



# A Common Language

This case study presents the use of ChangeMasters within a large enterprise, in this instance IKEA, and in logical order the challenge they addressed, the previous method(s) they used, the implementation of ChangeMasters Services within the organization and the results and benefits achieved. ChangeMasters Services are innovative, highly engaging experiential-learning edutainment services that improve change and innovation management, at the level of both readiness and competencies, for individuals, teams and organizations.



## Business/Organizational Challenge

### ORGANIZATION AND THE TEAM THAT FACED THE CHALLENGE

IKEA is a privately-held, international, low-cost home products retailer that sells modern, utilitarian design furniture, much of which is assembled by the consumer. The company distributes its products through its retail outlets. The chain has 253 stores in 35 countries; most of them in Europe, and in the United States, Canada, Asia and Australia.

The year of 2006 saw 16 new stores open. There are plans to open another 24 stores in 2007. The IKEA Website, which contains approximately 12,000 products, is the closest representation of the entire IKEA range. In 2005 IKEA reported over 275 million visitors to their websites. Additionally, the IKEA catalogue, distributed free, has an annual printing of over 160 million copies. The company's motto is "Affordable Solutions for Better Living".

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So (by using ChangeMasters

Simulations) we create a common

language. And I think that there's one

thing that shows the success in IKEA,

when the common language is the one

that we keep using about change.

Then we have succeeded.

We're making an impact.

Pontus Gabriel, IKEA



## PROBLEM ADDRESSED

Change has been a part of everyday life at IKEA for a long time, due to both growth and restructuring. But it is not until recently that the issue of change has been addressed and prioritized. There is clearly a need for change competencies at IKEA, especially among the middle management.

IKEA found that it needed to meet three main challenges:

1. Change as both an extensive and on-going process
2. Change in a consensus-driven organization
3. Sustainability of change processes.

Change is expected to be part of everyday life in IKEA in the future and there is a constant need for change management competencies. But building these competencies is an ongoing-process, where the target is to disseminate knowledge in a way that supports daily operations at all times.

One very distinct feature about IKEA is that it is an action orientated organization. Tools have to be immediately applicable and less theoretical. Emphasis is placed on how things are done, and less on how they can be understood differently. Theoretical discussions that are not anchored in developing a practice have no place at IKEA.

Another issue that is special about conducting change in IKEA is that it is a consensus-driven organization. Change is rarely a product of top-down directive, but usually a product of ideas thought up by the middle management, who then needs to communicate its ideas to the rest of the organization. A key issue of change at IKEA is therefore about being able to communicate change.

It was also found that IKEA needed to prioritize the sustainability of change processes. Many change processes at IKEA seems to be successful for a while, but after a while the organization seems to slip back into its old habits.

## PREVIOUS METHOD

IKEA has for some time offered a wide range of development programs worldwide ranging from IKEA concept training to leadership. Previously experiences with the deployment of change management included the "Business Explorer" course, which was delivered by an external organization.

## CHANGEMASTERS SOLUTION

Today the ChangeMasters solution is currently being deployed within two organizational contexts – the P3 Program and Leading in Change (LiC).

The P3 program was set up to process orient the supply chain by providing new methods and tools for the Supplying process. During the roll out of the P3 deliveries more than 50,000 co-workers will need to be trained.

Leading in Change is a management program within the P3 program, aimed at line managers, project management teams and other key stakeholders. The courses run mainly 2-3 days at an isolated location.

The ChangeMasters simulation is an integral part of the program and is complimented with other IKEA methods, models and tools. In addition, there is a five day train-the-trainer session provided for those who will be certified to run the LiC program in their own organizations. Previously the change management simulation was deployed for 4-12 participants, but it is now mainly being deployed in courses with 12-20 participants (and sometimes up to 30).

The solution includes focused pre-activities (delivered via an internal e-learning platform) and, afterwards, key post-activities (plus feedback and evaluation).

## BENEFITS

Within the IKEA context, the ChangeMasters workshop has provided a wide variety of benefits on both a personal/participant level, on group level, and on the organisational level.

The Change management simulations has clearly managed to provide a value to IKEA in terms of a shared language for analysing, discussing and implementing change.

This has produced a number of benefits, which include:

- Timing of initiatives and their prioritization
- Strategy commitment (even in the face of frustration & outside pressures)
- Cutting costs on change processes
- Reduction of change resistance
- Clarification of expectations and on-going evaluation

Only 150-250 of IKEA's 100,000 employees globally have taken part in the change management Simulation. On a global scale, this may seem insignificant, but in local areas, diffusion has already created a critical mass of users, who are using the terminology and analytical models, without even having tried ChangeMasters.

