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The elements of interactive agency in rapid, continuous change: a qualitative study of leader actions and employee outcomes and responses of agency in a large, hierarchical organization.

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ABSTRACT

There is a lack of attention on how to facilitate agency in the existing change management literature. This thesis aims to be a response to that deficit. Our intention was to look further into the employees' role in facilitating agency, since it is not as apparent in the literature as the leader role and actions. This was done through semi-structured interviews by using a positive approach as an analytic pathway. Our findings reveal how both leaders and employees' actions are important in facilitating agentic behavior, and that both parties are depended on each other through what we call *interactive agency*. More specifically, our findings identified four leader actions, which is *invitation, trust, support* and *guidance*, and four employee outcomes, called *locus of control, independence, self-efficacy* and *feeling of mastery*. These outcomes lead the employees to respond with agentic behavior, such as initiating actions, becoming self-driven, setting ambitious goals, going the extra mile and taking on more challenging tasks. Conclusively, this thesis provides insight on how to facilitate agency, and how interactive agency is a key driver of positive change. Implications for theory and practice are discussed.

1 INTRODUCTION

1.1 Introduction

Change is inevitable for the success of organizations, but they cannot change the same way they used to. The struggle for leading successful change in the 21st century has created the path for the field of change management. While the emphasis was previously on how to plan for change implementation and overcome resistance, the change management of today needs a new approach (Anderson & Anderson, 2010). The faster-moving global and digital development forces managers to move away from the planned and sequential change models of Lewin (1951) and Kotter (1995). Instead, organizations need to change continuously in order to survive (Weick & Quinn, 1999). Kotter (2012) therefore modified his model and suggested that organizations should add a second more agile system to handle these rapid changes. In these systems, change agents are no longer the prime movers of change, but self-organized groups of actors who produce change through their actions (Weick & Quinn, 1999). Consequently, new strategies for change create new demand for both leaders and employees.

The present thesis aims to explore the new demands of rapid, continuous organizational change. Leading transformational change requires new skills and perspective, and thus the leaders must also transform themselves (Anderson & Anderson, 2010). Although Kotter (2012) may be taking a critical step in the right direction for change management, his focus on overcoming employee resistance is challenged by other 21st century scholars. They believe change agents should be encouraged not to consider employees as resistors, but rather valuable resources in change (Sonenshein, 2014a; Piderit, 2000; Dent & Goldberg, 1999; Ford, Ford & D'Amelio, 2008; Courpasson, Dany & Clegg, 2011). Further, this calls for more research on employees' own understanding of the resources they possess as well as the skills managers need to foster these resources (Sonenshein & Dholakia, 2012; Sonenshein, 2014b). Moreover, leaders are expected to involve employees in both planning and implementation, not to simply reduce resistance, but to bring out their resources by inviting them to be co-discoverers in change (Carlsen & Välikangas, 2016).

A quick review of the modern literature of change management indicates that a new approach is on the rise, not focusing on the negative resistance of employees, but on the positive dynamics, processes and outcomes in organizations (Cameron & Spreitzer, 2012b). This tradition, known as the Positive Organizational Scholarship (POS), looks at positive phenomena within organizations, and between the organizations and their context. One particular area of interest in the POS literature is the relationship between social actors, often represented by organizational leaders and their followers. Breaking away from more traditional, hierarchical leadership behavior, positive leaders develop positive and trusting relationships through acting *with* the employees and focusing on the employees' strengths rather than their weaknesses (Quinn & Wellman, 2012; Warrick, 2016). However, despite a growing body of literature on positive organizational change, researchers call for more empirical contributions to validate this approach (Linley, Garcea, Harrington, Trenier & Minhas, 2011), especially cross-level interactions between individuals and the wider organizational context (Spreitzer & Cameron, 2012). The present thesis adopts a positive lens on organizational change and contributes to these needs by investigating the micro-interactions of leaders and employees during change.

Furthermore, scholars have shown interest in the concept of human agency as a key driver of positive change, but ask for more research on how leaders can foster individual agency through everyday micro-moves and interactions (Golden-Biddle & Mao, 2012). While the research effort on managing change has increased significantly, to our knowledge, the research on human agency lacks this advancement. Scholars have discussed *human agency* for centuries, as individuals paradoxically are both products and producers of their environment (Holland, Lachicotte Jr., Skinner & Cain, 1998). It seems, however, that there is no united definition of what it really is and entails. Following the work of Bandura (2001) and Emirbayer and Mische (1998), we see human agency as temporally embedded and situated in the context of which it occurs. While a lot of the previous research on agency focuses on how managers help employees become agentic (Golden-Biddle & Mao, 2012) by granting them the authority to decide, our thesis aspires to look further into the employee-side of agency and what it takes for them to truly become agentic.

The bank and finance sector is an industry particularly affected by digitization. The chosen empirical context for the thesis is therefore ‘Norbank’, a Nordic Financial Group with several thousand employees in Norway. Norbank embarked on a transformational journey of becoming ‘a fully digital bank’ and has already made some radical changes, such as using agile work method for their projects. More specifically, we want to take a closer look at their implementation of a ‘chatbot’, or virtual customer agent, called ‘Lago’, because this project is considered to be inspired by an agile work method. As Norbank is both large and hierarchical, at the same time aim to become more agile, this organization is a highly appropriate research site to explore how to facilitate agency in rapid, continuous change.

1.2 Research question

In response to the call for more positive research on how leaders lead transformational change through fostering the employees’ agency, and the specific skills managers need for this, the thesis aims to investigate the following research question:

In the context of rapid, continuous change: How do employees become agentic in a large, hierarchical bank, and how may agency be a key driver of positive change?

1.3 Outline of the thesis

In order to answer the research question, we have reviewed literature on change management and agency. The second part of the thesis thus consists of the theoretical background that we draw upon. This chapter gives a brief overview of the different approaches to change management and a presentation of the Positive Organizational Scholarship tradition and its relation to organizational change. Further, we define human agency and introduce previous research on how agency may be a key driver of positive change. In the third part, we present the methodological framework of our thesis including the research setting followed by the research design and data collection, participants, data analysis and ethical considerations. The fourth part of the thesis presents the analysis of our main findings consisting of the leaders’ granting and supporting of agency, and the employees’ responding and mastering. Lastly, we discuss the theoretical contributions and the practical implications of the thesis, accompanied by the boundary conditions, limitations and possible future research.

2 THEORETICAL BACKGROUND

2.1 *Introduction to theory*

The task seems almost impossible, yet inevitable: Large, hierarchical organizations that have used the same processes for decades are now trying to keep up with the fast pace of change (Kotter, 2012). They need to change their structure and become more agile in order to survive. Bandura (2001) suggests that they also need agentic adaptability, both at the organizational level and the employee level: “Organizations have to be fast learners and continuously innovative to survive and prosper under rapidly changing technologies and global marketplaces. They face the paradox of preparing for change at the height of success. Slow changers become big losers.” (Bandura, 2001, p. 11). The research on managing change has therefore become increasingly popularized over the past few decades (Anderson & Anderson, 2010), but the research on agency has until recently been largely absent from the literature of change. Our thesis is therefore oriented within the field of organizational research on both change management and human agency.

In this chapter, we will present the theoretical background from which the thesis draws. In the first section, we explain the need for a new approach to change management and what this particular approach entails. As large hierarchical organizations are forced to become more agile to survive in a competitive environment, employees are given more discretionary power, and should therefore be considered as resources and not resistors to change. Furthermore, we draw on the positive organizational scholarship movement, as it allows us to focus on the positive relationships within organizations and the outcomes. In the second section, we begin by defining human agency and its relation to structure based on the theoretical contributions from Bandura (2001) and Emirbayer and Mische (1998). From there we introduce more recent studies emphasizing the relational aspect of agency. Finally, we make the connection between agency as a key driver of positive change by highlighting several examples from previous research.

2.2 A new approach to change management

Planned organizational change, also known as organization development (OD), has changed multiple times since its introduction around sixty years ago (Bartunek & Woodman, 2015). Kurt Lewin (1947; 1951), the founding father of change management, has crafted the most prominent approach to change called the three-step model of change, but his model seems not to have changed in accordance with the field of OD. Despite of being widely used, it has been heavily criticized for lacking a temporal dimension of organizational change, which is why many scholars move towards a new approach to OD (Bartunek & Woodman, 2015). A second critique of the model, is that it lacks a relational dimension. Although Lewin does not include the relationship of change agents aiming to create change and the recipients of their effort in his model (Bartunek & Woodman, 2015), he is known to have coined the term ‘resistance to change’ (Dent & Goldberg, 1999). However, Lewin (1951) introduced the term as a concept embedded in the system, while those who carried it forward changed the concept to be a psychological issue concerning the relationship between employees and managers (Dent & Goldberg, 1999). This may have led organizational change researchers to place too much emphasis on how managers need to overcome resistance to change.

Although scholars do not agree on the exact rate of failed change effort, change is hard (Worley & Mohrman, 2014). In an effort to explain why organizational change often fails, John P. Kotter (1995) builds on and expands Lewin’s model by creating eight steps on how to transform an organization successfully when going through changes. Although his model has been widely accepted in change management, Kotter (2012) was also the one who saw the need to modify his theory after studying more large-scale changes in the 21st century. Hierarchies can be useful, but large organizations cannot use the same strategies to change because they will not win in the faster-moving world. Kotter therefore suggested a second operating system, complementing the existing one, to handle the rapid changes that occur today; an agile, network-like structure to make change implementation more effective. He also modified the eight initial steps as they can no longer be used sequentially in responding to episodic change (Kotter, 2012). Instead, changes occur continuously, which implies that “small continuous

adjustments, created simultaneously across units, can cumulate and create substantial change.” (Weick & Quinn, 1999, p. 375).

New strategies for change also create new demands for both managers and employees. In episodic change, the change agents are the prime movers of the change, but in continuous change, organizations are built around self-organized groups of actors who produce change by acts of improvisation involving both planning and execution, acts of translating ideas to useful artifacts and finally, how well they learn new skills and acquire knowledge (Weick & Quinn, 1999). Moreover, competitive environments may force leaders “to place increasingly complex demands on employees.” (Campbell, 2000, p. 52). Thus, while leaders used to expect the employees to do their work tasks as exactly described, the modern workplace creates new role expectations, such as being proactive, independent and able to take initiative (Bandura, 2001; Campbell, 2000). This resonates with how change agents are encouraged not to consider employees to be resistors who they need to overcome, but rather valuable resources in change (Sonenshein, 2014a). Like Lewin, Kotter stated that obstacles in the individuals were rare, and that the obstacle was rather in the organization’s structure (Dent & Goldberg, 1999). However, his suggestions for overcoming resistance to change still focus on employees as resistors (Kotter & Schlesinger, 2008), and his view on resistance is therefore considered to belong to the old paradigm of resistance to change (Bareil, 2013). Based on these new strategies to change, we believe organizations need to look for a new approach to change management.

2.2.1 From resistors to resources

Contrary to the negative conceptualization of resistance to change, many 21st century researchers regard resistance as a necessary resource in a change process. Piderit (2000) reviews studies of resistance and change, and suggests a new way of looking at responses to organizational change. Earlier, resistance to change was associated with negative motives, but she and other scholars give rise to the idea that resistance could be seen as a positive intention (e.g., Dent & Goldberg, 1999; Ford, Ford & D’Amelio, 2008; Courpasson, Dany & Clegg, 2012). Piderit (2000) also related the appearance of resistance to how subordinates viewed the support, or lack of support, from both managers and other coworkers: “Successful organizational adaptation is increasingly reliant on generating employee support

and enthusiasm for proposed changes, rather than merely overcoming resistance” (Piderit, 2000, p. 783). Further, Ford et al. (2008) propose that the change agents themselves contribute to maintaining resistance as a concept through what they do and not do. By treating the employees as resistors, they are, in fact, achieving just that, like a self-fulfilling prophecy. Consequently, these scholars argue that ‘resistance to change’ is outdated or needs a reconstruction (Ford et al., 2008; Dent & Goldberg, 1999; Piderit, 2000).

Along with a shift in focus from a ‘resistance lens’ to a ‘resource lens’, there is more research on employees’ own response to change. Sonenshein and Dholakia’s (2012) ‘Meaning-Making Change Adaptation Model’ (MCAM) is aimed at explaining how and when employees adapt to change, and it is a contribution to understanding how to implement change more effectively. They also argue that research on change has usually taken the perspective of the top-management, and that the lack of research on the employee’s role in change implementation is one of the reasons why they generally expect them to respond in a resistant way (Dent & Goldberg, 1999; Ford et al., 2008). Sonenshein and Dholakia (2012) therefore want to show how employees’ own interpretation and sensemaking of change explain ‘key psychological resources’ which employees use to implement change. They suggest that future research should examine “how employees give sense and influence one another” (Sonenshein & Dholakia, 2012, p. 37). Sonenshein (2014a, p. 137) also propose that managers need to consider their employees not as resistors to change, but as resources to successful change implementation “as they become enrolled in trying to change the organization versus working against it”. However, while scholars have typically looked at resourcing as a bottom-up process, Sonenshein (2014b, p. 842) emphasize the critical role of managers in “permitting and guiding creative resourcing”, and he encourages other scholars to gain a better understanding of the skills managers need to foster such resources.

One way to better facilitate enrollment of employees as resources is to rethink how changes and new products are implemented. One of the issues with Kotter’s (1995) eight step model is the idea that implementation of change is only a separate step towards the end, and that the involvement of a large group of employees is only a means to reduce resistance to change and achieve successful implementation. With this perspective, however, new ideas are something

management has generated while the employees simply should execute (Carlsen & Välikangas, 2016). Therefore, Carlsen and Välikangas (2016, p. 150) challenge this view and reject “idea work as proceeding in linear and clearly separated stages of generation and execution”. In fact, they suggest that the most creative phase is the implementation phase, and they ask what it does “to people’s engagement in idea work if they are framed as merely executing ideas of others rather than taking on leading roles in idea discovery?” (Carlsen & Välikangas, 2016, p. 143). Furthermore, they argue that when employees are only allowed to implement a change and not plan it, they do not experience locus of control or ownership. They see ownership not as a means to lowering one’s resistance, but rather as “an awareness of the importance of being regarded a co-discoverer” (Carlsen & Välikangas, 2016, p. 146). Thus, through inviting the employees to participate in the discovery process, they become resources in change.

This short overview of the new approach to change management indicates that there is a shift from focusing on resistance as something the managers need to overcome, to consider both resistors and resistance as valuable resources in change. Based on the literature elaborated above and the researchers’ effort to change how organizations should view their employees – to be resources and co-discoverers rather than resistors and executors – the present thesis aims to continue this exploration through the eyes of the employees. In the following section, we will demonstrate why we should do this using a positive approach to change.

2.2.2 A positive approach to change

As shown in the previous section, some scholars are moving away from focusing on resistance as entirely negative to consider it as a resource in change. This paves the way for a positive change model that represents a theoretical departure from Lewin’s model (Worley & Mohrman, 2014). In fact, there is a movement emphasizing positive aspects of organizations (e.g., Cameron & Spreitzer, 2012a; Golden-Biddle & Dutton, 2012; Carlsen, Clegg & Gjersvik, 2012), also known as Positive Organizational Scholarship (POS). This movement was introduced in large through Cameron, Dutton & Quinn’s (2003) book on Positive Organizational Scholarship and has developed as an umbrella concept including organizational studies that emphasize “processes, dynamics, perspectives and

outcomes considered to be positive” (Cameron & Spreitzer, 2012b, p. 2). POS focuses on investigating positive phenomena within and between organizations, as well as their contexts. Although the term ‘positive’ has been criticized for being a naïve term that values biases, it is applauded for further exploring and explaining performance in organizations (Cameron & Spreitzer, 2012b). The meaning of the term can also be summarized as four different approaches that identify the scholarly domain of POS. These approaches are: adopting a positive lens, exploring highly positive performance, look to uphold an affirmative bias that fosters resourcefulness, and finally, exploring virtuousness (Cameron & Spreitzer, 2012b).

A positive approach to change differs from a traditional approach to change on many different levels (Quinn & Wellman, 2012), but perhaps it is most visible at the individual level. The growing body of POS research reveals that organizational actors “effect extraordinary change by exceeding demands, eliminating or overcoming constraints, and creating or seizing opportunities” (Bateman & Porath, 2003, p. 124-125). Grant and Ashford (2008) identifies these actors as proactive people who express their voice, seek feedback, break rules, take charge and so forth. Furthermore, leaders in change have traditionally been drawing on their expertise of hierarchical authority to overcome resistance and create change (Ford & Ford, 1995). The POS research, on the other hand, emphasizes change agents first as participative by acting *with* others, creating trusting relationships, which requires them to let go of control (Quinn & Wellman, 2012). Second, as the change agent becomes more authentic, he or she begins to show people how to be instead of telling them what to do (Weick & Quinn, 1999; Quinn & Quinn, 2009). A positive leader is also someone who creates a positive climate, develops positive relationships, encourages and use positive communication, and provides positive meaning (Cameron, 2008). An important characteristic of positive leaders is that they “try to bring out the best in people and build on their strengths rather than dwelling on weaknesses.” (Warrick, 2016, p. 148). Thus, positive leadership has a lot of similarities with transformational leadership, in that they model integrity and fairness, set clear goals and expectations, offer support and encouragement and inspire people to pursue ambitious goals (Bass, 1990). Combining the two may therefore be the best chance an organization has to become more positive (Warrick, 2016).

In spite of a large body of literature on organizational change (Pettigrew, Woodman, & Cameron, 2001), there is still a lack of research on people's actual experiences (Golden-Biddle & Mao, 2012), and researchers within POS are looking for more empirical contributions to validate their approach (Linley et al., 2011), especially cross-level interactions (Spreitzer & Cameron, 2012). They are also calling out for more research on how leaders lead transformational change through fostering individual agency (Quinn & Wellman, 2012; Golden-Biddle & Mao, 2012), which is why our thesis will focus on agency in change.

2.3 Agency

Although agency might be a unique construct that has always been with us, it has been undertheorized, mixed with other concepts (Putnam, 2018, cited in Brummans, 2018) or simply overlooked (Golden-Biddle & Mao, 2012). Organizational studies have used the concept of agency to explain “organizational members’ ability to purposively pursue continuity or transformation of their social contexts.” (Tuominen & Lehtonen, 2017, p. 1). However, there are perhaps as many definitions of agency as there are theoretical perspectives, and as it is beyond the scope of the thesis to do an extensive review of these perspectives, we will focus on a few relevant approaches. In the following sections, we will first define agency based on the model by Bandura (1997; 2001) and Emirbayer & Mische (1998), while at the same time expand their perspective through more recent scholars’ work. Second, we will present some empirical studies, as introduced by the summary articles of Golden-Biddle and Mao (2012) and of Quinn and Wellman (2012), that points to how agency may be a key driver of positive change.

2.3.1 Defining agency

Traditionally, human agency and structure were separated concepts, and scholars have been fighting about which affects the other. However, new conceptualizations of agency find a way to remove this distinction (Boudreau & Robey, 2005). Ronald Inden (1990, p. 23, cited in Holland et al., 1998) defines human agency as

the realized capacity of people to act upon their world and not only to know about or give personal or intersubjective significant to it. That capacity is the power of people to act purposively and reflectively, in more or less complex interrelationships with one another, to reiterate and remake the world in which they live, in circumstances where they may

consider different courses of action possible and desirable, though not necessarily from the same point of view.

His definition emphasizes individuals' capacity to change their world. However, a well-known paradox in the agency theory, is how humans can be both producers as well as products of their environment (Holland et al., 1998) and embedded in the same system they seek to change (Seo & Creed, 2002). Researchers like Bandura (2001) and Emirbayer and Mische (1998), draw attention to the interdependent relationship between agency and structure or how "the structural environments of action are both dynamically sustained by and also altered through human agency" (Emirbayer & Mische, 1998, p 964). Emirbayer and Mische (1998, p. 970) define human agency as "the temporally constructed engagement by actors of different structural environments". 'Temporally embedded' means that they conceptualize human agency as three elements oriented towards the past, present and future. These elements constitute three dimensions of agency, known as the iterative towards the past, the projective towards the future, and the practical-evaluative for the 'here and now' (Tsoukas and Cummings, 1997). Emirbayer and Mische (1998) argued that all three elements influence the choices of individuals, and sometimes one more than the other two. However, at any given moment, a person is contingent on all of them. Therefore, to understand human agency, one needs to have knowledge of both past practices and future possibilities, as well as what contingencies may affect the present choice (Boudreau & Robey, 2005).

Another way to conceptualize agency as temporal stems from the contributions of Bandura. Although he belongs to another tradition of agency theory than Emirbayer & Mische (1998), he also views agency as situational, or in his own words, "heavily dependent on the types of social and physical environments people select and construct." (Bandura, 2001, p. 4). He builds on social cognitive theory and views personal agency as an emergent interactive phenomenon involving four core features. These are called intentionality, forethought, self-reactiveness and self-reflectiveness, and he believes they "enable people to play a part in their self-development, adaptation, and self-renewal with changing times." (Bandura, 2001, p. 2). In the next paragraph these will briefly be explained and compared with Emirbayer and Mische's (1998) three dimensions of agency.

First, “[t]o be an agent”, Bandura (2001, p. 2) explains, “is to intentionally make things happen by one’s actions.” Here, intention is not just an expectation of future actions, but “a proactive commitment to bringing them about” (Bandura, 2001, p. 6). Thus, a key feature of agency is the power to initiate actions. However, intention is not enough to realize one’s future plans. Hence, the second feature is to set goals, anticipate possible consequences and choose the actions likely to get you there. Thus, through forethought, “people motivate themselves and guide their actions in anticipation of future events” and “adopt courses of action that are likely to produce positive outcomes” (Bandura, 2001, p. 7), which is similar to Emirbayer & Mische’s (1998) projective dimension. However, people do not simply behave based on anticipated outcomes. They also regulate their actions when faced with competing influence. The third feature, therefore, is self-reactiveness, which means that agency also involves “the ability to give shape to appropriate courses of action and to motivate and regulate their execution.” (Bandura, 2001, p. 8). This is done through self-monitoring and self-guidance via personal goals and values, and could therefore be considered as the practical-evaluative dimension in Emirbayer & Mische’s (1998) conceptualization of agency. Once you have set your goals, the desire to attain them motivates your actions through feelings of pride and self-worth, but evaluative self-engagement also depends on the characteristics of goals, such as the level of ambition and proximity (Bandura, 2001). Finally, self-reflectiveness, or “the metacognitive capability to reflect upon oneself and the adequacy of one’s thoughts and actions”, is the fourth core feature of personal agency (Bandura, 2001, p. 10). Of all the different mechanisms of agency, Bandura (1997; 2001) argue that self-efficacy is the most important one. Believing that one is capable of and have the power to produce the desired outcome through one’s actions, is the foundation of personal agency. Moreover, individuals need to believe they are capable of having control over the outcomes of events in their lives, also known as locus of control (Rotter, 1966). Just as the iterative dimension suggested by Emirbayer and Mische (1998), looking back at past mastery experiences could reinforce self-efficacy (Bandura, 1977). Perceived self-efficacy is therefore a key to what kind of challenges people take on and how much effort they use in order to overcome them (Bandura, 2001).

The thesis will apply Bandura’s (2001) four core features presented above as a foundation for building theory on human agency. However, while Bandura (2001)

believes that agency is an emergent interactive phenomenon, he is not as clear as to how the core features of personal agency are affected in the relationship between leaders and followers. Furthermore, although Emirbayer and Mische defend a relational view of agency, their perspective restricts agency to human beings only, and Cooren (2018, p. 142) argues that “such a focus blinds us to other forms of agency that are essential.” He therefore suggests using a relational perspective on agency that opens up for the possibility that there is no “absolute source of agency (...) to which a situation can be reduced.” (Cooren, 2018, p. 142). Instead, agency can be used in relation to a thing or an organization, where agents act *for*, *with* or *through* it, instead of under its authority, for instance, how selected people can be chosen to speak *for* an organization. Therefore, “*agency is never given*. It has to express itself in a situation” (Cooren, 2018, p.156, emphasis in original).

Several scholars have attempted to include a relational aspect of human agency, but ended up with quite different names to it. While some call it *conjoint agency* (Gronn, 2002), *transformational agency* (Tuominen & Lehtonen, 2017) or *relational agency* (Edwards, 2005), Raelin (2014, p. 7) calls it *collaborative agency* because agency is “both individual and collective and is mobilized as a social interaction as people come together to coordinate their activities.” There are two main reasons behind his approach: First, he defines agency as “the realization of social choices within the confines of structure, including its tendency to reproduce itself.” (Raelin, 2014, p. 5). Second, he considers leadership to be a practice and not a trait of individuals (Raelin, 2011), and is therefore concerned with the activities and social interactions of everyone engaged. Moreover, what makes agency collaborative, as it emerges in social interaction, is a fair dialogical exchange, where people can talk freely without receiving judgement (Raelin, 2013). However, Raelin (2014, p. 17) believe some individuals may be more predisposed to collaborative agency, perhaps through individual or collective self-efficacy, and asks for more knowledge on “why some actors choose to pursue autonomous actions while others choose a more collaborative method of exercising agency in the social world.” Finally, he calls for more research on whether the emergence of post-bureaucracy (Heckscher, 1994) with less routines, more discretionary and self-organizing, might lead to more collective rather than individual practices.

2.3.2 *Agency as a key driver of positive change*

Within research on organization and management, human agency is introduced as “the actions taken by individuals to change organizational roles, structures, and processes.” (Boudreau & Robey, 2005, p. 5). For example, Wrzesniewski and Dutton (2001) found that job incumbents crafted their own role requirements through exercising discretion instead of job requirements, or Feldman and Pentland (2003) who argued that human agency in organizational routines allowed those routines to change. However, not all research on agency is about breaking free from structural control. Quinn and Wellman (2012), along with other positive organizational scholars, represent a shift from a bound to a limitless agency granted to individuals by their leaders. Studies adopting a POS approach suggest that individuals are capable of initiating positive change from the bottom-up (Quinn & Wellman, 2012), and not constrained by their surroundings. However, they also emphasize the role of a supporting and positive leader (Warrick, 2016). In this section, we present some of the literature from POS and other fields of organizational research emphasizing the relationship between agency and the success of change. This illustrates why agentic actions in change are especially important to take a closer look at as they often occur in “fleeting, everyday micromoments of interaction that get overlooked” (Golden-Biddle & Mao, 2012, pp. 768-769).

In a positive approach to change, small actions made by individuals on multiple levels can potentially create big changes. Golden-Biddle and Mao (2012) combine a lens of positivity and process to explore what makes an organizational change process positive. By thinking of positivity as a lens and not a state of mind, they paid attention to people’s own experiences in change that made the process more life enriching. Based on this lens, they collected and analyzed several empirical studies and found three clusters of small acts that contributed to making a change process more positive. One of these clusters were called ‘Fostering Agency in Change’, because “it helps direct attention toward viable possibilities for people to act to create or shape the direction and impact of change, even in situations that might be considered beyond an individual's control.” (Golden-Biddle & Mao, 2012, p. 767). One example they found was how people who are embedded in organizations actually utilize this embeddedness to foster agency for change (Golden-Biddle & Mao, 2012). Contrary to studies suggesting that agency occur

when people are less embedded in the organization, Reay, Golden-Biddle, and Germann's (2006) study on nurses revealed that embeddedness created a platform for taking action towards desired change through several microprocesses. Reay et al.'s (2006) findings also emphasize the importance of middle managers in change initiatives, and look out to further investigate their actions in organizational change.

Positive agency can be practiced by individuals, groups and organizations, and include more or less embedded people working for profit or non-profit who want to see change happen (Steckler & Bartunek, 2012). Thus, Steckler & Bartunek's (2012) review on social change agency studies highlights the importance of understanding "the positive characteristics and competencies of agents who lead change." (Steckler & Bartunek, 2012, p. 123). However, they also emphasize how individual change agents always work within a particular context, for instance, how socialization influences them through meaningful relationships, and how individual initiatives are tightly interwoven with other individuals or entities so that change initiatives may be a "spurring spiral of other positive effects" (Steckler & Bartunek, 2012, p. 121). Thus, based on Bandura (2001) and Emirbayer & Mische's (1998) understanding of agency and structure, one should always consider the context in which agency occurs.

In sum, agency may be a key driver of successful change in the 21st century's organizational environment, but it has not been given enough attention in the literature of change management. Further, the literature on agency has previously concentrated on how managers help their employees become agentic (Golden-Biddle & Mao, 2012), but in the examples presented above, agency is fostered by a wide range of people at different levels in the organization and within a multitude of contexts (Golden-Biddle & Mao, 2012; Steckler & Bartunek, 2012; Spreitzer & Cameron, 2012). This reveals how agency is not just contingent on the leaders' actions, but the employees' actions as well. With increasing demands on productivity and continuous rapid change, employees and organizations need to become more agentic and managers need to know how to foster this. Therefore, a positive lens should be used as an analytic pathway to discover small acts that create a more positive change process, and how this may require new ways of leading change (Golden-Biddle & Mao, 2012). *The present thesis aims to fill these*

needs. By adopting a positive approach to organizational change and agency, the thesis will investigate how agency emerge between leaders and employees on various levels in an organization, and how it may be a key driver of positive change.

3 METHODOLOGY

3.1 *Introduction*

There are several approaches to a research problem and multiple choices that needs to be made to adequately explore it. In this chapter, we present the empirical process of our master thesis. We will begin by describing our research setting and the specific case we chose to study. Second, we will briefly present our research approach, which is based on abductive inquiry, before we elaborate on our research design, data collection and participants. Lastly, we present the process of our data analysis, and finally some ethical considerations.

3.2 *Research setting*

Because our main interest is in digital changes, and since it is evident that the bank and finance industry is affected by these changes, ‘Norbank’ is a great place to examine how these changes come about. Norbank is a Nordic financial service group and one of the largest banks in Europe. Building on experience from many years, Norbank has been awarded the Best Private Bank several times and serves also a number of big corporate clients. However, along with the exponential growth of technological development, the customers of the bank demand easier and faster access to their money and 24/7 customer service (Chung, 2013). Hence, the banking landscape is changing dramatically, and in order to adapt to these rapid changes, Norbank has recently embarked on a journey of transformational change.

During this transformational change process, Norbank established a new digital unit and started working with several ‘fintech hubs’ in the quest of becoming a fully digital bank. This has led to several changes both for the employees and the customers. One of their latest digital projects was a ‘chatbot’. Chatbots are machine conversation systems “that interact with users using natural languages” (Shawar & Atwell, 2007, p. 29). The chatbot ‘Lago’ was implemented in 2017 and is already termed ‘the most efficient co-worker at Norbank’, but Lago is merely a supplement to Norbank’s customer service. In the context of Norbank’s transformational journey, Lago represents a relatively small change for the organization. What is particularly interesting about this case, however, is that the process of planning and implementing the change is unique compared to how Norbank usually conducts its projects.

Another way to adapt to these rapid changes has been the shift from traditional waterfall project management to working agile. This is said to be one of Norbank's most extreme changes, and one of the many benefits with working agile is that it enables organizations to cope with continuous change (Denning, 2016; Kotter, 2008). Although Lago lacks some fundamentals of this method, we found several of the core principles of agile work method in the process of planning and implementing Lago, such as self-organized teams, collaboration across departments and focus on the end-user (Rigby, Sutherland & Takeuchi, 2016). Thus, the project seems to be inspired by this way of working and therefore serves as a positive example of what working agile can mean for Norbank. Another core principle in this method is to engage highly motivated individuals and grant them the support and trust they need to do the job themselves (Rigby et al., 2016). Hence, the new work method creates new demand for both leaders and employees. Norbank's implementation of Lago is therefore a unique case to explore how employees become agentic in a large, hierarchical bank.

3.3 Research design and data collection

We chose to conduct a qualitative study because it is concerned with describing the "constituent properties of an entity" and often aims at giving rich or thick descriptions (Geertz, 1973) of the phenomenon being investigated (Smith, 2015, p. 1). We used an abductive approach as it allows us to combine theories and be active researchers through the process, moving between theory and empirical material, in addition to make our own interpretations of the collected data (Kovács & Spens, 2005; Van Maanen et al, 2007).

As for our chosen research area, our study has certain elements related to case study as it is conducted for a specific change process within an organization (Bryman & Bell, 2015). "The case study is a research strategy which focuses on understanding the dynamics present within single settings" (Eisenhardt, 1989, p. 534). Using Norbank as a case context is relevant due to the changes occurring in the organization as well as in customer service, and the case participants were going to be those involved in the Lago project. Qualitative methods focus on a small sample that accordingly needs to be purposeful, meaning that the case of study is information-rich so that the researcher can learn a lot about the specific phenomenon (Patton, 2002). When we first approached Norbank, we talked to our

contact in the HR department about the particular case of interest. She suggested that we interviewed the project managers and the head of online customer service first in order to acquire knowledge about the project. From there we collected the rest of the informants through snowball sampling.

In a qualitative study, a ‘between-method’ triangulation is helpful to test the degree of external validity of the sample, in addition to “capture a more complete, holistic, and contextual portrayal of the unit under study” (Jick, 1979, p. 603). We thought of the benefit of adding several methods to our study, as it would make it easier for us to uncover elements that otherwise would not be revealed. We therefore aimed to use both participant observations and interviews in our thesis, whereas the interviews should be semi-structured and open-ended. In regard to participant observations, we unfortunately did not have the opportunity to observe the informants in action, as the initial team members in the project was no longer working together. However, we were able to meet the informants at their office, and there could see their physical surroundings and the different locations for the involved parties in the Lago project. This gave us valuable information on how they collaborated between departments.

The benefit of semi-structured interviews is that they are “generally organized around a set of predetermined open-ended questions, with other questions emerging from the dialogue between interviewer and interviewee” (DiCicco-Bloom & Crabtree, 2006, p. 315). In other words, it allowed us to have pre-made questions that tapped into our research area, and gave the informants the opportunity to elaborate around the topics themselves using their own terms (Qu & Dumay, 2011). The flexibility made room for the informants to share about issues that mattered to them (Rhodes, Pullen & Clegg, 2010). However, we were aware that they may be used to account for what they do, and that the stories they tell can be well rehearsed (Czarniawska, 2014) or already interpreted by themselves through theoretical concepts. Nevertheless, by asking employees not how they perceived themselves, but how they went about doing their work during the change process (see Table 1), we hope to evade these problems as much as possible. In total, we conducted 12 interviews in Norbank and three in ‘Norlife’, a subsidiary that had implemented its own version of Lago a few months earlier. The interviews lasted from 10 to 60 minutes, and the informants were willing to

give us information, stories and reflections about the process and effects of Lago. Both authors attended each interview, but we decided up front that only one should be in charge of asking questions while the other would take notes (see Eisenhardt & Bourgeois, 1988). However, as different interviewers can evoke different responses from the same person being interviewed (Qu & Dumay, 2011), we did not follow this praxis and both participated in the conversation with the informant. Regardless of the approach, multiple investigators can be a great advantage as they may bring different perspectives and “enhance confidence in the findings” (Eisenhardt, 1989, p. 538).

TABLE 1. TYPES OF QUESTION ASKED IN INTERVIEWS

Topic	Exemplifying questions
Q1: The informant’s role in the project	Questions related to the informant’s education, but most importantly their work relations to Norbank and their role within the Lago project. E.g., can you please tell us a little bit about yourself? What is your position/responsibility in Norbank? What is your role in the development and implementation of Lago?
Q2: Perception of involvement and freedom to act	Questions about the informant’s perception of involvement throughout the project and their experience of freedom to act. E.g., can you elaborate around the process of implementing Lago? Who took initiative to start the project? How did you get involved in the project? Has your work life changed after Lago was implemented? Did you feel that your ideas were considered?
Q3: Concerns with the project	Questions about the challenges or concerns the informants could have about the project. E.g., did you ever have any concerns with this project? Did you share them with anyone? How did they respond to your concerns?
Q4: Perceptions of successful change processes	Questions about change management and the project. E.g., what would you say determines a successful change process? In what way is Lago living up to this ideal? Have you participated in another digital change process in Norbank? How was that process compared to Lago? If you could change anything about the Lago project, what would it be?
Q5: Focus on the customer	Questions about customer value, involvement of the customer and customer experience of Lago. E.g., What reactions/feedback did you get from the customers you have talked to? Do you give this information to someone else? Who? Did you involve the customers in the Lago project?
Q6: Working agile	Questions about agile working method. E.g., Have you worked in an agile project? Have you participated in a project where you did not work agile? Do you see any specific changes now that Norbank has started to use agile methods?
Q7: Reflections	A brief summary of our premade interpretations of informant’s statements across interviews, followed by questions related to a particular topic or the project itself. E.g., Could you elaborate a bit on [...]? Is there anything you like to add?

Our research design consists of three phases. In the first phase, we started by gaining sufficient knowledge about the company and the project in focus. In this phase, the plan was to conduct a pilot study where we would interview a few key informants in the project and then make necessary changes in the interview guide. However, as the process evolved, we were quick to sample more informants and therefore conducted most of the interviews over a short period of time. Thus, the second phase overlapped with the first, but as our interest of study changed during the first few interviews, we changed some of the questions in the interview guide (for final interview guide see Appendix 1) and the questions were adapted based on the informant's degree of involvement in the project. In most of these interviews, we conducted 'member checks' (Lincoln & Guba, 1985) by summing up what we perceived as the informants' view on the matter and asked for their comment. This serves both the authors and the informant as he or she is given an opportunity to correct errors or add relevant information (Lincoln & Guba, 1985). Furthermore, because we used an abductive approach, we went back and forth between theory and empirical data. Thus, in the third phase, we looked at more literature on the concept of interest before we interviewed a new, but key, informant in Norbank to validate our assumed findings.

3.3.1 Participants

The participants in this study consisted of 12 informants from Norbank and three informants from Norlife (see Table 2), but since Norlife went through a different process, and because we were not able to sample more people there, we chose to leave them out of the data analysis. In Norbank, five informants were female and seven were male. However, only two women were key informants and therefore made the representation of genders unequal. Of the 12 informants in Norbank, seven were directly involved in the Lago project, and represent three different levels in the organization: one leader, three project managers and three customer agents. The rest of the informants from Norbank were only indirectly involved in the project: four customer agents and one leader. In our findings, we also mention a fifth customer agent called Lisa, but she was not interviewed because of her unavailability, and thus not displayed in table 2. Further, our informants came from two different departments within Norbank, here represented by department 1 and department 2.

TABLE 2. PARTICIPANTS

Name	Role	Company/Department
Ole	Leader	Norbank/Department 1
Sara	Leader	Norbank/Department 1
Tor	Project Manager	Norbank/Department 1
Nora	Project Manager	Norbank/Department 1
Jonas	Project Manager	Norbank/Department 2
Mads	Customer Agent	Norbank/Department 2
Lars	Customer Agent	Norbank/Department 1
Jens	Customer Agent	Norbank/Department 1
1	Customer Agent	Norbank/Department 2
2	Customer Agent	Norbank/Department 2
3	Customer Agent	Norbank/Department 2
4	Customer Agent	Norbank/Department 2
A	Customer Agent	Norlife
B	Customer Agent	Norlife
C	Customer Agent	Norlife

3.4 Data analysis

We followed Glaser and Strauss' (1967) constant comparison technique in such a way that the data collection and analysis overlapped to some extent, which allowed us to be flexible enough to make adjustments through the process (Eisenhardt, 1989). For this within-case analysis, we used the process of open, axial and selective coding (Strauss & Corbin, 1990), as it opens up the opportunity to discover unique patterns in the case before we try to generalize it to other cases (Eisenhardt, 1989, p. 540). First, open coding is described as "breaking data apart and delineating concepts to stand for blocks of raw data" (Corbin & Strauss, 2008, p. 195). At this stage, it is important to stay close to the data and true to the informants' own language (Van Maanen, 1979). Each author of the thesis first conducted open coding with the key interviews separately, and then later compared common themes and concepts. After a second more detailed attempt to open coding, where we reached a high level of agreement, we generated a long list of first-order concepts (see Appendix 2).

We then turned to the second stage of coding, which is axial coding. This involves finding common properties among the first-order concepts and then placing the ones similar to each other in second-order themes (Corbin & Strauss, 2008). At this stage, we went back to the original literature as well as doing further extensive literature search for some of the concepts we found in the first stage. This way we could place the first-order concepts into clusters of second-order

themes (Gioia, Corley and Hamilton, 2013), which would become the basis for our theoretical model (see Appendix 2). As mentioned, we also went back to do a final interview with one of the leaders in Norbank who previously supervised one of our key informants. The leader confirmed most of the second-order themes we had found and thus contributed to validate our findings. This interview therefore served as a member checking as well (Lincoln & Guba, 1985).

The final stage of the data analysis was selective coding. This stage allowed us to identify the relationships between the second-order themes (Strauss & Corbin, 1990). At this point we tried out different links between the themes related to both the leaders and to the employees. The result was a model that shows how the leaders performed certain actions which caused some positive outcomes for the employees, which in turn responded with agentic behavior. On this stage we also discussed our findings with a friend and insider at Norbank. She was certified in agile work method and had recently started in a new position as project manager in one of the departments. We did not formally interview her, but invited her to be a co-investigator (Van Manen, 2016) as we explained the essence of our model. Her experiences so far as project manager, confirmed some of the interactions we found, and this informal member check (Lincoln & Guba, 1985) also contributed to validate our findings. In writing up the thesis, we selected those interview extracts that we believe communicates the concept in study in the best way.

3.5 Ethical considerations

Our study was conducted with several ethical considerations in mind. Through the written informed consent, we provided the participants with sufficiently and accessible information about our study, and with that information, the participants were free to decline or withdraw from the study at any time (Crow, Wiles, Heath & Charles, 2006). To ensure confidentiality, the audiotaped records from the interviews were deleted after transcription and the transcription itself was held within the research group consisting of the two authors and Arne Carlsen, thesis supervisor and professor at BI Norwegian Business School, and not used to any other purpose than stated in the consent. To ensure anonymity both for the organization and the informants, we changed all names and any personal details that could be traced back to them.

4 FINDINGS: THE ELEMENTS OF INTERACTIVE AGENCY

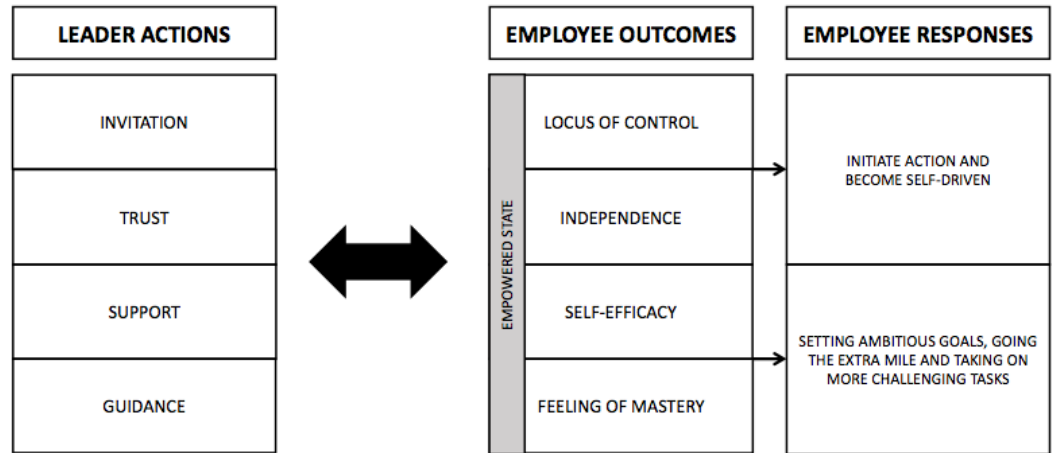
4.1 Introduction

Norbank has embarked on a continuous transformational journey, thus investigating the entire change process is beyond the scope of the thesis. Therefore, we sought for a small change at Norbank that we wanted to look further into, and came across the newly implemented chatbot called ‘Lago’. Because the bank is closing most of their branches, the traffic towards the online customer service has significantly increased. Lago is an attempt to meet these increased customer demands and was one of the first digital changes implemented after they established a digital unit in the bank. Initially, we thought we would find some resistance among the customer agents because the chatbot may eventually replace them, but to our surprise we did not. Instead we discovered either enthusiasm or indifference towards the newly implemented change, and that the overall response to Lago had been positive across the bank. Lago was highlighted as a great example of how different departments can collaborate on a project, which is not common for the silo-based bank. Thus, this change enabled us to explore how the bank dealt with rapid, continuous change. We also found Lago to be an interesting case to study change management through a positive lens.

In the project of developing and implementing Lago at Norbank, there were three project managers and several customer agents involved. Because the change was already implemented at the time we collected our data, the focus of the interviews was initially on how the change process went about from start to finish, and why the key participants considered it to be positive. What we found early on was that the project managers had experienced a special kind of leadership style from their leaders that they considered highly significant for the success of this project. However, they believed this leadership style was not common for all leaders at Norbank, but two leaders, Sara and Ole, were mentioned specifically because they demonstrated what we call an ‘inviting leadership style’ that empowered the employees. Subsequently, we followed this trail throughout the rest of the interviews. By interviewing leaders and employees on three different levels, we also discovered a pattern in leaders’ willingness to grant employees autonomy and discretion, and the employees’ response by accepting the invitation and actively

engaging in it. Our main findings are thus focused on the discovery that agency is not just dependent on the leadership style; agency emerges in an interactive relationship between leaders and employees.

FIGURE 1. THE ELEMENTS OF INTERACTIVE AGENCY



In this chapter, we will present our main findings related to what we call *interactive agency* that we believe was a key in driving the positive change. In our own words, interactive agency emerges in a relationship between two individuals, not necessarily between equals, but based on some level of mutuality. In our case, we do not emphasize the dialog or collaboration between individuals (cf. Raelin, 2014), but several actions, outcomes and responses that interactively creates agency for the employees involved (see Figure 1). We believe the interaction happens when a leader grant opportunities through inviting and trusting an employee, while at the same time support and guide him or her along the way. In turn, the employee experience locus of control, becomes more independent, and enjoys increased self-efficacy, in addition to achieve a feeling of mastery. These four employee outcomes constitute what we believe is an empowered state, and in response, the employees initiate action, guide their own behavior, set ambitious goals and may take on more challenging tasks. Thus, we found four leader actions and four employee outcomes with related responses, defined in Table 3 and 4. We believe these responses demonstrate agentic behavior, as we will explore in this chapter. It is important to notice that both the leader’s actions and the employees’ outcomes are not mutually exclusive but rather complementary and often overlapping as the informants’ stories will reveal. The actions, outcomes and responses do not necessarily happen in a subsequent order and they may occur

simultaneously during the process. We believe this shows how agency is not simply something a leader grants once, but rather a continuous interaction.

TABLE 3. LEADERS' ACTIONS

Action	Definition
Inviting to make decisions	The action of inviting to make decisions refers to how a leader is granting the employees the opportunity to participate. For instance, when a leader asks the employees for help or opens up for them to voice their own opinions, they allow them to find their own solution and be the decision maker. This contributes to empower the employees.
Communicating trust	The action of communicating trust implies that the leader considers the employees to be reliable and are trusting in their abilities to perform. For instance, the leader need to let go of control and hand the control over to the employees. This is a way of acknowledging the employees' capabilities, in addition to building the employees' independence.
Supporting through encouragement	The action of supporting the employees through encouragement means that the leader listens to and supports the employees' ideas and solutions. More specifically, it implies that the leader gives the employees words of encouragement by focusing on their strengths and not their weaknesses. This increases their self-efficacy.
Guiding through giving direction	The action of giving the employees guidance implies to give direction for the way forward and helping the employees see the full picture. For instance, the leader might give the employees advice on how to make future decisions, which creates independence.

TABLE 4. EMPLOYEE OUTCOMES AND RESPONSES

Outcome	Definition
Shift in locus of control creates action	Invitation shifts the locus of control to the employees, who then believe they have control over the outcomes of events at work. The response of people in control is to demonstrate their power to initiate action.
Independent employees become self-driven	Independence means to be self-governed or autonomous, and to not rely on something other than yourself. However, even independent employees need help and guidance in order to align their work with the organization's goals. The response of independence is to become self-driven people who set personal goals, and guide and monitor their own actions.
Self-efficacy creates ambition and effort	Self-efficacy, or people's belief about their capabilities to produces desired outcomes, arise from an appreciation of one's abilities or qualities. Additionally, self-efficacy determines how people feel, think and motivate themselves and is therefore a key to what kind of challenges employees take on and how much effort they use in order to overcome them. The response of increased self-efficacy is to set ambitious goals and to go the extra mile to accomplish them.
Mastery experience reinforces self-efficacy	Mastery experience reinforce a sense of self-efficacy because experience fortifies the employees' beliefs of what they are able to achieve. Once the employees reach a feeling of mastery, they bring this experience with them. The response to mastery experience is to take on more challenging projects.

In the following sections, we present the empirical basis for each element of interactive agency and for the interaction between leaders' granting and supporting, and employees' responding and mastering, as shown in Figure 1. We will support our arguments with illustrative quotes from our informants. After each section of empirical observation, we make some theoretical connections, while the theoretical and practical implications will be presented in the next chapter.

4.2 Leaders' actions are granting and supporting

The organizational context in which Lago occurred, tells a story about a large, hierarchical bank going through a radical, transformational change. In addition, it illustrates how both leaders and employees need to change their way of working in order to meet the new demands required by working more agile. When taking a closer look into the story of a few workers at Norbank and how they planned and implemented a digital solution for their customers, we discovered how interactive agency made this particular change positive. More specifically, our findings revealed four leadership actions, which in short, we call *invitation, trust, support* and *guidance*. Together, we believe these actions are granting and supporting employees to become agents. However, interactive agency does not occur until the employees actively respond to these actions, as we will discuss in the subsequent section. In this section, we will present each action respectively, and show how they are connected and complementary.

4.2.1 Inviting to make decisions

The action of inviting to make decisions refers to how a leader is granting the employees the opportunity to participate. For instance, when a leader asks the employees for help or opens up for them to voice their own opinions, they allow them to find their own solution and be the decision maker. This contributes to empower the employees.

The leaders in our study were praised by the project managers for possessing an inviting leadership style. Nora, one of the project managers, told us how she really looked up to Ole, one of the leaders at customer service. The reason for this was his way of inviting employees in on decisions that needed to be made by asking them for help: when Ole moved from one department to another, he was very open about how he was completely depended on his employees to contribute with

their knowledge and experiences, Nora told us. This kind of leadership style were not common in this department, and it was far different from the leader before him. As a result, Nora believed his leadership style contributed to empower the employees and made them take ownership over the different responsibilities they had. She elaborated:

If you under Ole's leadership, said "I recommend us to do it this way", then we do that! I feel that he is very honest that he does not necessarily know better than others, and that is something I think can easily happen when you become a top manager, that you set the strategic direction without asking the frontline workers. I think that affected the culture to a large extent. [Nora].

This form of invitation was also found in the other leader, Sara. Sara shared with us: "...if I was a bit frustrated and did not know what to do, Sara said: 'what do you think, what do you think you should do?'. And when I shared my thoughts with her, she said 'then you do it like that.'". Sara's way of inviting Nora to come up with her own solution to a problem made her more confident in making her own decisions. Furthermore, what we found interesting about Nora's story was how an invitation from a humble leader would not be perceived as weak or less leader-like (Turnbull James, Mann & Creasy, 2007). Instead, the invitation was considered to be empowering for those who received it, and it contributed to building their confidence with regard to their own abilities and competence.

Another interesting finding was how Nora had not experienced this leadership style in all her leaders. During her first year at Norbank, coming straight out of school, she was eager to learn and wanted to show the organization that they had made the right decision to hire her. Unfortunately, she was put in a department where she did not feel at home and her leader did not have time to find her enough work to do. Consequently, Nora became bored:

First, I tried to have a conversation with my leader, but I did not get through to her. I had a couple of conversations where I tried to tell her: "give me something to do". After a while I felt that I needed some more long term responsibility, kind of like that thing I mentioned about empowerment. [Nora].

Nora wanted to feel empowered and to have more long-term responsibility. This illustrates the other side of the story as it highlights what it was like for Nora to have a leader who was *not* able to empower her. In contrast, her story about the two leaders with an inviting leadership style revealed how there are specific actions or behaviors that contributes to empower employees. A leader needs to grant his or her employees power to decide in order for them to become agents,

because decision authority is not something the employees can simply choose for themselves. Hence, we believe inviting employees to make decisions empowers them and therefore is an important action that contributes to agency.

Empowerment is a well known concept within the change management literature, and Golden-Biddle and Mao (2012, p. 768) states that empowerment is one of the earliest conceptions of “how managers can help employees become agentic”. Also, Bertelsen and Holland (2006, p. 10) defines empowerment as “a groups’ or individuals’ capacity to make effective choices, that is, to make choices and then to transform those choices into desired actions and outcomes.” To further concretize this, an empowering leader is “empowering their employees through autonomy, discretion, control or decision latitude” (Bakker, Albrecht & Leiter, 2011, p. 14). As inviting employees to make decisions was considered empowering, this form of leadership action can be termed what Golden-Biddle (2014, p. 126) calls ‘micro-moves’, which are “actions and interactions comprising change processes that, while small and often visible, are essential to the successful creating of generative change”. She believes micro-moves could be inviting collaboration with people involved in different departments within the organization, to create engagement and excitement for the change (Golden-Biddle, 2014). The findings described above illustrates an inviting leadership style that created room for employees to make their own decisions. Sara opened up for Nora to figure out the solution by herself and allowed her to be the decisions maker and did not tell her what was the right thing to do (Weick & Quinn, 1999; Quinn & Quinn, 2009). Furthermore, the findings highlight how Ole invited the employees to voice their opinion through asking them for help, which in turn empowered them and created ownership. The feeling of “being in on things,” as well as being granted an opportunity to participate in making decisions, can build trust and create a culture where employees take ownership (Seijts & Crim, 2006). Hence, micro-moves matter to leadership practice, as it engage the employees in the change process. In sum, the leader action of inviting to make decisions contributes to facilitating agency by empowering the employees.

4.2.2 *Communicating trust*

Granting an invitation is probably the first leader action contributing to facilitate agency, but it is most certainly not the only one. To create agents, leaders also

need to grant trust. The action of communicating trust implies that the leader considers the employees to be reliable and are trusting in their abilities to perform. For instance, the leader need to let go of control and hand the control over to the employees. This is a way of acknowledging the employees' capabilities, in addition to building the employees' independence.

Sara, one of the leaders, explained how she welcomed the transformational journey in Norbank, especially because of the implementation of agile work method and the new leadership values. When we asked her what it would take for her to adapt to the new ways of working, she replied that she would not have to change her leadership style significantly, because she had always had these values. She elaborated:

I have just continued with my values on how to lead. And that is to hire talented people that can run independently - 'Hire the best and get out of their way' - and that you as a leader support them when they face problems, but also paint the full picture and help them 'up on the balcony', build self-esteem, and that they dare to make decisions and trust that "I can do it myself". And build independence. And absolutely not micromanage them. (...) And this was entirely the case with Nora and Lago. She grew so much during those six months, where she basically ran free. [Sara]

Hire the best and get out of their way, but not without building their independence first, seems to sum up what Sara believed a leader should do. Ole, the second leader, was thrilled about the journey Norbank had embarked on as the organization was changing from controlling everything in management groups to hand over the control to the employees. Leaders at Norbank have traditionally been drawing on their expertise of hierarchical authority to create change (cf. Ford & Ford, 1995), and Ole admitted it felt safe to make decisions this way, but it was a slow process. Now, they involve customer agents in their projects and trust them to do the job. In turn they found the employees to deliver great results in addition to becoming ambassadors for their workplace. However, a leader should only "[g]ive power to those who have demonstrated the capacity to handle the responsibility" (Goldsmith, 2010, para. 7). Thus, Ole believed that those who have ambitions and take ownership of the process, becomes a resource and are chosen because of this. Further, when we addressed Ole about the degree of freedom the employees enjoyed when working with Lago, he believed controlling too much would only kill their passion and hurt their performance. Instead, "[f]reedom creates ownership and engagement, and they work 24/7 if they feel that this is 'their baby'." he said. Sara agreed with Ole that no one likes to be micromanaged, simply because it is demotivating for those who want to work

more independently. In fact, Sara enjoyed this type of leadership style as it would allow her to focus on more important things: “The most important job I do is to make sure that everyone is doing fine. That is the only thing I can do”, Sara stated.

Although Norbank is currently changing their leadership values, not everyone has accepted Sara’s leadership style, and many traditional leaders still struggle with letting go of control. Coleman (1996) studied employee empowerment and found that some leaders may fear losing control, and so they speak the ‘language of empowerment’, but do not seem to walk the talk (e.g., Conger & Kanungo, 1998). Sara’s actions of inviting Nora to come up with her own solution to the problem as well as building her independence by letting go of control and allowing her to “run free”, show how Sara is an authentic leader who puts the language into action. Furthermore, we discovered how Tor, one of the project managers, exercised a similar kind of leadership style as Sara when he talked about the customer agents involved in the project. For instance, he told us how he fully trusted Lisa to do her job without his interference and how she “run her own race”. For this reason, we believe the leader action of communicating trust may additionally affect leaders on lower levels.

Through these stories, we found trust to be communicated by the leaders to the employee by letting go of control and not micromanage them. Mishra and Mishra (2012, p. 457) argue that empowering people is another form of trusting them as it “involves not only transferring authority from leaders to followers (Spreitzer and Mishra, 1999), but also sharing the responsibility for co-creating a meaningful, high-impact, and collaborative designed organizational system.” Therefore, we believe trust is dependent on the interactive relationship of leaders and employees, where expectations need to be met by both parties, but the leaders make the first move. When leaders took initiative to demonstrate their trustworthiness first through courage, humility and authenticity, Mishra and Mishra (2008) discovered that the employees began to trust their leaders, which in turn made them act in positive ways leading to successful change and performance. Ole’s invitation, as described in the previous section, illustrates how a leaders’ courage empowered the employees. When he humbly admitted that he did not hold all the answers and needed the employees’ knowledge and help, he showed how leaders and employees are dependent on each other. We believe his actions demonstrated

trustworthiness and that he was trusted by the employees because of this. When trust was given both ways, it laid a good foundation for facilitating agency. In sum, the action of communicating trust through letting go of control and not micromanage, created both dependence and independence, which we perceive as key in facilitating agency.

4.2.3 *Supporting through encouragement*

Although trust may build a foundation for agency, it may not be sufficient to simply let go of control to create agents. Leaders need to support the employees as well. The action of supporting the employees through encouragement means that the leader listens to and supports the employees' ideas and solutions. More specifically, it entails that the leader gives the employees words of encouragement by focusing on their strengths and not their weaknesses. This increases their self-efficacy. This was also found in our study, as Nora experienced support through encouraging words from her leader, Sara:

I remember the first conversation I had with (Sara). Such an awesome woman: "I don't care at all about your weaknesses, I want to build you up!", she said. (...) That leader has really contributed to building my confidence. [Nora].

Nora's first meeting with Sara shows the consistency of her leadership behavior. Her leadership philosophy, as presented above, was to build the employees' self-esteem in order to bring out their excellence: "simply give them tasks where they feel that 70 percent is within their comfort zone and 30 percent outside", she said. Tor, one of the project managers, also highlighted the support Ole granted him as necessary for him to work independently. He explained:

But it's cool to be able to do as you please, but it's more about support from management than anything else. (...) because if I am in doubt about something, I can ask them, and they know that, so in a way that's fine. I think that it has absolutely something to do with leadership style. (...) It is Ole who has the kind of leadership style that allows us to do it that way. Without a doubt. [Tor].

In this quote, Tor emphasize the importance of Ole's leadership style. While many organizations aim to recruit employees who possess the qualities needed to adapt to an unpredictable environment, others believe such qualities can be cultivated through specific leader characteristics (Moss, Dowling & Callanan, 2009). One such leadership style, which is also used to expand the employee role (Campbell, 2000), is transformational leadership. Among other things, a transformational leader offers support and encouragement and inspire employees to pursue ambitious goals (cf. Bass, 1990). Accordingly, a transformational leader would focus on the employees' qualities and strengths, also known as inspirational

communication (Rafferty & Griffin, 2004). This is similar to a positive leader who emphasize the employees' strengths and not their weaknesses, as well as positive communication, which means to use supportive, instead of negative, language (Warrick, 2016). Our findings reveal how both leaders, Ole and Sara, highlighted the employees' own competence and ability to make decisions. To be more specific, Nora gave us an example of how inspirational communication from her leader Sara, who early on said that: "I don't care at all about your weaknesses, I want to build you up!", increased her belief in her own strengths. We see this as encouragement as a typical example of positive transformational leadership behavior. Furthermore, as a transformational leader is only authentic when he or she focuses on the best in people and not the worst (Bass & Steidlmeier, 1999), both leaders appear to us as authentic. Again, they do not simply speak about empowerment, but they actually walk the talk. We believe this is important for interactive agency, because it makes the interaction between the leader and employee more natural. To sum up, support was given through the use of inspirational communication and encouragement from the leaders by focusing on the employees' strengths and not their weaknesses. These findings reveal how support contributes to the employees' beliefs in their abilities, which makes support an important action for facilitating agency.

4.2.4 Guiding through giving direction

Even though the two leaders display trust in their employees and granted support through encouragement, they also emphasized their role in giving guidance. The action of giving guidance implies to give directions for the way forward and helping the employees see the full picture. For instance, the leader might give the employees advice on how to make future decisions, which may contribute to create independence.

One example of giving guidance in our study that has already been mentioned, is when Sara said that her job was to "help them 'up on the balcony'." The phrase 'up on the balcony' we recognize as a figure of speech implying that the employees need to see the full picture of what is going on in the organization. Both Ole and Sara emphasized the importance of giving direction to the project managers in order for them to continue the project on their own:

...we say that “we trust you and we will initiate the project” and tell them that “this is the budget and the direction to go”, and then they implement it. That way we have each other, and then it will go faster. We still contribute with guidance. That feels very good. [Ole].

I supported (Nora) with what direction I believed she should take, and what she should work on. But other than that, she ‘ran’ herself. [Sara].

The same guidance given by the leaders to the project managers, was evident in the relationship between the project managers and the involved customer agents as well. Tor explained how they steered the customer agents in the right direction and what they should spend time on. Lars, one of the customer agents who came in later in the process, confirmed that Tor and Nora were there to overlook the progress and contribute with guidance through giving direction. Other than that, the customer agents were trusted with deciding for themselves what tasks they should focus on: “(Nora) is mainly supervising and making sure that Lago succeeds, but it is our job to make it happen.”, Lars explained, also illustrating how he felt responsibility and ownership to the project.

Based on these examples, we believe the employees may require some guidelines in order to become agentic. Moreover, we do not consider guidance in the sense that employees are limited to making decisions due to their dependence on the leader’s guidelines (Kark, Shamir & Chen, 2003). Rather, there needs to be some kind of direction involved for them to move. In addition to inspirational communication as we discussed earlier, a positive, transformational leader would offer individual considerations involving coaching or mentoring (Moss et al., 2009; Warrick, 2016). In our study, we view this as how the leaders gave guidance to those they felt it necessary to give. Coleman (1996) believe empowerment involves delegating responsibility by setting clear guidelines. His study reveals the importance of understanding the goals and expectations, but the employees must participate in setting these goals or else they will not engage in them. Similarly, Shook (2010) states that leaders should give employees the means to fulfill their jobs successfully. In our study, this was done through clearly communicating the direction they wanted Lago to go. Although they trusted the employees, Ole said they “have each other” and they “still contribute with guidance”. Like trust, then, we believe the outcome of guidance may lead to employee independence as well as some dependence, which is how agency is facilitated interactively.

The findings so far reveal how the two leaders had an inviting leadership style where the emphasis was on granting the employees power to decide. This was done through inviting and trusting them by letting go of control, but also to support and guide them along the way. Furthermore, the project managers reflect on how this affected both their confidence and how they worked independently with freedom of choice. In turn, we discovered how they adopted some of the leaders' actions and demonstrated a similar leadership style towards the customer agents. In the next section, we will look further into the specific outcomes of this leadership style and how the employees responded as agents. We believe this is when interactive agency truly emerges.

4.3 Employee outcomes lead to responding and mastering

Our thesis argue that the four leader actions elaborated above, cause the employees to reach an empowered state. By empowered state, we mean that they have a sense of power and control over their circumstances from which they can respond as agents. We believe this state consists of four specific employee outcomes called *locus of control*, *independence*, *self-efficacy* and *a feeling of mastery*. Goldsmith (2010) discusses this empowered state as something the leader is helping his or her employees to reach through encouraging and supporting them, which is why we believe the leader actions contribute to this state. However, he argues that to reach an empowered state, individuals need to empower themselves, which only happens if they are left on their own to reach the goal. In our case, the employees are not simply left on their own, as they get support and guidance from the leaders, but they do demonstrate the ability to empower themselves by responding and mastering. In this section, we will present the four employee outcomes respectively, and discuss how they are related to the four leadership actions. Moreover, we will look at how the employees respond through agentic behavior, which is when interactive agency truly occurs.

4.3.1 Shift in locus of control creates action

When the leaders granted the employees an opportunity to voice their opinions, the invitation shifts the locus of control to the employees, who in turn believe they have control over the outcomes of events at work. The response of people in control is to demonstrate their power to initiate action.

The project managers in our study were asked by their leaders to take on the Lago project, but what we found particularly interesting was how they initiated the change before they had secured approval. This may be an example of how invitations shift locus of control to the project managers who took charge of the whole process. This was evident in the project, since after Tor, Nora and Jonas accepted to manage the project, Ole and Sara were more or less absent. Even when they asked for help, the leaders invited them to come up with their own solution to the problem. The three project managers all expressed the same feeling of being in control. Nora told us: “...sometimes I just think that it’s better to just do it, and ask for forgiveness.” The project managers knew it was a low risk project, mainly due to Norlife’s launch of Lago earlier that year, and thus they ‘just did it’. Tor and Jonas had a similar kind of mindset:

When we initiated the project, we decided to start building the robot before we got approval for everything, because we assumed that we would eventually get it, and in order to save time. Tor likes to take risks, and he just said “I accept the risk”. [Jonas].

It was just because ‘we hit the gas’. We built the entire solution. We wanted to launch it fast. We had support from those leaders we needed support from and if we made any risky decisions, we could always ask “I just did this” and they could have put their foot down if they wanted to. I don’t think any of the other countries could have done it as fast as we did and that was solely because we had support and backing for what we did and because we were trusted with that: “it is actually up to you to decide if this is worth it or not”. [Tor].

Again, Tor mentioned the importance of support and backing from the management. Ultimately, this enabled the project managers to take charge of the process and decide for themselves how it should be done and whether it was worth initiating or not. Furthermore, this inviting leadership style was adopted by the project managers who gave an open invitation to a few customer agents to be a part of the project, making it voluntary for them to participate. Jonas explained how they could not force Mads and Lisa to work on the project, because it would change their everyday work a lot. When Mads was first asked to join the project, he demonstrated a sense of being in control:

Everyone else in the team had already started when I returned (from vacation). But it was also about the timing, you see. I got a phone call during my vacation: “If you want to do this, we’ll wait for you to get back, if not, someone else will just take it”. But then I replied: “Wait for me, I’ll do it when I get back”. [Mads].

We believe this invitation may contribute to increased locus of control, as this was evident among all customer agents involved in the project. Jens, another customer agent, said: “The working hours I have on the Lago project, are very flexible. In a way, it’s all up to me.” Even though they had directions on how much time they

should spend on Lago, it was ultimately their choice to decide when to work on the project and what to do in order to improve it. Our findings therefore reveal a connection between the granting of invitations and the employees' locus of control. Bandura (1997, cited in Bandura, 2001, p. 5) explains that "[a]mong the mechanisms of personal agency, none is more central or pervasive than people's beliefs in their capability to exercise some measure of control over their own functioning and over environmental events". This implies that employees needed to feel in charge over the progress of the Lago project. Another key feature of agency is the power to initiate action, as an agent is someone who intentionally makes things happen (Bandura, 2001). This is exemplified by how the project managers initiated the project without formal approval. As Nora said to the management group: "we will do this, just so you know". We believe these initiatives are the response to being in control and therefore show agentic behavior.

Furthermore, the project managers' engagement for Lago could stem from being in charge of the whole process, from planning to implementation. We believe this was another reason for why they initiated action without waiting for further approval from the management group. Thus, making someone feel "in on things" is perhaps not sufficient to become an agent. You have to experience some measure of control. Carlsen & Välikangas (2016) argue that allowing employees only to implement a change and not plan it, is taking away both ownership and locus of control. Their suggestion is to bring the employees on board as co-discoverers. In addition, we found the project managers acting as what some researchers call tempered radicals (e.g., Meyerson & Scully, 1995), as they are both committed to their organization but also work their way around its embedded culture by taking liberties and not waiting for the contract to be signed. Consequently, breaking rules and taking charge (Grant & Ashford, 2008) allowed them to finish the project within 12 weeks, and showed the bureaucratic bank that it was actually possible to do so.

In a more recent study of the radical change at the 'Seahill' nursing home, Carlsen and Kvalnes (2018) found *agency lightness* to be the experience of how the new leaders invited the employees to become appreciated agents in the change process. In this case, being an agent was related to more autonomy, personal decision-

making and initiative. Unlike how Howard-Grenville, Golden-Biddle, Irwin and Mao (2011) found that inviting participation was different from their typical day-to-day interactions, Carlsen and Kvalnes (2018) saw invitation as being a part of the employees' everyday life which allowed them to discover themselves as agents. Similarly, Raelin (2014) views invitation, or making sure everyone who wants to contribute gets a chance, as an important leadership action. Leadership, according to Hazy (2011, cited in Raelin, 2014, p.11) "encourages movement from day-to-day actions by individuals to core processes and capabilities that subsequently shape individual behavior". As the leaders in our study invited the employees to make decisions and take control, this might have shaped the employees' behavior. Consequently, their response was to initiate action and act as agents.

In the Lago project, invitation from the leaders created ownership and shifted locus of control over to the employees. Moreover, this resulted in the employees' experience of power to initiate actions and drive the change forward. The employees in our study are not simply empowered by delegated authority. Instead, they are co-discoverers (Carlsen & Välikangas, 2016) and appreciated agents (Carlsen & Kvalnes, 2018) who are invited to find their own solutions. To sum up, our thesis show how interactive agency is cultivated through locus of control by inviting the employees to voice their own opinions and to participate in both planning and implementation of a project.

4.3.2 Independent employees become self-driven

In addition to shift locus of control to the employees, the leaders trusted their employees through letting go of control, which in turn created a second employee outcome we call independence. Independence means to be self-governed or autonomous, and to not rely on something other than yourself. However, even independent employees need help and guidance in order to align their work with the organization's goals. The response of independence is to become self-driven people who set personal goals, and guide and monitor their own actions.

The trust and support Tor received from his leader Ole, allowed him and the other project managers to work independently with planning and implementing Lago. Sara also believed her job was to build independence and encouraged Nora to run

free and find her own solutions. Nevertheless, Tor highlighted that the success of Lago depended on “the right kind of people”, talking about the project managers as well as the customer agents. As previously explained, Ole told us they have started to involve customer agents in their projects. However, as self-organized teams are less dependent on their leaders, the project managers had to set higher demands for those who were going to be a part of it. Additionally, they did this because whoever they were going to involve, needed to be fully committed and spend all their time on Lago. The first person they asked from customer service, was Lisa and she “dived right into it”, Ole said. Tor elaborated on the process of finding the right people:

(...) it has to be independent and self-driven people. That’s why we didn’t advertise for an open position. We actually went to the team leaders and handed them the task, saying ‘please find us some good people. This is very important!’. And then they found us some good people, which was Lisa. (...) And then we first asked her if she would be interested, and she was. [Tor].

The second customer agent they involved was Mads, because he was “a young and assertive guy, so naturally we chose someone who sticks their neck out.”, Jonas explained. Because he was one of the customer agents who worked closely with the project, Mads was also the ‘go-to-person’ for the other customer agents in his department. We talked to four of them, who were not directly involved, to get their view on the process of planning and implementing Lago, and because the chatbot was a supplement to their daily work. All four customer agents told us that they were invited to give feedback on the project through a user test and also via a joint email account, and some of them enjoyed contributing in this way. As a result, those people closest to the customers were the ones who actually contributed to building Lago. However, Sara believed it puts higher pressure on the customer agents:

“(becoming more agile) is a way to get the power of decisions down to those people who are closer to the customers, so they can make decisions more quickly and deliver faster. And it demands that those people who actually are closer to the customers experience a greater pressure on competence.” [Sara].

Here, Sara summed up the core of agile work method, and also explained how this new way of working puts more pressure on those involved, and thus require them to be more competent as well as self-driven. Mads told us he was used to working with a lot of freedom previous to the project. However, when no one measured his work or micromanaged the process, he needed to “watch his step”. This required him to set personal goals as well as monitor his own actions, which he did by

making an excel-sheet. This way, he could work more efficiently and continuously, he said. These actions are similar to Bandura's (2001) and Emirbayer & Mische's (1998) dimensions of agency, both orienting towards the future as well as the 'here and now'. Forethought involves guiding your own actions through anticipation of future outcomes, whereas self-reactiveness is the ability to shape your course of action through self-monitoring via personal goals (Bandura, 2001). The stories of Mads and Lisa, show how their actions are influenced by setting future goals and evaluate their present action to move towards that goal. Hence, we believe the agentic response of being independent is to be self-driven through setting goals and monitoring their own actions.

The findings also indicate how to be granted freedom and autonomy demands quite a lot from the employees, as they need to have the right qualities and capabilities for working independently. Independence is important for both judgement and initiative, and something that is expected of employees in the new competitive organizational environment (Campbell, 2000). As Norbank is faced with the same competitive environment, Sara is concerned about the greater demands put on the employees. In particular, they need to be more responsible and take ownership, which is similar to what Bandura (2001) said about the importance of self-regulation and to take responsibility for self-development in the fast pace of change. However, Coleman's (1996) study show how trust encourage the employees to think for themselves, experiment and improve, which is why we consider trust to be a leader action that builds independent employees. Further, Sara argued that employees need to deliver what is best for the company and the company's customers, in addition to understand the importance of their job and responsibilities within the whole context, in her own words, being "up on the balcony". As previously mentioned, this is an example of giving guidance, which may lead to employee independence, in the sense that once you have some directions you are more confident to take the next step by yourself. In fact, Harrison and Rouse (2014) found that autonomy only works when the individuals have been given a foundation to start with. Similarly, Sonenshein's (2014b) study showed that for autonomous resourcing, guidance from managers not only motivated employees' creativity, but also shaped it. Autonomy, then, may paradoxically be dependent on guidance. Thus, we believe our findings confirm how the action of giving guidance through direction is not the opposite of

autonomy and independence, but rather a prerequisite for the cultivation of agency.

To sum up, in order to take responsibility and to be independent, the leaders need to trust their employees by letting go of control as well as giving guidance through direction. In turn, the employees respond through acting self-driven by setting personal goals and monitor their own actions, which again are core features of personal agency. Thus, our thesis show how interactive agency is facilitated when trust and guidance creates independent employees who become self-driven.

4.3.3 Self-efficacy creates ambition and effort

Of all the different features of agency, self-efficacy is believed to be the most important one (cf. Bandura, 2001). Self-efficacy, or people's belief about their capabilities to produces desired outcomes, arise from an appreciation of one's abilities or qualities. Additionally, self-efficacy determines how people feel, think and motivate themselves and is therefore a key to what kind of challenges employees take on and how much effort they use in order to overcome them. The response of increased self-efficacy is to set ambitious goals and to go the extra mile to accomplish them.

Experiencing trust and support also seem to be connected with increased self-efficacy. When Nora described her first conversation with Sara, she highlighted the words of encouragement she received from her: "I don't care at all about your weaknesses. I want to build you up!", which we previously defined as inspirational communication. Further, when Sara backed Nora's decision by saying "then you do it like that!", she started to believe in herself, which is related to perceived self-efficacy:

I haven't been in Norbank for a long time, and I came straight from school. And to be honest, I did not believe that I could know better than others. Not that I know better than others now, but what you are thinking is not necessarily that stupid. (...) That leader has really contributed to building my confidence. The belief in 'The Law of Jante' and being a 'good girl' was thrown away. [Nora].

The support and encouragement Nora received from Sara, increased her self-efficacy. We believe this is connected with the level of ambition and the effort she and the other team members put into the project (cf. Bandura, 2001), as planning and implementing the chatbot within 12 weeks was an ambitious goal. However, Nora believed one of the reasons they succeeded was because they had a

proximate goal compared to other projects in Norbank, which created engagement and enthusiasm. When we asked her what she was most satisfied with regarding the project, she highlighted the team and their effort:

The team. Because they made it so much fun to work with the project. There was so much enthusiasm, and they always went the extra mile to make sure that we delivered on time. We just had that ambition towards the Nordic countries that “we’re going to show you that it is possible”. But this is not the first time Norway does this, I mean, it’s sort of a thing to say: “look to Norway”. [Nora].

Mads also described how he put extra effort into this project, as it was early mornings and late nights, and an extreme workload. He also admitted that they had been a bit big mouthed when it comes to the goal to implement Lago within 12 weeks, which is why he said it was fun that the team made it. Based on his and Nora’s stories, we believe the agentic response to increased self-efficacy was to set ambitious goals and to go the extra mile. Bandura (2001) argue that self-efficacy, or believing that one is capable of producing the desired goals through the initiated actions, is important in order to become an agent. This comes forth in our study by how Sara was building Nora’s belief in herself, and showing faith in her ability to make her own decisions. This is interesting, due to Nora’s insecurity about her own capabilities when she first started working in Norbank, as she stated: “to be honest, I did not believe that I could know better than others”. Furthermore, we think one of the reasons why Nora accepted to take on the Lago project was partly based on the encouragement and support she received from her leader.

While leaders empower employees to help them become agentic, self-efficacy lack the behavioral aspect that empowerment holds, meaning that self-efficacy does not necessarily require a leader’s empowering behavior (Lee & Koh, 2001). In addition, Raelin (2014) thinks personality dimensions may cause some people to be predisposed to collaborative agency, particularly the level of self-efficacy. Related to our study, it implies that Mads may not have high self-efficacy because of the project managers’ supporting role, but simply due to his own personal abilities. This is perhaps more evident when it comes to Tor who seemed to be highly confident in his own capabilities due to his long experience with working in Norbank. He had worked there for many years and is an expert in his field. He also believed the leaders trusted him simply because they knew he would ask for help if he needed it. As we shall see in the next section, self-efficacy is therefore

not just contingent on leaders' support and encouragement, but the employees' previous experience as well.

We found the leaders in our study to be both transformational and positive in the sense that they encouraged their employees through inspirational and positive communication, which increased their self-efficacy. Although self-efficacy may not only come from the leaders' support, the employees nevertheless responded as agents through setting ambitious goals and bringing extra effort into the project. The fact that the team succeeded with the project, may also relate to a feeling of mastery, where high ambitions were met. Self-efficacy may be the foundation of agency (cf. Bandura, 2001), but true agents also need to experience mastery.

4.3.4 Mastery experience reinforces self-efficacy

Mastery experience reinforces a sense of self-efficacy because experience fortifies the employees' beliefs of what they are able to achieve. Once the employees reach a feeling of mastery, they bring this experience with them. The response to mastery experience is to take on more challenging projects.

The leaders granting and supporting is perhaps a prerequisite for agency, but the only way to experience mastery is for employees to take the opportunities given to them and make a success out of it. Mads, one of the customer agents, talked about what he considered to be a successful change process. One of the main criteria for success, he believed, was to accomplish a task his leader at Norbank asked him to execute: "It gives me a personal feeling of mastery", he said. Mads also expressed that he was very excited when his work on Lago gave results: "I am quite good at it" he added, which could be a sense of mastery feeling, as referred above. Lars, another customer agent, demonstrated a similar kind of feeling when talking about Lago. He told us that it was very interesting to work on the project, and that Lago eventually got quite good. When we asked Lars what kind of feeling it gave him when Lago became a success, he said: "Perhaps pride (...) It's also a good experience, to be a part of it, and I believe the training and to understand how it works will be valuable for me later."

Both Mads and Lars shared that they experienced a sense of mastery feeling, when talking about the project and their part in its success. Considering that you

can have high self-efficacy in one situation but low in another, it tells us that experience is a major determinant of self-efficacy (Bandura, 1977). Agency is not just contingent on the present but also informed by the past and oriented toward the future. Hence, agency involves both forethought as they anticipate future success (Bandura, 2001), and the iterative dimension of looking back at past experiences (Emirbayer & Mische, 1998). Gaining positive experience and being credited for it fortifies your perception of what you are capable of doing, and therefore might be a reason for why employees take on more demanding tasks. In turn, the feeling of mastery could strengthen the perception of being an agent, as it is previously experienced as positive. Once you have managed to overcome a challenge, you make use of the feeling of mastery when faced with another challenging task. However, while the leaders can invite, trust, support and guide the employees, they cannot create a feeling of mastery. The employees need to create this on their own, which is why we argue that mastery experience truly create agents. Additionally, we believe that mastery experience can influence employees to take on more challenging projects as well as give them a better chance of being agents in their next project or change. However, since our study was cross-sectional, longitudinal empirical studies are needed to support this.

When people in teams work together and succeed, as they did in Lago, they develop a common sense of mastery. Additionally, they may also develop what Bandura (1997; 2001) calls collective efficacy. Collective efficacy, in contrast with individual efficacy, puts emphasis on the group's accomplishments and not simply the sum of each individual's abilities. "When groups develop a collective sense of their agency, they are likely to engage in further creative activity as they confront and surmount subsequent challenges and disruptions." (Raelin, 2014, p. 13). As individual mastery experience, "I can do it", is developed through interactive agency, we believe interactive agency reinforces a collective or institutional agency at Norbank (Nilsson, 2015), as the project team experienced that "we did it in 12 weeks". In a way, the employees involved in the Lago project were chosen to speak *for* Norbank (Cooren, 2018) as they represent the positive experience of delivering high quality value for Norbank's customers in only 12 weeks and become ambassadors for the new ways of working. They also showed that collaboration among departments is possible and that it contributes to better solutions for the customers. Experiencing small and large wins also foster agency

more broadly (Reay et al., 2006), and when these are celebrated, they reinforce what a few people can accomplish together (Carlsen & Kvalnes, 2018). Thus, our research confirms how small actions or micro-moves (Golden-Biddle, 2014) facilitate interactive agency that contributes to creating a positive change, both for the people involved and for the organization.

5 TOWARDS A THEORY OF INTERACTIVE AGENCY

5.1 *Summary of findings*

By adopting a positive approach to organizational change and agency, the present thesis explores how agency emerge interactively between leaders and employees on various levels in a bank, and how it may be a key driver of positive change. More specifically, Norbank started using agile work methods that inspired them to work in a unique way on the project of planning and implementing Lago. Further, our thesis offers insight on how employees become agents during rapid, continuous change, which Lago is a good example of.

We found four leader actions that were significant for how leaders facilitate agency, which in short involves invitation, trust, support and guidance. We also found four employee outcomes we call locus of control, independence, self-efficacy and feeling of mastery, which together constitute an empowered state. From this state, the employees respond with agentic behavior through initiating action, becoming self-driven, setting ambitious goals and increase their effort. We believe the leader actions contribute to this empowered state, but a feeling of mastery differs from the other three outcomes because it is not something the leader are able to invoke in the employees, they simply need to achieve this on their own. Once they do, the feeling of mastery signals that they have both ‘reached’ an empowered state and truly become agentic. Thus, our findings confirm that agency is an interactive phenomenon. We call it *interactive agency* as agents are created in the interplay between a leader and an employee. However, it is important to note that the interplay is not necessarily a step-by-step process. We found the leaders’ actions to be overlapping and could cause several of the employee outcomes at the same time or repeatedly through the interaction. In the following sections, we will discuss the theoretical and practical implications of interactive agency, as well as the boundary conditions of our model. Finally, we present the limitations and suggestions for future research, before we make some concluding remarks.

5.2 *Theoretical implications*

The present thesis set out to explain how agency emerges between leaders and employees on various levels in an organization. Based on our research we have

developed a model presenting the core elements of interactive agency. Our thesis offers two sets of theoretical contributions to the previous research; one related to the literature on human agency and change, and the other towards the positive organizational scholarship tradition.

5.2.1 *Theoretical contributions to the positive organizational scholarship*

Our thesis makes several contributions to the positive organizational scholarship literature. POS research has to a large extent been conducted at a single level of analysis, but in order to explore organizational dynamics, it needs to address cross-level interactions among individuals and the broader organizational context in which they are embedded (Spreitzer & Cameron, 2012). The thesis adds to the growing research on agency fostered by individuals at different levels (Golden-Biddle & Mao, 2012) in a large, hierarchical organization, and show that interactive agency is not just contingent on the manager, but on cross-level interactions between leader actions and employee outcomes and responses. These organizational actors are both independent and dependent on each other as they interact to achieve a common goal. Furthermore, the thesis contributes to the research on how positive, transformational leaders can facilitate agency in change (Quinn & Wellman, 2012; Golden-Biddle & Mao, 2012), the importance of middle-managers' actions in change initiatives (Reay et al., 2006) and what skills they need to foster the employees' resources (Sonenshein (2014b). When leaders serve as facilitators through acting *with* the employees (Quinn & Wellman, 2012) by inviting, trusting, supporting and guiding them, the employees experience positive outcomes leading to an empowered state from which they can respond as agents. Focusing on relationship as the unit of agency (Nilsson, 2015), instead of considering either the management level or the frontline workers, our thesis adds to the POS tradition and its emphasis on the micro-interactions between individuals across these levels. Our findings therefore set the stage for more cross-level analysis of interactions between leaders and employees.

Additionally, the thesis has shown how POS researchers can study verbs instead of nouns, just as Carlsen, Landsverk Hagen & Mortensen (2012) recommend to study acts of hope instead of a state of hope (Spreitzer & Cameron, 2012). By asking people *how* the change process went about, we discovered how agency is something a leader grants, and the employee actively responds to, as it consists of

both actions, outcomes and responses, and not simply core features of a person's consciousness (cf. Bandura, 2001). Further, as Norbank had recently started using agile work method and changing the leadership values, the context in which Lago was implemented paved the way for new ways of leaders and employees to interact. In this view, human agency may be cultivated both through the micro-interactions of everyday life, such as those identified in the thesis, and the environment in which it occurs.

5.2.2 Theoretical contributions to the literature on human agency and change

Our analysis offers the concept of interactive agency as a key driver of positive change. It builds on the work of Emirbayer & Mische's (1998) conception of agency as temporally embedded and contingent on both past experiences, present evaluations and future anticipations. Furthermore, Bandura's (2001) four core features of personal agency are identified in our findings, which adds to the internal validity of the employee outcomes. Although Bandura (2001) views agency as an interactive phenomenon dependent on people's social and physical surroundings, he does not explain how the core features, or outcomes as we call them, emerge, only that they make up the foundation of personal agency. For this reason, we have extended previous research by including a relational aspect of agency (Cooren, 2018; Raelin, 2014) down to the micro-level of actions, outcomes and responses needed to foster it. Along with Raelin (2014, p. 7) and others, we have demonstrated that agency is both individual and collective as "it requires a social interaction to begin with". We introduce the term interactive agency because the social actors involved in our study are not necessarily equals, but their relationship is based on some level of mutuality. Trust and support from their leaders allowed the employees to initiate action and take a risk of initiating action without being afraid of failing. It also liberated them from being constrained by their surroundings, while at the same time be dependent on their leaders for guidance and support.

What does interactive agency mean for the study of organizational change on a theoretical level? Our results strengthen and extend existing arguments on how human agency is a key driver of positive change. Reaching a common goal develops a shared sense of mastery and collective efficacy that goes beyond the sum of the team members' individual abilities (Raelin, 2014). Not waiting for

approval enabled the team to finish the project within the deadline, and showed Norbank that it can be done in 12 weeks. When these outcomes are made possible through the micro-interactions of leaders and employees, we believe interactive agency contributes to an institutional agency (Nilsson, 2015) as well. In this sense, both humans and things, such as organizations (Cooren, 2018), have agency and need agentic qualities in order to not be passive recipients to the environmental changes. Our contribution is therefore to unpack how the different elements of agency interact dynamically to facilitate agency in a specific organizational change and thus connect the micro-level actions with macro-level effects of what leaders and employees can accomplish together.

Finally, our thesis contributes to the understanding of leadership practice in post-bureaucratic organizations that are trying to become more agile in order to survive. The theoretical model suggested in the thesis combines research on human agency with theories on positive, transformational leadership behavior. As Raelin (2014), we do not see leadership as constituting a set of traits that gifted individuals were born with, but rather a practice that can be taught. Our study is not preoccupied with who inhabits what position, but rather looks at the activities and interactions between everyone engaged. However, we do not argue that there should be no managers, which may be possible in a company of only 60 employees (see Roberts & van Rooij, 2011). Instead, we believe the leaders' job is *not* to make the employees completely dependent on their leadership, but to aid the employees' to reach an empowered state from which they can work independently. Agency in this sense is not seen as something the leaders grant and the employees simply receive. While a lot of the theory on agency is focused on how the grantor empowers the grantee to become agentic, we do not consider the employees in our study to be passive recipients. As explained by Cheney & Ritz (2018, p. 202), "[t]here is a big difference between agency as an expression of power and agency as a vehicle for the empowerment of others", or the difference between what have been termed "power over" and "power with" (Clegg & Haugaard, 2009). Like the latter, interactive agency requires the leaders to share the responsibility (Spreitzer and Mishra, 1999) *with* the employees who then needs to actively respond and master it in order to truly become agentic. Thus, leadership as such is more about being a supportive facilitator for the employees to grow as agents and become self-driven and ambitious leaders themselves.

Hence, the thesis may illustrate how the traditional gap between leaders and employees is closing in, as all workers may be required to fill both roles in the new competitive environment (Campbell, 2000). By sharing power *with* the employees through allowing the employees to be co-creators and co-discoverers, they become ambassadors who speak *for* their organizations (Cooren, 2018) and thus valuable resources for change and for the organization as a whole.

5.3 *Practical implications*

The competitive environment places higher demands on organizations to have agentic adaptabilities (cf. Bandura, 2001), which again demands more from leaders, and maybe more importantly, from the employees. The findings of interactive agency have practical implications for professionals who look out to facilitate agency during rapid, continuous change. More specifically, we see these implications as necessities for professionals who work with cross-disciplinary teams in large, hierarchical organizations who are trying to become more agile. Two leaders in Norbank already exercise the leadership style praised by the employees in our study, but as previously mentioned, there seems to be others who struggle to let go of control. However, this inertia may originate from a lack of experience with these particular leader actions. This section will therefore offer a few practical implications related to the actions, outcomes and responses identified in our thesis, both for existing and future leaders at Norbank as well as other professionals.

As the agile work method involves self-organized teams, leaders should use an inviting leadership style and open up for employees to make their own decisions and voice their opinions. This may contribute to shift the locus of control to the employees and in turn empower them to initiate actions. Leaders drawing on their expertise of hierarchical authority to create change (cf. Ford & Ford, 1995) is a slow process, and slow changers may become big losers today (Bandura, 2001). Hence, inviting the employees to make decisions, can expedite the change processes. Moreover, managers will benefit from communicating trust, which should be done by letting go of control and not micromanage the employees. This creates independent employees who are required to be self-driven and monitor their own actions. An agile team includes all relevant people and competence in order to create the best solutions for the customers, and the leaders should

therefore trust them to do the job because they may in fact more proficiently know what to do. However, managers should still take on a supportive role through encouraging employees by focusing on their strengths and not their weaknesses, as this may increase their self-efficacy. Employees who believe they are capable of producing desired outcomes will set ambitious goals and go the extra mile to succeed. Once they do, the mastery experience reinforces their perceived self-efficacy, and encourages them to take on even more challenging projects and tasks. Although employees need to create mastery on their own, managers are responsible for making sure that the employees are sufficiently challenged and at the same time feel ownership to the project so that they can take pride in what they accomplish. In addition to support, leaders should contribute with guidance, not in the sense that employees are limited by their leaders' guidelines, but that guidance through direction gives the employees a platform to build on. Self-organized teams also need alignment with the organization's objectives. Along with helping the employees to see the big picture, managers need to give them the necessary means to make future decisions and thus create independence.

As a final remark, we want to emphasize that these leader actions overlap and can occur simultaneously or one more than the other at specific times. Further we see no particular order to these actions, but guidance and invitation may be most needed at the start of a project, while trust and support may be necessary to grant continuously. Furthermore, these actions are neither mutually exclusive nor contradictory. For instance, giving guidance is not the opposite of giving trust and letting go of control as they may be complementary in creating independence. These lessons, we believe can only come from experience. As mentioned above, the leaders need experience to master the new leadership values related to working agile. As we believe leadership behavior can be taught, we suggest that organizations focus their leadership training to a greater degree on the four leadership actions and give the leaders specific challenges where they can exercise them. However, like one of the leaders said: "You have to take ownership for your own development. And if you don't, then you may not actually fit in here."

5.4 *Boundary conditions*

Although there are several practical implications of interactive agency, these may be limited to hierarchical organizations, banks in general or simply Norbank due

to the characteristics of the project. The change we chose as our case of study, was not a radical change in the sense that Lago was only intended as a supplement for customer agents. In addition, it was a low risk project because of the low costs, it involved no sensitive information and the technology was both simple and re-used. Moreover, because there was a significant hype around digitization and robotics around the time when the project was initiated, it was easy for the project managers to involve employees across departments, and we believe it might have been beneficial in order for them to get approval from the management group. Lago has also been characterized as using a unique approach compared to other projects in Norbank, especially because it was finished in only 12 weeks. We consider these characteristics to be some of the boundary conditions of our theoretical model (Busse, Kach & Wagner, 2017), as the factors mentioned perhaps made it less challenging for the leaders to let go of control and to trust the employees' own capabilities, and may be the reason why interactive agency worked so well in this instance.

Furthermore, the theoretical background of the present thesis show how agency may be contingent on the surroundings, as the context supports the "particular agentic orientations, which in turn constitute different structuring relationships of actors toward their environments" (Emirbayer & Mische, 1998, p. 1004). Hence, the context the change occurred within may also set boundary conditions for our model. As Norbank had already started implementing agile work method, we believe Lago was influenced by this approach and we found three core principles that was strongly related to this method, namely self-organized teams, collaboration across departments and focus on the end-user. The context in which Lago was implemented, may therefore affect how interactive agency was facilitated. One of the reasons we picked Norbank is because it is large and hierarchical, which seems like the opposite of employee agency. Although hierarchy can be efficient when performing a clearly defined task in a large organization, it can be the enemy of agility (Teece, Peteraf & Leih, 2016), as it becomes difficult to be competitive in a rapidly changing environment. Organizations like these also tend to become bureaucratic and rule-bound, which are factors that hinder the flexibility necessary to working agile (Teece et al., 2016). Thus, flattening out the hierarchy provides the frontline workers more power to decide and enables them to deliver results faster. Under these conditions,

we believe the leaders found it both satisfying and necessary to delegate authority and responsibility to the employees, who in turn experienced it as liberating and enthusiastically took the opportunity. In another context, giving a lot of autonomy and delegating control may cause potential problems (e.g., Langfred, 2004). These contextual factors can therefore serve as boundary conditions as well and place limitations on our model as to its generalizability (Busse et al., 2017).

5.5 Limitations and future research

The boundary conditions presented above represent one of the limitations of this study as it makes it harder to generalize our findings. Another apparent limitation is that our data was only collected through conducting interviews, because we were not able to observe our informants as planned. Moreover, another similar limitation relates to a lack of interviews, mainly because other key informants were not available to participate in our study. This is also one of the reasons why we decided not to go any further with the other company, Norlife. Participative observation, as well as more interviews, could further strengthen the validity of our findings.

A third limitation to our study is that we chose to only interview people in one organization, and we could benefit from comparing two different organizations with similar technological projects. The informants in our study were all a part of the same environment and culture, which may weaken the external validity of our findings. One suggestion for future research is to investigate interactive agency within similar projects in other organizational contexts, for instance in the consulting industry.

A fourth limitation is that the research was conducted five months after the implementation of the chatbot. This may have made it difficult for some informants to remember certain incidents, as well as their feelings and thoughts at the time of the project. Moreover, two of the key informants were not currently working on the proceedings of the ongoing project, as they had moved on to other projects and work tasks. Longitudinal studies of leaders and employees in teams are needed to examine the direction of causal influence of the actions, outcomes and responses of interactive agency.

5.6 Conclusion

What I say whenever someone asks me, (...) is that the most important thing is the right resources, and that it doesn't get any better than what you create. Involving employees - that's the right kind of resources. [Tor].

Cogito ergo sum, philosopher René Descartes said, and humanity became enlightened that whoever is capable of thinking that they are agents are in fact so. However, they later discovered that human beings are bound by the structures within which they act, as they are both products and producers of their environments (Holland et al., 1998). Organizations, in particular, are sites where humans are socially embedded and yet they seek and manage to change them (Seo & Creed, 2002). In the fast pace of continuous change, organizations need such agentic adaptabilities in order to survive the competitive environment, both on the organizational level and the workforce level (Kotter, 2012; Bandura, 2001; Campbell, 2000). In the context of a large, hierarchical bank recently started implementing agile work method, our thesis show how agency is facilitated in rapid, continuous change through the micro-interactions of leaders and employees. The interactive agency model demonstrates how a few leader actions cause the employees to reach an empowered state consisting of specific employee outcomes which in return enables them to respond with agentic behavior. When a project team experience mastery together it also reinforces the agentic capabilities of the organization as a whole, which is why interactive agency is a key driver of positive change.

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APPENDICES

Appendix 1: Interview guide for Norbank

FASE	INNHOLD	FORMÅL
Fase 1: Innledning og 'small talk' (5 min)	<ul style="list-style-type: none"> - Introdusere oss selv og hensikten med studien. - Forklare konfidensialitet og informert samtykke. - Spørre om tillatelse til å ta opp intervjuet og ta notater - Kan du fortelle litt om din bakgrunn og hvilke oppgaver du har hatt i 'Norbank'? - Hvilken rolle har du hatt i utviklingen og implementeringen av 'Lago'? 	Forklare konteksten og hensikten med intervjuet, konfidensialitet og samtykke, bli kjent med informanten og skape tillit.
Fase 2: Utvikling av forlenget historie- fortelling (25-30 min)	<p>1. Hvordan vil du beskrive de første ukene du arbeidet med Lago?</p> <ul style="list-style-type: none"> - Hvor jobbet du og med hvem? - I arbeidet med Lago, kan du si noe om når du startet å engasjere deg for prosjektet? - Har din rolle i prosjektet forandret seg? - Hvorfor? /Hvordan da? <p>2. Kan du fortelle om en episode der du var med på å gi prosjektet framgang?</p> <ul style="list-style-type: none"> - Hva skjedde (i den episoden du nevnte)? - Hvilke tilbakemeldinger og/eller reaksjoner fikk du fra de du jobbet med? /Hva følte du da? <p>3. Har du hatt noen form for bekymringer relatert til prosjektet?</p> <ul style="list-style-type: none"> - Delte du bekymringene med noen? - Hvordan opplevde du responsen på dine bekymringer? <p>4. Har du vært med på andre digitale endringsprosesser i Norbank (eller andre steder)?</p> <ul style="list-style-type: none"> - Hvordan vil du sammenligne denne prosessen med den du nettopp nevnte? - Hvordan har de ulike prosessene påvirket din arbeidshverdag? 	<p>Variasjon i prosjektet over tid.</p> <p>Informantens egen tolkning.</p> <p>Få historier relatert til informantens opplevelse av å bidra.</p> <p>Sammenligne med andre digitale prosjekter - hva gjorde dette prosjektet vellykket?</p>
Fase 3: Direkte spørsmål, komparativt (ca. 10 min)	<p>1. Hva mener du bidrar til en vellykket endringsprosess?</p> <ul style="list-style-type: none"> - Kan du si noe om hvordan Lago som endringsprosess var i forhold til dette? <p>2. Hvis du kunne endret hva som helst i implementeringen av Lago, hva ville det være?</p> <p>3. Hva er du mest fornøyd med i Lago-prosjektet, gjennom prosessen?</p> <p>4. Har chatbotten Lago påvirket din arbeidshverdagen i Norbank?</p> <ul style="list-style-type: none"> - På hvilken måte? - Hvilke reaksjoner har du fått fra kundene du snakker med? <p>5. Har du jobbet i et agilt prosjekt?</p> <p>6. Har du merket noen spesielle endringer nå som Norbank har begynt å bruke en agil arbeidsmetode?</p>	<p>For å få fram direkte respons og utvikle mer presise beskrivelser for generelle uttalelser.</p> <p>Hva slags type endring er det? Radikal eller en minimal endring?</p>
Fase 4: Avslutning og oppsummering (ca. 5 min)	<ul style="list-style-type: none"> - Oppsummering av informasjonshenting <p>1. Har vi forstått deg på en riktig måte?</p> <p>2. Er det noe du ønsker å tilføye?</p> <p>3. Har du noen spørsmål?</p>	Debriefing: Repeter kontekst og hensikt

Appendix 2: Coding of data into first-order and second-order concepts

First-order concepts	Second-order themes	Dimensions of interactive agency
<ul style="list-style-type: none"> • Ask employees for help • Ask employees to come up with their own solutions • Invitation empower employees and create ownership 	Invitation	Granting & Supporting
<ul style="list-style-type: none"> • Hire the best and get out of their way • Let go of control • Not micromanage • Controlling to much will kill the employees' passion 	Trust	
<ul style="list-style-type: none"> • Focus on the strengths and not the weaknesses • Encouragement • Build them up 	Support	
<ul style="list-style-type: none"> • Paint the full picture • Help the employees 'up on the balcony' • Give directions 	Guidance	
<ul style="list-style-type: none"> • Employees initiated action without full approval • The project managers both planned and implemented the project • Freedom to act and decide • Voluntary participation 	Locus of control	Responding & Mastering
<ul style="list-style-type: none"> • Lack of supervision • Autonomy • Build independence • Employees set personal goals • Employees guide and monitor their own actions • Self-driven employees • Take responsibility and ownership for personal development 	Independence	
<ul style="list-style-type: none"> • Employees started believing in themselves • Building the employees' confidence • Setting ambitious goals • Going the extra mile 	Self-efficacy	
<ul style="list-style-type: none"> • A unique approach • Fun that they succeeded • Sense of pride • Enthusiasm and excitement • Time pressure • Proximate and ambitious goal 	Feeling of mastery	

Appendix 3: Empirical Evidence

Leaders' actions

<p>Inviting to make decisions is to grant the employees the opportunity to participate. This contributes to empower the employees.</p>	<p>I really look up to (...) Ole. He told me that when he started in his present position (...), he was completely dependent on asking the employees around him and below him for help. And I don't think they were used to this. So, he had a completely different leadership style than the person before him. And that made the employees, 'by the book' empowered and took ownership within the different areas of responsibility they had. More so under Ole's leadership. If you under Ole's leadership, said "I recommend us to do it this way", then we do that! I feel that he is very honest that he does not necessarily know better than others, and that is something I think can easily happen when you become a top manager, that you set the strategic direction without asking the frontline workers. I think that affected the culture to a large extent. [Nora]</p> <p>The leader I used to have, Sara, is the same sort as (Ole). I remember the first conversation I had with her. Such an awesome woman: "I don't care at all about your weaknesses, I want to build you up!", she said. And it was really just what I said about (Ole), if I was a bit frustrated and did not know what to do. And then Sara said: "what do you think, what do you think you should do?". And when I shared my thoughts with her, she said: "then you do it like that". Then you start to think "oh yes", and you start believing in yourself (...). That leader has really contributed to building my confidence. (...) I haven't seen the same leadership style (in the management group), as I have seen in those two leaders. [Nora]</p> <p>First, I tried to have a conversation with my leader, but I did not get through to her. I had a couple of conversations where I tried to tell her: "give me something to do". After a while I felt that I needed some more long term responsibility, kind of like that thing I mentioned about empowerment. But since I did not get through to her I contacted the HR. I had a friend there I knew and he got me in touch with another HR-person who told me that "this is <i>not</i> how it should be. (...) I'm gonna help you and coach you". It was just that one conversation. And then I applied for another position and got it. And in our next conversation she told me "That's great! Good for you". [Nora]</p>
<p>Communicating trust is to acknowledge the employees abilities and capabilities to perform through letting go of control. This is building the employees' independence.</p>	<p>I have just continued with my values on how to lead. And that is to hire talented people that can 'run freely' - 'Hire the best and get out of their way' - and that you as a leader support them when they face problems, but also paint the full picture and help them 'up on the balcony', build self-esteem, and that they dare to make decisions and trust that "I can do it myself". And build independence. And absolutely not micromanage them. (...) and simply give them tasks where they feel that 70 percent is within their comfort zone and 30 percent outside (...). And this was entirely the case with Nora and Lago. She grew so much during those six months, where she basically ran free. [Sara]</p> <p>Not everyone has accepted and appreciated my leadership style all the time. And I can see that many of the traditional leaders have trouble with letting go of control. (...) What happens is that it is very demotivating for the people working in those teams, or for those who wish to work more independently. (...) I think it's awesome to let go of that control. It allows me to rather work on other things, and I do not need to worry about them. (...) Then I can focus on seeing the whole picture, and try to see where we need to lift the level of competence. The most important job I do is to make sure that everyone is doing fine. That is the only thing I can do. And that we are making money, of course, but I assume that this happens when people are doing well. [Sara]</p>

	<p>(...) secondly, because something has happened with our values, in that we don't have to control everything in detail in management groups. We who were a part of those groups saw that this was terribly wrong, but we couldn't get out of it because we needed a hierarchy to build things on. It felt safe, but you never finish. Now we have quit doing that. [Ole]</p> <p>The ones who were going to contribute in the Lago project were the best chatters in customer service. We tend to have a lot of projects, and we also have a lot of employees participating in them. And then you observe that there are some who are very positive and contributes, and others who are more passive. So, it is those that have some ambitions and that we know possess quality, who takes ownership to these processes, that become a resource and we know is a resource. And here, we recognized early that (Lago) would change their everyday work life a lot. It wasn't just a two weeks project, and then you are done. Lago was something they were going to work on continuously, to improve it. We asked Lisa, and she thought about it, and dived right in to it. And then we asked Mads, to bring in someone from the other department, considering that there are different competence behind those answers. [Ole]</p> <p>We have tested it for a while, and had the opportunity to bring in employees and customer advisors. And we have seen that they are giving us good results and are doing a great job with the project. And that they become ambassadors for their workplace. [Ole]</p> <p>They have a lot of freedom, yes. It just happened this way. Freedom creates ownership and engagement, and they work 24/7 if they feel that this is 'their baby'. And if I control too much, I will kill their passion and they will probably not do as good [Ole]</p> <p>It is our customer service agents who knows what to answer our customers. (...) In other organizations, they are hiring communicators. So that is probably a clever thing to do, but we have full confidence in Lisa: 'If you are in doubt, you ask', we told her. But again, she has run her own race. [Tor]</p>
<p>Supporting the employees through encouragement means to focus on the employee's strengths and not their weaknesses.</p>	<p>I remember the first conversation I had with (Sara). Such an awesome woman: "I don't care at all about your weaknesses, I want to build you up!", she said. (...) That leader has really contributed to building my confidence. [Nora]</p> <p>But it's cool to be able to do as you please, but it's more about support from management than anything else. (...) because if I'm in doubt about something, I can ask them, and they know that, so in a way that's fine. I think that it has absolutely something to do with leadership style. (...) It is Ole who has the kind of leadership style that allows us to do it that way. Without a doubt. [Tor]</p>
<p>Giving guidance through direction for the way forward and helping the employees see the full picture, creates independence.</p>	<p>(...) we say that "we trust you and we will initiate the project" and tell them that "this is the budget and the direction to go", and then they implement it. That way we have each other, and then it will go faster. We still contribute with guidance. That feels very good [Ole]</p> <p>I supported (Nora) with what direction I believed she should take, and what she should work on. But otherwise/other than that she 'ran' herself. [Sara].</p>

	<p>We have steered her in the right direction, if there was something she should not be spending time on, for instance. (...) (but) we have really just said: ‘we fully trust you, Lisa’. [Tor]</p> <p>Yes, Nora has been keeping an eye on the process, but we have had considerable freedom of choice within the project, but then again, she is currently not as deep into what we are working on. She is mainly supervising and making sure that Lago succeeds, but it is our job to make it happen. Tor is more technical, so we have cooperated more with him on things like: What happens next? Which platform should we use? So they haven't been very specific about what work tasks we should do, but it is more about just knowing which tasks we are going to initiate ourselves [Lars]</p>
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Employee outcomes and responses

<p>Invitation shifts the locus of control to the employees, who then believe they have control over the outcomes of events at work. The response of people in control is to demonstrate their power to initiate action.</p>	<p>(...) sometimes I just think that it's better to just do it, and ask for forgiveness. And if they like it, they can give you a pat on the back. Because, if you have to ask everyone for permission, then you will probably get 100 different opinions, and the process will take longer. NorLife had already done it, they had got their approval, and it was alright and cheap. So, we believed that the risk for trying this out, and possibly change to another system, was OK. We'll take that risk. Because it was a quick ‘time to marked’, so we just went for it. And then Tor and I initiated the project. [Nora]</p> <p>We did it, but we said ‘we are going to do this now, just so you know. And we are happy to switch (supplier) whenever you feel you are ready’. But we did not want to wait. [Nora]</p> <p>When we initiated the project, we decided to start building the robot before we got approval for everything, because we assumed that we would eventually get it, and in order to save time. Tor likes to take risks, and he just said: “I accept the risk”. [Jonas]</p> <p>Yes, we did (feel free to do it this way), because we knew we would succeed. It was very low costs and no risk, so we just initiated it. If it didn't work out, we could have just thrown it all. And I did put a lot of time into it, almost 30 percent of my time I spent on Lago. Because it was a lot of things that needed to be done, from planning to implementing. [Jonas]</p> <p>Yes, you are absolutely right. A lot of freedom doesn't usually happen around here. We just went for it. [Jonas].</p> <p>It was just because ‘we hit the gas’. We built the entire solution. We wanted to launch it fast. We had support from those leaders we needed support from and if we made any risky decisions, we could always ask ‘I just did this’ and they could have put their foot down if they wanted to. I don't think any of the other countries could have done it as fast as we did and that was solely because we had support and backing for what we did and because we were trusted with that: “it is actually up to you to decide if this is worth it or not”. [Tor]</p> <p>That's why we chose Mads and Lisa. We had a couple of meetings with them, where we told them about the project and asked if they wanted to take on the job. We couldn't force them to do it! And it took some time, because we needed to ask their supervisors and get their approval to use a resource from their department. [Jonas]</p>
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	<p>Everyone else in the team had already started when I returned (from vacation). But it was also about the timing, you see. I got a phone call during my vacation: “If you wanna do this, we’ll wait for you to get back, if not, someone else will just take it”. But then I replied: “Wait for me, I’ll do it when I get back”. [Mads]</p> <p>I have had a lot of freedom to act. My leader has always told me that she will be overlooking my work, to check everything and stuff like that, but she hasn’t done that yet. It is too much work, and she doesn’t have time for that. [Mads]</p> <p>The working hours I have on the Lago project, is very free. In a way, it’s all up to me. Currently I use approximately 30 percent of my working hours on Lago. And the same goes for Lars. What we do within those hours, is completely up to us, but we know that all of the sudden a change can occur which forces us jump around, and then we have to spend 100 percent of our time on it. Then it is managed more by for instance Tor, who is one of the project managers. We have to take it day by day. [Jens]</p>
<p>Independence means to be self-governed or autonomous, and to not rely on something other than yourself. The response of independence is to become self-driven people who set personal goals, and guide and monitor their own actions.</p>	<p>Yes, it really depends on the person (...) without sounding cocky, it wouldn't have happened in any of the other (Nordic) countries, but it depends on the right kind of people. We were all stoked and both of us had a large network. It was essentially Nora and I who run the project. [Tor]</p> <p>What I say whenever someone asks me, (...) is that the most important thing is the right resources, and that it doesn’t get any better than what you create. Involving employees - that’s the right kind of resources. [Tor]</p> <p>High demands are placed on those who are participating in this project. At least the way we did it, which means that ‘your job is to build Lago, so from now on you need to spend 100 percent of your time on it.’ So is has to be independent and self-driven people. That’s why we didn’t advertise for an open position. We actually went to the team leaders and handed them the task, saying ‘please find us some good people. This is very important!’. And then they found us some good people, which was Lisa. (...) And then we first asked her if she would be interested, and she was. [Tor]</p> <p>In addition, Mads is a young and assertive guy, so naturally we chose someone who sticks their neck out. That’s why we chose Mads and Lisa. [Jonas]</p> <p><i>[Nora explains why they chose Lisa]</i> Because she is really skilled. She is very proactive and positive minded. She has a really good ability to formulate. It’s so cool, that those people in customer service, the chatters, they are able to handle five chats at once. It’s insane! In addition, they are really down to earth and friendly people. And that is exactly what Lago needed to be. He was not going to be a ‘banker’, but more personal. And that is way we quickly decided to go with Lisa [Nora]</p> <p>(becoming more agile) is a way to get the power of decisions down to those people who are closer to the customers, so they can make decisions more quickly and deliver faster. And it demands that those people who actually are closer to the customers experience a greater pressure on competence.” [Sara]</p> <p>It requires you to take responsibility, to a large extent. Total ownership. In the sense that: “I will deliver the best for Norbank and Norbank’s customers. Even though I work on this little thing, I have to understand the</p>

	<p>whole range of responsibilities and opportunities.” (...) The people need to have broad competence and be ‘up on the balcony’. [Sara]</p> <p>You have to take ownership for your own development. And if you don’t, then you may not actually fit in here. Because we need to have talented people. It’s about the urgency to raise the level of competence, and that is quite thorough and demanding, for those who cannot make it.” [Sara].</p> <p>It becomes a little less “silo based”, that way. Then it is not simply. ‘I work on this and you work on that’. It is better if I can finish it, as long as I can get the information I need from different places. So it’s an advantage (to collaborate between departments). But it demands that you are focused and have some personal goals. Because it’s very little micromanaging from your supervisor in the work that you do. At least for me. I had to set some personal goals to work efficiently and continuously with it. [Mads]</p> <p>I am actually used to (working with a lot of freedom). But you need to ‘watch your step’, when no one is measuring your work. So, it’s only your excel-sheet that tells you how well you are doing. [Mads]</p> <p>It’s not so much supervision, really. So it was definitely a lot of freedom. I could have said that everything was ready, but really only one third was done. But I did not do that, of course. [Mads]</p>
<p>Self-efficacy arise from an appreciation of one’s abilities or qualities and determines how people feel, think and motivate themselves. The response of increased self-efficacy is to set ambitious goals and to go the extra mile.</p>	<p>I remember the first conversation I had with (Sara). Such an awesome woman: “I don’t care at all about your weaknesses, I want to build you up!”, she said. [Nora]</p> <p>I haven’t been in Norbank for a long time, and I came straight from school. And to be honest, I did not believe that I could know better than others. Not that I know better than others now, but what you are thinking is not necessarily that stupid. (...) That leader has really contributed to building my confidence. The belief in ‘The Law of Jante’ and being a ‘good girl’ was thrown away. [Nora]</p> <p>The team. Because they made it so much fun to work with the project. There was so much enthusiasm, and they always went the extra mile to make sure that we delivered on time. We just had that ambition towards the Nordic countries that “we’re going to show you that it is possible”. But this is not the first time Norway does this, I mean, it’s sort of a thing to say: ‘look to Norway’. [Nora]</p> <p>I would maybe add that I believe one of the reasons why we succeeded with involvement and inclusion of employees in the Lago project, was because we had the ability to create engagement, and maybe because it was fun to have a goal that was so within reach. People are perhaps fed up with projects that takes two years to complete. Over and over again. But here they realized that this happens now: “Launch is in 12 weeks. Are your with us? YES! Of course I’m in.” I think that creates engagement. [Nora].</p> <p>(The first weeks working on Lago involved) early mornings and late nights. The workload was extreme! (...) So it was quite hectic, but we had been a bit big mouthed about our goals: ‘We’re gonna finish this at the same time (as the other department)’. So, it was fun that we made it! [Mads]</p>
<p>Mastery experience reinforce a sense of self-efficacy. The response to</p>	<p><i>[Mads responds to what he would consider to be a successful change process for him personally].</i> I feel that I am mostly motivated when I am asked to do something and that something needs to change, and if I succeed with that, it gives me a personal feeling of mastery. [Mads]</p>

<p>mastery experience is to take on more challenging projects.</p>	<p>It was a unique thing that we made it within 12 weeks and had implemented the solution. Mostly because Norbank is so large, and that we actually are a conservative bank (...) It was very fun that we managed it". [Ole]</p> <p>It was cool, you know, when you have used a whole day to make the content. And then you have made ten new things. And since the modules have to be trained during the night, you do not know whether it will work or not. But when you have 95 percent right, that's extremely cool. But I am quite good at it (laugh). [Mads]</p> <p>I think it is very exciting to work with Lago. (...) And I think it has become quite good. I believe it works really well and is becoming better and better from day to day. So I actually think it is quite successful. [Lars]</p> <p><i>[Does that feeling give you something?]</i>: Perhaps pride, to be a part of it. (...) And it's also a good experience, to be a part of it, and I believe the training and to understand how it works will be valuable for me later. [Lars]</p>
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Title

From resistors to resources - practicing employee involvement

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Introduction

Organizational change is perhaps the most important but also most challenging strategy for companies in a constantly changing market. Due to the exponential growth of digitization, companies are forced to find new and satisfactory ways to adapt to the changes in their environment to continue to create value. In Norway, technology and digitization has already had a major effect on the Bank and Finance industry. Customers are demanding easier and faster access to transfer their money and 24hours customer service. In order to meet these demands, Norwegian banks are changing their strategies. The general perception of experts is that most organizational change efforts fail, and often blamed on employee resistance (Kotter, 1995). However, more recent theory offers new insight on change, resistance and employee involvement that can contribute to more successful change processes.

‘Resistance to change’ have through the years been given different meanings by scholars – from being a mental model that hinders success (Dent & Goldberg, 1999), to being a resource for change (Piderit, 2000; Ford, Ford & D'Amelio, 2008). Researchers have also different focus on the relationship between employees and managers; whether employee resistance is something the managers need to overcome (Kotter, 1995), or something the managers themselves contribute to maintain (Ford et al., 2008). Kotter’s (1995) eight-step model for change has been widely used as method for executing change effectively, but his suggestions for dealing with resistance is aimed at the employees as resistors (Kotter & Schlesinger, 2008). Scholars like Weick and Quinn (1999) and Sonenshein (2014a) therefore introduce a new paradigm in change management and employee involvement, considering employees as resources rather than resistors.

As the new paradigm was set, this also changed the focus of study from the perspective of the change agent, or top-management, to the perspective of the employee. Sonenshein & Dholakia (2012) therefore consider how employee’s own interpretation and sensemaking of change explain the resources they use to implement change. In this sense, implementation is not just something management decide, and the employees simply execute (Carlsen & Vålikangas,

2016). Thus, to better facilitate enrollment of employees as resources, one should rethink how change is being implemented. We believe both the perspectives of the employees and the management are important for understanding this rationale. However, there is a lack of research on employee's active role in implementing change, and on how employees make sense of this involvement.

In an attempt to fill this research gap, we will do as Sonenshein and colleagues (2012; 2014a; 2014b), and focus our research on how the employees themselves make sense of change processes and can function as resources and not as resisters to change. Our research will explore the following question: *How do employees become resources rather than resisters in a change processes and what type of involvement contributes to best practice?*

We believe our research question is important because it adds to the knowledge of involvement in change and challenges the traditional way of thinking about employee resistance in a change process. The aim of this study is to bring new insight to organizations on how to best involve their employees during change.

Theoretical background

Resistance to change

Kurt Lewin (1951) is considered to be the founding father of change management and known to have coined the term 'resistance to change', which, along the way, seem to have lost its original meaning. Dent and Goldberg (1999) examine how 'resistance to change' has become a received truth and a mental model that actually hinders the success of change implementation. While Lewin (1951) introduced the term as a concept embedded in the system, those who carried it forward changed the concept to be a psychological issue concerning the relationship between employees and managers. This has led to great attention to overcome the resistance of change, when what one should have been concerned with perhaps was to modify how change is being implemented.

In an effort to explain how organizational change often fails, Kotter (1995) created eight steps on how to transform an organization when going through changes. What he found through research and experience was that even though

employees understood the new vision, it was hard to execute the change. Later, he changed his theory after studying more large-scale changes. The old methodology was not able to handle the rapid changes that occur today (Kotter, 2012), and therefore he expanded the scope of the eight steps to make change implementation more effective. Although Kotter stated that obstacles in the individuals were rare, and that the obstacle was rather in the organization's structure (Dent & Goldberg, 1999), his way of looking at resistance is considered to be a part of the old paradigm in change management. Even though he considered resistance to be both sited within the individual and in the larger systems (Dent & Goldberg, 1999), his suggestions for dealing with resistance to change still focus on employees as resisters (Kotter & Schlesinger, 2008). Therefore, Weick and Quinn's (1999) review of the literature on organizational change and development set the stage for a new paradigm in change management and employee involvement which turned away from the common view of employees as resisters to change.

A new paradigm of change

Contrary to the negative conceptualization of resistance to change, many 21st century researchers regard resistance as a necessary resource in a change process. Piderit (2000) reviews studies of resistance and change and suggests a new way of responses to organizational change. Earlier resistance to change was associated with negative motives, but she gave rise to the belief that resistance could also be seen as a positive intention. Piderit (2000) related appearance of resistance to how subordinates viewed the support, or lack of support, from both managers and other coworkers: "Successful organizational adaptation is increasingly reliant on generating employee support and enthusiasm for proposed changes, rather than merely overcoming resistance" (Piderit, 2000, p. 783). She also considered resistance in the form of ambivalence to be a resource for change. Thus, her multidimensional view of attitudes towards organizational change gives a broader view of how employees respond to change. Consequently, like Dent and Goldberg (1999), she argues that the phrase "resistance to change" is outdated and calls for new research on employees' own response to change (Piderit, 2000, p. 789).

Both building on and challenging Dent and Goldberg (1999), the article of Ford, Ford and D'Amelio (2008) made an effort to change the one-sided story of resistance which have been change agent-centered. Like Piderit (2000), they argue

that resistance should not be considered purely as a negative reaction, but also a resource for change. However, they propose that the agents themselves contribute to maintaining resistance as a concept through what they do and not do. By treating the employees as resisters, they are, in fact, achieving just that, like a self-fulfilling prophecy. Finally, they suggest a reconstruction of the resistance, not abandoning the concept as others have proposed, but expanding it to include how change agents contribute to resistance through sensemaking, in addition to the recipient's' action and the relationship between them.

Piderit (2000) and Ford et al. (2008) are not the only scholars that propose that resistance is not necessarily harmful. Courpasson, Dany and Clegg (2011) breaks the tendency of thinking that resistance is an oppositional structure of action. Rather than judging “misbehavior” as something isolated to organize for only specific interests and values, they created a perspective of actors being “product of each other” (Steinberg, 1999, p.208, cited in Courpasson et al., 2011). This may be seen in light of resistance in a system, not as individuals. In sum, this two-sided story see resistance as both an important and necessary function to any kind of change process, and “in this conceptualization resistance acts as a safeguard against the diffusion of inefficient technologies” (Hartmann & Fischer, 2009, p. 355).

Through the eyes of the employee

Also focusing on sensemaking are Sonenshein and Dholakia (2012), but through the eyes of the employees and not the change agent. Their ‘Meaning-Making Change Adaptation Model’ (MCAM) is aimed at explaining how and when employees adapt to change, and it is a contribution to understanding how to implement change more effectively. They also argue that research on change has usually taken the perspective of the top-management, and that the lack of research on employee’s role in change implementation is one of the reasons why they generally expect them to respond in a resistant way (Dent & Goldberg, 1999; Ford et al., 2008). However, recently there has been a shift in focus from the “resistance lens” to a broader research on other employee responses to change, where Dent and Goldberg (1999) argues that the change process itself could be a source to explaining how they react to change. As explained by Ford et al. (2008), research has previously treated employees as resisters blocking successful change

implementation. Sonenshein and Dholakia (2012) therefore want to show how employee's own interpretation and sensemaking of change explain 'key psychological resources' which employees use to implement change. They suggest that future research should also examine "how employees give sense and influence one another" (Sonenshein & Dholakia, 2012, p. 37).

Sonenshein (2014a) have proposed that managers need to consider their employees not as resistors to change, but as resources to successful change implementation. Leaders should start to view employees as valuable resources and turn them into resources for change "as they become enrolled in trying to change the organization versus working against it" (Sonenshein, 2014a, p. 137). Like resourcing theory, this "turns attention to the changes in practice that lie behind innovations" (Feldman & Worline, 2011, p. 9). The focus of this theory is on specific, identifiable actions who are taken by specific people, or even machines, at a specific time and place. Thus, viewing this through the resourcing theory, a bottom-up process can generate change within the organization, as actions are taken by subordinates. Further, one of Sonenshein's studies adds creativity to the list of foundational skills for resourcing (2014b). While scholars have typically looked at resourcing as a bottom-up process, Sonenshein (2014b, p. 842) emphasize the critical role of managers in "permitting and guiding creative resourcing", and he encourages other scholars to gain a better understanding of the skills managers need to foster such resources.

Implementation and involvement

One way to better facilitate enrollment of employees as creative resources is to rethink how changes and new ideas are implemented. One of the issues of Kotter's 8 step model is the idea that implementation of change is only a separate step towards the end, and that the involvement of a large group of employees is only a means to reduce resistance to change and achieve successful implementation. But in this view, new ideas are something management has generated while the employees simply should execute (Carlsen & Välikangas, 2016). Therefore, Carlsen and Välikangas (2016, p. 150) challenge this view and reject "idea work as proceeding in linear and clearly separated stages of generation and execution". In fact, they suggest that the most creative phase is the implementation phase. Therefore, they ask what it does "to people's engagement

in idea work if they are framed as merely executing ideas of others rather than taking on leading roles in idea discovery?” (Carlsen & Välikangas, 2016, p. 143). We would also question whether being asked to simply implement a change is good involvement at all and suggest that employees should be involved through the entire process of change, not to reduce resistance, but because they are valuable resources for change.

The theoretical background of this thesis show why change management and the focus on employees in change processes is important. The newer research used in this review contribute to a two-sided view of resistance as not necessarily a bad response, and that both employees and resistance in itself could be a resource. Further, implementation is considered a major part of the idea work and should therefore involve the creative resources of employees as well. Yet, there is still a lack of research from the perspective of the recipients of change, we aim to explore how employees become resources rather than resisters in change and what type of involvement contributes to best practice.

Methodology

There are several approaches to a research problem. In this section, we will describe our research setting, research approach, design, data collection and ethical considerations.

Research setting

Because our main interest is within technological changes, and since it is evident that the bank and finance industry is affected by these changes, NORBANK is a great place to explore how these changes come about and how employees are involved. NORBANK is a Nordic financial service group and one of the largest banks in Europe. Building on experience from many years, NORBANK has been awarded the Best Private Bank several times and serves also a number of big corporate clients. However, along with the exponential growth of technological development, the consumers of the bank are demanding easier and faster access to their money and 24/7 customer service (Chung, 2013). Therefore, the banking landscape is changing dramatically. In order to adapt to these changes, NORBANK has established a new digital unit and started working with several

‘fintech hubs’ in the quest of becoming a fully digital bank. This has led to several changes both for the employees and the customers. Today, customers have the opportunity to use a simple mobile application to transfer money to friends and purchase goods, and the banks are offering live chat or Skype as a substitute for face-to-face consolidation. The latest addition to customer service is a chatbot.

“A chatbot is a machine conversation system which interacts with human users via natural conversational language” (Shawar & Atwell, 2005, p. 489). A chatbot can be used wherever there are consumers in need of information, but for customer service specifically, a chatbot could streamline the process and maximize efficiency (Newman, 2016). LAGO is NORBANK’s ‘virtual agent’ or chatbot. He was implemented in 2017 and has already been termed ‘the most efficient co-worker at NORBANK’. After only a few weeks in play, he decreased the call queues and reduced the customer inquiries on email with 30 percent. Although LAGO is seemingly the most efficient co-worker, he is not intended to handle customer inquiries alone and is merely an addition to NORBANK’s customer service. Nevertheless, chatbots are believed to potentially revolutionize customer service and change the future of organizations (Newman, 2016). Chatbots significantly change how banks interact with their customers and can improve customer experience. It also allows the bank to serve a great deal more people at once (Schlicht, 2016). Consequently, it will free up time for customer service employees to handle higher touch-interactions or downsize which the businesses can save a lot of money from (Newlands, 2017). As Chatbots are a part of the banks quest of becoming more digital, they can be a type of episodic change occurring when organizations are moving away from a state of stability often caused by external events such as technological change (Weick & Quinn, 1999). A revolutionary or episodic change is also considered a response to growing inertia and takes the form of a planned replacement, in this case replacing parts of the customer agents’ responsibility (Plowman, Baker, Beck, Klukarni, Solansky & Travis, 2007). However, as artificial intelligence is expected to amount for 85 percent of customer relationships by 2020 (Gartner, 2011), chatbots may replace most customer agents at NORBANK.

Research approach

There are mainly three different approaches to research; inductive, deductive, and abductive reasoning. The inductive approach has a specific observation with a

more generalized conclusion, and the deductive approach bases its assumptions upon existing theories (Zalaghi & Khazaei, 2016). One of the main advantages using inductive reasoning is that prefabricated framework or models are not necessary, because of the generalization of the conclusion. In contrast, the deductive reasoning approach have specific characteristics that makes the conclusion factual if the premises are accepted (Zalaghi & Khazaei, 2016). However, there are also some limitations of the two approaches that will prevent the research to meet its full potential. The inductive reasoning has “unavoidable logical gap between empirical adequacy” (Ketokivi & Mantere, 2010, cited in Martela, 2012, p. 96), meaning that the approach can be limited, due to individuals’ observations and the data of the research (Saghafi, 2014, cited in Zalaghi & Khazaei, 2016). The deductive reasoning approach bases its conclusion solely on one explanation, giving no room for alternative exploitations, and focuses on one single theory (Ketokivi & Mantere, 2010 in Martela, 2012, p. 96). The deductive approach is therefore “considered to be truth-conserving; if the premises are true, the conclusion must be true, too.” (Fischer, 2001, p. 366). Thus, deduction does not contribute to new knowledge of the study.

A third approach were introduced by Peirce (1998a/1903) who found both inductive and deductive reasoning to have noteworthy limitations. “The abductive approach is concerned with the particularities of a specific situations that deviate from the general structure of such kinds of situations” (Danermark, 2001, cited in Kovács & Spens, 2005). This means that it does not focus on generalization, but is more concerned with the specific situation itself, which can determine whether the situation can be generalized or if it is specific. Thus, abductive reasoning leads to new paradigms and can be considered as knowledge-increasing (Fischer, 2001, p. 373). The abductive approach can therefore be noted as the more creative process (Taylor, Fisher & Dufresne, 2002, cited in Kovács & Spens, 2005) where one tries to combine and match theory to find a new framework, or to extend an existing one, through the new observation of the researcher (Kovács & Spens, 2005). The role of the researcher is therefore active, where the researcher has an interactive relation between theory and the empirical study (Kovács & Spens, 2005). Thus, the conclusion will be based upon the researchers experiences and pre-understanding, and make room for interpretation of the data. Based on this, our research will use an abductive approach, as it allows us to combine theories and

be active researchers through the process, in addition to make own interpretations of the collected data.

Research design

Using the reasoning from choosing the abductive approach, we will adopt a qualitative research method. According to Smith (2015, p. 1), qualitative research is concerned with describing the “constituent properties of an entity” and often aims at giving rich or thick descriptions (Geertz, 1973) of the phenomenon being investigated. The qualitative research focuses on the occurrence of a situation in its natural context, and will aim to understand the meaning of it within that context (Klenke 2010; Silverman 2000; 2004, cited in Salovaara, 2017, p. 17). As for our chosen research area, we believe our study has certain elements related to case study - being conducted for a specific change process within an organization (Bryman & Bell, 2015). Thus, our type of case is exemplifying to our research question, which concerns what kind of involvement contributes to best practice. In our study, NORBANK and LAGO is an exemplifying case because it represents a new way of digitizing customer service which is expected to be the standard across every industry. However, the design of qualitative research is not fixed, as it need to be developed to fit the specific study of research (Maxwell, 2012, p. 3).

Data collection

Using NORBANK as a case context is relevant due to the changes occurring in customer service, and the participants of study will be those involved in the LAGO project. As for the qualitative methods, they focus on a small sample which therefore needs to be purposeful, meaning that the case of study is information-rich so one can learn a lot about the phenomenon (Patton, 2002). In this study, we will use a combination of intensity sampling and snowball sampling to acquire the necessary informants. The latter is used for locating key informants and then asking who else one should talk to which makes the sample bigger (Patton, 2002). When we first approached NORBANK, we talked to the HR department about the particular case of interest, and it was suggested that we interviewed the project manager and the head of customer service first, in order to acquire knowledge of the field. Further, they helped us book these interviews, in addition to four other interviews with team members of the project. From there we rely on snowball sampling to find the rest of the interviewees. Further, we might

change the criteria for sampling as the study progress (Pratt, 2009), and hope to get access to data from questionnaires on customer satisfaction from using the Chatbot or other relevant material from the LAGO project, which will be secondary data of interest.

Data collection methods

In a qualitative study, a ‘between-method’ triangulation will be helpful to test the degree of external validity of the sample, in addition to “capture a more complete, holistic, and contextual portrayal of the unit under study” (Jick, 1979, p. 603). Thus, adding several methods to a study will simply make it easier for the researchers to uncover elements that otherwise would not be revealed. We therefore aim to use participant observations and interviews, which should be semi-structured and open-ended, in our study. In regard to the participant observations, they are usually used within ethnography, where the researcher observes the participants to find key information to investigate further in an unstructured interview (DiCicco-Bloom & Crabtree, 2006, p. 315). For our research, the participant observation will most likely be of the individuals working within customer service. However, we see the benefit of using both methods, except that we intend to use semi-structured interviews. The benefit of the semi-structured interview is that they are “generally organized around a set of predetermined open-ended questions, with other questions emerging from the dialogue between interviewer and interviewee” (DiCicco-Bloom & Crabtree, 2006, p. 315). In other words, it allows us to have premade questions that tap into our research area, but also gives the interviewee the opportunity to elaborate around the topics themselves.

Further, we believe storytelling could be a relevant method as a part of our semi-structured interviews. Weick (1995, p. 61; cited in Taylor, Fisher & Dufresne, 2002, p. 314) states that “a good story holds disparate elements together long enough to allow people to make retrospective sense of whatever happens and engagingly enough that others will contribute their own inputs in the interest of sensemaking”. By asking employees, not how they perceived themselves, but how they went about doing their work during the change process, we will get an idea of their level of involvement.

Research progress

Our research design consists of three phases. First, we need to gain sufficient knowledge about the company and the technological change or the project in focus. This is also related to why we chose the abductive reasoning, where we will be interactive with theory and the empirical study (Kovács & Spens, 2005) throughout the process, as stated earlier. In this phase, we will also conduct a pilot study where we will interview the people responsible for the project in NORBANK, in addition to few members of the project team working on LAGO. In that way, we will again attain information that will be beneficial for further data collection. In the second phase, we will continue the data collection, which is planned to happen during February 2018. We aim to observe and interview employees in the customer service, and from there we rely on snowball sampling to find additional interviewees, if needed. The transcription of the interviews and the analysis of the data will be done after the data collection. This will also reveal whether we need additional data to validate our findings, or to gain clarity for previous statements that could potentially be of importance to our findings. If so, follow-up observation and/or interviews needs to take place in the last phase of our planned research design.

Ethical consideration

Our study will be conducted with ethical considerations. Through the informed consent, we will provide the participants with sufficiently full and accessible information about our study, and with that information, the participants are free to decline or withdraw from the study at any time (Crow, Wiles, Heath & Charles, 2006). All participants will be held with confidentiality, in addition to the information they provide to our study. The audiotaped records from the interviews that we are conducting, will be deleted after transcription. The transcription itself will be held within the department, and not used to any other purposes than stated in the consent.

Tentative plan for completion of thesis

Schedule for thesis progression:

	January	February	March	April	May	June
Preliminary thesis report	X					
Read more literature	X	X				
Develop interview guide	X					
Data collection		X				
Transcription of interviews		X	X			
Analyze data			X	X		
Follow-up interviews and further data collection				X		
Write up thesis					X	X
Hand in thesis						X

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Appendix

Interview guide for NORBANK

PHASE	CONTENT	PURPOSE
Phase 1: Initiation and warm up (10 min)	<ul style="list-style-type: none"> - Small talk, look for common ground. - Introducing ourselves and the purpose of the study. - Explain confidentiality and informed consent. - Ask for permission to record the interview. - Get to know the interviewee: <ul style="list-style-type: none"> • Can you please tell us a little bit about yourself? • How long have you been working in Nordea? • What is your position/responsibility in Nordea now? • What is your role in the development and implementation of LAGO? 	<p>The purpose and context of use, confidentiality and consent, get to know and connect with the interviewee.</p>
Phase 2: Eliciting extended storytelling (20 min)	<ul style="list-style-type: none"> - How would you describe working on LAGO the first few weeks of the project? - How is it now? - Has your involvement changed? <p>Can you tell us how you perceived this change process in regards of your expectations?</p> <ul style="list-style-type: none"> - How were you involved? - What happened? <p>Can you tell us about an episode where you were part of bringing an idea forward in the project?</p> <ul style="list-style-type: none"> - What happened? - How was it received? <p>Think about the same episode/project. Can you tell us more about the relations to the other colleagues/project team members.</p> <ul style="list-style-type: none"> - Can you give us an example of something that you experiences as particularly rewarding/difficult, surprising in the change process? 	<p>The variation within the project over time.</p> <p>Interviewees own interpretation.</p> <p>Get stories about the interviewee involvement and agency.</p> <p>What relations created involvement?</p>
Phase 3: Directed questions, comparative (20 min)	<ul style="list-style-type: none"> - What would you say determines an extraordinary change process? - In what way is LAGO living up to this ideal? - If you could change anything about this project, what would it be? - At what point in the process did you feel most engaged? - When would you feel best involved in a project? - Was this the case in working with LAGO? 	<p>Look for patterns for involvement, resourcing and resistance.</p>

	<ul style="list-style-type: none"> - Did you feel that your ideas were considered? - Did you ever have any concerns with this project? (Did you share them with anyone? Who? How did they respond to your concerns?) 	
<p>Phase 4: Closure and sharing (10 min)</p>	<ul style="list-style-type: none"> - Summary - Recap findings - Did we understand you correctly? - Is there anything you like to add - Thank you so much for your participation. 	<p>Repeat context of use</p>