre l'autre partie, de comprendre ce qu'il faudrait faire. Nous avons eu un certain nombre de conflits dernièrement. (Répondant Equipe D, Directeur branche)

Cette analyse suggère que les équipes ayant rencontré le plus de succès sont celles qui ont couplé leurs activités avec le reste de l'organisation au début du projet, qui ont ensuite découplé ces activités, pour ensuite les recoupler à la fin du projet. En couplant ces activités avec le reste de l'organisation au début du projet, les équipes plurifonctionnelles ont créé une meilleure compréhension des pratiques existantes au sein de l'organisation en ce qui concerne le marketing, la vente et la logistique tout en acquérant une meilleure compréhension de leurs rôles. Cette compréhension de l'organisation actuelle par les membres des équipes plurifonctionnelles est également enrichie par une meilleure compréhension, par le reste de l'organisation, du projet et de ses objectifs. Ceci contribue à l'obtention d'informations plus fiables ainsi qu'une meilleure appropriation du projet par les collaborateurs extérieurs à l'équipe. Cette phase est cruciale pour construire un changement organisationnel base sur la réalité de l'organisation et qui soit applicable à la fin du projet. En découplant les activités au milieu du projet, les membres des équipes plurifonctionnelles se concentrent sur leurs activités et sur l'atteinte des résultats. Cela ne signifie aucunement que le reste de l'organisation ne contribue pas au projet, mais qu'elle ne le fait que sur certains aspects, et joue le rôle d'experts sur certains sujets. A la fin du projet, les équipes ayant le plus de succès lient leurs activités avec le reste de l'organisation de façon à s'assurer que les idées, modèles, structures, processus et les systèmes d'information soient transférés de l'équipe à toute l'organisation. Il s'agit de la phase de diffusion du changement organisationnel à toute l'organisation. Elle prend forme par des tests du système d'information, la rédaction de procédures opérationnelles, des programmes de formation de formateurs, des présentations lors des réunions opérationnelles. Cette phase est cruciale afin d'assurer que l'organisation s'approprie le changement organisationnel et le mettre en musique dans la vie quotidienne de l'organisation. Ce résumé suggère les trois propositions suivantes :

Proposition 1: Plus le couplage des activités entre les équipes plurifonctionnelles et l'organisation est élevé dans la phase initiale du projet, plus le changement organisationnel est élevé.

Proposition 2: Moins le couplage des activités entre les équipes plurifonctionnelles et l'organisation est élevé dans la phase intermédiaire du projet, plus le changement organisationnel est élevé.

Proposition 3: Plus le couplage des activités entre les équipes plurifonctionnelles et l'organisation est élevé dans la phase finale du projet, plus le changement organisationnel est élevé.

Dans leurs études sur de multiples équipes, Ancona et Bresman (2008), Ancona, Bresman et Caldwell (2009) argumentent que les équipes peuvent avoir un impact sur le reste de l'organisation et promouvoir le changement. Ils affirment que les équipes ne doivent pas être seulement centrées vers elles-mêmes mais également vers l'extérieur dans des équipes appelées « équipes X », afin d'avoir un impact sur le reste l'organisation. Elles réalisent le mieux ces activités centrées sur l'extérieur de l'équipe grâce à la recherche d'information, la création d'ambassadeurs et la coordination des tâches. De plus, ces auteurs affirment que les « équipes X » doivent être flexibles et changer leurs tâches clés au cours de la durée de la vie de l'équipe au cours des phases d'exploration, d'exploitation et d'exportation. Dans la phase d'exploration, les équipes examinent le monde autour d'elles et considèrent de nouvelles direction et de possibles options. Dans la phase d'exploitation, elles utilisent l'information pour innover et construire une réalité liée aux idées développées préalablement. Dans la phase d'exportation, elles transfèrent l'expertise des membres de l'équipe et leur enthousiasme vers les autres, ceux qui vont poursuivre le travail de cette même équipe.

La direction partagée

Dans l'équipe pilote, au cours de la phase de conception, le directeur marketing prit très clairement la direction de l'équipe en définissant l'objectif et les priorités. Durant la phase de développement, les membres de l'équipe ont échangé leurs rôles, au sein de l'équipe pilote. Le directeur marketing était officiellement en charge de l'équipe, mais, selon les parties du plan marketing ou les besoins d'informations spécifiques, la direction était partagée avec la personne la plus experte.

Par exemple, le consultant en stratégie prit clairement la direction au début du développement du projet afin de fournir des informations sur les pratiques dans d'autres entreprises, des connaissances extérieures ainsi qu'un plan clair et précis pour l'écriture du plan marketing. Le directeur médical apporta sa connaissance en ce qui concerne l'expertise médicale et prit la direction de l'équipe lorsqu'une question dans ce domaine émergeait. Chaque individu était respectueux de l'expertise des autres et les laisser prendre la direction de l'équipe concernant leur domaine. La session de formation de trois jours a créé les fondations pour un réseau futur d'agents du changement susceptible de transférer les connaissances et savoir-faire de l'équipe vers le reste de l'organisation. Les membres des équipes pilotes en France, Allemagne et Italie ont également constitué un réservoir de ressources pour les plans marketing lancés dans la deuxième vague du projet.

Développer un réseau informel était également une pratique favorable au transfert du changement développé au sein de l'équipe vers le reste de l'organisation. Elle contribua au partage, à la diffusion de la connaissance ainsi qu'à promouvoir l'appropriation du projet. La pratique d'un concours entre les pays plaça chaque membre des équipes à jouer le rôle de l'évaluateur et fournit une opportunité de commenter mutuellement les travaux de ses pairs. Ce défi consista à mettre les équipes en paires et de leur demander de fournir des commentaires sur le travail de l'autre équipe. Ces commentaires étaient ensuite partagés au cours d'une présentation officielle, en présence de cadres dirigeants de l'entreprise.

Dans l'équipe A, la direction était très concentrée dans les mains du directeur marketing au début du projet. L'une des conséquences de cette concentration a été le manque de compréhension du travail quotidien de la force de vente et du personnel marketing, et, à un certain moment, à générer un système non opérationnel.

Dans l'équipe B. les rôles ont été distribués entre les membres de l'équipe. Il n'y avait pas de dirigeant en tant que tel. Les rôles définis étaient les suivants : gestionnaire client, président, chercheur de talent, gestionnaire de contenu, gestionnaire de système d'information. De plus, chaque rôle était partagé entre deux personnes afin de faciliter le remplacement de l'un par l'autre et d'échanger les idées.

Dans l'équipe C, pour chaque rôle défini dans l'équipe, le rôle était partagé entre un représentant de la Suisse et un représentant de l'Autriche : chef de projet, chef fonctionnel et chef de processus.

Dans l'équipe D, suite au déménagement de l'entrepôt de la maison mère vers un site plus excentré, le management de l'entreprise PharmaCo3 lança un programme afin d'améliorer les processus de l'entrepôt. Cinq équipes furent mises en place. Le chef d'une

de ces équipes pouvait être simple membre d'une autre équipe. Par exemple, le chef de projet support client pouvait avoir la direction du projet d'amélioration de l'entrepôt et pouvait également être membre de l'équipe en charge de la vente et le remplacement des instruments. Cette direction partagée aidait les collaborateurs à acquérir une meilleure compréhension des tâches à réaliser.

A travers la comparaison des équipes ayant du succès et celles ayant échoué, nous mettons en évidence le rôle de la direction partagée. Les équipes ayant du succès pratiquaient cette direction partagée alors que les autres non. Les équipes qui n'ont pas connu le succès au début du lancement du projet mais seulement par la suite, ont elles aussi pratiqué une direction partagée, mais seulement par la suite. Une personne interrogée faisant partie d'une équipe n'ayant pas connu le succès au lancement du projet mais par la suite, reconnu l'usage de la direction partagée au moment du lancement en Asie :

"Les experts se regroupaient au départ. Maintenant nous avons changé. Cela nous donne plus d'énergie et de puissance. Les meilleurs de notre communauté jouent un rôle de support quand une nouvelle mise en place arrive. La semaine prochaine, nous avons un programme de formation, pour la Russie…. Et nous utilisons l'expérience de l'Allemagne, qui va donner une présentation et partager son expérience. L'équipe internationale travaille aujourd'hui de cette façon. Je pourrais le faire moi-même. Je préfère cependant utiliser un leadership partagé : utiliser des experts pour les lancements. Nous avons seize experts, un pour chaque organisation de marché. L'un de mes défis actuellement est qu'entre les Etats-Unis et le Japon, nous avons un décalage horaire important. Les entreprises asiatiques sont maintenant considérées dans les dix premières filiales et elles en sont à la vague numéro deux des lancements. (Chef de groupe)

Ces considérations suggèrent la proposition suivante:

Proposition 4: Plus les équipes plurifonctionnelles développent une direction partagée, plus le changement organisationnel est élevé.

Les structures avec des membres échangeables contribuent également à une meilleure diffusion du changement organisationnel par les équipes plurifonctionnelles. Selon Pearce et al. (2009, p.234),

"Le leadership partagé est un processus dynamique et interactif entre les individus, dont l'objectif est de diriger les uns et les autres vers la réalisation d'objectifs collectifs. »

Ces auteurs argumentent que les équipes, y compris celles responsables pour gérer le changement au sein d'une organisation, qui atteignent le plus haut niveau de direction partagée, contribue à une meilleure efficacité du changement organisationnel. Manz et al. (2009) mettent également en avant l'importance de la direction partagée. Ancona et Bresman (2008) précisent que la direction d'une équipe a besoin d'être distribuée entre les acteurs au sein de l'organisation.

Équipes semi-structurées

Dans l'étude de l'équipe pilote, l'entreprise a mis en place plusieurs équipes plurifonctionnelles avec une équipe pilote, des équipes principales et des équipes spécialisées. Le changement organisationnel avait pour objectif de combler l'écart courant entre les ventes et le marketing, les études de marché. Tous les collaborateurs travaillaient à partir du même plan de travail définit par le plan marketing et combinaient leurs efforts vers les mêmes objectifs. Le plan permettait également à l'entreprise de se centrer sur les patients clés, les cibles clés et d'aligner la stratégie, le marketing et la finance. Le directeur marketing a mis en place une équipe pilote comprenant des personnes de différents métiers et des consultants externes d'un cabinet international prestigieux. Ce contexte aidait l'équipe à partager sa connaissance, à donner des responsabilités à chacun et ainsi de gagner l'adhésion des collaborateurs. La structure était clairement définie autour de responsabilités et de priorités clés. L'équipe pilote était composée de collaborateurs qui maintenaient leur poste et responsabilité, tel le directeur marketing, les chefs de produit ou le directeur médical. Le projet utilisait des consultants externes pour obtenir de nouvelles connaissances, le support d'experts, pour partager l'expertise et s'assurer qu'un plan de travail accessible était défini. Cette pratique contribuait également à s'assurer que les délais étaient tenus et de vérifier que tous travaillaient vers l'atteinte du même objectif. Le projet était constitué d'un cœur central avec une équipe principale, et, les collaborateurs étaient impliqués selon la demande, tel le responsable produit médical ou la force de vente. La communication sur le projet était réalisée de façon constante tout au long des phases du projet.

Dans l'équipe D, une des principales améliorations a été que le projet a apporté à l'entreprise une meilleure définition des rôles des collaborateurs. Une des causes de l'échec initial du déménagement de l'entrepôt était que les rôles n'avaient pas été assez analysés. Les responsables marketing faisaient auparavant un grand nombre de tâches logistiques telles que chercher pour les différentes parties des groupes de produits ou même les assembler. Dans l'initiative stratégique concernant la logistique, les rôles et responsabilités de l'entrepôt ont été mieux définis. Cette définition a permis de clarifier ensuite les activités quotidiennes et les situations de crise. Une fois ces rôles et responsabilités clairement définis au sein de l'équipe, les membres ont continué à accomplir leur rôle dans leur poste initial. Par exemple, le responsable de l'équipe garda son rôle de responsable marketing. Cette dualité de rôles a été un facteur clé de succès pour une meilleure compréhension du métier, une compréhension nécessaire à la définition du périmètre et des actions du projet. Cela a créé plus de légitimité au sein des collaborateurs bénéficiant du changement. Cela a aussi aidé à s'assurer que les changements nécessaires soient adoptés à la fin du projet. Le projet SISC constitue une illustration particulièrement intéressante du type d'équipe semi-structurée, essentielle au succès d'un projet. En effet, ce projet était initialement dirigé par une logique purement logistique. Il consistait à déménager les activités liées à la préparation, à l'envoi et au retour des différentes pièces comprises dans les kits de produits orthopédiques. Mais cette vue fermée de la logistique a mené à l'échec du projet initial. Une fois que la combinaison du travail des collaborateurs de la logistique et celui des chefs de produits a été reconnue et défini, les résultats ont commencé à s'améliorer. Dans le précédent entrepôt, comme nous l'avons vu, les responsables marketing étaient très impliqués dans la logistique. Avec le déménagement, ils n'ont plus réalisé ces tâches essentielles. Les techniciens logistiques n'avaient ni la connaissance, ni l'expertise pour les accomplir. Aussi, à un certain point, ils ont parlé les uns avec les autres et commencé à transférer les compétences logistiques des responsables marketing vers les techniciens logistiques. Ce transfert de connaissance, lié avec des rôles et des responsabilités clairs, a mené à une performance reconnue.

«Le point principal est que nous avons des responsabilités. Nous savons qui est responsable pour quoi. Si vous savez qui est responsable pour quoi, il est beaucoup plus facile d'atteindre certain résultat. Je sais où rechercher des informations. C'est la clé en logistique. C'est la principale victoire en ce moment." (Représentant logistique)

"Nous n'avions pas regardé qui faisait quoi dans l'entrepôt. Nous n'avons pas réalisé que les chefs de produit passaient 40 pour cent de leur temps dans l'entrepôt. Nous avons déménagé cet entrepôt et, tout à coup, tout ce travail réalisé par les chefs de produit, n'a plus était réalisé. Avec une analyse simple et de la réflexion, nous aurions pu réagir avant d'avoir déménagé. » (Directeur de l'entrepôt)

Cette analyse suggère la proposition suivante :

Proposition 5: Plus les équipes plurifonctionnelles sont semi-structurées, plus le changement organisationnel est élevé.

En explorant les organisations en perpétuel changement dans un contexte d'innovation produit basée sur des portefeuilles de projets, Brown et Eisenhardt (1997) ont apporté un point de vue théorique caractérisant les équipes ayant du succès en ce qui concerne l'innovation produit, et de façon plus large, les organisations en mouvement de façon continue. La première pratique « semi-structure ». Elle concerne des structures limitées autour de responsabilités et de priorités tout en alliant une communication extensive et des espaces de liberté propices à l'improvisation. La structure n'est pas trop figée de façon à ce qu'elle puisse évoluer, mais assez structurée de façon à éviter le chaos. Cette caractéristique est aussi mise en avant par Ancona et Bresman (2008).

Discussion

Cette étude a répondu à la question de recherche sur les conditions internes des équipes plurifonctionnelles dédiées au changement organisationnel qui facilitent ou freinent le changement organisationnel dans les entreprises multinationales, en suggérant que les équipes plurifonctionnelles dédiées au changement organisationnel, rencontrent plus de succès en couplant et découplant leurs activités au cours du temps avec le reste de l'organisation, en étant organisée en semi-structure et en pratiquant le leadership partagé.

Cette thèse fournit trois contributions principales. Premièrement, elle contribue à la littérature sur le changement organisationnel en revisitant certaines idées sur la stabilité et le changement, ainsi qu'en offrant des opportunités pour transcender leurs relations paradoxales (March, 1991, 1996; O'Reilly and Tushmann,1996, 2004, and 2010; Spector, 2006; Farjoun, 2010). Elle contribue aux études sur les processus adaptatifs au sein de la

littérature sur le changement organisationnel. Etudiées en tant que pratique particulière de management, les équipes plurifonctionnelles peuvent contribuer, sous certaines conditions, à l'exploration de nouvelles structures et processus adaptés à l'organisation, ainsi qu'au transfert de cette nouveauté au reste de l'organisation. Cette recherche transcende les approches du changement planifié versus du changement continu ou émergent. Elle contribue ainsi aux études sur la stabilité et le changement, comme aux études sur l'exploitation et l'exploration. Elle contribue aux études sur la stabilité et le changement grâce au rôle des équipes plurifonctionnelles dans les processus d'exploration et d'exploitation.

Deuxièmement, cette recherche contribue à la littérature sur les équipes plurifonctionnelles en mettant en avant leur rôle dans la mise en place du changement et en transcendant l'apparente dualité entre stabilité et changement (Ancona, 2008, 2009; Paroutis, 2007; Spector, 2006). Les CFTs peuvent combiner les deux types d'activités – l'exploration et l'exploitation. Les CFTs innovent, c'est leur objectif. Elles doivent créer de nouveaux modèles, processus et structures. En même temps, elles excellent dans les opérations, en concentrant leur attention sur les activités qu'elles réalisent, en particulier au cœur des projets (Ancona, 2009). Tout en innovant, les équipes ne doivent pas, dans le court terme, trop perturber le reste de l'organisation. Réside ici un autre paradoxe : apporter de la nouveauté tout en préservant les opérations quotidiennes du reste de l'organisation

Enfin, les résultats de cette étude ont des implications pour la pratique. Cette recherche peut aider les praticiens et les consultants, qui sont concernés par des organisations et des environnements évoluant au cours du temps, en leur fournissant un modèle pour analyser leurs pratiques de mise en place de la stratégie et pour exécuter de façon efficace la stratégie. Les cadres devraient concevoir et soutenir une séquence régulière entre des activités centrées sur l'interne et centrées sur l'externe, soutenir une direction partagée des projets en assignant des rôles et responsabilités selon les phases du projet, les besoins du projet et l'expertise des collaborateurs. De plus, les cadres devraient établir des structures d'équipe autorisant les collaborateurs à maintenir leur activité quotidienne tout en assurant les liens entre l'équipe et le reste de l'organisation.

Nous devons aussi reconnaître les limites de cette étude qui constituent également des sources de recherches futures. Elle a été conduite dans l'industrie pharmaceutique. Il pourrait être intéressant de conduire une analyse de plusieurs équipes dans d'autres

industries. Cette recherche a fourni des informations sur le rôle stratégique des équipes plurifonctionnelles qui stimuleront d'autres pistes de recherche sur ce sujet clé. D'autres recherches pourraient analyser d'autres caractéristiques des équipes plurifonctionnelles. Cette étude qualitative pourrait également être étendue à une analyse quantitative, basée sur un questionnaire envoyé à des équipes ciblées dans plusieurs entreprises et qui prendrait en compte les réponses d'un grand nombre de professionnels et corroborerait les résultats initiaux.

General Introduction

Motivation and Research Topic

In today's ever-changing, competitive business environment, CFTs have become an increasingly popular mechanism to implement major business transformations within multinationals. Yet empirical data (Kotter, 1995; Beer, Eisenstat and Spector, 1990; Beer, 2000; Stvetena and Damian, 2006) support the prevailing view that such teams, unless they are well managed, lead to failure.

This study investigates the internal conditions under which CFTs dedicated to change do enable or hinder organizational change within multinational corporations. The focus is on organizational change. What is the nature of organizational change? According to Spector et al. (2009), organizational change is adopted to "strategically aligned alterations in patterns of employee behavior". Change is strategic, purposeful and behavioral:

What are the different approaches of organizational change? Organizational change is approached through a series of planned or a guided methods. In order to orchestrate this, different means, tools and practices are used. Indeed, among these practices, companies set-up and implement CFTs.

CFTs are analyzed as a management practice for organizational change. We look at teams dedicated to change as a particular formal organizational practice to implement organizational change. These teams are defined as specific groups of people representing diverse business backgrounds (IT, sales, marketing, logistics, strategy, etc…), organized on a given project for a limited time, outside the normal organizational structure, and explicitly set up to bring about specific strategic change. Multinational organizations consist of globally operating corporations with employees, suppliers or clients and are located around the world.

In this study, we focus on the internal conditions under which CFTs achieve organizational change by following the teams' structures and processes. We look at the critical success factors. We look at the internal conditions of the teams as a proxy for critical factors. This view allows us to go deeper in the analysis of the teams under study. The following diagram illustrates the relationships between CFTs - as a means - organizational change – as the goal – and the internal conditions of the CFTs as a proxy, for the critical players to enhance organizational change.
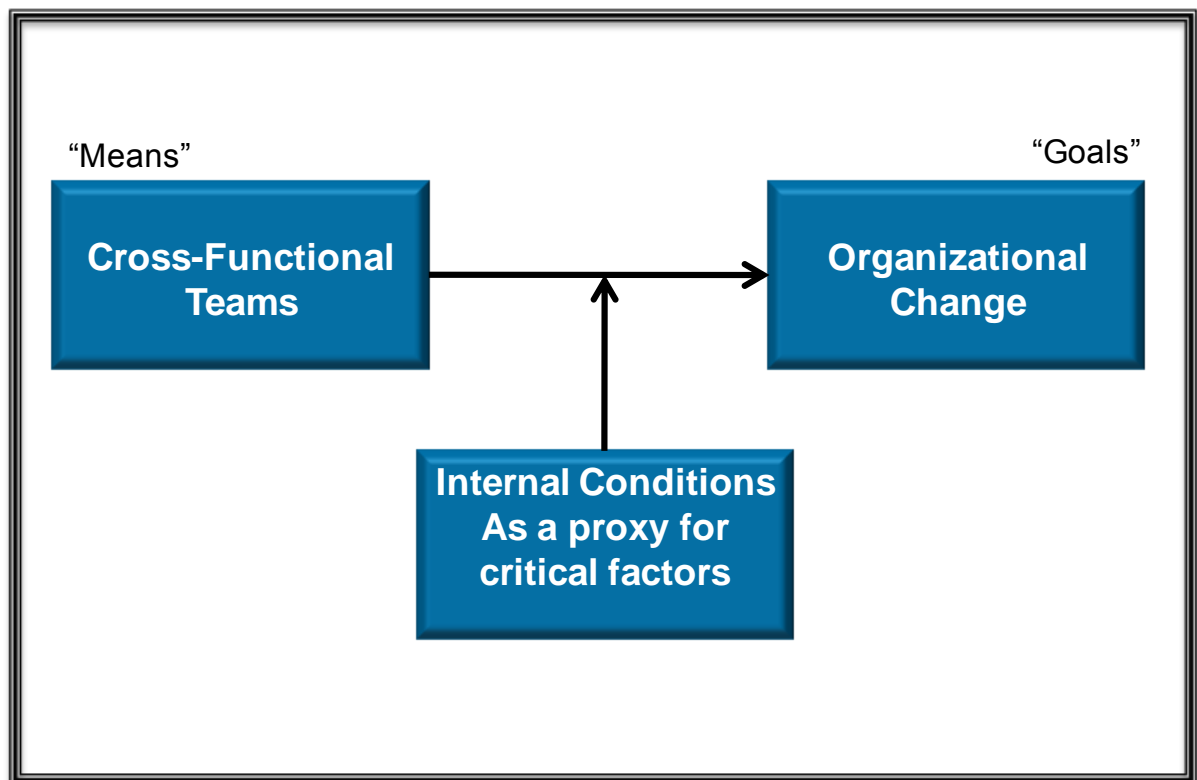
Figure 1: Graphical representation of the constructs under study

This approach is similar to the ones adopted by Françoise Chevalier (1991) whose objective was to contribute to a better understanding of the real functioning of the quality circles in diverses companies as well as to study these circles as a specific organizational form allowing researchers to think about change processes.

"Le premier objectif était de contribuer à une meilleure connaissance du fonctionnement réel des programmes cercles de qualité dans différentes entreprises. En cela, notre approche s'apparente aux études déjà menées sur les réalisationa antérieures… A cet objectif de connaissance comparative…, il faut rajouter un troisième axe, plus théorique, qui consiste à vouloir étudier les programmes cercles de qualité, en tant que formes organisationnelles particulières permettant d'engager une réflexion plus large sur les processus de changement à l'œuvre dans les organisations. » (Chevalier, 1991, pp.18-19)

Gap and Research Questions

The following diagram illustrates our reasoning that underpins the research question. We first reviewed the literature on organizational change and on CFTs to initially define a gap and offer a raw research question. We then reviewed the literature on the practice-based approach to define our research question.
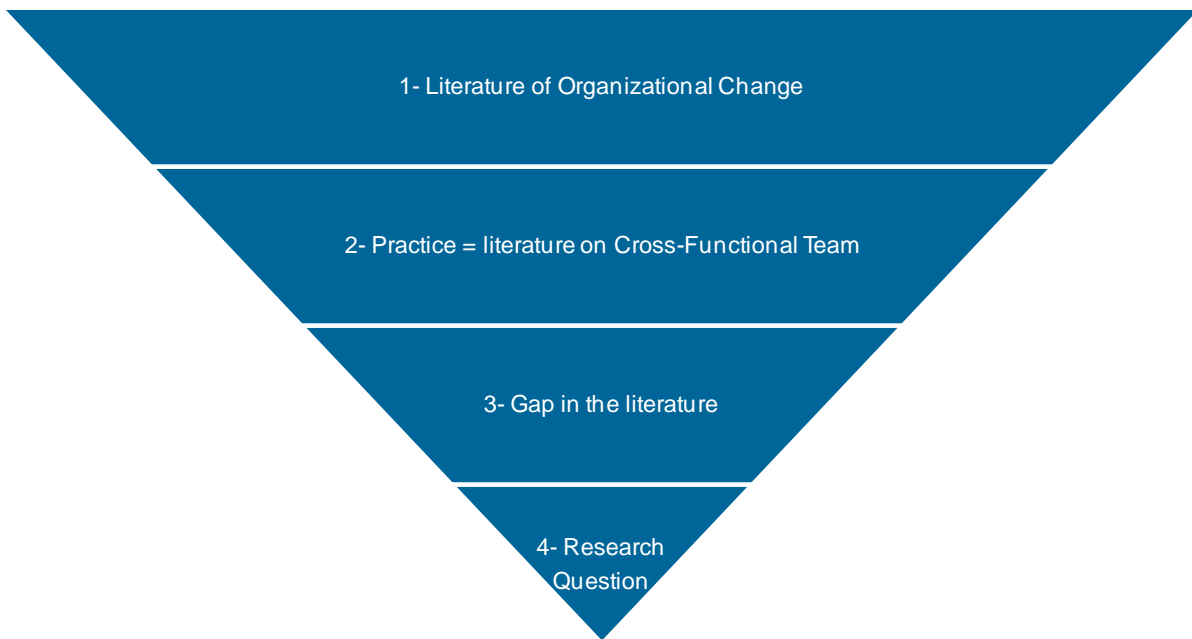
Figure 2: Graphical representation of the method to define the research question

The literature reviewed on organizational change examines the dichotomy between two opposing approaches – the planned change approach and the continuous change approach. Most of the literature is about planned change or episodic change (Pettigrew and Whipp, 1991; Pettigrew, 1996; Pettigrew, 2000; Kotter, 2007; Beer, 2000, Beer, Eisenstat and Spector, 1990) or about continuous change (Buono and Kerber; 2008; Weick and Quinn, 1999; Orlikowski, 1996; Pettigrew and Whittington, 1999; Kamoche and Cunha, 2001; Weick, 1993; Brown and Eisenhardt, 2001). This duality is being transcended by approaches integrating stability and change, exploitation and exploration (March, 1991; 1996; Tushman and O'Reilly, 1996, 2004, 2008; Farjoun, 2010).

In our study, we look at CFTs dedicated to change as a particular formal organizational practice to implement organizational change. Our literature search revealed that past research focused on the internal components of the teams' performance (Brodbeck, 2007; Cronin, 2007; Martin, 2010; Gibson, 2007; Joshi, 2009; Joshi, 2009b, Mathieu, 2007; Ancona, 1992a, 1992b; Ancona, 1990). A focus on organizational change at the team level is relatively new. Some authors emphasize the critical importance of CFTs in the process of organizational change. Used as a management practice to implement change in a classical

change approach, CFTs may also be studied as a translation practice from a small group to the remainder of the organization, in a guided approach of change (Haas, 2010; Ancona, 2009; Kang, 2007; Mom, 2007; Paroutis, 2007; 2010; Farjoun, 2010; Spector, 1995).

Some authors (Farjoun, 2010; Joshi et al., 2009) raise the need for further research on CFTs and organizational change. While studying the complementarities of stability and change, Farjoun (2010) raises the need for further research for more grounded empirical research in the pharmaceutical industry to explore the conditions under which successful and non-successful arrangements produce stability and change within organizations. Joshi et al. (2009) suggest that further research would be interesting to consider how a team's shared cognition and behavioral adaptability may be a mechanism to mediate the relationship between organization-level antecedents and boundary spanning outcomes. It will be interesting to understand how teams adapt to change and modify their structures, capacities and actions in response to change. Joshi et al. (2009) draw our attention towards considering antecedents such as the phase of task development or inter-team interdependence.

CFTs dedicated to change are boundary-spanning and constitute the receptacle of exploring and exploiting activities. Seen as a new form of organizing and a change management practice, they bring novelty to the organization. As a change management practice, they aim to bring novelty to the remainder of the organization. The stake is to incorporate this novelty – the exploration aspect – into the usual activities of the organization – the exploitation aspect. Yet it remains the paradox of a temporary form of organization, a project-based cross-functional team, with a long-lasting effect of changing the organization. The very separation of the project-based cross-functional team hinders the transfer of ideas and plans back to the everyday work situation. At the very heart of exploration and exploitation, CFTs are an ideal subject for the study into a combination of stability and change.

When we look at scholarly journals, we find that organizational change and CFTs are under-explored theoretically and empirically. The literature is inconclusive regarding how CFTs do contribute to change organizations. In particular, teams dedicated to change have received little attention in literature relating to organizational change. The goal of this study is to fill this theoretical and empirical gap. The conclusion of this literature review leads us to the following question: How do CFTs enhance organizational change in multinational

corporations? Our intention is to contribute to the bodies of literature on organizational change, CFTs, practice-based approach and strategy-as-practice, to develop an enhanced understanding of the internal teams' characteristics enabling stability and change and ultimately organizational change.

With the view of the practice-based approach, we look at CFTs as an organizational practice. How do CFTs, studied as practices, enable or constrain stability and change?

The research question can then be formulated as follow:

Under which internal conditions do CFTs dedicated to change enable or hinder organization change in multinational corporations?

More specific questions are:

1- What is organizational change under study?

2- How do CFTs dedicated to change work?

3- What are the internal enabling conditions required for organizational change production through CFTs dedicated to change?

In our study, we look at CFTs specifically established to produce business transformation of the business processes limited to marketing, sales and distribution within multinational corporations in the pharmaceutical industry. Organizational change is therefore focused on a transformation related to the structure and the processes of marketing, sales and distribution. CFTs are also delineated to teams specifically put in place to implement new strategies in marketing, sales and distribution.

Purpose and Intended Contribution

Our intention is to address the core audience of the literature on organizational change, CFTs, practice-based approach as well as the peripheral audience of strategy-as-

practice literature. We also intend to address the practitioners in drawing implications for practice.

The main purpose of this study is to contribute both empirically and theoretically, to the understanding of what kinds of organizational conditions support the development of organizational change by cross-functional project-based teams within multinational organizations. Answers to the research question and the sub questions are sought by creating an understanding of how cross-functional project-based teams work, and what kind of processes and structures they assume to achieve their goal of change. The first objective is to contribute to a better understanding of CFTs within multinational organizations. We study situated project-based CFTs, based on our observation and our experience. We observe, identify, describe and explain the roll-out and the functioning of project-based CFTs.

The second objective is to study CFTs as a special organizational form, allowing us to think about organizational change within organizations. We intend to identify the structures and processes enacted by CFTs enabling or constraining organizational change. This objective is more theoretically driven, and helps us to present some phenomena to better understand and analyze organizational change within organizations. CFTs are not then seen as such, but as a management practice to develop our thinking and our understanding of organizational change. Our final goal is to develop an enhanced understanding on the internal teams' characteristics enabling stability and change, and ultimately, organizational change.

Central Argument

Thanks to the use of within-case studies and the comparative cross-cases study, our main argument is that CFTs dedicated to change better enable organizational change in multinational corporations through shared leadership, coupling and decoupling activities as well as semi-structuring. These findings suggest a framework on the organizational production by CFTs and the five following propositions:

Proposition 1: The higher the level of coupling activities enacted by CFTs in the early phase of the project, the higher the level of organizational change.

Proposition 2: The lower the level of coupling activities enacted by CFTs in the intermediate phase of the project, the higher the level of organizational change.

Proposition 3: The higher the level of coupling activities enacted by CFTs in the final phase of the project, the higher the level of organizational change.

Proposition 4: The more the CFTs develop a balanced shared leadership, the higher the level of organizational change.

Proposition 5: The more the CFTs are semi-structured, the higher the level of organizational change.

Structure of the Thesis

The structure of the thesis is illustrated by a "U" curve with eight chapters that constitute a roadmap:

1. **Chapter 1:** The focal issue on organizational change and CFTs
2. **Chapter 2:** Theoretical background and research question
3. **Chapter 3:** Research methodology
4. **Chapter 4:** Marketing, sales and distribution transformation and the CFTs within the case studies
5. **Chapter 5:** Preliminary findings
6. **Chapter 6:** Secondary findings
7. **Chapter 7:** Discussion and implications of the study
8. **Chapter 8:** Contribution, limits and suggestions for further research

Each chapter addresses a particular question of the investigation and informs the main argument. The following figure illustrates the structure of the thesis.

1- Why organizational change and CFTs?

2- Which theoretical approach allow for an analysis of the role of CFTs in organizational change? Which research question can we investigate?

3- How can we investigate cross-functional teamas and organizational change)

4- What are the characteristics of the cases under study?

5- What is the story?

6- What sense can be drawn from the cases as regards to the research question?

7- What implications can be drawn for the theory of change, the literature on CFTs, and the literature on practice-based view?

8- What are the main contributions of this study on the theory, practice and research?
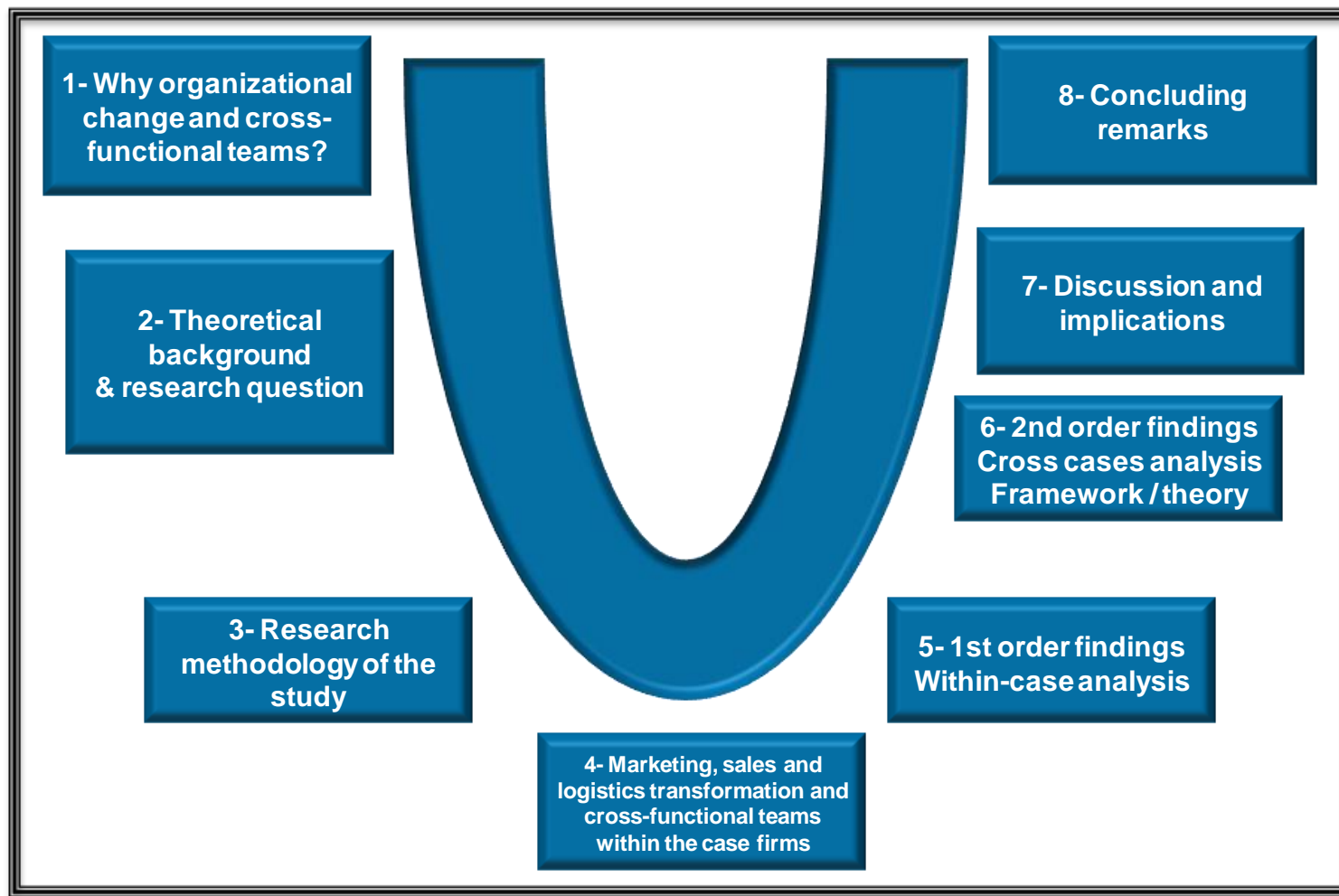
Figure 3: Structure of the thesis

Chapter 1: Focal issue: why Organizational change and CFTs.

Why organizational change? Why CFTs? This chapter consists of a review of three bodies of literature: organizational change, CFTs as a management practice for organizational change and CFTs within organizational change. In this chapter, we first review the literature on Organizational Change by focusing our attention on the nature and the different approaches (1.2.): the planned approach and the guided approach. This provides a better understanding of the questions relating to stability and change, as well as the place of CFTs within the context of organizational change. We then review the literature on CFTs (1.3) by looking at project teams within a matrix organization, the specifics of CFTs as well as the strengths and the challenges of CFTs within large multinational corporations. We then analyse the key roles CFTs play in organizational change (1.4.). Finally, we conclude with the reviewed literature about organizational change and CFTs, in addition to offering suggestions to filling the gap within this literature that our study wishes to address.

When we look at scholarly journals, we find that organizational change and CFTs are under-explored theoretically and empirically. The literature is inconclusive regarding how CFTs contribute to change organizations. In particular, teams dedicated to change have received little attention in the organizational change literature. The conclusion of this literature review lead us to the following question: How do CFTs enhance organizational change in multinational corporations? The goal of this study is to fill this theoretical and empirical gap. Our intention is to contribute to the two bodies of literature on organizational change and CFTs, and to develop an enhanced understanding of the internal teams' characteristics enabling stability and change and ultimately organizational change.

Chapter 2: Theoretical background and research question

Given the gap in the literature on organizational change and CFTs, which theoretical approach allows us to analyse the role of CFTs in organizational change? The purpose of this chapter is to examine how the practice-based approach could bring about an analytical lens to study this gap. The practice-based approach, the strategy-as-practice school of thinking, the structuration model of technology, drawn on the structuration theory of Giddens (1984) puts forward the importance of organizational practice, and the interactions between

structures and practitioners, so as to offer an interesting lens of analysis for stability and change. As Jarzabkowski and Spee (2009) show, the strategy-as-practice literature is inconclusive regarding the practices bundles and their impact on stability and change.

As seen previously (1.5.), the reviewed literature in scholarly journals leads us to the question about how CFTs enhance organizational change in multinational corporations. With the practice-based approach's lens, we look at CFTs as an organizational practice. How do CFTs, studied as practices, enable or constrain stability and change?

The research question can now be formulated as followed: Under which internal conditions do CFTs dedicated to change enable or hinder organization change within multinational corporations?

More specific questions are:

1- What is organizational change?

2- How do CFTs dedicated to change work?

3- What are the internal enabling conditions required for organizational change production through CFTs dedicated to change?

Chapter 3: Research methodology of the study

How to investigate the research question formulated? Based on the characteristics of the question, in this chapter, we argue why we choose an interpretative comparative multiple cases study. We discuss the epistemological approach and methodology of the study by highlighting the research approach and the process of data collection and analysis. We first discuss epistemological considerations and present our interpretative positioning (3.2.). Second, we defend our choice of a comparative multiple cases study. We present how we chose the case, how we collected data and how we anlysed the data. We finally conclude on the epistemological and methodological considerations (3.4.).

In order to examine under which internal conditions CFTs dedicated to change enable or hinder organizational change in multinational corporations, and informed by epistemological and methodological considerations (Avenier, 2008, 2010; Yin, 1981, 1984,

1994; Eisenhardt, 1989), we chose an interpretative research approach, a qualitative comparative multiple cases study methodology as a research strategy, and an abducting reasoning. Our case samples grouped one Pilot Team and four teams from two pharmaceutical companies. These teams were dedicated to implement a major transformation in the sales, marketing and distribution fields. Our study is based on 54 semi-structured behavioral interviews and secondary data. To conduct the analysis of the data, we used within-case analysis, cross-cases analysis and a thematic content analysis methodology.

Chapter 4: Marketing, sales and distribution transformation and CFTs within the case firms

What was the cases' sampling chosen to answer the question under which internal conditions do CFTs dedicated to change enable or hinder organizational change in multinational corporations? In this chapter we describe the reasons underlying the choice of the pharmaceutical industry, the marketing, sales and distribution business area as well as the corporations - AstraZeneca, Abbott and PharmaCo 3 - to examine the research question. The pharmaceutical industry is undergoing a huge business transformation in terms of business models due to legal, competition and structural changes. All the pharmaceutical companies need to drastically transform their strategy and operating models. This industry presents the following characteristics: high-paced change, sales orientated, importance of clients *"intimacy"* and customer relationship management, as well as the key role of innovation. As a consequence of this shift in the business models, the previous focus on research and development is now shifting towards marketing and sales. These business areas, together with distribution, are of increasing interest for the corporations in this industry. In order to implement this major transformation, companies have put in place CFTs, whereas previously they worked in business silos.

Chapter 5: Preliminary findings

What are the characteristics of the cases under study? After clarifying our method and the theoretical and conceptual foundations, we follow a first order and a second order analysis approach (Paroutis and Pettigrew, 2007) to present our findings. We use, in this

chapter, the first order story, which consists of a comparative analysis of one pilot cross-functional team and four CFTs within two pharmaceutical companies. The main goal of this part is to illustrate the main characteristics, similarities and differences of the teams, and with every project, to gain a better understanding of the critical issues and enabling conditions for organizational change. The following comparative elements are studied: first, the context, the motives, the objectives, the activities and the key performance criteria of the team. Second, the organizational structure, governance and team members are described, third, the tools, fourth, he processes and practices and, finally, the team evaluation.

In order to write-up this part, we first wrote-up a detailed case study for each case, which can be found in the appendices (Chapter 9) and which consists of a description of each case. This first step was central to our work because it helped us to cope early with the huge amount of data we collected from the field, to become intimate with each case and to form unique patterns when each case emerged. In this chapter, we then build up on these within-case studies to conduct a cross-cases analysis. We searched for patterns. We aimed to select dimensions and to look for within-group familiarities and inter-group dissimilarities. Our case setting is specifically useful for that since we have one Pilot Team that help us to first formalize each category, and two teams in each of the two organizations under study. The outcome – as organizational change management success – was used to create groups and split the teams between the successful ones, the failed ones and the unsuccessful ones at the beginning of the project but successful at the end.

After this empirical description, it is clear that these CFTs dedicated to sales, marketing and distribution transformation in pharmaceutical companies present similar and different characteristics. The motives of the projects might be similar – and provide answers to economic pressures, changes in the business models and the need to improve performance of these business functions – however, their working practices were different and led to different results. It is amazing to see the differences cumulated in the teams' results, even with more or less similar project management practices. It is interesting to notice as well that the results are continually evolving over time, from failure to relative success. It would suggest that time is a key feature of the success of the teams. Working practices put in place to improve an initial failure provide an especially interesting study. Further analysis is necessary to examine how CFTs explicitly set up to bring about sales, marketing and distribution transformation, do actually fulfil their goal. More generally, this

understanding of CFTs will help us to better understand specific change process within multinational corporations.

Chapter 6: Secondary findings

What do these cases tell us about the internal enabling conditions for organizational change in multinational pharmaceutical companies? This chapter offers a second-order analysis which explores in more detail how and why CFTs enable organizational change. The purpose of this chapter is to examine relations between CFTs and the success – or failure – of the marketing, sales and distribution transformation outcome. It is based on an analysis and the combination of the findings from Chapter 5 and the literature in Chapter 2. Comparing cases according to their outcomes allows us to create categories of success versus failure, and, then to list and compare the characteristics of each team across these categories. The data were analyzed in two phases. Firstly, one detailed pilot CFT case was prepared and analysed. Secondly, four detailed CFTs cases and a comparative 1+4 cases were written and analyzed. In the following first orders results, we strive to develop this analysis sequencing so as to present the building up and the evolution of the research work as well as of the original thought process. It is why before presenting the results of the four teams, we introduce the results from the Pilot Team.

In this part, we first analyse the practices through which CFTs accomplished their work according to the planning, designing, developing, testing, and training as well as rolling-out phases. We analyze what CFTs actually do when engaged in the change process (6.2 and 6.3). We identify significant CFTs' practices and we suggest propositions on the internal conditions of CFTs producing organizational change (6.4). We then examine them with regards to their potential for enhancing organizational change: coupling and decoupling activities, shared leadership and semi-structuring (6.5). We propose a framework with the three key practices of coupling and decoupling activities sequencing, shared leadership and semi-structuring which are regarded as the key practices for organizational change production by project-based CFTs in multinational organizations (6.6). Finally, we conclude this chapter.

Chapter 7: Discussion and implications

Thanks to the use of within-case studies and the comparative cross-cases study, our main argument is that CFTs dedicated to change better enable organizational change in multinational corporations through shared leadership, coupling and decoupling activities as well as semi-structuring. After having defined a framework on the enabling conditions for organizational change production by CFTs within multinational pharmaceutical companies as well as five propositions, we reflect on them by referring to the literature.

What implications can be drawn for the organizational change theory, for the theory on CFTs as well as for the practice-based view approach and the strategy-as-practice theory discussed in Chapters 1 and 2? What is similar, what does contradict and why between our results and the literature? Ignoring conflicts may reduce the confidence in the results. Conflicting literature may also be seen as an opportunity (Eisenhardt, 1989) to force into a more creative and framebraking thinking provide a deeper insight into theory as well as putting forward the limits of the generalization of the findings.

As we have suggested concluding in Chapter 1, the literature review on organizational change put forward the dichotomy between two opposed approaches – the planned change approach and the continuous change approach. The practice-based approach, the strategy-as-practice school of thought put forward the importance of organizational practice, and the interactions between structures and practitioners so as to offer an interesting lens of analysis for stability and change. But the strategy-as-practice literature is inconclusive regarding the practices bundles and their impact on stability and change. None of the approaches provided suggestions regarding the practices enacted by CFTs that enable organizational change.

The purpose of this chapter is to reflect on this framework and these propositions in light of the theory of organizational change, CFTs and the practice-based approach.

Chapter 8: General conclusions

What is the relevance of the propositions of this investigation for theory, practice and research in management and organizations studies? The purpose of this chapter is to

investigate the relevance of these results for theory and practice as well as in acknowledging the limits of the study and suggests areas for further research.

Our intention is to address the core audience of the literature on organizational change, CFTs, practice-based approach as well as the peripheral audience of strategy-as-practice literature and strategy implementation literature. We will first revisit the literature on organizational change in an attempt to link the dynamics between stability and change and transcend their paradoxical relationships. Second, by revisiting the CFTs' literature, we will suggest elements regarding the role of project-based teams dedicated to change as a specific management practice to shape change. Third, theoretical implications for the practice-based approach and the strategy-as-practice school of thought will be discussed, especially as regards to the relationships between practices and institutions. We will then suggest implications for the literature on strategy implementation. We also intend to address the practitioners in drawing implications for practice as well as acknowledging the limits of our research and offering suggestions for future research.

Core audience, Gap in the literature and Key contributions

The core audience of our study is the organizational change literature and the practice-based approach. This literature calls for more research on the relationships between cross-functional teams dedicated to organizational change and their implications for maintaining or changing the organization. Our study addresses this call by examining the characteristics of cross-functional teams, studied as a management practice to enhance organizational change and their implication for implementing organizational change. Our main argument is that cross-functional teams dedicated to change better enable organizational change in multinational corporations through coupling and decoupling activities, sharing leadership as well as semi-structuring.

1. Why Organizational Change and Cross-Functional Teams?

1.1. Introduction

Why Organizational Change and CFTs? The purpose of this chapter is to outline the critical importance of CFTs within organizational change and to define a research area that needs to be further explored within the management field. The focus of this study is organizational change. CFTs are analyzed as a management practice for Organizational Change. In this chapter, we will review three bodies of literature: organizational change, CFTs as a management practice for organizational change and CFTs within organizational change.

In this chapter, we first review the literature on organizational change by focusing our attention on its nature and the different approaches (1.2.): the planned approach and the guided approach. This will provide a better understanding of the questions relating to stability and change as well as the place of CFTs within the context of organizational change. In order to review the literature on organizational change and CFTs, we conducted electronic searches of the database EBSCO (Economic Business Source Complete) using the keywords "organizational change", "team" and "cross-functional". To trace published research in the major academic journals, we searched in *Administrative Science Quarterly, Academic Management Review, Academy of Management Journal, Organizational Science, Organization Studies, Journal of Management Studies, Human Relations, Journal of Organizational Behavior and Organizational Dynamics*. Our first search covered the period between 2007 and 2010 and then the period from 2000 to 2007. Finally, we cross-referenced articles identified in our search to include additional articles that may have been missed in our initial search. For the period covering 2007 and 2010, we found 63 articles of which 20 related to the topic of our study "organizational change" and "CFTs".

In section (1.3.), we review the literature on CFTs by looking at project teams within a matrix organization, the specifics of CFTs as well as the strengths and the challenges facing CFTs within large multinational corporations. We then analyse the key roles played by CFTs in organizational change (1.4.). Finally, we conclude with the reviewed literature relating to

organizational change and CFTs as well as identifying the gap within this literature that our study wishes to address (1.5).

1.2. *Organizational Change: Top-down & Bottom-up approaches: beyond the dualism?*

1.2.1. Strategic, Purposeful and Behavioral Organizational Change

According to Spector et al. (2009), organizational change is adopted to "strategically aligned alterations in patterns of employee behavior". Change is strategic, purposeful and behavioral.

"1- *Strategic* – the goal of change management is to help an organization support strategic renewal in order to achieve and maintain outstanding performance in the face of a dynamic environment. A strategic perspective focuses on aligning behaviors with renewed strategy and the requirements of outstanding performance.

2- *Purposeful* – change can occur to an organization or by an organization, most often some combination of the two. A purposeful perspective focuses on explicit interventions into the organization that are designed to respond to a dynamic competitive environment.

3- *Behavioral* – although change can occur in many forms, it is the alteration in employee behaviors – how employees enact their roles, responsibilities, and relationships – that allows organizations to implement new strategies and achieve outstanding performance. A behavioral perspective focuses on the process of motivating employees at all levels of the organization to alter their patterns of behavior in ways that are sustainable, adaptative to shifts in the external environment, and will contribute to outstanding performance. (Spector et al, 2009, p.viii)

Shifting competitive environments and new opportunities involve strategic renewal through a process of creating new products, services, capabilities, knowledge and new

business models. This new direction is supported by new systems, structures and processes. By adopting business models, an organization generates profitable revenues.

Figure 4: Strategic Renewal and Organizational Change (Spector et al., 2009)

The Socio Economic Approach to Management (SEAM)

SEAM (Sorensen, Yaeger, Savall, Zardet, Bonnet and Peron, 2010; Savall and Zardet, 2008; Péron and Bonnet, 2008; Bonnet and Cristallini, 2003) consists in a specific approach to organizational change. It was first developed by Henri Savall with his associates at ISEOR à Lyon (Institut Socio Economique des Entreprises et des Organisations). The SEAM approach consists in five phases. The first phase consists of a negotiating phase lasting from three to eight months. This phase is devoted to meetings between SEAM and management regarding access to information. The second phase consists of two to six months collecting qualitative data. This data serves to identify causes of financial problems and hidden revenues. In the third phase, qualitative research data and hidden revenue data is fed back to stakeholders. The fourth phase consists of a number of field experiments designed to resolve hidden cost problems and develop hidden revenues. The fifth and final phase consists of ongoing evaluation directed toward quantifying results. The main characteristics of SEAM are that it is a process which is problem oriented and selective in identifying stakeholders rather than inclusive. It employs action research in that it is an iterative and ongoing process. It is implemented by intervener researchers who are extensively trained in the process and is contracted for an extensive time period. The language of SEAM tends to be concrete and oriented toward specific problems and situations.

1.2.2. Organizational Change: Beyond the Dualism?

Several authors (Buono and Kerber, 2008; Pichault, 2004) define a continuum of organizational change approaches from directed, planned to guided organizational change management. They then explore the need for a situational approach to manage change.

1.2.2.1.   *The planned approach of organizational change*

Elements of definition

Change implementation is historically based on the works of Kurt Lewin (1947) who refers to the "unfreezing, moving, refreezing" stages. According to Lewin, the leader must, at first, create an "unfreezing" phase. He must create dissatisfaction or a frustration starting point such as by creating employees' willingness to change something. Second, a leader must drive the employees to move from one set of behaviors to another. Finally, structures and systems must be aligned with and reinforce the new behavioral patterns.

Stage 1: Unfreezing	Stage 2: Moving	Stage 3: Refreezing
Create dissatisfaction with the status quo	Redesign organizational roles, responsibilities, and relationships	Align pay/reward systems
Benchmark operations against other companies	Train for newly required skills	Re.engineer measurement / control systems
Diagnose barriers to improved performance	Promote supporters / remove resisters	Create new organization structures

Table 5: Implementation implications of Lewin's Change Model (Spector et al., 2009)

The Organization Development (OD) approach offers a planned approach of organizational change. It offers a systematic perspective on how to change people and organizations. It sees organizations as open systems in constant interaction with the external environment and the internal elements.

It seeks to find congruence between all these disparate elements. The internal context is defined by organizational purpose, strategy, business model and organizational design. The external environment regroups customers, employees, investors, stakeholders, social and cultural forces, technological changes, labor market shifts, government regulations and world events. The patterns of employee's behaviors are characterized by the enactment of roles and responsibilities as well as by the process of interaction among employees.

In the planned change approach, managers define a future state and define an action plan to reach this desirable state. Then they implement this plan. Pettigrew and Whipp (1991) offer a model on how to manage strategic change, intangible assets and competitive performance. This model is typical of an episodic, radical change conception. The term "model" is used as a "projection in detail of a theoretical position, which depicts a possible system of relationships, events and actions." (Pettigrew and Whipp, 1991) Their model is composed of five central factors for managing change: coherence, environmental assessment, leading change, human resources as assets and liabilities and linking strategic and operational change.
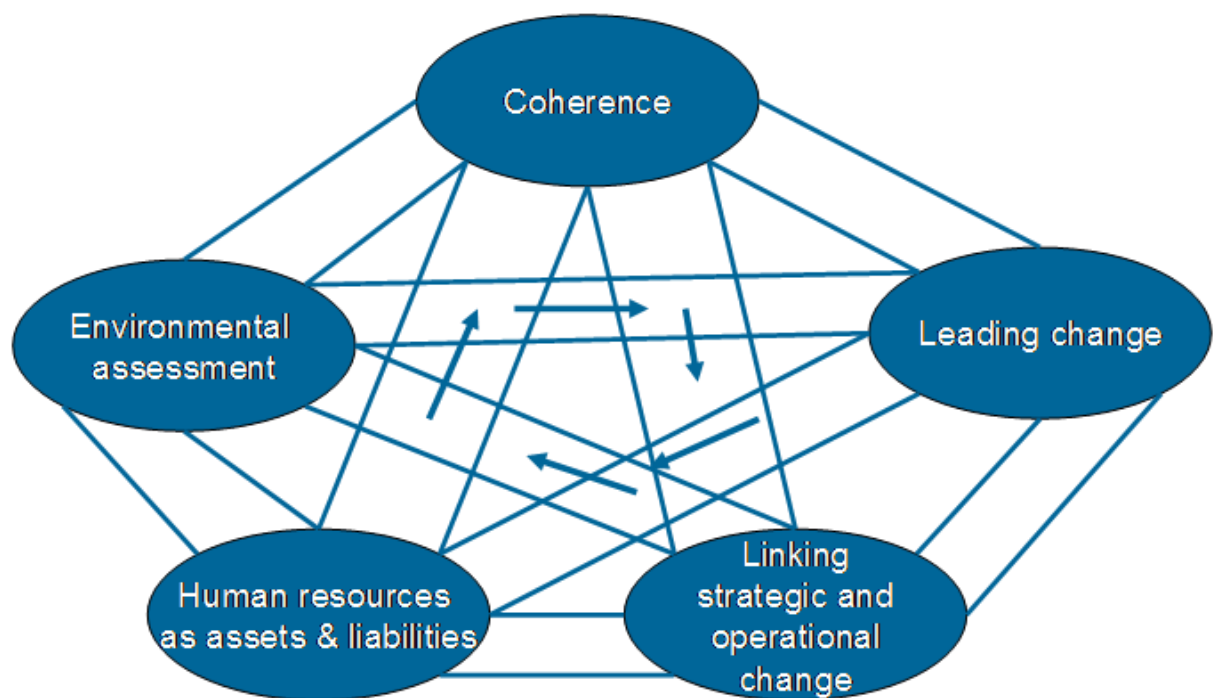
Figure 6: Managing change for competitive success: the five central factors

(Pettigrew and Whipp, 1991)

The first factor is "the environmental assessment". Four conditioning features help to explain the degree of openness by an organization towards its environment and its receptiveness towards changes. Through its willingness to challenge the assessment technique, the more the organization is considered to be open to change. Other features are the structural and cultural characteristics of the company, the extent to which environmental pressures are recognized and the degree of assessment by the work of a multifunctional team who links it to the business. The second factor is "leading the change". For Pettigrew and Whipp (1991), there is no universal rule for leadership. It is context-sensitive. Important elements are the choice of the leader, the immediate problems the leader has to face and the area of maneuver which is opened to their leader. For the authors, the pre-requisite for leading change is to build a climate favorable to change with the explanation of why the creation of change is necessary, to build the capability to create change and to establish a change agenda. The third factor of the model is "linking strategic and operational change". The goal is to evaluate how intentions are implemented over a given time frame. Human resource capabilities must therefore support the strategy and thus need to evolve according to the new strategy. The fourth factor is human resource as assets and liabilities. According to the authors,

> "HRM relates to the total set of knowledge, skills and attitudes that firms need to compete. It involves concern and action in the management of people including: selection, training and development, employee relations and compensation. Such actions may be bound together by the creation of HRM philosophy." (Pettigrew and Whipp, 1991)

The human resource management (HRM) approach needs to be built on a long term timeline: business people need awareness to raise the consciousness of the benefits of HRM to the business and to changes. HRM change is the result of a situational collection of elements. HRM needs to be enforced throughout the organization in terms of business proceses, organization and people management. The last factor brings out the coherence in change management. The environment must be assessed but as together with the organization. A strategy must be adapted to the environment and the internal capabilities. In order to implement the strategy, management actions must be undertaken: the senior team must have common beliefs, purpose and HRM initiatives must match the strategy. Managers are demanding detailed techniques within each of the five players. Pettigrew and Whipp (1991) remind us that managing change must be crafted to the context which it addresses. Developing intangible assets is a key factor together with defining the role of senior

management. "Centrality of energy" means that all people must have the same purpose. They explain that energy generation evolves from the inside as well as the outside; the main challenges faced by managers are to sustain energy and to prevent regression in the change process. The management involved in a change is responsible for not only to foresee problem areas but also to raise the energy for change, to justify the need for change and legitimize chosen courses of action, negotiate the pathway of change for the organization, stabilize successful programs, set in motion processes which will lead to the generation of relevant knowledge and resolve the many contradictions which arise between these sub-processes.

Kotter (1996, 2007) outlines eight critical success factors for leading organizational change – from establishing a sense of urgency to creating short term wins. For Kottrer (see following figure), a successful change goes through a series of phases that must be followed in the following order. These eight steps are summarized in the following figure. The first step in transforming an organization is to establish a sense of urgency. This is most often achieved when a new leader analyses the competitive realities and manages to convince the company that the current situation is not viable. The second step is to create a powerful guiding coalition, which consists of forming a group of people with enough power, and which will facilitate teamwork within this group. Third, the leader must create a vision which gives a clear direction for the future and which is easy to communicate. Fourth, the leader must communicate this vision using a number of appropriate vehicles and adapting his behavior to this vision. Fifth, the leader must empower the group to act on the vision by eliminating the obstacles, to change the structures and processes that do not align with the visions, and to encourage risk taking by developing non traditional ideas or activities. Six, the leader must plan for, and create short term wins in planning, creating and recognizing improvements. Seven, the leader must consolidate improvements and produce even more changes. Finally, the leader must institutionalize new approaches through articulating the connections between the new behaviours and corporate success, and through developing the means to ensure future leadership development and succession.

1- Establishing a sense of urgency

Examining market and competitive realities

Identifying and discussing crises, potential crises or major opportunities

2- Forming a powerful Guiding Coalition

Assembling a group with enough power to lead the change effort

encouraging the group to work together as a team

3- Creating a Vision

Creating a vision to help direct the change effort

Developing strategies for achieving that vision

4- Communication of the vision

using every vehicle possible to communicate the new vision and strategies

Teaching new behaviors by the example of the guiding coalition

5- Empowering others to act on the vision

Getting rid of obstacles to change; Changing systems or structures that seriously undermine the vision;

encouraging risk taking and non traditional ideas, activities and actions

6- Planning for and creating short term wins

Planning for visible performance improvements; Creating those improvements

recognizing and rewarding employees involved in the improvements

7- Consolidating improvements and producing even more change

Using increased credibility to change systems, structures and policies that do not fit the vision; Hiring, promoting, and developing employees who can implement the vision; reinvigorating the process with new projects, themes and change agents

8- Institutionalizing new approaches

Articulating the connections between the new behaviors and corporate success; developing the means to ensure leadership development and succession

Figure 7: Eight steps to transforming the organization, Kotter (2007)

Limits of the planned approach to change

Beer and Nohria (2000) indicate that 70 per cent of all change initiatives fail. The reason for all these failures is that managers end up immersing themselves in a blend of intitiatives. According to these researchers, there are two ways of changing: "theory E" and "theory O".

"Theory E" change is based on economic value while "theory O" change is based on organizational capability. The sequencing and better the simultaneous use of E and O strategies are likely to be a source of sustainable advantage. These two theories can be compared with the following key dimensions of corporate change: goals, leadership, focus, process, reward system and the use of consultants. The goals of theory E are to maximize the shareholder value.

The goals of theory O are to develop capabilities. The goals of combined theories are to explicitly embrace the paradox between economic value and the organizational capability. With "theory E", leadership manages from top to bottom. With "theory O", it encourages participation from the bottom up. And with the combination, it sets direction from the top and encourages people below. The focus of "theory E" is to emphasize structure and system. The focus of "theory O" is to build corporate culture: employees' behavior and attitudes. The combination simultaneously focuses on the hard (structures and systems) and the soft (corporate culture). The process of "theory E" is to plan and establish programs. Theory O experiments and evolves. The combination encourages spontaneity. The reward system of theory E is to motivate through financial incentives although theory O motivates through commitments; the use of pay is seen as a fair exchange. The combination uses incentives to reinforce change but not to drive it. The use of consultants is different: theory E asks consultants to analyse problems and shape solutions; theory O asks consultants to support the management in shaping their own solutions. The combination asks consultants to be seen as "expert resources" who empower employees. For these authors, in order to manage change, managers should focus simultaneously on the hard and soft sides of the organization, plan for spontaneity, let incentives reinforce change, not drive it and use consultants as "expert" resources who empower employees.

Dimension of Change	Theory E	Theory O	Theories E and O Combined
Goals	Maximize shareholder value	Develop organizational capabilities	Explicitly embrace the paradox between economic value and organizational capability
Leadership	Manage change from top down	Encourage participation from the bottom up	Set direction from the top and encourage the people below
Focus	Emphasize structure and systems	Build up corporate culture: employees' behavior and attitudes	Focus simultaneously on the hard (structures and systems) and the soft (corporate culture)
Process	Plan and establish programs	Experiment and evolve	Plan for spontaneity
Reward system	Motivate through financial incentives	Motivate throughcommitment – use pay as fair exchange	Use incentives to reinforce change but not to drive it
Use of consultants	Consultants analyse problems and shape solutions	Consultants support management in shaping their own solutions	Consultants are expert resources who empower employees

Figure 8: Theory E and Theory O (Beer, 2000, p.137)

Beer, Eisenstat and Spector (1990) analyse why change programs do not produce change in six case studies. The success of the change is measured as the success by which they have managed the revitalisation effort (ranked by the researcher as well as ranked by the employees) and to the extent that there were significant improvements in interfunctional coordination, decision-making, work organization, and concern for people. They conclude by

the defining six steps of effective change. The first step is to mobilize commitment to change through joint diagnosis of business problems. The second is to develop a shared vision of how to organize and manage competitiveness. The third is to foster a consensus for the new vision, build on competence to enact it, and encourage cohesion to move it along. The fourth is to spread revitalization to all departments without pushing it from the top. The fifth is to institutionalize revitalization through formal policies, systems and structures. Finally, the sixth is to monitor and adjust strategies by responding to problems created in the revitalization process. For these authors, the role of top management is to create a market for change, to use successfully revitalized units as organizational models for the entire company, and to develop career paths that encourage leadership development.

Spector (2009) offer a renewed theory of change implementation in four steps.
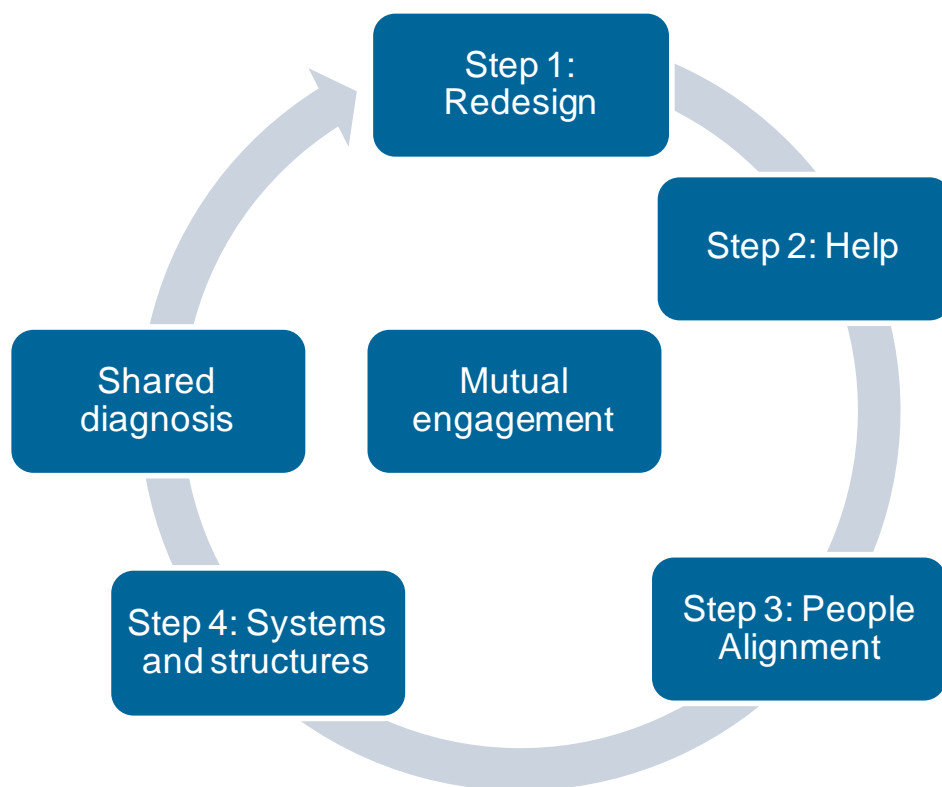
Figure 9: A sequential Model of Effective Change Implementation (Spector, 2009)

The sequential model of effective change implementation starts with a shared diagnosis between top managers and employees. The shared diagnosis is a process that allows all stakeholders to agree on the need for change. Then the model is based on four

steps: (step 1) redesign roles, responsibilities and relationships, (step 2) help through training and mentoring, (step 3) align people through assessment, promotion, replacement and recruitment and (step 4) comply systems and structures through reporting relationships, compensation, information, measurement and control.

Spector (2009) differentiate between the "organization development" (OD) approach and the "organizational change" (OC) approach. The OD approach examines how organizations and people who make up the organizations change. The OC approach focuses on efforts of strategic renewal that require behavioral change in order to implement a specific strategy (Beer and Eisenstat, 2004; Beer, Eisenstat and Spector, 1990; Schaffer and Thomson, 1992; Spector, 1995; Spector, 2009). Change is emergent more than planned. In order to implement the strategy, patterns of employee's behavior need to be reshaped. They study the change that is driven by a renewed strategy that is selling noncore products.

1.2.2.2.   *The guided approach of organizational change*

Guided change (Buono and Kerber, 2008) emerges in the context of over-lapping changes and focuses on enhancing and extending the effects of myriad changes, that are already underway. Continuous organizational change can be opposed to episodic change (Weick and Quinn, 1999; Kerber and Buono, 2008; Pichault, 2004, 2009), analysed as a situated performative perspective of work (Orlikowski, 1996), defined as complementary simultaneous organizational changes (Pettigrew and Whittington, 1999) and analysed through the metaphor of jazz improvisation (Kamoche, K., Cunha, M., Da Cunha, J., 2001).

Continuous change versus episodic change

According to Weick and Quinn (1999), episodic organizational change is no longer a reality in the current volatile business world. Organizations are continuously changing, routinely, easily and responsively. Changes in organization depend on a few stable processes. Most changes in organizations reflect simple responses to demographic, economic, social and political forces. Prosaic processes sometimes have surprising outcomes. The interplays of rationality and foolishness lead to anomalies such as slack, managerial incentives, symbolic action, ambiguity and loose coupling. A thorough understanding of change is provided by one theory by directing the conventional ways in

which an organization responds to its environment. We need to understand the fundamental adaptative processes by which change occurs, how substantial changes occur as a routine consequence of standard procedures, or as the unintended consequences of ordinary adaptation. The authors urge discovery of the connections between the apparently prosaic and the apparently poetic in organizational life. Lewin's model (1951) of change is episodic and follows the sequence "unfreeze-transition-refreeze".

Weick and Quinn (1999) adopt a continuous change perspective that follows the sequence "freeze-rebalance and unfreeze". Episodic change and continuous change are differentiated according to the metaphor of organization, the analysis framework, the ideal organization, the intervention theory and the role of a change agent.

In episodic change, organizations are inert and change is unfrequent, discontinuous, and intentional. Change is an occasional interruption or a divergence from the equilibrium. It tends to be dramatic and it is driven externally. It is seen as a failure by the organization to adapt its deep structure to a changing environment. Episodic change is created by intention and follows the Lewin's three steps of "unfreeze", "transition" and "refreeze". The unfreeze step consists of the disconfirmation of expectations manifested in the anxiety given that enough psychological safety is available. The transition step consists of cognitive restructuring, semantic redefinition, conceptual enlargement, new standards of judgment. And the "refreeze" step consists of creating a supportive social norm, making change congruent with personality. Change agents are the prime movers and create the change. They focus on inertia and seek points of central leverage.

In the continuous change's perspective, organizations are emergent and self-organizing. Change is constant, evolving and cumulative. Change is a pattern of endless modifications in work processes and social practices. Key concepts are related to recurrent interactions, shifting task authority, responses, repertoires, emergent patterns, improvisation, translation and learning. Change is Confucian in that it is cyclical, processional, without an end state. The process of change is freeze-rebalance-unfreeze. The freeze stage makes sequences visible and shows patterns through maps, schemas, and stories. The "rebalance" step reinterprets, re-labels and re-sequences the patterns to reduce blocks. It uses the logic of attraction which means that change leaders must themselves change so as to demonstrate attractive behaviors that others may want to duplicate. The unfreeze step resumes improvisation, translation and learning in ways that are more mindful. The role of change is to make sense and redirect the change. Change leaders recognize, make salient and reframe current patterns. They alter meaning through new language, enriched dialogue and new identity. They unblock improvisation, translation and learning.

In the introduction to the *Academy of Management Journal's Special Research Forum on Change and Development Journeys into a Pluralistic World*, Pettigrew et al. (2001). emphasize a need for further research regarding the study of episodic versus continuous change processes:

> "The term "episodic change" groups organizational changes that tend to be infrequent, discontinuous, and intentional. The assumption is that episodic changes occur as organizations move away from equilibrium or change as a result of a misalignment or environmental encroachment…. Continuous changes are those that are ongoing, evolving, and cumulative… The distinctive quality of continuous change is its small, uninterrupted adjustments, created simultaneously across units, which create cumulative and substancial change." (Pettigrew et al., 2001, p.704)

Change as a situated perspective of work

Orlikowski writes that change is endemic to the practice of organizing and is enacted through the situated practices of organizational players who adjust their work routines over time.

> "Change may not always be as planned, inevitable, or discontinuous as we imagine. Rather, it is often realized through the ongoing variations which emerge frequently, even imperceptibly, in the slippages and improvisation of everyday activity. Those variations that are repeated, shared, amplified and sustained can, over time, produce perceptible and striking organizational changes." (Orlikowski, 1996)

A series of subtle changes appear as these players appropriate the new technology, experiment with local innovations, respond to anticipated breakdowns and contingencies, initiate opportunities, respond to shifts in structure and coordination mechanisms, and improvise various procedural, cognitive, and normative variations to accommodate evolving technologies. The Orlikowski's "situated change perspective" leads to an organizational transformation which is enacted subtly and gradually as social players engage in ongoing changes to make sense of challenges and problems that arise on a continuing basis. Organizations face a constant re-invention and an organizational renewal through ad hoc adaptation.

Changes as complementary

Continuous changes can take the shape of complementary changes (Pettigrew and Whittington, 1999). Multiple organizational changes occur simultaneously (Pettigrew, 1999). High performing firms appeared to be innovating more and differently than low performing firms. On the other hand, complementarity ad-hoc changes, with the exception of information technology, deliver little performance benefit. Exploitation of the full set of innovations is associated with high performance. System wide change is associated with higher performance. Partial change is rare and more likely to occur in some institutional contexts and higher within firms with high knowledge intensity and internationalization.

Change as improvisation

"Realizing organizational change: When the concept of "change management" takes root, change was treated as a deliberate intervention by specified change agents who set out to design and implement new strategies and operational procedures in order to enhance organizational functioning. These deliberate, systematic and well-planned efforts to institute change have found expression in a large number of literatures, ranging from organization development (e.g. Porras and Robertson, 1992) to total quality management (e.g. Hammer and Champy, 1993). While some researchers recognize that even planned, strategic change has a processual and emergent character (eg: Pettigrew and Whipp, 1991), there is still an underlying assumption in the change management literature that change is top-down and executive driven." (Kamoche et al., 2001, p.6)

With this point of view, there is no place for improvisation. Applying trial-and-error with new techniques and solutions is an improvisational technique that is often associated with situations involving risk such as the rescue from a ship of crew members following the failure of the navigation system (Hutchins, 1991) or the escape from a forest fire (Weick, 1993). In less dramatic situations, social players are also associated with on-going processes and therefore need to improvise.

The metaphor of jazz improvisation is used by some authors (Kamoche, Cunha, Da Cunha, 2001) to illustrate continuous change within organizations. In jazz improvisation, there are few rules. Instead there is a high amount of communication between the jazz band

members and the audience. A successful organization should also demonstrate a clear structure but enough slack to enable members to explore and change. Jazz musicians redefine the structure as they enact the definitive features of an improvisational performance such as soling (taking the lead), comping (offering harmonic and rythmic support for the temporary leader), listening and responding to cues and ideas from the other players. The jazz metaphor and the Commedia dell' arte form that emerged in Western Europe in the sixteenth century metaphor share common points. They demonstrate the most salient phenomena in which improvisation has been developed to a high level of sophistication and refers to the dual processes of composing and performing at the same time. Managers and jazz musicians have to continuously invent novel responses without following a predetermined script and with little certainty as to the outcome of their actions (Weick, 1993). According to Kamoche et al.. (2001), improvisation is the conception of action as it unfolds and draws on available resources, a paradoxical process, involving structure and ad-hockery, intention and emergence, planning and invention. This is thinking in action, a desired course of action, whose contours are defined while action takes place and a demanding task that captures the essence of the concept of a reflective manager. Improvisation is a departure from stored processual memory which may be difficult given the essence of organizing as forgetting and variety reducing, a process which aims to increase the chances of organizational adaptation as well as a pervasive organizational process.

> "Improvisation is:
> 1- The conception of action as it unfolds, drawing on available resources;
> 2- A paradoxical process, involving structure and ad-hockery, intention and emergence, planning and invention;
> 3- Thinking in action, i.e. a desired course of action, whose contours are defined while action takes place;
> 4- A demanding task, that captures the essence of the concept of a 'reflective practioner';
> 5- A departure from stored procedural memory, which may be difficult given the essence of organizing as forgetting and variety reducing;
> 6- A pervasive organizational process." (Kamoche et al., 2001, p292)

The apparent absence of structure within the improvised arts does not involve chaos, randomness or disorder (Hatch, 2001). Improvisation is a vehicle to achieve a redescription of organizational structure which is performative, concerned with sensemaking, realizing action and the process of becoming. Organizational structure is not perceived as a state but

as a set of performance practices or processes. Jazz musicians alter the structural foundations of their performance by sustaining and creatively engaging the ambiguity inherent in the potential for multiple interpretations. Organizational members can redefine the structures in which they operate rather than be held hostage by them. Social interactions constitute forms of ambiguities which are constantly being updated through processes of sensemaking, communications, leadership and power. Organizational members have access to opportunities which enable them to redefine and reinterpret social relations, the organization of their work as well as their individual identities.

Kamoche et al. (2001) propose to initiate further study on how improvisational behaviors contribute to change the organization's strategy, structure or processes and how organizational structures facilitate change in an improvisational mode (see following figure).

"These research questions consider the need to study change not only in planned or emergent ways, but also change as improvisation and improvisation as intentional change." (Kamoche et al., 2001, p296)

They propose examples of practices such as provocative competence in order to instigate a departure from routines and behavior, by treating errors as a source of learning, alternating between going solo and offering support in order to give everyone room to think, by enhancing learning and distributing leadership tasks. They explore the following characteristics of jazz improvisation:

1- Provocative competence: deliberate efforts to interrupt habitual patterns

2- Embracing errors as a source of learning

3- Shared orientation towards minimal structures that allow maximum flexibility

4- Distributed tasks: continual negotiation and dialogue towards dynamic synchronisation

5- Reliance on retrospective sense-making

6- Hanging out: membership in a community of practice

7- Alternating turns solo performance and offering support

For them, jazz improvisation is a useful metaphor which offers a better understanding of organizations that are interested in learning and innovation. By looking at the practices and structures of jazz music, they propose the following implications in a non jazz context:

1- Boost the processing of information during and after actions are implemented

2-   Cultivate provocative competence: create expansive promises and incremental disruptions as occasions for stepping out into unfamiliar territory

3-   Ensure that everyone has a solo opportunity from time to time

4-   Cultivate comping behavior

5-   Create organizational designs that produce redundant information

6-   Cultivate serious plays: too much control inhibits flow

Bastien and Hostager present musical structures as social practices forming structural conventions in the jazz process (Kamoche, 2001). These are cognitively held rules for creating new musical ideas, behavioral norms or communicative codes. Weick (Kamoche, 2001) puts forward the importance of considering errors as a source of learning and as a source of opportunities.

Product innovation characteristics may be seen as communicative codes, performative competence, and experimentation as well as frequent refashioning in the light of new information, audience or customer response and so forth (Kamoche et al., 2001). Other improvisational techniques apply trial and error offering new techniques and solutions to unfamiliar and emergent problems, on-going processes of problem solving and re-definition of problems. Other examples of improvisional techniques are communication, re-adjustment of frames of reference, conflict-resolution, as well as a variation of procedures while at the same time, accomplishing emergent or deep seated change.

The jazz metaphor emphasizes the minimal structure of organizing. March (1991) stresses the importance of an appropriate balance between exploration and exploitation. Exploration includes search, variation, experimentation and innovation. Exploitation concerns refinement, efficiency and implementation. Other authors also identify the importance of the balance between structure and flexibility (Tatikonda and Rosenthal, 2000; Edvardsson et al, 1995; Eisenberg, 1990; Hedberg et al, 1976; Weick, 1993). Weick (1993) demonstrated how by improvising action while maintaining a basic structure helped to save lives in a tragic forest fire. One firefighter survived by creating a safe buffer zone which was an unusal method from the traditional way of fighting a fire. Two other firefigthers survived by remaining together. Hatch (Kamoche, 2001) considers the organization structure as performative with a set of performance practices and processes.

According to Brown and Eisenhardt (2001), improvisational change may be intentional. Improvisation may be studied as an intentional change. Some organizations seem to have incorporated improvisation as a normal practice. What are the improvisational practices of organization? What are the internal and external conditions that facilitate or

hinder improvisational effectiveness? Improvisation and change can be studied on a qualitative and discrete mode or on a quantitative and discrete mode. In the first mode, the quality of organizational improvisation is studied at a certain moment. What are the influencing factors of improvisational behavior? What are the characteristics and the qualities of improvisation at a particular moment? What are the influencing factors of improvisational behaviors? In the second mode, the quantity of improvisation is studied at a particular time: Are there inter-organizational differences in the number of improvisations?

I. Qualitative and discrete	II. Qualitative and processual
Research problem: the quality of organizational improvisation at a given moment Examples: What are the influencing factors of improvisational behavior? Are improvised behaviors effective?	Research problem: The qualities of improvisation over time Examples: how do improvisational practices evolve over time? Are certain periods more favorable for improvising? How is improvisational knowledge appropriate? Are successful improvisations formalized?
III. Quantitative and discrete	IV. Quantitative and processual
Research problem: The quantity of improvisation at a particulat time Examples: Are there interorganizational differences in the number of improvisations? Are there differences between industries? Do different industries stimulate different types of improvisation?	Research problem: the quantity of improvisation over time Examples: Do young organizations improvise more than mature organizations? Do the number and the type of organizations change along with cultural changes?

Figure 10: How research approaches improvisation (Kamoche et al., 2001)

1.2.2.3. *Beyond dualism? Stability and change as a duality*

The planned approach and the guided approach of organizational change are predominantly opposed. Nevertheless, some authors argue that these two approaches are complementary and even part of the same duality. Farjoun (2010) presents an alternaltive

view combining stability, reliability and exploitation with change, innovation and exploration included in a model of stability and change as a duality.

This model consists of a 2 x 2 matrix presented in the next figure. The vertical axis represents the outcomes defined in terms of performance and objectives with stability and change. The outcome of stability includes the objective of continuity, low variance, predictability, regularity and reliability. The outcome of change designs adaptability, high variance, innovation, flexibility. The horizontal axis represents mechanisms defined as processes, practices and forms with two types: stability and change. The mechanisms towards stability regroup habits, routines, institutions, discipline, tight coupling, limits, commitments, control and low variance. The mechanisms towards change include search mindfulness, redundancy, and openness, as well as preoccupation with failure, imagination and variety. This matrix provides four classifications: exploitation, change enables stability, stability enables change and exploration.

The first quadrant of stability and change relationships is "Q1- Exploitation". Stable mechanisms provide stable outcomes. The manifestations of such a relationship indicate that control reduces variation. Standardized routines and formalization lead to efficiency and undermine innovation. Commitment and specialization enhance reliability and reduce adaptability. The second quadrant is "Q2- Change enables stability" that occurs with change mechanisms and stable outcomes. Redundancy and loose coupling increase reliability. Moderate experimentation mitigates drastic failures. Doubt and mindfulness foster security and continuity. The third quadrant is "Q3- Stability enables change" that occurs with stable mechanisms and change outcomes. Control enables design and invention. Routines and formalization help manage the non-routine. Commitment and specialization enhance adaptability. The fourth quadrant is "Q4- Exploration" when change mechanisms lead to change outcomes. Redundancy and loose coupling promote flexibility and innovation. Experimentation promotes adaptability and undermines reliability. Doubt stimulates discovery and change.

A key linkage in this model is between performance and subsequent change. While in the short run, companies should look for efficiency and exploitation, they should also look at the long term exploration and reliability. The implications of this model for organizational design are the duality of tasks. Individuals who are engaged on routine tasks should be assigned to some kind of explorative tasks. Those who are engaged in creative tasks should be engaged in conducting some routine tasks as well.

			Mechanisms	
			(processes, practices, forms)	
			Stability	**Change**
			Habits, routines, institutions, discipline, tight coupling, limits, commitments, control and low variance	Search, mindfulness, redundancy, openness, preoccupation with failure, imagination, variety
Outcomes (performances, objectives)	**Stability** Continuity, low variance, predictability, regularity, and reliability		**Q1 – Exploitation**	**Q2 - Change enables stability**
			Selected manifestations: • Control reduces variation • Standardized routines and formalization lead to efficiency and undermine innovation • Commitment and specialization enhance reliability and reduce adaptability	Selected manifestations: • Redundancy and loose coupling increase reliability • Moderate experimentation mitigates drastic failures • Doubt and mindfulness foster security and continuity
	Change high Adaptability, innovation, variance, flexibility		**Q3 – Stability enables change**	**Q4 - Exploration**
			Selected manifestations: • Control enables design and invention • Routines and formalization help manage the non routine • Commitment and specialization enhance adaptability	Selected manifestations: • Redundancy and loose coupling promote flexibility and innovation • Experimentation promotes adaptability and undermines reliability • Doubt stimulates discovery and change

Figure 11: Classification of Stability and Change Relationships (Farjoun, 2010)

Farjoun (2010) builds on the literature on exploitation and exploration that is still fruitful to understanding the dynamics between stability and change. These findings are coherent with March (1991) who also stresses the importance of an appropriate balance between exploration and exploitation. Exploration includes search, variation, risk taking, experimentation, play, flexibility, discovery and innovation. Exploitation concerns refinement, choice, production, efficiency, selection, implementation and execution. Organizational adaptation requires a balance between exploration and exploitation (March, 1996) but this balance is not easy to find because both are opposing each other as they tend to self-reinforce.

O' Reilly and Tushman (2004) also emphasize the necessity for companies to articulate exploration and exploitation. They call such companies "ambidextrous organizations". They favor two profoundly different types of businesses; those focused on exploiting existing capabilities for profit, and those focused on exploring new opportunities for growth. For them, organizations should develop distinct units; one for exploration activities, others for exploitative activities. These activities should be under the umbrella of senior activities. According to them, successful companies have separated their exploratory units from their traditional ones by developing new processes, structures and cultures. The units are very separate and are only integrated with the senior team. Such organizations are called ambidextrous. The exploitive and explorative units encompass very different strategies, structures, processes and cultures. This approach is slightly different from Farjoun (2010) since explorative groups are separated from exploitative groups.

Alignment of	Exploitative Business	Exploratory Business
Strategic intent	Cost, profit	Innovation, growth
Critical tasks	Operations, efficiency, incremental innovation	Adaptability, new products, breakthrough innovation
Competencies	Operational	Entrepreneurial
Structure	Formal, mechanistic	Adaptive, loose
Controls, rewards	Margins, productivity	Milestones, growth
Culture	Efficiency, low risk, quality, customers	Risk taking, speed, flexibility, experimentation
Leadership role	Authoritative, top down	Visionary, involved

Figure 12: Ambidextrous leadership (O'Reilly and Tushman, 2004)

Chevalier (1991) also shows the importance of the interpenetration of the change programs with the the exploiting activities. Having studied multiple successful versus not so successful quality circles programs, she concludes that the main success factor of these programs are their ability to create links between the programs and the other existing managing systems.

"L'absence de liens des programmes CQ avec les autres systèmes existants de gestion caratérise non seulement les entreprises où les cercles ont disparu mais également celles qui sont à la recherche d'un second souffle. Les cercles existent alors dans une sorte de « vide organisationnel ». (Chevalier, 1991, p.160)

The positive influence is enacted when an enlargement mechanism operates towards other functioning ways. The main manifestation is the openness of the technology "quality circle" and its articulation with the current management systems. The initial model is customized to the organization and avoids the elaboration of a sub-organization within the larger organization. Managers are entitled with real responsabilities and autonomy. Program members open-up to collaborators outside of them. Human resource management policies take into account these programs. Such programs are not so much looking inward but outward so as to facilitate their acceptation and their integration into the company. Organizational change is therefore seen as an open system.
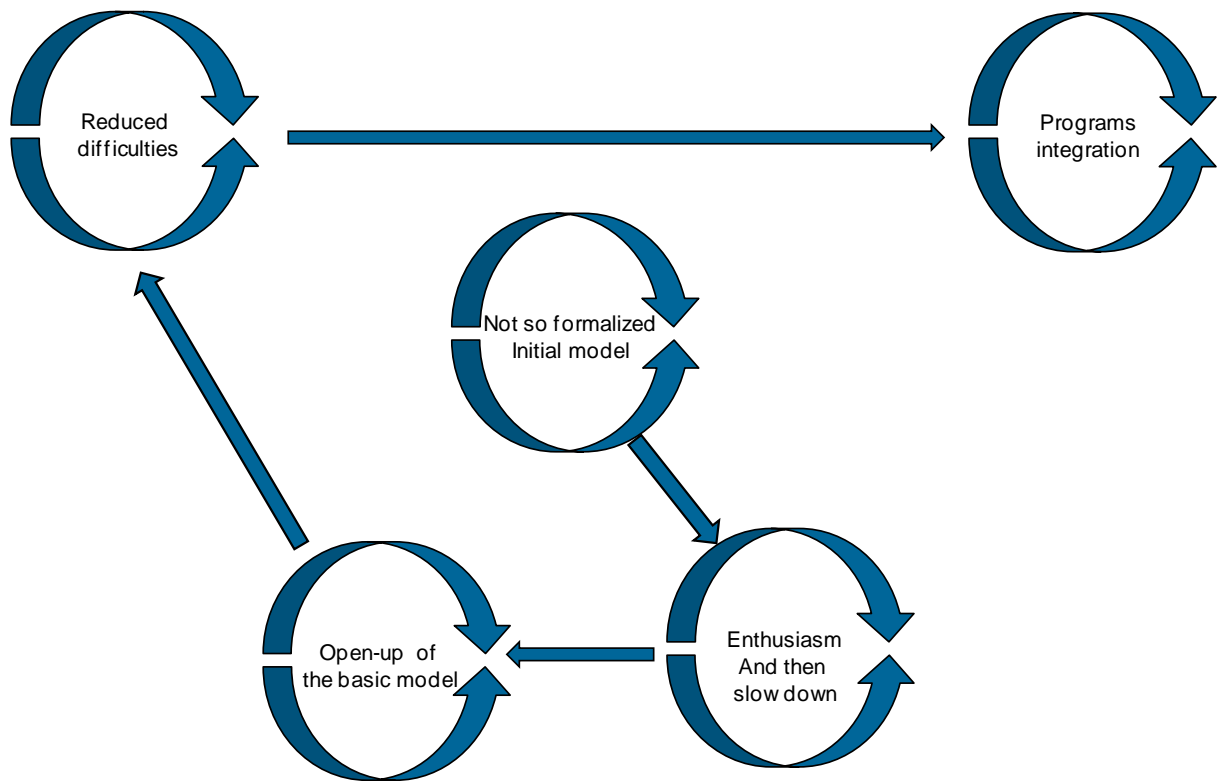
Figure 13: Organizational change as an open system (Chevalier, 1991)

The successful programs see change as the progressive construction and elaboration of new behaviors and new functioning rules. Change is conceived as a continuous negociation and open to new modalities. Recognizing and valuing opposing points of views facilitate the legitimity of opposing interests. This helps then to use these opposing views in a dynamic amd fruitful way for the organization. Change is not seen as the imposition of one theoretical model but as a progressive learning curve and the mutual creation by the collobarators. Individuals use their freedom within these incertitude zones to co-create a new model and reach their goals and follow-up with their strategy (Crozier and Friedberg, 1977). The slack between the model and the organization creates incertitude zones that facilitate the appropriation of the model by the individuals. The latter are not passive but active when they see and find their interest.

1.2.3. Conclusion: Integrating Stability and Change

The literature review related to organizational change suggests the dichotomy between two opposed approaches – the planned change approach and the continuous change approach. Most of the literature is about planned change or episodic change (Pettigrew and Whipp, 1991; Pettigrew, 1996; Pettigrew, 2000; Kotter, 2007; Beer, 2000, Beer, Eisenstat and Spector, 1990) or about continuous change (Buono and Kerber; 2008; Weick and Quinn, 1999; Orlikowski, 1996; Pettigrew and Whittington, 1999; Kamoche and Cunha, 2001; Weick, 1993; Brown and Eisenhardt, 2001). This duality is being transcended by approaches integrating stability and change, exploitation and exploration (March, 1991, 1996; Tushman and O'Reilly, 1996, 2004, 2010; Farjoun, 2010). A synopsis of the reviewed literature on organization change is proposed in the following table:

	Main contribution	Particular contribution
Planned change (1/2)		
Spector et al. (2009)	Nature of organizational change	Organizational change is adopted through "strategically aligned alterations in patterns of employee behavior." Change is strategic, purposeful and behavioral.
Pettigrew amd Whipp (1991)	Planned approach of organizational change	They offer a model on how to manage change through five central factors: coherence, environmental assessment, leading change, human resources as assets and liabilities and linking strategic and operational change.
Kotter (2007)	The eight steps of transforming the organization.	For Kotter, most change project fail because of 8 main errors that he transforms in a blueprint for a change project success. They are worldwide known as the the 8 steps to transforming an organization. 1- Establishing a sense of urgency. 2- Forming a powerful guiding coalition. 3- Creating a vision. 4- Communication of the vision. 5- Empowering others to act on the vision. 6- Planning for and creating short term wins. 7- Consolidating improvements and producing even more change. 8- Institutionalizing new approaches.
Beer (2000)	Theory E versus Theory O	Theory E is based on economic value. The goal is to maximize shareholders value. Leaders manage from top to down. Theory O is based on organizational capability. It encourages the participation from bottom to up. A combination of theory E and theory O encourage spontaneity.

	Main contribution	Particular contribution
Planned change (2/2)		
Beer, Eisenstat and Spector (1990)	Approach of organizational change	Beer and al. analyze the reasons why change programs do not produce change and conclude by defining six steps of effective change. The first step is to mobilize commitment to change through joint diagnosis of business problems. The second is to develop a shared vision of how to organize and manage competitiveness. The third is to foster a consensus for the new vision, build on competence to enact it, and encourage cohesion to move it along. The fourth is to spread revitalization to all departments without pushing it from the top. The fifth is to institutionalize revitalization through formal policies, systems and structures. Finally, the sixth is to monitor and adjust strategies by responding to problems created in the revitalization process.

Continuous change		
Buono and Kerber (2008)	Classification of change methods according to the type of change	Guided change emerges in the context of over-lapping changes and focuses on enhancing and extending the effects of myriad changes that are already underway. Continuous change can be opposed to planned change. Buono and kerber offers a typologie of change approach according to the type of change to be conducted.
Weick and Quinn (1999)	Continuous change	Episodic organizational change is no longer a reality in the current volatile business world. Organizations are continuously changing, routinely, easily and responsively. Changes in organization depend on a few stable processes. Most changes in organizations reflect simple responses to demographic, economic, social and political forces. Prosaic processes sometimes have surprising outcomes. The interplays of rationality and foolishness lead to anomalies such as slack, give space, managerial incentives, symbolic action, ambiguity and loose coupling. Weick and Quinn follow the sequence "freeze-rebalance and unfreeze". of change.
Orlikowski (1996)	Situated perspective of change	The structurational model of technology is based on three stakeholders: the human agents, the associates, the institutional properties of organizations and technology, here the innovation tools. The associates are technology designers, users and decision makers. The institutional properties of organizations include the organizational dimensions such as structural arrangements, business strategies, ideology, culture, control mechanisms, standard operating procedures, division of labor, expertise, communication patterns as well as environmental pressures such as government regulation, competitive forces, vendor strategies, professional norms, state of knowledge about technology and socio-economic conditions. This theory implies that structures are a constraint as well as a facilitator for human actions (actions of associates). The premise is that technology is dual: on the one hand, technology influences human action; on the other hand, human action always maintains freedom while using technology. Four relationships between

		these three stakeholders are analyzed:
		The innovation tool is a product of human action (arrow 1). Innovation tool is an outcome of such associates' action as design, development, appropriation and modification.
		Innovation tool is a medium of associates' action (arrow 2). It facilitates and constrains associates' action through the provision of interpretative schemes, facilities and norms.
		Institutional properties interact with innovation tool (arrow 3). Institutional properties influence associates in their interaction with technology, for example, intentions, professional norms, state-of-the art in materials and knowledge, design standards, and available resources (time, money, skills).
		Innovation tools influence institutions (arrow 4). Interaction with innovation tool influences the institutional properties of an organization, through reinforcing or transforming structures of signification, domination, and legitimating.

Pettigrew and Whittington (1999)	Complementary simultaneous changes	
Kamoche and Cunha (2001)	Jazz improvisation	Applying trial-and-error with new techniques and solutions is an improvisational technique Improvisation is often associated with situations involving risk such as the rescue from a ship of crew members following the failure of the navigation system (Hutchins, 1991) or the escape from a forest fire (Weick, 1993). In less dramatic situations, social players are also associated with on-going processes and therefore need to improvise. The metaphor of jazz improvisation contributes to illustrate continuous change within organizations. There are few rules instead a high amount of communication between the jazz band members and the audience. A successful organization has a clear structure but enough slack to enable members to explore and change. Jazz musicians redefine the structure as they enact the definitive features of an improvisational performance such as soling (taking the lead), comping (taking turns, solos, then come, take over and get support), listening and responding to cues and ideas from the other players. They take turns in leadership. They show a dual process of composing and performing at the same time. Improvisation is a paradoxical process, involving structure and ad-hoc, intention and emergence, planning and invention. Examples of practices are to instigate a departure from routines and behavior, by treating errors as a source of learning, alternating between going solo and offering support in order to give everyone room to think, by enhancing learning and distributing leadership tasks.
Brown and Eisenhardt (2001)	The role of improvisation in change	Improvisation may be studied as an intentional change. Some organizations seem to have incorporated improvisation as a normal practice.

Stability and change – Exploration and exploitation		
March (1991, 1996)	Importance of the right balance between exploration and exploitation	This paper considers the relation between the exploration of new possibilities and the exploitation of old certainties in organizational learning. It examines some complications in allocating resources between the two, particularly those introduced by the distribution of costs and benefits across time and space, and the effects of ecological interaction. Two general situations involving the development and use of knowledge in organizations are modeled. The first is the case of mutual learning between members of an organization and an organizational code. The second is the case of learning and competitive advantage in competition for primacy. The paper develops an argument that adaptive processes, by refining exploitation more rapidly than exploration, are likely to become effective in the short run but self-destructive in the long run. The possibility that certain common organizational practices ameliorate that tendency is assessed. Successful companies are separating explorative units and exploitative units under the supervision of senior team.

Stability and change – Exploration and exploitation		
O'Reilly and Tushman (1996, 2004)	Ambidextrous organization	O' Reilly and Tushman (2004) also emphasize the necessity for companies to articulate exploration and exploitation. They call such companies "ambidextrous organizations". They favor two profoundly different types of businesses; those focused on exploiting existing capabilities for profit, and those focused on exploring new opportunities for growth. For them, organizations should develop distinct units; one for exploration activities, others for exploitative activities. These activities should be under the umbrella of senior activities. According to them, successful companies have separated their exploratory units from their traditional ones by developing new processes, structures and cultures. The units are very separate and are only integrated with the senior team. Such organizations are called ambidextrous. The exploitive and explorative units encompass very different strategies, structures, processes and cultures. This approach is slightly different from Farjoun (2010) since explorative groups are separated from exploitative groups.

Stability and change – Exploration and exploitation		
Farjoun (2010)	Alternative approach with stability – exploitation – and change – exploration.	Farjoun (2010) presents an alternaltive view combining stability, reliability and exploitation with change, Innovation and exploration included in a model of stability and change as a duality. This model consists in a 2 X 2 matrix. The vertical axis represents the outcomes defined in terms of performance and objectives with stability and change. The outcome of stability includes the objective of continuity, low variance, predictability, regularity and reliability. The outcome of change designs adaptability, high variance, Innovation, flexibility. The horizontal axis represents mechanisms defined as processes, practices and forms with two types: stability and change. The mechanisms towards stability regroup habits, routines, institutions, discipline, tight coupling, limits, commitments, control and low variance. The mechanisms towards change include search mindfulness, redundancy, and openness, as well as preoccupation with failure, imagination and variety. This matrix provides four classifications: exploitation, change enables stability, stability enables change an exploration. The first quadrant of stability and change relationships is "Q1- Exploitation". Stable mechanisms provides to stable outcomes. The manifestations of such a relationship indicate that control reduces variation. Standardized routines and formalization lead to efficiency and undermine Innovation. Commitment and specialization enhance reliability and reduce adaptability. The second quadrant is "Q2- Change enables stability" that occurs with change mechanisms and stable outcomes. Redundancy and loose coupling increase reliability. Moderate experimentation mitigates drastic failures. Doubt and mindfulness foster security and continuity. The third quadrant is "Q3- Stability enables change" that occurs with stable mechanisms and change outcomes. Control enables design and invention. Routines and formalization help manage the non-routine. Commitment and specialization enhance adaptability. The fourth quadrant is "Q4- Exploration" when change mechanisms lead to change outcomes. Redundancy and loose coupling promote flexibility and

		Innovation. Experimentation promotes adaptability and undermines reliability. Doubt stimulates discovery and change. A key linkage in this model is between performance and subsequent change. While in the short turn, companies should look for efficiency and exploitation, they should also look at the long term exploration and reliability. The implications of this model for organizational design are the duality of tasks. Individuals who are engaged on routine tasks should be assigned to do explorative tasks. Those who are engaged in creative tasks should be engaged in conducting some routine tasks as well.

Figure 14: Summary of theoretical and empirical articles in organizational change field

After having created a priori understanding of organizational change in the context of large multinational companies, we now take closer look at the CFTs as a management practice for producing organizational change.

1.3. Cross-Functional Teams as a Management Practice for Organizational Change

We have selected the team as the unit of analysis because of its centrality in the organizational change process. In this study, cross-functional team means a group people from different business functions, working on a project mode, with a beginning and an end, that are dedicated to a specific organizational change in marketing, sales and distribution. In this section we look at project teams in a matrix organization, the characteristics of CFTs as well as their challenge and strengths.

1.3.1. Project Teams in a Matrix Organization

Internal focus on teams

Literature on teams traditionally analyses teams with an internal focus. How does the team function? How to build a team spirit? The main element in a team is a shared goal among the members (Luhman, 1995). According to Ancona (1992) and Clark and Wheelwright (1992), the components which distinguish high performing teams from teams that experience problems are the clarity in team goals, clearly defined roles, clear communication, well defined decision, procedures, established ground rules, balanced participation and improvement plan. Groups often assume their goals are clear and then later, experience mistakes due to confusion. Goals need to be specific, attainable, and well communicated. To clearly define roles of a team, formal roles and responsibilities need to be designed, boundaries for each role needs to be set clearly, job team responsibilities that use each member's talents needs to be designed and general roles rotated. Clear communication exists when team members speak with clarity and directness, listen actively,

explore ideas rather than argue over them, openly share information and provide constructive feedback not criticism. When teams develop effective decision making procedures, they explore important issues by polling members, decide important issues by consensus, use high quality data as a basis for decisions, and agree who will make what decisions. Establishing rules for the team implies that members decide about what is an acceptable and unacceptable behavior, within the team, for both tasks and relationships. This strategy not only contributes to getting the job done, but it develops all members'expertise in all areas, which strengthens the team's performance. The goal of an improvement plan is to ensure high team performance. The plan covers five five activities: maintain communications, fix obvious problems, look upstream to larger issues, document progress and problems and monitor changes.

Teams' development

Teams are not static and develop according to time. Tuckman (1961) offers a Model of Team Development that describes a model of team development consisting in four main stages: forming, storming, norming, and performing. This model is being used as a framework to show that all teams go through a pattern of forming and developing. Forming is the first stage of team development, when a newly-created team first assembles and members attempt to understand their purpose and responsibilities. During the Storming stage, team responsibilities are worked out, hierarchies are established, and a team working style is determined. By the Norming stage, the team should have all the resources necessary for achieving its goals, and team confidence should be high. The Performing stage is the pinnacle of team development. During this stage, members should be highly motivated, efficient, and team-oriented. Goals should be readily achieved and team members should be comfortable and confident in interacting with one another. Team's effectiveness is sometimes measured through a survey exploring team development, team dynamics, team processes and the role of the collaborator on the team.

Teams versus working groups

According to Katzenbach and Smith (1993, p45 and 85), teams must be differentiated from working groups. The latter also have a common goal but members do not feel mutually accountable for the results. Leadership roles may be shared within teams. Studying the leadership of extreme action teams, Klein et al.. (2006) find that dynamic delegation enhances extreme action teams' ability to perform as in the meantime developing the newcomers' skills. Extreme action teams and other improvisational organizational units may achieve swift coordination and reliable performance by melding hierarchical and bureaucratic role-based structures with flexibility-enhancing processes. Accountability is individual and mutual. Each team sets up a specific purpose. Work-products are collective. Meetings consist of open-ended discussion and active problem solving. Peformance is measured with the assessment of collective work-products. The working style is characterized by discussions, decisions and "doing". Within working groups, there is one leader; accountability is expressed through individuals. The group purpose is as broad as the organization's. Work-products are individual. Efficiency is the key in meetings. Performance is assessed indirectly by others. The working style presents discussions, decisions and delegating. Teams must also be differentiated from Communities-of-Practice which is "a group of individuals who share a theoretical and practical interest in a certain topic" (Piriven, 2000, p45). These working groups are often informal and not tend towards a common goal. As they are differentiated, it is still interesting for our study to keep in mind that the studied teams might be inter-related with Communities-of-Practice and interact with one and other.

Project teams

In sales, marketing and distribution transformation, CFTs are more likely to be set up on a project mode. It is why we study project-based CFTs. The characteristics of these projects are that they are limited in duration with a beginning and an end, they are unique, they involve coordination and interrelated activities. Project team players typically work for the project and then return to more stable functional structures. Project management includes various responsibilities related to project planning and resource management, schedule management, testing management, issue management, risk management, change control, communications, supplier management, financial management and progress reporting.

1.3.2. Cross Functional Teams

Functional organization versus matrix organization

Western corporations have been historically organized through clearly defined hierarchical functions: strategy, marketing, sales, logistics, finance, controlling, human resource management and legal… Functional organization was justified in a relatively stable business context.
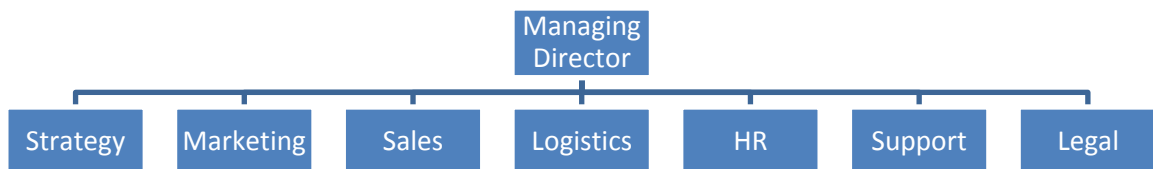
Figure 15: Illustration of an organization structured by business functions

Nevertheless, some companies have recognised that this type of organization is not well adapted to a fast changing environment (Spector, 1995). In order to cut the silo effect with power struggles, communication cloisonnement and a tendancy of "immobilisme", a more matricial organization has been put in place with few collaborators regrouped in a team and oriented towards a given mission. These groups of collaborators are sometimes called "task force" or "project initiative teams". The use of teams within organizations is nothing new. In sport, having five to fifteen individuals all working together has been the foundation for games all over the world (Trott, 2008). Within organizations, teams have also been used for many years, specifically on large projects. In industry, however, the concept of having teams of individuals from different functions with different knowledge base is a recent development. Jones (1997) suggests that in the field of medicine the practice of having a group of expert from different functions working together on a project has been around for many years. In manufacturing industries the use of CFTs has occurred in pararallel with the introduction of concurrent engineering.

New product projects for small and medium-sized organizations are usually comprised of staff from several different functions that operate on a part time basis. Membership of the project team must be just one of the many roles they perform. In larger organizations, where several projects are in progress at any one time, there may be sufficient resources to enable personnel to be wholly concerned with a project. Ideally, a project team will have a group of people with the necessary skills who are able to work together, share ideas and reach compromises. This may include external consultants or key component suppliers.

The traditional functional company structure allows for a strong managerial layer with information flowing up and down the organization. Each function is usually responsible for one or more product groups or geographical areas. Another common approach is to organize the company by product type. Each product has its functional activities.

The use of matrix structure requires a project-style approach to new product development. Each team comprises a group of a limited of people from different functions. A matrix structure is defined as any organization that employs a multiple-command system including not only a multiple-command management structure but also related support mechanisms and associated organizational culture and behavior patterns (Ford and Randolph, 1992). Matrix structures are associated with lines of communication and authority (Tushman and Nadler, 1978, Lawrence et al., 1992). They are seen as cross functional because they involve bringing people together from two or more separate organizational functional areas. The traditional hierarchy is functional, while the horizontal overlay consists of business areas known as business teams. An example of a business team is a group of people comprising one full and one part time member from sales, one part time member from marketing, one part time member from research and development and one member from finance. There would be a team leader for each business team. However, this person would not necessary be, and often is not, the most senior member of the group.
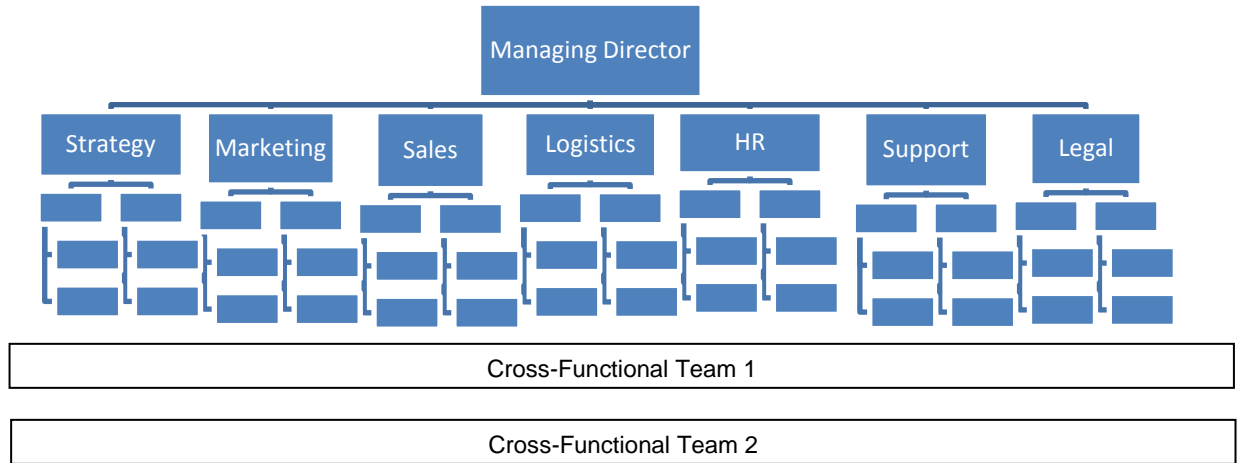
Figure 16: Illustration of an organization structured by functions and CFTs

According to Spector (1995), this horizontalism helps to refocus the organization on customer-defined value, allow emplowee's discretion within well-defined set of parameters, enable front line employees to meet and exceed customer expectations, create and maintain cross-organizational teamwork, demand responsiveness from the top and deliver it from the front line and continuously diagnose and improve value serving performance.

"CFTs can be viewed in terms of their (1) physical composition and (2) psychological characteristics (i.e. how members of the team relate to the team and to one another). Regarding the former, we focus on functional diversity within the team." (Sethi, Smith, and Park, 2001, p75)

"Cross-functionality is defined as the degree to which team members differ concerning their functional backgrounds." "Cross-functionality (i.e., functional diversity) reflects the number of different functions (i.e., marketing, manufacturing, Research and development, etc.) that are represented within a team (Gebert, Boener, Kearney, 2006, p432)

"A cross-functional team comprises a group of people representing a variety of departments, disciplines, or functions, whose combined effort is required to achieve the team's purpose." (Wang and He, 2008)

Characteristics of CFTs

The characteristics of CFTs under study are:

✓ Small number of people: between 6 and 15 people,

✓ Dedicated to a specific change – transformation in the marketing, sales and distribution business functions,

✓ Representing at leat 3 business functions (Research and development, marketing, sales, IT, HR, clients, external companies, legal, medical…),

✓ Organized on a project mode.

Figure 17: Summary of research object

1.3.3. Challenges and Strengths of Cross-Functional Teams

CFTs have been extensively studied in the product development area or at the level of top management teams. In line with the traditional internal locus of interest on teams, research studies on CFTs mainly focus on the effects of team composition on the team performance. Some focus on the external context of the teams to evaluate their performance. Finally, a few start to analyze the complementarity of boundary spanning activities.

Effects of teams' composition on their performance

According to Cronin et al.. (2007), functional diversity in teams, while potentially beneficial, increases the likelihood that individual team members will perceive the team's task differently, leading to gaps between teammates' interpretations of what is necessary for the team to be successful. These representational gaps are likely to create conflict as teammates try to solve what are essentially incompatible problems. Some authors argue that cross-functionality is a key to performance (De Luca, L. and Atuahene-Gima, K., 2007, Campany, N., 2007) while others demonstrate that this is not always the case (Keller, 2001) or that some moderators can modify the results and that CFTs are performing only under some conditions (Cole, MA, 2007 ; Gebert et al., 2006 ; Ancona and Caldwel, 1992). Sachs

(2009) informs us that bringing people from diverse backgrounds can lead to an increased performance.

"The coming together of various job types in a corporation can lead to increased creativity. Innovative teams in a corporation are often made up of employees with different professional backgrounds and correspondingly different cultural experiences. This interdisciplinary quality challenges the group seeks commonality and differences in their points of view and methods of proceeding, et al.so to broaden their view as a result of the possibilities of their combined knowledge. Jack Welsch, CEO of General Electric, removed the borders between divisions in order to allow for problem solving by interdisciplinary teamwork. A study of various Innovative programmes at Hewlett Packard confirmed that interdisciplinary teams are more Innovative than other. The reason lies in the fact that they have the necessary resources and abilities at their disposal within the team. For the purpose of developing new technologies, they have both broad as well as in-depth knowledge." (Sachs, 2009, p81)

Cross-functional collaboration positively influences product innovation performance directlty through knowledge integration mechanisms (De Luca and Atuahene-Gima, 2007). Studying 51 CFTs engaged in pharmaceutical new product development through surveys and behavioral event interviews, Campany (2007) proposes teams' behaviors, strategies, practices, and methods for achieving success as well as external situations players that differentiate the performance level of CFTs. A study of new product development involving 12 firms across a variety of industries (Olson, 1995) found that CFTs helped shorten the development times of truly innovative products. More bureaucratic structures may provide better outcomes for less Innovative products.

Role	Focus	Driver
Team leader	Task	Provides Clear Direction
		Leads team to proactively solve problems
	People	Builds the team
		Coaches team members
		Managers-stakeholder relationships
Team member	Task	Ongoing attention to goals and planning
		Diligently document team's work
		Commits to improving teams'effectiveness
	People	Seeks to understand and value each other
		Meets challenges optimistically and decisively
		Proactively seek feedback and information from stakeholders
Management	Task	Communicates clear direction
	People	Recognizes and Values Team Contribution

Figure 18: Drivers of cross-functional team performance (Campany, 2007)

Testing hypotheses in a study of 93 research and new product development groups, Keller (2001) shows that functional diversity has an indirect negative effect through external communication, after one year later measures. Technical quality and schedule and budget performance improves but group cohesibeness diminished. Functional diversity has also an indirect effect through job stress on group cohesiveness. According to Cole, MA (2007), Cross-Functional Team structures are not a universal panacea for shortening development times or improving success rates. The effectivenesss of any one functional base or organizational arrangements depends on the customers and on the technologies which these customers are served. Project-based CFTs should be design led when the task is to open up new ways of envisioning or generating new ideas for the future.

Gebert (2006) goes against the widespread belief among practioners that cross-functionality constitutes a secure path to team innovation. He proposes a model, based on a conflict-theoretical perspective, to explain the contradictory empirical findings. The model explains how and when cross-functionality enhances or impedes synergistic communication among team members. Using 409 individuals from 45 new product teams in five high-technology companies to investigate the impact of diversity on team performance, Ancona and Caldwell (1992) demonstrate that, on one hand, the greater the functional diversity, the more the team members communicate outside the teams' boundaries and the higher the managerial ratings of innovation. Nevertheless, this functional diversity also directly impedes

performance. It might be that functional diversity brings more creativity to problem solving and product development. However, it also impedes implementation because there is less capability for teamwork than there is for a homogeneous team. The authors suggest that teams must find a way to gather positive process effects of diversity and to reduce negative effects. At the team level, greater negociation and conflict resolution skills may be necessary. At the organization level, the team may need to be protected from external political pressures and rewarded as a team, rather than for its functional outcomes. According to Brodbeck (2007), teams can outperform individuals in decision quality if the distribution of information is asymmetric (e.g., in the form of a hidden profile) and the processing of information is symmetric. Teams need to have a common understanding of their functioning to be able to leverage the diverse information they individually own.

Ancona and Caldwell (1992) consider cross-functionality as a functional diversity. This functional diversity might be analysed as a cultural diversity more broadly. National culture (see, for example, Adler, 2002; D'Iribarne, 1989; Hofstede, 2001; Meier, 2004; Trompenaars, 1998; Hall, 1981, Harris and Moran, 2004) is defined as the way of thinking and acting by people living in a specific country. National culture includes rules, procedures, usual practices and behaviors as well as beliefs, values and norms that are specific to a country.

Effects of teams' boundary-spanning activities on their performance

Ancona and Caldwell (1990, 1992, 1992b) were pioneers in putting forward the importance of teams' external relations. According to Ancona and Bresman (2008) and Ancona, Bresman and Caldwell (2009), in order for teams to have an impact on the remainder of the organization, they should not be inward focus only but outward focus as well. Being inward focus, they build a wall between themselves and the world. They are not having an effective interaction with the environment. Team building is generally centered inward. Stresses are traditionally upon clear goals, cohesion, team spirit, planning, key performance indicators, creating an enthusiastic team, informing the region of what of the team has decided, coming together as a team by learning about each other and sharing knowledge inside the team. The old way of carrying out teamwork which was internally focused is not enough: managing externally, across team boundaries is ignored. What is necessary is an internal focus combined with an external approach. In order to successfully enable organizational change and innovation, teams need to focus outward: the X team.

"The X in X-team underlines the point that an X-team is externally oriented, with members working outside their boundaries as well as inside them....While managing internally is necessary, it is managing externally that enables team to lead, innovate and succeed in a rapidly changing environment." (Ancona and Bresman, 2008, p.6)

X-team cannot meet their full potential to lead without a supportive organizational context. While building such a context only happens over a long period, and with a lot of work, organizations need to foster the processes, the structures and cultures to unlock the potential of X teams. In turn, X-teams help model and shape these processes, structures and cultures. They must engage in rigorous, continuous external activity in addition to managing internal team dynamics. They need to have high levels of external activity, extreme execution inside the team and incorporate flexible phases.

"High performing teams manage across their boundaries, reaching out to find the information they need, understand the context in which they work, manage the politics   and power struggles that surround any team initiative, get support for their idea and coordinate with the myriad other groups that are key to a team's success." (Ancona and Bresman, 2008)

External activities deal with scouting, ambassadorship and task coordination. Scouting means gathering information within the company and in the industry. It consists in understanding other expectations and continuing to update their information about key stakeholders. The three main tasks of scouting are staking out the organization terrain, monitoring external trends and the activities of customers and competitors, vicarious learning (learning from others). The tasks of ambassadorship aimed at managing up the hierarchy: marketing the project and the teams to top management, lobbying for resources, maintaining the team's reputation, keeping track of allies and adversaries. Task coordination relates to managing the lateral connection across functions and the interdependencies with other units. It includes identifying dependencies, getting feedback, convincing, negotiating and cajoling

Extreme execution implies a safe culture (psychological safety, team reflection, knowing what others know) and specific practices for extreme execution such as (integrative meetings, participatory and transparent decision making procedures, heuristics, shared timelines, information management system).

The flexible phases of "X teams" are exploration, exploitation, exportation. "X teams" must be flexible and change their core tasks over the team's lifetime: exploration, exploitation and exportation. In the exploration phase, teams examine the world around them, think in

new directions, and consider multiple possible options. In the exploitation phase, they use the information to Innovate and make their dreams and ideas into something real. In the exportation phase, they transfer team member expertise and enthusiasm to others who will continue the work of the team.

"How team activities need to shift over time to maintain innovation and speed." (Ancona and Bresman, 2008, page 15)

	Phases		
	Explore	**Exploit**	**Export**
Tasks	Discovery. See the world through new eyes; be inspired, map the context, the issues, the tasks, the customer, the technology and the individuals involved. Create understanding and multiple possibilities Get buy-in from top management	Design Choose one option and move from ideas to reality Engage in rapid prototyping and search for "best practice"s" to hone the product, process or idea.	Diffusion Create enthusiasm on the part of those who will carry on the work of the team in the organization or the market place Obtain feedback from top management and the customer about how the team has met expectations
Key leadership activities	Sense making Relating	Visioning Inventing	Relating
Core "X teams" activities	Scouting Ambassadorship	Ambassadorship Task coordination	Task coordination Ambassadorship

Figure 19: Phases of "X teams" including tasks, leadership activities and core activitie

Joshi et al. (2009a) puts forward the importance for teams to be boundary-spanning as predictor for team performance. Accordingto their research, team performance is not only an outcome of internal functioning of teams but external relationships are very important in order to meet their targets. Joshi (2009b) examines how antecedents at multiple levels can simultaneously influence boundary-spanning behavior in teams. They offer a model specifying the role of task characteristics, team member and leader attributes as well as

organizational context in fostering the emergence of effective boundary-management behavior in teams. The model is based on six propositions.

"Proposition 1: The level of inter-team task interdependence will positively predict team-level task coordination activities.

Proposition 2: Team development stage will predict task ccordinator and ambassador activities at the team level and, specifically, in comparison to teams in other stages, teams in transition phase will dispay the higher level of ambassador activities and in comparison to teams in other stages, teams in the action phase, will display the highest levels of tasks coordinator activities.

Proposition 3: Team leader's championing activities will positively predict team-level task coordinator and ambassador activities.

Proposition 4: The team's average intra-personal functional diversity will positively predict team-level task coordinator and ambassador activities.

Proposition 5: The team's average organizational tenure and tenure diversity will positively predict team-level task coordinator and ambassador activities.

Proposition 6: Team-level antecedents will moderate the relationships between task-based antecedents and boundary spanning outcomes. Specifically:

(a) The positive relationship between inter-team independence and task coordinator activities will be strengthen by team leaders's championing activity, team level intra-personal functional diversity, tenure and tenure diversity.

(b) Within the transition development stage, teams display higher levels of championing leader activity, intra-personal functional diversity, tenure, nd tenure diversity will also display higher level of ambassord activities. Within the action development stage, teams that display higher levels of championing leader activity, intra-personal functional diversity, tenure, and tenure diversity will also display higher levels of task ccordinator activities.

Proposition 7: Organization-level uncertainty will positively predict team-level ambassador activities and negatively predict team-level task coordinator activities.

Proposition 8: Organization-level conflict will have a negative effect on team level task coordinator activities and a positive effect on team-level ambassador activity."

While most of the research on CFTs focuses on the performance of their internal composition and processes, few studies look at the interactions of CFTs with the remainder of the organization.

1.4. Cross-Functional Teams as Key Units for Producing Organizational Change

CFTs as management practice to implement changes within organizations

This part is dedicated to the literature review on CFTs within organizational change. We look at teams explicitly dedicated to change, to bring up a specific change. They are put in place to achieve a defined change goal. The change is related to the transformation of the business model of marketing, sales and distribution. It means a new way to conduct these functions including new processes, structures, IT and culture. These teams are more and more taking part of transformation initiatives.

> "In today's ever-changing, competitive business environment, CFTs have become an increasingly popular mechanism (eg. Lawler and Cohen, 1992; Sarin and Mahajan, 2001)…When effective, CFTs can speed up product development and turnaround on customer requests, improve an organization's ability to solve complex problems, serve as a vehicle for organizational learning and act as a contact for projects. (Wang and He, 2008)

Pearce, Manz and Sims (2009) also underline the importance of teams in managing change:

> "Work teams have become a nearly ubiquitous part of contemporary management practice in the vast majority of prominent organizations across the world… Some consist of permanently assigned members who work together on a daily basis. Others are comprised of members who work together on a temporary basis to complete a specific bounded project. Still others consist of geographically dispersed members who work together virtually assisted by various forms of communication technology. Many of these teams include members that span national boundaries and time zones and require teamwork on a truly global basis. And some teams – those at the top – craft the course for the entire organization." (Manz et al.., 2009, p.179)

According to Ancona (2008), teams are an instrument of change.

> "Companies set "X teams" on a way to improve business as usual, but they are also an instrument of change, a mechanism to institutionalize innovation." (Ancona and Bresman, 2008, p201)

Ancona, Bresman and Caldwell (2009) emphasize the locus of teams for major strategic initiatives.

"...much of the work is actually carried out by teams – teams that operate across functions, divisions, geographies, product lines and/or other dimensions portrayed by the organizational chart's neat array of boxes and lines. To a great extent, it is in these teams that strategy is put into action, ideas turn into projects, and plans do (or do not) lead to results." (Ancona, Bresman and Caldwell, 2009, p.217)

".... an organization depends more than ever on its ability to create and manage teams that can leverage all of its capabilities and creativity – and in the process make the entire organization more agile, more responsive, and more Innovative." (Ancona, Bresman and Caldwell, 2009, p.217)

Ancona, Bresman and Caldwell (2009) emphasize the locus of teams for major strategic initiatives. While team management traditionally focuses on the internal processes of teams, they argue that successful teams should focus outside the team as well. The traditional team model focuses inside the boundaries of the team. This traditional point of view can prevent a team from looking at new ideas and therefore prevents them from being creative and adapted to the overall context of the firm and the environement. Ancona et al. (2009) define the concept of X team and define three key principles: external activity, flexible membership and leadership structure as well as moving through three distinctive phases: exploration, exploitation and exportation. First, "X teams" are externally oriented. They develop a clear understanding of the environment (scouting), build support with key executives (ambassordship) and coordinate with other groups than can contribute to the project (task coordination). Second, "X teams" have flexible membership and leadership. They do change membership easily with the entry of newcomers and the exit of others. Leadership is also flexible. The responsibility of some parts is absorbed by different team members. The actual functions of leader tend to both be shared and rotated. This distributed leadership consists in a core set of people that provide different kinds of leadership at different times to guide the team. This distributed leaderhip is achieved through the choice of team members for their networks, making the external outreach the modus operandi from day 1, helping the team focus on ambassorship and task coordination, setting milestones and deliverables for exploration, exploitation and exportation, using internal process to facilitate external work and working with to management for commitment, resources and support. The third key principle of X team is that it moves from three distinctive phases,

exploration, exploitation and exportation. During the exploration phase, X team looks at the environment with a fresh eye and tries to understand their tasks. Then, during the exploitation phase, the team exploits its earlier work and designs a prototype so as to get rapid feedback on it. During the exportation phase, the team transfers its project to other people within the organization.

Having studied multiple teams, Ancona and Bresman (2008) argue that teams may have an impact on the remainder of the organization and promote change.

"The Netgen team offers a case in point that sometimes a small group can create change in a large company. In the end, Netgen team produced Innovative new software ideas and technology for the internet generation... The Netgen is what we call an X-team." (Ancona and Bresman, 2008, p.6)

"This is an agile group of people who can bring innovation to a company." (Ancona and Bresman, 2008, p. 8)

"X-team...reached out across functional, divisional corporate boundaries." (Ancona and Bresman, 2008, p. 9)

"X-teams have emerged to help firms solve complex problems, adapt to changing conditions, Innovate and gain competitive advantage... Their links to top management, customers, competitors and technologies enable them to link top-level strategy with knowledge and ideas from the ground." (Ancona and Bresman, 2008, p.9)

"We build on our experience...where we... have successfully built a series of "X teams" and a structure of ongoing innovation and organizational change." (Ancona and Bresman, 2008, p. 15)

"How an X-team may be critical for new teams that are set up when there is a major organizational change" (Ancona and Bresman, 2008, p. 15)

"The razn team at Motorola is an example of how an X-team can create radical change in a stodgy culture." (Ancona and Bresman, 2008, p. 17)

".... they found that by creating a particular kind of multifunctional team, they could funnel through it the key communication and improve efficiency." (Ancona and Bresman, 2008, p. 197)

"BP's gain in setting up this X team program - consisting of one to two cadre of 36 participants each year - go beyond specific projects. Through this cadre system, the corporation has created on infrastructure of innovation." (Ancona and Bresman, 2008, p. 197)

"Companies set "X teams" on a way to improve business as usual, but they are also an instrument of change, a mechanism to institutionalize innovation." (Ancona and Bresman, 2008, p. 201)

"We have seen how X teams, by the force of their structure, process and success can change the culture of organizations to be more entrepreneurial and more Innovative." (Ancona and Bresman, 2008, p. 228)

CFTs are at the centre of organizational change and change implementation (Spector, 2006; Ancona, Bresman and Caldwell, 2009).

"Because cross-organizational processes come to present the primary activity of an organization committed to customer responsiveness, cross-organizational teams are the core design element." (Spector, 2006, p. 194)

"...much of the work is actually carried out by teams – teams that operate across functions, divisions, geographies, product lines and/or other dimensions portrayed by the organizational chart's neat array of boxes and lines. To a great extent, it is in these teams that strategy is put into action, ideas turn into projects, and plans do (or do not) lead to results." (Ancona, Bresman and Caldwell, 2009, p.217)

"Companies set "X teams" on a way to improve business as usual, but they are also an instrument of change, a mechanism to institutionalize innovation." (Ancona and Bresman, 2008, p. 201)

For Spector (1995, 2006), horizontalism – and cross-organizational teams – plays a key role in the reach of customer satisfaction and in achieving organizational change. Spector's (1995) approach of change highlights the importance of CFTs in the organizational change process. Effective cross-organizational teamwork is the hallmark of horizontalism. It requires that teams develop a shared sense of purpose and responsibility while the organization empowers and enables those teams. These teams must be cross-functional so as to develop work across functions and facilitate horizontalism.

"Cross-organizational teams can have a powerful impact on organization." (Spector, 1995, p. 194)

To be effective, CFTs should have a shared sense of purpose and a shared sense of responsibility for the outcome during the taking charge phase. They should develop enablement and empowerement at the letting go phase. Empowerement means that the CFTs must manager one's relationships with the vertical organization.

Spector (1995) describes how the combination of customer-defined value, cross-organizational processes and organizational transformation are required in order to sustain a long-term commitment to customer responsiveness. It shows, in particular the role of CFTs in key change creating units within organizations.

CFTs as management practice to both lead change while empowering people - Taking Charge and Letting Go!

Spector (1995) offers a model that combine the planned approach of change (Taking Charge) with the guided approach of change (Letting Go). According to him, organizational leaders have to address simultaneously the need to take charge and let go to engage the required transformation successfully.

"There is ample evidence that most efforts to place customers at the core of an organization's activities - upward of 75 percent - fail to deliver expected benefits to the organization that have devoted themselves to the effort." (Spector, 1995, p. Ix)

The central focus of *Taking Charge and Letting Go* is on the required process of transformation. It explores both the totality of the required transformation - the scope of organizational upheaval necessary to make customer responsiveness a reality - as well as the strategy that will allow your organization to break through the walls of resistance and make that transformation sucessful. Organizations serious about committing themselves to meeting and exceeding customer expectations must be prepared to undertake a transformation process that can be measured in years. Some patterns that are most effective in enabling transformation are: the totality of the upheaval required to transform an organization to customer responsiveness, the reasons for which cross-organizational teamwork is indispensable to meeting and exceeding customer expectations. In order to sustain a commitment to meeting and exceeding customer expectations, an organization must fundamentally realign itself around horizontal processes. The traditional way of vertical organization is not working anymore. For organizations committed to meetings and exceeding customer expectations, the vertical organization represented by these freestanding silos becomes obsolete. Horizontalism requires that the organization refocus on customer-defined value, demand responsiveness from the top and deliver it from the front line, enable frontline employees to respond to customer needs, create and maintain cross-

organizational teamwork, contunuously diagnose and improve performance,a llow employee discretion within a well-defined set of parameters.

Taking charge and letting go is the foundation of customer responsiveness. It means direction and discretion. It defines autonomy. Taking charge means tough performance demands coupled with behavioral framework. Letting go means facilitating empowerement and enablement within the organization. To get started, leaders analyse the significant market forces "kick off" the drive towards horizontalism by demanding internal realignment. Faced with challenges on the markets, some responses are a change program such as training program, pay incentive program, culture program. In the first year, taking charge comes first. The organization's leader shapes the response to external competitive pressure by demanding a fundamental shift to horizontalism. Leaders transform corporate operations through cross-organizational teamwork. In the second year, letting go prevails. Cross-organizational teams focus on strategic processes that respond to customer expectations; an organization-wide oversight team coordinates and aids the process of creating horizontalism. In year 3, take charge and letting go are pulled together. Realigned systems and structures weave together the twin demands of taking charge and letting go in order to institutionalize horizontalism. The effectiveness of an organization's effort to build and maintain horizontalism can be evaluated by the degree to which it addresses six organizational imperatives: focus on customer-defined value, demand responsiveness from the top and deliver it from the front line, enable frontline employees to meet and exceed customer expectations, create and maintain cross-organizational teamwork, demand ongoing diagnosis and continuous improvement et allow employees discretion within a well-defined set of parameters.

The six sequential steps of taking charge and letting go are to translate external competitive pressures into clear direction, to develop strategic commitment on part of top teams, to create and nourish innovative customer-responsive units, to create ad-hoc process teams and organizationwide oversight team, to enable and empower process teams and to realign information and measurement systems. The following figure represents these six steps and the "taking charges" steps, "letting go" steps and when they are pulled together. Letting go is represented by steps 3 through steps 5.

"Innovative units supported by empowered and enabled teams become laboratories for experimentation and learning." Spector (1995), p. 189.

If letting go precedes taking charge, the organization risks chaos because of the absence of a clear goal. In this case, the Innovative units can exercise discretion without direction.
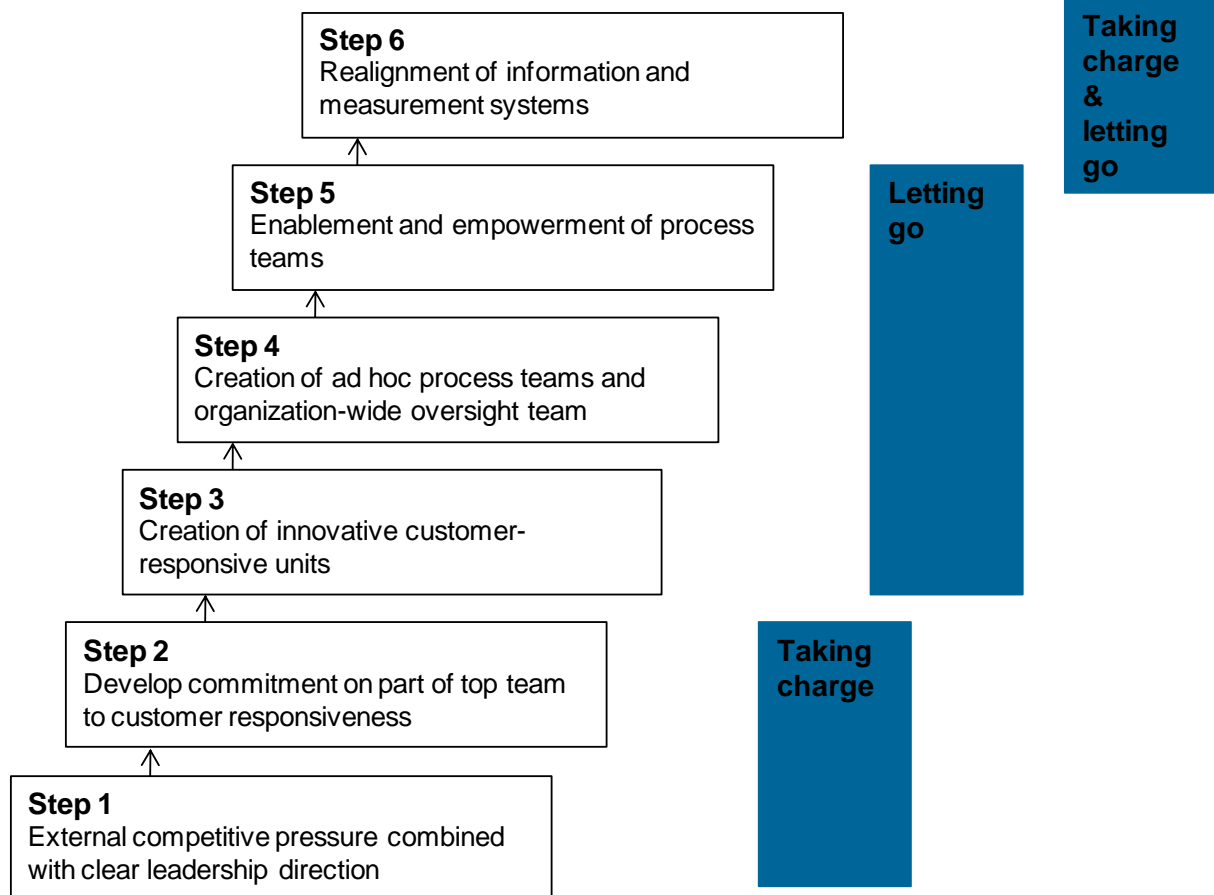
Figure 20: Adapted from Spector (1995)

For Spector, this alternance of "Taking Charge" and "Letting Go" leads to effectiveness. This is not about making a choice between leading or empowering people. The issue is about leading while empowering people.

The translation of Change from CFTs to the remainder of the organization

While studying the practices of strategy teams, Paroutis and Pettigrew (2007) show the translation of change from central strategy teams to local ones. The goal of the

researchers is to examine how central and peripheral teams of strategists in the multi-business firm, through their daily practice, adopt recursive and adaptative behaviors during the strategy process. They look closely at the actions and the interactions between the corporate centre and the business units. Instead of looking at the demographic composition of the teams, they look at what the teams do during the strategy process. Their conclusions are that the actions and interactions of the corporate center and the business unit strategy teams during the strategy process as well as that the acting and the knowing of these teams is dynamic, collective and distributed within the multi-business firm across the interrelated levels, within teams, and inter-teams, each involving recursive and adaptative activities. Recursiveness refers to the recurrent activities. Adaptation refers to exploratory, transformative and creative activities.

Paroutis and Pettigrew (2007) put forward interesting characteristics of teams of strategists when they define and execute strategy. These teams get multiple responsibilities across the different levels of business units. When they strategize, they use multiple activities. The continuity and change is achieved through recursive and adaptative ways of actions at different stages of the strategizing process.

"...we suggest that continuity and change... during strategizing is enacted and achieved through the adaptative and recursive activities within and across strategy teams." (Paroutis and Pettigrew, 2007)

One of their main findings relates to the development and the diffusion of new strategizing activities by the corporate center strategy team to teams located at the business units.

"These findings also demonstrate the importance of considering the particular contextual conditions that enable or hinder the diffusion of practices across different levels in complex organizational settings." (Paroutis and Pettigrew, 2007)

The following table presents an overview of the research on CFTs.

	Main contribution	Particular contribution
CFTs performance		
Brodbeck (2007)	Team composition	Groups outperform when they have asymmetric informations but symmetric ways of functioning
Cronin (2007)	Team composition	Diversity in teams increases the likelihood that the individuals perceive the team's task differently
Martin (2010)	Team composition	A business.unit centric process led by multibusiness teams of general managers leads to a better collaboration
Gibson (2007)	Team process	Variations in time perspective among members of teams exert significant influences on knowledge management efforts in MNOs.
Joshi (2009)	Context.	Context influences greatly CFT
Joshi (2009b)	Multi-level players.	Teams do not function in a vacuum. External boundary activities are important predictors of team performance. Team boundary spanning are influenced by task-based, team-level and contextual antecedents.
Mathieu (2007)	Context.	Organizational district and team context greatly influence team performance.
Ancona (1992a)	Role of functional diversity.	The type of external communication teams engage in, not just the amount, determines performance. Over time, teams following a comprehensive strategy enter positive cycles of external activity, internal processes, and performance that enable long-term team success.

CFTs and Exploration and Exploitation – ambidexterity		
Haas (2010)	Ambidexterity	Teams do perform better by combining autonomy and external knowledge (for team ambidexterity)
Ancona (2009)	X teams	Six steps to leading high performing X teams. Organizational teams are inward looking. X teams are externally oriented and then enable organizational change and innovation. First concept: distributed leadership. A way of harnessing, aligning and leveraging the leadership capabilities. Second concept: X team that enable companies to practice distributed leadership and to reach beyond internal and external boundaries to accelerate the process of innovation and change.
Kang (2007)	Entrepreneurial enterprise	HR can contribute to the development of the exploitation and the exploration ability of the firm through encouraging through an entrepreneurial configuration or a cooperative configuration
Mom (2007)	Explorations and exploitation	Top down knowledge inflows of managers positively relate to the extent to which these managers conduct exploitation activities. Bottom-up and horizontal knowledge inflows of managers positively relate to these managers' exploration activities
Paroutis (2007)	Interrelated levels	Both actions and interactions of corporate centre and business unit strategy teams are important during the strategy process. The acting and knowing of the strategy teams is dynamic, collective and distributed within the multi-business firms across two interrelated levels: within the team and across teams, each involving both recursive and adaptative activities.
O'Reilly and	Ambidexterity	Ambidextrous organizations succeed better thant organizations putting in place CFTs for

Tushman (2004)		product development.
O'Reilly and Tushman (2009)	Ambidexterity	The article discusses organization theory from an evolutionary perspective and organizational dynamics that lead to change with a focus on the IBM Emerging Business Organization (EBO) process which allows IBM to respond to changing economic and market conditions.
CFTs compensation		
Wang (2008)	Compensation	Non-dedicated CFTs need to be compensated on a specic way

Figure 21: Summary of theoretical and empirical articles in cross-functional team field

1.5. Conclusion: Gap in the Reviewed Literature about Organizational Change and Cross-Functional Teams

The literature review on organizational change put forward the dichotomy between two opposed approaches – the planned change approach and the continuous change approach. Most of the literature is about planned change or episodic change (Pettigrew and Whipp, 1991; Pettigrew, 1996; Pettigrew, 2000; Kotter, 2007; Beer, 2000, Beer, Eisenstat and Spector, 1990) or about continuous change (Buono and Kerber; 2008; Weick and Quinn, 1999; Orlikowski, 1996; Pettigrew and Whittington, 1999; Kamoche and Cunha, 2001; Weick, 1993; Brown and Eisenhardt, 2001). This duality is being transcended by approaches integrating stability and change, exploitation and exploration (March, 1991; March, 1996; Tushman and O'Reilly, 1996, 2004, 2008; Farjoun, 2010).

In our study, we look at CFTs dedicated to change as a particular formal organizational practice to implement organizational change. These teams are defined as specific groups of people representing diverse business backgrounds (IT, sales, marketing, logistics, strategy…), organized on a project mode for a limited time, outside the normal organizational structure and explicitly set up to bring about specific strategic change. Our literature search revealed that the past research has focused on the internal components of the teams' performance (Brodbeck, 2007; Cronin, 2007; Martin, 2010; Gibson, 2007; Joshi, 2009; Joshi, 2009b, Mathieu, 2007; Ancona, 1992a, 1992b; Ancona, 1990). A focus on organizational change at the team level is relatively new. Some authors put the emphasis on the critical importance of CFTs in the process of organizational change. Used as a management practice to implement change in a classical change approach, CFTs may also be studied as a translation practice from a small group to the remainder of the organization, in a guided approach of change (Haas, 2010; Ancona, 2009; Kang, 2007; Mom, 2007; Paroutis, 2007; 2010; Farjoun, 2010; Spector, 1995).

Some authors (Farjoun, 2010; Joshi et al.., 2009) raise the need for further research on CFTs and organizational change. While studying the complementarity of stalibility and change, Farjoun (2010) raises the need for further research for more grounded empirical research in the pharmaceutical industry to explore the conditions under which successful and non successful arrangements produce stability and change within organizations.

"...further research may need to explore other carefully chosen empirical sites, such as drug and software development, ..., where pressures for innovation and reliability are equally

strong. To explore how organizations combine stability and change, future studies should compare effective and ineffective combinations within and across different quadrants in the classification and should be fine-grained field studies that uncover the inner operations of..." (Farjoun, 2010, p.220)

"... future research should be better attuned to... implementation and should uncover important contingencies. It should avoid rigid preconceived dichotomies, allow for both positive and negative interactions between exploitation and exploration and consider both figure and ground." (Farjoun, 2010, p.220)

Joshi et al. (2009) suggest that further research would be interesting to consider how a team's share cognition and behavioral adaptability may be a mechanism mediating the relationship between organization-level antecedents and boundary spanning outcomes. It will be interesting in understanding how teams adapt to change and modify their structures, capacities and actions in response to change. Joshi et al. (2009) draws the attention of the need to look at antecedents such as the phase of task development or inter-team interdependence.

"... while antecedents such as environmental uncertainty and leardership activity have received some attention, other antecedents sucha s the phase of task development or inter-team interdependence have not ben considered in past research." (Joshi et al.., 2009)

CFTs dedicated to change are boundary-spanning and constitute the receptacle of exploring and exploiting activities. As a change management practice, they aim to bring novelty to the remainder of the organization. The stake is to incorporate this novelty – the exploration aspect – into the usual activities of the organization – the exploitation aspect. Yet it remains the paradox of a temporary form of organization, a project-based cross-functional team, with a long-lasting effect of changing the organization. The very separation of the project-based cross-functional team hinders the transfer of ideas and plans back to the everyday work situation. At the heart of exploration and exploitation, CFTs are an ideal object to study the combination of stability and change.

When we look at scholarly journals, we find that organizational change and CFTs are under-explored theoretically and empirically. The literature is inconclusive regarding how CFTs do contribute to change organizations. In particular, teams dedicated to change have received little attention in the organizational change literature. The conclusion of this literature review lead us to the following question: How CFTs enhance organizational change in multinational corporations? The goal of this study is to fill this theoretical and empirical gap. Our intention is to contribute on the two bodies of literature on organizational change and CFTs to develop an enhanced understanding on the internal teams' characteristics enabling stability and change and ultimately organizational change.

How to analyse CFTs and organizational change? The next step is to choose a theoretical lens through which conducting this analysis. In the next chapter, we describe the approach we take for conducting the analysis.

2. The Practice-Based View as a Study Lens and Research Question

2.1. Introduction

Given the links between organizational change and CFTs, which theoretical approach would be the most appropriate to examine these interactions? We study CFTs as a phenomenon. We take the practice-based view approach as a particular lens. How can we conceptualize the links between organizational change and CFTs? The lens we use is the practice-based approach (2.2). Specifc applications of this theoretical approach are the strategy-as-practice (2.3.) and the structural model of technology (2.4) based on the Giddens' structurational theory. The following diagram graphically presents this approach:
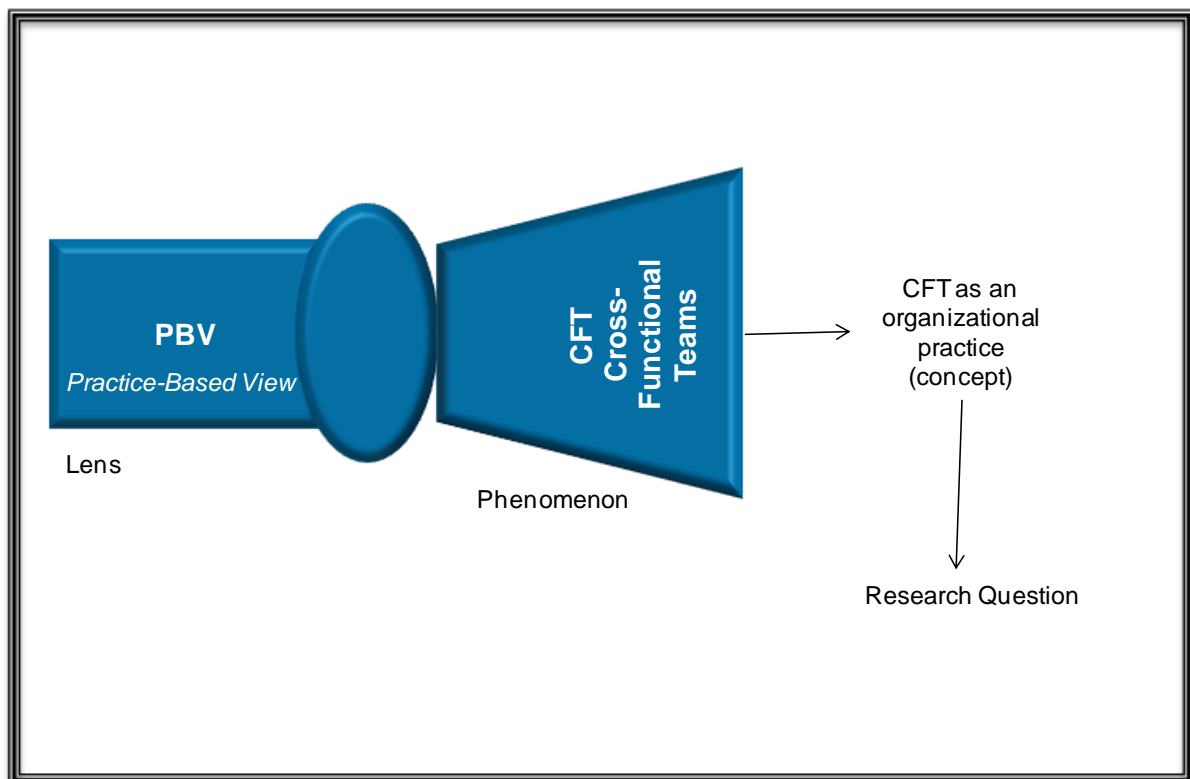
Figure 22: CFTs and the Practice-based approach

2.2. The Practice-Based View

The practice-based view is the lens through which we analyze the phenomenon. This helps to look at CFTs as a practice to bring about organizational change. It provides an in-depth analysis of what actually takes place in organizational change management and other activities relating to changing organizations. It provides a lens into the black box of organizational change.

The practice-turn in contemporary social sciences

Practice has emerged as a key concept for understanding central questions about how agency and structure, individual action and institutions are linked in social systems, cultures and organizations (Giddens, 1984). The practice turn is visible in organizational research (Orlikowski, 2000). The focus on practice provides an opportunity to examine the micro level of social activity and its construction in a real social context or field. The activities need to be understood, as enabled or constrained, by the prevailing practices, in the field in question. A practice approach should not focus on the behaviors or actions of managers but seek to examine how these behaviors or actions are linked to prevailing practices. The notion of practice allows us to deal with the question about how social action is linked with structure and agency. The concept of practice helps to explain why, and how, social action sometimes follows and reproduces routines, rules and norms, and sometimes does not. The sociology of practice (Bourdieu, 1977, 1993; de Certeau, 1984; Giddens, 1984) has emphased such practices as:

> "embodied, materially mediated arrays of human activity centrally and organized around shared practical understanding." (Schatzi, 2001)

Researchers look at the internal life of the process and examine organizational players as knowledgeable and practical in their affairs (Giddens, 1984).

The practice approach

The practice approach (Orlikowski, 1992, 2000; Jarzabkowski, 2004, 2005; Whittington, 2006) examines how institutions are constructed by, and how they construct, actions (Giddens, 1984). The scholars, who are specialists in the practice approach, look at the actions and interactions between multiple players as their core level of analysis (Jazabkowski, Balogun and Seidl, 2007).

Orlikowski (2010) identifies three modes of engaging practice in research: practice as a phenomenon, practice as a perspective, and practice as a philosophy. Practice as a phenomenon underlies the importance of understanding what happens in practice. Researchers look at what practitioners do in practice. They perform in-depth investigations and ethnographies of practitioners at work.

Practice as a perspective looks at some aspects of the organization. The practice approach is a powerful lens for studying particular social phenomena. It looks at the situational and recurrent nature of everyday activity. The first generation of scholars using this approach are Bourdieu (1977), de Certeau (1984), Foucault (1977), Garfinkel (1967), Giddens (1984) and Taylor (1985). These authors put forward the importance of agents' actions, interactions, and improvisations. They focus their attention on how these actions, interactions and improvisations transform social and organizational structure. The second generation counts Pickering (2001), Reckwitz (2002), Rouse (1996) and Schatzi (2001, 2002). The latter proposes to adopt a practice lens on social phenomena. According to him, practices are: "embodied, materially mediated around shared practical understandings" (Schatzi, 2001).

Practice, as a philosophy, puts practice as constitutive of all social reality, including organizational reality. Jarzabkowski and Balogun (2009) use the practice-based approach to study how strategic planning delivers communication, participation and integration through the consideration of the reciprocal processes through which different players' perspectives and the planning mechanism itself, are modified over time in order to enable common activity to emerge. Through the practice-based approach, strategy is considered as a continuously unfolding stream of activity that is constructed through the interactions and negociations between different players. They conclude that the planning processes should not be reified because players would resist or adapt accordingly. The different players, strategic plans and strategic outcomes both shape and are shaped by each other through activities of resistance and compliance. Their findings are used to develop a process model which captures the

different paths through which communication and participation activities can enable strategic integration between diverse business units within strategic planning mechanisms.

Paroutis and Pettigrew (2007) use the practice based approach to study how central and peripheral teams of strategists in the multi-business firm, through their daily practice, adopt recursive and adaptative behaviors during the strategy process. They use the concepts of praxis, practices and practitioners (Balogun et al., 2007; Jarzabkowski, 2005; Jarzabkowski et al., 2007; Whittington, 2006). Praxis refers to the work of strategizing or implementing change such as the meeting, the presenting as well as the writing, which is necessary to execute the strategy or change. Whittington (2006) proposes a framework for strategizing with the concepts of practicioners, praxis and practices. Practices refer to the norms, the traditions and the procedures necessary to put in place the strategy or the change. Practitioners are the professionals in charge of executing strategy or change. Informed by the concept of praxis Paroutis and Pettigrew study what the strategists do.

The practice-based approach therefore offers an interesting lens to study CFTs and organizational change. The turn to practice in management studies has influenced the creation of the strategy-as-practice school of thought that we present in the following section.

2.3. The Strategy-as-Practice Perspective

Drawing from the practice-based approach, strategy-as-practice offers a distinctive approach for studying strategic management. It focuses on the micro-level social activities, processes and practices that characterize organizational strategy and strategizing (Golsorki, Rouleau, Seidl, Vaara, 2010). Strategy-as-practice research is interested in opening up the black box of strategy work.

From this perspective, strategy is defined as "a situated, socially accomplished activity, while strategizing comprise those actions, interactions and negotiations of multiple players and the situated practices that they draw upon in accomplishing that activity." (Jarzabkowski et al, 2007). The field is studying practicioners (the people who do the strategy), the practices (the social and material through which the strategy is done), and the praxis (the activities in which the strategy is accomplished) (Jarzabkowski, 2005; Jarzabkowski et al., 2007; Johnson et al., 2007; Whittington, 2006 a).

The recent turn of strategy research towards practice-based approaches has emphasized the of work of strategy practitioners (Balogun et al., 2007; Jarzabkowski, 2005,

2009; Johnson et al, 2003, 2007, 2009; Seidl, 2007, 2009 a, 2009 b; Whittington, 2006, 2009). Players are not behaving in isolation from each other but according to social structures, such as practices, technologies and discourses, through which micro actions are constructed and which, in turn, construct the possibilities for action (Giddens, 1984; Orlikowski, 1996). Several researchers have analyzed the organizational impacts of different formal modes of strategy such as meetings and workshops (Henry and Seidl, 2003; Jarzabkowski and Seidl 2008, Seidl, 2009) and discussed their role in organizational strategizing. These studies look at strategic workshops or meetings as episodic strategic practices, in the sense of Luhman's theory of episode (Henry and Seidl, 2003). They look at how meetings or workshops contribute to the strategic change of the wider organization and of the institution, through the initiation, the conduct and the termination of the meeting or the workshop (Jarzabkowski and Seidl, 2008; MacIntosch, MacLean and Seidl, 2009).

The strategy-as-practice research has focused on the ways in which strategizing is conducted in specific organizational settings, on the formal practices such as the strategic role of strategic workshops, the strategic meetings or the formal teams. It has also focused on sensemaking in strategizing (Heracelous and Jacobs, 2008) and the discursive aspects of strategy, the roles and identity of managers as well as other organization's members engaged in strategizing, as well as on exploring the ways in which specific practices and techniques are used in strategizing activity. Some researchers have examined strategy practices as potential boundary objects that can span across different organizational contexts (Spee and Jarzabkowski, 2009).

Paroutis and Pettigrew (2007) have examined how central and peripheral teams of strategists in the multi-business firm, through their daily practice, adopt recursive and adaptative behavior during the strategy process. Instead of focusing on the demographical characteristics of these teams, they are interested in their activities over time. Their study contributes to the understanding of what strategy teams do during the strategy process. Their findings indicate strategy teams can be considered as groups of individuals which use a plethora of activities when they strategize. Strategy teams demonstrate recursive ways of acting, based on routines, while at the same time developing adaptative and creative approaches of strategizing. Continuity and change within the strategy process is achieved by having central and peripheral teams following both adaptative and recursive ways of acting. Continuity and change during strategizing is achieved through the adaptative and recursive activities within and across strategy teams. The interactions between central and peripheral teams are the key to developing standardized procedures, making sense of information as well as generating new strategic ideas, initiatives and methods. These authors call for further

research on the contextual conditions that enable or hinder the diffusion of practices across different levels in complex organizational settings.

The research agenda (Golsorkhi, 2010) for the strategy-as-practice field is to aim at a better understanding of the activity, processes and practices that characterize organizational strategy and strategizing. Researchers should look at the linkages of the macro, meso and micro in strategy. The practice approach provides an opportunity to analyze how concrete micro-level activities are linked with broader institutionalized practices. Researchers should look at how strategizing methods influence what is actually done in organizations and how these activities reproduce or transform prevailing understanding and practices.

Another area for research is the link between agency and strategizing. For Jazabkowski and Spee (2009), the research in the strategy-as-practice field has been conducted in nine domains crossing the level of praxis (micro, meso and macro) with the type of practitioner (an individual actor within an organization, an aggregate actor and an extra-organizational aggregrate actor). One of the domains includes the studies having examined aggregate players and focusing on the meso-level of praxis. These studies identify groups of aggregrate players and compare and contrast the different types of strategy praxis of each group. Most studies examine the praxis of the aggregate players and the praxis at sub-organizational level. They are focused upon explaining sub-organizational praxis in terms of how specific strategy processes are constructed or in terms of strategic change. Jarzabkowski and Seidl (2008) study the participants to a strategy meeting as an aggregrate actor and focus on explaining the strategy meeting participants in terms of how they shape stability or change. An important aspect of this research field is to look at what organizational players and organizations do.

"How does the praxis of different business units in implementing an organization-wide change programme influence their perceptions about the success of that change programme? This question examines the praxis of aggregrate players, such as business units, and their implications for organizational praxis in terms of a change programme, tying this back to the aggregate players' perceptions of the success of organizational-level praxis." (Jarzabkowski and Spee, 2009, p.78)

Strategy-as-practice researchers continue to be interested in how groups of players shape and are shaped by sub-organizational and organizational level activity. Jarzabkowski and Spee (2009) call for further research in the strategy-as-practice field, to fill the gap

regarding the lack of empirical studies which examine the interactions among practice bundles.

> "…few studies have set out empirically to examine practice bundles in a systematic way. While these bundles may be implicit in the way that some studies have grouped a number of practices under their explanation of one phenomena, such as Balogun and Johnson's (2004) social processes of interaction, or teased out the practices within an episode, such as Jarzabkowski and Seidl's (2008) meeting practices, few studies have attempted a rigorous examination of the way practice bundles interact. What practices come together in a bundle during some instances of strategy praxis and how is the content of bundles reorganized, according to different instances of praxis?" (Jarzabkowski and Spee, 2009, p.84)

2.4. *The Structurational Model of Technology by Orlikowski*

Regarding technology, Orlikowski writes about the practice perspective.

> "… acknowledges that while users can and do use technologies as they were designed, they also can and do circumvent inscribed ways of using technologies – either ignoring certain properties of the technology, working around them, or inventing new ones that may go beyond or even contradict designers' expectations and inscriptions." (Orlikowski, 1992)

Orlikowski (1992, 1996, 1997, 2000 and 2007) analyses the interaction between technology and organizations through the study of the building of five computer application systems in one company within the information technology industry (1992). She uses ethnographic techniques such as the observation of participants, interaction with the computer application system, documentation review, social contacts, unstructured and semistructured interviews. She concludes this study with an alternative theoretical conceptualization of technology which puts forward the importance of context and the dual nature of technology as an objective reality and as a socially constructed product on the other side.

Her main concept is technology and she uses the "technological imperative model" composed of three stakeholders (human agents, material and technological artefacts and the structural properties of the organization which have internal dimensions and external pressures) as well as four types of relations between these three stakeholders. She defines

technology as an artefact which is the result of a human action and which implies an interaction with the social context in which it has been created and used:

"In defining my concept of technology, I restrict its scope to material artefacts….It should not be understood as an exclusive focus on technology as a physical object. In contrast, the analytic decoupling of artefacts from human action allows me to conceptualize material artefacts as the outcome of coordinated human action and hence as inherently social. It also facilitates my framing of the role of technology in terms of a mutual interaction between human agents and technology, and hence as both structural and socially constructed." (Orlikowki, 1992, p.403)

She defines two aspects of technology. First, the technology is seen as an artefact which contains the bundle of managerial and symbolic properties packaged in some socially recognizable form, e.g. techniques. Artefact should be distinguished from the use of technology. Artefact designs the physical object. Technology includes what people actually do with the artefact in practice. According to the Oxford English Dictionary: an artefact is "anything made by human art and workmanship". According to the Merrian – Webster Dictionary, it is "a product of artificial character due usually to human agency". Orlikowski offers a theoretical model based on the theory of the structuration (Giddens, 1994) to analyse the nature and role of technology in the organization: the structurational model of technology.
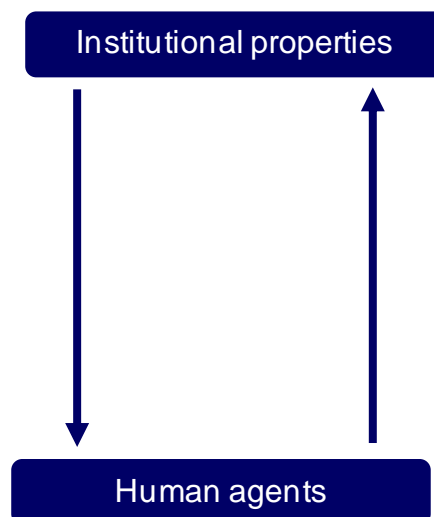
Figure 23: Graphical representation of the interactions between human agents and institutional properties (Giddens, 1984)

The theory of structuration implies that structures are a constraint as well as a facilitator for human actions. The premise of the structurational model of technology is the duality of technology and the interpretative flexibility of technology. This means that, on the one hand, technology influences human action, while on the other hand, human action always maintains freedom while using technology. The structurational model of technology is based on three stakeholders: the human agents, the institutional properties of organizations and technology.

The human agents are technology designers, users and decision makers. The institutional properties of organizations include organizational dimensions such as structural arrangements, business strategies, ideology, culture, control mechanisms, standard operating procedures, division of labour, expertise, communication patterns as well as environmental pressures such as government regulations, competitive forces, vendor strategies, professional norms, state of knowledge about technology and socio-economic conditions. Technology designs the artefact and the use of this artefact in practice.

Four relationships between these three stakeholders are analysed, as graphically represented in the following figure:

1. Technology is a product of human action (arrow a). Technology is an outcome of such human action as design, development, appropriation and modification.

2. Technology is a medium of human action (arrow b). Technology facilitates and constrains human action through the provision of interpretative schemes, facilities and norms.

3. Institutional properties interact with technology (arrow c). Institutional properties influence humans in their interaction with technology, for example, intentions, professional norms, state-of-the art materials and knowledge, design standards, and available resources (time, money, skills).

4. Technology influences institutions (arrow d). Interaction with technology influences the institutional properties of an organization, through reinforcing or transforming structures of signification, domination, and legitimating.
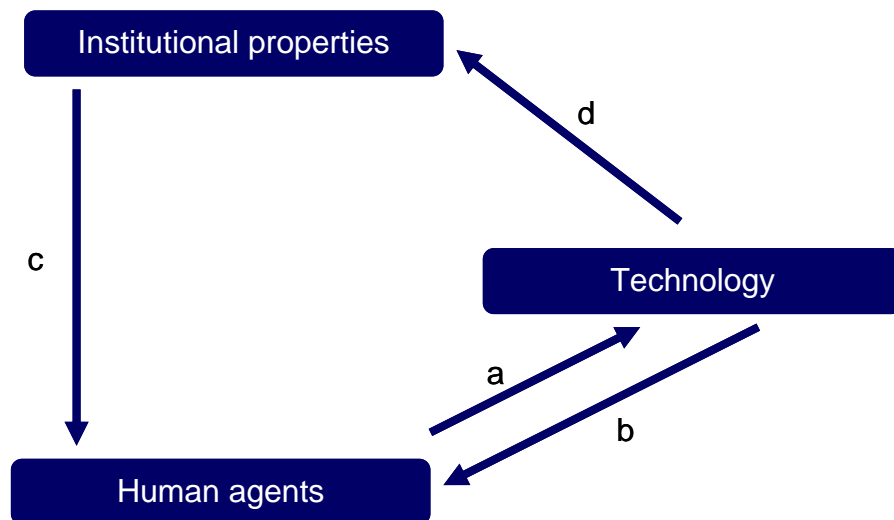
Figure 24: Graphical representation of the interactions between agents, technology and institutional properties (Orlikowski, 1992)

Orlikowski (2000) explains that structures are not located in organizations or in technology but are enacted by users. People, as they interact with technology in their ongoing practices, enact structures which shape their emergent and situated use of technology.

These organizational change practices may be seen as "management technologies", given the definition of technology by Orlikowski (1992) based on the theory of structuration (Giddens, 1984). Her theoretical conceptualization of technology puts forward the importance of context and the dual nature of technology as an objective reality, on one side, and, as a socially constructed product, on the other side. Technology is defined as an artefact which is the result of human action and which implies an interaction with the social context in which it has been created and used:

"In defining my concept of technology, I restrict its scope to material artefacts….It should not be understood as an exclusive focus on technology as a physical object. In contrast, the analytic decoupling of artefacts from human action allows me to conceptualize material artefacts as the outcome of coordinated human action and hence as inherently social. It also facilitates my framing of the role of technology in terms of a mutual interaction between human agents and technology, and hence as both structural and socially constructed." (Orlikowki, 1992, p.403)

Technology presents two aspects. First, it is seen as an artefact that contains the bundle of managerial and symbolic properties packaged in some socially recognizable form, e.g. techniques. This artefact should be distinguished from the use of technology, that is, what people actually do with the technological artefact in practice. We suggest analysing the organizational change practices enacted by cross-functional project-teams as "management technologies". They can be considered as material artefacts and the outcome of coordinated human action and hence socially constructed.

The *"structurational model of technology"* defined by Orlikowski (1992, 1996, 2000, 2007) provides an interesting framework with witch to analyse the interactions between these practices, the players and the institutional properties. This model is composed of three stakeholders (human agents, material and technological artefacts and the structural properties of the organization which have internal dimensions and external pressures) as well as four types of relations between these three stakeholders.

2.5. *The Structuration Theory - Giddens*

The practice-based approach, the strategy-as-practice and the structurational model of technology are based on Giddens' structuration theory (1984). His theory challenges the long-standing opposition in the social sciences between subjective and objective dimensions of social reality and proposes a meta-theory incorporating both dimensions. His theory is based on social practices.

"The basic domain of the social sciences, according to the theory of structuration, is neither the experience of the individual actor, nor any form of societal totality, but social practices ordered through time and space." (Giddens, 1984)

Giddens' theory introduces the concepts of agency, structure and structuration. He emphazises the importance of studying practice to the extent that it impacts on the outcome of people's activity. His concept of social structure allows for both constraint and enablement. Structuration brings together structure and agency, and allows for the opportunity of continuity and change.

His theory recognizes that human actions are enabled and constrained by structures and that the latter is the result of previous actions. Structural properties consist of the rules

and resources which human agents use in their everyday interaction. These rules and resources mediate human action while they are simultaneously reaffirmed by human players. In this theory, players are knowledgable and reflexive, that is that they are able to think about what they have done and change their behavior accordingly. The regular actions of players (agency) create a standardized pattern of behavior and work. These interactions eventually become institutionalized and form the structural properties of the organization (structure). He distinguishes three characteristic forms of interactions: communication, the exercise of power and sanction that are associated with three structural dimensions: signification, domination, and legitimation. Signification represents the system's discursive and symbolic order. Legitimation designs the formal and informal rules of the institution. Domination refers to the material and allocative resources.

Structure	Signification	⟷	Domination	⟷	Legitimation
	⇅		⇅		⇅
(Modality)	Interpretative scheme	⟷	Facility	⟷	Norm
	⇅		⇅		⇅
Interaction	Communication	⟷	Power	⟷	Sanction
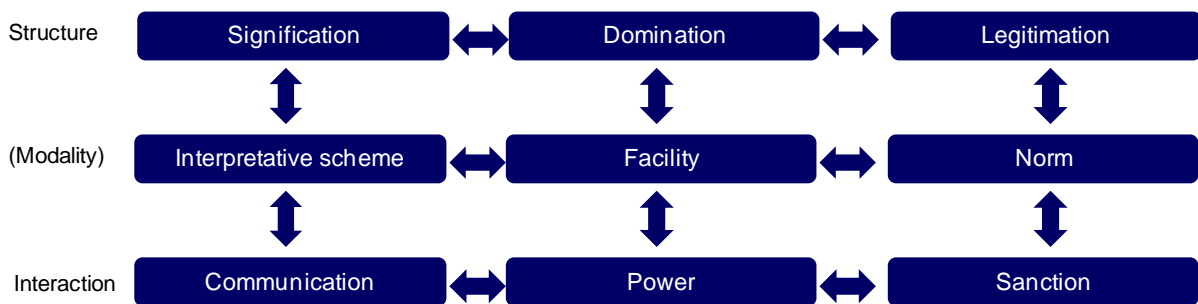
Figure 25: Forms of interaction in structuration theory (Giddens, 1984, p.29)

The theory of structuration therefore raises the duality of structure as an influencing factor of human actions and as being influenced by humans. It overcomes the duality between objective - structural features of organizations - and subjective - knowledgeable action of human agents. The concept of structuration refers to the mutual dependence between structure and agency. When agents draw on the actual rules and norms, they either reproduce or modify the structure. The structuration theory implies structural continuity, and, at the same time, innovation and change. An important implication of this theory is the possibility for stability and change.

The articulation and interactions between the collaborators and the structure are also studied by Crozier and Friedberg (1977). For them, the actor does not exist without the system and the system does not exist without the actor. They study how the freedom of the actors and the organized system can co-exist. They argue that organizations are a social construct based on individuals. Organizations create a constraint on the actions of the actors

but the actors get some freedom within the structured social system – the organization. the uncertainty created by the system and the freedom of the actors create a "marge de manoeuvre" and give the actors some power that they can use in a strategic way towards their own interests. These power relations between the organization and its actors construct a "game". According to these authors, change is a systematic phenomenon. Before implementing a change, it is necessary to know the system. Actors must be implied in the change. The power relations are obstacles to change but at the same time they constitute the finality.

2.6. Conclusion: Practice-Based Approach as an Analytical Study and Research Questions

The purpose of this chapter was to examine how the practice-based approach could bring an analytical lens in the study of the gap in the literature between organizational change and CFTs. The practice-based approach, the strategy-as-practice school of thought, the structuration model of technology, drawn on the structuration theory of Giddens (1984) puts forward the importance of organizational practice, and the interactions between structures and practitioners so as to offer an interesting lens of analysis for stability and change.

As Jarzabkowski and Spee (2009) show, the strategy-as-practice literature is inconclusive regarding the practice bundles and their impact on stability and change. As seen previously (1.5.), the reviewed literature in scholarly journals leads us to the question of how CFTs enhance organizational change in multinational corporations. With the lens of the practice-based approach, we look at CFTs as an organizational practice. How do CFTs, studied as practices, enable or constrain stability and change?

The research question can now be formulated as followed:

Under which internal conditions do CFTs dedicated to change enable or hinder organizational change in multinational corporations?

More specific questions are:

1- What is the organizational change under study – the marketing, sales and distribution transformation?

2- What do CFTs actually do during the change process?

3- What are the internal enabling conditions required for organizational change production through CFTs dedicated to change?

Figure 26: Research questions

In our study, we look at CFTs specifically set up to produce business transformation in marketing, sales and distribution, within multinational corporations in the pharmaceutical industry. Organizational change is therefore focused on a transformation related to the structure and the processes of marketing, sales and distribution. We develop in more detail this definition in Chapter 4. CFTs are also restricted to teams specifically put in place to implement the new strategy of marketing, sales and distribution.

Our intention is to contribute to the bodies of literature on organizational change and CFTs, as mentionned previously but also to the literature on practice-based approach. The main purpose of this study is to contribute, empirically and theoretically, to the understanding of what kinds of organizational conditions support the establishment of organizational change by cross-functional project-based teams within multinational organizations. Answers to the research question and the sub questions presented in the following part are sought by creating an understanding of how cross-functional project-based teams work, and what kind of processes and structures they assume in order to achieve their goal of organizational change. The first objective is to contribute to a better understanding of CFTs within multinational organizations. We study situated project-based CFTs, based on our observation and our experience. We observe, identify, describe and explain the roll-out and the functioning of project-based CFTs.

The second objective is to study CFTs as a special organizational form allowing us to think about organizational change within the organizations. We intend to identify the structures and processes enacted by CFTs that enable or constrain organizational change.

This objective is more theoretically driven and helps us to put forward some phenomena helping to better understand and analyze organizational change within organizations. CFTs are therefore not seen as such but as a management practice to develop our thinking and our understanding of organizational change. Our final goal is to develop an enhanced understanding on the internal teams' characteristics, thus enabling stability and change, and ultimately, organizational change.

In the following chapter, we will develop and define the method chosen to investigate the research question: Under which internal conditions do CFTs dedicated to change enable or hinder organizational change in multinational corporations? Based on the characteristics of the question, we will argue why we choose an interpretative comparative multiple cases study.

3. Research Methodology of the Study

3.1. Introduction

In order to examine the internal conditions under which CFTs dedicated to change enable or hinder organization change in multinational corporations, we chose an interpretative comparative multiple cases study. The purpose of this chapter is to present our epistemological positioning and defend our choice of research method. We will first discuss epistemological considerations and present our interpretative positioning (3.2.). Second, we will defend our choice for a comparative multiple cases study (3.3). Third, we will present how we chose the case (3.4). Fourth, we will present how we collected data (3.5). Fifth, we will present how we analysed the data (3.6.), to finally, conclude on the epistemological and methodological considerations (3.7).

3.2. An Interpretative Approach and Abductive Reasoning

Choice of interpretative epistemology

Three main epistemologic paradigms, in Kuhn's terminology (1983), are traditionally opposed: the positivism, the constructivism and the interpretativism (Wacheux, 1996). These paradigms offer three distinctive ways of defining the produced knowledge, the process of production of this knowledge, and the value of this knowledge.

The positivism position was first developed by Comte (1840) and Durkheim (1894) and is based on an objectivist view of reality. According to this epistemological position, objects exist in nature and can be studied as such. Subjects and objects are independent. Knowledge is produced through discovery, and researches look for causal links between objects. The criteria of validity are formulated in terms of verifiability, confirmability and refutability in terms of Popper (1963)'s definition. According to this author, it is *not possible to affirm a theory to be true*, it is only possible to say that one *theory is not true* or to say that *one theory is corrobated.* The famous metaphor of the white "swans" illustrates this point.

Avenier (2008, 2010) offers a methodological framework for developing generic actionable knowledge from the experience of employees and managers. For her, practitioners have some knowledge but do not know that they do. The reality may be known but not in a rational way. Reality exists but we can only see what we are ready to look at. We interpret. A constructivist approach can be legitimized by the espistemic work on the elaboration process but it is not possible to replicate actions *ceteris paribus* because nothing can be the same. What counts is to know at each step of the research what we do and why we do it. The methodological framework for developing generic actionable knowledge consists of conducting an epistemic work at different processes of the research stages: conception of the research design, construction of local knowledge, construction of generic actionable knowledge, communication of generic actionable knowledge and activation of generic actionable knowledge.
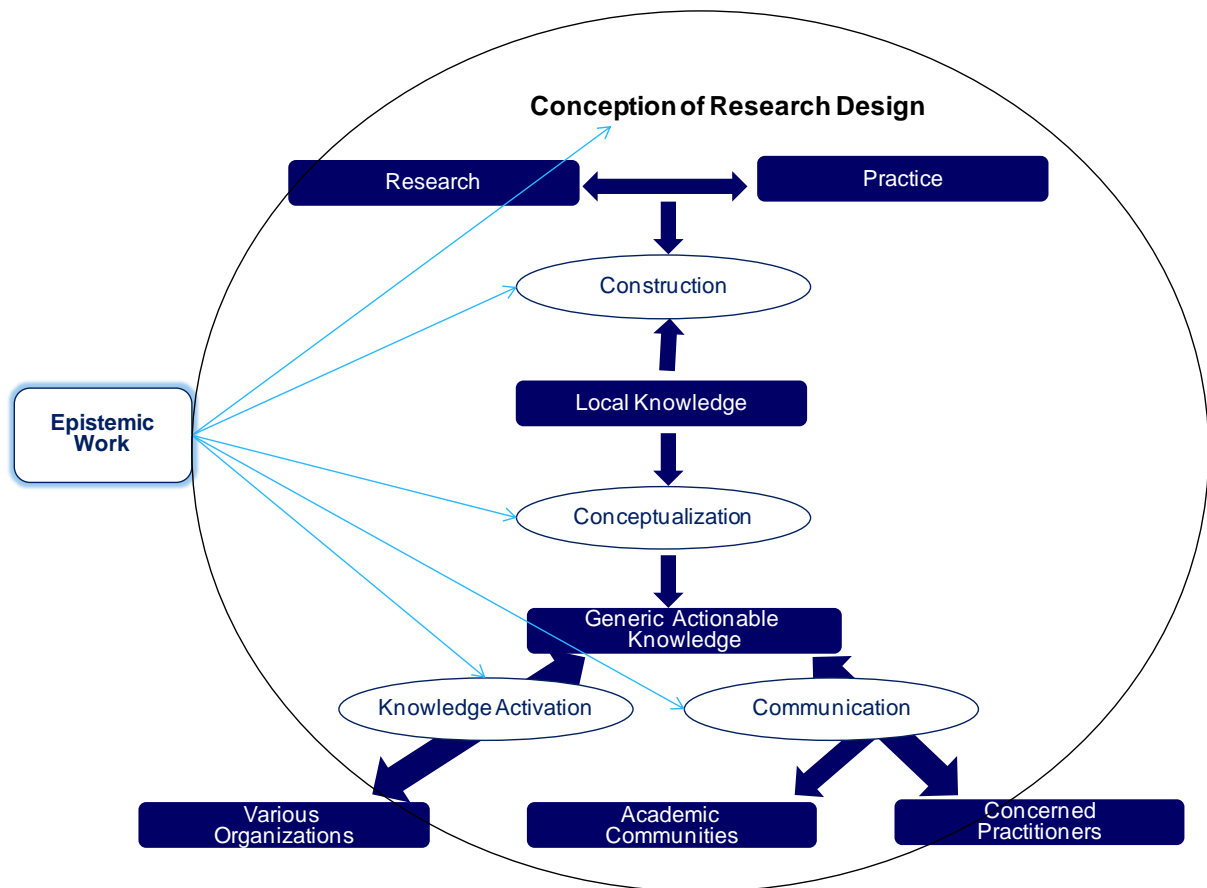
Figure 27: A Methodological Framework for Developing Generic Actionable Knowledge

(Avenier, 2008)

For the constructivism position, subjects and objects are dependant. The world is made of possibilities. Research looks at finalities of actions. Knowledge is based on construction. The criteria of validity are "adequation" and "being teachable" (Le Moigne, 1995). Adequation means that knowledge is seen as valid whenever it suits a given situation. "Being teachable" means that knowledge can be reproduced, understood and constructed.

Interpretativism also considers subjects and objects as dependant. Knowledge is produced through the interpretation of actions. Research mainly focuses on the motivations of the players. Comprehension is the main motor of research. The criteria of validity for such a study are set by Eisendardt (1989) who states that the test of good theory (e.g., parsimony, logical coherence), convincing grounding in the evidence and frame breaking insight are the key criteria for evaluating this type of research. She also insists that the resultant theory is often novel, testable and empirically valid.

"The resultant theory is likely to be empirically valid. The likelihood of valid theory is high because the theory-building theory process is so intimately tied with evidence that it is very likely that the resultant theory will be consistent with empirical observation…. His intimate interaction with actual evidence often produces theory which closely mirrors reality." (Eisendardt, 1989, p. 547)

Based on these considerations, we choose an interpretative epistemologistical approach. We consider that the way to create knowledge is to understand the meaning that the players give to the reality. We are looking to understand the reality through the interpretations of the players. We consider that the nature of the produced knowledge is dependant of the reality that we look at.

Choice of abductive reasoning: beyond the deductive and the inductive reasoning

Two main reasoning logics are traditionally opposed (Ketokivi, 2006, 2010): the deductive approach which is traditionally associated with quantitative research and the inductive logic of research associated with qualitative study. Deduction is used to predict some quality of an observational unit. This reasoning is characterized by "theory testing". Theory comes first and the researcher tests hypotheses or research questions from the

theory. They then define and operationalize variables derived from the theory to finally measure variables using an instrument to obtain scores.

In the induction approach, multiple instances of observational units are observed, and used to build more generic, often law-like statements or at least tendencies. This reasoning is used in "grounded theory building". Researchers start by gathering information from interviews and observations, then, by asking open-ended questions of participants, they analyze data to form themes or categories to finally look for broad patterns, or generalization or theories. They conclude with generalizations or theories related to past experiences and literature.

Ketokivi (2006, 2010) examines the researchers' logics-in-use in empirical research articles and demonstrates that researchers all use the same three elementary forms of reasonings that are "deduction", "induction" and "abduction". Abduction consists of "inventing multiple generic statements as explanations to the problem and iterating between these competing explanations with the intent of selecting the best one". In our work, we will use the three forms of logics: induction, deduction and abduction.

3.3. A Comparative Multiple Cases Study Research Method

3.3.1. Characteristics of the Research Question and Choice of a Research Strategy

After having presented the choice of an interpretative epistemology, we look at the characteristics of the research question and its implications for the choice of the research methodology. According to Yin (1994), a research strategy is composed of four modes: experiments, history, simulation and case studies. The choice of the research strategy is guided by the characteristics of the research question: the form of the research question, if the research question requires control over behavioral events and if focuses on contemporary events.

"The three conditions consist of (a) the type of research question posed, (b) the extent of control an investigator has over actual behavioral events and (c) the degree of focus on contemporary as opposed to historical events." (Yin, 1994, p.4)

Strategy	Form of research question	Requires control over behavioral events	Focuses on contemporary events
Experiment	How, why	Yes	Yes
Survey	Who, what, where, how, many, how much	No	Yes
Archival analysis	Who, what, where, how, many, how much	No	Yes / No
History	How, why	No	No
Case Study	How, why	No	Yes

Figure 28: Links between types of research question and research strategies (Yin, 1994, p.6)

First condition: form of the research question and choice of a research strategy

According to Yin (1994), the first condition to choose a research strategy is the form of the research question. A basic categorization scheme for the types of question is the series: who, what, where, how and why. The "what" form of question may be exploratory. An example of such questions is "what are the ways of making schools effective?" This leads to an exploratory study such as a survey, an experiment or a case study. The "what" question may be related to prevalence such as "What have been the outcomes from a particular managerial re-organization?" The research strategy should then be a survey or an archival analysis. The forms of questions "who", "where", "how many", "how much" may lead to an archival analysis. The "how" and "why" forms of questions conduct to an explanatory type of questions and research strategies such as a case study, an historical analysis or an experiment.

"The first and more important condition for differentiating among the various research strategies is to identify the type of research question being asked. The general "what" question may either be exploratory (in which case any of the strategies could be used) or about prevalence (in which surveys or the analysis of archival records would be favored. "How" and "Why" questions are likely to favor the use of case studies, experiments, or histories." (Yin, 1994, p.7)

The form of the research question therefore provides an important clue regarding the appropriate research strategy to be used. In this thesis, the research question is "Under which internal conditions CFTs dedicated to change enable or hinder organizational change in multinational corporations?" The form of our research question refers to a search for a better understanding of the structure and process of CFTs when they are engaged in organizational change. The sub-questions "What is organizational change?" and "How do CFTs dedicated to change work?" are descriptive, whereas the last sub-question, "What are the internal enabling conditions required for organizational change production through CFTs dedicated to change?", is explanative.

Second condition: the extent of control over behavioral events and choice of a research strategy

According to Yin (1994), the second condition to choose a research strategy is the extent of control an investigator has over actual behavioral events. In our study, a control over behavioral events is not required because the context is part of the study. The boundaries between CFTs and context are not clearly evident since the teams are interacting with the remainder of the organization.

Third condition: contemporary event focus and choice of a research strategy

According to Yin (1994), the third condition to choose a research strategy is the degree of focus on contemporary as opposed to historical events.

"Case study is preferred in examining contemporary events but when the relevant behaviors cannot be manipulated." (Yin, 1994, p.7)

The analysis of the conditions under which CFTs enhance or hinder organizational change is definitely a contemporary phenomenon in the pharmaceutical industry (Cole, 2008)

According to Yin (1994), the criteria, by which the research strategy are chosen, include the form of the research question, the required control over the behavioral events, as well as the focus on contempory events. Given that the current research question is both descriptive and explanative, that no control on behavioral events is required and that CFTs are a contemporary phenomenon in the pharmaceutical industry, we choose the case study as a research strategy.

"Case studies are the preferred strategy when "how" or "why" questions are being posed, when the investigator has little control over events, and when the focus is on contemporary phenomenon within some real-life context." (Yin, 1994, p.6)

The case study inquiry copes with the technically distinctive situation in which there will be many more variables of interest than data points and as one result. It relies on multiple sources of evidence with data needing to converge in a triangulation fashion. This type of inquiry also benefits from the prior development of theoretical propositions to guide data collection and analysis.

Building theory from case studies has been extensively studied in the literature (Glaser and Strauss, 1967; Yin, 1981, 1984; Miles and Huberman, 1984; Eisenhardt and Bourgeois, 1988; Eisenhardt, 1989). According to Eisenhardt (1989, p-534):

"a case study is a research strategy which focuses on understanding the dynamics present within single settings".

It can refer to a single-case study or multiple-cases study. In a single case study, data are collected and analysed from one field setting, whereas, in a multiple cases study, they come from several chosen fields. In order to adopt a comparative analysis and a replication design (Yin, 1984), we chose a comparative multiple-cases study method.

3.3.2. Research Design: Inducting Theory using Comparative Case Studies

According to Yin (1994), a research design is the logic that links the data to be collected, and the conclusions to be drawn to the initial question of the study. A research design is an action plan for getting from here to here, where here may be defined as the initial sets of answers about these questions. A research design is like a blueprint of research. What questions to study? What data are relevant? What data to collect? How to analyze the results?

According to Yin (1994), the components of a research design are the study's question, the propositions if any, the unit of analysis, the logic linking the data and propositions as well as the criteria for interpreting the findings. The unit analysis is defining what the case is. If the unit is a small group, we need to define the persons to be included within the group and the ones who are outside who are representing the context for the case study. Specific time boundaries are needed to define the beginning and end of the case. Linking the data and propositions means to define patterns with effect, and patterns with no effect.

The existing research literature plays an important role in the research design. Most researchers want to compare their findings with previous research. Each case study and unit of analysis either should be similar to those previously studied by others or should deviate in clear operationally defined ways. The previous literature can become a guide for defining the case and unit of analysis). Yin (1994) insists on the importance of theory in design work and on the role of theory development prior to data collection. The five previously mentioned components force to construct a preliminary theory related to the topic. He advices on reviewing first the literature on the topic, to discuss the topic with colleagues and teachers and asking oneselves challenging questions such as "What are you studying?", "Why are you proposing to do the study?" and "What do you hope to learn as the result of the study?

In order to conduct this research, we followed the roadmap of inducting theory using case studies developed by Eisenhardt (1989). She offers an attempt to explain how to build theories from case study research, and identifies eight steps in the process of building a theory from a case study research: getting started, selecting cases, crafting instruments and protocols, entering the field, analysing data, shaping hypotheses, enfolding literature and reaching closure. The following table presents an overview of the research process with the main phases of the research and the content of the phase. In the following parts, we provide details of these phases.

Phase	Content
Exploratory	Development of the draft research proposal
Literature review	Review of the literature and synthesis of the main theories and lessons learned

Definition of research question

Definition of an analysis framework |
| Qualitative study and preparation | Selection of company cases and targeted professionals, definition and redaction of the interview form(s) |
| Qualitative study

Data collection and analysis | Interviews conducted, interview transcripts writing, data analysis, preliminary reports writing, individual cases writing, presentation to the senior management |
| Qualitative study and data analysis | Comparative analysis writing, enfolding literature, shaping propositions, reaching closure, conclusion and future research |
| Thesis defense | Preparation and oral defense |

Figure: 29: Overview of the research process

3.3.3. Cases Selection: one Pilot Team and Four Teams

Ideal Sampling of the case studies

The sampling of the case studies is crucial as it influences the results of the study (Miles and Huberman, 1994). In order to study the internal conditions under which CFTs enhance organizational change in multinational corporations, we used a theoretical sampling to select cases that reflected the phenomena under investigation (Eisenhard, 1989; Pettigrew, 1990). We first needed to choose an industry encountering a huge transformation in terms of business models, with limited experience in both managing dramatic change and in the use of CFTs. Second, we needed to find a business area that was meeting a huge transformation. Within the pharmaceutical industry, we chose the marketing, sales and distribution business functions because it was under major transformations due to changes of business models. Third, we needed to find CFTs who consisted of a small number of people - between 6 and 15 people, dedicated to a specific change, and representing at least three business functions (Research and Development, distribution, marketing, sales, IT, HR, clients, external companies, legal, medical…) and organized on a project mode. In order to

compare the teams, we also needed to select comparable teams dedicated to business transformations in marketing, sales and distribution.

Case sampling

As the pharmaceutical industry was undergoing a huge change in its business model, we chose this industry. Historically driven by blockbusters, the pharmaceutical industry was undertaking a major shift towards more specific biotech products. By selecting data from a single industry, we were able to limit potentially confusing industry effects. Then, we selected case studies that were representative of the emergence of the marketing, sales and distribution transformation carried out by CFTs in the pharmaceutical industry. Our objective was an in-depth study of five CFTs. The primary selection criteria for the case study's CFTs were the following:

- small number of people: between six and fifteen people;
- dedicated to change – transformation in the marketing, sales and distribution business functions;
- representing at least three business functions (Research and Development, marketing, sales, IT, HR, clients, external companies, legal, medical…);
- organized on a project mode.

The units of analysis are five teams: one Pilot Team in a pharmaceutical company and four teams within two pharmaceutical companies- two teams in each company. Such a setting allowed for a comparison within each company, and between companies. The case pilot helps to develop initial categories of structures and processes of CFTs engaged in the transformation of the marketing, sales and distribution transformation, as well as to sharpen the hermeneutic. This sampling allows us to study within case and cross-cases analysis. When we conducted a within-case analysis, we did not need to take into account the company's culture.

	Pilot Team: Brand Business Plan Team Company: AstraZeneca	

	Team A: The Call Reporting System Team	**Team B:** The Inno Team
Company 1: Abbott		
Company 2: PharmaCo3	**Team C:** The FASE Team	**Team D:** The Strategic Initiative Team
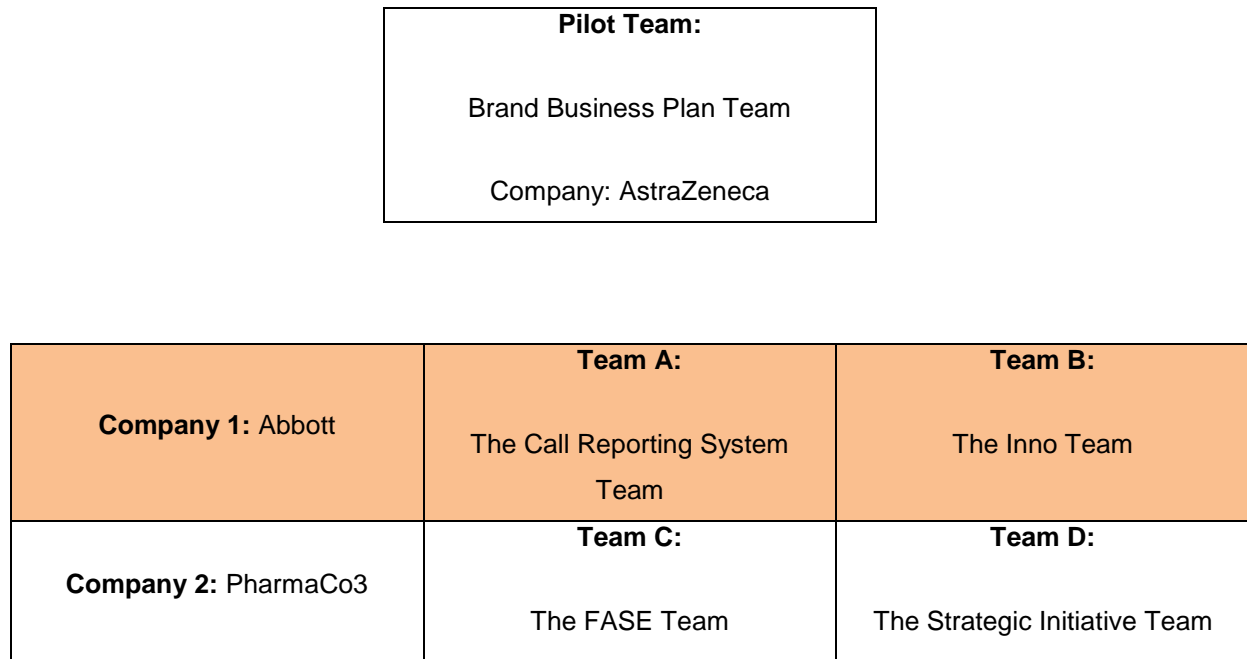
Figure: 30: Sampling design of the study

This sampling setting with one Pilot Team and a 2x2 matrix of two teams within two companies is a strong methodologically sound analysis of data. According to Eisenhardt (1989), cross-case analysis can be conducted in three ways. The first one consists of selecting categories or dimensions and in selecting similarities within groups and differences between groups. A cell design or a 2x2 matrix design can be used to compare the categories simultaneously. Another method of analysing cross-cases is to select pairs of cases and list the differences and commonalities. This helps to look for more subtle similarities amd differences. The third way consists of dividing the data according to their source – interviews, questionnaires, documents – and to compare data from the same source. In our study, we intend to use the first way.

Case selection

The three organization cases possess common characteristics. They are all from the same industry, the pharmaceutical industry, and all are facing high paced change and are sales orientated. The importance of clients *"intimacy"* and customer relationship management is the key, in addition to innovation which is of paramount importance in the

pursuit of success. The companies are operating in more than fifty countries and each of their sales company's (2009) are over $ 25.9 Billion. The five teams possess common structuring dimensions regrouping between six to fifteen collaborators of several business lines (marketing, sales, strategy, general management, customer support, logistics, regulatory affairs, suppliers or customers…). Each of them work on a project mode and aim to develop new models in the fields of marketing, sales and logistics, and is associated with a new information technology tool.

At AstraZeneca, the team under study is the Brand Building Plan team who is in charge of creating, developing and rolling-out a new marketing model and tool. It is based in Rueil-Malmaison, 78, France. At Abbott, the Inno team is studied; its main objective is to encourage innovation throughout the organization and the Call Reporting System team in charge of implementing a new business model and tool for key account managers. They are based in Baar, close to Zug in Switzerland. PharmaCo 3, a study of the FASE team is conducted; the team's main objective is to implement new business processes and tools. A strategic initiative for supply chains whose main objective is to raise the level of quality of the supply chain is also studied. They are based in Spreitenbach and in Villmergen close to Zurich, Switzerland.

Field access

In March 2007, I contacted AstraZeneca through a blind call. My technique was to list, on an Excel spreadsheet, all the pharmaceutical companies. Through my professional contacts, I was able to contact the other companies. I subsequently tried to get an individual name at the first point of contact. I was systematically searching for the marketing director, for example. I could get their name while surfing on the web or asking at the desk of the company. Following on from this I wrote a short email about my PhD project with a one page presentation. An example is available in the appendices. The Marketing Director of AstraZeneca was interested in my project in March 2007. We first met in his office at Rueil-Malmaison and I started the interviews in May 2007, over a period of two months. I first used these interviews for a Master's Thesis at La Sorbonne. I used this case as a pilot.

When I was on academic exchange at the University of St Gallen in Switzerland, I once again approached companies. I listed companies that I found suitable for my PhD thesis and contacted their marketing directors. The Human Resources Director of Abbott became interested in June 2008, the Head of Business Unit "Measuring Systems" of Hilti in

July 2008 and the Human Resources Director of PharmaCo 3 in October 2008. For each company, I wrote proposals and did several presentations. For some companies, I also met the CEO of the company in order to select the right teams. The interviews started in October 2008 and finished in January 2009.

3.3.4. Data collection: Primary Data Based on Interviews and Secondary Data

Primary data: interviews

The case studies involve multiple data sources including primary data and secondary data. We have collected data through interviews, observations and secondary sources. The primary data consists of semi-structured interviews with individual respondents from the four studied companies. We conducted 54 behavioral semi-directive face-to-face interviews with people involved in five teams in three multinational companies. Examples of some of the profiles interviewed are as follows: marketing operations director, commercial brand director, marketing director, market research analyst, head of sales, group product manager, marketing manager, group product manager, sales director primary care, marketing and sales vice president, marketing manager, marketing excellence director, marketing excellence project director or strategy consultant.. The functions were strategy, marketing, sales, information systems, human resources, legal, medical and logistics. The list of the interviewees is available in the appendices.

We conducted the interviews for the first phase in April, May and June 2007. Interviews for the second phase were conducted in October, November, December 2008, and January 2009. The different meetings and interviews are reported in the following tables. We sent a thank you email following each interview. We conducted the interviews face-to-face. In some cases, we conducted phone interviews when the geographical distance prevented us from traveling, such as with the USA. These were generally conducted as interviews with non-core people within the teams to enable us to grasp more general context of the team work. They were taken into account as a complementary information source and analyzed with the understanding of the limits such interviews might have. Some authors (Yin, 1994) have analysed the adequacy of the telephone interview as compared to face-to-face interview. According to Yin (1994), most of the studies received by telephone compares

favorably with that received by face-to-face interviewing. Grove and Kahn (1979) found telephone amswers substantively to be nearly identitical to face-to-face answers.

> "We found very few response discrepancies between the two sets of data were large enough to be considered startistically significant. The differences that did occur included (in addition to the tendancy towards more truncated responses to open-ended questions on the telephone) some suggestions of greater optimism among telephone respondents on consumer sentiment and life satisfaction items, and a greater uneasiness among telephone respondents about discussing some subjects. (Gross and Kahn, 1979, pp. 221-222)

According to Sudman and Bradburn (1982), no differences are observed in the answers given to the same questions asked by mail, phone or face-to-face. According to Yin 81994), the main elements of the open-ended ethnographic (in-depth) interview are the followings: accessing the site, understanding the language and culture of the respondent, deciding on how to present oneself, locating an informant, establishing rapport as well as collecting empirical data.

Interviews structure

The intended results of this qualitative study is a better understanding of the roll-out and functioning of the roll-out of CFTs within the context of major transformations in marketing, sales and distribution in global corporations, and furthermore a better understanding of organizational change.

During the interviews, we aimed to understand the reasons for the project, the roll-out processes, the mission, the activities, the objectives, the indicators, the structure, and the roles of people as well as the functioning processes, the resources and the evaluation of the roll-out of the projects. We also looked at identifying, classifying and understanding the change practices.

Regarding the structure of the interviews, we used two interview guidelines, one for the low level respondants (L) who were defined as having no managerial role, and one for the so-called high level respondants (H) who were defined as having managerial responsibilities. We asked respondents open-ended questions that allowed them to relate their experiences about how CFTs have evolved. We asked probing questions to get more details about specific events that may have occurred. We used two interview guides to

conduct two levels of semistructured interviews. The high-level interview had six sections. The first section related to the background of the respondent. The second part focused on the strategic issues. The third part dealt with motives and objectives of the team organization. The fourth part dealt with structure, processes, roles and responsibilities and tools of the team. The fifth part regarded the organization's implementation and change management. The final part of the interview was a structured questionnaire that asked respondants to give numerically scaled responses to measure the performance of the team according to set key performance indicators.

1- Background and role of the interviewee (H L)
2- Strategic issues (H)
3- Motives and objectives of the team organization (H L)
4- Structure, processes, roles and responsibilities and tools of the team (H L)
5- Organization's implementation and change management (H L)
6- Organization evaluation (H L)

Figure 31: Structure of the high-level interview guideline

The low-level interview had five sections. The first section related to the background of the respondent. The second part dealt with motives and objectives of the team organization. The third part dealt with structure, processes, roles and responsibilities and tools of the team. The fourth part regarded the organization's implementation and change management. The last part of the interview was a structured questionnaire that asked respondants to give numerically scaled responses to measure the performance of the team according to set key performance indicators.

1- Background and role of the interviewee (H L)
2- Motives and objectives of the team organization (H L)
3- Structure, processes, roles and responsibilities and tools of the team (H L)
4- Organization's implementation and change management (H L)
5- Organization evaluation (H L)

Figure 32: Structure of the low-level interview guideline

Organizational change outcome – operationalization of the measure of performance

We describe, in this section, how we measured the teams' success that is the successful organizational change outcome. Using the method Brown and Eisenhardt (1997), Martin and Eisenhardt (2010) and Bresman (2006), we measured team success – successful organizational change outcome – as follows. We first looked at the official performance measurements available in project documents. Second, we averaged the informant ratings of team performance (made on a six-point Likert Scale - 1 being the lowest and 6 the highest. This team performance was based on how informants defined success that was based on key performance indicators specified in the project. We defined the key performance indicators with the leader of the project and assessed them by asking informants to rate them using a six-point Likert scale. The scores across the teams were then averaged.

Criteria	KPI: % Number of innovative projects (1 very low - 6 very high success)
Interviewees	
Interviewee 1	5.00
Interviewee 2	5.00
Interviewee 3	4.00
Interviewee 4	4.00
Interviewee 5	4.00
Interviewee 6	5.00
Total	27.00
Mean	**4.5**

Figure 33: Examples of a team performance evaluation

Third, during the interviews, qualitative assessments were gathered, information concerning strengths, areas for improvement and possible solutions. This information provided qualitative assessment from informants. High performance was indicated by positive comments such as:

"The key learning of this BBP roll out is the way to interact with people. The team could not have done differently given the time and resources. Nothing happened for 9 months after the huge effort that moved the organization for 6 months. Now it is moving forward. The challenge is the collective learning". (Interviewee CFT P 10, Marketing excellence director)

"The Inno team has already changed behavior. For example, we have to change our mind. We have to be open to new things". (Interviewee CFT B 5, Division director)

Low performance is indicated by negative comments such as:

"First we had the warehouse here. Then they moved to X., and we had a lot problems and a lot of complaints from our clients, sales representatives and the transporters." (Interviewee CFT D 7, Team leader – customer representative)

"If I pilot a plane like that, it would crash. You can't have a pilot with nothing. I did not have the right customers I really needed to work with. Every two questions I asked, they said, it will be OK. We were sitting there. That pilot was on February 2008. We really thought we were losing 3 days." (Interviewee, CFT A 5, Key account manager)

Interviews frame

During the interviews, we strived to get involved in informal conversation with the respondent. We tried to maintain a tone of friendly chat while remaining close to the guidelines. We generally broke the ice with asking general questions and gradually move to more specific ones. We were also sensitive to non verbal communication such as proxemic communication, chronemics communication, kinesic communication as well as paralinguistic communication.

"Proxemic communication is the use of interpersonal space to communicate attitudes, chronomics communication is the use of spacing speech and length of silence in conversation, kinesic communication includes any body movement or postures, and paralinguistic communication includes all the variations in volume, pitch and quality of voice." (Gorden, 1980, p.335)

Secondary data

In addition to the behavioral interviews, we also collected and analysed internal documents and public documents. The list is available in the appendices. Triangulation was one of the means of constructing validity and substantiating findings and subsequent propositions.

3.3.5. Data Analysis: Detailed and Comprehensive Descriptive Thematic Case Analysis assorted to a Comparative multiple cases analysis

"No matter how organized the researcher may be, he or she, slowly becomes buried under a growing moutian of field notes, transcripts, newpapers clipping, and tape recording." (Denzin et al., p.372)

In order to answer our research question on how CFTs dedicated to change enhance organizational change within multinational organizations, we adopted an inductive approach to the data (Miles and Hubermann, 1994) and used an analytical process based on four steps. First, we constructed a detailed and comprehensive descriptive thematic and chronological story of each case (Langley, 1999; Jarzabkowsi, 2008). Each case was based on the transcribed interviews and the collected public, company and project documents. All interviews were recorded and transcribed. The fifty-four respondents provided a detailed account of the project they were part of, or related to: their background, their role, the motives and the objectives of the team, the structures, processes, roles and responsibilities,

tools, the roll-out of the team and the team evaluation. Each CFT was analyzed as a separate case (within-case analysis) before a cross-case analysis was conducted. Interviewees developed a self reported outcome of their team. These descriptive parameters provided a basis of support of qualitative analyses of team practices. Although more subject to hindsight bias than documentary records, these interviews allowed a greater degree of understanding of why events occurred as they did and how people felt about them (Thiétart, 2003). The strength of this method is the validity of the produced data. As they had been generated spontaneously by the interviewee, they were more likely to reflect what he or she meant. This method also provided more developed data than more structured methodology. Nevertheless, limitations are associated with this method regarding the reliability of the data due to the amount of work necessary to collect and analyse interviews. Individual case histories are reflected in these interviews and we structured the case reports in the same way. The final case studies resembled comprehensive examinations of the field study. We then built up a comparative case study using the five individual case studies. These narratives provided a comprehensive description of each CFTs' perception of their own and other activities in the change process of marketing, sales and distribution transformations, and how they acted to shape the change process.

Second, using a thematic qualitative analysis (Thiétart, 2003), we coded team members' behaviors during each project phase. We searched for the discernible patterns of behaviors and for the practices conducted by team members. The codes generated described what team members did during the various time periods such as planning, executing, coordinating, evaluating and communicating. We then used a data reduction process (Strauss and Corbin, 1998), which is often used by qualitative researchers with multiple cases (Brown and Eisenhardt, 1989), to move from descriptive codes to fewer conceptually abstracted codes. These descriptive codes were reduced to interpretative clusters/categories (Miles and Huberman, 1994) according to whether they were qualitatively similar or different. In order to reduce the codes, we asked ourselves questions such as "Is this code similar to this one?", "Are these codes different from the other ones?" Following this process, we managed to group practices and to define a relatively limited number of practices that team members demonstrated during the change process. This technique forced us to look beyond our initial impressions and view evidence through multiple lenses. The main practices were:

- Coupling and decoupling activities according the projects' phase

- Sharing leadership
- Semi-structuring

Third, we mapped the teams' practices to each case, which was subsequently analysed as a success or a failure. Wherever a team achieved its desirable outcome in terms of how they defined it, the case was considered a success. We searched for behavioral patterns as sequences of team practices and analysed these patterns against their implication for shaping change. The within-case analysis contributed to nuance categories such as coupling and decoupling activities, shared leadership and semi-structuring. The cross-case analysis helped us to stabilize these categories. These categories finally enabled us to answer the research question: "Under which internal conditions CFTs enhance organizational teams in multinational companies?" as well as shaping propositions. We reviewed literature on a practice-based approach, on organizational change and on CFTs regarding the concepts of organizational change, CFTs and practice. Finally, we reached closure, developed a theoretical insight regarding the internal conditions under which CFTs enhance organizational change and defined a framework about "Enabling Conditions for Organizational Change Production by CFTs."

Theoretical Concept	Derived Concept What is to be measured?	Research question	Empirical concept Measurement	Code
CFT	The characteristics of cross-functional teams under study are: - Small number of people: between 6 and 15 people, - Dedicated to a specific change – transformation in the marketing, sales and distribution business functions, - Representing at leat 3 business functions (R&D, marketing, sales, IT, HR, clients, external companies, legal, medical…), - Organized on a project mode.	What are the main characteristics of CFTs?	Interpretation of interviews regarding the CFTs' characteristics (goal, size, functions, project mode) Reading of project documents	M1
Organizational Change	Assessment of the extent to which the original organizational change outcome for the CFT had been met - transformation of marketing, sales and distribution organization and processes within the firm	To what extent has the original organizational change outcome for the CFT - transformation of marketing, sales and distribution organization and processes within the firm - been met?	CFTs' members auto-evaluation of their team according to a set of performance indicators defined for the project	M2
Multinational corporations MNC	Large public corporations operating in multiple countries	What are the characteristics of the firms under study?	Interpretation of interviews regarding the firms, reading of public documents and project documents	M3
Internal conditions	Practices	What are the activities performed by CFTs that enable or hinder organizational change?	Interpretations of interviews and analysis of critical events on a couple of items regarding the activities performed by CFT during the different project phases	M4
	Practitioners	Who are the actors performing the activities that enable or hinder organizational change?	Interpretations of interviews and analysis of critical events on a couple of items regarding the actors working and interacting during the different project phases	M5
Coupling and decoupling activities	Outward focus (exploration, exportation)	When and how do CFTs enable or hinder organizational change through decoupling their activities with the rest of the organization?	Interpretations of interviews and analysis of critical events on a couple of items regarding the decoupling activities performed by CFTs during the different project phases - how CFTs gather information within the company and the industry (scouting) - how CFTs manage upward, market the project (ambassadorship) - manage the lateral connection across functions and the interdependancies with other units (coordination)	M6
	Inward focus (exploitation)	When and how do CFTs enable or hinder organizational change through coupling their activities with the rest of the organization?	Interpretations of interviews and analysis of critical events on a couple of items regarding the coupling activities performed by CFTs during the different project phases (clear goals - cohesion - team spirit - planning - key performance indicators - enthusiastic team -informing - learning from each other)	M7
Sharing leadership	Lead shared between at least two people	When and how do CFTs enable or hinder organizational change through sharing leadership with the rest of the organization?	Interpretations of interviews and analysis of critical events on a couple of items regarding shared roles and responsibilities during the phases of the project	M8
Semi-structuring	Limited organizational structure around key responsibilities and priorities with extensive communication	When and how do CFTs enable or hinder organizational change through semi-structuring with the rest of the organization?	Interpretations of interviews and analysis of critical events on a couple of items regarding limited structure around key responsibilities and priorities - CFTs' members' clear roles and responsibilities - extensive communication - open to the rest of the organization	M9

Table 34: Synopsis of coding

The following table presents the main stages of analyzing the enabling conditions for organizational change by CFTs.

Stages	Tasks	Outputs
1- Developing 5 individual cases and a comparative case	Develop 5 single case studies according to a thematic template Develop a comparative case	5 single cases 1 comparative case
2- Identifying practices through project phases	Develop descriptive empirical codes of what CFT were doing such as planning, communicating, evaluating… Cluster descriptive codes into fewer categories	CFT practices
3- Analyzing patterns of practices and outcomes	Define main patterns of practices Map patterns of practices Identify successful and non successful outcomes	Change patterns Identification of more or less successful CFTs' outcomes

Table 35: Stages of analysis

3.3.6. Validity criteria of the study: Good Theory, Method and Evidences

According to Yin (1994), two main prejudices about the case study strategy should be fighten. The first one stipulates evidences are equivocal and views are biaised such as to influence the direction of the findings and the conclusions. The second bias is that case studies provide little basis for scientific generalization. A frequently asked question is "How can you generalize from a single case?" The answer to the first question is that methodology, rigor and ethics provide the researcher with the adequate means to conduct a research. The answer to the second is that cases study, like experiments, are generalizable to theoretical

propositions and not to populations or universes. The case study does not represent a sample. The investigator's role is to expand and generalize theories (analytic generalization) and not to enumerate frequencies (statistical generalization). The quality of design is evaluated through the construct validity, internal validity, external validity and reliability. The method of generalization in case studies is analytic generalization in which a previously developed theory is used as a template with which to compare the empirical results of the constructs. If two or more cases are shown to support the same theory, replication may be claimed. The empirical results may be considered more potent if two or more cases support the same theory but do not support an equally plausible rival theory.

According to Eisenhardt (1989), the assessment criteria for a case study is that the theory itself is a good theory (concepts, framework, or propositions that emerge at the end of the process) that is a parsimonious, testable and logically coherent theory, the strength of the method and the evidence grounding the theory, as well as new insight reached. We propose to use these criteria to assess our theoretical insight in the section (7).

"A strong theory-building study yields good theory (that is parsimonious, testable and logically coherent theory) which emerges at the end, not at the beginning, of the study."

"Assessment… also depends upon empirical issues, strength of method and the evidence grounding the theory"

"Strong studies are those which present interesting or framebreaking theories which meet the tests of good theory or concept development (e.g., parsimony, testability, logical coherence) and are grounded in convincing evidence." (Eisenhardt, 1989, p.549)

The validity of the study should be judged from within the study; whether it manages to achieve what it wants to achieve. The validity of the theory should be evaluated on the criteria that its concepts, framework and propositions are parsimonious, testable and logically coherent. The method should be strong and the theory grounded in evidences. New insight should be reached. We believe that the research approach chosen, despite its high degree of complexity, allows us a valuable insight into the research theme. Athough this in depth comparative "one plus four" case studies of organizational change production by project teams may be more interesting for the case organizations themselves, the description should help other organizations identify similar challenges and solutions to organizational change production by project teams.

3.4. Conclusion

In order to examine under which internal conditions CFTs dedicated to change enable or hinder organization change in multinational corporations, and informed by epistemological and methodological considerations (Avenier, 2008, 2010; Yin, 1981, 1984, 1994; Eisenhardt, 1989), we chose an interpretative research approach, a qualitative comparative multiple cases study methodology as a research strategy and an abducting reasoning. Our case sampling regroups one Pilot Team and four teams in two pharmaceutical companies. These teams are dedicated to implementing a major transformation in the sales, marketing and distribution field. Our study was based on fifty-four semi-structured behavioral interviews and secondary data. To conduct the analysis of the data, we used within-case analysis, cross-cases analysis as well as a thematic content analysis methodology. The epistemologic and methodological foundations are now defined. In the following chapter, we will describe the cases by providing as much detail as possible but keeping brevity in mind.

4. Marketing, sales and distribution transformation and Cross-Functional Teams dedicated to change in the case organizations

4.1. Introduction

This is a study of the enabling conditions for organizational change production by one plus four CFTs dedicated to organizational change in three multinational firms, AstraZeneca, Abbott, PharmaCo 3 (disguised name). CFTs are taken as a special organizational form that allows us to engage in the thinking of organizational change more broadly. In this chapter, we will describe the individual case organizations. We will explain our choice of the pharmaceutical industry and the functions of marketing, sales and distribution within this industry. We will finally describe the cross-functionaf teams under study.

4.2. Case Organizations: Worldwide Leading Multinational Pharmaceutical companies

The three case organizations, AstraZeneca, Abbott and PharmaCo 3 possess common characteristics. They present similar industry characteristics with high paced change and are sales orientated. The importance of clients "intimacy" and customer relationship management is a key factor. In addition to innovation which is of paramount importance in the pursuit of success. The companies are operating in more than 50 countries and their sales (2009) are over $ 25.9 Billion.

Organization	Business	Size	Number of countries	Worldwide sales	Oriented to sales	Importance of clients' intimacy and customer relationship management	High pace of change	Innovation, a key success factor
Astra Zeneca	One of the world's leading pharnaceutical company with a broad range of medecines designed to fight disease in important areas of healthcare	66 000 employees	100	$ 26.5 Billion	Yes	Yes	Yes	Yes
Abbott	Global broad based healthcare company devoted to discovering new medecines, new technologies and new way to manage health	68 000 employees	130	$ 25.9 Billion	Yes	Yes	Yes	Yes
PharmaCo 3	The world's mots comprehensive and broadly based manufacturer of healthcare products	250 operating companies	57	$ 61.1 Billion	Yes	Yes	Yes	Yes

Figure: 36: Overview of the case organizations

AstraZeneca is one of the world's leading pharmaceutical companies, with a broad range of medicines designed to fight disease in prominent areas of healthcare. AstraZeneca was formed on April 6, 1999 through the merger of Astra AB of Sweden and Zeneca Group PLC of the UK. AstraZeneca's headquarters are in London, UK. The 2009 revenue of AstraZeneca is $ 26.5 Billion with an operating profit of $8.2 billion. The research and development is $3.9 Billion. The portfolio has 11 brands with annual sales of greater than $1 billion. Revenue from outside the US counts for 53 per cent of total sales. AstraZeneca is the third placed European pharmaceutical company and the eighty-first in the world. Its main competitors are Pfizer (USA), Johnson and Johnson (USA), Merck and Co (USA), GlaxoSmithKline (UK), Novartis (Switzerland), Amgen (USA) and Eli Lilly (USA).

Abbott is a global, broad-based healthcare company commited to discovering new medicines, new technologies and new ways to manage health. It employs 68 000 employees and operates in 130 countries. Its mission is researching, developing, producing, and distributing pharmaceutical products, clinical products, medical nutrition and diagnostics. Abbott has sales, manufacturing, research and development and distribution facilities around the world. The company is ranked fourth the pharmaceutical industry in the Fortune 500 Ranking 2007. The 2009 worldwide sales were $ 25.9 Billion.

The medical company "PharmaCo 3" is the world's most comprehensive and broadly based manufacturer of healthcare products. It wass ranked as the first pharmaceutical company in the Fortune 500 Ranking 2007. Founded in 1886, company shares listed on the New York Stock Exchange for public investors in 1944. With more than 250 operating companies located in 57 countries around the world, the firm serves the consumer, pharmaceutical, and medical devices and diagnostic markets with a focus on research based, technology driven products. The performance of the company presents an exceptional track record of growth: 75 consecutive years of sales increases, 24 consecutive years of adjusted earnings increases and 46 consecutive years of dividend increases. The 2009 Worldwide sales were $61.1 Billion.

4.3. *The Pharmaceutical Industry and Marketing, Sales and Distribution, an Attractive Setting*

The selected industry setting is the pharmaceutical industry which is attractive because of its increasing rate of change.

"In high-velocity industries with … rapid competitive landscapes, the ability to engage in rapid and relentless continuous change is a crucial capability for survival." (Brown and Eisenhardt, 1997, p2)

The pharmaceutical industry is faced with the objective to grow. It develops products, creates value, and defines marketing to then share it with the sales force. The key to its success is to innovate with new products and to develop successful multiple product portfolios. Its characteristics are a high pace change, oriented to sales. The importance of clients' "intimacy" and customer relationship management is crucial. innovation is also a critical success factor. The emphasis is for the company to evolve from traditional products to services-related products.

4.3.1. The Pharmaceutical Industry, an Economic Sector and Business Model under Change

To better understand the organizational change environment of the case organizations, we suggest looking at the special characteristics of the healthcare industry at the beginning of the twenty-first century. Our Master's Thesis at Sorbonne-Panthéon-IAE Paris based on a multicase study at AstraZeneca, one of the world's leading pharmaceutical laboratories, stated that increasing competition, shorter research and development pipeline times, stronger regulations concerning market access, state preference for generic drugs and state policy of lower reimbursement were facing companies in the European pharmaceutical industry. According to Wicki (2010), the main challenges for investors in private biotech and pharmaceutical companies are higher obstacles for approval of drugs and devices, increasing costs and longer timelines for drug development, and the difficulties of finding experienced managers. Other difficulties include the disappointing performance from life sciences investment, the post integration performance, price pressures as well as extremely selective and slow corporate partners.

As Bill Mott writes in the Financial Times (July 12, 2011):

"Twenty years ago the pharmaceutical sector was perceived as a growth area and traded at blistering multiples. How times change. Now GlaxoSmithKline and AstraZeneca are among the

mostly lowly rated shares in the market and both yield considerably more than UK government gilts.

The fall from grace has many causes. The high hopes of new drugs emerging from the sequencing of the human genome were dashed. Breakthroughs in genuinely new therapeutic categories have been rare. Regulators have become tougher: the US Food and Drug Administration only approved 21 new drugs in 2010. Even if a drug has made to market, we've seen many subsequently banned or become subject to generic attack.

Over the years there has been a steady decline in the productivity of research and development expenditure. The stock market has, as a result, and not illogically, derated the pharmaceutical sector."

However, opportunities indicate that medical needs are still unmet; many segments have good growth prospects; large and mid-sized pharmaceuticals are interested in partnering products and buying companies; potential buyers have cash. Sachs (2009) also brings forward the increasing pressure of the environment on the pharmaceutical industry and the need for a change in the business model:

"After years of developing quietly, the pharmaceutical industry is beginning to get panickly. For many years, it seemed as though high prices and above-average profits were as good as guaranteed for all health product providers. However, recently the pharmaceutical corporations are being confronted increasingly with demands and challenges from their stakeholders. The attack from many stakeholders is directed at the problem of the rising costs of healthcare. On the other hand, the rising costs of innovations, the improved quality of services, and changes in demand based on structural demographic change are less often mentioned. In this context, the pharmaceutical corporations are generally being challenged to bring about fundamental change in their business model, in the form of a comprehensive stakeholder management approach. An interview partner at Pfizer had this to say: "It's a multiple problem. To put it bluntly, Big Pharma is a gigantic, impersonal profit machine which generates its profit at the expense of patients with exaggerated prices for drugs and which keep physicians docile with generous donations so they sell their drugs. And of course at the expense of patients which means at our expense in the end, at the expense of a social health care system. This perception is of course totally unfair, and the media play a decisive role in shaping this perception." (Sachs, 2009, p19)

The pharmaceutical industry is specifically interesting when studying change because the innovation cycle is very specific compared with other industries, and remains a key to the success of this industry. All pharmaceutical companies and pharmaceutical professional

associations agree on the fact that innovation is a key to success in this industry. According to the Swiss Chemical and Pharmaceutical Industry (2007), the strength of their industry has been, for a long time, innovation and the ability to quickly respond to changes in the domestic as well as in the foreign environment. The capability for innovation is, and remains, its most important key for future economic success. Translations of ideas into fully developed products and services have to be better, faster and more cost-effective. innovation also depends on the professionalism of the entire workforce. Highly competitive companies focus on their core competencies. Such companies control all elements of their value chain – from the raw material to the final product. The ability to innovate in the pharmaceutical industry is the key to their success. Innovation is the lifeblood. It is the basis for economic success. The industry demonstrated a high research investment which is largely international. The research and development process is long, complex and costly. The Research and Development process is composed of six phases: drug discovery, preclinical phase, clinical trials, authorization introduction, the market phase and ongoing surveillance (Bale, 2007).
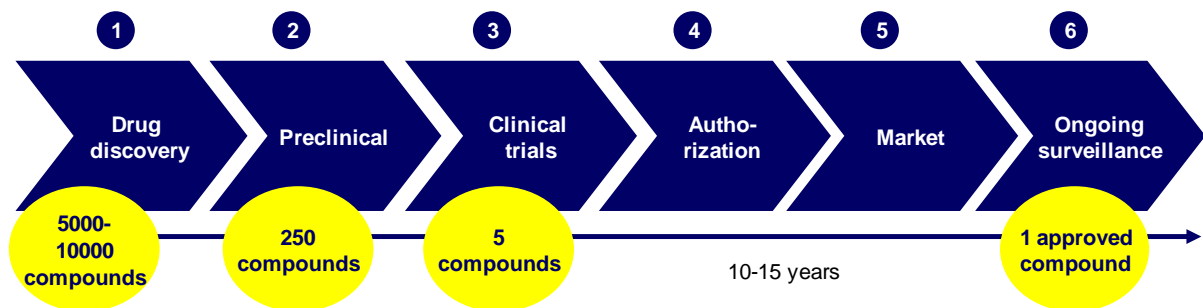
Figure: 37: The Pharmaceutical Research and Development Process

The pre-discovery phase consists of understanding the disease to be treated, identifying a drug target and testing the target for research feasibility. What are the causes of the disease, the molecular pathways and the effects? Can a drug act on the target? The drug discovery phase contributes to finding a candidate drug, conducting initial tests on every promising compound and optimizing remaining leads for safety and effectiveness. The pre-clinical phase aims to test leads in the laboratory and in animals as well as developing and testing a process to make drugs for clinical trials. Clinical trials are composed of a series of trials. Phase 1 clinical trials investigate safety and proper dose ranges of a product candidate in a small number of human subjects. Phase 2 clinical trials investigate side effect profiles and efficacy of a product candidate in a large number of patients who have the disease or

condition under study. Phase 3 clinical trials investigate the safety and efficacy of a product candidate in a large number of patients who have the disease or condition under study. After these three ranges of trials, the product is approved or not. Then the authorization phase consists of an application to the legal national competent authority, and includes information regarding research findings, analysis of clinical trial results or the proposed labelling and manufacturing plan. Once the drug is authorized, the manufacturing and the marketing of the product can begin. Ongoing surveillance continues monitoring the product experience.

The International Federation of Pharmaceutical Manufacturers and Associations based in Geneva resumes the conditions for success in pharmaceutical research and development on a pharmaceutical innovation platform composed of four pillars: successful healthcare systems, efficient markets, effective use of intellectual property and adequate and predictable regulatory requirements. Successful healthcare systems relate to an efficient medical delivery and distribution systems, a medical culture, practices and policies that promote innovation, empower patients and provide reliable access to pharmaceutical information. Efficient markets are concerned with healthcare expenditures seen as investments and not costs, a realistic assessment of the role of pharmaceutical products in improving healthcare, (including the real value of incremental innovation), efficient and transparent pricing and reimbursement decision making, as well as international price variations to adapt to different market conditions. The effective use of intellectual property means that administration and enforcement of intellectual property rights are effective, market exclusivity periods are sufficient and respected, and that parallel trade is prevented. Adequate and predictable regulatory requirements signify a stable and predictable regulatory environment, cooperation between regulators and industry, a swift and transparent regulatory approval process for pharmaceutical products, a harmonization of regulatory requirements globally, and an adjustment of regulatory requirements towards advances in science and technology.

Innovation is a core concept in the pharmaceutical sector. The innovation cycle is characterised by its duration of ten to fifteen years, by the importance of the drug discovery at the beginning of the process, by the complexity of the translation of this discovery on the market, and by its cost. Innovation may be exploring, (that is finding and implementing a completely new molecule or drug) or exploiting, (that is concerning the improvement of existing molecules or drugs). Innovation designs mainly research and development and sometimes other areas of the value chain. Nevertheless, translating new ideas into practice is not the only issue. Backing and supporting the definition and the distinction between

innovation and change, finding and implementing so called "new" molecules, products or processes is not the only question. According to the SGCI (2007):

"The companies operating in our industry face a continuous need to adapt to this changing environment".

4.3.2. The Marketing, Sales and Distribution functions under Tremendous Changes in the Pharmaceutical Industry

But research and development is only one aspect of innovation within the pharmaceutical sector. According to the Swiss Chemical and Pharmaceutical Industry (2007), innovation in the pharmaceutical sector today is not only limited to products and production methods; it also includes administrative processes and organizational structures. Innovation also depends on the professionalism of the entire workforce. Highly competitive companies focus on their core competencies. Such companies control all elements of their value chain – from the raw material to the final product.

The question is not only about innovation, which is a major concern indeed, but is also about the ability to continuously change. A continuous, changing organization cannot be resumed by the innovation cycle alone in the pharmaceutical company. It concerns the whole organizational capability to adapt, to evolve, and to be resilient, that is, to enable the capacity of an organization or an enterprise to cope with external or internal changes.

Marketing, sales and distribution in the healthcare industry have for a long time not been put forward. Research and development was indeed the most recognized function. With the new challenges facing this industry, these functions have increased their role and importance. Pharmaceutical companies have undertaken huge changes in order to compete at these levels as well. The customer relationship management in the healthcare industry is particular in the sense that medicines are prescribed by doctors who are not the direct purchasers of the goods produced by the pharmaceutical industry. And yet doctors are the audience towards which pharmaceutical companies must direct and target their marketing efforts, without having the individual information provided by a traditional client-supplier relationship. Therefore the main objective of pharmaceutical companies' marketing and sales divisions is to get a better understanding of where drugs are sold, who prescribe them and why. They need to develop databases that respond to these questions, along with

information tools, allowing them to optimize their CRM (Customer Relationship Management) approaches.

Bill Mott emphasizes the growing importance of the commercial functions in the pharmaceutical industry, in the Financial Times (July 12, 2011):

"Value on its own is rarely enough for a profitable investment. But we think the behavior of managements is changing. Companies are no longer being run by scientists for scientists, but more in the long-term interests of shareholders. R and D is no longer a sacred cow. Instead, companies are managing their drug discovery pipelines on a more commercial basis, aiming to weed out, at an earlier stage, those projects that have low chances of making it to market."

The value chain under study is the marketing, sales and distribution functions. Here is a simplified presentation adapted from Porter (1985). The distribution function contains the inbounds and the outbound logistics in the following diagram.
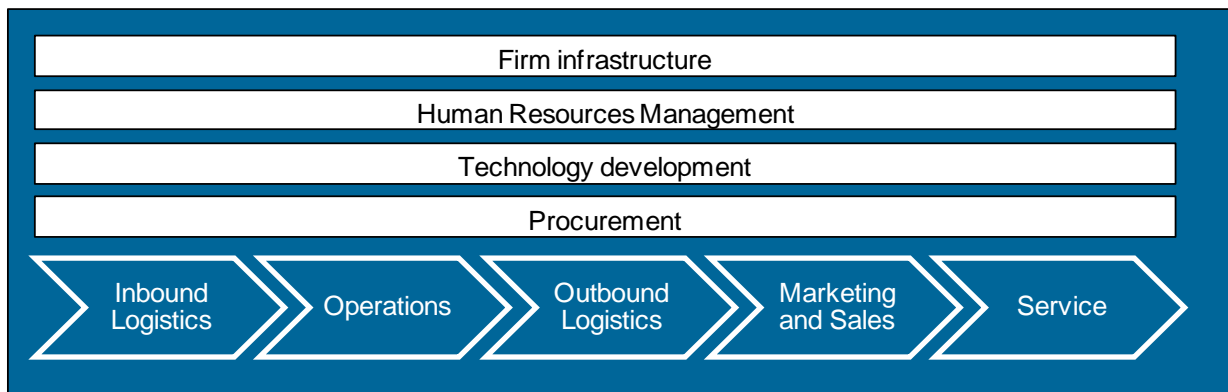
Figure: 38: Value Chain Framework of a company – Adapted from Michael Porter (1985)

Sachs (2009) stresses the importance of customer relationship management.

"In order to consider customers as a real strategic resource, many corporations have established Customer Relationship Management (CRM). CRM is IT-supported marketing management; the goal is to bind the customer in the long term, to form a deeper interaction and to make respectively higher profits. CRM identifies essential customers and due to a more professional assessment, gives indications of how their needs can be better satisfied. On this basis, establishing long-term customer relations with existing customers is an integral part of marketing, and today, along with the acquisition of new customers, some corporations are investing a more or less large amount of the marketing budget in customer-relations management. This makes economic sense, since it is usually more profitable to pay attention

to existing customers than to acquire new ones. For the necessary satables, in addition to administrative information, one needs to save the customers' complete customer histories, the type and frequency of transaction and other marketing-specific transactions: matching corporation and customer strategy, clarifying relevant business processes between customers and corporations, support for CRM from management and the employees, ability to intergrate CRM-software in the existing IT system, as well as the integration of important customers in CRM." (Sachs, 2009, p71)

4.4. One Pilot and Four Cross-Functional Teams in the case studies

4.4.1. Marketing, sales and distribution organization

In the pharmaceutical industry, the emphasis was placed mostly on research and development. In more recent years, environmental pressures on the industry drove these companies to search for efficiency in all functions. When sales and marketing was mostly considered as administrative functions, management took care to optimize them and develop them as a key component of the value chain. In the construction tool industry, the predominant part used to be sales and only sales. Competitive pressure also drove companies to develop the marketing part towards a better position in the market and to optimize services offered to clients. In the medical device industry, distribution was considered as an administrative part and an easy going process. With centralizatation and outsourcing of this function, it became an important process to optimize as well. Overall, to put the client first and to focus the marketing, sales and distribution functions towards the customer, CFTs have been put in place.

The company's strong commitment to its customers extends to product development - not only by getting involved in the development process, but also by helping to establish the company's product strategy and roadmap. Medicines are prescribed by doctors who are not direct purchasers of goods produced by the pharmaceutical industry. And yet doctors are the audience towards which pharmaceutical companies must direct and target their marketing efforts, without having the individual information provided by a traditional client-supplier relationship. The pharmaceutical CRM is clearly distinct from the classic CRM. In a classic

CRM set-up, a supplier directly markets its products to its clients, who, in return, order goods from the supplier. In the pharmaceuticals market, sales and marketing are separate:

- Medical sales reps (pharmaceutical companies' sales forces) market drugs to healthcare professionals, for example. These professionals in turn prescribe them to their patients, but they never sell drugs to their patients;

- Retail drug sales are made by tens of thousands of points of sale, including pharmacies. Pharmacies are supplied by various distribution channels, including wholesale distributors; these distributors are the pharmaceutical companies' principal direct clients.

If pharmaceutical companies' knowledge is limited to these direct clients, they are unable to determine where their drugs are being sold and why healthcare professionals are prescribing them, or to gauge the effectiveness of their promotional efforts. Since patients are free to choose their doctor and/or their pharmacist, there is not even a link between where the drugs are prescribed and where they are sold. Furthermore, generic drugs may be substituted for the one prescribed by the doctor. This nexus of players needs to be addressed to create strategic databases and software solutions. Specific products and services enable pharmaceutical companies' sales and marketing departments to optimize their strategies and provide all sorts of healthcare professionals with the most effective information and tools available. According to Cole (2008):

> "The nimble, cross-functional team – common in other industries where speed to market is critical – is fast becoming a reality at leading pharmaceutical companies. No more throwing the product over the wall from Research and Development to Regulatory Affairs to Manufacturing to Quality Assurance to Sales and Marketing. Facing patent expirations, spiraling development costs, and proliferating competition, companies must now be able to move quickly on many fronts simultaneously. They must find creative ways to shorten the time to market while securing regulatory approval and ensuring a favorable reimbursement environment and receptive healthcare providers." (Cole, 2008, p.38)

4.4.2. Functional Representation in Cross-Functional Team: Strategy, Marketing, Sales, Distribution and others

The line functions represented in the CFTs were strategy, marketing, market research, customer service, business development, sales, logistics, medical, information system, human resources, management, regulatory affairs, control. Each project was lead by a project manager. Their main tasks were to conduct and follow up the project. They were responsible for leading the project-based CFTs. Project managers and project team members were part time professionals on the projects. They were most of the time continuing to perform their usual job. They worked on a project mode and aimed at developing new models in the fields of marketing, sales and logistics and were associated with a new information technology tool.

4.4.3. Transforming Marketing, Sales and Distribution as an Organizational Change goal

The CFTs were purposely put in place for transforming the marketing, sales and distribution functions. A study by Ahearne, Lam, Mathieu and Bolander (2010) analyses how sales representatives adopt the new customer relationship management information system. Their conclusions confirm the Lewin-Schein theory of change with the three adaptation phases: unfreezing, moving and refreezing. They also show that learning-oriented people are better at adaptating to change than performance-oriented people. The initial performance drop reflects the early learning and is then compensated with higher performance.

5.   Organizational Change by Cross-Functional Teams – a Comparative 1 + 4 CFTs Case Studies

5.1. Introduction

In the following, a monography for the five teams and a comparative cases study are presented. The main goal of this part is to illustrate the main characteristics, similarities and differences of the teams, and, with every project, gain a better understanding of the critical issues and enabling conditions for organizational change. The following comparative elements are studied: first, the context, the motives, the objectives, the activities and the key performance criteria of the team. Second, are described the organizational structure, governance and team members; third, the tools; fourth, the processes and practices and, finally, the team evaluation.

In order to present this part, we first wrote-up a detailed case study for each case which is available in the appendices (9) and which consists of a description of each case. This first step was central to our work because it helped us to cope, in the early stages, with the huge amount of data we collected from the field, and to become intimate with each case, and to allow unique patterns from each case to emerge. In this chapter, we then build up on these within-case studies to conduct a cross-cases analysis. We searched for patterns. We aimed at selecting dimensions and looking for within-group familiarities and inter-group dissimilarities. Our case setting was specifically useful for that, since we have one Pilot Team that helped us to first formalize category and two teams in each of the two organizations under study. The outcome – organizational change management success – was used to create groups and split the teams between the successful ones, the failed ones and the unsuccessful ones at the beginning of the project but successful at the end.

5.2. Pilot CFT: A successful International Roll-Out of a New Strategic Marketing Plan

AstraZeneca was a multiple country-based company and met the challenge to implement "best practice's" (Sales Force Excellence and Marketing Excellence) and to consolidate results at the international level with the recent creation of the International Sales and Marketing Organization (ISMO). The Brand Building Plan (BBP) was then considered as a management tool to develop a common framework shared among the countries for defining and executing strategy, enabling strategy harmonization, implementing "best practice's" and enabling consolidation at the headquarterss level.

> "The plan has been put in place for three reasons: improve the clarity of the strategic choices and create links between these choices and the action plans, to work on how to increase product differentiations with the competitors, and finally, have a common tool among all the countries so as to be able to make comparisons." (Interviewee P2, Product Manager)

The Brand Building Plan team's work consisted of designing, developing and implementing a new marketing and sales business model and tool in all the countries in which AstraZeneca (AZ) was operating. The Pilot Team was based in France. The BBP roll-out team defined the content of the new marketing approach, the worldwide roll-out plan, and piloted as well as monitored all the actions necessary to put in place the new marketing plans. The BBP roll-out was evaluated during a meeting with ISMO and European colleagues. ISMO was leading the BBP roll-out. The Marketing Director was the designed and effective leader of this project. The Pilot Team was composed of the marketing director, product managers, market research representatives, information systems representatives, medical director, sales director and a strategy consultant. The different teams in charge of writing the BBP, for each product were organized with a core team and several taskforces depending on the extent of the product range. In line with the new cross functional organization, cross functional business teams were involved in the project, with people from the different functions necessary to launch a product: marketing director, market research, sales director, medical director, market access, product managers, and information system, "OPTIMA". Marketing people were generally the most common element in the project. The project leader was a senior marketing manager but could also be a director from another function. There was one project leader per product. Ad hoc participants were market access, product manager, medical product manager, market research, sales force excellence, and a

marketing excellence (MEX) representative. They were organised into core teams and task forces. The core team was responsible for the following activities: delivering the commercial brand plan, delivering campaigns and maximizing the return on investment, respecting frequencies and targeting, delivering information campaigns towards targets, being reactive to the environment and the evolution of payers and defining an innovative project for the year to come. Task forces were mandated to the implementation, as well as to more detailed and specific aspects of the project. Consultants facilitated the introduction of BBP and worked closely with a member of the AstraZeneca team to deliver the BBP framework. They worked full time during the pilot and then on demand during the roll-out. The Executive Committee (CODIR) monitored and validated the jobs undertaken by the teams.

The main tool was the BBP template, a methodology to define the strategic axes of a product with four parts: an analysis part, a key conclusion part, action plans and a financial part. The four parts were detailed in the BBP template, and short explanations about how to fill the slides were provided in orange boxes on each slide.

The roll-out of the different plans developed for each product lasted from December N until September N+1, and was managed as a project with the following seven phases:

1. October N, the senior management and ISMO had a meeting in which they decided to renew the marketing calender.

2. In December N, the roll-out was prepared. The French pilot lasted from November 15 Year N to January 15 N+1.

3. In January N+1, senior managers were briefed about BBPs.

4. In February N+1, brand teams were trained. This training consisted of a business simulation about how to construct a plan for a product. This session was delivered over three days in February N+1 in Brussels at the Sales Force Excellence Academy. Participants were the core team: a Product Manager, Marketing Directors, one Sales Force Representative, one Market Access Representative, one Market Research Representative and a Public Relations Manager were grouped from three different countries (France, Germany and Italy).

5. From March to May N+1, brand plans were built. March focused on insights. Some complementary studies followed on, such as the irrationality of a prescription from a doctor. April focused on local strategy and May on an action plan which described precisely the actions to be taken regarding the target. A "kick off" meeting regrouped the cross functional team. A work plan with tasks, planning and responsibilities was defined and shared with all team members. In some cases, tasks were defined

according to the available dates of data. The team got a template of the BBP, sent by ISMO. The plan was written by the Marketing Director and the Market Access Representative responsible for the product (such as Inexium). Weekly meetings were organised to follow up and monitor the project progress. Two presentations in front of the Executive Committee, CODIR, were also organised.

6. In June N+1, ISMO reviewed the BBPs. The plans were first sent to ISMO, who provided comments and a grade with complementary questions. Then, each team presented its plan during a presentation session, in which another country had the role of challenger.

7. In September N+1 tooked place the financial review.

"We defined, each week, very precise tasks to be realized: action plan, responsibilities and timeline. The most critical part is "the sources of business". Then the processes to build-up a plan follows on. The brand director organizes a meeting. The team writes the document within 15 days. The brand director reviews and comments on it. He grades the document and asks further questions. Then a senior staff member from ISMO analyzes it and the team finally presents one's work in front of a jury and another country who challenges it." (Interviewee P5, Marketing director)

Month	Planning activities / Key players
November N	BBP roll out decision / ISMO and Senior management
December N	BBP Pilot / Inexium CFT team
January N+1	Senior management briefing
February N+1	BBP training / CFTs France Italy and Germany
March-May N+1	BBP build up / CFTs
June N+1	BBP reviews / CFTs and ISMO
September N+1	Financial review / CFTs and ISMO

Figure 39: Timeline for the Pilot CFT

The main criteria for the evaluation of the teams were the quality of the produced brand building plan. Brand building plans were evaluated by other teams as well as by the representatives of the international organization. Some plans were evaluated as good while others were evaluated not good. The team under study in France was very well evaluated. The evaluation of the roll-out team was done by the marketing director and the international organization. The criteria were based on the effective implementation and the quality of the

brand building plans from the different countries. This project did achieve the goal in terms of scope, planning and quality of the final product. The BBP project roll-out was plebiscited by all interviewees.

> "BBP is a real advantage for AZ and makes it easier to work." (Interviewee P6 – Product manager)

The key strengths were the use of a pilot, the way of working within CFTs, the support from the international organization, ISMO and the roadmap provided by BBP. The challenge by another country was also generally appreciated. The perceived key strengths of the BBP template were that it provided a common format for the marketing plan for all products and countries, and therefore facilitated the reading for senior management. The most valuable parts were the "key findings" and the "key conclusions". Other valuable parts were "market analysis", "funnel" and "source of business". For most of the interviewees, BBP contributed to MEX while providing a higher degree of analysis, helping to answer questions such as: *"What are the key data to build a trend?", "Who will contribute to turnover?"* as well as by providing action plans and contributing to a quality process. The added value of the plan written in 2006 was to provide an action plan that was implemented in 2007 and followed up, to highlight new strategic orientations as well as to provide clearer ideas of the market, and a more constructed plan. People who participated in the pilot felt a real advantage during the roll-out.

The two main areas for improvement were the time necessary to complete the plan, (which may create a risk of focusing more on the format than on the content), and the plan implementation. A right balance must be found between writing a "perfect plan" and a "useful" plan so it can be implemented.

> "It is a very precise exercise. Is it really necessary? Would a simpler plan be enough?" (Interviewee P5, Marketing director)

> "No follow up of action plans. There is no follow up after September, no critical analysis of actions done or not… The risk is that BBP becomes an end in itself and not operational. Teams may be tempted not to "see and feel" clients and patients… No link between what we write in the plan and what we do." (Interviewee P5 – Marketing director)

"Do not consider the plan as a formality but look at it as a tool for one's business, observe the tool at a distance from the tool, look at the value added; new corporate culture that is put in place; not an exercise per se". (Interviewee CFT P6 - Product manager)

"The plan is merely an exercise; and the structure, even if complete, is not very different from other companies." (Interviewee CFT P5 – Marketing director)

This offers a link to the other area for improvement: the implementation. Broadly, interviewees seemed to have taken into account the actions planned in the BBP, but most of them thought that a more systematic follow up of the action plan should be put in place.

5.3. *CFT A: A Customer Centric Initiative with Migited Results*

The Diagnostics Business Unit of the Swiss subsidiary was organized in traditional line functions: Business Unit Management, Sales, Marketing, Finance, Customer Support, Medical, and IT. This silo prevented the firm from centering its actions towards the customer. The Call Reporting System (CRS) project was put in place to increase the focus of the sales representatives towards the customers, and the need to develop the marketing and sales information system.

"We realised that the old system was not covering our needs. You could enter calls, reports, frequency, and coverage. In Excel sheets, you could merge data. It didn't serve to follow the project, and focussing on the gaps was totally impossible. The motive for this project was most probably my arrival. I did this job in a biotech company and we trained our salespeople to become real key account managers. It was business planning, selling skills. It is very tempting to specialize in a technical way. You are not allowed to lose your sales competences. It was training on the behavioral side. We trained them in NLA. I had this experience. It was just about to change sales representative into key account manager." (Interview CFTA 1, Division director)

The Call Reporting System team was in charge of implementing a new business model and tool for the key account managers. They were based in Baar, close to Zug in Switzerland. The project consisted of a process reengineering and information technology implementation for the key account managers. The objectives of the CRS project were to

professionalize the sales business model by changing the skills of the sales representatives into key account managers, as well as to upgrade the information systems linked to sales.

> "The objective of the CRS reporting system is to have a running system, which delivers the report and the information necessary and also helps to manage projects. For instance, it should be possible, by pressing two or three buttons to have the basis for the evaluation of the key account managers. We check progress and gaps to assess where we are with the projects, if we need additional resources and things like that." (Interviewee CFTA 1, Division director)

The team was composed of seven people from diverse functions such as IT, medical, marketing, general management. The core team is composed of a division director, a project manager, an IT manager, a marketing assistant, a customer relationship manager and an information technology consultant from an external consulting company. Then the human resources manager, in addition to some sales representatives, was involved from time to time. A trainer from the supplier was also appointed for the duration of the training.

The CRS consists of a change in the customer relations management associated with an information system managing the marketing and sales data.

> "Key account management is understood as a fully integrated system. We not only have KAM. Key account managers are not sales representatives who would have been promoted because of good numbers, it is a mindset. It has something to do with business habits, being in the field and seeing it as its proper business... You go to physicians. You try to be a partner. You try to understand their needs. Intimacy with the customer is the key task." (Interviewee CFTA 1, Division director)

The main activities of the CRS project were the evaluation of the software to be implemented, the design of the new sales business models and the customization of the software, testing, people training and then software rolling-out into the organization in Switzerland. In May 2007, the top management diagnosed that the current information system could not continue to support the sales strategy. Several information systems suppliers were consulted. The international organization of Abbott strongly recommended the Cegedim software. In October 2007, the top management took the decision to put in place the software and the project was defined in terms of objectives, timeline and resources. The design started and a first set of data was transferred from the old system to the new system.

In January 2008, a pilot was tested but did not succeed. The project leader tried to develop some software champions but it failed because the IT provider could not keep up with the necessary corrections, customizing and developments. At the end of February 2008, the project leader organized a go/no-go meeting with the supplier. The project leader changed his resources and appointed another consultant. This consultant worked very hard on the project. She worked closely with the product manager in the same office. She provided paper based tables regarding the data necessary to be transferred into the new system. Then the project manager saw the business people in the divisions to get the right data. They developed a basic system and created a user group to test it as a pilot for two weeks. They organized training sessions in French and in German, so as to accommodate all the users. They also organized a specific training session for the managers to teach them how to get the most from the software as a sales manager. Project management was more informal. The communication went through emails, phone calls, meetings and working in the same room. The project manager was the link with the remainder of the organization, to obtain information from them when necessary or to communicate the main milestones and progress. Informal communication and personal relations were the key characteristics of the working mode. The software went live mid-July 2008. Nevertheless, the software version was not the promised one and the required functions were only available in December 2008. During this time, the project team continued to work hard to develop the missing function and also to develop the SAM part, the Strategic Account Manager System, which was strongly expected by the managers. This tool enabled the key account manager (KAM) to identify different institutions in order of priority. This tool also allowed for realizing a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats).

The choice of the Cegedim product was political and made by the headquarterss in France. From a managerial point of view, the CRS system aimed at establishing statistics regarding sales and key account managers: how many visits were conducted by sales representatives, the quality of these visits, amounts of sales.... For the sales representatives, the tool aimed at helping them to conduct analysis of their sales territory, plan actions and then follow up.

The project was evaluated according to the time of enrolment and to the quality at the "go-live" stage. The respondents evaluated 5 out of 6 the time of enrolment and 3 out of 6, the quality of the project at the "go-live". The CRS project was developed quickly over less

than a year but was not perceived as of good quality when going live, as the following quote from a CRS user mentions:

> "If I pilot a plane like that, it would crash. You can't have a pilot with nothing. I did not have the right customers I really needed to work with. Every two questions I asked, they said, it will be OK. We were sitting there. That pilot was on February 2008. We really thought we were losing 3 days." (Interview CFT A 5, Key Account Manager)

When questioned on the quality evolution, respondants agreed to say that the quality improved after four to six months and was fine after one year.

The main strengths of the CRS team were their availability to learn from errors, their workload capacity and their acquired knowledge of the software.

> "The key strengths of the project were for the learning curve we went through. People identified now with the system, because they directly or indirectly realized the difficulties we had with the system. They had to work with it, even if sometimes the difficulties were negative. We saw that we were capable when a good project team was in place. On their side, the project team was "enorme". In one month and a half, it was really a big improvement." (Interview CFTA 1 – Division director)

The team on the Abbott side was very well organized. The initial consultant from the supplier was on two projects at the same time so he could not spend the necessary time on CRS. When the management organized the go/no-go meeting, communication and the coordination within the team dramatically improved.

The main weaknesses were the bad project management on the provider side, lack of a pilot, and an unskilled and unprepared IT consultant from the provider. The initial team who evaluated the different softwares did not count anyone knowledgeable on the current IT system. It was mainly composed of directors who had a view on the sales and marketing strategy but not on the performance of the daily business and activities by the sales representatives. Communication was not very good. The communication with the supplier was specifically perceived as very bad. Pressure of the time frame was high as well. Data were of poor quality at the "go-live". Training was too short and based on theoretical data. The pilot was too short and did not allow for sufficient real daily cases.

"We got very bad project management from the provider side. The excuse was that they never faced a client so well prepared. Sorry, that's your business. We had a delay of about 4 months. Even when it was implemented, rolled up, people trained, it had its weaknesses. It was on the technical side. People's sales reports did not appear. It was very frustrating to redo the job two times, three times. Now, it is working. Unfortunately, we lost sight of the strategic side. It is something we are rolling up now and we will have it in place by the end of this month." (Interviewee CFTA 1 – Division director)

Respondants from the organization did perceive that the initial speech from the supplier was not true. They specifically did not find the relevant business functions from the information system. They felt betrayed by the suppliers. Some respondants found that the head of the project was too isolated from the day-to-day business activities and therefore could not define clearly therefore what the new system should be.

The impacts of CRS on the organization were mainly on sales management. Sales representatives struggled to use the system at the "go-live" and to manage their daily operations with the new system. This tool was used as a planned tool to get to know a sales territory, target the customers and follow up the actions. It was also used as a key statistical tool to follow up sales that were then taken into account to evaluate the sales representatives' performance and their revenue. So the stake for the sales representatives was huge.

"The impact of the project is very very big because everybody is using it in our everyday business. Without it, our sales force could not work. We also do statistics on it, so it is also about bonuses. It is used by the management, general management and refers to the frequency of calls, how many visits." (Interviewee CFTA 1, Assistant)

Even when implemented, the CRS system was perceived as continuing the need to develop more work:

"We started with that in the beginning of the year. So it still has childhood illnesses, like these systems always are if you want to adapt them to your needs. We got used to the old system but with something new, we figured out that we cannot do the same. It takes a couple of months. What is really important is that you can't just implement a tool and think that since you implement it, you have finished." (Interviewee CFTA 5 - Key Account Manager)

The CRS users would have preferred to delay the "go-live" and obtain a quality product rather than having a "go-live" with a completely unsatisfactory product:

"Really to learn about that, if you start something new, it is better to take another month to solve the problems. If the people working everyday with it can't cope, it starts with something negative." (Interview CFTA 5 - Key Account Manager)

One important part of the system, "SAM", the Strategic Account Manager System, was not at all ready at the "go-live". This unavailability drove the key account managers to double their tasks, particularly with the operations and also the statistics, to fill out the system:

"SAM is still not working. Example: the selection of Key Opinion Leader (KOL). I have to do an Excel list for my KOL and write it in by hand. I had an appointment…I made an Excel sheet for something that is in the system! Give me the KOL, they would be "A" or you must give another identification and everybody could extract the data, if he feels it. Why should I do an Excel sheet at night from home? In an international company, certified… we are working like…. You know your clients; we want to make it for B.. I have to do some work, even if there is no change. Just send it. No, there are no changes…. I am just a year or two in from advance, and I have to go back because they want me to work that way. They keep people busy. I would rather think about what I could do for my KOL. M. would understand that. Don't look at it that way. Because we are working, so it is not that easy. Everybody in sales uses this system. Normally, if B. makes an appointment with a sales rep, he should be able to access the system. Even if there are international projects, it is quite nice to have KOL involved." (Interviewee CFTA 5 - Key Account Manager)

Users did not trust the system, especifically when statistics were taken into account in the calculation of their revenues.

"So now we work with the company and bring them our inputs. They do not really understand our problems. When I look at the results of my employees....They forgot appointments and lost data. My employees and I are a little bit unsure all the data are correct. At the moment, they take our inputs but there is no change. It is like another computer program. They take our input. Then they get an update. I hope. At the moment, during these 8 – 9 months, they change nothing." (Interviewee CFT A 6 - Sales manager)

Respondants think that a benchmark with other companies should be developed so as to get other insights and ideas.

"We do not have contact with other companies using this program. When I see other reps, I ask them which system they are using. One of them said TEAMS. I heard the problems and the better things they do. A project manager should speak to another project manager from another company. The objectives are different. We always ask the question about the use of the program." (Interviewee CFT A 6 - Sales manager)

5.4. CFT B: A Successful Initiative for an Innovative Culture and Customer Intimacy "ICIC"

At Abbott, we studied the Inno team, whose main objective was to encourage innovation throughout the organization and, more specifically, to develop new services associated with products in the immunology business unit. The project under study consisted of a one-day brainstorming workshop and the associated tool to develop innovation for a specific immunology area.

In 2007, in response to the conclusion of a traditional pharmaceutical model with key account managerial visits, Abbott AG launched a new culture concept with ICIC, "IC2, Do you?" This was a vision to develop an innovation Culture and a Customer Intimacy (ICIC). To achieve ICIC, the firm put in place clear structures and processes such as the Inno Strategy, the Inno Process, the Inno Team, the Inno Plan and Training, the Inno Tools and the Inno Projects. innovation was seen as a combination of insight, ideas and impact. The Inno Team was one part of this new approach of innovation. The objectives were to further grow the importance of customer intimacy.

"The Inno team is an initiative for the whole company, which wants to become more innovative. This is the main goal." (Interviewee CFT P 2, Product Manager)

The main activities of the Inno team were to define specific issues of the different departments, and work on finding innovative solutions to solve these issues using a one-day workshop and specific software.

The Inno team was not a hierarchy.

"Everyone is on the same level."
"We do not have any hierarchy". (Interviewee CFT P 2, Product Manager)

The driver of the Inno Team for new and Innovative ideas was the interdisciplinary. The team was composed of diverse business functions within the firm and different divisions. The principles for innovation were to start small and build up, embrace failure, learn as we go, commit to feedback, and take the work seriously, not oneself.

Figure 40: CFT B Organizational structure

The Inno team was composed of eight members: the director of strategic marketing, the business unit manager hospital, the public relations manager, the IT manager, a key account manager in immunology, the business unit manager in immunology and the

regulatory affairs manager. They came from the three divisions of Abbott AG: immunology, primary care and hospital speciality. They came from marketing, sales, three operational units, general management, medical, public relations and IT. This was therefore a cross division, cross managerial level and cross functional team. Team members were engaged part time in the Inno Team. They were asked to spend 20 per cent of their working time on it while their usual working load was not changed. Members were assigned roles: client manager, Inno president, talent scout, content manager and IT manager. Two members were sharing the same role so they could work together or delegate some tasks. Client managers worked with customers. The Inno president organized meetings and communicated with top management. Talent scouts invited people to the innovation machine or workshops. Content managers created questions and managed interactions with the clients. IT managers were in charge of the machine. Two people were appointed for each function. They could take decisions together or replace each other if necessary.

Besides the Inno team, around 40 people participated in the one day brainstorming: 10 rhumatologists, 10 collaborators from diverse functions (product managers, innovation team, strategy management), and 20 people playing the role of someone not knowing the topic at all. External stakeholders also took part in the project-based on the innovation software call "BrainStore": "square thinkers" who were students, artists, elderly people, doctors, patients, former smokers, marketing people, and key account managers.

The Inno team based its work on specific software, called BrainStore. This latter had been developing ideas in an industrial process since 1989. BrainStore was founded in Biel, Switzerland in 1989. For the past two decades, the company had supported and advised global innovation leaders in every sector. Among BrainStore's clients were: Siemens, BMW Group, Zurich Financial Services, BASF, Nestlé, Swiss Rail, Procter and Gamble, and many more. Frustrated with traditional approaches to innovation that rely on coincidence and serendipity, BrainStore was based on the idea-factory process, tools, an innovation community and a powerful software platform. This platform represented the digitalization of the idea-factory process, and was available to users worldwide. BrainStore developed ideas in an industrial process. The goal was to develop breakthrough ideas in record time thanks to the idea-factory process, proven tools, a vibrant innovation community and a powerful software platform. It included idea-factory software and idea-events.

BrainStore developed the idea-factory process. This process was the result of many years of research, development, and testing. It allowed the user to develop new ideas and initiatives quickly, precisely, and efficiently. Thanks to the fundamental emphasis on collaboration, results generated during the process earned a high level of buy-in throughout

the client organization. As a result, it had a powerful impact on helping to create an overall culture of innovation. It was effective at revealing completely new ideas, as well as ideas that have languished in obscurity. The range of applications had product development, process improvement, marketing, naming, branding, HR-related issues, new business models, and much more. The idea-factory software was the digital representation of the proven idea-factory process. It was a collaborative, web-based platform that allowed people to generate and implement powerful ideas in record time. The idea-factory software was a foundation for a modern, high-impact approach to innovation management. It was fully scalable, allowed for the involvement of individuals inside and outside the organization. Idea-events were customized workshops that generated ideas using an industrial process. These workshops were customized to suit a specific topic, and aimed at providing exceptional productivity and creative depth thanks to proven methodologies and a highly stimulating atmosphere. The Idea Factory was an end-to-end solution, with modules that allowed the development, evaluation, and implementation of ideas systematically. Participants might take part regardless of time and location, and innovation teams could easily build a user community. Also, an unlimited number of projects might be run simultaneously with no incremental cost.

The launch of the Inno Team at Abbott AG was in November 2007. The Inno Team and the staff participated in this meeting. The first workshop was organised in January 2008, and involved the Inno Team only. The Abbott processes for innovation, task organization, interfaces with customers, functions of the teams and some team building activities were on the agenda. In January and February 2008, the Inno Team and the staff were trained on the innovation process with the Inno handbook and the software modules. At the end of February 2008, Abbott organised the second workshop with the Inno Team. Strategic themes, the Inno pool, pilot projects and priorities were reviewed. In March 2008, an Inno Day was organized with a project pilot, an ICIC live, with the involvement of the whole firm. In April 2008, the Inno Team followed more training to be prepared to start projects. In June 2008, they organized a "brain party" for rheuma with the Inno Team, Humira Rheuma, some staff, some young people and some doctors. In June and July, the team launched the projects around the machine. From July to December 2008, several projects using BrainStore were underway and more training and coaching of the Inno team occured.

The principles of the Inno Team were to work with a single department to identify the main issues they had in their department. Issues may have been related to the business, clients, organization and so on. When an issue was identified, the Inno Team helped to

formalize a question. This main question and subsequent related questions were added to the software BrainStore, and sent to targeted people who constituted stakeholders of the topic, but also to "square thinkers" who were people outside the sphere, such as students or former smokers. The Inno Team collected the answers, analysed them and refined the question and/or submitted the main ideas again to the target so as to obtain feedback on it. This process could be repeated a couple of times, before the machine was stopped and the Inno Team provided feedback to the department who initiated the issue.

The Inno team followed the project of a redesigned office entrance and for two pharmaceutical products. One topic related to a product regarding obese people. The issue was how to reach 2.4 million obese people? The team invited 50 people: doctors, patients, obese people, and former smokers. The team was interested in getting people who had changed their lifestyle. Internal people were also invited. People were asked to answer some questions using the software. 3000 ideas were generated. Then, these ideas were compressed into 160 ideas. Then a second compression led to between 20 and 30 ideas.

The official performance measure of the Inno team was the annual number of innovative projects. In 2008 for example, the target was two or three projects that impacted on the organization. An award decided by the public relations department was also a proof of the performance of this team. As far as individuals were concerned, the president's advice was to add their performance on the team to their usual performance appraisal, which represented up to 10 per cent of their global performance.

The perceived measure was measured according to the participants. They were asked to give a grade on a scale from 1 to 6, 1 being very low success and 6 very high success. Out of 6 interviewees, the Inno team was evaluated 4.5 out of 6. The business impact of this Inno Team on the business was not really observable at the end of 2008. The interviewees mentioned mainly the need for more time before measuring the results of the organization.

The mains strengths of the team were the visibility of the project, the team composition, the creativity of the Swiss subsidiary with the project *"ICIC innovation culture and intimacy with the customer"*, and the willingness to invest in the incentives. Respondents mentioned career growth and the opportunity of bonuses. They also liked very much the implication of all the collaborators since the beginning, the communication within the team,

and the wide range of people in terms of jobs, business units, genders, and ages. They liked being in a mixed group with a lot of different qualities as well as the team mindset. Collaborators thought more and more about the machine to develop more ideas.

"So far, the impact has been tremendous." (Interviewee CFT B, Strategy affairs manager)

The areas for improvements were focused on the functioning of the team, the lack of recognition of the work performed by the team and the way to develop innovation in itself in an organization. On the first point, respondants argued that the key performance indicators should be communicated as well as progress reports. Coordination and more communication on the roles would also have improved team work. The team member involvement was disparate. It would have been necessary to involve all the people from the team.

"One little problem is that it is always the same people doing the job. Some people are not really taking part in the project. They are always saying: Oh, I don't have time." (Interviewee CFT B, Assistant)

Convincing the people outside the team to take an interest in the machine would also improve team performance. Some lack of knowledge to master the machine "BrainStore" was perceived. The identified members in charge of analysing the problems did not always know how to analyse them or ask the right questions. This lack of knowledge was perceived as a key obstacle for the last project. Regarding the lack of recognition, respondants mentioned the importance of recognising the time and effort people put into this team. As far as innovation introduction was concerned, some respondants questioned the approach to force innovation. Was it possible to impose being innovative?

"My feelings are that Abbott wants to be an innovative company now, but this is impossible. We need tools, time and money."
"Can we really impose innovation within a company?" (Interviewee CFT B, Regulatory affairs officer)

This led to question the validity of having an Inno team:

"Is an Inno team necessary? I think it is one way to build up innovative structures but there might be other ways to motivate, to involve all the company, by using somebody from outside." (Interviewee CFT B, Regulatory affairs officer)

5.5. CFT C: A successful Integrated Marketing and Sales transformation

Introduction: The name of this company has been disguised on the request of its representatives. In the following lines, we use the terminology of PharmaCo 3.

PharmaCo 3 Switzerland was part of a multinational company which was composed of more than one hundred acquired companies. This situation involved a great diversity in business processes, and certainly led to some financial consolidation challenges. The company had more than twenty information systems, more than twenty-five financial organizations and 670 finance staff. This led to high maintenance overheads, upgrade challenges, inconsistent processes, compliance challenges as well as duplication of activities and management. The financial function of PharmaCo 3 Europe in July 2008 could not support its growth ambitions. In order to answer these challenges, the FASE project was put in place. The vision was to deliver excellence in finance and ensure fulfilment in support of growth, value creation and one EMEA. The strategic objectives were to achieve regional standardization of finance from order-to-invoice processes, build a business intelligence solution to support rapid and effective decision making, establish a high standard, scaleable regional financial shared services center and empower people.

The FASE team of PharmaCo 3 Switzerland was a project-based team composed of 30 people from six different functions (finance, marketing, sales, strategy, human resources and information systems), with the objective of implementing a radical business and information system of the sales, marketing, warehousing and finance functions. This team was the local team in Switzerland of a European project. The project FASE involved integrating the financial operations of most of the sales and marketing companies of PharmaCo 3 in Europe. The FASE team was led by a local transition leader who was the Business Services Director and a member of the board. This leadership was actually shared with the local transition leader of Austria, who was also the lead of the mirror team in Austria. The project team consisted of 31 members in Switzerland. It was organized into six specialized sub-teams: order-to-invoice, warehousing, finance, master data, and transition. The leadership of these teams was shared between one person in Switzerland and one in Austria. A central team based in the UK was supporting this "local" team in Switzerland. A steering committee monitored the activities and the results.

The FASE governance was composed of one FASE Program director, two Information system project progam directors (EDO and AP2PLE), one Regional quality and compliance director, one Information system project JDE integration and functional specialist, one Application architect, one Regional integration lead and Business supply chain management lead, one Business finance member, one Business order processing and Customer service member, and one Orthokit representative. One of the main official roles and responsibilities of the FASE team was to implement organizational changes. The roles and responsibilities of the project leader, the local functional leader and the local team members were clearly defined and communicated.

Leadership was shared between two countries: Switzerland and Austria. Collaboration was therefore strongly monitored. All responsibilities were jointly held by two incumbents at all levels; one from Austria and one from Switzerland. For example, leadership for the "order-to-invoice" workstream was shared between one Swiss local workstream leader and one Austrian local workstream leader. In order to enhance communication troughout the project, an e-room, a formal to-do list (for all actions from workshops to meetings), and conference calls were the preferred methods of communication and exchange. The FASE teams used various tools to coordinate: project e-room, conference calls, to-do lists and workshop planning templates. As the central international team was based in Belgium and in the UK, the local team in Switzerland used distance tools as much as possible.

The FASE transition methodology defined a set of processes over 42 weeks. The main steps were launching, mobilizing, process compliance assessing, blueprint writing, realizing and "go-live". Several workshops were organized according to business functions. The objective was to confirm that the FASE standard processes meet the local company requirements. The only changes made were those required for legal or statutory reasons and those that were deemed to be critical for the business. If some changes or additional requirements were identified, they were to be captured and documented. Any changes were then approved or not by the governance and design authority. Several workshops dealt with order-to-invoice and warehousing. The official FASE process principles were to move to a standardized process approach and the ""best practice"" FASE implementation, to eliminate process inefficiencies by reducing process complexity, leveraging FASE processes to deliver

core value to the companies and to ensure compliance, and protect the integrity of the FASE model.

The FASE team executed the following activities. First, the advanced FASE transition team presented the FASE model to the local implementation team. Then, the local implementation team ascertained the gaps between their actual method of functioning and the FASE template. Here, the advanced FASE transition team communicated these gaps to the FASE governance and design authority. The latter decided gaps which would be customized and those which would not. The advanced FASE transition team asked the FASE core team to develop solutions for the selected gaps. The FASE core team finally delivered FASE stream roll-out.

In terms of planning, a "kick off" meeting occurred in July 2008 and the "go-live" happened in June 2009. Workshops were conducted between March and December 2008. According to interviewees, coordination was ensured with action lists, open monthly meetings with finger food and weekly meetings. The monthly meeting created the opportunity for everyone to discuss their current work position. The weekly meeting was the occasion to explain the current issues.

The FASE team aimed at implementing the integration tool SAP – ERP (Enterprise Resource Planning). SAP Business Suite software is a comprehensive, fully integrated family of applications that helps enterprises achieve process excellence, lower operational costs, and capture business opportunities. The SAP Customer Relationship Management (SAP CRM) application helps organizations during their exchanges with customers from the up-selling phase to the invoices.

According to the interviewees, the main performance indicators were the action lists. Comparing the realized actions with the planned actions, the project was rated 5/6. The main strengths were the design of the project itself, together with project team and workshops. The main area of improvement was the workload. The project dealt with a high level of turnover. It was also difficult to find the person with the right skills and people who wanted to work long hours. The diversity of the businesses within this company made the implementation of one model of information system difficult. The people side of the project was difficult to bear due to the working hours. Some sub-companies could be assimilitated into faster moving

consumer goods companies. Business models, pricing strategy, distribution strategy, and the use of e-commerce were different.

5.6. CFT D: A Failed Strategic Initiative for the Supply Chain

PharmaCo 3 moved its warehouse that had been attached to the administrative office to a European centre in Belgium for the majority of the products and in Switzerland for other specific products. This move was initiated to increase the much needed storage capacity due to business growth, to rationalize processes and to reduce inventory and associated costs.

The Strategic Initiative for Supply Chain consisted of improvements to the supply chain processes for the orthopaedics products, after the outsourcing of the warehousing. The team under study called "SISC" (disguised name) was one of the teams within a larger program called "optimization and outsourcing improvements". It dealt with orthopaedics, spinal care, sports medicines and neuroscience products, and offered a wide selection of treatment options across the full continuum of care, from non-surgical pain management to complete surgical solutions. The devices, implants and medicines were typically sent to customers (hospitals, surgeons) in a set of about sixty boxes. These sets were called OrthoKits and were of 600 different types. The client sent them back to the warehouse. The OrthoKits were then controlled and sterilized in the warehouse of the company. They were then sent back to another client. This was why they are called "Rotating Kits". Clients did not typically use everything in a set. As an example, when a surgeon needed to operate on the right knee, he did not need to use the left knee implant. The objectives of the SISC team were to create new terms for rental services, define template documentation OrthoKits, create labeling for boxes, enhance daily testing kits and develop modular OrthoKits. With the modular OrthoKits, only the required products were sent to the customer. This allowed for the reduction of the immobilization costs of some materials at the client's premises.

The main activity of the SISC was to define how the sets could be modularized, provide names for these boxes, how to preserve them and to develop a documentation to assemble the sets. The SISC team met on a weekly basis over one year. The project leader developed statistics and objectives in terms of financial savings. Minutes of meetings were systematically developed with meeting members, topics, responsibilities and status of actions. Excel was mainly used for the following up of the action plan.

Initially, the outsourcing of the warehouse activities from the Headquarterss to another site was a failure. The OrthoKits were delayed or incomplete. Customers complained and the relationships between the sales people, marketing and logistics became very tense. At some point, for the project manager, the project was doing well and was on track with the timing. As for the SISC team, the main performance indicator was the percentage of completed tasks. Initially the project was rated 1 out of 6 by the interviewees. Then after one year, the project was rated 4.5 out of 6. The main strengths of the SISC team were the ability to procede by small steps.

> "I would say that, for me, the main things that have changed in the last few months are people. The main thing is that we now have responsibilities. We know who is responsible for what. If you know who is responsible for what, it is easier. When I do not know the solution, I know where to go to get the information. It is the main win at the moment." (Interviewee CFT D, Product manager)

The main area of improvement was with the issue of the relationships between the logistics, the sales people and the marketing people. These relationships improved in the last couple of months but still issues needed to be addressed.

> "The relationships are not good now between the warehouse, the sales people and the team here in Headquarterss. There is a lot of misunderstanding... In the end, it was always the mistake of the warehouse people. But it was sometimes the mistake of customer service; there are different sources of mistakes. Here we can improve the relationship between sales, marketing, and the technical sales. We have some work to do to improve the credibility of the warehouse people. They are at the end of the line." (Interviewee CFT D, Product manager)

Another area for improvement was the communication between the departments, and the involvement of the right people.

> "We were very enthusiastic because the warehouse was big. But then, it was a lot of problems. In the beginning, it was chaotic because of IT and scanner problems... Communication was very bad.... In the end, we had a lot of bad feedback. We had patients on the table. We could have made mistakes if we had wrong implants or wrong instruments. This was bad for the customer representative. The surgeon was extremely angry. Better communication and right timing would have helped a lot." (Interviewee CFT D, Warehouse manager)

"Prepare people at the beginning, show them the issues, prepare the sales team. If the sales team knows what could happen, they can prepare themselves, it is much easier to show them." (Interviewee CFT D, Warehouse manager)

"If we do not communicate to the sales force, we are dead. The sales force. If they do not believe, the customers will not believe anyway." (Interviewee CFT D, Warehouse manager)

5.7. The 1 + 4 case study Cross-Functional Teams

5.7.1. CFTs' Overview

The four teams possessed common structuring dimensions regrouping 5 to 12 collaborators of several business lines (marketing, sales, strategy, general management, customer support, logistics, regulatory affairs…) or even external players such as suppliers or customers. They worked on a project mode and aimed at developing new models in the fields of marketing, sales and logistics and were associated with a new information technology tool. At AstraZeneca, the Pilot Team under study was the Brand Building Plan team who was in charge of creating developing and rolling-out a new marketing model and tool. It was based in Rueil-Malmaison, 78, France. At Abbott, the Inno team and the CRS team were studied. The main objective of the Inno team was to encourage innovation throughout the organization. The main objective of the Call Reporting System team was to implement a new business model and tool for the key account managers. They were based in Baar, close to Zug in Switzerland. At PharmaCo 3, a study of the FASE team was conducted. The team's main objective was to implement new business processes and tools. A strategic initiative for supply chains whose main objective was to raise the level of quality of the supply chain was also studied. They were based in Spreitenbach and in Villmergen close to Zurich, Switzerland.

Organization	Team Number	Team	Mission	Desired outcome	Location
Astra Zeneca	Pilot	BBP	Design, develop and implement a new marketing and sales business model and tool	The change of a marketing and sales business model and tool	France & Italy & Germany
Abbott	A	CSR	Define, develop and roll out a new sales business model and tool	The change of a marketing and sales business model and tool	Switzerland
Abbott	B	Inno Team	Encourage innovation throughout the organization	New ideas in marketing and sales ready to be implemented	Switzerland
Medico	C	FASE	Implement a new marketing, sales business model and tool	The change of a marketing and sales business model and tool	Switzerland
Medico	D	SISC	Raise the level of quality of the supply chain	The change to a more effective supply chain	Switzerland

Table 41: Teams overview

Team	Number of members	Represented functions
Pilot CFT	10	• Marketing • Sales • Market research • Strategy • Regulatory affairs • Medical affairs • Consultant
CFT A	5	• Marketing • IT • Consultant
CFT B	10	• Marketing • Sales • Regulatory affairs
CFT C	15	• Marketing • Sales • Customer servive • Finance • HR • IT
CFT D	10	• Warehouse representatives • Marketing

Table 42: CFTs members and functions

5.7.2. CFTs' Context, Motives, Objectives, main Activities and KPI

The need to put in place the CFTs dedicated to sales, marketing and distribution transformation was driven by two key players. The first one was related to the end of the traditional business model in the pharmaceutical industry. Until 2000, this industry was largely based on blockbusters sold with high margins. This involved a dynamic research and development coupled with innovative products and patents over a long period of time that allowed the generation of cash. The pharmaceutical industry was dramatically changing. The pressure by the legal environment put more pressure on medicinal controls and shortened

the patent duration. Generic products were more developed. Various governments put more pressure on reducing the price of medicine so as to balance their health budget. Consumers were paying more attention to price. Even competitors were changing dramatically with the birth of consumer products considered as "semi-medicines" as well. Danone and Nestlé were launching consumer products markets as a way of preventing diseases. This environmental context drove the pharmaceutical companies to develop sales and marketing, which were relatively underdeveloped compared to consumer goods companies.

The triggers of the Pilot CFT were to harmonize the sales and marketing practices among countries, to facilitate comparisons and to raise sales. CFT A was put in place to focus attention on customers and develop customers' intimacy. The reason to initiate CFT B was to develop innovation within the company. CFT C was put in place to consolidate financial results and standardize sales and marketing. CFT D aimed at rationalizing the marketing, sales and supply chain processes as well as reducing inventory. The official objectives of the implementation of the CFT dedicated to sales, marketing and distribution transformation were therefore to improve and professionalize these functions. A perceived objective was also that the development of such professionalized functions would ultimately conduct harmony between business units and countries. So CFT was also used as a management practice to standardize working practices, organizations and control them.

"We realised that the old system was not covering our needs. You could enter calls, reports, frequency, and coverage. In Excel sheets, you could merge data. It didn't serve to follow the project, and focussing on the gaps was totally impossible. The motive for this project was most probably my arrival. I did this job in a biotech company and we trained our salespeople to become real key account managers. It was business planning, selling skills. It is very tempting to specialize in a technical way. You are not allowed to lose your sales competences. It was training on the behavioral side. We trained them in NLA. I had this experience. It was just about to change sales representative into key account manager." (Interview CFTA 1, Division director)

"The Inno team is an initiative from the entire company who wants to become more Innovative. This is the main goal. The objective is to become more and more iInnovative." (Interviewee CFT B 2, Regulatory affairs officer)

"The pharmaceutical industry is having a difficult time. We have a lot of drugs that are very similar and we need to differentiate them from our competitors. What is very important is

innovation. It is not only here in Switzerland but for all the company. We have to implement innovation from the company international, and from the USA." (Interviewee CFT B 3, Marketing Assistant)

"It is an international project. It is our vision to be innovative and provide customer intimacy. Here are our key tasks of the future for our company. When you only want to sell products, I am sure you are lost after a couple of years. You have to offer services to the doctors but also to the patients. One important point, you are not in contact with the patients but with the doctors. We have very good relationships with the pharmacists. We have known them for years but not with patients. It is difficult to communicate with patients. There are a lot of restrictions. You can't advertise drugs on the TV. We try to get in touch with the patients and give them services. So they can recognize, eg. Abbott. They don't only want to sell drugs or products. They give me more value to help me to understand the disease, such as drugs for severe diseases such as HIV, or the drug to lose weight. It does not make sense to take drugs only for that. So you have to provide the patient with support to help him change his lifestyle: such as advice on nutrition, weight management program to support the patient. It is the same thing for immunology. They need support. They need information, also for HIV. For example, you have prescriptions from a doctor. You are not willing to go to the local pharmacist. They drive 50 kilometres to buy the drugs, maybe Banhof Strasse. And you are unknown. It is also a possibility to send drugs directly to the patient. For that, you have to know the need, and this is a good possibility; a lot of needs from the doctor's side. They have a lot of input from the patients. The doctor can give a little bit more information about the patient than the key account manager who comes to the pharmacist. He is closer to the patient. He is much more open, and is a part of this new process. Not a lot of pharmaceutical companies have this machine. It is new for them and it is interesting. (Interviewee CFT B 5, Division director)

"Inventory weighs an important figure in Swiss Francs. We would like to use this inventory in a more effective way. This inventory is circulating through our warehouse and through the clients, in consignment. At the beginning of the project, we asked ourselves how can we make better use of our inventory. At which hospital should we stop it? What kind of material should we store at which place? These OrthoKits can be fragmented. One Ortho-Kit sometimes represents five boxes. We could keep two and leave three in circulation... In order to make these kinds of decisions, we need the inputs from the marketing, finance, warehousing and all the supply chain...Reduce inventory and be more profitable as far as the inventory is concerned. Inventory is a large cost in our budget. We are looking to reduce costs." (Interviewee D1, Division director)

"The warehouse has been moved because of space. It was much too small here because we have a tremendous growth of sets. It was not possible to do it here. We needed to get a new logistics for the sets." (Interviewee D1, Division director)

The main activities of the studied CFTs followed three main phases: planning, designing, developing, testing, training and rolling-out. The planning phase consisted of defining the objectives of the project and the key performance indicators, the approach, the timeframe and the resources. The designing phase consisted of analyzing the actual sales, the marketing and distribution processes and organization, by comparing them to an external benchmark and then defining the new business models. The developing phase consisted of building up the business models and tools. The testing phase aimed at using the new business models and tools with real data or activities so as to analyse, to solve eventual issues and to ensure they would be working "live". The training phase consisted of developing the skills of the users. The roll-out phase consisted of putting into reality the new sales, marketing and distribution processes, organization and tools.

The key performance indicators set up to measure the rate of success of the CFT were the quality of the produced marketing plan and its effective implementation in targeted countries (Pilot CFT), the time allocated for enrolment and the quality of "go-live" (CFT A), the number of innovative projects (CFT B), the number of tasks performed on time (CFT C), and the number of tasks performed (CFT D).

Pilot Team:
Quality of the produced brand building plan
and effective implementation in targeted countries

Team A:	Team B:
Time of enrolment	Number of innovative projects
Quality of "go-live"	
Team C:	Team D:
Number of tasks performed on time	Number of tasks performed
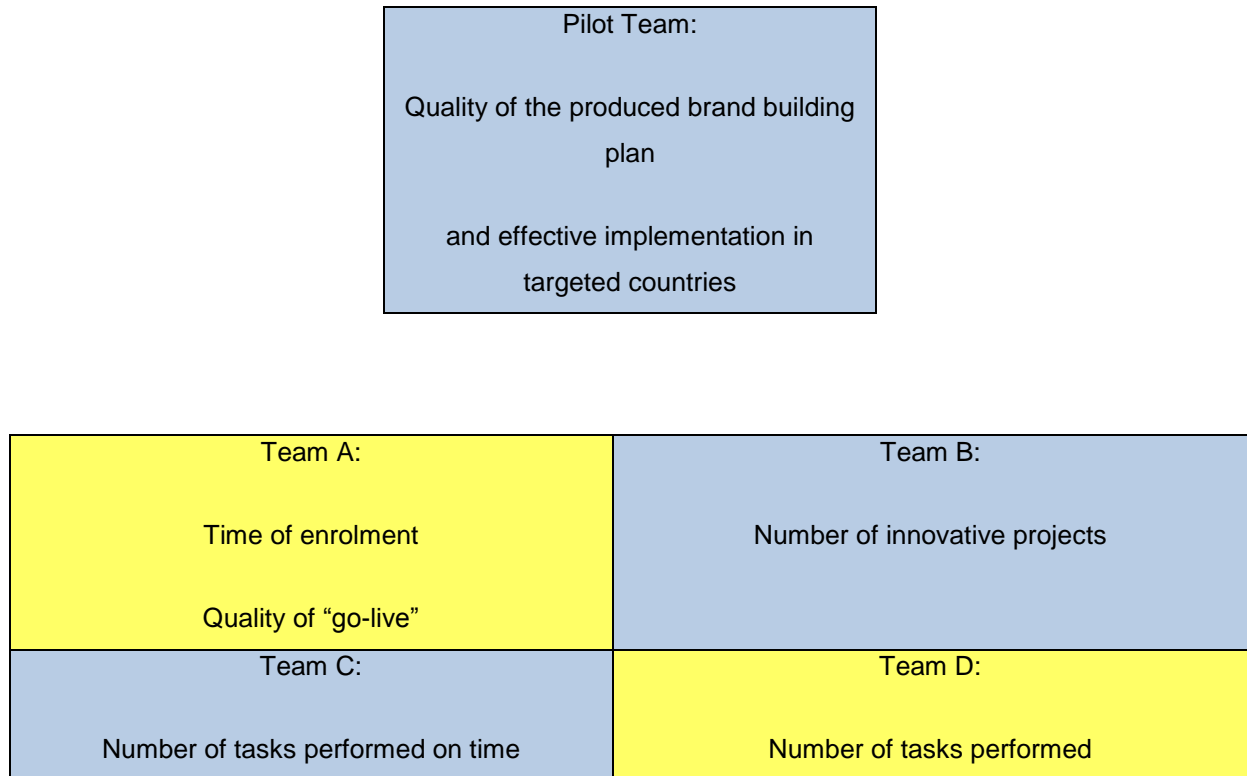
Figure 43: Informant ratings on the key performance indicators.

5.7.3. CFTs' Structures: Specific Teams within the Organization

The Pilot CFT was organized with a Pilot Team, a central team and task forces in the different countries (Pilot CFT). The Pilot Team was composed of the marketing director, product managers, market research representatives, an information systems representative, a medical director, a sales director and a strategy consultant. The marketing director led the Pilot Team. The core team was composed of product managers and the cross functional business task forces of senior product managers, sales managers, junior product managers, market research representatives and of ad hoc members such as information systems representatives, consultants, marketing directors, medical directors and sales directors. A product manager led the core team and a senior manager led the task forces. The internal sales and marketing organization was in charge of piloting and monitoring the project. All

team members were spending part of their workload on the project but were continuing their usual functions.

CFT A was organized with a core team composed of a division manager, a project manager, an information technology manager, a marketing assistant, a customer relationship manager and an information technology consultant from a consulting company. The human resource managers and sales representatives were involved from time to time. A trainer from the information technology consultancy was appointed for a short time. The division director was officially the head of the team but the project manager played the operational role of managing. Their roles and responsibilities were not clearly delineated. Team members were working part time on the project.

CFT B was not organized as a hierarchy but as a group of eight members from different business functions: the director of strategic marketing, the business unit manager, the public relations manager, the IT manager hospital, a key account manager in immunology, the business unit manager in immunology and the regulatory affairs manager. The CFT C team members were spending extra time on this project. The roles and responsibilities were clearly defined as client manager, Inno president, talent scout, content manager and IT manager. Two members of the team were simultaneously appointed for one role in case replacement was necessary.

Figure 44: CFT B - Organization Structure

CFT C was highly structured and hierarchical. It was the local team of the project in one given country. The focus of this study was on the invoice team and the warehouse team. Team members were the business services director, the head of customer and sales support, the customer support team leader, a business support representative, the sales support and project manager, the customer support team lead, a purchasing representative and a warehouse representative. Roles and responsibilities were clearly defined for each team member according to the process they were covering. For the order-to-invoice team, a Swiss collaborator and an Austrian representative were responsible for each of the following sub processes: sales orders, pricing, consignment, OrthoKits, returns and e-commerce. For the warehouse process, two collaborators were similarly responsible for purchasing, warehousing, instruments and OrthoKits. This shared leadership was put in place to optimize the work on each process and to facilitate harmony between the two countries.

The lead of the CFT D was the marketing manager for the orthopaedic business unit. The team was then composed of a sales and support project manager, a product manager, a marketing and sales assistant, a sales representative and a logistics support manager. The team members came from diverse functional competencies: marketing, sales, supply side and customer support. They were expected to bring their different perspectives on the finance side, the customer side and the supply chain side so as to deliver the best service for the client. The project manager followed the completed number of tasks. In summary, the teams were structured in the following way:

Pilot Team:
Pilot Team, central teams and product and countries task forces
Clearly delineated roles and responsibilities
Shared leadership on defined areas

Team A:	Team B:
Core team and episodic external representatives involved	Circle structure
No definition of roles and responsibilities	With clear roles and responsibilities delineated
Centralized leadership	Systematic shared leadership for each role
Team C:	**Team D:**
No structure defined	Highly structured and hierarchical organization
Centralized Leadership	With clear roles and responsibilities defined
	Shared leadership across countries and across some business functions

Table 45: Key features of the CFTs' structures.

5.7.4. Software tools developed by the CFTs

The conception, development and implementation of the various softwares played a key role in the cases under study, and in the production of organizational change. First, designing, developing and implementing software required a huge amount of work, specific settings and interactions between project team members and potential users. Second, the software created important guidelines, and impact on the way the projects were conducted and subsequently on the way the projects were translated into the real daily life of the organizations. Thus software should not be seen as an extra component of these projects, but rather as key elements.

The main tool used by the Pilot CFT was a Power Point template and a methodology of defining and implementing a marketing plan, called "Brand Building Plan". This document contained five parts: analysis, key findings and conclusions, local brand strategy, action plan and financials. For more details, please refer to the appendices. This plan monitored the reflexions and the actions of the people involved in the operational marketing. CFT A aimed at implementing specific customized software for managing customer relations in the pharmaceutical industry offered by the company Cegedim. Taking into account the specificities of the customer relations management in the pharmaceutical industry, this tool offered functions of reporting and analysis for the sales force, in addition to databases and tools that provided a better understanding of prescribers, strategic marketing, operational marketing and competition monitoring tools and studies, performance measurement tools and promotional spending auditing tools, as well as business intelligence solutions. CFT B used software called "BrainStore" that aimed at developing ideas within an industrial process. It was a collaborative, web-based platform that allowed people to generate and implement ideas in record time. The software was based on the idea-factory process. It provided features to contact targeted people, a platform to brainstorm new ideas, to select ideas and to help define an implementation plan. Another tool used by the CFT A was the "brain party" which consisted of a half-day or a one-day seminar to generate and select creative ideas. CFT C aimed at implemeting SAP, Software Application Planning, for the order-to-invoice operations and the warehouse processes. The SAP customer relationship management application aimed at managing more efficiently the concerned processes and the customers' data. CFT D was only using Excel to follow up project progress or the warehouse movements.

5.7.5. CFTs' lifecycle: planning, designing, developing, testing, training and rolling-out

In this part, we describe the processes and practices of the CFTs according to the six identified project phases: planning, designing, developing, testing, training and rolling out.
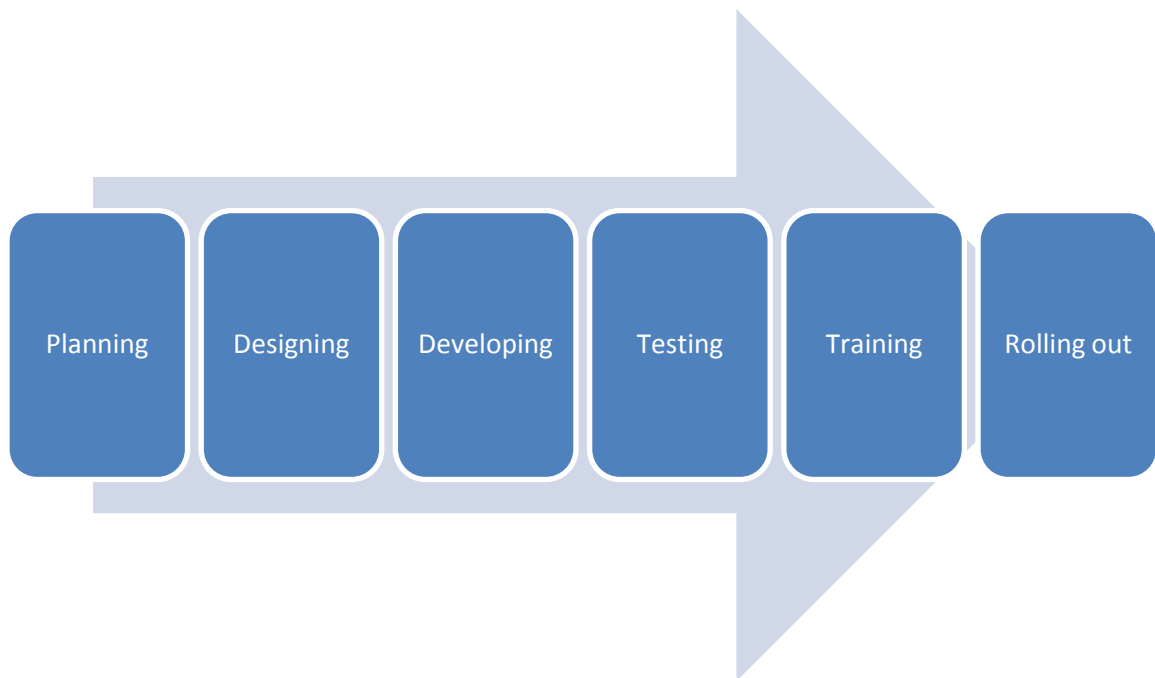
Figure 46: Main phases of the projects

Planning

The pilot CFT was initiated by the international sales and marketing organization and the senior management of the firm. They defined the roadmap and the resources as well as put in place an initial team in charge of developing a customized template of a marketing plan for the firm. When the top management of Abbott (CFT A) diagnosed the need for a new customer relation management system, they defined the objectives, the choice of the software, the timeline and the essential resources. CFT B was part of a company wide campaign for innovation. A "kick off" meeting launched the team with clear responsibilities and roles and a pre-defined agenda of actions: the company's process for innovation, interface with customers, functions of the teams and team building activities. CFT C was part of a country local team within an international project. The planning was therefore defined in part by the international team and by the local team led by the business services director. The international team provided a formalized transition methodology with the following

phases: launch, mobilize, process compliance assessment, blueprint, realization, "go-live". The local top management appointed a local team and set up a timeframe in accordance with the international project. This planning was reviewed regularly to take into account the constraints of the international progress of the project. CFT D did not specifically plan the project. Only the date of the "go-live" was established.

Designing

Pilot CFT designed the customized marketing plan template to obtain information from the consultants in strategy and insights from all the involved functions: marketing, of course, in addition to sales, medical, IT, market access and others. The design phase for CFT A met few challenges with poor support from the supplier and unclear roles and responsibilities from among the appointed team. An interview partner at Abbott had this to say:

> "During the summer, we decided to choose Cegedim. We had a meeting with their representatives. We asked a lot of questions. During this summer, their workload was heavy and we had a kind of chaos. The people in this initial team did not know enough about the current system. I was not taking part in it, although I have extensive knowledge of it. The division director was representing Abbott but he knew very little about the content of the system." (Interviewee, CFT A, Project manager)

CFT B was first trained on the innovation process with the Inno handbook and the software modules of BrainStore. The team defined the projects for the next year, in accordance with the division director and some identified collaborators. The projects were selected according to the importance of the issue and the need to bring a broader view. As an example, they defined a project to redesign the office entrance and three pharmaceutical products.

CFT C organized the design phase with workshops by business functions such as order-to-invoice and warehouse. Several workshops were organized according to business functions. The objective was to confirm that the FASE standard processes met local company requirements. The only changes made were those required for legal or statutory reasons and those indicated to be critical for the business. If some changes or additional requirements were identified, they must be listed and documented. Any change requirements were then approved, or not, by the governance and design authority. The official FASE

process principles were to move to a standardized process approach and the ""best practice"" FASE implementation, to eliminate process inefficiencies by reducing processes complexity, leveraging FASE processes to deliver core value to the companies and to ensure compliance, and protect the integrity of the FASE model. The selection of the customized processes was sometimes the occasion for arguments, and team members were lobbying their preferred functionalities. Work was coordinated through action lists, open monthly meetings with finger food and a weekly meeting. The monthly meeting created the opportunity for everyone to present their current job status. The weekly meeting was the occasion to explain the current issues. CFT D did not specifically design the move from the warehouse.

Developing

After bringing all the essential information together, the Pilot CFT worked under pressure to develop a customized marketing plan template. The objective was to develop a template precise enough to be used by others as well as allowing space for creativity.

The software's developments required by CFT A were done by the supplier but were underperformed and did not respect the time planned for the project. After the failure of the pilot, the consultant in charge of the project was replaced. This new consultant reviewed all the project requirements and progress. She worked closely with the project manager of CFT A who knew the daily activities of the sales representatives and the requirements of the sales managers and top management in terms of reporting, as well as the functions of the previous software. She served as a relay person with all the stakeholders of the software – sales representatives, sales managers and division directors – to collect the necessary information relevant to the project. The working practices were merely informal but structured by the consultant according to a specific methodology to develop the customer relations management software. The project's progress was heavily based on the personal relationship between the consultant and the project manager. Our interview partners made the following statements:

"In Fall, we made our point that we could not continue like this. We had a new person who really knew what the system was doing. We met at a party and we got on together. This was why she helped us so much. I called her to tell her that we could not continue as we were. This was an expensive project. I told her that we really needed her experience. She came to our office. We talked a lot on the phone as well. She gave me the Excel forms to define the

correspondence between the previous zones and the new ones that we had to fill out. I visited all divisions and filled out the forms. With this structure, we developed a basic system. We created a user group and asked them to test the system." (Interviewee, CFT B, Project manager)

"Communication was really situative and ad hoc. Some information was clear for her and me but was not necessary formalized. When I came back from my vacation, she called me to ask how I was doing. I know she is doing things just for me. She is very professional and reliable. She is staying longer in the office for me. She knows all the history of this project." (Interviewee, CFT B, Project manager)

CFT B did not develop specific features on the brainstorming machine. CFT C, although not directly in charge of the development which was performed by a central team in Brussels, was, however, in charge of defining eventual development needs and then receipted the finalized developments. CFT D did not pursue developments.

Testing

The Pilot CFT tested their marketing template on one product in one country. The marketing director challenged them to ensure the template was at the desired level.

The pilot organized by CFT A consisted of testing the recurrent operations in sales and marketing with a set of data. Sales representatives tested these operations over three days, but as the software did not meet the requirements, these operations could not continue. The developments were not ready and the data set was not representative of the live ones. The typical functions were under-developed as well.

CFT B did test the brainstorming machine on one internal project; the redesign of the firm's entrance which was outdated. They involved all the staff of the firm. The team members met regularly every two weeks or more, according to the topics to be treated. For each project, they reformulated the issue into one or more question, identified target people and filled out the "brainstorming" machine. They then asked the identified people to connect to the brainstorming machine and respond to a question or questions. These inputs were then analyzed and reformulated into further questions. At the end of the brainstorming process, they condensed the number of ideas and discussed their relevance with the divisions' interlocutors. The end-result was the redesign of the entrance with a more modern appearance.

CFT C was testing the software for each new development performed by the central team. CFT D did not test the warehouse functions.

Training

The Pilot CFT organized a customized training session that regrouped the pilot brand teams from three countries into a centralized location (Brussels). The training was designed not only to transfer the necessary skills to the team members to build up their own brand building plan for their products in their countries, but to build up a community of experts. This community would initially help each other and, subsequently, train and coach other people in their respective countries. CFT A organized training sessions and targeted the sales representatives and the sales managers in their specific languages. The CFT B did not organize specific training on the brainstorming machine. They communicated within the organization about the innovation processes and values. Training sessions were engaged for CFT C on specific functions, and no training was provided to CFT D.

Rolling out

After being trained, the Pilot CFT organized a "kick off" meeting with the brand building teams, and then closely monitored the roll-out of the brand building plan in the different countries. Each country brand building team developed individual plans according to a strict project plan and with the help of the template. The teams presented their findings to the international sales and marketing organization as well as to another team who played the role of challenger. They defined action plans so as to follow up the marketing strategy defined in their brand building plan. Some countries and teams were more adept to follow up these action plans. Some teams completely grasped this tool and used it as an operational tool. Other teams played according to the rules but took one year to use it as an operational tool for their business.

When the project A went live, all the functionalities were not in place. In particular, the Strategic Account Manager System (SAM) was not developed at all. The project manager was working with the consultant on one side to get constant feedback from the sales representatives on the day-to-day functions. On the other side, he worked with the sales managers and sales representatives to develop SAM. CFT B launched a brainstorming day and three projects assisted with the brainstorming software. They involved all the staff of the firm or selected staff according to the projects as well as external people such "square thinkers" – students or former smokers – and doctors. Concrete results were new ideas about how to market a pharmaceutical product. One topic was related to a product regarding

obese people. The issue was how to reach 2.4 million obese people? The team invited 50 people: doctors, patients, obese people, and former smokers. The team was intererested in getting people who had changed their lifestyle. Internal people were also invited. People were asked to answer some questions using the software. 3000 ideas were generated. Then, these ideas were compressed into 160 ideas. Then a second compression led to between 20 to 30 ideas. CFT C went live on the functions defined for the project. After the "go-live", the CFT D worked on process improvements. The team members met on a weekly basis. The project leader developed statistics and objectives in terms of financial savings. Minutes from meetings were systematically developed with members, topics, responsibilities and status of actions.

5.7.6. CFTs' Results: from Success to Failures

5.7.6.1. *Self-Reported Results*

All projects were set up specificly to change the business models and tools of the sales, marketing and supply chain functions within the organization. We defined successful projects, as our informants did, in terms of key performance indicators set for the project. We assessed the key performance indicators by asking informants to rate them using a 6 point Likert scale, 1 being the least and 6 the most. We then averaged these scores across the teams. We also gathered, during the interviews, qualitative assessment from the interviews such as strengths, areas for improvement and what should ideally be done. We finally completed these evaluations by using official results available on documents. The following table presents the informant ratings on the key performance indicators set for the project.

Pilot Team: Quality of the produced brand building plan and effective implementation in targeted countries: 6	

Team A: Time of enrolment: 5 Quality of "go-live": 3	Team B: Number of innovative projects: 4.4
Team C: Number of tasks performed on time: 5	Team D: Number of tasks performed: 1

Figure 47: Informants ratings on the key performance indicators

As indicated in the following table, substantial differences occured in the teams' performances. Both Pilot CFT and CFT C had fewer problems. CFT D did not achieve their objective. CFT A did not achieve their objectives initially but subsequently achieved their objectives. CFT B achieved their objectives but showed room for improvement.

Teams	Organizational Goal	Self reported outcome	Verbatim
Pilot CFT	Design, develop and implement a new marketing and sales business model and tool	Organizational Change achieved	"Az is a real advantage for AZ and makes it easier to work."
CFT A	Define, develop and roll-out a new sales business model and tool	Early results not satisfactory but end results satisfactory	"If I pilot a plane like that, it would crash. You can't have a pilot with nothing. I did not have the right customers I really needed to work with. Every two questions I asked, they said, it will be OK. We were sitting there. That pilot was on February 2008. We really thought we were losing 3 days." (Interviewee, CFT A 5, Key account manager)
CFT B	Encourage innovation throughout the organization	Objective achieved	"The Inno team has already changed behavior. "(Interviewee, CFT B , Division director)
CFT C	Implement a new marketing, sales business model and tool	Organizational Change achieved	"Collaboration between the teams is very good. They have to work together, find solutions. Now we are sitting in the same room. The acceptance from the others is much better." (Interviewee, CFT C, Head of customer sales support)
CFT D	Raise the level of quality of the supply chain	Failed to achieve stated aim	"In the end, we had a lot of bad feedback. We had patients on the table. We could have made mistakes if we had wrong implants or wrong instruments. This was bad for the customer representative. The surgeon was extremely angry. Better communication and right timing would have helped a lot." (Interviewee CFT D, Warehouse manager) "First we had the warehouse here. Then they moved to X, and we had a lot problems and a lot of complaints from our clients, sales representatives and transportation." (Interviewee CFT D, Team leader – customer representative)

Table 48: Organizational goal and self-reported outcome

5.7.6.2. *Perceived Strengths*

The key strengths mentioned by the interview partners of the pilot CFT were: the use of a pilot, support provided by the international sales and marketing organization, the challenge from another country and a common format for defining the marketing plan. The main perceived strengths of the CFT A were its learning curve, its ability to learn from errors, its workload capacity and the acquired knowledge from the software.

"The key strengths of the project were the learning curve we went through, and the identification by people with the current system because they directly or indirectly realised the difficulties we had with the former system. They had to work for it, even if sometimes the difficulties were negative. We saw that we were capable when a good project team was in place. On their side, the project team was brilliant. In one month and a half, it was really a big improvement." (Interviewee, CFT A, Project manager)

The main strengths of the CFT B were the visibility of the project, the willingness to invest in incentives for developing the "Innovation Culture and Intimicy with Customer" and the functions, and team diversity in terms of business functions, divisions and hierarchical functions. The main strengths of the CFT C were the design itself of the project, with project team and workshops.

"Collaboration between the teams is very good. They have to work together, find solutions. Now we are sitting in the same room. The acceptance from the others is much better." (Interviewee, CFT C, Head of customer sale support)

For the CFT D, the main strength was the ability to have well defined clear roles and responsibilities, after the initial failure of the warehouse transformation.

"I would say that, for me, the main things that have changed in the last few months are people. The main thing is that we now have responsibilities. We know who is responsible for what. If you know who is responsible for what, it is easier. When I do not know the solution, I know where to go to get the information. It is the main win at the moment." (Interviewee CFT D, Product manager)

5.7.6.3.   *Perceived Areas of Improvements*

The main areas of improvements mentioned by the interview partners of the pilot CFT were the short time to complete the work and the following up of the plan, and specifically, the action plan.

"It was a very precise exercise. Is it really necessary? Would a simpler plan be enough?" "No follow up of action plans. There is no follow up after September, no critical analysis of actions done or not." … "The risk is that BBP becomes an end in itself and is not operational. Teams may be tempted not to "see and feel" clients and patients." "No link between what we write in the plan and what we do."… "Do not consider the plan as a formality but look at it as a tool for one's business, step back from the tool, look at the value added; new corporate culture that is put in place; not as an exercise per se". "The plan is merely an exercise; and the structure, even if complete, is not very different from other companies'." (Pilot CFT – Marketing director)

The main weaknesses of the CFT A were the bad project management on the provider side, lack of a pilot, an unskilled and unprepared IT consultant from the provider. The initial team who evaluated the different software did not acknowledge awareness of the current IT system. It was mainly composed of directors who had a view of the sales and marketing strategy but not of the day-to-day businesses and activities the sales representatives were performing. Communication was not very good. Communication with the supplier was specifically perceived as very bad. Time pressures were high as well. Data were of poor quality at the "go-live". The training was too short and only on theoretical data. The pilot was too short and did not take account of sufficient real daily cases.

"We got very bad project management from the provider side. The excuse was that they never faced a client so well prepared. Sorry, that's your business. We had a delay of about 4 months. Even when it was implemented, rolled up, people trained, it had its weaknesses. It was on the technical side. People's sales reports did not appear. It was very frustrating to redo the job two times, three times. Now, it is working. Unfortunately, we lost sight of the strategic side. It is something we are rolling up now and we will have it in place by the end of this month." (Interview CFTA 1 – Division director)

Respondants from the organization did perceive that the initial speech from the supplier was not true. They specifically did not agree with the business functions of the information system. They felt betrayed by the suppliers. Some respondants found that the

head of the project was too far away from the daily business and could not therefore define clearly what the new system should be.

The impacts of CRS on the organization were mainly on sales management. Sales representatives struggled to use the system at the "go-live" and to manage their daily operations with the new system. This tool was used as a planned tool to get to know a sales territory, target the customers and follow up the actions. It was also used as a key statistical tool to follow up sales that were then taken into account to evaluate the sales representatives' performance and their revenue. So the stake for the sales representatives was huge.

> "The impact of the project is very very big because everybody is using it in our everyday business. Without it, our sales force could not work. We also do statistics on it, so it is also about bonuses. It is used by the management, general management and refers to the frequency of calls, how many visits." (CRS team member)

Even when implemented, the CRS system was perceived as continuing the need to develop more work:

> "We started with that in the beginning of the year. So it still has childhood illnesses, like these systems always are if you want to adapt them to your needs. We got used to the old system but with something new, we figured out that we cannot do the same. It takes a couple of months. What really is important is that you can't just implement a tool and think that since you implement it, you have finished." (Interview CFTA 5 - Key Account Manager)

The CRS users would have preferred to delay the "go-live" and obtain a quality product than having a "go-live" with a completely unsatisfactory product:

> "Really to learn about that, if you start something new, it is better to take another month to solve the problems. If the people working everyday with it can't cope, it starts with something negative." (Interview CFTA 5 - Key Account Manager)

One important part of the system, "SAM", the Strategic Account Manager System, was not at all ready at the "go-live". This unavailability drove the key account managers to double their tasks, particularly with the operations and also the statistics, to fill out the system:

"SAM is still not working. Example: the selection of Key Opinion Leader (KOL). I have to do an Excel list for my KOL and write it in by hand. I had an appointment…I make an Excel sheet for something that is in the system! Give me the KOL, they would be "A" or you must give another identification and everybody could extract the data, if he feels it. Why should I do an Excel sheet at night from home? In an international company, certified… we are working like…. You know your clients; we want to make it for B.. I have to do some work, even if there is no change. Just send it. No, there are no changes…. I am just a year or two in front, and I have to go back because they want me work that way. They keep people busy. I would rather think about what I could do for my KOL. M. would understand that. Don't look at it that way. Because we are working, so it is not that easy. Everybody in sales uses this system. Normally, if B. makes an appointment with a sales rep, he should be able to access the system. Even if there are international projects, it is quite nice to have KOL involved." (Interviewee CFTA 5 - Key Account Manager)

Users did not trust the system, especially when statistics were taken into account in the calculation of their revenues.

"So now we work with the company and bring them our inputs. They do not really understand our problems. When I look at the results of my employees....They forgot appointments and lost data. My employees and I are a little bit unsure if all the data are correct. At the moment, they take our inputs but there is no change. It is like another computer program. They take our input. Then they get an update. I hope. At the moment, during these 8 – 9 months, they change nothing." (Interviewee CFT A 6 - Sales manager)

Respondants think that a benchmark with other companies should be developed so as to get other insights and ideas.

"We do not have contact with other companies using this program. When I see other reps, I ask them which system they are using. One of them said TEAMS. I heard the problems and the better things they do. A project manager should speak to another project manager from another company. The objectives are different. We always ask the question about the use of the program." (Interviewee CFT A 6 - Sales manager)

According to CFT B, the main areas for improvement were the lack of recognition of team work, the lack of knowledge of using the process and tools of innovation as well as the lack of feedback from people outside the team.

"Can we impose innovation within a company? (Interviewee CFT B – Regulatory affairs)

The main areas of improvement was the workload. The project dealt with a high level of turnover. It was also difficult to find the right skilled person and people who want to work long hours. The diversity of the businesses within this company made the implementation of one model of information system difficult. The people side of the project was difficult to bear due to the working hours. Some sub-companies could be assimilitated into faster moving consumer goods companies. Business models, pricing strategy, distribution strategy, and the use of e-commerce were different.

For CFT D, the areas for improvement were to involve the right people, to improve the coordination and communication among the logistics, the sales people and the marketing people.

"The relationships are not good now between the warehouse, the sales people and the team here in Headquarterss. There is a lot of misunderstanding... At the end, it was always the mistake of the warehouse people. But it was sometimes the mistake of customer service; there are different sources of mistakes. Here we can improve the relationship between sales, marketing, and the technical sales. We have some work to do to improve the credibility of the warehouse people. They are at the end of the line." (Interviewee CFT D, Product manager)

"We were very enthusiastic because the warehouse was big. But then, it was a lot of problems. At the beginning, it was chaotic because of IT and scanner problems... Communication was very bad.... At the end, we had a lot of bad feedback. We had patients on the table. We could have made mistakes if we had wrong implants or wrong instruments. This was bad for the customer representative. The surgeon was extremely angry. Better communication and right timing would have helped a lot." (Interviewee CFT D, Warehouse manager)

"Prepare people at the beginning, show them the issues, prepare the sales team. If the sales team knows what could happen, they can prepare themselves, it is much easier to show them." (Interviewee CFT D, Warehouse manager)

"If we do not communicate to the sales force, we are dead. The sales force. If they do not believe, the customers will not believe anyway." (Interviewee CFT D, Warehouse manager)

5.8. Synthesis of the Empirical Description of the 1+4 CFTs

In the previous chapter, we have presented a comparative case study with one pilot cross-functional team and four CFTs. The goal was to illustrate the main characteristics, similarities and differences, of the teams and learn, with every project, to gain a better understanding of the critical issues and enabling conditions for organizational change.

After this empirical description, it appears clearly that these CFTs dedicated to sales, marketing and distribution transformation in pharmaceutical companies present similar and different characteristics. The motives of the projects might be similar, in that they answer to economic pressures, incur changes in business models, and need to improve performance of these business functions, but their working practices were different and led to different results. Even with more or less similar project management tools, the difference in the teams' results is quite significant. It is interesting to notice as well that the results are evolving over time, from failure to relative success. It would suggest that time is a key feature in the success of the teams. These working practices established for improving an initial failure are specifically interesting to study. Further analysis is necessary to examine how CFTs, explicitely set up to bring about sales, marketing and distribution transformation, do actually fulfil their goals. More generally, this understanding of CFTs will help us to learn more about a specific change process within multinational corporations.

6. Enabling Conditions for Organizational Change Production by CFTs

6.1. Introduction

What do these cases tell us about the internal enabling conditions for organizational change in multinational pharmaceutical companies? What sense can be made from the cases in terms of the implication of the CFT practices on organizational change? The purpose of this chapter is to examine the relationship between CFTs and the success, or the failure, of the marketing, sales and distribution transformation outcome. It will offer a second-order analysis which explores in more detail how and why CFTs enable organizational change. It is based on an analysis combining the findings from Chapter 5. The comparison of cases according to their outcomes allows us to create categories of success versus failure, and, then to list and compare the characteristics of each team across these categories. The data were analyzed in two phases. In the first phase, one detailed pilot CFT case was prepared and analysed. In the second phase, four detailed CFT cases and a comparative 1+4 cases were written and analyzed. In the following second orders results, we will strive to develop this analysis sequencing, to present the stages and the evolution of the research work as well as of the thinking behind the concept. It is why, before presenting the results of the four teams, we will introduce the results from the Pilot Team.

Firstly, we will present the analysis of the practices through which the CFTs accomplished their work according to the planning, designing, developing, testing, and training as well as rolling-out phases. We will analyze what CFTs actually do when engaged in the change process (6.2 and 6.3). Secondly, we will identify significant CFTs' practices, and suggest five propositions on the internal conditions of CFTs producing organizational change (6.4). Thirdly, we will examine them in regard to their potential for enhancing organizational change: coupling and decoupling activities, sharing leadership and semi-structuring (6.5.). Fourthby, we will propose a framework with the three key practices of activities coupling and decoupling, sharing leadership and semi-structuring, which are regarded as the key practices for organizational change production by project-based CFTs in multinational organizations. We will then conclude the chapter with a summary of the five propositions.

6.2. *Pilot CFT's Findings*

For the Pilot CFT, we conducted a cross-country comparative case study by focusing on the extent to which organizational change management practices were universal of the national culture. We looked at the knowledge, tools, methods, and models of organizational change management. We explored which organizational change management practices were most often used, either those which could be considered as universal, or those which could be considered country specific. We also searched for methods on ways to adapt universal organizational change management practices to country specifics. Through in-depth case studies of the roll-out of a new strategic marketing plan conducted by CFTs at AstraZeneca in France, Germany and Italy, the study described and classified a set of organizational change management practices which CFTs used in the three cases.

The conclusion was that the best organizational change management practices were more dependants on the objective set for the project, rather than on the national culture in which the change was taking place. Accordingly, such practices cannot be considered as episteme, i.e., as universal, but rather should be considered as techne, i.e., specific to a given objective. The results of the study made a modest contribution to the study of organizational change. Through the analysis of the structurational model, we developed a description and a classification of organization change management practices according to different countries and project phases. Our findings also suggested that similar change management practices were applied by organizations which faced similar needs and challenges, such as increased competition, tougher regulations, the need to develop product performance and marketing capabilities, as well as the need to develop the marketing function rather than developing the sales function. In this sense, the cultural specifics of the country seemed to play a relatively minor role. This study also provided some direction for managers by facilitating their diagnoses of organizational change management practices and providing insight into the most appropriate tactics. Finally, the results of this study indicated the need for further research aiming at understanding the links between organizational change management practices, and performance. This reflection drove us to ask the current PhD question: under which internal conditions do CFTs dedicated to change, enable or hinder, organizational change, in multinational corporations? What is the organizational change under study – the marketing, sales and distribution transformation? What do CFTs

actually do during the change process? What are the internal enabling conditions required for organizational change production through CFTs dedicated to change?

One of the key contributions of this Pilot CFT is a classification of practices engaged in the change process, i.e., the definition and implementation of a new strategic marketing plan. Through the analysis of the Pilot CFT case analysis, we identified several categories about the practices of CFT. These practices are classified according to the project phases: planning, designing, developing, testing, training and rolling-out. During the planning phase of the BBP project, the categories of practices are: *actively involving sponsorship and leadership to the project*, *sharing the vision and creating the desire for change, communicating consistently throughout the project.* During the designing phase, the categories are: *sharing leadership, using a marketing template, working with specific deadlines and goals, communicating consistently throughout the project, receiving feedback at all levels, coupling activities with the remainder of the organization.* During the developing phase, the categories are: *using a marketing template, working with specific deadlines and goals, communicating consistently throughout the project, receiving feedback at all levels.* During the testing phase, the categories are: *testing the project with a country pilot, receiving feedback at all levels.* During the training phase, the categories are: *delivering training appropriate to developing the necessary skills for the project.* During the rolling-out phase, the categories are: *using a specific firm template, encouraging the development of an informal network, organizing a country challenge, communicating throughout the project, receiving feedback at all levels, performing performance appraisals, coupling project activities with the remainder of the organization and sharing leadership.*

In the following, we present a synthetized summary of the classification of the practices engaged in the change process according to the six project phases of the Pilot CFT.

Planning

The project manager firmly emphasized sharing the vision of a new strategic marketing plan between teams and throughout the entire organization. The setting-up of a country "kick off" meeting with all the team members and with the top management contributed towards sharing the vision. Team members and team leaders took part in board meetings and other regular departmental meetings. Key players were invited to attend the

project steering committee. Ad-hoc gatherings such as "brown bags" breaks were also organized.

> "A "kick off" meeting was organized in January N+1 with the subsidiaries, CEOs and the marketing directors to present the philosophy of BBP." I also communicated during the department's regular meetings and to the HR department." (Interviewee CFT P2, Group product manager)

PCFT - Project phase: Planning		
Practice	*Definition*	*Activities comprising the practice*
Actively involving sponsor and leadership to the project	The CFT ensures support from top management in order to legitimize the project	Taking part in board meetings Inviting top management to project steering comittees
Sharing the vision and creating the desire for change	The CFT organizes meetings and presents the project at regular business meetings	"kick off" meeting in Januray n+1 with the subsidiaries, CEO and marketing directors Presenting the stakes and the objectives of the project
Communicating consistently throughout the project	The CFT organizes meetings and presentations at other planned meetings	Meetings, "brown bag" meetings...

Table 49: Pilot CFT practices during the planning phase

Designing

During the designing phase, leadership was shared between team members, for whom responsibilities were shared according to skills, experience and tasks to be performed. Each team member was given clear responsibilities and a role. A marketing template developed by the consulting company served as a working basis to gather team members, and as an instrument to define targets for the new customized strategic marketing plan. The team defined a working plan with tasks and deadlines.

> "We have a check list. An action plan list. We are going back to Switzerland and we will check these points and look at gaps with the FASE teams. And then we have two weeks. Then we have a conference call and discuss what we could not find out and what would be the next steps." (Interviewee CFT C 2 – Team leader customer service)

> "We made a list of action points. We described how it is working today, how it will work in the future and if we have some points that we really do not accept. Why is it a gap for your country? They accept these gaps. If they reject it, you have to go there and say why it is really important and what would happen if it is not implemented. We have a lot of points and the FASE team must say yes or no. At the moment it is like this. (Interviewee CFT C 3, Team leader customer and sales support)

Communication was ensured through regular meetings and through daily direct and tied contacts. During specific and regular meetings, the marketing director provided detailed feedback on the on-going work and the marketing plan in progress. Finally, team members closely coupled their activities with other collaborators by incorporating them in the design of the project as well as by providing them with an updated project status.

PCFT - Project phase: Designing		
Practice	*Definition*	*Activities comprising the practice*
Sharing leadership	The responsibility draws upon different team members.	Team members share responsibilities for the different parts of the BBP.
Setting up clear roles and responsibilities	Roles and responsibilities are defined and communicated at the beginning of the project.	Defining roles and responsibilities Communicating roles and responsibilities
Using a marketing template	The "Brand Building Plan" is a marketing plan consisting of an environmental analysis, a strategy definition, some financials and an action plan for a given product.	Using the template as a method for conducting strategic analysis
Working with specific deadlines and goals	A plan is defined at the beginning of the project and followed up regularly.	Follow up meetings Progress reports
Communicating consistently throughout the project	Informing everyone in the company about the project and its progress.	Meetings
Receiving feedback at all levels	All levels collaborators give feedback on the plan.	Progress report meetings
Coupling activities with the remainder of the organization	All represented business functions are participating, in particular sales, and marketing.	Meetings

Table: 50: Pilot CFT practices during the designing phase

Developing

During the developing phase, the team members concentrated their activities on the tasks defined in the previous phase. They closely monitored the quality, goals and deadlines of the project. The initial marketing template helped them to focus their attention on the work to be done.

> "We have defined a retro-planning at the beginning of the project. This helped us to stick with the timing and to ensure people's engagement." (Interviewee CFT P2, Group product manager)

> "A weekly meeting with the marketing director had been put in place in order to follow up the plan progress." (Interviewee CFT P2, Group product manager)

Communication and feedback helped to exchange information from and to the team.

> "Regular communication within all the company contributed to the ownership by all the people." (Interviewee CFT P2, Group product manager)

PBCFT - Project phase: Developing		
Practice	*Definition*	*Activities comprising the practice*
Using a marketing template	The "Brand Building Plan" is a marketing plan consisting of an environmental analysis, a strategy definition, some financials and an action plan for a given product.	Using the template as a method for conducting strategic analysis
Working with specific deadlines and goals	A plan is defined at the beginning of the project and followed up regularly.	Follow up meetings Progress reports
Communicating consistently throughout the project	Informing everyone in the company about the project and its progress.	Meetings Emails
Receiving feedback at all levels	All levels collaborators give feedback on the plan.	Progress report meetings

Table 51: Pilot CFT practices during the developing phase

Testing

The first new marketing plan was tested in France with one specific product. The team in charge of it completed the different parts and requested feedback from the marketing director and from sales representatives.

PBCFT - Project phase: Testing		
Practice	*Definition*	*Activities comprising the practice*
Testing	The brand building plan is tested for one product in one country.	All the tasks necessary to develop a brand building plan
Getting feedback	All levels collaborators give feedback on the plan.	Progress report meetings

Table 52: Pilot CFT practices during the testing phase

Training

Once the firm's customized strategic marketing plan was tested, a global training program gathered the other teams from other countries. This global training was aimed at two objectives. The first aim was to transfer competencies and knowledge about the marketing plan from the Pilot Team to the other teams in France and abroad. This target was achieved through a business game and role plays in a risk free environment. The second objective was to create an international network among peers to facilitate knowledge transfer.

PBCFT - Project phase: Training		
Practice	*Definition*	*Activities comprising the practice*
Using business simulation	Participants use methods and tools in a risk free environment.	Group work, presentations, feedback from experts
Gathering	A 3-day seminar gathers all team members in a green place "green seminar"	Learning new concepts, methods and tools Starting to develop a network

Table 53: Pilot CFT practices during the training phase

Rolling-out

During the roll-out, the different teams spread throughout Europe and centered on one product using the customized firm template which served as a roadmap for all the marketing plans. In the meantime, team members were exchanging information within an informal network and provided peer-to-peer feedback through a specific challenge which meant each team would provide detailed feedback on plans developed by another team. Each team provided a detailed action plan to implement the strategic plan of its product. This detailed plan was shared with the concerned parties and helped to link the analysis and the necessary planned actions developed by the team to the remainder of the organization. Leadership was also shared between each team through this action plan, and through the splitting of responsibilities for implementing these actions within the defined deadlines.

"All the business functions are responsible for the plan. The sales people read it a lot. " (Interviewee CFT P4, Marketing director)

"The plan federates the different business teams (sales, marketing, medical) and facilitates co-responsibility between them." (Interviewee CFT P4, Marketing director)

PBCT - Project phase: Rolling-out		
Practice	*Definition*	*Activities comprising the practice*
Using a specific firm template	A customized template is derived from a standard template provided by the consulting firm.	Getting to know the standard template Taking into account the individual particulars of the company and defining a customized template
Encouraging the development of an informal network	Team members create professional relations that are not formalized into the official organizational structure.	Having lunches Phone calls Document exchanges
Organizing a country challenge	Teams are peer reviewing one other team's brand building plan.	Reading the other team's deliverables Giving feedback
Communicating throughout the project	Informing everyone in the company about the project and its progress.	Meetings Emails
Receiving feedback at all levels	Exchanging information regarding the progress of the project. Feedback from all collaborators.	Meetings / emails
Coupling project activities with the remainder of the organization	One part of the brand building plan is an action plan.	Following up on the action plan
Sharing leadership	All team members are responsible for the implementation of the action plan.	Follow up meetings after the project Peer-to-peer challenge Co-responsibility in the implementation of the action plan

Table 54: Pilot CFT practices during the rolling-out phase

6.3. *CFTs' Working Practices*

In this part, we will analyse the practices through which the four CFTs under study socially accomplish their work. The practice-based approach identifies three central concepts: praxis, practices and practitioners. Praxis refers to the actual work of strategizing (meetings, consulting, writing, presenting, communicating...) that are necessary to make and execute strategy. Practices design the traditions, norms and procedures. Practitioners are the people doing the strategy. In our study, the practitioners are the team members involved in the CFTs within the pharmaceutical companies. We use the concept of praxis defined by the practice-based approach. We search for the everyday activities of the CFTs involved in the change process. We operationalized the praxis of CFTs as the wide set of activities in which CFT engage when they are involved in the change process (Paroutis, 2007; Orlikowski, 2002). Activities are what the team members do. Our goal is to explain how CFTs shape the change process and outcome, as well as how they are shaped by them.

We separated the different project phases into planning, designing, developing, testing as well as training and rolling-out. We then examined the practices established in each of these phases by examining how activities and relationships were typically constituted. In the planning phase, we examined how CFTs took into account the remainder of the organization, how they defined their objectives, involved external stakeholders and planned their actions. In the conception phase, we analyzed how the tasks were performed, how people related to each other, and how the remainder of the organization was taken into account. In the development phase, we looked at how the CFT worked, completed their tasks, measured their progress, and related to stakeholders outside their group. In the test phase, we analysed how the tests were organized, the timeline, and who was involved. In the roll-out phase, we examined how the project teams transferred their activities to the permanent parts of the organization, how they coached them to do so and how the planned changes were effectively transferred to the remainder of the organization.

<u>Planning</u>

Through the iterative analysis of the data, the following categories about the practice of CFTs were identified: *"Using consultants", "actively involving sponsorship and leadership to the project", "concentrating activities within the project team", "leading through one single*

person", "sharing the vision and creating the desire for change", and "communicating consistently throughout the project".

Using consultants. CFT A asked for the support from consultants specialized in the implementation of customer relationship management solutions in the pharmaceutical company, Cegedim. Established as a CRM (Customer Relationship Management) provider for the healthcare sector, this company develops exclusive databases and software solutions. Its expertise falls into three sectors: the CRM and strategic data which comprises solutions specifically designed for pharmaceutical companies, for the healthcare professionals (doctors, pharmacists and paramedics) as well as for the insurances and services designed for health insurance providers and for companies of any sectors. Medicines are prescribed by doctors who are not the direct purchasers of goods produced by the pharmaceutical industry. And yet doctors are the audience towards which pharmaceutical companies must direct and target their marketing efforts, without them having individual information provided by a traditional client-supplier relationship.

Therefore the main objective of Cegedim is to offer pharmaceutical companies' marketing and sales divisions a better understanding of where drugs are sold, who prescribes them and why. Cegedim develops exclusive databases that respond to these questions, along with information tools, allowing pharmaceutical companies to optimize their CRM approaches. They are thus provided with the best chances of success in persuading prescribing doctors. Cegedim's consultants help to implement tools for optimizing information resources, sales and marketing investments, to report on and analyse tools for sales forces, databases and tools that provide a better understanding of prescribers, offer strategic marketing, operational marketing and competition monitoring tools and studies, provide performance measurement tools and promotional spending auditing tools, and business intelligence solutions. CFT A initially worked closely with the consulting company and relied on them for information systems, the new business processes in sales and marketing, as well as project management.

CFT B asked for the help from a consulting firm who specialized in innovation process, called BrainStore. The firm developed ideas in industrial processes. It is based on the idea-factory process, tools, an innovation community and a software platform. The goal is to develop breakthrough ideas in record time thanks to the idea-factory process, tools, an innovation community and a software platform. It includes idea-factory software and idea-

events. The idea-factory process allows the user to develop new ideas and initiatives quickly, precisely, and efficiently. The idea-factory software is the digital representation of the idea-factory process. It is a collaborative, web-based platform that allows people to generate and implement powerful ideas in record time. Idea-events are customized workshops that generate ideas using an industrial process. This consulting company specializes in innovation management brought about by innovation processes, organizations and project management necessary to start the project. CFT C did not ask for help from consultants at the local stage. CFT D did not use consultants at all.

Concentrating activities within the project team. CFT A began by chosing the software supporting the strategy towards customer relationship management. The headquarters in France strongly recommended a specific software. The division director then defined the content, the resources and the planning of the project.

> "We chose Cegedim. I would have chosen something else. We started to negotiate parameters. In October, we decided to go for it and prepare the whole project with the timeline, who was delivering what, when and to whom." (Interviewee CFT A 1, Division director)

Leading through one single person. The initial CFT A was not composed of people who knew the daily business, but was led by one single person, the division director. Some team members mentioned that they were not sufficiently involved at the real beginning of the project.

> "The top management and the consultant organized several meetings to launch the project... Then we asked a lot of questions. And it was chaos. In the end, it was complete chaos. The most difficult thing was that I knew the previous system with all the details very well. In this initial team, people did not know the system as I do. As for me, I do not know the new system. The presentations were fine but in the end, hum... Well, no, we cannot continue like this. The division director was the leader but did not know both systems very well. He knew the direction but not the details." (Interviewee CFT A, Project manager)

Actively involving sponsorship and leadership to the project. CFT B was supported by the managing director of the subsidiary in Switzerland from the beginning of the project. Following directives from headquarters in the USA, he initiated this project and appointed a team, with the support of the strategic affairs director. The business services director was the local transition leader of the CFT D and he reported directly to the managing director. This

hierarchical organization implied in itself the top management in the project of transforming the sales and distribution models and tools into the company.

Figure 55: CFT C – Simplified team's organizational structure

Sharing the vision and creating the desire for change. CFT B organized training sessions with all the team members, based on role plays. They used the "green meeting room" in order to build the team, to share the vision of a new innovative culture, and to transfer knowledge on the innovation model and tools. CFT C shared the vision and created the desire for change, through formal as well as informal, meetings with the top leaders of the initiative.

Consistently communicating throughout the project. Communication was assured, within CFT B and CFT C, through training, "kick off" meetings, and regular as well as ad-hoc meetings.

To sum-up, the CFTs under study used the following practices in the planning phase:

Project phase: Planning		
Practice	*Definition*	*Activities comprising the practice*
Using consultants	Experts in the field of customer relationship management in the pharmaceutical industry and in the innovation process to provide content and methodology to start-up the project.	Bringing expertise and knowledge transfer Providing project methodology and software
Actively involving sponsorship and leadership to the project	The CFT ensures support from top management in order to legitimize the project.	Taking part in board meetings Inviting top management to project steering comittee
Sharing the vision and creating the desire for change	The CFT organizes meetings and presents the project at regular business meetings.	"Kick off" meeting with the subsidiaries, CEO and marketing directors Presenting the stakes and the objectives of the project
Communicating consistently throughout the project	The CFT organizes meetings and presentations at other planned meetings.	Dedicated to project meetings, "brown bag" informal meetings, ad-hoc meetings, regular department meetings
Concentrating activities within the project team	The planning is defined between a few people.	Few meetings
Leading through one single person	The project manager centralizes all decisions.	Decisions taken solo

Table 56: CFT practices during the planning phase

Designing

During the design phase, CFTs developed the following key practices: *"Using consultants",* *"Communicating consistently throughout the project", "Receiving feedback at all levels",* *"Coupling activities with the remainder of the organization", "Decoupling activities with the* *remainder of the organization", "Sharing leadership", "Setting up roles and responsibilities"* *and "Semi-structuring".*

Using consultants. CFT A, B and C continued to receive support from a consulting firm.

Communicating consistently throughout the project. CFT B organised regular meetings specific to the team but also with the collaborators from the remainder of the organization. They designed specific posters and displayed them in the corridors of the premises to inform staff about the methology used for the innovation process and the progress report of the project. In addition, team members posted notices on their doors, to explain what their role was, or questioned people about some aspects relating to innovation for the firm. These visual posters were used as a communications tool. CFT A did not communicate specifically. CFT C organized specific meetings to present the project's stakes, the project's objectives and the timeline. It also organized regular "brown bags" informal luncheons in the cafeteria. CFT D did not put in place any media plan.

Receiving feedback at all levels. Team members of the CFT B regularly took part in the regular meetings of the other divisions in order to obtain feedback on the current projects.

Coupling project activities with the remainder of the organization. After the failure of the first design phase, CFT A coupled their activities with the remainder of the organization.

> "L., tell me what you need regarding the forms that we can fill in. Then I go to the divisions and I fill out the forms. Before, I did not have this structure. We managed to build up a first system. We defined user groups that worked with us on the pilot." (Interviewee CFT A 2, Marketing assistant)

When CFT A began the project again, discussions were opened to the remainder of the organization, specifically to gather the requests from the diverse divisions.

"I had a lot of documents with requests. Everybody had to decide what they wanted for every line. Mr C. decided on primary care. Mrs R. for hospital care. We also talked to our chief." (Interviewee CFT A 2, Marketing assistant)

"We need to work with more people who work daily with the system." (Interviewee CFT A 6, Sales manager)

CFT C strove to get the relevant people from the remainder of the organization. The local transition co-leader explained how the functional leads in charge of a specific process identified the relevant people and tried to engage them into the project.

"It developed into individual smaller groups, so as to design and fit in within the groups. In the beginning, the groups were set up. Then, after having worked together, we found that some people had a lot of know how in some aspects. The initial groups were reformed within the following months. We suggested who should participate.... For example, we had a big gap with IT development, and unless you have IT development, you can set up a lot of ideas, but you are not going to have a lot of things. (Interviewee CFT C 4, Financial controller)

"Some people are more engaged. Others are not so concerned and do no not feel the urgency or the engagement. We just exchange. We want people to speak out and express how collaboration works. We, as a project, we call, at the top level, the functional leads, the people who are responsible. We want to make sure... We often speak to the functional leaders, observe where the issues are and correct them... We try to bring the right people. That is, we try to summarize the cross-functional part. The functional process... We look at the chart. Sometimes we might have things overlapping.... The local warehouse process... To store products locally, this involves the purchasing person, the finance person, the control person. In the end, you have five to seven people. It is very complex to make sure that the right people are involved at the right time. We try to create cluster topics." (Interviewee CFT C 5 - Local transition co-leader)

Decoupling activities with the remainder of the organization (CFT D). An interviewee from CFT A shared his thoughts about the need to open up the project outside the company:

"We do not have contact with other companies who use this program. When I see other sales representatives, I asked them which system they use. One of them said "Teams". I heard the problems and the better things they did. Project managers should speak to other project managers from other companies. The objectives are different. It is always a question about the use of the program." (Interviewee CFT A 6, Sales manager)

When asked about the necessary improvements regarding CFT D, the division director talked about the need to incorporate all the parties from the beginning of the project and specifically the sales representatives:

"The project does not have much impact on sales representatives. This is mainly the sales managers. The latter ones are asked to give their input and start dialogues. For me, it is crucial to involve the sales managers because they will have discussions with the clients about this project and these discussions will not always be easy. These changes also focus on bringing improvements to the clients. As an example, if they have fewer tools to sterilize, it is less work for them. What counts is that everyone gets the same focus. Sales representatives should not get only the client's focus. A lot of sales representatives are the clients' advocates." (Interviewee CFT D 1, Division Director)

"When we set objectives, we need to involve all the parties. It is very important to get the buy-in from everyone. This is then easier to involve them and to ensure progress for the project. Everyone needs to understand what the target is." (Interviewee D 1, Division Director)

"For me, the most important point is that everyone is involved and knows the real objectives. For somebody from the warehouse, it may be not that clear why someone changes something. This will impact on somebody else, somewhere else. We also need to convince this person. Everyone needs to understand why we do something, specifically when the objectives are partially hidden." (Interviewee CFT D1, Division Director)

"What did not work at all in the beginning was communication. Each one thought it was the other one's responsibility... We always have discussions with customer support to define who is responsible for which task. When we have two different departments, it is a little bit difficult; it is quite political who is doing what... What we should do, and what we did not realize, was to think about and look at who is doing what in the warehouse. We did not realize that the product managers spent 40 per cent of their time in the warehouse. We moved the warehouse and suddenly, all the activities performed by the product managers did not occur. With a simple analysis and reflexion, we could have reacted on this topic before moving. We did more in a very short time.... My predecessor was in charge. It might be that a lot of things were not discussed. And it is a fact that it did not work. We need more reflexion, more educated people and more intense work on the project. This cost us one year." (Interviewee CFT D1, Division Director)

Sharing leadership. CFT B systematically had two team members for each of the roles. Members were assigned roles: client manager, Inno president, talent scout, content manager and IT manager. Two members were sharing the same role so they could work together or delegate some tasks.

> "In this team, there is no real hierarchy." (Interviewee CFT B 1, Director Strategic Affairs)

CFT C also had co-leaders for each role.

> "It is very massive what is happening. For people, even at a lower level, we have one team; we have full parity with each lead. This is co-lead. She is doing the logistics; I am doing the financial part. On each box, we have two names. We keep in contact. The big event is that we need to agree on an outcome that is good for both. We try to end up with the same solution. We try to make transparent the differences we might have. How well we could work across borders. If somebody is sick or on vacation, the other one can do it... We had "kick off" together, and guiding principles about how to work together." (Interviewee CFT C 5 - Local transition co-leader)

Setting up roles and responsibilities. Roles and responsibilities were clearly defined for the team members of CFT C:

> "We have a document with the rules, roles and responsibilities, and process levels as well as project members. Last July, we had the "kick off". We basically agreed on work guidelines. We think about them and we try to apply them. It is working well now. But it still needs control and improvement at the personnel level." (Interviewee CFT C 5 - Local transition co-leader)

This was the case for CFT B as well. Client managers worked with customers. The Inno president organized meetings and communicated with the hierarchy. Talent scouts invited people to the innovation machine or workshops. Content managers created questions and managed interactions with the clients. IT managers were in charge of the machine. CFT A and CFT D did not have clear definitionsabout roles and responsibilities.

Semi-structuring. CFT B's team members pursued their dual roles as team members of the innovation team as well as in their regular jobs. This duplex position created a matrix

organization that empowered them to develop links between the objectives pursed for innovation and their regular operative functions.

"I work with this team that does not report directly to me but reports to me with a dotted line. They keep their manager. They allocate 20 per cent of their time to this project but do not have 20 per cent of time." (Interviewee CFT B 1, Director Strategic affairs)

When roles, responsibilities and priorities were clearly delineated, team members were free to organize their time as they wished. They were even invited to use new ways of thinking such as using the "green meeting room". This "out of the box" meeting room resembled a lounge room with plants, sofas, music and unique wall paper. It was part of the office premises but with a completely different outlook. Meanwhile, ad-hoc people were asked to take part in the team, specifically when a "machine" was going on or during the "Innovation live days". Patients, former smokers, "square thinkers" such as students, doctors and other external people as well as people from the company, then completed the team tasked with the objective to be creative. The result was a team open to the remainder of the organization as well as to outside the organization.

CFT C was also semi-structured. Roles and responsibilities were clearly defined by the local-transition leader. Priorities, workplans, performance indicators and deadlines were precisely defined with the central team. Team members still occupied their regular jobs. They were not dedicated to the project. This configuration helped them to create links between the new models in sales, marketing and logistics, which were designed in this phase with the exploitative activities. As an example, here are the following roles and responsibilities defined for the local transition/ project leaders:

"Local Transition/Project Leaders
- Responsible for the successful implementation of all aspects of FASE and AP2PLE for Austria and Switzerland
- Effective co-ordination of resources and relationships
- Reporting progress of the programme to the local steering team and FASE Transition team
- Managing communications with local stakeholders
- Leading mobilisation of country transition team
- Supporting high level impact analysis
- Maintain e-room Austria and Switzerland
- Document in English all meetings and activities"

(Source: CFT C – Document "FASE Local Implementation Team Kick-off for Austria and Switzerland, July 7)

Project phase: Designing (1/2)		
Practice	*Definition*	*Activities comprising the practice*
Using consultants	Experts help the CFTs' members to define the content of the project	Co-working on the project tasks Sharing expertise
Communicating consistently throughout the project	Informing everyone in the company about the project and its progress	Ad-hoc meetings in accordance with the activities of the project "Brown bags" informal luncheon meetings in the cafeteria to facilitate peer exchange Presentations at regular business meetings
Receiving feedback at all levels	Request feedback from collaborators outside of the project team	Presentations at regular business meetings
Coupling activities with the remainder of the organization	Getting the right people working on the defined topic Crossing the expert knowledge so as to articulate the design Ensuring the right business functions are participating	Specific topic workshops Asking for expert opinion Meetings
Decoupling activities with the remainder of the organization	Developing the design of the project with a few relevant people	Few meetings with few people Working on a specific clear agenda

Project phase: Designing (2/2)		
Sharing leadership	Responsibilities draw upon from different team members. Team members share responsibilities for different parts of the project	Team members working on split activities Regular exchanges between team members
Setting up roles and responsibilities	Roles and responsibilities are clearly defined between the team members	Roles and responsibilities definition Roles and responsibilities communication and ownership
Semi-structuring	Roles and responsibilities are clearly delineated while team members pursue other regular activities and the team's external collaborators contribute to the project (inside or outside the organization)	Combination of exploring and exploitative activities Involvement of people external to the team

Table 57: CFT practices during the designing phase

Developing

During the developing phase, CFTs developed the following key practices: "*Using consultants*", "*Working with specific deadlines and goals*", "*Concentrating activities within the project*" and "*Sharing leadership*".

Using consultants. CFT A, B and C used consultants at the development stage.

Working with specific deadlines and goals. For CFT C, detailed planning and deadlines were defined and these were mostly followed. For CFT A, the initial roadmap was replaced at some point during the project because the supplier and the software were not ready and because the working software was not meeting the requirements. CFT B also used a precise roadmap but it was followed with more flexibility. CFT D did not have a proper roadmap. The following table illustrates the workshop planning defined for CFT C:

Workstream	Workshop	Date	Location	Lead
Warehousing	EDC visit	June 11 + 12	Courcelles	SMC
Master Data	Master Data	July 8-10	Vienna	HEH
Finance	SAP Finance	July 8-10	Vienna	LIY
Warehousing	Warehousing/OrthoKits WH Visit	July 21 + 22	Vienna	SMC / BEM
Warehousing	Warehousing/OrthoKits WH Visit	July 21 + 22	Zurich	SMC / BEM
Order-to-invoice	Standard Sales order	July 28-30	Zurich	
Order-to-invoice	Pricing	July 30-31	Zurich	ERT
Warehousing	Warehousing/OrthoKits Processes	August 11-14	Vienna	SMC / BEM
Order-to-invoice	Consignments	August 26-27	Zurich	ELH
Order-to-invoice	OrthoKits	August 28-29	Zurich	BEM
Finance	JDE Finance	August 27	Zurich	
Warehousing	Warehousing/OrthoKits Processes	September 3-4	TBD	SMC / BEM
Master Data	Business Intelligence	TBD	TBD	

Table 58: CFT C – Workshops Summer (Source: CFT C – Document "FASE Local Implementation Team Kick-off for Austria and Switzerland, July 7.

Concentrating activities within the project. After a first failed design, CFT A changed their consultant and began working seriously on the new design phases concentrating on key step-by-step activities.

> "In the Fall, we told the supplier that we could not continue working like this. Mrs D. joined the project. We agreed on the remaining tasks. With Mrs D., we had a person who knew what the system was doing. We had tables to convert the zones from the old to the new system. She told us where we could put them, which analyses were possible, which analyses we would like." (Interviewee CFT A 2, Assistant)

> "In February N, we had a meeting. We had a progress report meeting and I decided to get more resources from within the team. On the client's side, they were really well organized. We had to revise a lot of work. We decided very quickly. We had to work a lot. On our side, we had not recognized the need to change anything. We reviewed all the project phases and we started again from the beginning. We also organized internal resources for the "go-live"." (Interviewee CFT A 2, Consultant)

To achieve the idea-factory software or the idea-events, CFT B put in place a strict organization with clearly defined activities, milestones and responsibilities. They strictly defined a process and steps to be performed.

> "We processed the machine three times. We tested new ideas to address the customers. We invited experts, people from the firm. It took quite a lot of time to formulate questions, to invite people, to establish who we wanted to invite. Two people were responsible for invitations. We invited people involved in the project (marketing), "square thinkers", people from suitable backgrounds but not related. At the end of the analysis, we got a lot of ideas. The tool asked us: in a situation like this, what would you do? We then looked at the ideas again and it helped us to find out new ideas again. People added things, more ideas or more detailed ideas. Then it wenr to the selection process. People were invited to select their preferences. The real selection was then made by the customers who first made the order. They saw the final idea but they also saw other ones." (Interviewee CFT B 2, Regulatory affairs officer)

> "We had monthly meetings and more when we had a machine running. We had a lot of email communication. When something was complex, people were informed. I worked as a content management provider. I was responsible for assembling the questions and the instructions. The other roles in the team were the role of president who organized meetings, communicated with the hierarchy, the talent scouts invited people into the machine, client managers worked

with customers to define what they expected from the experience and the IT manager." (Interviewee CFT B 2, Regulatory affairs officer)

When asked about the improvement needs of CFT D, a business unit manager answered:

"To get people from each part. Really make sure that everybody is involved. If you just get two people, you will never get what you want." (Interviewee CFT D 6, Business unit manager)

During the development phase, the following practices were performed by CFTs:

Project phase: Developing		
Practice	*Definition*	*Activities comprising the practice*
Using consultants	Same as in the design phase	Same as in the design phase
Working with specific deadlines and goals	A plan is defined at the beginning of the project and followed up regularly.	Follow up meetings Progress report
Concentrating activities within the project	The team members focus their attention on the activities they have to perform to achieve their objectives.	Follow-up of roadmap and timeline Team meetings Inward focus
Sharing leadership	The responsibilities draw upon different team members. Team members share responsibilities on different parts of the project.	Team members working on split activities Regular exchange between team members

Table 59: CFT practices during the developing phase

Testing

During the testing phase, CFTs performed the following key practices: "Testing the project with an internal issue", "Involving users at the end", "Sharing leadership", and "Coupling with the remainder of the organization".

Testing the project with an internal issue. For CFT B, the innovation process and tools were first used to design and create a new reception. The revamping of the reception was a quick win to get the buy-in of all the collaborators. It was also a test run of what could be done with this new vision.

> "We started with a machine for the reception. We got support from Brainstorm. The results were the opening of a new reception. We had several inputs. It is the results of the machine. The Inno team decided that three resultant ideas should be in the new reception: the flat screen and the content of the flat screen, the zen garden where we can deposit ideas, and a meeting point where you can meet and talk together." (Interviewee CFT A 1, Division director)

Involving users at the end. CFT A organized a pilot to test the information system with data and future users. The pilot was a failure. CFT A did involve end-users – mainly the sales representatives – only at the end of the project. This caused a lot of irrelevant software and troubleshooting in the data processed by the software.

> "We tried to run a pilot. Unfortunately, it did not work. They (the consultants) were not ready. The whole environment was sub-optimum. We tried to generate CRS champions which really failed. The experience was not in line with what we expected. Cegedim champions were just users. The consultants were overwhelmed." (Interviewee CFT A 1, Division director)

> "If I pilot a plane like that, it would crash. You can't have a pilot with nothing. I did not have the right customers I really needed to work with. Every two questions I asked, they said, it will be OK. We were sitting there. That pilot was on February 2008. We really thought we were losing 3 days." (Interview CFT A 5, Key Account Manager)

Sharing leadership. During the testing phase, CFT B and CFT C continued with the same type of organization into which leadership was shared between the team members. After the initial failure, CFT A did share leadership between the marketing assistant and other team members.

Coupling with the remainder of the organization. CFT C involved end-users to test the new software and organization.

> "We bring people together to see how we work during this second phase for the implementation. We have to work for the organization. Ready to test the system as soon as it is developed. We need the key users to test the system. Do a lot of testing. Make sure you are ready for the "go-live"." (Interviewee CFT C 5 – Local transition co-leader)

CFT A did involve sales representatives to test the call reporting system. But the system did not answer the needs of these collaborators because of the lack of real data and the lack of user friendliness.

Project phase: Testing		
Practice	*Definition*	*Activities comprising the practice*
Testing the project with an internal issue	The new system, process and organization is tested with end-users.	All the tasks necessary to implement the new model
Involving users at the end	When the collaborators targeted to use the outcome of the project are involved at the end of the project.	Inward focus team
Sharing leadership	The responsibilities draw upon different team members. Team members share responsibilities on different part of the project	Team members working on split activities Regular exchanges between team members
Coupling with the remainder of the organization	End-users are involved to test the new model, process and tool with their data to test the project's outcome.	Pilot Real exercise in a free environment

Table 60: CFT practices during the testing phase

Training

During the training phase, CFTs performed the practices of *"Using consultants"* and *"Gathering"*.

Using consultants. CFT A and CFT B asked for the support from consultants to develop and deliver training sessions on the software that also involved new processes. For CFT A, the consultants organized various programs in different languages (German and French) and, which were designed to different identified targets, the sales representatives and the managers. For CFT B, the consulting firm trained the team members on how to use "BrainStore", the software as well as the innovation processes. For CFT C, training sessions were deployed.

Gathering. CFT B were trained by the consultants and then organized meetings to train the remainder of the organization. This took the form of seminars as well as presentations during regular business events such as sales meetings.

Project phase: Training		
Practice	*Definition*	*Activities comprising the practice*
Training sessions	Participants learn how to use the software Participants learn about the new processes	Group work, presentations, feedback from experts Exercises with data
Gathering	Out of the office team building seminars	Learning new concepts, methods and tools Starting to develop a network

Table 61: CFT practices during the training phase

Rolling-out

During the rolling-out phase, CFTs performed the practices of *"Using consultants", "Involving people at the end", "Communicating throughout the project", "Receiving feedback at all levels", "Coupling project activities with the remainder of the organization", "Decoupling activities", "Sharing leadership", "Single leadership",* and *"Developing and facilitating continuous improvement structures and processes".*

Using consultants. During the roll-out of the project, consultants helped CFT A, CFT B and CFT C with an objective of leaving the project afterwards.

Involving users at the end. Even through the project was completely re-organised, the "go-live" was not that satisfactory for CFT A.

> "In March, we had a two-day training session. Then we used the system for normal work and the problems started.... So we now work with the company and bring them our inputs. They do not understand our problems that well. When I look at the results of my employees, they have lost appointments and data. My employees and I are a little bit unsure that all the data are correct. At the moment, they take our inputs and there is no change. It is like another computer program. They take our input. Then they get an upgrade. At the moment, over the last eight to nine months, nothing has changed." (Interviewee CFT A 6, Sales manager)

Communicating consistently throughout the project. CFT A, CFT B and CFT C continued to organize meetings, more informal "brown bags" informal luncheons in the cafeteria, emails, intranet and ad-hoc information during regular meetings.

Receiving feedback at all levels. CFT B and CFT C, and in a later phase CFT A, monitored feedback from the collaborators. This helped them to diagnose any future need for adjustments.

Coupling project activities with the remainder of the organization. CFT A started to couple their activities at the testing phase with the pilot and then after the roll-out. But as the team did not couple their activities at the beginning of the project, it was necessary to restart all the project phases. One assistant took the role of project manager at the end of the project:

"I asked the divisions how they were working, how they would like to work, what were the data transfers necessary, what additions they would like." (Interviewee CFT A 2, Assistant)

CFT B involved the remainder of the organization into the definition of the topic to work on. For this, team members organized meetings with each division to define their stakes and their current key issues and in the forthcoming future. Once the topic was defined, they ran the idea process either through the software during an event with people representative of the division, as well as with other relevant profiles in and outside of the organization.

"We had a topic on one of our products treating obese people. There are 2.4 million obese people. How can you bring these 2.4 million people to see the doctor? This was the topic for the machine. We invited around 50 people: doctors, patients, obese people and former smokers. We invited former smokers because they had changed their behavior and their lifestyle. We also invited internal people. After the creative process, we had 3000 inputs. So it is really important to have a selection. You have a lot of inputs but not always an anwer to your question. We had between 20 and 30 ideas at the end. You have to visualize them. You have to imagine them a little bit and then you can choose which ideas you keep and which ones you you do not keep. (Interviewee CFT B 5, Division Director)

"The role of the Inno team is to engage people from each division. You have one person who can communicate with the division. This person is also responsible or is an ambassador in his business and his department. You need people in the Inno team who are accepted within their teams and in their departments to spread the word about the machine." (Interviewee CFT B 5, Division director)

Decoupling project activities with the remainder of the organization. CFT D was decoupled from the beginning to the end from the remainder of the organization. This aspect was the major element for its failure.

"Relationships are not good between the warehouse, the sales people and the team here at the headquarterss. There is a lot of misunderstanding. If we want to improve from our mistakes, we have to show the mistakes." (Interviewee CFT D 3, Product manager)

"Communication is an issue. Talk about the things. We have established a newsletter, and regular meetings. We have to go further and have a closed exchange. You write an email to the product manager and then it goes to his boss, to his boss, and so on... Having direct

communication is crucial. It should be normal but it is not normal. This is the main issue." (Interviewee CFT D 3, Product manager)

"Something comes from marketing. To improve this part, have faster decisions, what improvements the customer would like. What I am involved in right now is to improve what comes from technical support, with these rotating kits; to move when they come out from technical support, whether or not they have to be checked and whether or not they were complete. We check all the instruments. Are all the instruments there, or are there any instruments missing? This process goes through technical support. There is always an intersection with technical support and sales. When an instrument is missing, technical support or the sales person will know it because the customer will call them. We use this one but we are missing this and this. It takes a lot of time to know where it is in the technical support. We did a chart with all the steps. So we have all the processes and the opportunities which could go wrong and corrected it. So what I did recently was to put technical support all together and ask them some questions about this process, what was coming in, what was going out and then at the end, discuss these different processes with the team. This is what we have now. We are trying to figure out what was working well, to be faster, to avoid some mistakes. That is more or less the part of what I am doing in this project." (Interview CFT D 8, Sales representative)

"Logistics is well coupled but the disadvantage is that it is decoupled from the business. The product managers who used to be in the warehouse to help, control special points and see new products are now in the headquarterss offices. It is quite a distance from the warehouse. People from the warehouse do not feel that involved in the construction of the sets as well as in the business. This created problems. What we need to do now is to involve them in the business, in our meetings and in the parties we have from time to time. We want them to feel part of this company. And on the other side, we will gain in efficiency. They need to take on the tasks that the product managers used to do. This will give a complementary aspect to their job as well as their skills. At the same time, it requires a similar implication from them. This is not the game right now. They are not as pro-active as they should be. I think we should have more interface to help the warehouse to progress and to specify who is doing what. This has not been done before moving and this is where we have issues. Some say "ah, this is not their job anymore." And at the warehouse, they say that they do not know how to do it. Right now, we have already progressed in the definition of who is doing what. But sometimes, we have client vision whereas the warehouse has a process vision." (Interviewee CFT D 1, Division director)

"For example, for the rotating kits, they rotate from customer to customer. They go out for surgery and then are used for surgery. They are sterilized and then come back... They are

filled up and go to the next customer. In the past, as I said, it is growing. We need more than one brand, one instrument. In the past, there were 5 people. One of them was the boss. Then you send an email to him, to ask him: please prepare it within the next 2-3 weeks, you ask if it is possible, if there were enough resources, and then, you are waiting, waiting. If you need the instrument, it was not ready. For me it was very bad because I was downstairs, searching for the implants, putting together the instruments, and … because it was the wrong person. There was no one person dedicated to assembling the set. No one knew who did what. Today if I have such a task, I write an email. A. is the boss. I write him an email. First of all, I have feedback that, yes I can do it, no, yes but I miss this… 3 or 4 days before, A, is it OK? And in 99.5 per cent of the cases, we have an instrument ready that we can use. It is a small example. But it is extremely important for me. In the past I was not sure. My credibility was bad in the eyes of the sales rep., and for me it is extremely important. Again between sales and marketing, there is a lot of conflict. Sales people have other thoughts than marketing people. Then things did not happen, and we have a problem. If I tell them things that do not happen, my credibility is lost. It is extremely important. It is a tool for the marketing against the sales people. The sales tell the customers you are going to have it at the end of October. And then, they do not have it. We have really dedicated people and they have to do the work. If there is a problem, I can help them to build something. I will work with them. I know who. They are responsible. It should be normal but in our company it was not. We have to search for solutions. Otherwise, we are stuck in the middle and all the stakeholders are angry. You are stuck in the middle and it is a bad situation." (Interviewee CFT D 3, Product manager)

After the failure of the roll-out, the warehouse and the marketing department took action to improve things. One main feature was to gather collaborators from the warehouse, the marketing department and the sales department.

"I have the project lead. I try to have everyone around the table in the room. The issue is that it cannot be done as fast as the sales would like it because of its complexity. We would have a huge complexity if we just divided everything. And a bigger distortion. Sales people, technical people and marketing people: everyone needs to have a common point of view. For the sales people in the field, they believe they can just say to the technical people "create a new set". They just do not see the complex issues behind it. It is why we have everyone around the table... We are becoming more concrete. It was a way to get the voice from the customer. As the project lead, I need to get the voice from the customers. As the sales are so close to customers, their feedback is as accurate as the customers. How should we split the implants? We sometimes have the issue of quality. If we have bad bones, we need to add glue. I would like to make the split with the risk that the surgeon adds glue on expensive implants. So I

would have a discussion with the sales representatives to see if it is possible to have such quality forms." (Interviewee CFT D 3, Product manager)

"If we do not communicate to the sales force, we are dead. If the sales force does not believe it, the customers will not believe it anyway." (Interviewee CFT D 5, Logistics services manager)

Sharing leadership. CFT B and CFT C clearly showed shared leadership; CFT A at some point of the project.

Single leadership. CFT D demonstrated single leadership; CFT A at the beginning of the project.

Developing and facilitating continuous improvement structures and processes. After the failure of the roll-out, CFT D inserted shared leadership for the operations. As an example, an analysis of who was doing what, and regular meetings were deployed to coordinate the actions of the logistical operators with the marketing managers, as well as to obtain feedback from the sales representatives who would eventually be the voices of the clients.

"In order to improve the quality of the warehouse, we have developed a couple of projects such as a tool to control sets. We already have improved accuracy. We have created a forum between marketing and the warehouse. This forum is a meeting during which we analyze mistakes and statistics. The product managers are the most involved. But I do think we should involve more people within the teams of the set controllers. One or two are very pro-active and have very good ideas, this is very important to involve them. It is important that the product managers learn from the ones who control the sets and vice versa. When we have new products to introduce, we need to define the extent to which some people are responsible.The knowledge transfer should be done on the sets themselves in the warehouse in order to develop the skills of the people in the warehouse. This is something that is already done to some extent but should be emphasized because this did not work at all in the beginning. The interface between the product manager and the warehouse should function very well." (Interviewee CFT D 1, Division director)

"We look for someone who will be leader of the sets. A control leader. A supervisor of operations. This is a difficult profile to find because we would like someone who comes from the health market, who knows why the instruments should be complete and well washed. This

person should have a global mind and be network oriented. Networking is perhaps something missing right now. Product managers talk a lot together and not so much with others. And of course, the other ones are making mistakes. This person should motivate everyone." (Interviewee D1, Division director)

"We have a kind of agenda. We always talk with single issues. We can add issues which are important at the moment. First of all, we talk about improvements and the follow up of the actions, the daily things. Second, we have projects such as forecasting, the OrthoKits. They normally arrive three to four months later because they need to be produced internationally. Who is responsible for them? How is the flow of information going? Who is responsible? We try to define these kinds of projects. We meet once a month. We track the project and define the next steps. Once or twice a week we have daily issues. I am going to the warehouse, to discuss things and find solutions fast. The way is quite pragmatic. At the moment we have to take small steps. In the past, we wanted to take big steps but did not perceive the targets because we were missing the small steps. Now we are trying to improve things. Sometimes, we define a process but three to four months later, we have to change it. So, we try to find solutions fast. If it is a big project, we have to follow and build up a project together... It is very hard because everyone says that the warehouse is very bad. You have to improve the situation very fast." (Interviewee CFT D 3, Project manager)

"The objective is to reduce inefficiencies whatever it takes. We have few quality management and communication tools. We have set up CFTs. We focus on small improvements, things you can do within one or two months. People are volunteers. We do not want to complete projects that take two years. We do not want to engage in things where people would not see any results. So we have just little things such as a database with easy access, and information spread between two or four boxes." (Interview CFT D 6, Business unit manager)

"We meet every two to three weeks for one hour. We look at the six functions: ordering process, rotating kits, any small bottlenecks, customer service, any complaints, major administrative problems between technical services and the customer service, and product return. From the sales side, we look at the experience of a sales rep, if it is OK with the customers, if there are any problems, any areas for improvement just for the division and the supply chain process. It is very much centred on the supply chain. D. is much more complex because the other divisions do not have the rotative kits (20 big boxes…), we have many more products, many people involved. 3 to 4 people in the surgical team are involved. They sterilize. There are 5 or 6 check points and very often something is missing, sometimes the materials, sometimes implants cannot be delivered sterile. It is very sensitive. We define tasks. We cannot talk about all the products. So we define who is involved regarding some kind of

problems. 5 different units. 2 or 3 will make mini project teams. These mini groups are working separately. From product management. I am in charge of this team." (Interviewee CFT D 6, Business unit manager)

CFT - Project phase: Rolling-out (1/2)		
Practice	*Definition*	*Activities comprising the practice*
Using consultants	Consultants facilitated the implementation	Roadmap Crisis meetings
Involving people at the end	End-users discover the outcome when it is already very advanced	Using the model and the tools
Communicating throughout the project	Informing everyone in the company about the project and its progress	Meetings Emails
Receiving feedback at all levels	Asking for feedback from the End-users	Ad-hoc meetings Regular business meetings
Coupling project activities with the remainder of the organization	People outside the team are taking part in the implementation of the project	Distributing specific tasks to people outside of the team
Decoupling activities	CFT is following up with a roadmap and a timeline without taking inputs from the remainder of the organization	Following a strict roadmap Taking decisions internally
Sharing leadership	The responsibilities draw upon different team members. Team members share responsibilities for the different parts of the project	Team members working on split activities Regular exchanges between team members Follow up meetings after the project Co-responsibility in the follow-up of the project

CFT - Project phase: Rolling-out (2/2)		
Single leadership	The project manager centralizes all decisions	Decisions taken solo
Developing and facilitating continuous improvement structures and processes	Task forces are put in place to diagnose, find and implement a required solution	Task force creation Meetings Communication with the operationals

Table: 62: CFT practices during the roll-out phase

6.4. Cross-Functional Teams' Key Practices

In this part, we will present the implications of the teams' practices for changing the sales, marketing and distribution business models and tools within the remainder of the organization. We will first examine specific incidents that took place in each team, and analyzed them in relation to the chronological description of each team's activities. This analysis will enable us to identify each team's characteristics to cope with issues arising within the projects. Then we will analyse how the identified practices were or were not associated with producing the goal of changing sales, marketing and distribution in the remainder of the organization. We will describe and explain the teams' key practices – coupling and decoupling activities, shared leadership and semi-structure according to their potential for producing organizational change, and more specifically for shaping marketing, sales and distribution within the organizations.

6.4.1. Reminder: Cross-Functional Teams' Outcomes

The CFT's self reported outcomes are defined and presented in section *"5.5.6. Different teams' results"* and in the section *"3.3.1. Organizational change outcome – operationalization of the measure of performance".* The Pilot Team achieved organizational change. CFT A did initially did not meet satisfactory results but gave satisfactory end-results. CFT B met moderate organizational change achievement. CFT C did achieve organizational change. CFT D failed.

Organization	Team Number	Team	Self-reported outcome	Coupling and decoupling activities during the phases of the project	Sharing Leadership	Semi-structuring
PharmaCo 1	Pilot Team	BBP	Organizational change achieved	Yes	Yes	Yes
PharmaCo 2	Team A	CRS	Early results not satisfactory but end results satisfactory	Yes at the end	Yes at the end	Yes at the end
PharmaCo 2	Team B	Inno-Team	Moderate Organizational change achieved	Yes	Yes	Yes
PharmaCo 3	Team C	FASE	Organizational change achieved	Yes	Yes	Yes
PharmaCo 3	Team D	SISC	Failed to achieve stated aim	No	No	No

Figure 63: CFTs' outcomes

6.4.2. Coupling and Decoupling Activities Sequencing - Propositions

Coupling and decoupling activities sequencing designs the evolution through the timeframe of the inter-relationship between the teams and the remainder of the organization. Following our previously presented analysis of practices from the pilot team and the four other teams in two organizations, it appears that the most successful teams are the ones coupling their activities with the remainder of the organization in the planning and designing phases, decoupling their activities with the remainder of the organization in the developing phase and re-coupling their activities with the remainder of the organization in the testing and rolling-out phases.

Pilot CFT and coupling sequencing

In the pilot CFT, we found that the design phase of the BBP team coupled their project's activities with their daily business' activities. First, sponsorship and leadership were actively involved to the project in order to share the vision and create the desire for change to legitimize the project. In addition, the marketing director organized early meetings with senior management so as to get their sponsorship. The cross-functional team strongly tighted its activities with the remainder of the organization at the beginning the project.

> "A "kick off" meeting was organized in January N+1 with the subsidiaries, CEOs and the marketing directors to present the philosophy of BBP. I also communicated during the department's regular meetings and to the HR department." (Interviewee CFT P2, Group product manager)

During the development phase of the BBP project, the project's activities were relatively decoupled with the remainder of the organization. The initial pilot team worked hard to design the template. Consultants provided additional strategic knowledge to the team. This external knowledge brought the """best practice"s"" in the market regarding marketing and helped to legitimize the new marketing plan, to ensure the standardization and homogenization within the organization and to obtain an early ownership of the template by the members of this pilot team. Collaborators took the knowledge brought by the consultants and adapted it to the realities of their business context. That was an extra task in addition to

the activities performed within their regular jobs. The end result was the development of a customized marketing template to the organization. This deliverable aimed at using the """best practice"s"" relating to marketing, to legitimize the new marketing business model and tool, to ensure standardization and homogenization and to get an early ownership of the new firm's template. At the core of the project, the team members were relatively concentrating on their action plan.

> "The planning defined at the beginning of the project ensured us mobility within the team and to answer to the timing requirements… a weekly meeting with the marketing director was put in place in order to follow up the progress." (Interviewee CFT P2, Group product manager)

Even if the development phase is centred on the work performed from within the team, the team was still communicating extensively outside its borders to the remainder of the organization and receiving feedback at all levels.

The peer challenge organized at the end of the roll our phase facilitated the coupling activities with the project and the organization. This helped the teams to step outside of their internal functions, obtain new inputs and insights on their deliverables.

We found that the roll-out phase was coupling the project activities with the daily business activities so as to contribute towards creating changes within the remainder of the organization. When the pilot team had designed the template and received the internal validations, it distributed the information, and organized a training session for the other teams. A three-days training session in Brussels played a great role in sharing the information from the initial team to the three other country pilots (France, Germany and Itlay). Putting into practice the marketing plan with a specific product in France, Germany and Italy was a real test to check if the marketing plan was sufficiently useful to produce a new and desired marketing model. It was also a way to get a quick win, to involve other people from the team and to use them as ambassadors for the future.

Consultants were mostly used as experts and facilitators but did not play a key role in piloting the projects. The cockpit of the marketing plans was piloted by product managers. This separation from the consultants, that initially introduced new knowledge, also contributed to the translation of knowledge from the project to the remainder of the organization. The results of the marketing plan were progressively included in the

collaborators' performance appraisal. This activity was also a way of coupling the activities achieved within the context of the BBP project to the daily business of the collaborators and the company. During this phase, communication was done consistently throughout the entire organization. Existing meetings were used when possible. Project teams met on a regular basis to check out the project's status. Business brand plans were evaluated by an executive committee and the action plans implemented by the group manager, market research, sales director and marketing director.

> "The key conclusions and sources of business were presented during a COMEGA meeting at the end of March and the final document at the end of May." (Interviewee CFT P2, Group product manager)

This evaluation process contributed towards coupling the team's activities to the day-to-day business. All the functions were responsible for the implementation of the developed action plan. This shared responsibility to implement one single action plan throughout the diverse departments, and the locus of actions placed in each department, facilitated the coupling of the activities performed during the project and the activities to be performed within the departments following the completion of the marketing plan. This action plan played the role of a roadmap for all collaborators. The following table presents an example of an action plan defined for a pharmaceutical product in France. It shows the diverse actions to be done, the key performance indicators, the frequency and the responsible people. In the "responsible" column, the following functions are mentionned: marketing team, sales force excellence team and hospital task force. This plan closely defined the interrelated actions between the marketing team and the sales team.

> "The influence of BBP on the company was to institutionalize the marketing plan thoughout all the countries and use the same language." (Interviewee CFT P 11, Marketing Excellence Director)

	Source of business	KPI	Frequency	Responsible
1	Product P 1st line in GERD among GPs (specifically non loyals)	New GERD patients market share	Monthly	Marketing Team
		Brand equity assessment	3 x / year	Marketing Team
		Call frequency by segment	Monthly	SFE Team
		Nb of participants to sales events	Monthly	SFE Team
		per cent sales events mixed GP / GE	Monthly	SFE Team
		per cent of non loyal / loyal attendance	Dedicated study	SFE Team
		ROI on survey and symposis	Dedicated study	Marketing Team
2	Drive new GERD patients to GPs	New GERD patients market share	Monthly	Marketing Team
		Volume of new GERD patients	Monthly	Marketing Team
		Qualitative assessment	Ad-hoc	Marketing Team
3	Enter SA market	Awareness assessment	Dedicated study	Marketing Team
4	Leadership in hospitals	Product P market share / oral form	Monthly	Hospital Task Force
		Product P out-of hospitals market share	Monthly	Hospital Task Force
		Tender winners	Ad-hoc	Hospital Task Force
5	Product P position with GE and RH	Call frequency	Monthly	SFE Team
		Split of calls	2 x / year	SFE Team
		Product P market share	Monthly	Marketing Team

Figure 64: PCFT action plan

CFT A and coupling sequencing

CFT A, which was not successful at the beginning of the project launch but who obtianed success later on, did not couple its activities at the beginning of the project. The Division director was merely taking decisions based on advice from the consulting company but not soliciting the organizational players. An interviewee shared his thoughts about the need to open up the project outside the company:

"We do not have contact with other companies who use this program. When I saw other sales representatives, I asked them which system they use. One of them said TEAMS. I heard the problems and the better things they did. A project manager should speak to another project managers from other companies. The objectives are different. It is always a question about the use of the program." (Interviewee CFT A 6, Sales manager)

After the failure of the first design phase, CFT A coupled their activities with the remainder of the organization.

"L., tell me what you need regarding the forms that we can fill in. Then I go to the divisions and I fill out the forms. Before, I did not have this structure. We managed to build up a first system. We defined user groups that worked with us on the pilot." (Interviewee CFT A 2, Assistant)

When CFT A started over the project, it asked for suggestions from the remainder of the organization, specifically to gather the needs from the diverse divisions, and to better assess the relevance of the software to the needs of operations. CFT A started to couple its activities at the testing phase with the pilot and then after the roll-out. But as the team did not couple their activities at the beginning of the project, it was necessary to restart all the project phases again. One assistant took the role of project manager at the end of the project:

"I asked the divisions how they were working, how they would like to work, what were the data transfers necessary, what new things they would like." (Interviewee CFT A 2, Assistant)

"I had a lot of documents with everyone's needs. Everybody had to decide what they wanted for every line; Mr C. Decided for primary care; Mr R. For hospital care. We also talked to our chief." (Interviewee CFT A 2, Marketing assistant)

"We need to work with more people who work daily with the system." (Interviewee CFT A 6, Sales manager)

The initial roadmap was replaced during some point during the project because the supplier and the software were not ready and because the working software was not meeting the requirements.

After the first failed design, CFT A changed their consultant and began working on the new design phase, concentrating on key step-by-step activities.

"In the Fall, we told the supplier that we could not continue working like this. Mrs D. joined the project. We agreed on the remaining tasks. With Mrs D., we had a person who knew what the system was doing. We had tables to convert the zones from the old to the new system. She told us where we could put them, which analyses were possible, which analyses we would like." (Interviewee CFT A 2, Assistant)

"In February N, we held a meeting. We had a progress report meeting and I decided to get more resources to the team. On the client's side, they were really well organized. We had to revise a lot of work. We decided very quickly. We had to work a lot. On our side, we had not recognized the need to change something. We reviewed all the project phases and we started again from the beginning. We also organized internal resources for the "go-live"." (Interviewee CFT A 2, Consultant)

CFT B and coupling sequencing

For CFT B, this team involved representatives from each division to get their main issues. According to the interviewees, the team members should have focused more on the people outside the team. During the developing phase, CFT B also used a precise roadmap but it was more flexible. To achieve the idea-factory software or the idea-events, CFT B put in place a strict organization with clearly defined activities, milestones and responsibilities. They strictly defined a process and steps to be performed.

"We have processed the machine three times. We have tested new ideas to address the customers. We have invited experts, and people from the firm. It takes quite a lot of time to establish questions, to invite people, to establish who we want to invite. Two people are responsible for inviting people. We have invited people involved in the project (marketing), "square thinkers", people from suitable backgrounds but not related. At the end of the analysis, we got a lot of ideas. The tool asks: in a situation like this, what would you do? We then look at the ideas again and it helps us to find new ideas. People can add things, more ideas or more

detailed ideas. Then it goes to the selection process. People are invited to select their preferences. The real selection is then made by the customers who first made the order. They see the final idea but they also see other ones." (Interviewee CFT B 2, Regulatory affairs officer)

"We have monthly meetings and more when we have a machine running. We have a lot of email communication. When something is complex, people are informed. I work as a content management provider. I am responsible for putting together the questions and the instructions. The other roles in the team are the role of president who organizes meetings, and communicates with the hierarchy, the talent scouts who invite people into the machine, and, client managers who work with customers to define what they expect from the experience, and the IT manager." (Interviewee CFT B 2, Regulatory affairs officer)

CFT B involved the remainder of the organization to define the topic to be worked on within the innovation process. For this, team members organized meetings with each division to define their stakes and their current key issues, and, once the topic was defined, they run out the idea process either through the software or at an event with people representative of the division as well as with other relevant profiles from within and outside of the organization.

"We had a topic on one of our products for treating obese people. There are 2.4 million obese people. How can you bring these 2.4 million people to see the doctor? This was the topic for the machine. We invited around 50 people: doctors, patients, obese people and former smokers. We invited former smokers because they had changed their behavior and their lifestyle. We also invited internal people. After the creative process, we had 3000 inputs. So it is really important to have a reduction. You have a lot of inputs but not always an answer to your question. We had between 20 and 30 ideas at the end. You have to visualize them. You have to imagine them a little bit and then you can choose which ideas you keep and which ones you you do not keep. (Interviewee CFT B 5, Division Director)

"The role of the Inno team is to engage people from each division. You have one person who can communicate with the division. This person is also responsible or is an ambassador in his business and his department. You need people in the Inno team who are well accepted within their team, and in their department, to spread the word about the machine." (Interviewee CFT B 5, Division director)

CFT C and coupling sequencing

CFT C strived to get the right people from the remainder of the organization when it was necessary. The local transition co-leader explained how functional leads in charge of a specific process identified the right people and tried to engage them into the project.

"It developed in individual smaller groups. In the beginning, the groups were set up. Then, after having worked together, we found that some people had a lot of know-how in specific areas. The initial groups were reformed over the next few months. We suggested who should participate.... For example, we had a big gap with IT development, and without IT development, you can set up a lot of ideas, but you are not going to have a lot of things. (Interviewee CFT C 4 – Financial controller)

"Some people are more engaged. Others are not so concerned and do not feel the urgency or the engagement. We just exchange. We want people to speak out and express how the collaboration works. As a project, we call, at the top level, the functional leads, the people who are responsible. We want to make sure. We often speak to the functional leaders, observe where the issues are and correct them. We try to bring in the right people. That is cross-functional, and we try to summarize. We look at the chart. Sometimes, things might overlap. The local warehouse process. To store products locally, this implies the purchasing person, the finance person, the control person. In the end, you have five to seven people. It is very complex to make sure that the right people are involved at the right time. We try to create cluster topics." (Interviewee C 5 - Local transition co-leader)

During the developing phase, CFT decoupled its activities with the remainder of the organization. Detailed planning and deadlines were defined. They were mostly followed. The following table illustrates the workshop planning defined for CFT C:

Workstream	Workshop	Date	Location	Lead
Warehousing	EDC visit	June 11 + 12	Courcelles	SMC
Master Data	Master Data	July 8-10	Vienna	HEH
Finance	SAP Finance	July 8-10	Vienna	LIY
Warehousing	Warehousing/OrthoKits WH Visit	July 21 + 22	Vienna	SMC / BEM
Warehousing	Warehousing/OrthoKits WH Visit	July 21 + 22	Zurich	SMC / BEM
Order-to-invoice	Standard Sales order	July 28-30	Zurich	
Order-to-invoice	Pricing	July 30-31	Zurich	ERT
Warehousing	Warehousing/OrthoKits Processes	August 11-14	Vienna	SMC / BEM
Order-to-invoice	Consignments	August 26-27	Zurich	ELH
Order-to-invoice	OrthoKits	August 28-29	Zurich	BEM
Finance	JDE Finance	August 27	Zurich	
Warehousing	Warehousing/OrthoKits Processes	September 3-4	TBD	SMC / BEM
Master Data	Business Intelligence	TBD	TBD	

Table 65: CFT C – Workshops Summer (Source: CFT C – Document "FASE Local Implementation Team Kick-off for Austria and Switzerland. July 7.

CFT D and activities decoupling

CFT D did not couple its activities with the remainder of the organization. When the warehouse activities were outsourced outside the headquarters, PharmaCo3 faced some huge issues such as delays, misleading products, customer complaints and internal distrust between the sales, product managers and the logistics staff. This initial failure was mainly due to a total decoupling of activities between the project team, the sales people, the product managers and the logistics staff.

The team had overlooked the fact that the product managers were very much involved in the logistics, in defining the sets, searching for implants and instruments, or assembling them if necessary. The logistics staff found itself deprived of these skills and knowledge. They could not prepare the necessary sets. At some point, new teams were put in place. One of them was in charge of the modularity of OrthoKits. This team closely

monitored its activities with those of logistics, sales people and product managers. This initial coupling helped the team to define a proper agenda and conduct the right actions in order to define the different modules of sets.

When the sales representatives and the customers were taken into account, the project began to be successful. When the warehouse was first outsourced, the sales representatives had neither buy-in nor involvement in the project. This resulted initially in failures and, discontent from every part of the organization, and at the end of the day, customer complaints and dissatisfaction. The sales representatives were eventually taken into account and their voices heard.

Then the quality bgan to rise and cooperation improved between the sales people, the marketing people and the logistics people. This SISC project contributed to the successful implementation of the modularity of kits when they coupled their activities with the day-to-day activities of all the stakeholders, when the logistics, the sales and the marketing people had enough understanding of the concerns of the others, and when they could define an appropriate common action plan that tackled their issues. Then each stakeholder performed their own job. The marketers concentrated on marketing strategy and their planning, the logistics on kits documentation and the sales people on the client's relationship. When the project went live, all three parts could coordinate the client's demand, and incorporated the logistics processes with the marketing vision and target.

> "The customers will be informed. If we do not communicate with the sales force, we are dead. If the sales force does not believe, the customers will not believe anyway." (Interviewee D, Company Director)

> "The collaboration between different departments did not always function correctly. It's right that when functions and daily work are so different between people, this tends to be very difficult to collaborate. As an example, it is very difficult between the sales people and the warehouse. Some people do very technical and operational work. The overlap is too thin that this becomes very difficult to make some people understand what the other ones are doing. And then, when a mistake occurs, it is very hard to understand the other part, to get to know what should be done. We've lately had a couple of conflicts." (Interviewee D, Company Director)

When asked about the need for improvements regarding CFT D, the division director talked about the need to incorporate all the parties from the beginning of the project and specifically the sales representatives:

"Sales representatives are not very much impacted by the project. This is mainly the sales managers who are asked to give their inputs and start a dialogue. For me, it is crucial to involve the sales managers because they will have discussions with the clients about this project and these discussions will not always be easy. These changes also focus on bringing improvements to the clients. As an example, if they have fewer tools to sterilize, it is less work for them. What counts is that everyone gets the same focus. Sales representatives should not just get the client's focus. A lot of sales representatives are the clients' advocates." (Interviewee D 1, Division Director)

"When we set objectives, we need to involve all the parties. It is very important to get the buy-in of everyone. This is then easier to involve them and to ensure the project progress. Everyone needs to undertand what the target is." (Interviewee D 1, Division Director)

"For me, the most important thing is that everyone is involved and knows the real objectives. For somebody from the warehouse, it is maybe not that clear why if something is changed, this will impact on somebody else, somewhere else. We also need to convince this person. Everyone needs to clearly understand why we do something, especially when the objectives are partially hidden." (Interviewee D1, Division Director)

"What did not work at all in the beginning was communication. Each one thought it was the other one's responsability... We always have discussions with customer support to define who is responsible for which task. When we have two different departments, it is a little bit difficult; it is quite political who is doing what... What we should do, and what we did not realize, was to think about and look at who is doing what in the warehouse. We did not realize that the product managers spent 40 per cent of their time in the warehouse. We moved the warehouse and suddenly, all the activities performed by the product managers did not occur. With a simple analysis and reflexion, we could have reacted on this topic before moving. We did more in a very short time.... My predecessor was in charge. It might be that a lot of things were not discussed. And it is a fact that it did not work. We need more reflexion, more educated people and more intense work on the project. This cost us one year." (Interviewee D1, Division Director)

CFT D did not have a proper roadmap. When asked about the improvement needs of CFT D, a business unit manager answered:

"To get people from each part.... Really make sure that everybody is involved. If you only get two people, you will never get what you want." (Interviewee CFT D 6, Business unit manager)

CFT D was decoupled from the beginning to the end with the remainder of the organization. This aspect was the major element of the failure.

"Relationships are not good between the warehouse, the sales people and the team here at the headquarters. There is a lot of misunderstanding. If we want to improve on our mistakes, we have to identify the mistake." (Interviewee CFT D 3, Product manager)

"Communication is an issue. Talk about the things. We have established a newsletter, and regular meetings. We have to go further and have a closed exchange. You write an email to the product manager and then it goes to his boss, to his boss, and so on... Having direct communication is crucial. It should be normal but it is not normal. This is the main issue." (Interviewee CFT D 3, Product manager)

"Something comes from marketing. To improve this part, have faster decisions, what the customer would like to improve. What I am involved on right now is to improve what comes from technical support. With these rotating kits, when they come out from technical support, they have to be checked, if they are complete or not. We check all the instruments. Are all the instruments there, or is there any instrument missing? This process goes through technical support. There is always an intersection with technical support and the sales. When an instrument is missing, technical support or the sales person will know it because the customer will call them. We use this one but we are missing this and this. It takes a lot of time to know whether the problem is with technical support. We did a chart with all the steps. So we have all the processes and the opportunities which could go wrong and correct it. So what I did recently is to put technical support all together and ask them some questions about this process, what is coming in, what is going out and then at the end, these different processes in the team. This is what we have now. We are trying to figure out what is going well or correctly, how to be faster, to avoid some mistakes. That is more or less the part of what I am doing in this project." (Interview CFT D 8, Sales representative)

"Logistics is well coupled but the disadvantage is that it is decoupled from the business. The product managers who used to be in the warehouse to help, to control special points and see new products, are now in headquarters. It is quite a distance from the warehouse. The people from the warehouse do not feel that involved in the construction of the sets as well as in the business. This creates problems. What we need to do now is to involve them in the business, in our meetings and in the parties we have from time to time. We want them to feel part of this company. And on the other side, we will gain in efficiency. They need to take on the tasks that the product managers used to do. This will give them a complementary aspect of their job as well as skills. At the same time, it requires a similar implication from them. This is not yet the

game right now. They are not as pro-active as they should be. I think we should have more interface to help the warehouse to progress, and to specify who is doing what. This was not done before moving and this is where we do have issues. Some say "ah, this is not their job anymore." And at the warehouse, they say that they do not know how to do it. Right now, we have progressed in the definition of who is doing what. But sometimes, we have client vision when the warehouse has a process vision." (Interviewee CFT D 1, Division director)

"For example, for the rotating kits, they rotate from customer to customer. They go out for surgery and then are used for surgery. They are sterilized and then come back... They are filled up and go on to the next customer. As I said, it is growing. We need more than one brand and one instrument. In the past, there were 5 people. One of them was the boss. Then you send an email to him, please prepare it within the next 2-3 weeks, you ask if it is possible, if there is sufficient resources, and then, you are waiting, waiting. If you need the instrument, it was not ready. For me it was very bad because I was downstairs, searching for the implants, putting together the instruments, and … because it was the wrong person. But anyway it was not dedicated who was doing the set. It didn't know who was doing that, this… today if I have such a task, I write an email. A. is the boss. I write him an email. First of all, I have feedback... yes I can do it, no, yes but I miss this… 3 or 4 days before, A, is it OK? And in 99.5 per cent of the cases, we have an instrument ready that we can use. It is a small example. But it is extremely important for me. In the past I was not sure. My credibility was bad in the eyes of the sales rep. For me it is extremely important. Again between sales and marketing, there is a lot of conflict. Sales people have other thoughts than marketing people. Then things did not happen, and we have a problem. If I tell them things haven't happen, this is my credibility. It is extremely important. It is a tool for marketing against the sales people. The sales tell the customers you are going to have it at the end of October. And then, they do not have it. We have really dedicated people and they have to do the work. If there is a problem, I can help them to build something. I will work with them. I know who to see. They are taking responsibilities. It should be normal but in our company it was not. We have to search for solutions. Otherwise, we are stuck in the middle etc., and the stakeholders are angry. You are stuck in the middle and it is a bad situation." (Interviewee CFT D 3, Product manager)

After the failure of the roll out, the warehouse and the marketing department initiated actions for improvement. One main characteristic was to gather collaborators from the warehouse, the marketing department and the sales department.

"I have the project lead. I try to have everyone around the table in the room. The issue is that it cannot be done as fast as the sales would like to have it because of the complexity. We would have a huge complexity if we just divided everything. And, a bigger distortion... Sales people,

technical people and marketing people: everyone needs to have a common point of view. For the sales people in the field, they believe they can just ask the technical people to create a new set. They just do not see the complexity behind. It is why we have everyone around the table... We are becoming more concrete. It was a way to get the voice of the customer. As the project lead, I need to get the voice of the customers. As the sales are so closed to customers, their feedback as accurate as the customers. How should we split the implants? We have sometimes an issue of quality. If we have bad bones, we need to sediment. I would like to make the difference with the risk that the surgeon sediments an expensive implants. So I would have a discussion with sales to see if it is possible to have such quality forms." (Interviewee CFT D 3, Product manager)

"If we do not communicate to the sales force, we are dead. If the sales force does not believe it, the customers will not believe it anyway." (Interviewee CFT D 5, Logistics services manager)

Conclusion

A comparison of the structures and processes of successful versus non successful CFTs highlighted that successful CFTs followed a sequence of inward focus and outward focus during the phases of the project. The CFTs who did not meet satisfactory early results but met satisfactory end results also demonstrated this sequencing but only at the end of the project. The CFTs who failed to achieve their aim of organizational change were inwardly focused.

These findings suggest the first three propositions:

Proposition 1: *The higher the level of coupling activities enacted by CFTs in the early phase of the project, the higher the level of organizational change.*

Proposition 2: *The lower the level of coupling activities enacted by CFTs in the intermediate phase of the project, the higher the level of organizational change.*

Proposition 3: *The higher the level of coupling activities enacted by CFTs in the final phase of the project, the higher the level of organizational change.*

6.4.3. Sharing Leadership and Project Teams - Proposition

In this part, we will examine how the sharing of leadership was or was not a practice performed in the teams under study. The dominant paradigm of leadership in the literature and in the practice is leadership around one single individual who inspires, commands and controls followers. One person is in charge and the others follow. Each individual is either a leader or a follower. One cannot be both. The concept of shared leadership challenges this traditional view. According to Pearce et al. (2009):

"Shared leadership is a dynamic, unfolding, interactive process among individuals, where the objective is to lead one another towards the achievement of collective goals. This influence process often involves peer influence and at other times involves upward or downward hierarchical influence. The fundamental distinction between shared leadership and traditional notions of leadership is that the influence process is built upon more than just downward influence on subordinates or followers by an appointed or elected leader. Shared leadership entails broadly sharing power and influence among a set of individuals rather than centralizing it in the hands of a single individual who acts in the clear role of a dominant superior." (Pearce et al., p.234).

Sharing leadership implies that role and responsibilities are shared among a set of individuals. At some point in time, some individuals can step back and let another leads some aspects. The study of the pilot team and the four other teams suggest that the most successful teams are the ones which share leadership throughout the project.

Pilot CFT and shared leadership

Roles and responsibilities were delineated in the brand building team. A reporting system was also defined with the core team and the steering committee. Team members were encouraged to take responsibility in their respective skills domains. The consulting firm brought in a standard template for defining a strategic marketing plan. Then this plan was adapted to the company by all the team members. This initial common definition was a starting point for getting information from diverse business backgrounds, to encourage team members to bring their inputs and to engage them in a co-construction. Then the brand building plan was written by several hands. The tasks were split between them, according to their backgrounds and skills. Regular meetings encouraged cross-feedback and continued to encourage engagement and shared responsibility.

"The people involved in building up the plan were the marketing leader, and collaborators from the regulatory, finance and medical. The core team reported to COMEGA, the executive committee. The task force was in charge of communication and training. It was composed of one person from the marketing, one from training, medical and regulatory. Its role was to manage communication and training on the product. The operational task force was composed of one person from sales, one from market research and one from marketing. Based on the brand building plan, the task force implemented the action plan. It reported to the core team and to COMEGA." (Interviewee PCFT 2, Group Product Manager)

"The plan changed mentalities. It used to be just a marketing plan. But now all the functions are responsible for the plan. Sales read it a lot... The company has been influenced by this plan through the implementation of these CFTs (core team and task forces). The plan federates these teams (sales, marketing and medical) and enables co-responsibility among them. (Interviewee PCFT 4, Marketing Director)

During the design phase of the pilot CFT, the marketing director clearly took the leadership of the team in defining their goals and priorities. During the development phase, the team members rotated their role within the Pilot Team. The marketing director maintained the official lead of the team but then, according to the parts of the marketing plan or the need for some specific information, the lead was shared with the most expert person. As an example, the consultant in strategy clearly took the lead at the beginning of the development phase to provide benchmarks, external knowledge and a clear roadmap to write the marketing plan. The medical director brought his own knowledge regarding medical expertise and assumed leadership whenever medical issues were at stake. Everyone was respectful of the expertise of the others and let them take the leadership on this ground. A three-day training session created the foundations for a future change network of change agents that would transfer the knowledge to the remainder of the organization. The team members of the pilot project in France, Germany and Italy constituted a resource pool for the other marketing plans launched in a second roll-out. The development of an informal network was also a practice that resulted in transferring the changes developed within the team to the remainder of the organization. This informal network helped to share and diffuse knowledge and to enhance ownership of the project. The practice of the country challenge helped each team member play the role of a "supervisor" and provided the opportunity to comment on the others' work. This challenge consisted of appointing a team member to another one and to ask for feedback. This feedback was then shared during the official presentation.

CFT A and sharing leadership

For CFT A, the leadership was very much concentrated in the hands of the marketing director in the beginning of the project. One of the consequences of this concentration was a lacks of understanding of the daily work of the sales and marketing representatives and, led at some point, to a non operational system. CFT A did not have a clear definition and split of roles and responsibilities. After the initial failure, when the design phase was re-started, CFT A did share leadership between the marketing assistant and other team members.

CFT B and sharing leadership

For CFT B, roles were distributed between the team members. There was no leader as such. Each role was shared by two people. The defined roles within the team were the following: client manager, president, talent scout, content manager, IT manager. Furthermore, two team members played the same role so they could be replace, exchange ideas or delegate some tasks. CFT B systematically had two team members for each of the role. Members were assigned roles: client manager, Inno president, talent scout, content manager and IT manager.

> "It is very massive what is happening. For people, even at lower levels, we have one team; we have full parity of each lead. This is co-leadership. She is doing the logistics; I am doing the financial part. For each box, we have two names. We keep the contacts. The big event is that we need to agree on an outcome that is good for both. We try to come up with the same solution. We try to make the differences we might have more transparent. How well could we work across borders? If somebody is sick or on vacation, the other one can do it... We had a "kick off" together, and guidelines about how to work together." (Interviewee C 5 - Local transition co-leader)

> "In this team, there is no real hierarchy." (Interviewee B 1, Director Strategic Affairs)

The CFT B organisational diagram illustrates the non-hierarchical organization of CFT B. Roles and responsibilities were clearly defined for the team members of CFT B as well. Client managers worked with customers. The Inno president organized meetings and communicated with the hierarchy. Talent scouts invited people to the innovation machine or workshops. Content managers created questions and managed the interactions with the clients. IT managers were in charge of the machine.

The following figure illustrates a specific shared leadership application in the CFT B. Roles were clearly defined: client manager, president, talent scout, content manager, IT manager. They were shared between two team members.
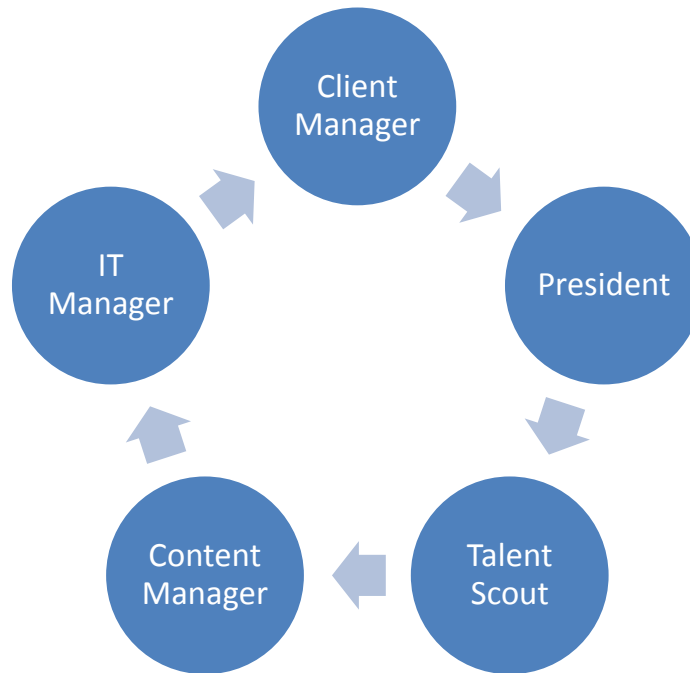
Figure 66: CFT B Shared Roles

During the testing phase, CFT B continued with the same type of organization into which leadership was shared between the team members. During rolling-out, team members clearly showed shared leadership.

CFT C and sharing leadership

For each role within the team CFT C, roles were shared with a representative from Switzerland and one representative from Austria: project lead, functional lead and workstream lead. Roles and responsibilities were clearly defined:

"We have a document with the rules, roles and responsibilities, and process levels, as well as project members. Last July, we had the "kick off". We basically agreed on guidelines to work. We think about them and we try to apply them. It is working well uptill now. But it still needs

control and improvement at the personnel level." (Interviewee CFT C 5 - Local transition co-leader)
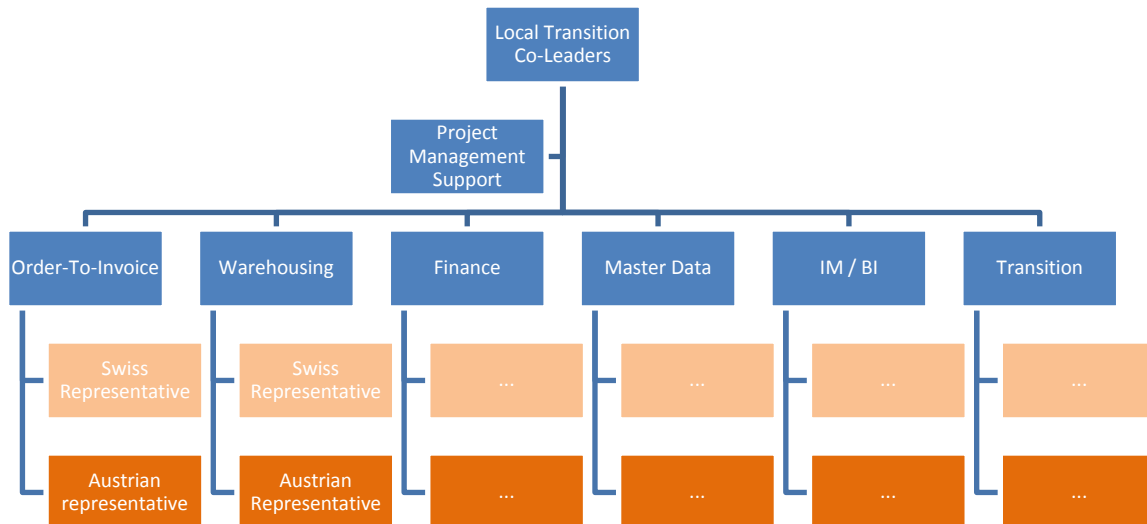
Figure 67: CFT C – Sharing leadership

During rolling-out, CFT C clearly showed shared leadership as well.

CFT D and single leadership

CFT D was led by the warehouse manager. CFT D did not have clear definition and the split of roles and responsibilities. Following the failure of the outsourcing of the warehouse from the headquarters to a larger place in the countryside in the region of Zurich, the management of PharmaCo 3 initiated a program to improve the processes within the warehouse. Five task forces were set up. The leader of one task force could be a member of another task force. For example, a project manager of the customer and sales support was the lead for process improvements in the warehouse, but was also a member of the task force in charge of instruments for sales and replacement. This shared leadership helped the collaborators to get a better understanding of the required tasks.

Conclusion

Through the comparison of successful and failed CFTs, we also acknowledge the role of sharing leadership. Successful CFTs practiced shared leadership throughout the project, while unsuccessful CFTs did not practise it. CFTs who met satisfactory end results only practiced shared leadership at the end of the project. This finding suggests our fourth proposition:

Proposition 4: *The more the CFTs develop a balanced shared leadership, the higher the level of organizational change.*

6.4.4. Semi-Structuring in Multinational Companies - Proposition

In this part, we will examine how semi-structuring was or was not implemented in the teams under study.

Pilot CFT and semi-structuring

The BBP teams were organized in semi-structures. They were comprised of members who were partially detached from their initial department (marketing, market research, legal, sales, strategy…). Roles and responsibilities were clearly defined. Priorities were delineated. Regular and formal meetings were set up. But within this framework, team members were free to organize the process, their interactions and their time.

The Pilot Team was composed of the marketing director, product managers, market research representatives, information systems representative, medical director, sales director and a strategy consultant.
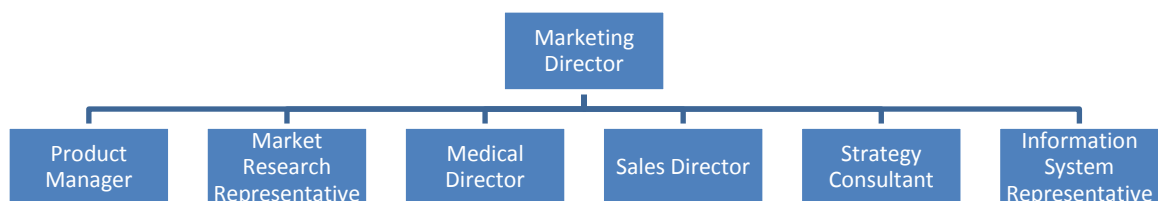
Figure 68: Organizational structure of the Pilot Team

The different teams in charge of writing the BBP were organized with a core team and several taskforces depending on the extent of the product range.
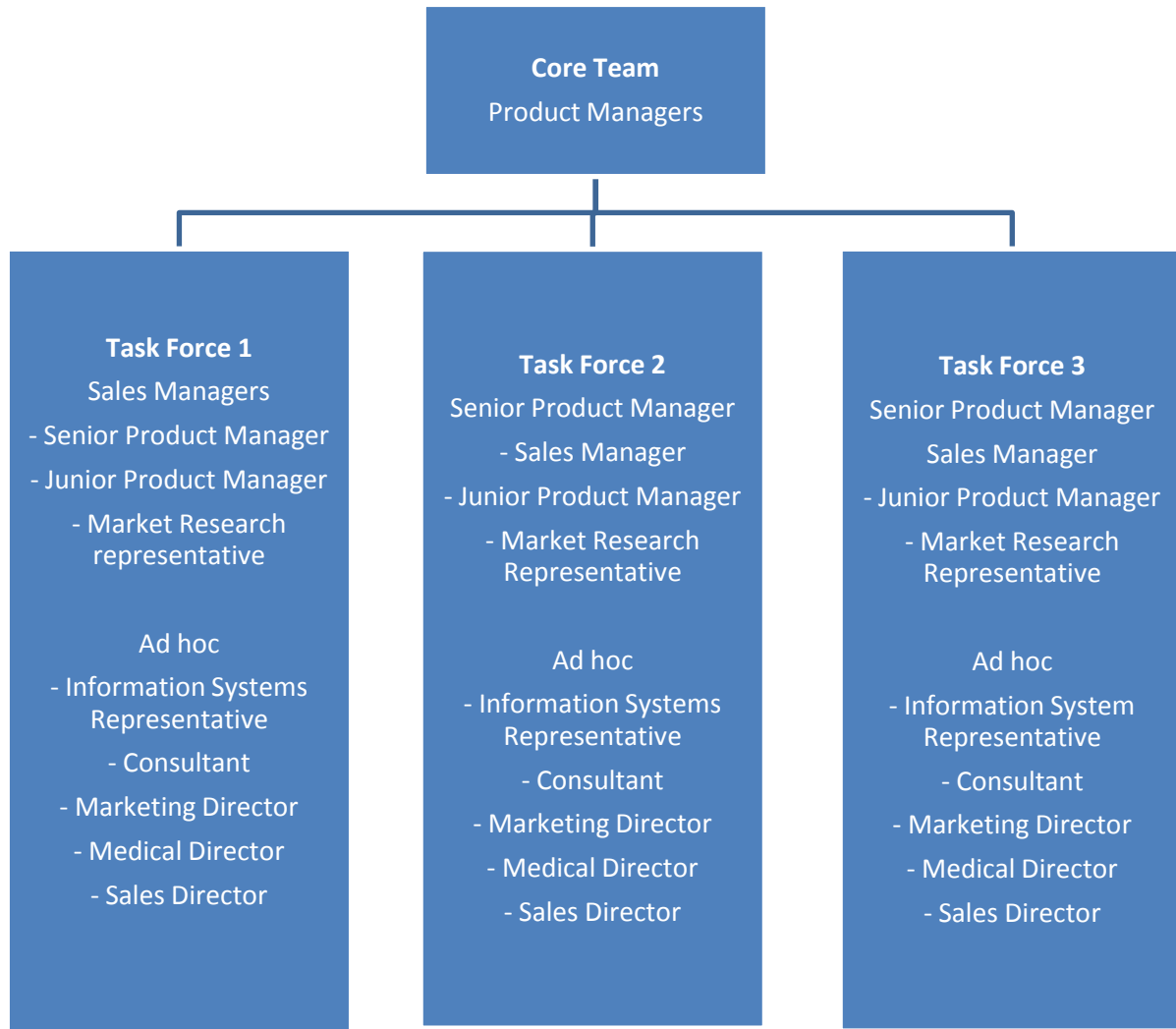
Figure 69: Organizational structure of the teams in charge of writing BBPs

In line with the new cross functional organization, cross functional business teams were involved in the project, together with people from the different functions necessary for a product launch: marketing director, market research, sales director, medical director, market access, product managers, and information systems (OPTIMA). Marketing people were generally the most common element in the project. The project leader was generally a senior marketing manager but could also be a director from another function. There was one project leader per product. For some products, the marketing director was replaced. The marketing

director and the product managers were responsible for the strategic part of the BBP. The junior product managers were responsible for the operational part. A weekly follow up meeting was organised with the marketing director, line managers and sales director. Ad hoc participants were market access, product manager, medical product manager, market research, sales force excellence, and a marketing excellence representative. They were organised into core teams and task forces, as represented in the previous figure. The core teams were allocated the following responsibilities: deliver the commercial brand plan 2008, deliver campaigns and maximise the return on investment, respect frequencies and targeting, deliver information campaigns towards targets, be reactive to the environment and payers' evolution, and define an innovative project for the following year. Task forces were mandated to the implementation, and/or on more detailed and specific aspects of the project. Consultants facilitated the introduction of BBP in 2006 and worked closely with a member of the AstraZeneca team to deliver the BBP framework. They worked full time during the pilot and then on demand during the roll-out. The Executive Committee (CODIR) monitored and validated the jobs undertaken by the teams. In our study, we focused on the Pilot Team responsible for initiating the project and then on writing the BBP for the product called "X" (disguised name).

For the Pilot CFT, the firm allocated cross functional teams with the Pilot Team, core teams and task forces. This organizational change filled the traditional gaps between sales and marketing, market research and so on. People worked on the same work plan defined in the BBP and combined their efforts towards the same goals. BBP federated the business functions (sales, marketing, medical) and facilitated co-responsibility among them. This plan also ensured the company was focused on the key patients, key targets, and the aligning strategy, marketing and finance.

The marketing director designed a Pilot Team with people from different business areas, and together with external consultants in strategy from a prestigious international firm. This setting enabled people to share knowledge, to empower them and to gain ownership from collaborators. The structure was clearly delineated around key responsibilities and priorities. The Pilot Team was composed of collaborators who kept their position and responsibilities, such as marketing director, product managers or medical director. The project used external consultants to obtain new knowledge, to get support from experts, to share expertise and to make sure an achievable roadmap was designed. This practice also contributed to ensuring deadlines were met and to check people were working towards the same goal. The project had a central node with a core team and then people were involved

on demand, such as the medical product manager or sales force excellence. Communication on the project was done consistently throughout the project.

CFT A and semi-structuring

CFT A was not so well structured and was organized after the planning phase. After an initial failure, team members were sharing their project responsibilities with their operational jobs.

CFT B and semi-structuring

CFT B's team members pursued their roles as team members of the innovation team as well as performing their regular jobs. This double position created a matrix organization that empowered people to develop links between the objectives pursed for innovation and their regular operative functions.

> "I work with a team who does not report directly to me but reports to me with a dotted line. They keep their manager. They allocate 20 per cent of their time on this project but do not have 20 per cent of time." (Interviewee CFT B 1, Director Strategic affairs)

When roles, responsibilities and priorities were clearly delineated, team members were free to organize their time as they wished. They were even invited to look for new ways of thinking such as using the "green meeting room". This "out of the box" meeting room looked like a lounge with plants, unique sofas, musique and original wall paper. It was part of the office premises but with a complete different mindset. Meanwhile, ad-hoc people were asked to take part in the team, specifically when a "machine" was on or during the "innovation live days". Patients, former smokers, "square thinkers" such as students, doctors and other external people as well as people, from the company, were then invited to join the team with the objective to be creative. The result was a team which was not only open to the remainder of the organization, but also outside the organization.

CFT C and semi-structuring

For CFT C, every member of this team kept his or her own job responsabilities, so the team was not too inward thinking. CFT C was also semi-structured. Roles and

responsibilities were clearly defined by the local-transition leader. Priorities, workplans, performance indicators and deadlines were precisely defined by the central team. Team members still occupied their regular jobs. They were not dedicated to the project. This configuration helped them to create links between the new models in sales, marketing and logistics, which were designed in this phase with the exploitative activities. For example, here are the following roles and responsibilities defined for the local transition project leaders:

> "Local Transition/Project Leaders
> - Responsible for the successful implementation of all aspects of FASE and AP2PLE for Austria and Switzerland
> - Effective co-ordination of resources and relationships
> - Reporting progress of the programme to the local steering team and FASE Transition team
> - Managing communications with local stakeholders
> - Leading mobilisation of country transition team
> - Supporting high level impact analysis
> - Maintain e-room ATandCH
> - Document in English all meetings and activities"
> (Source: CFT C – Document "FASE Local Implementation Team Kick-off for Austria and Switzerland. July 7, 2008)

CFT D and semi-structuring

One main improvement that CFT D team members brought to PharmacCo 3 was a more clearly defined role for the collaborators. One root cause of the initial failure of the warehouse's move was that roles and processes had not been analysed. The marketing managers were doing a lot of logistical tasks such as searching for parts of the OrthoKits or assembling them. The project SISC helped to define clear roles and responsibilities within the warehouse. This helped to clarify situations in the day-to-day business and in a crisis situation.

After the initial failure, whereas roles and definitions for the SISC team were clearly defined, members continued to act in their position. The project's tasks and responsibilities were added to their daily business. As an example, the leader of the team kept his role as a marketing manager. This role duality was a key success factor for understanding daily business, and in defining the right scope and actions of the project. It created more

legitimacy towards the internal recipients of the change. It also helped to ensure that the required changes were adopted at the end of the project.

The SISC is a very interesting illustration of the type of semi-structure necessary for a successful project. Initially, the project was led by strict logistical logic. It was about outsourcing the activities relating to the preparation, the shipment and the return of the OrthoKits products. But this closed view of logistics led to its failure.

When the combined work of the logistical representatives and the marketers was recognised and defined, results began to improve. In the previous warehouse, as we have analysed, marketing managers were very much involved in logistics. With outsourcing, they did not perform these essential tasks, and the logistical technicians did not have the knowledge or the know-how to perform it. So, at some point, they talked to each other and began to transfer the logistics skills of the marketing managers to the logistics technicians. This knowledge transfer coupled with clear roles and responsibility increased performance.

> "The main thing is that we have responsibilities. We know who is responsible for what. If you know who is responsible for what, it is easier. I know where to go to reach something. I know where to go to get information. It is key in this logistics. It is the main win at the moment." (Interviewee CFT D, Warehouse manager)

> "We did not look who was doing what in the warehouse. We did not realize that product managers spent 40 per cent of their time in the warehouse. We moved the warehouse and suddenly, all this work which had been performed by the product managers was not done any more. With simple analyse and reflexion, we could have reacted to it before moving."

Conclusion

The comparison between successful and not so successful CFTs shows that semi-structuring was a key practice for the teams to reach their objectives. This finding suggests our fifth proposition:

> **Proposition 5:** *The more CFTs develop semi-structuring, the higher the level of organizational change.*

The following table summarizes the CFTs' self reported outcome with the three main key practices of "coupling and decoupling activities during the phases of the project", "sharing leadership" and "semi-structuring":

Organization	Team Number	Team	Self-reported outcome	Coupling and decoupling activities during the phases of the project	Sharing Leadership	Semi-structuring
PharmaCo 1	Pilot Team	BBP	Organizational change achieved	Yes	Yes	Yes
PharmaCo 2	Team A	CRS	Early results not satisfactory but end results satisfactory	Yes at the end	Yes at the end	Yes at the end
PharmaCo 2	Team B	Inno-Team	Moderate Organizational change achieved	Yes	Yes	Yes
PharmaCo 3	Team C	FASE	Organizational change achieved	Yes	Yes	Yes
PharmaCo 3	Team D	SISC	Failed to achieve stated aim	No	No	No

Figure 70: CFTs' self reported outcome and key practices

6.5. CFTs' Practices and their Implications on Stability and Change

In order to study how CFTs contribute to organizational change, we will use, in this section, the model "stability and change as a duality" by Farjoun (2010) presented in Chapter 1 of the document. How are CFTs' practices associated with changing sales, marketing and distribution business models and tools? Do they or do they not, bring about, the diffusion of models and tools which have been developed by the team to the remainder of the organization? How do they enable this diffusion, according to whether they enable links between the team and the collaborators outside the team? What are the implications of the practice patterns that are a sequence of practices, of CFTs for shaping change within the organizations?

The mechanisms used by organizations to enable change, in the study, are constituted by CFTs' practices. The target outcomes of these teams are clearly to implement a change. But in the meantime, these teams must ensure continuity of service and in the operative functions. The "kick off" of these teams must be a clear sign for change while not pertubating the other functions – until the organizational and process changes are ready to be put in place – which could be months, or even years, according to the size of the change. The teams need input for the exploitative functions but should not disrupt their regular function. On the other hand, the teams who have brought about organizational change should induce change, first relatively small changes, to the extent that people in the exploitative functions get to know the change and may start thinking about new ways of working. At some point, when the change project is ready to "go-live", the exploitative functions might eventually change drastically.

The implementation of teams who are in place to execute organizational change is balanced between the need to stabilize the regular functions of the organization (exploitation) until the point of drastic change (exploration). However, the paradox is, that the success of the final intended change will depend on how continuously the regular functions have changed throughout the project, and how the outcome change will stabilize the performance of the functions, and be , at least, not too disruptive of the functioning of the basic elements of the organization. As a counter example, the project CRS at Abbott did not disrupt the organization at the beginning of the project. The project was conducted by a few expert

people without intervention by the field people. When the project was considered ready and with the launch of the new marketing and sales system, it was not adapted to the needs of the sales people – nor their managers. Furthermore, sales representatives were not willing to use this new system. This is a classic example of a failure of an IT implementation due to the lack of involvement by the field people. Change may not appear at the right time. It may appear at the beginning and throughout a project, and even less at the end. If the change only appears at the end, it is too late because people do not have time to accept the change and, even, the changes in themselves may not be appropriate.

Analyzed through the model of "stability and change" by Farjoun (2010), the practices, as identified in the previous sections, cover the four quadrants of his model.

Cross-Functional Teams' practices

Stability   Change

Q1 - Exploitation   **Q2 – Change enables stability**

Leading through   Stand-alone   Inward teaming
one single person   structuring

Involving users
at the end

                                                   **Decoupling activities
                                                   During the project**

Q3 – Stability enables change   Semi-structuring   **Q4 – Exploration**

                                                                    Testing the project
                                                                    With an internal issue

                                                   Coupling activities   Outward teaming
                    Getting feedback   **at the beginning of** Sharing the vision
                    at all levels   **the project**   and creating
Actively implying   the desire for change
Sponsorship and leadership
to the project   Communicating   **Re-coupling activities**
                        consistently   **at the end of**   Using consultants
                        Throughout the project   **the project**
                                                                             Shared leadership

Figure 71: CFTs' practices and implications for change

Cross-Functional Teams' outcomes

Stability

Organizational Change

The practice "coupling activities at the beginning of the project" contributes towards selecting the right information at the beginning of the project, so as to define and implement a roadmap with the best potential. "Decoupling activities at the core of the project" contributes towards conducting a project within the scope and the deadline, while maintaining a focus on quality. It contributes towards reliability within the team. Control mechanisms and highly disciplined teams during the core of the project favor innovation and change. Redundancy and loose coupling increase reliability. It fosters security and continuity within the remainder of the organization. It fosters legitimacy and trust, reduces uncertainty, facilitates adaptation and regularizes change. The remainder of the organization, the institution, plays its role by supporting and sustaining variety and adaptability. "Recoupling activities at the end of the project" contributes towards the transfer of knowledge to the remainder of the organization while adjusting to feedbacks.

"Sharing leadership" contributes towards creativity. It develops responsibilities at different stages of the organization. It builds on the expertise of each team member in addition to external members. Leading through one single person reduces variety and change.

"Semi-structuring" improves communication between the team and the remainder of the organization. It also provides structure, stable mechanisms, formalization and controls, supports adaptability. "Stand-alone structuring" prevents change. Redundancy and loose coupling increase reliability but prevents changing. Focusing on a roadmap and on team players helps increasing reliability within the team. "Using consultants" brings new knowledge and new points of view, as well as contributing to creativity. Redundancy promotes flexibility and innovation.

"Actively involving sponsorship and leadership to the project": top management provides influence and enhances adaptability. Formalization helps manage the non routine. "Sharing the vision and creating the desire for change" stimulates discovery and change, as well as acceptance of change. Communicating consistently throughout the project encourages formalization which helps manage the non routine. In addition, "Receiving feedback at all levels" provides formalization which also helps manage the non routine. It encourages interaction between the CFTs and the remainder of the organization, contributes to bringing knowledge from the organization into the teams, and to exchanging information from within the team to the organization.

"Testing the project with an internal issue" brings experimentation which promotes adaptability. It provides the opportunity for trial and error in a safe environment.

"Involving users in the end": standardized routines and formalization lead to efficiency but undermines innovation. New models are less likely to be adapted into the organization. Collaborators will be more inclined to pursue their routines than to adopt change. The following table summarizes the key CFTs' practices and their implications for organizational change.

CFTs key practices	Implications for organizational change
Coupling activities at the beginning of the project	• Contributes to selecting the right information at the beginning of the project so as to define and implement a roadmap with the best potential.
Decoupling activities at the core of the project	• Control mechanisms and highly disciplined teams during the core of the project favor innovation and change. • Contribute to conducting a project within the scope and the deadline in addition to focusing on quality. • Contribute to reliability within the team. • Redundancy and loose coupling increase reliability. • Fosters security and continuity within the remainder of the organization. • Fosters legitimacy and trust, reduces uncertainty, facilitates adaptation and regularizes change. • The remainder of the organization, the institution, plays its role of supporting and sustaining variety and adaptability.
Recoupling activities at the end of the project	• Contributes towards transferring knowledge to the remainder of the organization in addition to adjusting to feedbacks.
Sharing leadership	• Contributes to creativity. • Develops responsibilities at different stages of the organization. • Develops the expertise of each team member in addition to external members.
Leading through one single person	• Control by a single person reduces variety and change

CFTs key practices (Following up 2/3)	Implications for organizational change
Semi-structuring	• Structure, stable mechanisms, formalization and controls, supports adaptability. • Improves communication between the team and the remainder of the organization
Stand-alone structuring	• Redundancy and loose coupling increase reliability but prevent change.
Inward teaming	• Focusing on roadmap and on team players helps to increase reliability from within the team. • Redundancy and loose coupling increase reliability but prevent change.
Using consultants	• Redundancy promotes flexibility and innovation. • Brings new knowledge and new points of view. • Contributes to creativity.
Actively involving sponsorship and leadership to the project	• Top management provides influence. • Top management commitment enhances adaptability. • Formalization helps manage the non routine.
Sharing the vision and creating the desire for change	• Stimulates discovery and change. • Stimulates acceptance of change.

CFTs key practices (Following up 3/3)	Implications for organizational change
Communicating consistently throughout the project	• Formalization helps manage the non routine.
Receiving feedback at all levels	• Formalization helps manage the non routine. • Interactions between the CFTs and the remainder of the organization contribute to bringing knowledge from the organization into the teams and to exchange information from the team into the organization.
Testing the project with an internal issue	• Experimentation promotes adaptability. • Provides the opportunity for trial and error in a safe environment.
Involving users in the end	• Standardized routines and formalization lead to efficiency and undermines innovation. • New models are less likely to be adapted within the organization. • Collaborators will be more inclined to pursue their routines than to adopt change.

Figure 72: CFTs' practices and their implications for organizational change

6.6. Conclusion: a Framework for Organizational Change Production by CFTs through Coupling and Decoupling Activities, Shared Leadership and Semi-Structuring

In Chapter 6, we analysed what the cross-cases study told us about the internal enabling conditions for organizational change by CFTs in multinational pharmaceutical companies. Thanks to the use of within-case studies and the cross-case studies, the key themes and concepts of shared leadership, coupling and decoupling activities as well as semi-structuring have emerged. Through the iterative process of comparing systematically the emergent framework with the data of each case, we sharpened the constructs through refining their definition – coupling and decoupling activities, shared leadership and semi-structuring – and through building on evidence which measure these constructs in each case. In verifying that the emergent relationships between constructs fit with the evidence in each case, we refined the five propositions. We strove to examine the propositions for each case and not just for the aggregate cases with a replication logic such as Eisenhardt (1989) and Yin (1994) suggest. This replication logic has enhanced the validity of the relationships between the constructs.

In this section, we will briefly summarize the framework for organizational change production through coupling and decoupling activities, shared leadership and semi-structuring, and the five key propositions we have identified throughout our investigation that correspond to our initial research questions.

On coupling and decoupling activities across the project phases:

Proposition 1: *The higher the level of coupling activities enacted by CFTs in the early phase of the project, the higher the level of organizational change.*

Proposition 2: *The lower the level of coupling activities enacted by CFTs in the intermediate phase of the project, the higher the level of organizational change.*

Proposition 3: *The higher the level of coupling activities enacted by CFTs in the final phase of the project, the higher the level of organizational change.*

On sharing leadership:

Proposition 4: *The more the CFTs develop a balanced shared leadership, the higher the level of organizational change.*

On semi-structuring:

Proposition 5: *The more the CFTs are semi-structured, the higher the level of organizational change.*

The next figure presents the three key practices of coupling and decoupling activities sequencing, shared leadership, and semi-structuring which are regarded as the key structures and processes for organizational change production by project-based CFTs in multinational organizations.
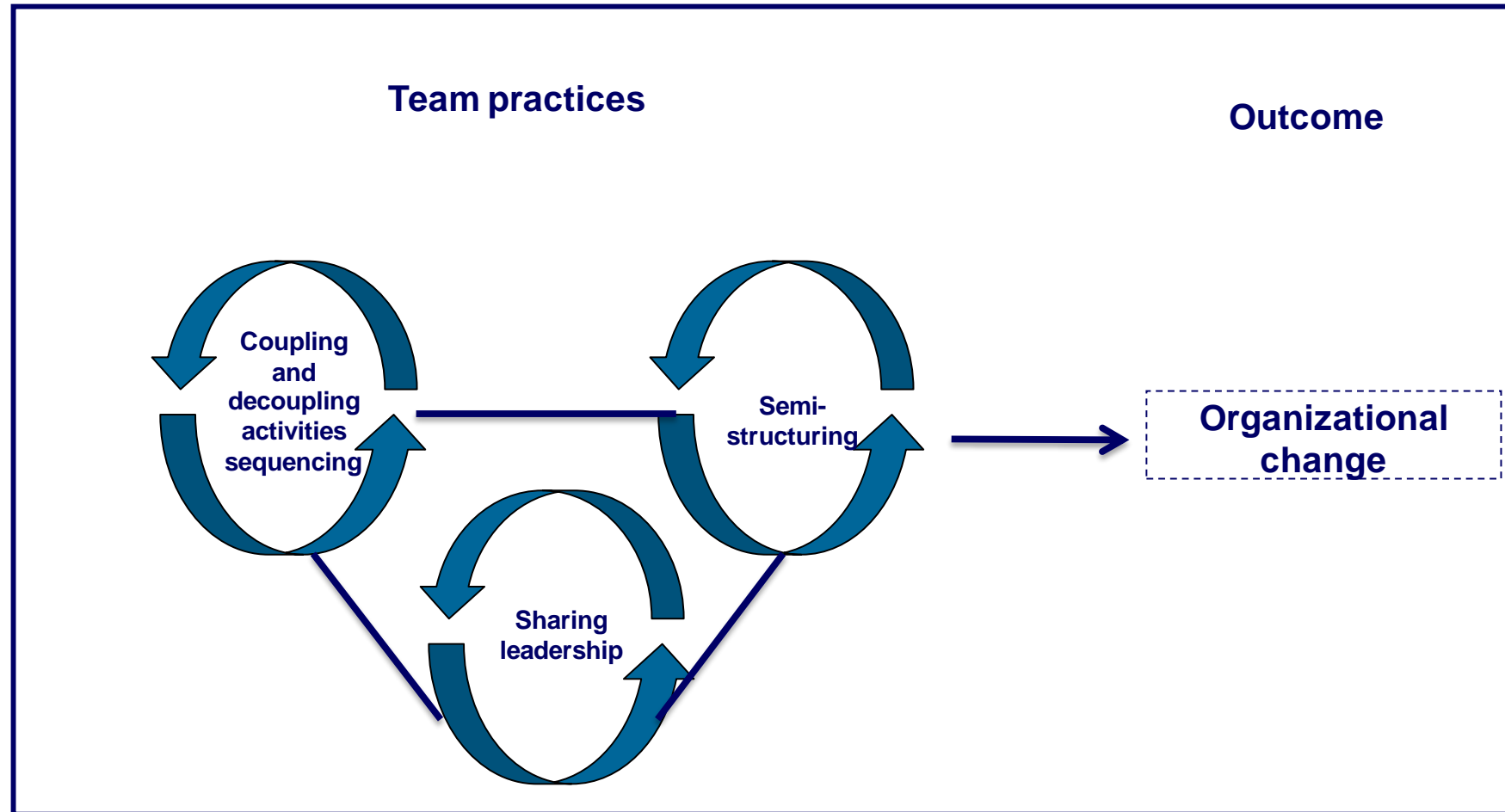
Figure 73: Framework: Coupling and decoupling activities sequencing, sharing leadership and semi-structuring

in enabling organizational change by CFTs within multinationals

The sequency of coupling and decoupling activities designs the evolution over time of the inter-relationship between the teams and the remainder of the organization. Following on from our analysis of practices presented previously of the pilot team and the four other teams in two organizations, it appears that the most successful teams are those who couple their activities with the remainder of the organization in the planning and designing phases, decouple their activities with the remainder of the organization in the developing phase and re-couple their activities with the remainder of the organization in the testing and rolling-out phases. We measured this through the interpretation of interviews and analysis of critical events on few items regarding the existence of an alternance of coupling and decoupling team activities with the remainder of the organization.

Sharing leadership means that individuals lead one another towards achieving collective goals. The influence and power are not top-down or fixed in time but are shared between several individuals and may evolve in the course of action. It is measured through the interpretation of interviews and analysis of critical events on a couple of items regarding the alternance of leadership by the team members according to the tasks to be performed.

Semi-structuring designs limited structures around responsibilities and priorities with the freedom of extensive communication and design to create improvisation. This structure is not so rigid that nothing can change, but is structured enough to ensure chaos cannot arise. It is measured through the interpretation of interviews and analysis of critical events on few items regarding the existence of clearly defined structure, roles and responsibilities and freedom of improvisation.

The following table illustrates how the main concepts of organizational change, CFTs, and multinational corporations are associated with the derived concepts and the empirical concept measurements.
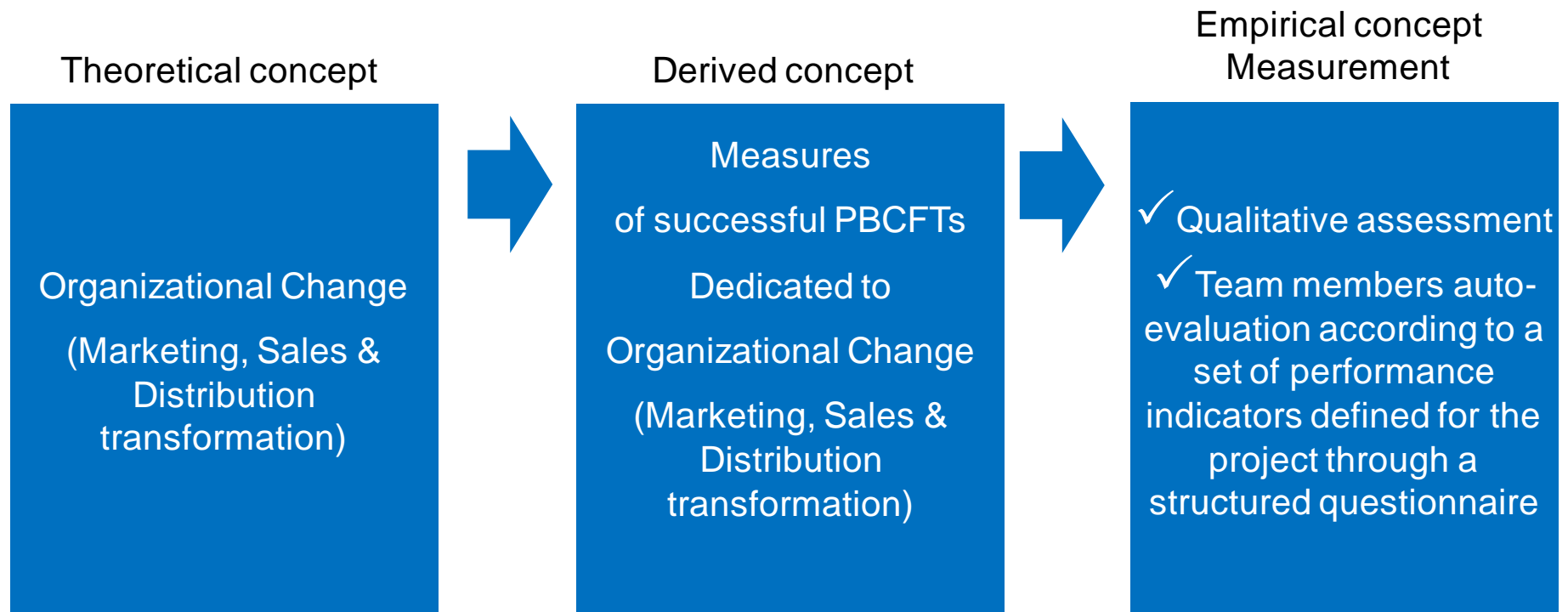
Figure 74: Theoretical concept, derived concept and empirical concept measurements

Theoretical Concept	Derived Concepts	Empirical Concept Measurement
Organizational Change	Measures of successes and failures of change project-based CFTs working in high velocity industry	Team members evaluation of their team according to a set of performance indicators defined for the project
Multinational corporations	Corporations operating worldwide	2 corporations operating in more than 100 countries
Cross-Functional Team	Characteristics of the team: Mission, objectives and KPI, structure, governance and cooperation, people, activities, processes, tools	- small number of people: between 6 and 15 people - dedicated to change – transformation in the marketing, sales and distribution business functions - representing at least 3 business functions (research and development, marketing, sales, IT, HR, clients, external companies, legal, medical…) - organized on a project mode
Structures and processes	Coupling and decoupling activities	Interpretation of interviews and analysis of critical events on few items regarding the existence of an alternance of coupling and decoupling team activities with the remainder of the organization
	Semi-structuring	Interpretation of interviews and analysis of critical events on few items regarding the existence of structure, clearly definedroles and responsibilities defined, and freedom of improvisation
	Sharing leadership	Interpretation of interviews and analysis of critical events on few items regarding the alternance of leadership by the team members according to the tasks to be performed

Figure 75: Operationalization of the constructs: theoretical concept, derived concept and empirical concept measurement

Having accomplished the case analysis, we would now suggest addressing the initial research question:

Under which internal conditions do CFTs dedicated to change enable or hinder organizational change in multinational corporations?

CFTs dedicated to change better enable organizational change in multinational corporations through sharing leadership, coupling and decoupling activities as well as semi-structuring.

In the next chapter, we will reflect on our propositions by referring to the literature on organizational change, CFTs and the practice-based approach. In Chapter 8, we will draw conclusions regarding the implications for theory, practice and research.

7. Discussion: Enabling Practices for Organizational Change Production by Cross-Functional Teams

Thanks to the use of within-case studies and the comparative cross-cases study, our main argument is that CFTs dedicated to change better enable organizational change in multinational corporations through shared leadership, coupling and decoupling activities as well as semi-structuring. After having defined a framework on the enabling conditions for organizational change production by CFTs within multinational pharmaceutical companies as well as five propositions, we reflect on these by referring to the literature.

What implications can be drawn for the organizational change theory, for the theory on CFTs as well as for the practice-based view approach and the strategy-as-practice theory discussed in Chapters 1 and 2? To which extent are our results similar to the literature? What do contradict? Ignoring conflicts may reduce confidence in the results. Conflicting literature may also be seen as an opportunity (Eisenhardt, 1989) to force a more creative, and breaking way of thinking, and may provide a deeper theoretical insight as well as putting forward the limits of the generalization of the findings.

As our conclusions suggest in Chapter 1, the literature review on organizational change raises the dichotomy between two opposed approaches – the planned change approach and the continuous change approach. The practice-based approach and the strategy-as-practice school of thought suggest the importance of organizational practice, and the interactions between structures and practitioners so as to offer an interesting lens of analysis for stability and change. However, the strategy-as-practice literature is inconclusive regarding the practice bundles and their impact on stability and change. None of the approaches provided suggestions regarding the practices enacted by CFTs who enable organizational change.

The purpose of this chapter is to reflect on the proposed framework and propositions in light of the theory of organizational change, CFTs and the practice-based approach.

7.1. Coupling and Decoupling Activities as a Key Practice for Organizational Production by CFT

Proposition 1: *The higher the level of coupling activities enacted by CFTs in the early phase of the project, the higher the level of organizational change.*

Proposition 2: *The lower the level of coupling activities enacted by CFTs in the intermediate phase of the project, the higher the level of organizational change.*

Proposition 3: *The higher the level of coupling activities enacted by CFTs in the final phase of the project, the higher the level of organizational change.*

These three propositions challenge part of the reviewed literature on organizational change, which presents a dichotomy between two opposing approaches – the planned change approach and the continuous change approach. Most of the literature refers to planned change or episodic change (Pettigrew and Whipp, 1991; Pettigrew, 1996; Pettigrew, 2000; Kotter, 2007; Beer, 2000, Beer, Eisenstat and Spector, 1990), or about continuous change (Buono and Kerber; 2008; Weick and Quinn, 1999; Orlikowski, 1996; Pettigrew and Whittington, 1999; Kamoche and Cunha, 2001; Weick, 1993; Brown and Eisenhardt, 2001). Most of the literature generally opposes stability and change as well as the mechanisms, the processes and the structures that support them. By arguing that the success of organizational change outcome is based on a sequential balance between coupling and decoupling activities according to project phases, we challenge the duality between the planned and continuous change approaches. This duality is being transcended by the integration of stability and change within the change process.

Our findings concur with the "organizational change" approach developed by Spector (2009) which focuses on efforts of strategic renewal that require behavioral change in order to implement a specific strategy. Change is emergent more than planned. What we would like to draw from our study, is that when a strategic initiative is launched, such as the implementation of a new business model and a new organizational structure in sales, marketing and distribution, results are best achieved through conditions enabling a balance

between planned change and emergent change. By this, we mean there is a combination of top-down activities with bottom-up activities. These results are also in line with Beer and Nohria (2000). Our findings showed that CFTs dedicated to change are likely to create bonds between a top-down and a bottom-up approach of change. This view also concurs with Beer and Nohria (2000). CFTs must reach a defined goal and are appointed by top management. This is in line with "Theory E (Economic)", which according to the economic value, is the foundation for decision making. But CFTs also combine a bottom-up approach through the inputs provided by the players outside of the team. This olso concurs with "theory O (Organizational capability).

Our study contributes to the literature on organizational change by offering a model which combines emergent change and episodic change. The strategic initiative with CFTs is very much associated as a planned change, with an objective, resources and a timeframe. Propositions one, two and three mean that the desired change can only be incorporated within the organization if the players within the remainder of the organization have been regularly involved in the project, especially at the beginning and at the end, so as to enable their ownership and also the congruence of the changes with the organization. The alternance of activities between the project team and the players within the remainder of the organization is important not only to ensure the diffusion from a small group (the CFT) to the larger group, but also to ensure the value of the change in terms of consistency and adequacy with the organization. As a counter-example, the CRS team designed and developed a software and process that was counter productive when tested and then launched. By coupling activities at the beginning of the project, this could have helped to synchronize the content of the project with the reality of the jobs to be performed, the existing structure or the desired structure.

CFTs dedicated to change are boundary-spanning and constitute the receptacle of exploring and exploiting activities. Seen as a new form of organizing, they bring novelty to the organization. As a change management practice, they aim to bring novelty to the remainder of the organization. The stake is to incorporate this novelty – the exploration aspect – into the usual activities of the organization – the exploitation aspect. The exploitative activities and the explorative activities are nevertheless often mutually opposed.

March (1991) stresses the importance of an appropriate balance between exploration and exploitation. How could an organization support innovation while maintaining excellence

in operations? He stresses the importance of an appropriate balance between exploration and exploitation. Exploration includes search, variation, risk taking, experimentation, play, flexibility, discovery and innovation. Exploitation is occupied with refinement, choice, production, efficiency, selection, implementation and execution. He considers the relation between the exploration of new possibilities and the exploitation of old certainties. Allocating resources between the two is complex.

"A central concern of studies of adaptative processes is the relation between the exploration of new possibilities and the exploitation of old certainties…. Adaptative systems that engage in exploration to the exclusion of exploitation are likely to find they suffer the costs of experimentation without gaining many of its benefits. They exhibit too many underdeveloped new ideas and too little distinctive competence. Conversely, systems that engage in exploitation to the the exclusion of exploration are likely to find themselves trapped in suboptimal stable equilibria. As a result, maintaining an appropriate balance between exploration and exploitation is a primary factor in system survival and prosperity… Both exploration and exploitation are essential for organizations, but they compete for scarce resources. As a result, organizations make explicit and implicit choices between the two. (March, 1991, p. 71)

Organizational adaptation requires a balance between exploration and exploitation (March, 1996) but this balance is not easy to find because as both are opposing each other, they tend to self-reinforce. Exploration and exploitation are complementary and should be separate. Organization learning is achieved through a sequencing of exploration of new possibilities and the exploitation of old certainties (March, 1991).

"The essence of exploration is experimentation with new alternatives. Its returns are uncertain, distant, and often negative. Thus, the distance in time and space between the locus of learning and the locus of the realization of returns is generally greater in the case of exploration than in the case of exploitation, as is the uncertainty. Such features of the context of adaptation lead to a tendency to substitute exploitation of known alternatives for the exploration of unknown ones, to increase the reliability of performance rather than its mean. This property of adaptative processes is potentially self-destructive. As we have seen, it degrades organizational learning in a mutual learning situation. Mutual learning leads to convergence between organizational and individual beliefs. The convergence is generally useful both for individuals and for the organization. However, a major threat to the effectiveness of such learning is the possibility that individuals will adjust to an organizational code before the code can learn from them." (March, 1991, p 87)

By coupling activities at the beginning of the project, CFTs raise the possibility that the project includes the individuals and organizational knowledge. This will then help to build-up a future design and code adapted to the needs of the organization and the individuals. Coupling activities provide the opportunity for an initial mutual learning between the project and the remainder of the organization.

"Relatively slow socialization of new organizational members and moderate turnover sustain variability in individual beliefs, thereby improving organizational and average individual knowledge in the long run. (March, 1991, p 87)

Decoupling activities during the core of the project provides the opportunity for exploring new ways and new codes, while ensuring they are not disconnected with the remainder of the organization, thanks to the first phase.

Our research therefore contributes to the studies of adaptative processes within the literature of organizational change. Studied as special management practices, CFTs are likely to contribute, under certain conditions, to explore new structures and processes, adapted to the organization as well as to transfer this novelty to the remainder of the organization.

O'Reilly and Tushmann (1996, 2004, and 2010) analyze the role of ambidextry and introduce how explorative and exploitative activities can be combined within an organization. They emphasize the necessity for companies to articulate exploration and exploitation. They call such companies "ambidextrous organizations". They favor two profoundly different types of businesses; those focused on exploiting existing capabilities for profit, and those focused on exploring new opportunities for growth. For them, organizations should develop distinct units; one for exploration activities, others for exploitative activities. These activities should be under the umbrella of senior activities. According to them, successful companies have separated their exploratory units from their traditional ones by developing new processes, structures and cultures. The units are very separate and are only integrated with the senior team. Such organizations are called ambidextrous. The exploitive and explorative units encompass very different strategies, structures, processes and cultures. Their analysis therefore separates the functions of exploration and exploitation.

"We discovered that some companies have actually been quite successful at both exploiting the present and exploring the future, and as we looked more deeply at them we found that they share important characteristics. In particular, they separate their new, exploratory units from their traditional, exploitative ones, allowing for different processes, structures, and cultures; at the same time, they maintain tight links across units at the senior executive level. In other words, they manage organizational separation through a tightly integrated senior team." (O'Reilly and Tushman, 2004, pp. 75-76)

In our research, we developed the idea that the exploration function and the explorative function can been combined within CFTs. They are likely to play a dual role through bringing external knowledge to the organization while combining existing knowledge. They are likely to play an ambidextrous role through exploring new ideas while maintenaning the exploitative role of the organization.

However, while O'Reilly and Tushman advocate for a separation of the exploration and exploitation structures, Farjoun (2010) calls for reconciliation:

"To survive and prosper, organizations must reconcile stability, reliability and exploitation with change, innovation and exploration. These imperatives are generally seen as incompatible and mutually exclusive. I present an alternative: a duality view in which stability and change are fundamentally interdependent – contradictory but also mutually enabling. This view revisits several enduring ideas about stability and change and offers theoretical and pragmatic opportunities to dissolve and transcend their paradoxical relationships." (Farjoun, 2010, p. 202)

Having applied the model "stability and change as a duality" by Farjoun (2010), we developed the idea that project-based CFTs may be a management practice of ambidextry.The practices, enacted by CFTs, cover the four quadrants of this model. As an example, the practice "coupling activities at the beginning of the project" contributes to selecting the right information at the beginning of the project so as to define and implement a roadmap with the best potential. "Decoupling activities at the core of the project" contributes to conducting a project within the scope and the deadline while continuing to focus on quality. It contributes to reliability within the team. Control mechanisms and highly disciplined teams during the core of the project, develop innovation and change. Redundancy and loose coupling increase reliability. It fosters security and continuity within the remainder of the organization. It fosters legitimacy and trust, reduces uncertainty, facilitates adaptation and

regularizes change. The remainder of the organization, the institution, plays its role of support and sustaining variety and adaptability. "Recoupling activities at the end of the project" contributes to transfering knowledge to know how to the remainder of the organization whereas adjusting to feedbacks.

CFTs consist of a temporal form of organization and are likely to create conditions for the alternation between stability and change. The mechanisms used by organizations to enable change in the study are constituted by CFTs' practices. The target outcomes of these teams are clearly to implement a change. But in the meantime, these teams must ensure continuity of service and in the operative functions. The "kick off" of these teams must be a clear signal for a change while not pertubating the other functions – until the organizational and process changes are ready to be inserted – which would lead to months or even years according to the size of the change. The team needs the inputs for the exploitative functions but should not disrupt their regular functioning. On the other hand, these teams who have brought about organizational change should also induce changes, first relatively small changes to the extent that people in the exploitative functions get to know the change and may start thinking about new ways of working. At some point, when the change project is ready for "go-live", the exploitative functions might eventually drastically change.

The implementation of teams put in place for an organizational change is balanced between the need to stabilize the regular functions of the organization (exploitation) uptil the point where change is drastic (exploration). However, the paradox is that the success of the final intended change will depend on how continuously the regular functions have changed throughout the project, and how the change outcome will stabilize the performance of the functions, and, at least, not be too disruptive to the functions of the basic elements of the organization. As a counter example, the project CRS at Abbott did not disrupt the organization at the beginning of the project. The project was conducted by a few expert people without the intervention of the field people. When the project was considered as ready and the new marketing and sales system launched, it was not adapted to the needs of the sales people – nor their managers. Further more, sales representatives were not willing to use this new system. This is a classical example of a failure of an IT implementation due to the lack of involvement by the field people. Change may not appear at the right time. It may appear at the beginning and throughout the project and less at the end. If the change only appears at the end, it is too late because people do not have time to own the change and, even so, the changes themselves may not be appropriate.

Our research transcends the planned versus continuous or emergent change approaches' duality by integrating stability and change, in addition to exploitation and exploration. It contributes therefore to the studies of stability and change through the role of CFTs in the exploration and the exploitation processes.

The three propositions related to coupling and decoupling activities throughout project also contributes to the literature on CFTs. In their studies of multiple teams, Ancona and Bresman (2008), Ancona, Bresman and Caldwell (2009) argue that teams may have an impact on the remainder of the organization and promote change when they are outward by focused and not just inwardly focused. They call these teams so called "X teams".

"The X in X-team underlines the point that an X-team is externally oriented, with members working outside their boundaries as well as inside them....While managing internally is necessary, it is managing externally that enables team to lead, innovate and succeed in a rapidly changing environment." (Ancona and Bresman, 2008, p.6)

This view is also shared by Ancona et al. (2009a) who bring forward the importance of the boundary-spanning aspect of teams to be efficient. According to Ancona et al. (2009)-X teams cannot meet their full potential to lead without a supportive organizational context. While building such a context only happens over a long period, and with a lot of work, organizations need to foster the processes, the structures and cultures to unlock the potential of X teams. In turn, X-teams help model and shape these processes, structures and cultures. They must engage in rigorous, continuous external activity in addition to managing internal team dynamics. They need to have high levels of external activity, extreme execution inside the team and incorporate flexible phases.

Furthermore, "X teams" must be flexible and change their core tasks over the team's lifetime: exploration, exploitation and exportation. In the exploration phase, teams examine the world around them, and consider new directions and possible options. In the exploitation phase, they use the information to innovate and construct a reality on which the ideas are based. In the exportation phase, they transfer team members' expertise and enthusiasm to others who will continue the work of the team. They achieve best external activities through scouting, ambassadorship and task coordination.

Our results show the importance of the CFTs' outward orientation and the time sequencing of the activities within the specific context of CFTs dedicated to organizational change in the pharmaceutical industry. They go beyond the combination of the theory of change and the theory of CFTs. As a management practice, CFTs are a lever of exploration and exploitation within organization.

This concluding remark places CFTs at the heart of the change process as Spector (2006) underlines.

"Because cross-organizational processes come to present the primary activity of an organization committed to customer responsiveness, cross-organizational teams are the core design element." (Spector, 2006, p. 194)

The six steps of the model "taking charge and letting go" indeed implies that the issue is about leading while empowering people. CFTs are set up by top management but team members then need to be empowered to conduct and adjust the necessary steps to reach the defined goal. They achieve this purpose through recursive and adaptative behavior (Paroutis, 2007).

7.2. Sharing Leadership as a Key Practice for Organizational Change Production by CFT

Proposition 4: *The more the CFTs develop a balanced shared leadership, the higher the level of organizational change.*

For O'Reilly and Tushman (2004), organizations should develop distinct units; one for exploration activities, others for exploitative activities. These activities should be under the umbrella of senior activities. According to them, successful companies have separated their exploratory units from their traditional ones by developing new processes, structures and cultures. The units are very separate and are only integrated with the senior team. Such organizations are called ambidextrous. The exploitive and explorative units encompass very different strategies, structures, processes and cultures. Rather than authoritative and top-

down in the exploitative business, the leadership style should be visionary and involved in the exploratory business.

Our results are going beyond the separation of the exploitative and explorative business units and the evolution of leadership. In this research, we argue that CFTs are more likely to attain their change goal when they share leadership throughout the project. This view is more coherent with the approach by Farjoun (2010) who considers explorative groups should not be separated from exploitative groups.

Structures with exchangeable membership contribute to a better achievement of organizational change by CFT. For Pearce et al. (2009):

> "What distinguishes many CFTs from traditional organizational forms is the relative absence of formal hierarchical authority. While a cross-functional team may have a formally appointed leader, this individual is more commonly treated as a peer. For example, outside of the team, they often do not possess hierarchical authority over the individual members. Moreover, the formal leader is usually at a genuine knowledge disadvantage. After all, the pupose of the cross-functional team is to bring a very diverse set of functional expertise and experience together. The formal leader's background normally represents only one of the numerous functional specialties at the table. The leader is therefore highly dependent upon the knowledge of all team members. Leadership in these cross-functional team settings is therefore not determined by position of authority, but rather by an individual's knowledge set and consequent abilities to influence others, in accordance with needs of the team in any given moment. Accordingly, at various moments in team's life, there will be situations when these differing backgrounds and characteristics provide a platform for leadership to be shared among the members of the team." (Pearce, 2009, p.235)

Teams, including teams responsible for managing change within the organization, and who are achieving a high level of shared leadership, contribute to greater organizational effectiveness. Manz et al. (2009) also put forward the importance of sharing leadership. Kamoche (2001) stress out the importance of distributed tasks with continual negociation and dialogue towards dynamic synchronisation.

Ancona and Bresman (2008) argue as well that leadership needs to be distributed across many players, both within and across the organization. "X teams" have flexible membership and leadership. They change membership easily with the entry of newcomers and the exit of others. Leadership is also flexible. The responsibility of some parts is absorbed by different team members. The actual functions of a leader tend to be both shared and rotated. This distributed leadership consists of a core set of people who provide different

kinds of leadership at different times to guide the team. This distributed leadership is achieved through the choice of team members for their networks, making the external outreach the modus operandi from day one, helping the team focus on ambassadorship and task coordination, setting milestones and deliverables for exploration, exploitation and exportation, using internal process to facilitate external work, and working with management for commitment, resources and support.

Team leadership evolves toward more shared leadership. How can a team enable influence to be effectively shared among team members? Leadership is more than just a role; it is a social process that requires team leadership from team members (Pearce, C., Manz, C and Sims, H., 2009a).

"Shared leadership is a dynamic, unfolding, interactive influence process among individuals, where the objective is to lead one another toward the achievement of collective goals. This influence process often involves peer influence and at other times involves upward or downward hierarchical influence. The fundamental distinction between shared leadership and traditional notions of leadership is that the influence process is built upon more than just downward influence on subordinates or followers by an appointed or elected leader. Shared leadership entails broadly sharing power and influence among a set of individuals rather than centralizing it in the hands of a single individual who acts in the clear role of a dominant superior." (Pearce, C., Manz, C and Sims, H., 2009a, p.234)

Shared leadership is often put into practice within CFTs. These teams are indeed set up with people from different backgrounds and who do not have a specific hierarchical relationship outside the team.

"One mechanism they use involves creating temporary CFTs to tackle important organizational issues as part of the development of their rising stars." (Pearce, C., Manz, C and Sims, H., 2009a, p.235)

"What distinguishes many CFTs from traditional organizational forms is the relative absence of formal hierarchical authority." (Pearce, C., Manz, C and Sims, H., 2009a, p.235)

As people have different backgrounds and therefore different skills and knowledge, this favors that some of them are taking the lead at some point of the project. As an example,

the IT person will eventually take the lead when the project is in the development phase and needs a lot of IT input.

> "Accordingly, at various moments in a team's life, there will be situations when these different backgrounds and characteristics provide a platform for leadership to be shared among the members of the team." (Pearce, C., Manz, C and Sims, H., 2009a, p.235)

> "The speed of response to environmental pressures that are today far more turburlent than in the past is now a striking organizational reality – specifically since the global financial crisis. This demand suggests that organizations cannot wait for leadership decisions to be oushed up to the top for action. Instead, leadership has to be more evenly shared across the organization to ensure faster response times to environmental demands." (Pearce, C., Manz, C and Sims, H., 2009a, p.235)

> "Shared leadership occurs when all members of a team are fully engaged in the leadership of the team: shared leadership entails a simultaneous, ongoing, mutual influence process within a team that involves the serial emergence of official as well as unofficial leaders." (Pearce and Manz, 2009, p.235)

The authors draw their conclusions upon multiple cases within organizations, including teams responsible for managing change in organizations such as implementing new protocols, procedures and work systems. Ancona and Bresman (2008) also argue that leadership needs to be distributed across many players, both within and across the organization.

> "Now teams must work with others to create distributed leadership in action as they innovate and create change." (Ancona and Bresman, 2008)

The timing of leadership is also a key for success (Wageman, Fisher, Hackman, 2009). A leader adds the most value into the team when he acts at some specific times of the project: before the group exists, at the initial launch, at the timeline midpoint, and at the end of a performance period.

"X teams" require the traditional skills required for leading the internal team process but also require other special behaviors. An X team leader needs to choose members for their individual and complementary skills, knowledge and personal characteristics but also for

their ability to network outside of the team and outside of the organization. The leader needs to build on trust but also to encourage members to go outside of the team boundaries. The focus is on connecting as many as possible stakeholders outside of the team. X team leaders must coach team members on the external activities of scouting, ambassadorship and task coordination (Ancona et al., 2009)

Project teams have the following leaders: conductors, patrons and keepers of the flame. Conductors have task related expertise and may be different people at different stages of the project as the work demands. Patrons serve as ambassadors between the groups and the remainder of the organization. Keepers of the flame serve as a thread connecting sequential hot groups. According to Ancona (2009), these kinds of leaders have ten characteristics. They see connections first and not disconnections. They join their vision with each other's visions. They use others and themselves to serve the team's goal. They demonstrate authenticity. They remain stubbornly accountable. They create a sense of community. They encourage active members to assume responsibilities. They join with other leaders. They demand serious sacrifice first from themselves and then from others. They are embarked on a journey to identify noble enterprises that will bring meaning to their own and other lives, as well as positive change to the world.

Our research contributes to the literature on leadership through showing the characteristics of sharing leadership demonstrated by CFTs involved in implementing organizational change (Pearce et al.,2009; Ancona and Bresman, 2008; Pearce and Manz, 2009)

7.3. Semi-Structuring as as a Key Practice Production by CFTs

Proposition 5: *The more CFTs develop semi-structuring, the higher the level of organizational change.*

Semi-structured CFTs contribute to using improvisational techniques within a structure and therefore tend to be more creative and innovative. Kamoche et al. (2001) put forwards the importance of improvisation within a fixed framework and use the jazz metaphor

to illustrate their points. One of the characteristics of jazz is a shared orientation towards minimal structure that allows for maximum flexibility. Hatch (2001) stresses that the apparent absence of structure within improvised arts does not involve chaos, randomness or disorder. Organizational structure is perceived as a set of performance practices or processes. Weick (2003) demonstrates how by improvising action while maintaining a basic structure, this helped to save lives in a tragic forest fire. Our results therefore show how semi-structured teams are more likely to develop innovation and change while avoiding chaos.

These findings are also coherent with the findings of Brown and Eisenhardt (1997), who gain theoretical insight concerning the organizational structures and processes which characterize successful multiple-product innovation teams and more broadly in exploring continuously changing organizations within the context of multiple product innovation based on portfolios of projects. The first practice is "semi-structure". It designs limited structures around responsibilities and priorities with extensive communication and designs freedom to create improvisation. This structure is not so precise that nothing can change, but is structured enough to ensure chaos cannot arise.

This characteristic is also supported by Ancona and Bresman (2008) in the analysis of X teams. Having studied multiple teams, they conclude that a semi-structure contributes to the ability of teams to change the remainder of the organization. "X teams" are supported by the structure called X factors: extensive ties, expandable tiers and exchangeable membership. Extensive ties involve knowing who to contact, making use of weak ties and capitalising on strong ties. Expandable tiers are based on three levels of team membership: core team, team members and task members. The core tier creates teams, strategy, makes key decisions, and coordinates other parts of the team. It carries out the history and identity of the team. The operational tier carries out ongoing work of the team; outer net tier, specialized or separate tasks. Members are part time or part cycle.

Conclusion

CFTs dedicated to organizational change succeed when they couple and decouple activities over time with the remainder of the organization, when they are organized in a semi-structure and when they develop a balanced shared leadership. In Chapter 8, we will look at the contribution this research can make regarding organizational change, CFTs and the practice-based approach. We will provide implications for practice as well as suggest further research.

8.   General Conclusion

What is the relevance of the propositions of this investigation for theory, practice and research in management and organizational studies? The purpose of this chapter is to investigate the relevance of these results for theory and practice as well as to acknowledge the limits of the study and suggest areas for further research.

When we look at scholarly journals, we find that organizational change and CFTs are under-explored theoretically and empirically. The literature regarding how CFTs contribute to change organizations is inconclusive. In particular, teams dedicated to change have received little attention in the organizational change literature. As Jarzabkowski and Spee (2009) show, the strategy-as-practice literature is also inconclusive regarding the practice bundles and their impact on stability and change.

Our intention is to address the core audience of the literature on organizational change, CFTs, practice-based approach as well as the peripheral audience of strategy-as-practice and strategy implementation literatures. We will first revisit the literature on organizational change in an attempt to link the dynamics between stability and change and transcend their paradoxical relationships. Second, by revisting the CFTs' literature, we will suggest elements regarding the role of project-based teams who are dedicated to change as a specific management practice to shape change. Third, theoretical implications for the practice-based approach and the strategy-as-practice school of thought will be discussed, especially as regards to the relationships between practices and institutions. We will then suggest implications for the literature on strategy implementation. We also intend to address the practitioners by drawing implications for practice as well as acknowledging the limits of our research and offering suggestions for future research.

8.1.1. Contribution to the Literature on Organizational Change

This study contributes to the literature on organizational change in revisiting some ideas about stability and change, and offers opportunities to transcend their paradoxical relationships (March, 1991, 1996; O'Reilly and Tushmann,1996, 2004, and 2010; Spector, 2006; Farjoun, 2010). Our research contributes to the studies of adaptative processes within the literature of organizational change. Studied as special management practice, CFTs are likely to contribute, under certain conditions, to explore new structures and processes,

adapted to the organization as well as to transfer this novelty to the remainder of the organization. Our research transcends the planned versus continuous or emergent change approaches' duality by integrating stability and change, as well as exploitation and exploration. It contributes therefore, to the studies of stability and change through the role of CFTs in the exploration and the exploitation processes.

8.1.2. Contribution to the Literature on Cross-Functional Teams

This research intends to enlarge the thinking about project-based teams assuming the functioning of CFTs, as a specific organizational practice, illustrating organizational change processes such as planned change, emergent change, and organizational slack, coupling and decoupling activities.

In our study, we looked at CFTs dedicated to change as a particular formal organizational practice to implement organizational change. Our literature search revealed that past research focused on the internal components of the teams' performance (Brodbeck, 2007; Cronin, 2007; Martin, 2010; Gibson, 2007; Joshi, 2009; Joshi, 2009b, Mathieu, 2007; Ancona, 1992a, 1992b; Ancona, 1990). A focus on organizational change at the team level is relatively new. Some authors emphasize the critical importance of CFTs in the process of organizational change. Used as a management practice to implement change in a classical change approach, CFTs may also be studied as a translation practice from a small group to the remainder of the organization, in a guided approach of change (Haas, 2010; Ancona, 2009; Kang, 2007; Mom, 2007; Paroutis, 2007, 2010; Farjoun, 2010; Spector, 1995).

CFTs are a temporary form of organization. They pursue an objective of changing the structures and the processes within the remainder of the organization. How does this transfer of novelty operate from a temporary small group to a large and permanent group of people? How can a new organizational form have an impact on a previously existing stable structure? How can we overcome this paradox? Project-based CFTs are one management practice to transcend this paradox. How can they bring novelty without disturbing the operating processes? CFTs achieve the transfer of change from a small group to a larger group through coupling and decoupling their activities according to the phases of the project, through shared leadership and semi-structuring.

CFTs may combine both types of activities – exploring and exploiting - within themselves. CFTs innovate. This is their purpose. They are due to create new models,

processes and structures. At the same time, they excel in operations, in concentrating their attention on activities within themselves, especially at the core of the project (Ancona, 2009). While innovating, X teams also should not, in the short term, disturb too much the remainder the organization. This is another paradox: to bring novelty while the remainder of the organization maintains its operations and exploitative activities.

CFTs, as a management practice, go beyond the dualism of stability and change. Duality not only means differences but also complementarity. The most successful cases studied in this thesis are the ones able to capture the regular operations, to understand the stable mechanisms that make the current organization continue. They manage this by coupling their activities with the remainder of the organization at the beginning of the project. How does the organization function? Who is doing what? What is the structural organization? What is the hierarchy? What is the power map? What is the informal network? What are the processes? What are the functioning modes? What is the reporting system? What is the information system? What are the key performance indicators? In order to achieve the organizational change outcome, how should the organization, processes, tools change? How can we conduct this change? This phase can only been successful if the existing mode of functioning has been well analyzed and understood and if the target mode has been defined with the key people. The key people are not always the ones who are the most capable. They are obviously the managers but also, and essentially, the people in charge of the operations. They are the only ones with the specific knowledge of the current functions of the organization. Working without them can be fatal. As an example, CFT D did not include the logistical operators of the warehouse in the design of the new outsourced warehouse. The consequence was disastrous as the health products could not be delivered on time and the lack of quality control lead to operations being postponed. The managers had not realized that fourty per cent of the operations were conducted by the product managers. But the latter could not complete their previous usual tasks when the warehouse was outsourced. And nobody asked the logistical operators to complete them, nor asked if these people had the skills and the knowledge required for that. Another example is CFT A. The design of the call reporting system was completed without the help of the sales representatives. The division director managed everything. When the sales representatives had to use the information system, they could not find their key data, nor complete their daily work, report on their results or even look for vital information regarding their client's visits.

The combination of the three practices of coupling and decoupling activities, sharing leadership and semi-structuring help to transcend the apparent dualism of stability as well as to change and foster their interdependence and their duality. As a temporary management

practice, CFTs may enable change when performing the previously cited management practices. In terms of stability and change theories, they perform best when they manage to combine stability and change. When teams who are dedicated to change manage to innovate while maintaining high reliability from the remainder of the organization, and when they manage to transfer this change from the team to the remainder of the organization, they are then really successful. They can only achieve this result when they combine practices towards stability and towards change.

This research therefore contributes to the literature on CFTs in highlighting their role in implementing change and in transcending the apparent duality of strategy and change (Ancona, 2008, 2009; Paroutis, 2007; Spector, 2006)

Our research contributes as well to to the literature on leadership by revealing the characteristics of sharing leadership demonstrated by CFTs involved in implementing organizational change (Pearce et al.,2009; Ancona and Bresman, 2008; Pearce and Manz, 2009)

8.1.3. Contribution to the Practice-Based Approach

This research contributes to the practice-based approach literature (Orlikowski, 1992, 1996 and 2000; Jarzabkowski, 2004, 2005; Whittington, 2006; Jarzabkowsi, Balogun and Seidl, 2007) in viewing the activity of project teams dedicated to organizational change as a social activity, as something that members of the organization actually do rather than only something that organizations have. This research underpins the relationships between practices and institutions. It puts forward key structures and processes enacted by project teams dedicated to organizational change that enable strategic organizational change. It focuses on the interactions from the players involved in teams dedicated to change in and around the organization. It contributes to the understanding of the functions of CFTs which enable the transfer of ideas from a small group of people to the remainder of the organization and therefore will contribute to organizational change.

CFTs dedicated to change can be seen as a management practice within a strategic initiative and, therefore, as a strategy practice. Within this view, CFTs may be analyzed through the lens of the strategy-as-practice approach. As part of a strategic initiative, CFTs can be analyzed through the concepts of practioners, practices and praxis. This research provides us with an empirical study of a strategic initiative. Other scholars have analysed the

organizational impacts of different modes of strategy such as meetings or workshops (Henry and Seidl, 2003; Jarzabkowski and Seidl, 2008; Seidl, 2009) discussed their role in organizational strategizing. These studies look at strategic workshops or meetings as episodic strategic practices. Others looked at strategy teams and how central and peripheral teams of strategists adopt recursive or adaptative behavior during the strategy process (Paroutis, 2007). Our research contributes to the strategy-as-practice through the empirical analysis of project-based CFTs in the pharmaceutical industry during the strategy implementation process.

This research indicates how a strategic change may be implemented by incorporating elements from a strategic change initiative together with an emerging change approach. This is an interesting contribution as limited earlier research is concerned to the ongoing implementation of change (Chakravarthy and White, 2002).

Finally, this research contributes to the theory of structuration (Giddens, 1984) and the practice perspective developed by Orlikowski (1992, 1996, 2007) to the extent it provides empirical data showing the interactions between agents and structure. This is through the interactions between the CFTs and the remainder of the organization which shows that changes are transferred from the small initial group to the organization. There is a co-construction. Our results illustrate the duality of the structure as an influencing factor of human actions and as being influenced by humans. CFTs are influenced as much by the remainder of the organization as, in turn, they influence it. They are mutually dependent. When team members draw upon the actual rules and norms, they either reproduce or modify the structure. They are not only players for structural continuity they also introduce innovation and change. They therefore play a role in stability and change.

8.1.4. Implication for Practice

What are the practical implications of this research? The findings from this study have implications for practice. This paper contributes to practitioners and consultants who are involved in overtime evolving organizations and environments by providing a practical framework to diagnose their strategic change management practices, and to manage effective change within their organizations.

In more practical terms, the managers of multinational firms and project teams dedicated to organizational change, in addition to other "subjects" of the innovative

multinational firms, should take into account the following aspects which may help them towards organizational change production through cross-functional project-based teams:

1- Design and support the sequencing of coupling and decoupling activities across the project phases;

2- Support rotating leadership by assigning roles and responsibilities according to the project phase, the project needs and the people's expertise;

3- Establish team structures with collaborators by allowing team members to continue their daily business, to ensure links are maintained between the team and the remainder of the organization. Ensure sure goals, roles and responsibilities are clear and encourage freedom so as to create slack and to develop innovation.

"These skills – the ability to look internally and externally, to manage the dynamics of a wide range of interpersonal encounters based on deep knowledge, and to understand and acquire the full range of requisite competencies for your team – mark the difference between a technically competent executive and a high-potential leader in tomorrow's team-driven pharmaceutical organization." (Cole, 2008)

8.1.5. Limitations and Boundaries of the Study

As in any research, this study is subject to the following limitations. First, it was conducted in the pharmaceutical industry. It could be interesting to conduct an analysis of several teams across other industries. Second, the study was conducted on four teams and one pilot team. It would be useful to increase the number of teams, as a qualitative study, but also as a quantitative study. Another limitation of the study derived from the fact that it was not possible to study the case organization as a research team. More information and useful insight would have been gained from the research process if more than one person had been interpretating and reflecting on the study findings. Furthermore, investigating long term changes in the organizational change was beyond the scope of this study. Another limitation of this study is the focus on internal organizational structures and processes of project teams in the production of organizational change. In reality, external structures and processes from

within the organization should not be omitted when strategic organizational change processes are under investigation.

8.2. Suggestions for Future Research

What implications can be discerned for future research? This research provides some insights into the strategic role of CFTs that hopefully will stimulate further research on this critical topic. We will briefly outline the main areas that would contribute to a more elaborated model of organizational change production by CFTs and that might be a fruitful arena for future research exploration.

Extension of this research

First, this qualitative research could be further extended to a quantitative analysis. This could be based on a survey sent to targeted teams within different companies which would incorporate responses from a larger number of professionals and corroborate the initial results. A quantitative survey-based study would be useful to complement this qualitative study. A survey targeted towards fifty teams of around five to ten members in different industries would provide answers from a wider range of professionals and corroborate the initial results. The dependant variable could be organizational change as measured how the individual informants define it (Brown and Eisenhardt, 1997; Bresman, 2006) and evaluated on a Likert scale from one to seven. The independent variables could be the teams' structures and processes measured on a seven item scale, with items such as "This team allowed enough freedom for improvisation when necessary." The data used to test the hypotheses would come from team players within CFTs within global companies. The key measurement instrument could be a questionnaire. Measures included in the questionnaire will use the Likert scaling technique (with scale item responses running from 1 = "strongly disagree" to 7 = "strongly agree"). The questionnaire would be reviewed by professionals as well as by a specialist in statistics in social sciences. The questionnaire would be tested on a small sample. The final scale could be analyzed in terms of their internal consistency, reliability and discriminant validity. Additional data could be collected throughout interviews with team leaders and through the analysis of archival records whenever possible. One

possible operationalisation of the organizational performance could be the development of a scale based on how informants define success (Brown and Eisenhardt, 1997). This scale asks the respondents to assess the quality and the efficiency of the organizational work, divided into financial and scientific aspects. Control variables might be added. A questionnaire response rate would be monitored with the objective of an average of reaching fourty per cent of the team membership. The analysis of the questionnaires could use statistical methods with the help of a computer tool such as SPSS. Statistical tools could include the adequacy of the measures with Cronbach's alpha, a descriptive analysis with average rating, standard deviation, common factor analysis, correlation analysis as well as an explicative analysis with linear regression models.

This current research could be extended in exploring other characteristics of CFTs or other industry contexts. What are the specificities in the administration, for small and medium companies or in the advanced information technology industry? Which are the implications within a survival context? What are differences within organizations with specific constraints? Which are the effects of pluricultural teams?

It would also be interesting to interview more people recipients of the changes and to compare their perception of the success versus the perception from the management.

Stability and change duality, Inward and outward team management, shared leadership

Second, future exploration could use the fruitful arena of the following three topics: stability and change duality, inward and outward team management and shared leadership. It could look further at the management of coupling/decoupling/coupling in implementing an organizational change and in the functioning of teams. It could look further at the adaptative processes. How explorative and exploitative activities can be combined and articulated when an organizational change is implemented? How to further transcend the duality between stability and change?

Future research could focus more explicitly on team management and explore in more details the inward and outward management within teams. How to manage teams in balancing inward and outward activities?

It could also look at how important "shared leadership" is to success. How do firms manage the tension between formal leaders and shared leaders? How can they overcome

the desire to put someone "in charge"? Is shared leadership an emergent phenomenon or is it a formal mechanism? How can organizations put in place shared leaders?

Variety of research methods

Third, the theoretical framework of the study has laid a foundation for a more practice-oriented perspective to organizational change. Future studies could choose a selection of different data collection and research methods, and chose group observations instead of individual interviews, for example.

Appendices

9. References

In this chapter, we will list the literature, business reports, internet sites, public and internal project documents as well as attended business conferences.

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9.2. Business reports and analysis

SGCI (2007), *The Swiss Chemical and Pharmaceutical Industry*, Chemie Pharma, Zurich, Switzerland.

Bale, H., (2007), *The Pharmaceutical innovation Platform, meeting essential Global Health Needs*, International Federation of Pharmaceutical Manufacturers and Associations (IFPMA), Geneva, Switzerland.

Rastogi, S. (2010), *Medical Technology innovation in a Time of Upheaval, The impact of recent economic, policy, and regulatory shifts*, PRTM Management Consultants.

Wicki, A. (2010), *Unleashing the Full Growth Potential of Life Sciences, Investor Perspective*, Basel, 23 September 2010.

9.3. Internet sites

www.sgi.com

www. Ifpma.com

www.amgen.com

www.astrazeneca.com

www.Abbott.com

www.oracle.com

www.jnj.com

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9.4. Documents and written material about the case firms:

AstraZeneva 2007 Annual report

Astra Zeneca, 2008 Annual report

Astra Zeneca, 2009 Annual report

Abbott, 2007 Annual report

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Johnson and Johnson, 2007 Annual report

Johnson and Johnson, 2008 Annual report

Johnson and Johnson, 2009 Annual report

Hilti, 2007 Annual report

Hilti, 2008 Annual report

Hilti, 2009 Annual report

9.5. Internal firms' projects materials

Internal PharmaCo 3's materials

PharmaCo 3 SISCProject

Optimierung und Verbesserungen, Outsourcing Villmergen

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 13 November 2008

Prozess: Kontrolle Rotationsset

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 31.01.08

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 11.02.08

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 25.02.08

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 10.03.08

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 10.06.08

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 18.08.08

Projektmeeting Sofortmassnahmen (Optimierte Schnittstellen and Abläufe), 01.09.08

FASE Project

Fase Organization

Organization Charts – PharmaCo Switzerland

FASE Local Implementation Team Kick-off for Austria and Switzerland, July 7, 2008

Fragen Retention Committee, Steps and Milestones

Compliance Assessment Workshops

9.6. *Business conferences attended related to the case firms:*

INSEAD Pharmaceutical Industry Club MBA's graduates, *Examples of two Pharmaceutical Managers having launched their own entrepreneurial project*, Denise Silber, President of Pharm MBA, Paris, November 2008.

INSEAD Swiss Healthcare Industry Club, INSEAD Healthcare Event 2008 in Basle, Switzerland, *The Transformation of the Pharmaceutical Industry: Key Players for Future Success*, Aleksandar Ruzicic, Co-President of INSEAD Swiss Healthcare Industry Club and Principal, Roland Berger, Basle, Switzerland, November 2008.

INSEAD Swiss Healthcare Industry Club Event 2010, *Unleashing the full growth potential of life sciences*, Aleksandar Ruzicic, Co-President of INSEAD Swiss Healthcare Industry Club and Principal, Roland Berger Basle, Switzerland, September 2010.

INSEAD Pharmaceutical Industry Club MBA's graduates, October 2010

9.1. Academic conferences attended related to the PhD topic

Global Competencies: East and West, the pursuit of the complementarities. August 2011. Professional Development Workshop, West Meets East. Enlightening, Balancing, Transcending, 2011 Academy of Management Annual Meeting, San Antonio, Texas, USA.

27th EGOS Colloquium, Sub-theme/workshop 05: (SWG). July 2011. ***Strategy-as-Practice: Informal Strategizing; Power, Identity and Technologies***, Gothenburg, Sweden.

27th EGOS PhD Pre-Colloquium Workshop. July 2011. Gothenburg, Sweden.

Association of Change Management Professionals Global Conference, ***"Best practices" in Change Management***, Orlando, Florida, USA.

Academy of Management Annual Meeting, August 2010, ***Dare to Care: Passion & Compassion in Management Practice & Research***, Montréal, Canada.

First International Strategy as Practice workshop in North America. August 2010. ***Talk, Text and Tools in the Practice of Strategy,*** HEC Montréal, Montréal, Canada.

26th EGOS Colloquium. July 2010. ***Waves of Globalization: Repetition and difference in organizing over time and space***, Sub-theme 05: (SWG): Strategy-as-Practice: Institutions, Strategizing Activities and Practices, Universidade Nova de Lisboa, Lisbon, Portugal.

26th EGOS PhD Colloquium. July 2010, *Waves of Globalization: Repetition and difference in organizing over time and space*, Universidade Nova de Lisboa, Lisbon, Portugal.

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10. Appendix: Detailed Cross-Functional Teams Case Studies

10.1. CFT Pilot: AstraZeneca – Brand Building Plan

10.1.1. The BBP project Team

The Brand Building Plan team's main objective was to design, develop and implement a new marketing and sales business model and tool in all the countries in which AstraZeneca (AZ) is operating. The Pilot Team was based in France.

10.1.2. Context, motives, objectives, activities and KPI

Each subsidiary follows their individual process in defining, implementing and following up on the marketing strategy. Consolidation at the international level is not consistent. Some countries do not have a proper marketing strategy.

In the presentation given to the French steering committee in February 2006 by the Marketing Excellence Leader in France, the drivers of the Brand Building Plan, (also called "commercial brand plan") are threefold: the MEX (Marketing Excellence) results, the excellent results of SFE (Sales Force Excellence) and the will of AstraZeneca to pursue these projects in the subsidiaries. The MEX recommendation is to implement an enlarged marketing plan which regroups the following elements: SFE, market access, and MEX within a common framework shared among all countries.

The objectives of the BBP plan are to improve the clarity of strategic choices, to ensure a better cohesion between actions and strategic choices, to increase AZ differentiation towards its competitors and to improve a rigorous follow up of the implementation process. The new plan is expected to allow AZ to be more precise in the identification of business sources, more differentiating, more emotional in the brand approach and to orientate marketing towards the doctors' and patients' added value. According to the interviewees, the official objectives of the BBP are threefold. Firstly, BBP allows brand teams

to share their brand plan with others, such as the International Sales and Marketing Organization (ISMO). Secondly, it allows for comparison within the market unit, so brand teams can learn from one another, can communicate effectively not only within the market unit, but between teams and functions, and to ensure rapid implementation. Thirdly, it simplifies and harmonizes presentations to enable easier comparison between brands and countries, resulting in better practice sharing, and utilizing one marketing language across all countries.

The BBP roll-out team defined the content of the new marketing approach, the worldwide roll-out plan, piloted and monitored all the actions necessary to position the new marketing plans. The BBP roll-out was evaluated during a meeting with ISMO and European colleagues. In June 2006, a copy was given to each reader of the plan for comments. It provided also an opportunity to answer questions. A copy was sent to the Global Marketing (GMBD) in Sweden. As an example, the Inexium team challenged Italy in 2006 and Spain in 2007. Germany challenged Inexium France in 2006 and UK in 2007.

10.1.3. Organizational structure, governance and team members

The International Sales and Marketing Organization (ISMO), which was responsible for all countries except the USA, was leading the BBP roll-out. They coordinated BBP, realised, for Europe, local operations were targeted at doctors and hospitals, and monitored and challenged the BBP project. GMBD (the "General Management Brand Development") was also taking part in the BBP roll-out. It provided countries with a vision of the brands, market evolutions and the planning of operations by the global organization, the planning of research studies and information about drugs. The Marketing Director was the designated and effective leader of this project. He was responsible for the implementation of the plan. The following graphic represents the organization of the Marketing department in France.
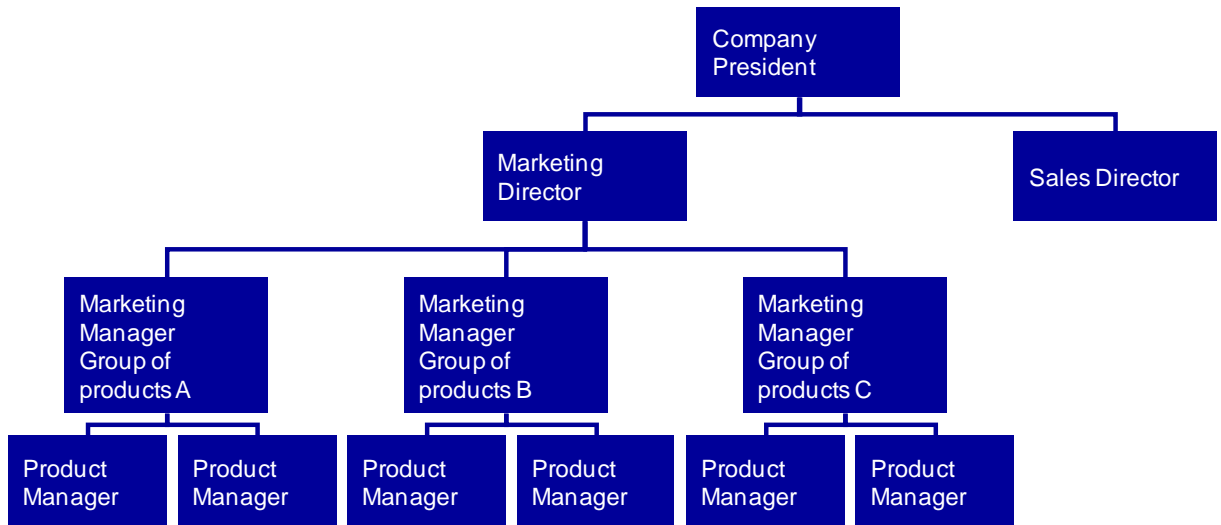
Figure: 76: AZ France schematic organizational chart of the Marketing department

The Pilot Team was composed of the marketing director, product managers, market research representatives, information systems representative, medical director, sales director and a strategy consultant.
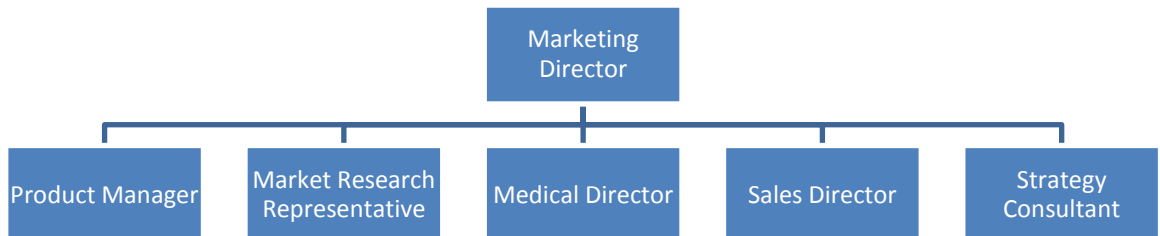

Figure: 77: Organizational structure of the Pilot Team

The different teams in charge of writing the BBP were organized with a core team and several taskforces depending on the extent of the products' range.
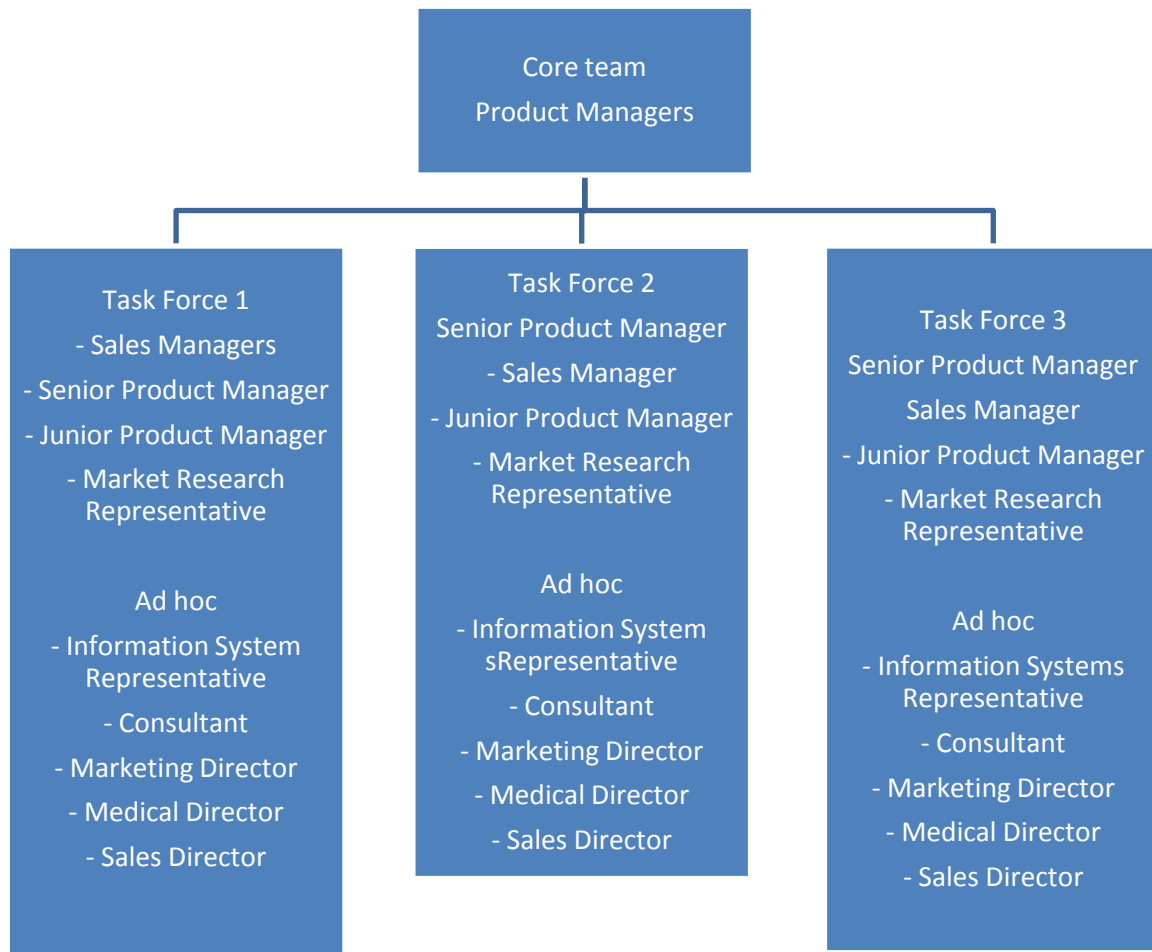
Figure: 78: Organizational structure of the teams in charge of writting BBPs

In line with the new cross functional organization, cross functional business teams were involved in the project, with people from the different functions required to launch a product: marketing director, market research, sales director, medical director, market access, product managers, and informations system (OPTIMA). Marketing people were generally the most common element in the project. The project leader was generally a senior marketing manager but could also be a director from another function. There was one project leader for each product. For some products, the marketing director was renewed in 2006. The marketing director and the product managers were responsible for the strategic part of the BBP. The junior product managers were responsible for the operational part. A weekly follow up meeting was organised with the marketing director, line managers and the sales director. Ad hoc participants were market access, product manager, medical product manager, market

research, sales force excellence, and a marketing excellence representative. They were organised into core teams and task forces, as represented above. The core team was given the following responsibilities: deliver the Commercial Brand Plan 2008, deliver campaigns and maximise the return on investment, respect frequencies and targeting, deliver information campaigns towards targets, be reactive to the environment and payers' evolution, and define an innovative project for the year to come. Task forces were mandated to the implementation, and/or on more detailed and specific aspects of the project. Consultants facilitated the introduction of BBP in 2006 and worked closely with a member of the AstraZeneca team to deliver the BBP framework. They worked full time during the pilot and then on demand during the roll-out. The Executive Committee (CODIR) monitored and validated the jobs undertaken by the teams. In our study, we focused on the Pilot Team responsible for initiating the project and then on writing the BBP for the product called "Inexium".

The perceived competencies necessary to write a BBP were mainly personal qualities: being open to self analysis, ready to change business operations, curiosity, the ability to challenge oneself, synthesis capacity and analytical thinking. Some competencies were professional, such as business writing, prioritisation, planning, coordination, the capacity to formulate hypotheses, the capacity to question the "so what" or the capacity to adapt the level of language according to people's needs. A few people then cited technical skills such as basic marketing knowledge (vision and analysis of the target...) or strategic thinking, complex quantitative analysis, knowledge of the market, and consulting competencies. For the interviewees, the BBP project required more personal qualities than technical skills.

10.1.4. Tools

The main tool was the BBP template. For the interviewees, the Brand Building Plan is a methodology initiated by the consulting firm, and adapted by AstraZeneca to define the strategic axes of a product. It replaces BOP, (the Brand Operating Plan), a previous marketing plan which was mainly financial.The Brand Building Plan designs an extended marketing plan over three years. The template of a BBP contained four parts: analysis, key

conclusion, action plans and financial. The four parts were detailed in the BBP template. Guidelines were detailed for each part.

Part 1: Market and brand findings (fact book)

This tool box provided a better understanding of the key elements of the market: patients, prescriptions, influencers, as well as the competitive position of AstraZeneca. The first part, *"Facts to Conclusion",* consisted of an analysis of the brand. Questions were related to patients, prescribers, payers and influencers, the competitive position and the AstraZeneca commercial effectiveness. Patient analysis was realized through the analysis of a patient's journey: the initial presentation of the symptoms, the diagnosis, treatment and patient follow up. A critical analysis grid was also the funnel which defined the degree of awareness and the use of the brand by a prescriber or a payer.

Part 2: Key findings and conclusions

This part was a synthesis of the key conclusions that had an impact on the strategic and tactical choices. The second part was the conclusion drawn from the key findings and the description of competitors (the sources of business).

Part 3: Local brand strategy

These offered answers to strategic questions, such as *"On which segments should the company battle?"* and *"How?"*

Part 4: Action plan

This part consisted of the implementation of the action plan, timing and responsibilities. It was aligned with the strategy and contained differentiating elements. The template detailed the design of six action plans. The first action plan was an overview: activities, target, message, timing, responsibility. The second action plan related to market access; the third to sales force requirements; the fourth to the segmentation strategy; the fifth was an overview of the key activities arranged by type, and the last one was related to the key performance indicators tracking implementation.

Complementary part: Financials

This part was dedicated to financials: value of source of business, resource allocation, financial collection, brand plan financial pack (volume market share, value market share,

dynamic data, pricing and environmental assumptions). This part was more or less developed in the BBP. More financial work was planned for the following September.

10.1.5. Detailed processes

The BBP was concerned with the following products in France: Cremainderor, Symbicorp, Inexium and Arimidex. A different plan was developed for each of the four products. A pilot of two products and two countries was conducted before their deployment into the world in 2006. The roll-out of the different plans developed for each product lasted from December N until September N+1, and was managed as a project with the following seven phases:

1. October N, the senior management and ISMO had a meeting in which they decided to renew the marketing calender.
2. In December N, the roll-out was prepared. The French pilot lasted from November 15 Year N to January 15 N+1.
3. In January N+1, senior managers were briefed about BBPs.
4. In February N+1, brand teams were trained. This training consisted of a business simulation about how to construct a plan for a product. This session was delivered over three days in February N+1 in Brussels at the Sales Force Excellence Academy. Participants were the core team: a Product Manager, Marketing Directors, one Sales Force Representative, one Market Access Representative, one Market Research Representative and a Public relationss Manager were grouped from three different countries (France, Germany and Italy).
5. From March to May N+1, brand plans were built. March focused on insights. Some complementary studies have followed, such as the irrationality of a prescription from a doctor. April focused on local strategy and May on an action plan which described precisely the actions to be taken regarding the target. A "kick off" meeting regrouped the cross functional team. A work plan with tasks, planning and responsibilities was defined and shared with all team members. In some cases, tasks were defined according to the available dates of data. The team got a template of the BBP, sent by ISMO. The plan was written by the Marketing Director and the Market Access Representative responsible for the product (such as Inexium). Weekly meetings were

organised to follow up and monitor the project progress. Two presentations in front of the Executive Committee, CODIR, were also organised.

6. In June N+1, ISMO reviewed the BBPs. The plans were first sent to ISMO, who provided comments and a grade with complementary questions. Then, each team presented its plan during a presentation session, in which another country had the role of challenger.

7. In September N+1 occured the financial review.

10.1.6. Team evaluations

The main criteria for the evaluation of the teams were the quality of the produced brand building plan. Brand building plans were evaluated by other teams as well as by the representatives of the international organization. Some plans were evaluated fine when others were not evaluated that good. The team under study in France was very well evaluated. The evaluation of the roll-out team was done by the marketing director and the international organization. The criteria were based on the effective implementation and the quality of the brand building plans in the different countries. This project did achieve its goal in terms of scope, planning and quality of final product.

The BBP project roll-out was plebiscited by all interviewees.

"BBP is a real advantage for AZ and makes it easier to work."

The key strengths were the use of a pilot, the way of working within cross functional teams, the support by the international organization "ISMO" and the roadmap provided by BBP. The challenge by another country was also generally appreciated. The perceived key strengths of the BBP template were that it provided a common format for the marketing plan for all products and countries, and therefore facilitated the reading for the senior management. The most valuable parts were the "key findings" and the "key conclusions". Other valuable parts were "market analysis", "funnel" and "source of business". For most of the interviewees, BBP contributed to MEX (Marketing Excellence) while providing a higher degree of analysis, helping to answer questions such as: *"What are the key data to build a*

trend?" "Who will contribute to turnover?" providing action plans and contributing to a quality process. The added value of the plan written in 2006 was to provide an action plan that was implemented in 2007 and provided subsequent follow-up to highlight new strategic orientations as well as to clarify ideas relevant to the market, and a more constructed plan. People having participated in the pilot felt a real advantage during the roll-out.

The two main areas for improvement were the time necessary to complete the plan, (which may create a risk of focusing more on the format than on the content), and the plan implementation. A right balance must be found between writing a "perfect plan" and a "useful" plan so it can be implemented. This offers a link to the other area for improvement: the implementation. Broadly, interviewees seemed to have taken into account the actions planned in the BBP, but most of them thought that a more systematic follow up of the action plan should be put in place. Other areas for improvement were the development of Marketing Managers' competencies and career track, the questions concerning autonomy towards ISMO, the responsabilities' split between ISMO and Global Marketing in Sweden as well as the implementation of the country challenge. Product managers were realising the gap between their position and the next one. They had the profile of an operational pharmacist. The question was how to encourage product managers to write a plan and to be promoted marketing director. Should they assume first a position as market research? Then, the responsibilities between ISMO and Global Marketing in Sweden were not clear for most of the interviewees. A validation meeting was organised with ISMO but a copy of the plan was also sent to the general manager. This caused multiple readings and weakened the pertinence of feedbacks and questions. The challenge by another country was well perceived in theory, but not in practice because it was seen as very demanding and requiring a high level of investment and ownership of the plan by the country evaluating. The areas for improvement of the BBP template were twofold: one was regarding the content of the template, the other one was regarding the follow up. For some interviewees, BBP was just an exercise of style. For some interviewees, the funnel could have been developed as a more standardized approach in order to answer the requirements. Brand equity had not been optimised. The main perceived challenges were the time constraint (with a timeline from February to the end of May 2006), and the workload (due to the amount of work to be delivered and the lack of resources in some cases). The task of writing the plan was not considered, by the team members, as difficult to complete, per se. Other challenges included getting the product managers to write BBP, to ask the right questions, to plan the work, to

challenge oneself thoroughly, to work in a cross functional team and to coordinate the action plan with all the team members.

10.2. CFT A: Abbott – The Call Reporting System (CRS)

10.2.1. The Call Reporting System Project Team

The Call Reporting System team was in charge of implementing a new business model and tool for the key account managers. They were based in Baar, close to Zug in Switzerland. The project consisted of a process reengineering and Information Technology implementation for the key account managers. The goal of this project was to improve the quality of the key account managers' reporting and evaluation. The team was composed of around 30 people from diverse functions such as IT, medical, marketing, general management, etc.

10.2.2. Context, motives, objectives, activities and KPI

The pharmaceutical division of Abbott was organized in three branches: immunology, hospital, and primary care. The line functions represented in the pharmaceutical business unit are business unit management, medical, legal, finance, informations system, customer support, sales, marketing, strategy, and human resource management. The line functions represented at the diagnostics business unit are business unit management, sales, marketing, finance, customer support, medical, and IT. The company employed 140 people.
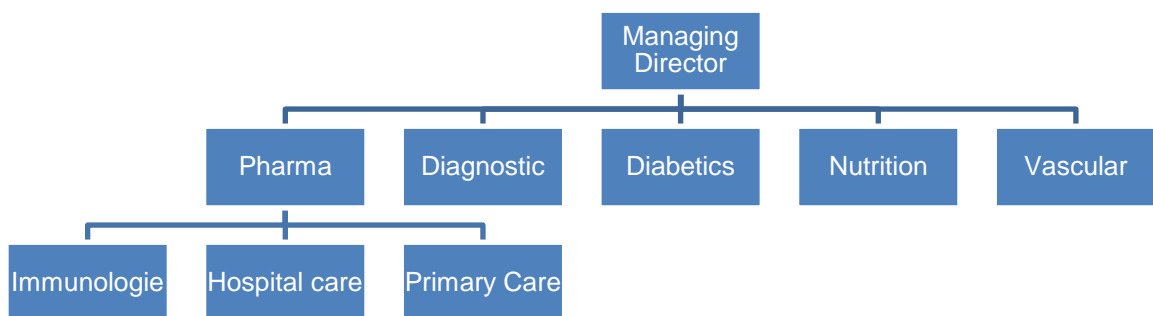

Figure: 79: Simplified Organizational Structure of Abbott AG, Baar, Switzerland

The main motives for the CRS project were the need to increase the focus of the sales representatives towards the customers, and the need to develop the informations system for the sales function.

"We realised that the old system was not covering our needs. You could enter calls, reports, frequency, and coverage. In Excel sheets, you could merge data. It didn't serve to follow the project, and focussing on the gaps was totally impossible. The motive for this project was most probably my arrival. I did this job in a biotech company and we trained our salespeople to become real key account managers. It was business planning, selling skills. It is very tempting to specialize in a technical way. You are not allowed to lose your sales competences. It was training on the behavioral side. We trained them in NLA. I had this experience. It was just about to change sales representative into key account manager." (Interview CFTA 1, Division director)

The objectives of the CRS project were to establish a professional sales business model by developing the skills of the sales representatives into key account managers, as well as to upgrade the information system linked to sales.

"The objective of the CRS reporting system is to have a running system, which delivers the report and the information necessary and also helps to manage projects. For instance, it should be possible, by pressing two or threebuttons to have the basis for the evaluation of the key account managers. We check progress, gaps to assess where we are with the projects, if we need additional resources and things like that." (Interview CFTA 1, Division director)

The choice of the Cegedim product was political and made by the headquarterss in France. From a managerial point of view, the CRS system aimed at establishing statistics regarding sales and key account managers: how many visits were conducted by sales reps, the quality of these visits, amounts of sales, etc. For the sales representatives, the tool aimed at helping them conduct analysis of their sales territory, planned actions and then provided follow-up.

The main activities of the CRS project were to evaluate the software to be implemented, to design the new sales business models and customize the software, to test it, train the people and then roll-out the software into the organization in Switzerland.
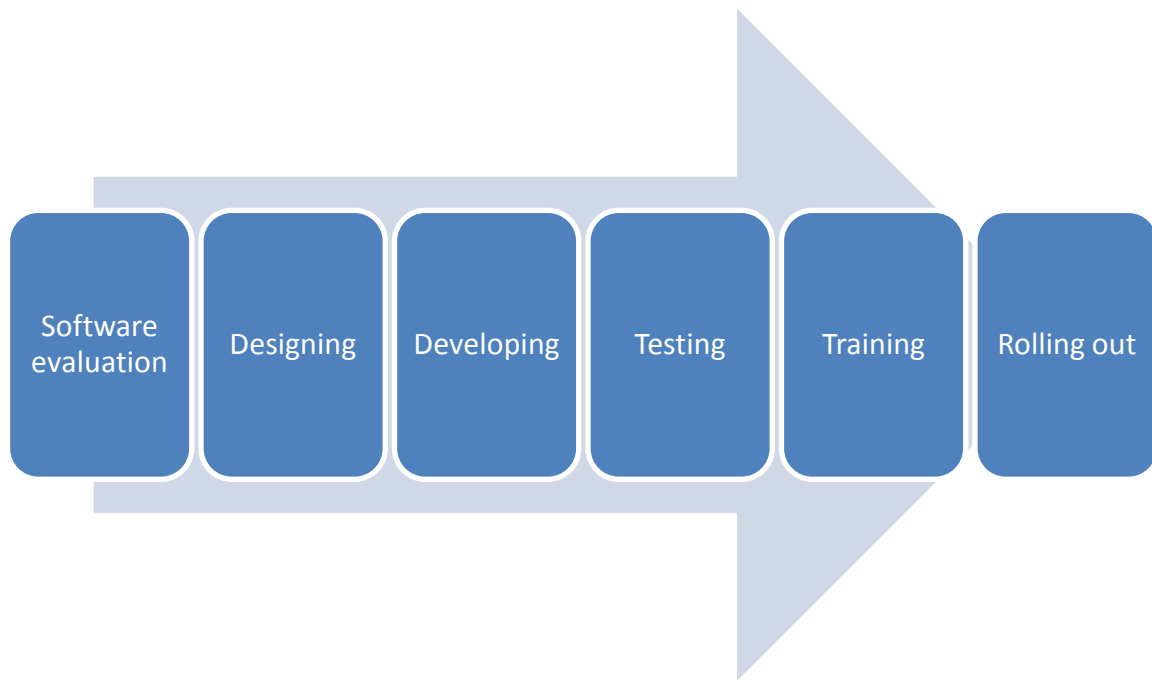
Figure: 80: Key activities of the CRS team

The main key performance indicators of the project were the quality of the software at the roll-out and the time for enrolment.

10.2.3. Organizational structure, governance and team members

The core team was composed of a division director, a project manager, an IT manager, a marketing assistant, a CRM (Customer Relationship Manager) and an IT consultant from an external consulting company. Then the human resources manager in addition to several sales representatives were involved from time to time. A trainer from the supplier was also appointed for the duration of the training.
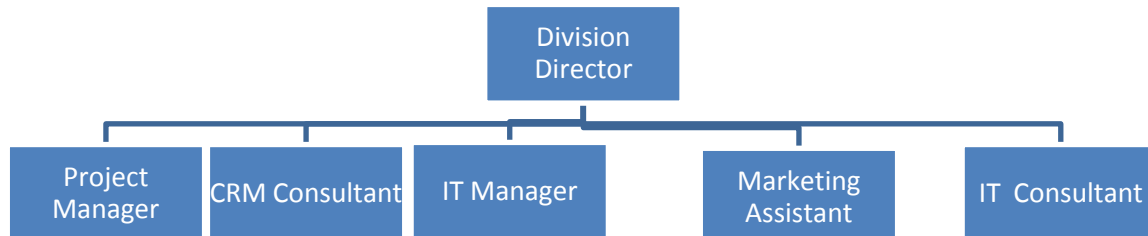
Figure: 81: Organizational structure of the CRS team

10.2.4. Tools

The CRS team is using software from Cegedim. Established as the world's leading Customer Relationship Management (CRM) provider for the healthcare sector, Cegedim develops exclusive databases and high value-added software solutions. Cegedim's expertise falls into three sectors: the CRM and strategic data which comprises solutions specifically designed for pharmaceutical companies, the healthcare professionals (doctors, pharmacists and paramedics) as well as the insurances and services designed for the health insurance providers and for companies of any sectors. Cegedim was founded in 1969, had a Turnover in 2008 of € 849 million, and has worldwide operations in 80 countries with a workforce of 8 200. The CRM and strategic data sector combines the Cegedim Group services intended mainly for pharmaceutical companies. Medicines are prescribed by doctors who do not directly purchase goods produced by the pharmaceutical industry. And yet doctors are the audience towards which pharmaceutical companies must direct and target their marketing efforts, without having the individual information provided by a traditional client-supplier relationship. Therefore the main objective of Cegedim is to offer pharmaceutical companies' marketing and sales divisions a better understanding of where drugs are sold, who prescribes them and why. Cegedim develops exclusive databases that respond to these

questions, along with the most efficient information tools, allowing pharmaceutical companies to optimize their CRM approaches. They are thus provided with the best chances of success to persuade doctors to prescribe their products. Cegedim's solutions combine performance and compliance with the Public Health Code, and the personal data protection regulations in force in all the relevant countries concerned. In particular, Cegedim offers:

- tools for optimizing information resources, sales and marketing investments,
- reporting and analysis tools for the sales force,
- databases and tools that provide better understanding of prescribers,
- strategic marketing, operational marketing and competition monitoring tools and studies,
- performance measurement tools and promotional spending auditing tools, and business intelligence solutions.

10.2.5. Detailed processes

In May 2007, the top management diagnosed that the current information system could not continue to support the sales strategy. Several IT suppliers were consulted. The international organization of Abbott strongly recommended the Cegedim software. In October 2007, the top management took the decision to put the software in place and, the project was defined in terms of objectives, timelines and resources. The design started and a first set of data was transferred from the old system to the new system. In January 2008, a pilot was tested but was not successful. The project leader tried to develop some software ambassadors but it failed because the IT provider could not maintain with the necessary corrections, customizing and developments. At the end of February 2008, the project leader organized a go/no go meeting with the supplier. Subsequently, the project leader appointed another consultant. This consultant worked very hard on the project. She worked closely with the product manager in the same office. She provided paper based forms of the data that needed to be transferred into the new system. Then the project manager saw the business people in the divisions to obtain the correct data. The supplier developed a basic system and created a user group to test it as a pilot for two weeks. He organized training sessions in French and in German to accommodate all the users. He also organized a specific training session for the managers to enable them to get the most benefits from the software as a sales manager. Project management was not so formalized. Communication went through

emails, by phone, meetings and working in the same room. The project manager was the link with the remainder of the organization, to obtain information when necessary or to communicate the main milestones and progress. Informal communication and personal relations were the key characteristics of the working mode. The software went live mid July 2008. Nevertheless, the software version was not the forecast one and the required functions were only available in December 2008. During this time, the project team continued to work hard to develop the missing functions and all also to develop the SAM part, the Strategic Account Manager System, which wasy expected by the managers. This tool was to serve the Key Account Managers (KAM) to identify different institutions in order of priority. This tool allowed for the realisation of a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats).

10.2.6.   Team evaluations

The project was evaluated according to the time of enrolment and to the quality at the "go-live". The respondants evaluated 5 out of 6 the Time of enrolment and 3 out of 6 the quality of the project at the "go-live".

Key Performance Indicator	Measure (out of 6)
Time of enrolment	5
Quality of "go-live"	3

Figure: 82: CRS Team - KPI

The CRS project was developed quickly over less than a year but was not perceived as of good quality when going live, as the following quote from a CRS user mentions:

"If I pilot a plane like that, it would be crash. You can't have a pilot with nothing. I did not have the right customers I really necessary to work with. Every two questions I asked, they said, it will be OK. We were sitting there. That pilot was on February 2008. We really thought we were losing 3 days." (Interview CFT A 5, Key Account Manager)

When questioned about the quality evolution, respondents agreed to say that the quality improved after four to six months and was fine after one year.

The main strengths of the CRS team were the capacity of the team members to learn from errors, its workload capacity and its acquired knowledge on the software.

"The key strengths of the project were for the learning curve we went through. People identified now with the system, because they directly or indirectly realized the difficulties we had with the system. They had to work with it, even if sometimes the difficulties were negative. We saw that we were capable when a good project team was in place. On their side, the project team was "enorme". In one month and a half, it was really a big improvement." (Interview CFTA 1 – Division director)

The team on the Abbott side was very well organized and the consultant from the supplier was on two projects at the same time, so he could not spend the necessary time on CRS. When management organized the go/no go meeting, communication and coordination within the team dramatically improved.

The main weaknesses were the bad project management on the provider side, lack of a pilot, and an unskilled and unprepared IT consultant from the provider. The initial team who evaluated the different softwares did not count anyone knowledgeable on the current IT system. It was mainly composed of directors who had a view on the sales and marketing strategy but not on the performance of the daily business and activities by the sales representatives. Communication was not very good. The communication with the supplier was specifically perceived as very bad. Pressure of the time frame was high as well. Data were of poor quality at the ""go-live"". Training was too short and based on theoretical data. The pilot was too short and did not allow for sufficient real daily cases.

"We got very bad project management from the provider side. The excuse was that they never faced a client so well prepared. Sorry, that's your business. We had a delay of about 4 months. Even when it was implemented, rolled up, people trained, it had its weaknesses. It was on the technical side. People's sales reports did not appear. It was very frustrating to redo the job two times, three times. Now, it is working. Unfortunately, we lost sight of the strategic side. It is something we are rolling up now and we will have it in place by the end of this month." (Interview CFTA 1 – Division director)

Respondants from the organization did perceive that the initial speech from the supplier was not true. They specifically did not find the relevant business functions from the information system. They felt betrayed by the suppliers. Some respondants found that the head of the project was too isolated from the day-to-day business activities and could not therefore define clearly what the new system should be.

The impacts of CRS on the organization were mainly on sales management. Sales representatives struggled to use the system at the "go-live" and to manage their daily operations with the new system. This tool was used as a planned tool to get to know a sales territory, target the customers and follow up the actions. It was also used as a key statistical tool to follow up sales that were then taken into account to evaluate the sales representatives' performance and their revenue. So the stake for the sales representatives was huge.

> "The impact of the project is very very big because everybody is using it in our everyday business. Without it, our sales force could not work. We also do statistics on it, so it is also about bonuses. It is used by the management, general management and refers to the frequency of calls, how many visits." (CRS team member)

Even when implemented, the CRS system was perceived as continuing the needs to develop more work:

> "We started with that in the beginning of the year. So it still hasl childhood illnesses, like these systems always are if you want to adapt them to your needs. We got used to the old system but with something new, we figured out that we cannot do the same. It takes a couple of months. What is really important is that you can't just implement a tool and think that since you implement it, you have finished." (Interview CFTA 5 - Key Account Manager)

The CRS users would have preferred to delay the "go-live" and obtain a quality product than having a "go-live" with a completely unsatisfactory product:

> "Really to learn about that, if you start something new, it is better to take another month to solve the problems. If the people working everyday with it can't cope, it starts with something negative." (Interview CFTA 5 - Key Account Manager)

One important part of the system, "SAM", the Strategic Account Manager System, was not at all ready at the "go-live". This unavailability drove the key account managers to double their tasks, particularly with the operations and also the statistics, to fill out the system:

"SAM is still not working. Example: the selection of Key Opinion Leader (KOL). I have to do an Excel list for my KOL and write it in by hand. I had an appointment…I make an Excel sheet for something that is in the system! Give me the KOL, they would be "A" or you must give another identification and everybody could extract the data, if he feels it. Why should I do an Excel sheet at night from home? In an international company, certified… we are working like…. You know your clients; we want to make it for B.. I have to do some work, even if there is no change. Just send it. No, tthere are no changes…. I am just a year or two in fron advance, and I have to go back because they want me work that way. They keep people busy. I would rather think about what I could do for my KOL. M. would understand that. Don't look at it that way. Because we are working, so it is not that easy. Everybody in sales uses this system. Normally, if B. makes an appointment with a sales rep, he should be able to access the system. Even if there are international projects, it is quite nice to have KOL involved." (Interviewee CFTA 5 - Key Account Manager)

Users did not trust the system, especifically when statistics were taken into account in the calculation of their revenues.

"So now we work with the company and bring them our inputs. They do not really understand our problems. When I look at the results of my employees....They forgot appointments and lost data. My employees and I are a little bit unsure all the data are correct. At the moment, they take our inputs but there is no change. It is like another computer program. They take our input. Then they get an update. I hope. At the moment, during these 8 – 9 months, they change nothing." (Interviewee CFT A 6 - Sales manager)

Respondents think that a benchmark with other companies should be developed so as to get other insights and ideas.

"We do not have contact with other companies using this program. When I see other reps, I ask them which system they are using. One of them said TEAMS. I heard the problems and the better things they do. A project manager should speak to another project manager from another company. The objectives are different. We always ask the question about the use of the program." (Interviewee CFT A 6 - Sales manager)

10.3. CFT B: ABBOTT- The Inno TEAM

10.3.1. The Inno Team

At Abbott, we have studied the Inno team, whose main objective was to encourage innovation throughout the organization and, more specifically, to develop new services associated with products in the immunology business unit. The project under study consisted of a one day brainstorming workshop and the associated tool to develop innovation for a specific immunology area.

10.3.2. Context, motives, objectives, activities and KPI of the team

The pharmaceutical division of Abbott was organized into three branches: immunology, hospital, and primary care. The line functions represented in the Pharmaceutical Business Unit werere Business Unit Management, Medical, Legal, Finance, IT, Customer Support, Sales, Marketing, Strategy, and Human Resources Management. The line functions represented at the Diagnostics Business Unit were Business Unit Management, Sales, Marketing, Finance, Customer Support, Medical, and IT. The company's site counts 140 people.

In response to the end of a traditional pharmaceutical model with visits by key account managers, Abbott AG launched in 2007 a new culture concept with ICIC, *"IC2, Do you".* This was a vision to develop an innovation Culture and a Customer Intimacy (ICIC). To achieve ICIC, the firm put in place clear structures and processes such as the Inno Strategy, the Inno Process, the Inno Team, the Inno Plan and Training, the Inno Tools and the Inno Projects. innovation was seen as a combination of insight, ideas and impact. The Inno Team was one part of this new approach of innovation. The objectives were to further grow the importance of customer intimacy.

"The INNO team is an initiative for the whole company, who wants to become more Innovative. This is the main goal."

The main activities of the Inno team were to define specific issues of the different departments and to find Innovative solutions of solving these issues using one-day workshop and a specific software.

10.3.3. Organizational structure, governance and team members

The Inno team was not a hierarchy.

"Everyone is on the same level." (Interviewee)
"We do not have any hierarchy". (Interviewee)

The driver of the Inno Team for new and Innovative ideas was the functional diversity. The team was composed of diverse business functions within the firm and different divisions. The principles for innovation were to start small and build up, embrace failure, learn incrementally, commit to feedback, and take the work seriously, rather oneself.

Figure: 83: CFT B Organizational structure

The Inno team was composed of eight members: the director of strategic marketing, the business unit manager hospital, the public relationss manager, the IT manager, a key account manager in immunology, the business unit manager in immunology and the regulatory affairs manager. Team members came from the three divisions of Abbott AG: immunology, primary care and hospital speciality. They came from marketing, sales, three operational units, general management, medical, public relationss and IT. This was therefore a cross division, cross hierarchy and cross functional team. Team members were part time engaged in the Inno Team. They were asked to spend 20 per cent of their working time on it while their usual workload was not changed. Members were assigned roles: client manager, Inno president, talent scout, content manager and IT manager. Two members were sharing the same role so they could work together or delegate some tasks. Client managers worked

with customers. The Inno resident organized meetings and communicated with the hierarchy. Talent scouts invited people to the innovation machine or workshops. Content managers created questions and managed the interactions with the clients. IT managers were in charge of the machine.
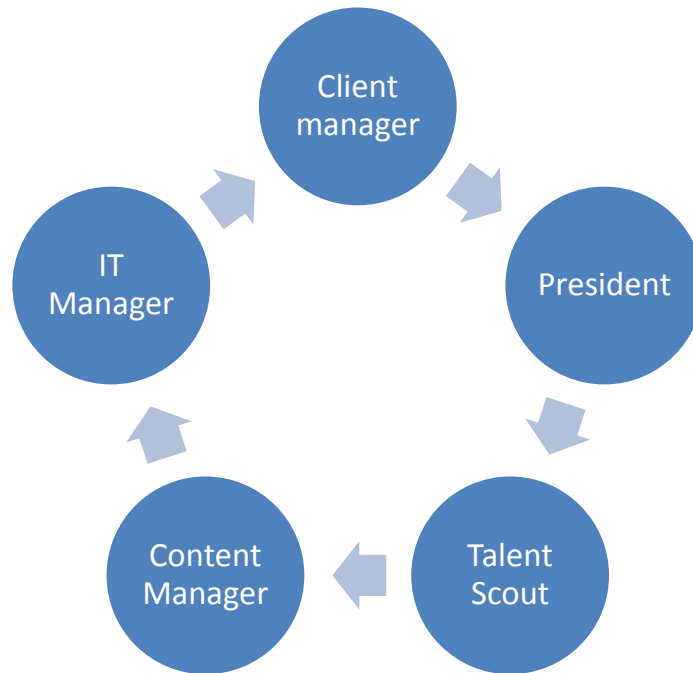

Figure: 84: CFT B - Inno team Roles

Besides the Inno team, around 40 people participated in the one day brainstorming: 10 rhumatologists, 10 collaborators from diverse functions (product managers, innovation team, strategic management), and 20 people playing the role of "candide". External stakeholders also took part in the project-based on the innovation software call "BrainStore": ""square thinkers"" who were students, artists, elderly people, doctors, patients, former smokers, marketing people, and key account managers.

10.3.4. Tools

The INNO team based its work on specific software, called BrainStore. This latter one had been developing ideas in an industrial process since 1989. BrainStore was founded in

Biel, Switzerland in 1989. For the past two decades, the company had supported and advised global innovation leaders in every sector. Among BrainStore's clients were: Siemens, BMW Group, Zurich Financial Services, BASF, Nestlé, Swiss Rail, Procter and Gamble, and many more. Frustrated with traditional approaches to innovation that rely on coincidence and serendipity, BrainStore was based on the Idea-factory process, tools, an innovation community and a powerful software platform. This platform represented the digitalization of the Idea-factory process, and was available to users worldwide. BrainStore developed ideas in an industrial process. The goal was to develop breakthrough ideas in record time thanks to the Idea-factory process, proven tools, a vibrant innovation community and a powerful software platform. It included an idea-factory software and idea-events.

BrainStore developed the Idea-factory process. This process was the result of many years of research, development, and testing. It allowed the user to develop new ideas and initiatives quickly, precisely, and efficiently. Thanks to the fundamental emphasis on collaboration, results generated during the process earned a high level of buy-in throughout the client organization. As a result, it had a powerful impact on helping to create an overall culture of innovation. It was effective at revealing completely new ideas, as well as ideas that had languished in obscurity. The range of applications was product development, process improvement, marketing, naming, branding, HR-related issues, new business models, and much more.
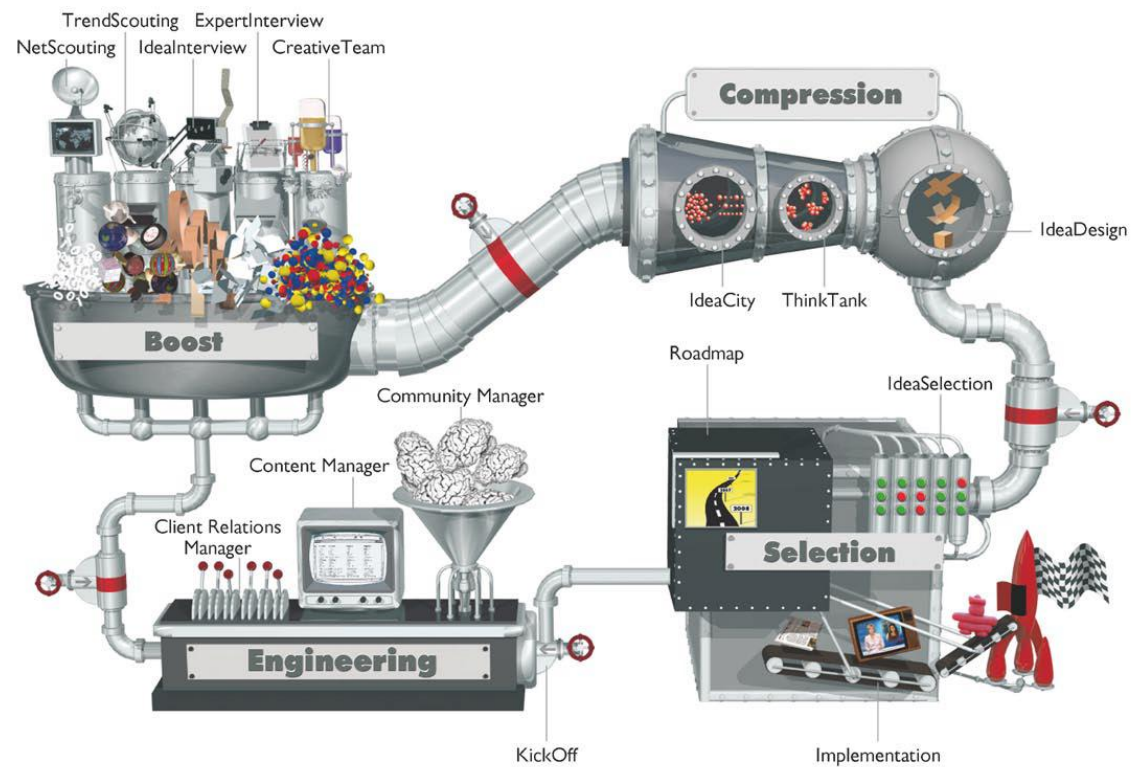
Figure: 85: The Idea-factory process, BrainStore

The Idea-factory software was the digital representation of the proven Idea-factory process. It was a collaborative, web-based platform that allows people to generate and implement powerful ideas in record time. The Idea-factory software was a foundation for a modern, high-impact approach to innovation management. It is fully scalable, and allowed for individual involvement from within and outside the organization.

Idea-events were customized workshops that generated ideas using an industrial process. These workshops are customized to suit aspecific topic, and aimed at providing exceptional productivity and creative depth thanks to proven methodologies and a highly stimulating atmosphere. The Idea Factory was an end-to-end solution, with modules that allowed the development, evaluation, and implementation of ideas systematically. Participants might take part regardless of time and location, and innovation teams could easily build a user community. Also, an unlimited number of projects could be run simultaneously with no incremental cost.

10.3.5. Detailed processes

The launch of the Inno Team at Abbott AG was in November 2007. The Inno Team and staff participated in this meeting. The first workshop was organised in January 2008, and involved only the Inno Team. On the agenda were the Abbott processes for innovation, task organization, interface with customers, functions of the team and some team building activities. In January and February 2008, the Inno Team and the staff were trained on the innovation process with the Inno handbook and the software modules. At the end of February 2008, Abbott organised the second workshop with the Inno Team. Strategic themes, the Inno pool, pilot projects and priorities were reviewed. In March 2008, an Inno Day was organized with a project pilot, an "ICIC" live, with the involvement of the whole firm. In April 2008, the Inno Team followed more training to prepare to start projects. In June 2008, they organized a "brain party" for rheuma with the Inno Team, Humira Rheuma, staff, young people and doctors. In June and July, the team launched the projects around the machine. From July to December 2008, several projects using BrainStore were in process and additional training and coaching of the Inno team occured.

The principles of the Inno Team were to work with a single department to identify the main issues they had in their department. Issues may be related to the business, clients, organization, etc. When an issue was identified, the Inno Team helped to formalize a question. This main question and subsequent related questions were added to the software BrainStore, and sent to targeted people that constitutes stakeholders of the topic, but also to the so-called ""square thinkers"" who were people outside the sphere, such as students or former smokers. The Inno Team collected and analyzed the answers, refined the questions, and submitted the main ideas again to the target so as to obtain feedback. This process could be replicated a couple of time before the machine was stopped and the Inno Team provided feedback to the department who initiated the issue.

The Inno team has followed the project of a new reception and for two pharmaceutical products. One topic was related to a product regarding obese people. The issue was how to reach 2.4 million obese people? The team invited 50 people: doctors, patients, obese people, and former smokers. The team was intereremaindered in getting people who had changed their lifestyle. Internal people were also invited. People were asked to answer some questions using the software. 3000 ideas were generated. Then, these ideas were compressed unto 160 ideas. Then a second compression led to between 20 and 30 ideas.

10.3.6. Team evaluations

The official performance measure of the Inno team was the annual number of Innovative projects. In 2008 for example, the target was two or three projects which had an impact on the organization. An award offered by the public relationss department was also a proof of the performance of this team. As far as individuals were concerned, the president's advice was to add their performance on the team to their usual performance appraisal, which was up to 10 per cent of their global performance.

The perceived measure was measured according to the participants. They were asked to give a grade on a scale from 1 to 6, 1 being very low success and 6 very high success. Out of 6 interviewees, the Inno Team was evaluated 4.5 out of 6. The business impact of this Inno Team on the business was not really observable at the end of 2008. The interviewees mainly mentioned the need for more time before measuring the results of the organization.

The mains strengths of the team were the visibility of the project, the team composition, the creativity of the Swiss subsidiary with the project "ICIC innovation culture and intimacy with the customer", the willingness to invest in the incentives. The career growth and the opportunity of bonuses were also mentioned by the respondants. The implication of all the collaborators since the beginning, the communication within the team, the very diverse people from different jobs, business units, gender, age ; a very mixed group with a lot of different qualities as well as the mindset were plebiscited. Collaborators thought more and more about the machine to develop more ideas.

"So far, the impact has been tremendous." (Inno team member)

The areas for improvement focused on the functioning of the team, the lack of recognition of the work performed for the team and the way to develop innovation in itself in an organization. On the first point, respondants argued that the key performance indicators should be communication as well as progress reports. Coordination and more communication on the roles would also have improved team work. The team member involment was disparate. It would have been necessary to involve all the people of the team.

"One little problem is that it is always the same people doing the job. Some people are not really taking part in the project. They are always saying: Oh, I don't have time." (Inno team member)

Convincing the people outside the team to take an interest in the machine would also improve the team performance. Some lack of knowledge on mastering the machine "BrainStore" was perceived. The identified members in charge of analysing the problems did not always know how to analyse them and ask the right questions. This lack of know-how was perceived as a key obstacle for the last project. Regarding the lack of recognition, respondants mentioned how important it was to recognise the time and effort people put into this team.

In terms of introducing innovations, some respondants questioned the approach to force innovation. Was it possible to impose being Innovative?

"My feelings are that Abbott wants to be an Innovative company now, but this is impossible. We need tools, time and money." (Inno Team member)

"Can we really impose innovation within a company?" (Inno Team member)

This led to put into question the validity of having an Inno team:

"Is an INNO team necessary? I think it is one way to build up Innovative structures but there might be other ways to motivate, involve all the company, by using somebody from outside." (Inno team member)

10.4. CFT C: PharmaCo 3 - FASE

Introduction: The name of this company has been disguised on their request. In the following lines, we use the terminology of PharmaCo 3.

10.4.1.   The FASE Team

The FASE team of PharmaCo 3 Switzerland is a project-based team comprising thirty people from six different functions, with the objective of implementing a radical business and information system of sales, marketing, warehousing and finance functions. This team is the local team for a European project. The project FASE involves integrating the finance operations of most of the sales and marketing companies of PharmaCo 3 in Europe. The geographical scope is Austria, Benelux, France, Germany, Ireland, Italy, Portugal, Scandinavia, Spain, Switzerland and the UK. The process scope is order-to-cash, account-to-report, fixed asset accounting and inventory accounting.

10.4.2.   Context, motives, objectives, activities and KPI

PharmaCo 3 Switzerland is part of a multinational company which is composed of more than one hundred acquired companies. This situation involves a great diversity in business processes, and certainly leads to some financial consolidation challenges. The line functions represented in these business units are business unit management, marketing, sales and business development. The functions of logistics, finance, human resources management, strategy and customer support were concentrated in three departments: Business Services, General Services and Strategic Affairs. We intend to study the four business units in relation to the three other departments mentioned above. The company's site employs around 200 people.
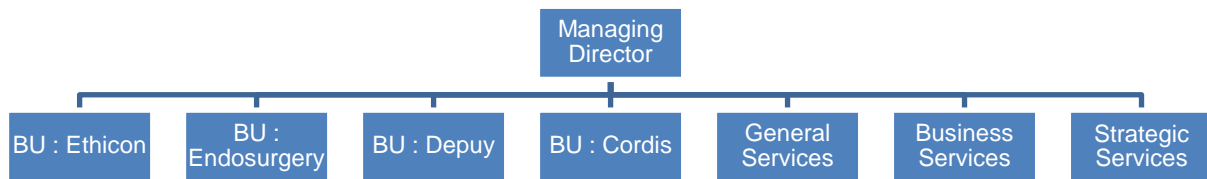
Figure: 86: Simplified organization structure at PharmaCo 3, Switzerland

According to internal documents (see references), the financial function of PharmaCo 3 Europe, in July 2008, could not support its growth ambitions. The company had more than twenty information systems, more than twenty-five finance organizations and 670 finance staff. This led to high maintenance overheads, upgrades challenges, inconsistent finance processes, compliance challenges as well as duplication of activities and management.

According to internal documents, the official vision was to deliver excellence in finance and ensure fulfilment in support of growth, value creation and one geographic finance unit. The strategic objectives were to drive regional standardization of finance in order to invoice processes, build a business intelligence solution to support rapid and effective decision making, establish a high standard, scaleable regional financial shared services center, and invest in, and empower people. The strategic objective of building a business intelligence solution to support rapid and effective decision making is supported by three key tactics. Firstly, the project aims to provide information in an accessible and standardized format, creating transparency and "one view" of the business. Secondly, it aims to develop reports and provide analysis which, in turns, would enable business partners to gain market insight. Finally, it aims to ensure the business to measures performance against the company's strategic objectives.

Strategic objectives	Key benefits
Drive regional standardization of finance in order-to-invoice processes	• Scaleable processes which support business growth • Standard business model – provides flexibility • Integrated financial software solution • Integrated SAP solution • Improved data integrity and standardized reporting capabilities
Build a business intelligence solution to support rapid, effective decision making	• Financial and regional transparency • Provides access to relevant, readily-available information • Reduces business planning time and effort • Provides easy ability to respond to customer trends • Automated reporting
Establish a nest in class organised, scaleable, regional finance shared services center	• Dedicated business partnering • Increased focus on value-adding activities • Facilitates focus towards growth strategies • Delivers focus towards growth strategies • Delivers a business platform to support organic and acquisitive growth • Improved competitiveness through lower cost base and cost of compliance
Invest in, and empower people	• Improved development and career progression opportunities for our people • A skilled workforce which can facilitate and promote positive change in support of business growth

Figure: 87: CFT C – Objectives (SIC)

The official activities of the FASE team were the following. The project followed six main steps. First, the advanced FASE transition team presented the FASE model to the local implementation team. Then, the local implementation team ascertained the gaps between their actual way of functioning and the FASE template. Here, the advanced FASE transition team communicated these gaps to the FASE governance and design authority. The latter decided which gaps would be customized. The advanced FASE transition team asked the FASE core team to develop solutions for the selected gaps. The FASE core team finally

delivers FASE stream roll-out. The official key performance benefits of the FASE project were the following:

Standardised processes	Compliant processes	Efficient processes	Continuously improving processes	Satisfied employees	Value perception / partnership with affiliates
KPIs					
• per cent transactions processed by the shared services center • per cent of users and processors trained • per cent of users and processors trained before change implementation	• SOX, LandR,audits passed • Process exceptions and workarounds • Process compliance KPIs	• Quantitative process KPIs – costing model	• Number of improvement initiatives from SSC / affiliates • Business case value of improvement initiatives for the company • SSC – performance KPIs / affiliate – cost • per cent of agreed changes implemented at affiliates	• Pulse surveys • Retention rates • Internal promotion ratios • Skill matrix • Number of six sigma trained and certified	• Diminishing cost per unit / customer satisfaction surveys • Qualitative performance measure • Overall SSC cost relationship to volume / processing time

Figure 88: CFT C - Key performance benefits

10.4.3. Organizational structure, governance and team members

PharmaCo 3 Switzerland's organizational chart contains four different companies who specialise in specific healthcare and business services, general services and strategic affairs. These seven parts are under the supervision of the managing director.
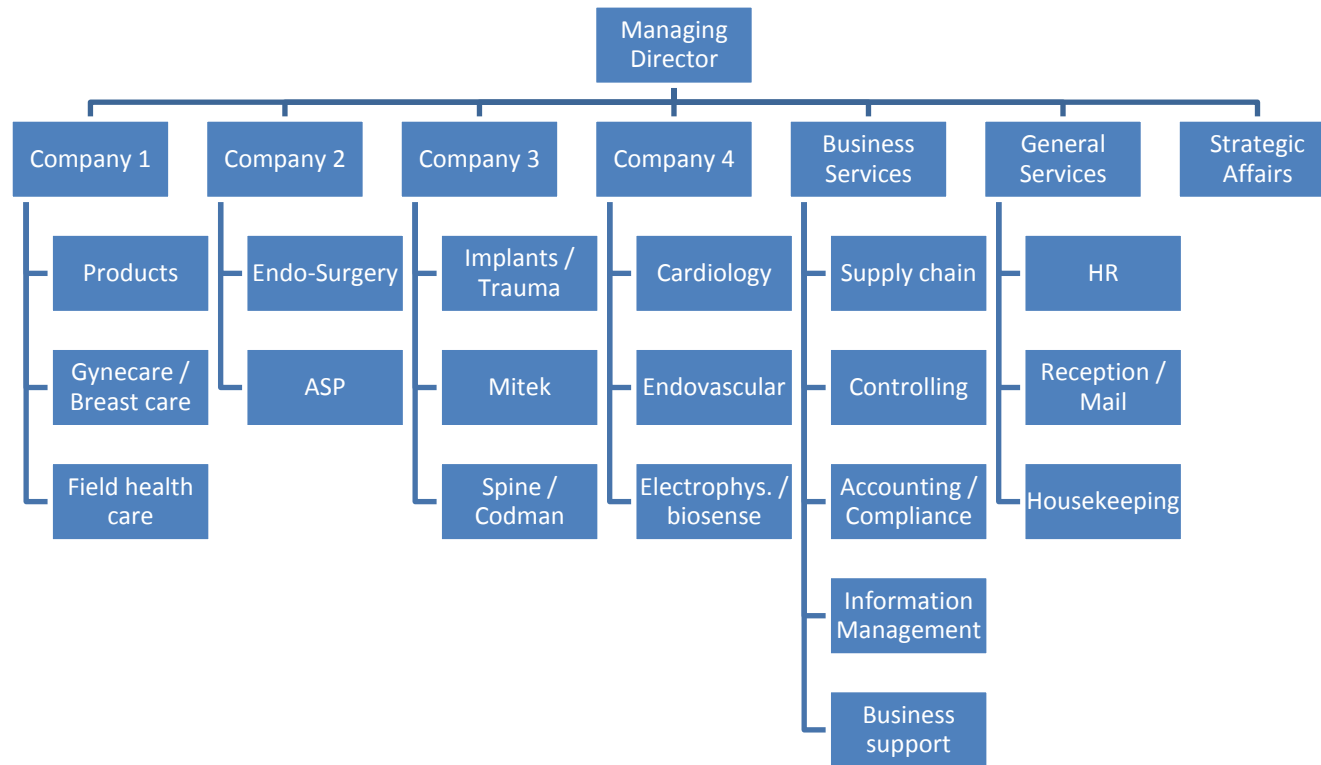
Figure: 89: PharmaCo 3 Organizational Structure

The FASE team was lead by a local transition leader who was the Business Services Director, and a member of the board. This leadership was actually shared with the local transition leader of Austria, who also led of the mirror team in Austria. The total project team regrouped 31 members in Switzerland. It was organized into six specialized sub-teams: order-to-invoice, warehousing, finance, master data, IM/BI and transition. The leadership of these teams was shared between one person in Switzerland and one in Austria. A central team based in the UK was supporting this "local" team in Switzerland. A steering Committee monitored the activities and the results.
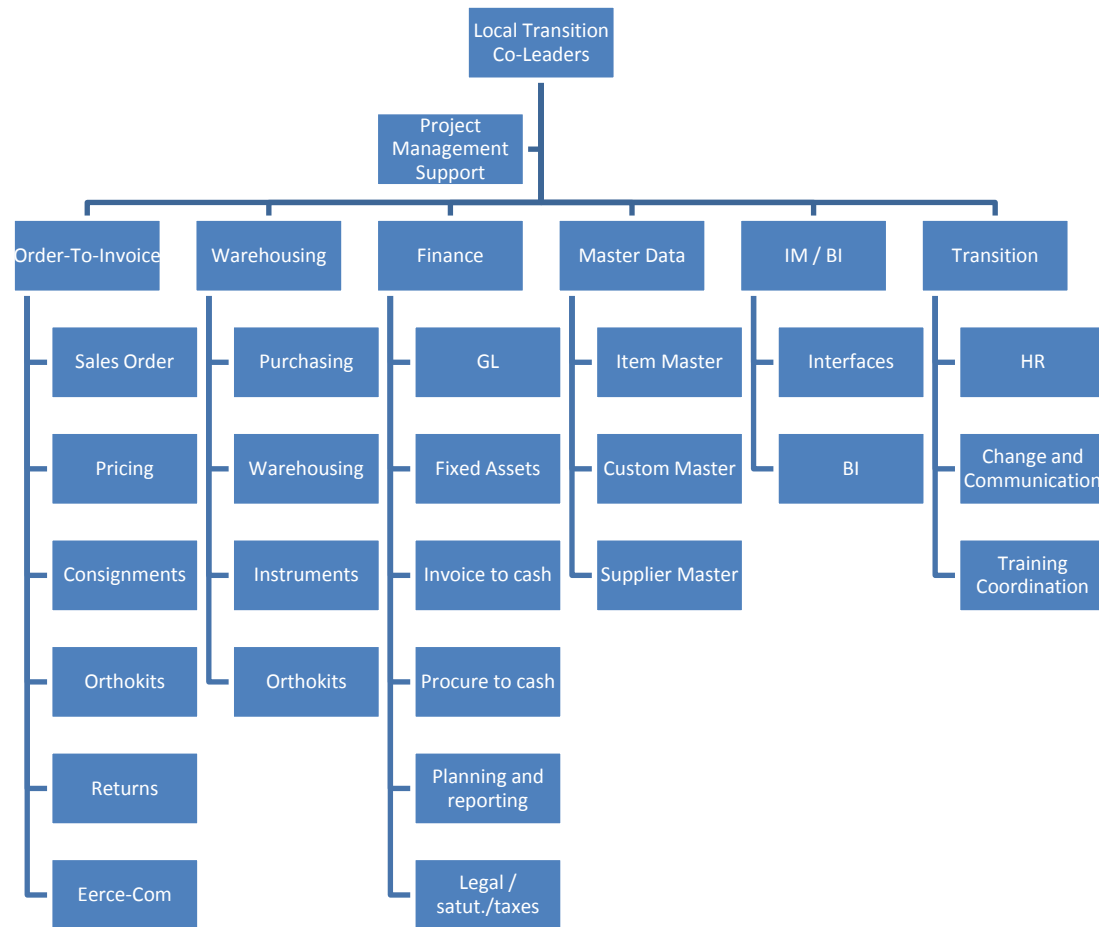
Figure: 90: CFT C – Organizational Structure

The FASE governance was composed of one FASE programme Director, one EDO programme Director, one AP2PLE Programme Director, one regional quality and compliance Director, one JDE integration and functional specialist, one application architect, one regional IM lead and business supply chain, one business finance member, one business order processing and customer service member, and one orthokit representative.

One of the main official roles and responsibilities of the FASE team was to implement organizational changes. Other roles and responsibilities were: to provide full time employees for the duration of the project and the roll-out, to define the business requirements, to make the right decisions around the "fit and gap" in the FSE model, to own the FASE model after ""go-live"", to ensure that data standards are met and to clean data whenever necessary, to participate in all test phases and execute tests, and to prepare business "go-live".

The project leader had the following roles and responsibilities. He was responsible for the successful implementation of all aspects of FASE. He must coordinate resources and relationships, report progress of the programme to the local steering team and FASE transition team, manage communications with local stakeholders, lead the mobilisation of country transition team, support the compliance assessment workshop, support high level impact analysis as well as document, in English, all meetings and activities.

The roles and responsibilities of the local functional leader were to coordinate workshops, to ensure that all tasks are completed on time and are documented, with the support of his workstream team members, and also to participate in and organize testing activities. He needed to manage the migration activities, ensure that the local control country's Sarbane Oxley (SOX) controls and documentation are in place, as they relate to specific processes, and provide feedback and suggestions to the local project manager. He needed to raise issues or risks with the local project manager, led business processes changes within his area and lead his team through the deployment activities. He finally needs to participate in change management training within his area and document in English all meetings and activities.

The roles and responsibilities of the local team member were to manage the migration activities through liaising with his local workstream leader, to help define local country SOX controls and documentation related to specific processes, as well as to participate in testing activities. He needs to provide feedback and offered suggestions to the local workstream

leader, raised issues or risks with the local workstream leader, took note of lessons learnt for the future and communicate them to the project team, and also document in English all activities and mails.

Leadership is shared between two countries: Switzerland and Austria. Collaboration is therefore strongly monitored. All responsibilities are jointly held by two incumbents at all levels; one from Austria and one from Switzerland. For example, leadership for the "Order-To-Invoice" workstream is shared between one Swiss local workstream leader and one Austrian local workstream leader. In order to enhance communication during the project, an e-room, a formal to-do list (for all actions from workshops to meetings), and conference calls are preferred methods of communication and exchange.

10.4.4. Tools

The FASE team aimed at implementing SAP – ERP (Enterprise Resource Planning). SAP Business Suite software is a comprehensive, fully integrated family of applications that helps enterprises achieve process excellence, lower operational cost, and capture business opportunities. The applications support comprehensive, industry-specific business processes on a single foundation. SAP Business Suite software helps enterprises achieve process excellence, lower costs, and seize business opportunities. The software provides support to perform essential, end-to-end business processes with modular applications that are designed to work with each other. In addition to reporting and analytical functions for all lines of business, SAP offers a technological environment for designing, composing, and adapting business processes to meet the specific needs of the defined industry. SAP Business Suite provides support for the industry's ""best practice"s" and is delivered through an integrated set of business functions and processes for finance, human resources, asset management, manufacturing, procurement, product development, marketing, sales, service, supply chain management, and IT management. The SAP Customer Relationship Management (SAP CRM) application helps organizations increase their revenue through greater customer loyalty, faster introduction of new products and their entry into new markets, and higher win and lead conversion rates.

The previous tool implemented was Oracles's JD Edwards Enterprise One. This is an integrated applications suite of comprehensive enterprise resource planning software that combines business value, standards-based technology, and industry experience into a business solution.

The FASE teams used various tools to coordinate: project e-room, conference calls, to-do lists and a workshop planning template. As the central international team was based in Belgium and in the UK, the local team in Switzerland used distance tools as much as possible.

10.4.5. Detailed processes

The FASE transition methodology defines a set of processes over 42 weeks. The main steps are to launch, to mobilise, to assess process compliance, to write a blueprint, to realize, and to "go-live".
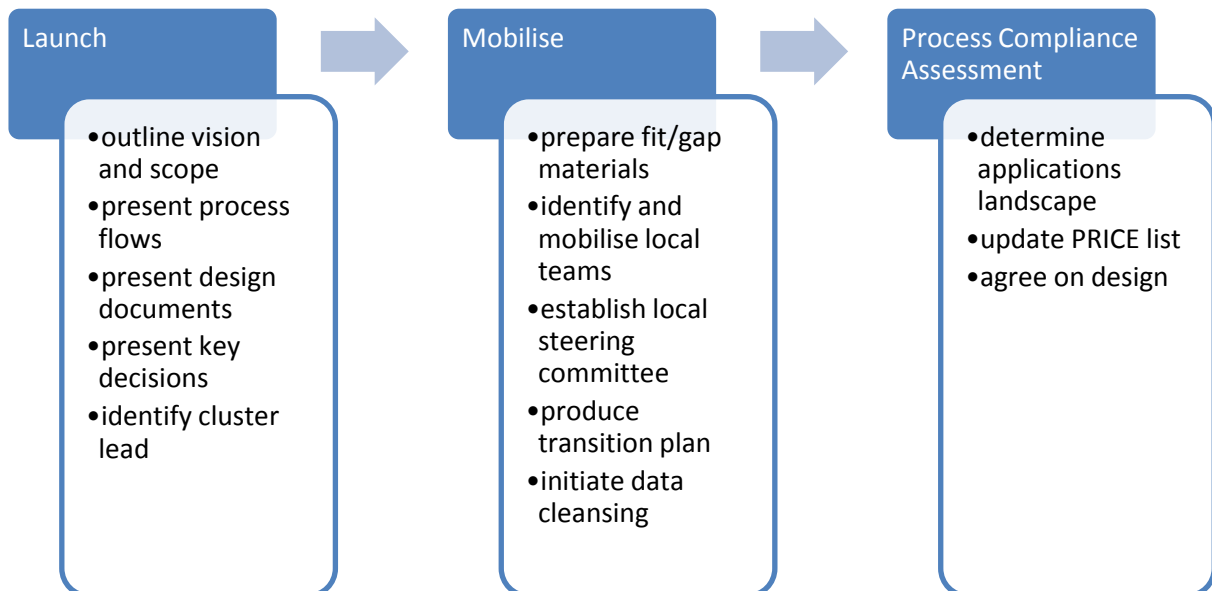

Launch
- outline vision and scope
- present process flows
- present design documents
- present key decisions
- identify cluster lead

Mobilise
- prepare fit/gap materials
- identify and mobilise local teams
- establish local steering committee
- produce transition plan
- initiate data cleansing

Process Compliance Assessment
- determine applications landscape
- update PRICE list
- agree on design

Figure: 91: CFT 4 – Process (Part I)

Blueprint
- document agreed design
- produce URS document
- approve URSs
- produce FRS and GTS documents
- conduct impact assessment

Realisation
- build system
- test system
- train key users
- produce cutover plan

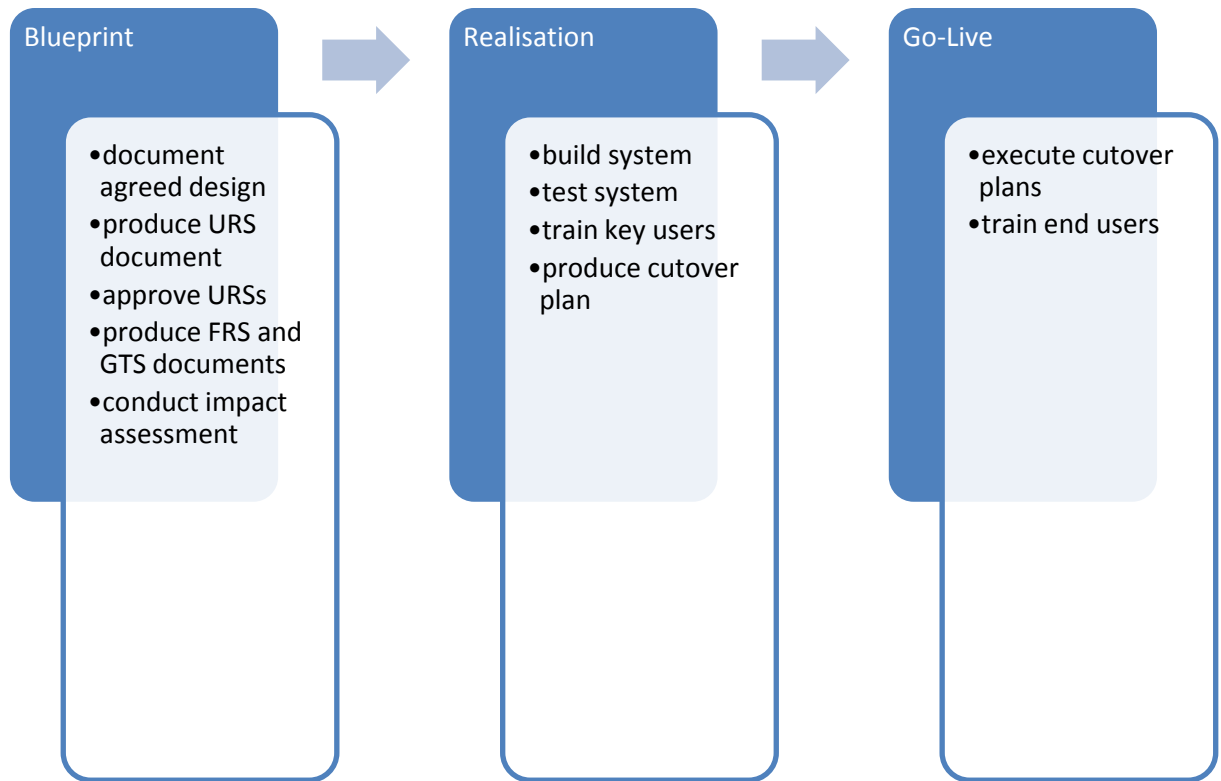**Go-Live**
- execute cutover plans
- train end users

Figure: 92: CFT 4 – Process (Part II)

Several workshops were organized according to business functions. The objective was to confirm that the FASE standard processes meet the local company requirements. The only changes made were those required for legal or statutory reasons and those that were deemed to be critical for the business. If some changes or additional requirements were identified, they were to be captured and documented. Any alterations were then approved or not by the governance and design authority. Among these workshops, there were several dealing with order-to-invoice and warehousing. The official FASE process principles were to move to a standardized process approach and the "best practice" FASE implementation, to eliminate process inefficiencies by reducing process complexity, leveraging FASE processes to deliver core value to the companies and to ensure compliance, and protect the integrity of the FASE model. The following tables synthesise the worshops organised in the third and fourth quarter of 2008:

Workstream	Workshop		Date	Location
Warehousing	EDC Visit	✓	June 11+12	Courcelles
Master Data	Master Data		July 8-10	Vienna
Finance	SAP Finance		July 8-10	Vienna
Warehousing	Warehousing/Orthokit WH Visit		July 21+22	Vienna
Warehousing	Warehousing/Orthokit WH Visit		July 23+24	Zurich
Order to Invoice	Standard Sales Order		July 28-30	Zurich
Order to Invoice	Pricing		July 30-31	Zurich
Warehousing	Warehousing/Orthokit Processes		August 11-14	Vienna
Order to Invoice	Consignment		August 26-27	Zurich
Order to Invoice	Orthokit		August 28-29	Zurich
Finance	JDE Finance - Collection		August 27	Zurich
Warehousing	Warehousing/Orthokit Processes (if needed)		September 3-4	tbd
Master Data	Business Intelligence (BI)		tbd	tbd
Warehousing	Purchasing/Replenishment		tbd	tbd
Order to Invoice	Contract Manager - short overview		tbd	tbd

Figure: 93: Planning of workshops

In terms of planning, a "kick off" meeting occurred in July 2008 and the "go-live" happened in June 2009. Workshops were conducted between March and December 2008. According to interviewees, coordination was ensured with action lists, open monthly meetings with finger food and weekly meetings. The monthly meeting created the opportunity for everyone to present where they were at the moment. The weekly meeting was the occasion to explain the current issues.

10.4.6. Team evaluations

According to the interviewees, the main performance indicators were the action lists. By comparing the realized actions with the planned actions, the project was rated 5/6. The

main strengths were the design itself of the project, with project teams and workshops. The main areas of improvement were the workload. The project dealt with a high level of turnover. It was also difficult to find thepersons with the right skills and people who want to work long hours. The diversity of the businesses within this company made the implementation of one model of information system difficult. The people side of the project was hard to maintain due to the working hours. Some sub-companies could be assimilitated to faster moving consumer goods companies. Business models, pricing strategy, distribution strategy, and the use of e-commerce were different.

10.5. CFT D: PharmaCo 3: Strategic Initiative for Supply Chain

10.5.1. The SISC Team

The Strategic Initiative for Supply Chain consists of improvements to the supply chain processes following the outsourcing of the warehousing.

10.5.2. Context, motives, objectives, activities and KPI

The team under study called "SISC" (disguised name) was one of the teams within a larger program called "optimization and outsourcing improvements". It dealt with orthopaedics, spinal care, sports medicines and neuroscience products, and offers a wide selection of treatment options across the full continuum of care, from non-surgical pain management to complete surgical solutions. The devices, implants and medicines were typically sent to customers (hospitals, surgeons) in a set which count boxes up to 60 each. These sets were called OrthoKits and were of 600 different types. The client sent them back to the warehouse. The OrthoKits were then controlled and sterilyzed in the warehouse of the company. They were then sent back to another client. It was why they are called "Rotating Kits". Clients did not typically use everything in a set. As an example, when a surgeon needed to operate on the right knee, he did not need to use the left knee implant. The objectives of the SISC team were to create new terms for rental services, define template documentation OrthoKits, create labeling for boxes, enhance daily testing kits and develop OrthoKits modular. With the modular OrthoKits, only the required products were sent to the

customer. This allowed the reduction of the immobilization cost of some materials at the client's premises.
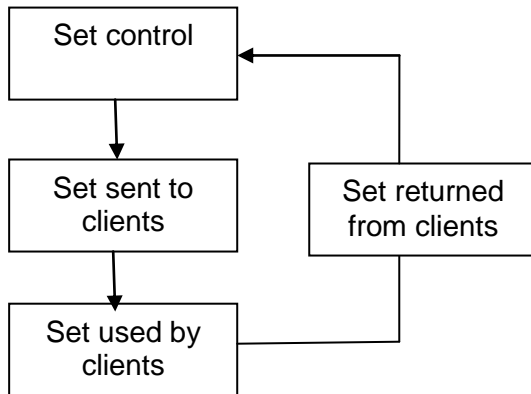

Figure: 94: Simplified process of the OrthoKits

On the one hand, the outsourcing of the warehousing activities was driven by the need to have additional space. On the other hand, as clients do not typically use everything in a set, PharmaCo 3 sought to reduce the inventory and the costs associated with them. When a surgeon needs to operate on the right knee, the left knee implant is unnecessary. The objectives of the SISC team were to create new terms for rental services, define template documentation OrthoKits, create labeling for boxes, enhance daily testing kits and develop the modules for OrthoKits. With the OrthoKits modules, only the required products are sent to the customer. This allows for a reduction in the immobilization costs of some materials at the client's premises. The main activities of the SISC were to define how the sets could be modularized, provided the names for these boxes, how to preserve them and to develop documentation to assemble the sets. The project manager follows the completed number of tasks.

10.5.3. Organizational structure, governance and team members

The lead of the SISC team is the marketing manager for the othopaedic business unit. The team is then composed of a sales and support project manager, a product manager, a marketing and sales assistant, as sales representative and a logistics support manager.

Figure 95: Organizational structure of the SISC team

The second team was composed of people from diverse functional competencies: marketing, sales, supply side and customer support. Each person was expected to contribute their individual perpective regarding the finances, the customers and the supply chain so as to deliver the best service for the client.

10.5.4. Tools

Excel was mainly used for the following up of the action plan.

10.5.5. Detailed processes

The SISC team met on a weekly basis over one year. The project leader developed statistics and objectives in terms of financial savings. Minutes of meetings were systematically developed with team members, topics, responsibilities and status of actions. Here is an example of final product: a process of controlling the set rotation.
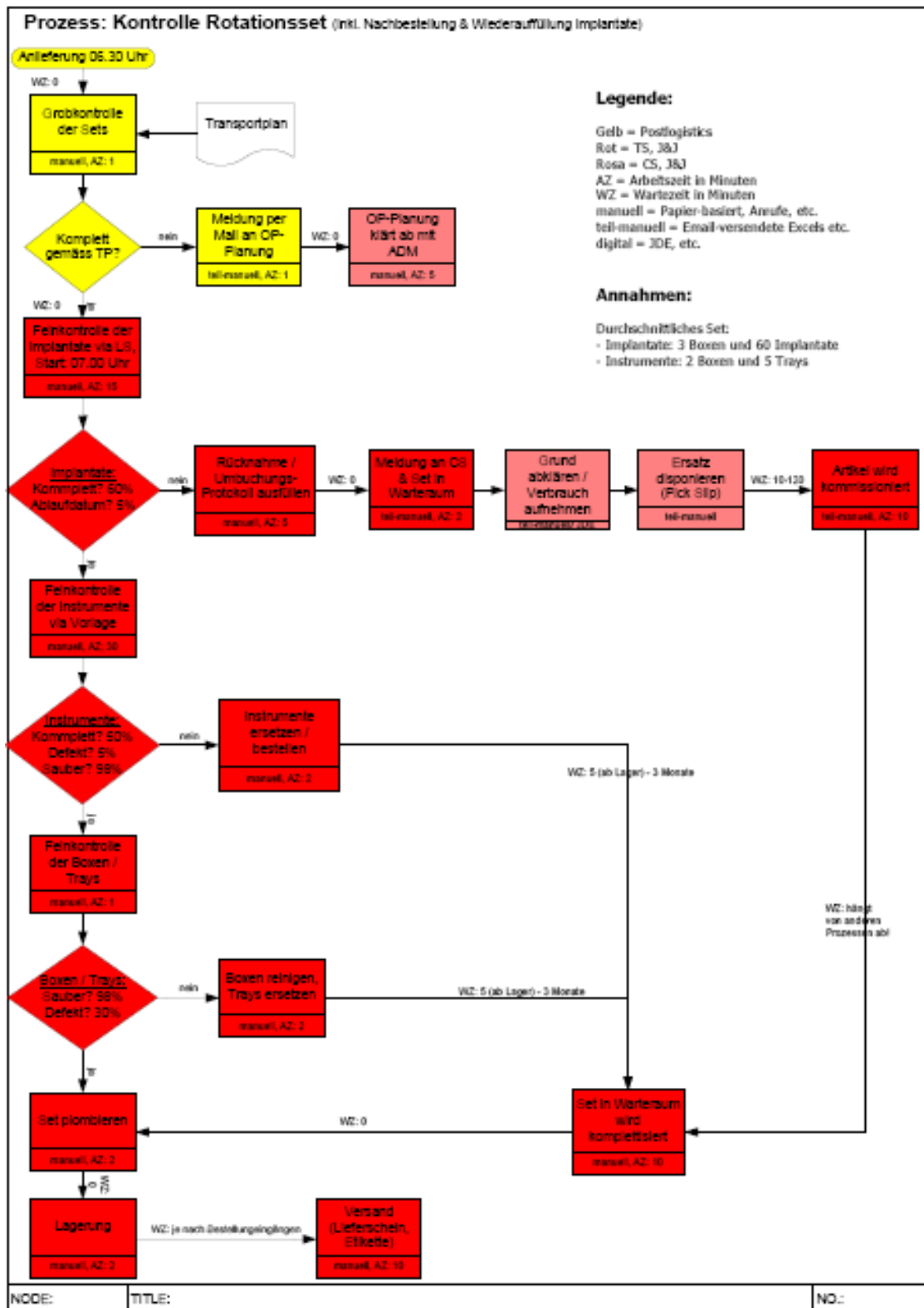
Figure: 96: Control of the rotation of sets.

10.5.6. Team evaluations

Initially, the outsourcing of the warehouse activities from the headquarterss to another site was a failure. The OrthoKits were delayed or incomplete. Customers complained and relations between the sales people, marketing and logistics were very tense. At some point, for the project manager, the project was doing well and was on track with the timing. As for the SISC team, the main performance indicator was the percentage of completed tasks. Initially the project was rated 1 out of 6 by the interviewees. Finally after one year, the project was rated 4.5 out of 6. The project initially failed to achieve the initial aim to finally meet its goal. The main strengths of the SISC team were to be able to proceed in small steps.

"The main thing is that we have responsibilities. We know who is responsible for what. If you know who is responsible for what, it is easier. I know where to go to reach something. I know where to getting information. It is key in this logistics. It is the main winning at the moment." (Logistics Representative)

The main area of improvement is the issue of the relationships between the logistics, the sales people and the marketing people. These relationships have improved in the last coupled of months but still need to be addressed.

"The relationships are not good now between the warehouse, the sales people and the team here in the Headquarters. There is a lot of misunderstanding... At the end, it was always the mistake of the warehouse people. But it was sometimes the mistake of the customer service; there are different sources of mistakes. Here we can improve the relationship between sales, marketing, and the technical sales. We have to do some work to improve the credibility of the warehouse people. They are at the end of the line."

"The relationships are not good now between the warehouse, the sales people and the team here in Headquarterss. There is a lot of misunderstanding... At the end, it was always the mistake of the warehouse people. But it was sometimes the mistake of customer service; there are different sources of mistakes. Here we can improve the relationship between sales, marketing, and the technical sales. We have some work to do to improve the credibility of the warehouse people. They are at the end of the line." (Interviewee CFT D, Product manager)

Another area for improvement was the communication between the departments, and the involvement of the right people.

"We were very enthusiastic because the warehouse was big. But then, it was a lot of problems. At the beginning, it was chaotic because of IT and scanner problems... Communication was very bad.... At the end, we had a lot of bad feedback. We had patients on the table. We could have made make mistakes if we had wrong implants or wrong instruments. This was bad for the customer representative. The surgeon was extremely angry. Better communication and right timing would have helped a lot." (Interviewee CFT D, Warehouse manager)

"Prepare people at the beginning, show them the issues, prepare the sales team. If the sales team knows what could happen, they can prepare themselves, it is much easier to show them." (Interviewee CFT D, Warehouse manager)

"If we do not communicate to the sales force, we are dead. The sales force. If they do not believe, the customers will not believe anyway." (Interviewee CFT D, Warehouse manager)

11. Other appendices

11.1. Appendice 1: Letter sent to companies

Figure: 97: Example of a letter sent to companies

11.2. Appendice 2: Interview guidelines

"This study is part of the Ph.D Program in management held by HEC Paris School of Management, France and supported by the University of St Gallen, Switzerland. The objective is to examine the implementation, the functioning and the impacts of CFTs within global corporations, and the organizational change practices that may be related. The study won't be focused on the essence of the business activities but on the way they are performed. All answers will be kept confidential and anonymous. Recording is only for the purpose of the research. Language will be in English or in French according to the interviewee."

NB: High-level respondent interview guideline (H) /
Low-level respondent interview guideline (L)

Background and role of the interviewee (H L)
• What is your background in terms of education, profession, company, nationality? • What is your role in the team? • Of what does your job consist of? • How long have you been working in this position? • What are, according to you, the most important and the most interesting aspects of your job? • What are the main challenges you face in your activity? • How do you resolve them? • With whom are you working? (Colleagues, managers, teams, subordinates, suppliers, clients…)
Strategic issues (H)
• What are the main products of the company? • What are the last main successes of the company? • What are the main challenges? • Who are the main competitors?
Motives and objectives of the organization in team (H L)
• What is a Cross-Functional Project-Based Team for you? Which examples would you have? • Why has the company chosen this organization? • What is the rational? • What are the objectives? • What are the main performance indicators?

Structure, processes, roles and responsibilities and tools of the team (H L)

- What are the main activities?
- What is the organizational structure?
- Who is leading the team?
- Who are the people involved? (internal and external to the organization)
- What is their profile and competence?
- What are their responsibilities and roles?
- Which coordination mechanisms are planned and/or enforced? (Meetings, official presentations…)
- What are the other resources available?
- What is the budget?
- For each activity, what is the functioning mode? (processes, roles and responsibilities of people, tools) (L)

Team's implementation and Change management (H L)

- How has the team been put in place?
- Who has been involved in the implementation of this organization?
- What have been the main tasks and timing?
- Which management techniques have been used to implement changes in your company? (H)
- Which management techniques should be used to implement changes in your company? (H)
- To what extent does the team elaborate limited structure around responsibilities and priorities with extensive communication? Could you give an example?
- To what extent does the team allow freedom for improvisation?
- To what extent does the team link the present and the future together through rhythmic, time paced transition processes? Could you give examples?
- To what extent does the team achieve sequenced steps through rhythmic, time paced transition processes?
- To what extent does the team alternate between soloing and supporting in order to give everyone room to think?
- To what extent does the team treat errors as a source of learning?
- To what extent does the team favorise frequent refashioning in the light of new information, audience or customer reponse and so forth?
- To what extent does the team devote resources to continually scan the environment for new ideas?

Organization Evaluation (H L)

- What are the impacts of this team on the company?
- How would you measure them? On a scale from 1 to 6, how successful is the team? (1: very low success and 6 very high success)

1	2	3	4	5	6

- What are the key strengths of the team? What are the key success elements?
- What are the barriers to success?
- What should be done to improve the performance?
- What are the differences countries?

- If a new organization had to be set up, what should be done?

On a scale from 1 to 6, how is the team in terms of positive characteristics (i.e., on schedule, on time to market, on target to market projects…) and in terms of the absence of negatives ones (E.G., endless projects…)? (1: do not at all agree and 6 do completely agree)

TO BE COMPLETED with the key performance indicators of this team.

Eg: This team is …. (Key Performance Indicator N°1).

| 1 | 2 | 3 | 4 | 5 | 6 |

Figure 98: Interview guidelines

11.3. Appendice 3: List of interviewees

	AstraZeneca **Pilot Team – The Brand Building Plan Team** **Rueil Malmaison, France**		
Date	**Position**	**Place**	**Interview Number**
12.04.2007	Marketing Operations Director *Face-to-face Meeting*	Rueil Malmaison, France	
11.06.2007	Commercial Brand Director *Face-to-face Interview*	Rueil Malmaison, France	P9
14.06.2007	Marketing Director *Face-to-face Interview*	Rueil Malmaison, France	P4
14.06.2007	Market Research Analyst *Face-to-face Interview*	Rueil Malmaison, France	P1
14.06.2007	Head of Sales Department *Face-to-face Interview*	Rueil Malmaison, France	P7
22.06.2007	Group Product Manager *Phone Interview*	Rueil Malmaison, France	P3
22.06.2007	Marketing Manager *Face-to-face Interview*	Marketing, Rueil Malmaison, France	
25.06.2007	Group Product Manager *Face-to-face Interview*	Rueil Malmaison, France	P2
27.06.2007	Sales Director Primary Care *Phone Interview*	Marketing, Rueil Malmaison, France	P23
03.07.2007	Marketing and Sales Vice President *Phone Interview*	Rueil Malmaison, France	P24
04.07.2007	Marketing Manager *Phone Interview*	Marketing, Rueil Malmaison, France	P5
28.06.07	Product Manager *Face-to-face Interview*	Rueil Malmaison, France	P6

	AstraZeneca Pilot Team – The Brand Building Plan Team Rueil Malmaison, France		
13.07.2007	Marketing Excellence Director *Phone Interview*	USA	P11
11.06.2007	Marketing Excellence Project Director *Phone Interview*	Brussels, Belgium	P10
27.07.2007	Strategy Consultant *Face-to-face Interview*	Paris, France	P12
	Other interviews in Milano, Itlay and hambourg, Germany		
15.06.2007	Marketing Excellence Lead and Product Manager Face-to-face Interview	Hambourg, Germany	P13
15.06.2007	Manager of Marketing Excellence Primary Care Face-to-face Interview	Hambourg, Germany	P16
15.06.2007	Manager Health Economics Market Access Face-to-face Interview	Hambourg, Germany	P14
15.06.2007	Market Research Face-to-face Interview	Hambourg, Germany	P18
21.06.2007	Marketing Vice President Primary Care Face-to-face Interview	Milano, Italy	P15
22.06.2007	Marketing Manager *Phone Interview*	Milano, Italy	P20
04.07.07	Marketing manager *Phone Interview*	Milano, Italy	P22
27.06.2007	Sales Director Primary Care *Phone Interview*	Milano, Italy	P21
27.06.2007	Director Medical Affairs Primary Care *Phone Interview*	Hambourg, Germany	P17

04.07.2007	Marketing Manager *Phone Interview*	Milano, Italy	P20
	Abbott **Team A: Call Reporting System team** **Baar, Switzerland**		
	Position	**Place**	**Interview Number**
06.11.2008	Immunology Division Director *Face-to-face interview*	Baar, Switzerland	A1
09.12.2008	Project Manager *Face-to-face interview*	Baar, Switzerland	A2
09.12.2008	Key Account Manager *Face-to-face interview*	Baar, Switzerland	A5
06.01.2009	Sales Manager *Face-to-face interview*	Baar, Switzerland	A6
22.01.2009	IT Supplier – Cegedim *Face-to-face interview*	Baar, Switzerland	A7
09.01.2009	Marketing assistant *Face-to-face interview*	Baar, Switzerland	A4

	Abbott **Team B: INNO team** **Baar, Switzerland**		
Date	**Position**	**Place**	**Interview Number**
22.09.2008	Human Resource Director *Face-to-face meeting*	Baar, Switzerland	
10.10.2008	General Manager *Face-to-face meeting*	Baar, Switzerland	B0
14.11.2008	Director Strategic Affairs *Face-to-face interview*	Baar, Switzerland	B1
27.01.2009	"Business Unit Manager Anesthesia Hospital Specialty Care Division Abbott AG" *Face-to-face interview*	Baar, Switzerland	B4
15.12.2008	Marketing assistant *Face-to-face interview*	Baar, Switzerland	B3
15.12.2008	Regulatory Affairs Officer *Face-to-face interview*	Baar, Switzerland	B2
08.01.2009	Division Director Primary Care *Face-to-face interview*	Baar, Switzerland	B5

	PharmaCo 3 **Team C: FASE team** **Spreitenbach, Switzerland**		
	Position	**Function**	**Interview Number**
23.09.2008	Human Resource Manager *Face-to-face meeting*	Human Resource management	C5
24.11.2008	Head of customer sales support *Face-to-face interview*	Customer support	C1
27.11.2008	Team leader Customer and Sales Support *Face-to-face interview*	Customer support	C2
26.11.2008	Team leader Customer and Sales Support (e-commerce) *Face-to-face interview*	Customer support	C3
24.11.2008	Head of customer sales support *Face-to-face interview*	General Management / Customer Support	C5
25.11.2008	Head controlling *Face-to-face interview*	General Management / Controlling	C4
12.01.2009	Head Change and Communication *Face-to-face interview*	Human Resource Management	C6
13.01.2009	Human Resource Director *Face-to-face interview*	Human Resource Management	C7

		PharmaCo 3 **Team D: Strategic initiative for supply chain team** **Spreitenbach and Villmergen, Switzerland**		
	Position	**Function**	**Interview Number**
10.11.2008	Business Unit Manager *Face-to-face interview*	General management	D6
11.11.2008	Product Manager *Face-to-face interview*	Marketing	D3
26.11.2008	Team leader Customer and Sales Support *Face-to-face interview*	Customer Support	D7
11.11.2008	Sales Representative *Face-to-face interview*	Sales	D8
10.11.2008	Marketing Manager *Face-to-face interview*	Marketing	D11
13.11.2008	Customer and Sales Support *Face-to-face interview*	Customer Support	D4
04.12.2008	Manager Logistics Services *Face-to-face interview*	Supply Chain, Villmergen	D5
24.11.2008	Head of customer sales support *Face-to-face interview*	Customer Support	D10
24.11.2008	Sales and Marketing Assistant *Face-to-face interview*	Marketing	D9
12.01.2009	Company Director *Face-to-face interview*	General management	D1

Figure 99: List of interviews

11.4. Appendice 4: Example of a the analysis of a transcript
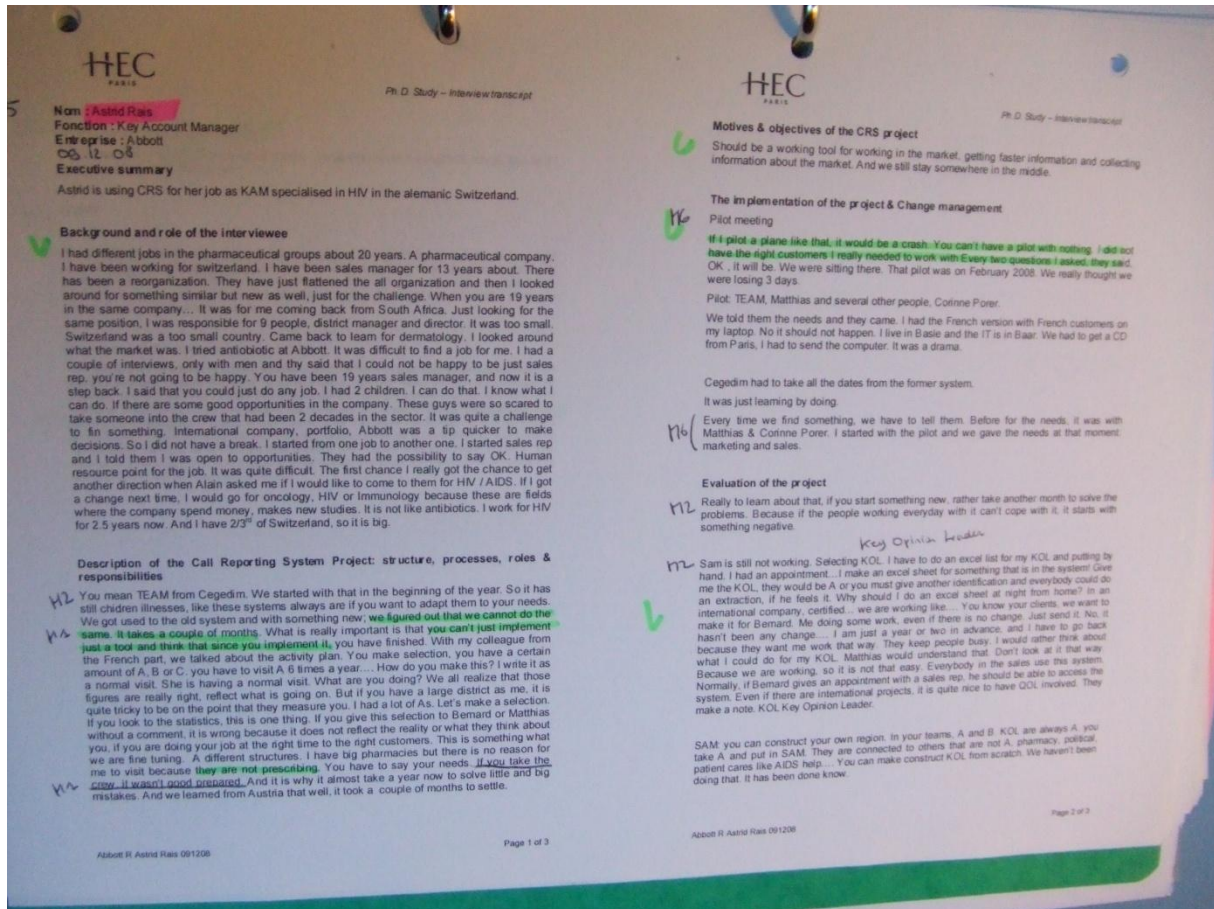

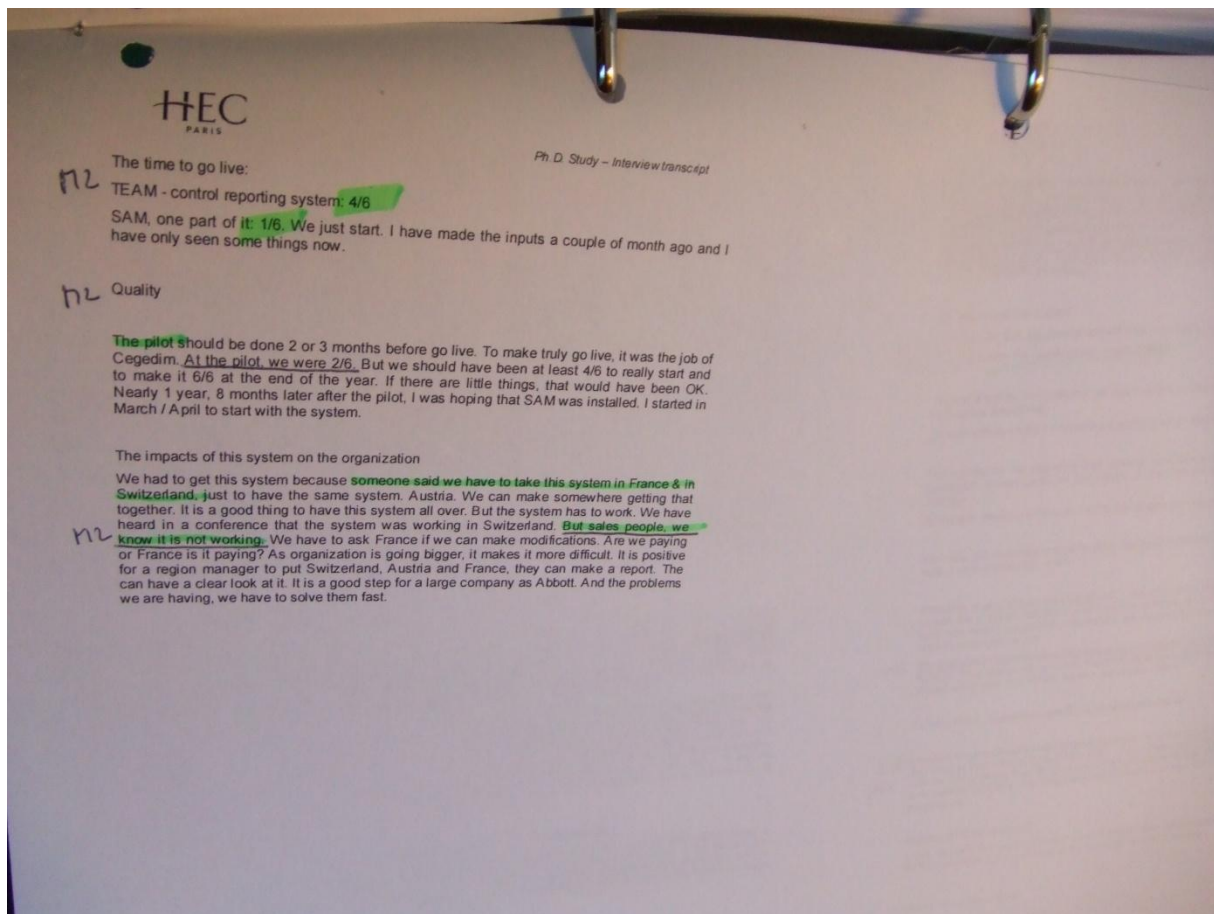*Figure 100: Illustration of a transcript' analysis (1/2)*

Figure 101: Illustration of a transcript' analysis (2/2)

Résumé

**LES CONDITIONS INTERNES DES EQUIPES PLURIFONCTIONNELLES FAVORISANT
LE CHANGEMENT ORGANISATIONNEL:**

Une Etude Comparative de Cas de la Transformation du Marketing, de la Vente et de la
Distribution dans des Entreprises Pharmaceutiques Multinationales.

Dans un monde de compétition économique en évolution constante, les équipes projets
plurifonctionnelles constituent un outil de management apprécié pour mettre en place des transformations
stratégiques majeures dans les multinationales. Cependant, de nombreuses études empiriques (Kotter,
1995; Beer, Eisenstat and Spector, 1990; Beer, 2000; Stvetena and Damian, 2006) montrent que ces
équipes, à moins qu'elles ne soient bien gérées, conduisent à l'échec. A partir d'une étude comparative
approfondie d'une équipe pilote et de quatre autres équipes dédiées à la transformation du marketing, de
la vente et de la distribution, dans deux entreprises pharmaceutiques, nous examinons les conditions
internes des équipes plurifonctionnelles dédiées au changement organisationnel au sein d'organisations
multinationales. Les résultats montrent que ces équipes réussissent mieux lorsque qu'elles couplent leurs
activités avec le reste de l'organisation dans la première phase et la dernière phase du projet, lorsqu'elles
pratiquent un leadership partagé et lorsqu'elles sont organisées en semi-structures. Cette étude contribue
à la littérature sur le changement organisationnel en transcendant les relations paradoxales entre stabilité
et changement, à la littérature de l'approche par les pratiques en explicitant les relations entre les
pratiques et les organisations, et propose des enseignements clés pour les managers impliqués dans des
transformations majeures au sein d'entreprises multinationales.

Mots clés*: Changement Organisationnel, Equipe Plurifonctionnelle, Approche par les Pratiques,
Multinationales*

Abstract

**ENABLING CONDITIONS FOR ORGANIZATIONAL CHANGE PRODUCTION
BY CROSS FUNCTIONAL TEAMS:**

An In-Depth Multi Cases Study of the Marketing, Sales and Distribution Transformation
in Pharmaceutical Multinational Companies.

In today's ever-changing, competitive business environment, cross-functional teams are an increasingly
popular mechanism to implement major business transformations within multinationals. Yet empirical data
(Kotter, 1995; Beer, Eisenstat and Spector, 1990; Beer, 2000; Stvetena and Damian, 2006) support for
the prevailing view that such teams, unless they are well managed, lead to failure. By drawing on an in
depth comparative study of one Pilot Team and four teams dedicated to marketing, sales and distribution
transformation in two pharmaceutical companies, we examine under which internal conditions cross-
functional teams dedicated to organizational change enable or hinder organizational change within
multinational corporations. The findings suggest that they succeed best through high level coupling
activities with the remainder of the organization during the early and the later phases of a project, when
practicing shared leadership and when organized as a semi-structure. This study contributes to the
literature on organizational change in transcending the paradoxical relationships between stability and
change, to the literature on the practice-based approach in making more explicit the relationships
between practices and organizations and provides implications for managers involved in major business
transformations in multinational corporations.

Keywords: *Organizational Change, Cross-Functional Team, Practice-based Approach, Multinational
Corporations*