



JÖNKÖPING INTERNATIONAL BUSINESS SCHOOL  
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# Communication of Values

A Qualitative Study at Stena Metall

Paper within Business Administration

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# Bachelor Thesis within Business Administration

**Title:** Communication of Values

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**Key words:** culture, values, core values, aspiration values, organizational communication, communication process, noise, information overload, formal communication, informal communication, communication channels, Stena Metall

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## Abstract

**Purpose:** The purpose of this thesis is to investigate Stena Metall's values and how they are communicated within the organization.

**Background:** In the Fall of 2008, the world was shocked by the worst financial crisis in decades. The crisis had deep effects on the Swedish economy, and many companies suffered heavily. The recycling and environmental service company Stena Metall experienced their first negative result in 30 years, and 900 employees had to leave the company. An action program, including an altered culture was established with the purpose to adapt the operations to the new business environmental conditions. Values, which are a part of the organizational culture, were decided to be an important part of the change. To implement these in the entire organization a well-structured communication process is needed. Within these subjects; values and communication, a qualitative study at Stena Metall has been conducted.

**Method:** To fulfill the purpose, a qualitative method has been used. Thirteen interviews were conducted to collect data from different levels of the organization. The interviews were designed differently based on the employee's level of responsibility in the organization. The theoretical framework used when analyzing the empirical material includes earlier research in the areas of culture, with emphasis on values, and communication.

**Conclusion:** Two set of values have been identified, core values and aspiration values. The findings indicate a gap in the communicational process at Stena Metall. Part of the new information communicated about Stena Metall's values is lost on its way from the management to the lower levels in the organization. The perception of what the values mean, both core and aspiration values, differs depending on level in the organization.

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# 1. Introduction

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*“Values are broad tendencies to prefer certain states of affairs over others. Values are feelings with an arrow to it, they have a plus and a minus side”.*

(Hofstede, 1994, p. 8)

## 1.1 Problem Discussion

In the fall of 2008, the world was shocked by the worst financial crisis in decades (Dagens Nyheter, 2010a). Bad and incautious loans on the American mortgage market were one of the causes for the financial crisis that came to influence the whole world (Dagens Nyheter, 2010b). Sweden was, and still is, deeply influenced by the economic downfall. Riksgälden, the Swedish National Debt Office, started a program to help the financial system stay solid (Dagens Nyheter, 2010c). Nonetheless, Swedish companies suffered heavily. The automotive industry was highly affected, which can be seen in the former Swedish companies Volvo and SAAB (Allt om motor, 2008). These are the largest operators in the Swedish automotive industry, and they have several subcontractors who also have been affected by the crisis (Aktiespararna, 2009). Stena Metall Group is one of these affected subcontractors, who offers quality-assured solutions to various industries and sectors of society. It includes recycling and processing of metals, paper, electronics, hazardous waste and chemicals. Other parts of their business are international trading in steel, metals and oil (Stena Metall, 2010a). In the summer of 2008, the demand of Stena Metall's products was still high, as well as the prices of raw-materials. When the summer ended the situation changed. Due to financial concerns, the waste-prices decreased to reach a bottom low in November. Most of Stena Metall's customers were not affected by the crisis at this early stage, consequently the incoming volumes of waste-materials continued to be high. As the financial situation worsen Stena Metall had a large stock, but only few buyers. It generated Stena Metall's first negative result in 30 years, and 900 employees had to leave the company (Stena, 2009, p. 6 & Jansson D., personal communication, 18 February 2010).

The loss of both employees and revenues made Stena Metall realize something had to change. An action program was established with the purpose of adapting the operations to the new business environmental conditions. A conclusion drawn from the evaluation of the company was the lack of cooperation and coordination within and between Stena Metall's subsidiaries, which make the entire organization inefficient. To solve this difficulty the parent company needs to take a more dominant role within the group and work as a coordinator (Jansson D., personal communication, 18 February 2010).

According to Russ (2008), organizations do not change without the effort of human factors and the communication it brings. The communication process is therefore a crucial part of the change. Kreps (1990) defines organizational communication as “the process whereby members gather pertinent information about their organization and the changes occurring within it” (p. 11).

The management at Stena Metall saw the need of a cultural change to make the subsidiaries cooperate more. Values, which are an integrated part of the organizational culture (Schein, 1984) were decided to be an important part of the upcoming change at Stena Metall. The organization's current core values are Simplicity, Reliability and Development. To complement these with words describing what culture Stena Metall was heading for, three additional values; Share, Measure and Follow-up, were introduced in May 2009 (Jansson, D., personal communication, 18 February 2010). Scott, Jaffe, Tobe & Gerould (1993) define values as "the essence of a company's philosophy for achieving success. They are the bedrock of corporate culture. Values provide employees with a sense of common direction and guidelines for day-to-day behavior" (p. 19). To have successful values, which give the organization a mutual platform, they must permeate the whole organization (Jansson, D., personal communication, 18 February 2010).

To mediate the values, both the pre-crisis and the additional values, throughout the whole organization, a well structured communication process was needed. Jansson (18 February 2010) explains the new values to be important for the future efficiency of Stena Metall. If this important change is not being communicated right, the goal of the change may not be accomplished. This leads us to the question about the communicational processes at Stena Metall, whether the values are received properly or even at all by the employees.

The problem identified in this thesis thus concerns communication of values. We attempt to find out how the values are communicated within Stena Metall. The values are formulated by the top management and communicated to lower levels of the organization. To understand the communication process it is of interest to investigate how the values are perceived by employees at different levels of the company. If the values are perceived in one way by top management and in another way by the recipient, the values can become empty words. Empty values may cause employees to become cynical and dispirited (Lencioni, 2002).

We stress the importance of realizing that there are other improvements an organization can undertake, which affect the company results but are not fiscally oriented. Reminding employees of the core values and implementing additional values at Stena Metall can be an example of a non-financial activity, which aims is to improve performance due to increased employee commitment.

## **1.2 Purpose**

The purpose of this thesis is to investigate Stena Metall's values and how they are communicated within the organization. This means we focus on:

- What the values are and how they are perceived by employees at various levels of the organization.
- The communication process of values, from the top to lower levels of the organization.
- If the values communicated from the top match the values perceived by the employees in lower levels of the organization.

## **1.3 Delimitations**

The thesis respondents are limited to personnel working at Stena Metall and its subsidiaries within the Gothenburg region. The subsidiaries represented in this study are Stena Stål, Stena Recycling, Stena Oil and Stena Miljöteknik. Four out of seven subsidiaries are represented.

## **1.4 Disposition**

The thesis is structured as follows; The theoretical framework, which comes after the introduction, presents the concepts of values and communication. Then, a description of the method is presented, which includes the process of the study, the qualitative method used and how data was collected and analyzed. Additionally, it includes a discussion of the trustworthiness of the study. The empirical data is presented in chapter four and is divided in two parts. The first part presents material of Stena Metall's history, organization and values. The second part includes material gathered from qualitative interviews. The next chapter provides the analysis of the empirical data in connection to the theoretical framework, followed by the conclusion. Here, the most important result of our analysis is presented. Finally, further questions and reflections raised during the study are presented in chapter six, labeled suggested future studies.

## 2. Theoretical Framework

This chapter contains the theories about values and communication. Values are a part of culture, and are the reason why Schein's theories concerning the layers of culture open our theoretical framework. Following, more in-depth explanations about values, the different kinds of existing values, why companies need them and how to identify them are discussed. Then, the topic organizational communication and Shannon and Weaver's Model of Communication is presented as the way to perform an internal communication process. Within this model communicational channels and some difficulties with communication are presented.

### 2.1 Values

To fulfill the purpose of this thesis, one must define values. First, culture and its meaning must be investigated since values are included within the concept. Schein's (1984) theory of different levels of culture is used to understand how values constitute a part of culture. Hofstede (1994) defines culture by the term mental software, and explain further the pattern of thinking, feeling and acting. To learn a new culture and react in new and creative ways, one has to unlearn what one already knows, as a computer has to remove old software to fit new. Others have called organizational culture core ideology and describe it as "core values and a sense of purpose beyond making money" (Collins & Porras, 1998, p. 48).

Schein (1984) describes culture through three different levels (see figure 1). The first level is the artifacts and creations. Basically, the constructed environment of an organization, its architecture, technology, office layout, dress code and so on. Artifacts and creations are difficult to analyze since the artifacts most often are clearly outspoken, but why they are framed the way they are is unclear. Simply, *how* and *what* is easy to understand but the question *why* is more difficult to grasp.

To understand why people act the way they do, one must go further to the next level, the values. Occasionally, the expressed values of an organization only describe the obvious side of the culture. This implies; organizational values do not often symbolize the underlying meaning of the organization. The values focus on what people *say* is the reason for their behavior, while the underlying reason still is unknown (Schein, 1984).

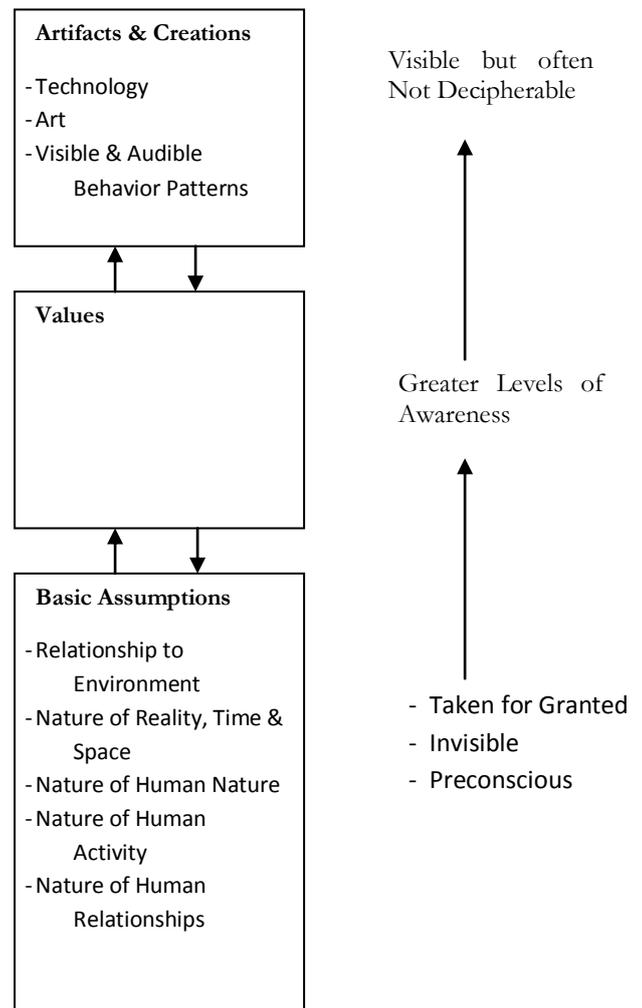


Figure 1 - Schein's Model of Levels of Culture

To really understand a culture, one must take a step further, to the last level; the basic assumptions. The basic or underlying assumptions are often unconscious but do actually determine how people perceive, think and feel. Since values promote a special behavior, the values are incrementally transformed into basic assumptions which form the platform of how things really are (Schein, 1984).

*“Values are the essence of a company’s philosophy for achieving success. They are the bedrock of corporate culture. Values provide employees with a sense of common direction and guidelines for day-to-day behavior”*

(Scott, Jaffe, Tobe & Gerould, 1993, p. 19)

For most researchers values are the central part of the corporate culture. According to Hofstede, values are the deepest manifestation of culture and he claims “values are broad tendencies to prefer certain states of affairs over others. Values are feelings with an arrow to it, they have a plus and a minus side” (Hofstede, 1994, p. 8).

### **2.1.1 Categorization of values**

When discussing values it can be a good idea to categorize the different values found in an organization. If an organization is not aware of what types of values they are mediating the consequences can be that management are communicating values that does not exist, or values they only wish they had. According to Lencioni (2002), there are four groups of values;

1. *Core values* are the deeply ingrained principles that guide a company’s action.
2. *Aspiration values* are the values the company needs to survive in the future.
3. *Permission to play values* reflects the minimal behavioral and social standards required of any employee.
4. *Accidental values* arise spontaneously without being cultivated by a leader, and they reflect common interest or personality of employees.

When the values are identified as core values, and not simply a goal or aspiration of the organization, they can be communicated. To discover this one can try to articulate your accidental, aspiration or permission to play values to make sure they are not equal to the core values (Lencioni, 2002).

Core values are also examined by Collins and Porras (1998). They describe it as the organization’s essential and enduring code of beliefs, a small set of timeless guiding principles that require no external justification. The authors claim the core values have intrinsic value and importance to those inside the organization.

Core values are sometimes referred to as corporate values. Every aspect of a company is affected by its corporate values from production, treatment of staff and career possibility within the firm (Deal and Kennedy, 1982).

### **2.1.2 Identifying and establishing values**

A part of the purpose of this thesis is to study how values are perceived on different levels of the organization. To understand better why people perceive the values as they do, it is interesting to realize how the values were established in the first place.

Identifying a company's core values can be a challenge. It is important to do it properly if the values shall fulfill its purpose. The important aspect is not to ask what core values an organization should have, but what core values it actually has. When searching for values one should remember to keep them short and simple. If more than five or six values are stated, it is likely that the fundamentals get lost. The core values, which do not change, may be confused with operating practices, business strategies and cultural norms, which should change over time (Colling & Porras, 1998).

Lencioni (2002) emphasizes the importance of not seeing the launch of values as a onetime event, where success is measured by how much attention it gets. He states; values should be viewed as a constant fixture in firms where success is measured by accuracy of the values. To hold values which are harmonious to the actual behavior of the group, can lead to great success. Further, the author means companies should intertwine the core values into all aspects of the firm. When the values are implemented, the company should endorse the values as frequently as possible.

According to Collins and Porras (1998), core values need to fit the changing environment and stay strong for an extended amount of time. A firm should consider whether they will keep their values even if it hurts the firm financially or structurally. If they decide to drop it, the values are not core values.

Collins and Porras (1998) explain further that a firm should decide, or find, their own core values and not imitate other successful companies. The values should be free from influences of the present situation, competition or trendy notions of management. No fixed or specific core values can ensure triumph. Therefore, one should be careful when deciding upon organizational values and consider what risks may occur if it is not done properly.

### **2.1.3 Risk with values**

Deal and Kennedy (1982) explain values as significant and powerful because people care about it. However, the power includes some risk. It is important to understand that an organization cannot communicate values because they think they are obligated to. If an organization is not careful with what values you choose to articulate, the values can turn into empty words. The people who are meant to follow the empty values may become cynical and dispirited (Lencioni, 2002). Some of the risks include:

- **The risk of obsolescence**, keeping values to guide performance that are no longer congruent with the changing environment.

- **The risk of resisting change**, the difficulty of changing values in an internal environment of loyal employees who insist to believe the past values are inconvertible. (Lencioni, 2002)

To go deeper into the organizational culture of a firm and its values, it is important to see how the values are communicated. If the values are not communicated correctly, or at all, the return of formulating values evaporates. Communicational errors along with the other risks of values can hurt a company and confuse its employees, why it is important to consider communication when working with values.

## 2.2 Values and Communication

Communication and values have an undeniable correlation. Organizational communication has a strong influence on culture and values, at the same time as culture and values influence the communication among members in an organization. A company's values have to be transmitted throughout the whole organization, which is done by formal and informal channels in the organization (Kreps, 1990). According to Kreps (1990), when it comes to culture and values there are two primary functions of organizational communication. First, to share information about the organizational culture and values with its members. Second, to involve the members to socialize in the organizational culture.

Communicating values in a company is an element of the extensive field of organizational communication. Without communication an organization is left stranded without knowledge about the organization and its changes (Kreps, 1990).

## 2.3 Organizational Communication

*“Organizational communication is the process whereby members gather pertinent information about their organization and the changes occurring within it.”*

(Kreps, 1990, p. 11)

The definition illustrates organizations as closely related by information and communication. Information is the transmittance of a message from a source to a receiver (Eriksson, 2002). To grasp how information is perceived by its receiver the communication process is important to understand. The channels used are vital when analyzing communicated information such as values. To use different channels when communicating information gives the receiver diverse perceptions of the information.

Axzo Press LLC (2003) argues that organizational communication consist of two separate parts. First, organizational communication exists both across and between similar hierarchical levels. Second, it includes how an organization develops its structure to improve its communication network. Clear organizational communication is essential in all dimensions of an organization, both internally and externally. External communication is

related to customers, suppliers, governments and other external stakeholders (Marques, 2010).

Organizational communication enables forwarding information about values and it may be helpful to use a model to know how to forward a message (Fiske, 1990). Therefore, the process of organizational communication by using the model by Shannon and Weaver (1948) will be explained.

## 2.4 Shannon and Weaver's Model of Communication

According to Fiske (1990), the process school of communication sees communication as the transmission of messages. The model of communication, first presented by Shannon and Weaver in 1948, is a commonly used model for explaining the process of communication (Fiske, 1990).

The model, which is seen in figure 2, begins with the source. The source is the person who decides which message to send, plainly the decision maker. The message is selected and transformed by the transmitter into a signal. When the message reaches the channel, it will continue to the receiver. When having a conversation, the transmitter is a person's mouth and the signal is the sound waves in the air. Lastly, the message reaches the receiver, which is a person's ear (Fiske, 1990). The receiver translates the message into something meaningful. If the process goes smoothly, the translated meaning is what the sender had planned (McShane & Steen, 2009).

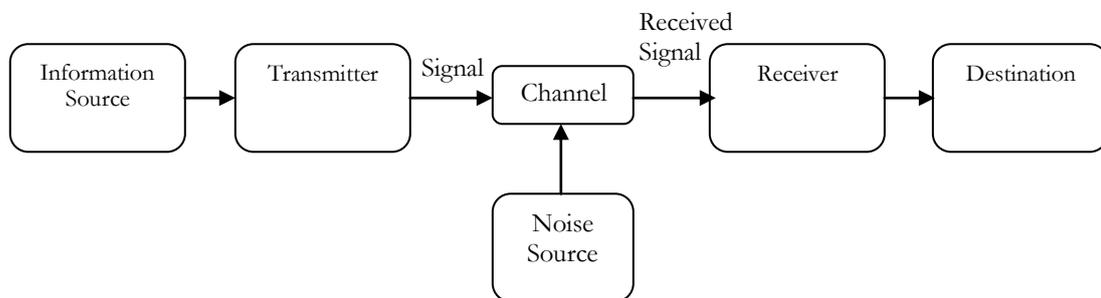


Figure 2 - Shannon and Weaver's Model of Communication, 1948

Four factors significantly influencing the two-way communication process have been identified. The first one is the "codebook", which includes a person's dictionaries of symbols, language, gestures and idioms. The more similar the codebooks of the persons involved are, the better the communication process will be. Another factor is the mental models the parties involved possess, which deals with the context of the information (Carlson and Zmud, 1999 cited in McShane & Steen, 2009). According to McShane & Steen (2009), mental models are "internal representations of the external world that allow us to visualize elements of a setting and relationships among those elements" (p. 213). Meaning, the more similar the mental models are, the less communication is needed. The third factor is the familiarity with the topic of the message. The communication becomes easier when both the sender and the receiver are well experienced in the area. The last

factor includes the parties' ability to use the most suitable communication channel (Shachaf and Hara, 2007 cited in McShane & Steen, 2009).

### **2.4.1 Noise**

Noise is a vague part of the communication model. George Bernard Shaw wrote "The greatest problem with communication is the illusion that it has been accomplished." (cited in McShane & Steen, 2009, p. 220). The noise, not planned by the source, can be added to the signal during the message's way to the receiver. Shannon and Weaver mainly looked at noise within the channel. Examples of noise within the channel are static in a radio or crackling in a telephone wire (Fiske, 1990). The noise can also arise from the sender, for example due to an irritating writing style, or an excessively soft voice (Bloisi, Cook & Hunsaker, 2003). The noise concept has been further developed. Noise is nowadays anything around the message interrupting the signal. Not only our ears and eyes receive messages, thoughts can also be a form of noise. An uncomfortable chair during a meeting or a lecture is also an example of noise (Fiske, 1990).

### **2.4.2 Information overload**

Eppler and Mengis (2004) discuss the concept of informational overload, and define it with the simple phrase "receiving too much information" (p. 326). A more detailed definition comes from Koski (2001) who defines informational overload "occurs when the volume of information received exceeds the person's capacity to get through it" (cited in McShane & Steen, 2009, p. 221). When there is too much information in the communication process it can create problems. The overload of information, which is a type of noise, can easily make information, such as values, misunderstood or ignored. Another result is inefficient decisions and a higher level of stress (Schick, Gordon & Haka, 1990 cited in McShane & Steen, 2009).

Shannon and Weaver's communication model (1948) can be used when forwarding a message both internally in an organization and externally to the surrounding environment. To see how information about values can be transmitted, to be received by the entire workforce of an organization, it is important to look at the organizations internal communication process.

## **2.5 Communication Channels**

Communication travels through various channels. There are different channels for formal and informal communication, which both are equally important.

### **2.5.1 Formal communication**

The formal communication channels are created by the managers to be able to communicate the daily organizational work (Bloisi et al., 2003). The processes managers use to communicate are downward, upward and horizontal (Daft & Steers, 1986, cited in Bloisi et al., 2003). Downward communication is a way for managers to make information reach their employees. It can include organizational and personal goals, strategies, job instructions, policies and feedback. Such information can be communicated in different

shapes, such as memos, company newsletters, procedure manuals and speeches (Bloisi et al., 2003).

Through upward communication, managers get information about their employees' daily work. This information can include updates on employee's progress toward goals, problems, complaints and employee attitudes. Employee surveys, suggestions boxes, open-door policies and face-to-face meetings are forms of upward communication (Bloisi et al., 2003).

The horizontal communication exists among peers and employees, and can move from divisions and work groups. Communication by this channel is vital, because it supports information exchange between departments, which may be of great importance for the whole organization (Bloisi et al., 2003).

### **2.5.2 Informal communication**

The informal communication channel is called the grapevine. The grapevine is "composed of social groups, cliques, club members, family relations, and other informal relationships that develop among organization members" (Davis, 1953; Bach, 1983 cited in Kreps, 1990, p. 208). According to Modic (1989), many employees trust and rely on the grapevine more than on the communication channels used by the top management. It is a way for employees to obtain information about their organization which can affect their daily work and personal life (Kreps, 1990). Studies have shown managers do not, to the same extent as their employees, engage in the grapevine. Because much information is communicated in the grapevine, it is important managers listen and infiltrate the grapevine (Davis, 1953 cited in Bloisi, 2003). Management by walking around is one way for managers to become closer to the employees. This communication channel means managers walk around in the office, learn, and see what others in the organization do (McShane & Steen, 2009).

Another aspect of internal communication is the way one transmits the information. It may be by a formal channel or by the grapevine, but one must also decide on other channels such as which verbal or nonverbal channels that should be exercised.

### **2.5.3 Verbal and Non-verbal Communication**

Information goes from the sender through a channel to end up by the receiver (Bloisi et al., 2003). According to Bloisi et al. (2003 p. 311), a channel is defined "the medium through which a message is transmitted". Communication can be used in the form of verbal or nonverbal channels (McShane & Steen, 2009).

Verbal communication is expressed by using language, both in spoken and written form (McShane & Steen, 2009). The two forms are equally important for organizational communication. The spoken word make people interact more personal and emotional than with the written word (Kreps, 1990). It gives an opportunity for instant feedback (McShane & Steen, 2009). However, a problem with the spoken word is when the message involves detailed and complex information. The information can then easily be misunderstood or

forgotten (Kreps, 1990). Therefore, written communication is better to use when dealing with technical details (McShane & Steen, 2009), since it provides stability, permanence and formality (Kreps, 1990).

Nonverbal communication means information exchanged with a source other than words (McShane & Steen, 2009). Kreps (1990) presents different nonverbal systems used interrelated in organizational communication. An example is artifacts such as physical appearance, personal appearance, items people hold and items people use in their environment. All these messages largely affect people's first impression. Therefore, people often try to have more control over these things. For example well thought-out clothing, and carefully decorated offices. Other examples of nonverbal communication are body language and facial expressions (Kreps, 1990).

## **2.6 Theoretical Emphasis**

According to Schein (1994), one needs appropriate knowledge to make sensible decisions. Simply, to make good decisions, and perform your work tasks, one needs knowledge about how the organization works, operates and the changes occurring within. This includes the organizational culture. The culture is often expressed by using values. Colling and Porras (1998) say values should be articulated in a way that undoubtedly describes the existing culture of a company, not fabricated words which do not reflect the reality. This study stress the significance of well considered values. It also put emphasis on what Lencioni (2002) wrote about values; that values are crucial to a company and without clearly stated values employees may become cynical and dispirited.

The values in an organization can only be obtained by communicating them in the workplace. This study emphasizes the importance of formulating values, congruent with basic assumptions, to the internal organizational communication process. If the communicational process is defected by noise or by faulty communication channels the values might never reach the receiver. If information concerning the organization or its values never reaches the employees a good decision may not be made. Theoretically, we emphasize the importance of well formulated values, with communication channels which minimize noise, and fit the communication process of values to be as smooth as possible. Consequently, values and communication are what is highlighted in this study.

### 3. Method

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*In the following chapter, the qualitative method chosen to conduct this study will be presented. It describes the start-up phase, which includes how the thesis was initiated and the formulation of the purpose. Then, a description of our data collection, which was mainly by interviews, and information about our pilot study is provided. Further, we describe the data analysis process and end the chapter by discussing trustworthiness.*

#### 3.1 Start-up Phase

*“A process is a sequence of individual and collective events, actions, and activities unfolding over time in context”*

(Pettigrew, 1997, p. 338)

When studying a social phenomenon it is important to realize it is not a steady state. The dynamic process of studying a subject occurs rather than only exists (Pettigrew, 1997). Research is a process that changes and develops in the same pace as data is collected. It has been of importance for us to be flexible in order to adapt and catch up these changes during the entire study. We have been flexible when it comes to adapting the purpose of the study to accommodate both Stena Metall’s and our own ideas.

The process started by contacting representatives of Stena Metall and they approved us to conduct a study in their organization. We saw this as an opportunity to exercise our academic knowledge in the business world. The purpose of the study was developed in cooperation with one representative of Stena Metall. The starting point was Stena Metall’s organizational change process which began in May 2009. The organizational change resulted in new cultural values, which needed to be communicated to the entire workforce.

We decided in the initial stage that the study would entail some aspects of organizational culture and change processes. But realized, Stena Metall’s management group had already decided what was going to change. Therefore, the field of organizational change processes was not of interest. The term organizational culture is a complex concept and we choose to focus on one aspect of it, the concept of organizational values. The change of cultural values led us in the direction of communicational studies, because communication is crucial for taking part of culture (Guirdham, 1999). The cultural values and the communicational process were later included in the purpose of this study. When the purpose was confirmed by the representatives of both Stena Metall and JIBS the writing process began.

#### 3.2 Qualitative Method

Traditionally, there are two different methods to use when conducting a study, qualitative and quantitative. When it comes to research within management and business subjects, qualitative method is a useful tool, though it allows observations and in-depth learning (Gummesson, 2000). The quantitative method focuses on numerical data and has an objective view on reality. If one is interested in measurements and to draw conclusions of

population parameters, a quantitative method should be used (Trost, 2007). The purpose of this thesis is investigating and using the concept of communicating values in an organization. The purpose could not be fulfilled by using a method measuring data, but by using a method enhancing the investigation of these concepts. Due to the emphasis of this thesis a qualitative method was chosen. The significance of a qualitative study is to try to understand people's way of reasoning and reacting. One can say a quantitative study is for measuring data and qualitative is for understanding data (Bryman, 2002).

Qualitative methods have received some criticism from quantitative researchers. A quantitative study may be hard to replicate, because personal reflections and experiences may influence results. Difficulties with generalization are reasons of criticism as well (Bryman, 2002). Simply, the conclusions of the study may not always be applicable to a bigger population. This is the case with our study; our result is only proved to be valid for Stena Metall, not for similar companies in the same position. However, some knowledge of the studied phenomena can be generalized.

### **3.3 Data Collection**

At an early stage we considered complementing interviews with surveys. However, it was decided to be unnecessary, as this study is not about measurements. Our aim was to investigate how values are communicated at Stena Metall and how these values, communicated from the top, are perceived by employees at lower levels of the organization. To accomplish this, it was appropriate to use a method obtaining information reflecting the personal views of the employees. This led us in the direction of a qualitative method. Observation entails an engagement of the observer for a long period of time (Bryman, 1997), why we decided the most time efficient data collection would be interviews. Also, to use observations as a platform for this study would be insufficient as questions about the values to the employee were needed to fulfill our purpose.

#### **3.3.1 Pilot Study**

To investigate if the prepared interview material is applicable, it is helpful to conduct a pilot study. By asking the prepared questions to a person who did not participate in the real study, the pilot study allows to discover inaccuracies in the interview questions and gives an opportunity to practice interviewing (Bryman, 2002).

When we decided to do a pilot study, we wanted to interview someone familiar with writing a thesis and how to conduct interviews. The accessibility of interviewees at Stena Metall was limited (due to restricted personal networks and that our mentor at Stena Metall had a shortage of time), and we therefore decided to do the pilot interview with a fellow classmate whom had recently conducted a number of interviews for her own thesis. The test person was not familiar with Stena Metall and the theory used, which may be a criticism. However, the pilot study helped us reformulate some of the questions so they became easier to understand. We had the opportunity to discuss the relativity of the

interview questions, and we perceived the pilot study as a helpful tool to collect relevant and applicable data.

### **3.3.2 Interviews**

The data collection was done through qualitative interviews. A qualitative interview often means the same as an unstructured interview where the interviewer only has a theme in mind of what the interview will consist of. The questions vary in different interviews and the character of the conversation is informal. However, a qualitative interview can be a semi-structured interview meaning the interviewer has a set of questions as a base, but the order of the questions can vary (Bryman, 2002). The form we choose to use was a semi-structured interview, since we wanted to be able to guide the interview according to the structure of the theoretical framework. Still, it was important for us that the person interviewed could elaborate their answers and we could ask follow-up questions.

The interviews were held in Gothenburg at Stena Metall and its subsidiaries Stena Stål, Stena Recycling, Stena Oil and Stena Miljöteknik. We conducted thirteen interviews and each interview lasted about 15 to 30 minutes. Four interviewees work at Stena Stål, five at Stena Recycling, one at Stena Oil, one at Stena Miljöteknik and two at the mother company Stena Metall. Since the emphasis of this thesis is communication at different levels of Stena Metall group, we do not consider only representing Stena Oil and Stena Miljöteknik by one interviewee each as having a negative impact on our study (Find the list of interviewees in appendix 3).

As all the people involved in the interviews were native Swedes, the interviews were held in Swedish. This gave the interviewees the opportunity to express themselves in a comfortable way. It helped us to hold a structured and communicative interview. The interviewees were people of different age, sex and with various work tasks, in order to get a more widespread database to analyze.

A convenience sample was used, since there was a limited accessibility to the workers of Stena Metall. A convenience sample is when the researcher studies persons that for the moment are available to the researcher. Mostly used when there are restrictions to availability of the interviewees (Bryman, 1997). We received some help in finding employees to interview from our contact person at Stena Metall and we booked some of the interviewees ourselves by our personal business network.

The thirteen interviewees were categorized on three levels. The first level included personnel involved in the creation of the values. The three interviewees' at this level had the positions of Strategic Business Developer, Business Developer and Chief Executive Officer. The second level contained personnel with chief positions, however they did not participate in the creation of the values. The five interviewees' at this level had the positions of Chief Executive Officer, Vice Chief Financial Officer, Local Manager, Sales Manager and Financial Manager. The third and final level included personnel working within the Stena Metall Group, but not as a manager. The five interviewees' had the

positions of Accounts Payable, Purchaser, Accounting Clerk, Sales Person and Material Handler. The interviews were almost exclusively conducted on employees working at Stena Metall headquarter. Only two of the interviewees were located elsewhere. This could have resulted in misleading data, as the culture and manners of employees working at headquarters may be different from other locations of Stena Metall.

To preserve all information that was given during the interviews and to be able to make a good interpretation of the information, the interviews were recorded. The interviews were conducted by the three of us, with two of us taking notes and the third asking questions. This may have led the interviewee to feel interrogated instead of trusting us with information. An example of this was that some of the interviewees behaved as if they were taking a test. This was especially seen on the first question asked on level two and three, which included reciting Stena Metall's values. The question base used in the interviews can be found in Appendix 1 (Swedish version) and 2 (English version).

The interviews started with a short description of ourselves and how we wrote the thesis in cooperation with Stena Metall and their Strategic Business Developer. Little information of the topic and purpose of the interview were emitted to be able to obtain open and truthful answers. However, a source of criticisms may be that the interviewees, after they heard the Strategic Business Developer was involved, colored their answers. The questions to the interviewees in the first level included; how Stena Metall's values were formulated, the purpose of the values and how the values were communicated. The interviewees on level two and three were first asked if Stena Metall had any values in the organization. At an early stage we found out, some interviewees had problem defining any type of values. Therefore, a paper illustrating the two set of values were, after the first question, handed out. The majority of the interviewees then recognized the values, which helped us carry on with the interview. Then, questions were asked on how the interviewee perceived the values and if they felt the values were representative for Stena Metall. Finally, questions regarding the communication of the values were asked. All the questions were not answered, because we conducted semi-structured interviews, which may be seen as a difficulty. The interview ended by thanking the interviewees for participating followed by a short description of our purpose of the thesis. The interview questions were formulated with the theoretical framework as a foundation. The theories were applied and translated into the type of information we wanted to attain. While formulating the questions we had the thesis' purpose in mind, since the main reason for the interviews was to fulfill the purpose.

### **3.4 Data Analysis**

After conducting the interviews we listened to the recordings and transcribed the interviews. The transcribed interviews can be acquired upon request. Transcribing interviews improves the memory of what was said and one can listen to the material several times to get an accurate representation of the information (Bryman, 2002). When we transcribed the interviews we only included information relevant for our study, for example when we gave the interviewee information about our study and general small talk. After we

transcribed the interviews we sorted the data by labels, or headings, in the empirical presentation, for example information about the values, the origin of the values and communication. In the analysis, we discussed different relationships between the different data we collected and drew conclusions in support of the theoretical framework. For example we discussed why some of the employees have not received information about the values and why their perceptions about the values, if they have received information about them, are not the same as management intended them to be. The topics in the analysis, the values, communication etc., were discussed in chronological order according to the theoretical framework.

### **3.5 Trustworthiness**

Qualitative studies focus more on the trustworthiness of the study than on validity and reliability which are concepts mainly judging the quality of measurements conducted in quantitative studies. Validity is the judgment of whether the conclusion of a study is coherent or not. Reliability concerns whether a study will have the same outcome if it is conducted once again. Both validity and reliability are mostly used when a quantitative study is conducted, when measurements of a sample can be generalized to a population (Bryman, 2002). Lincoln and Guba (1985) discuss four terms of trustworthiness suitable for qualitative studies. The four terms are; credibility, transferability, dependability and confirmability.

In this study, thirteen interviews have been conducted at various levels of Stena Metall. According to Lincoln and Guba (1985), a study that has used several data sources increases its credibility. The interviewees had positions at different levels in the organization and consisted of various personalities, ages, educational status and sex. Therefore, we argue our study to be credible because it reflects the social reality at Stena Metall. Our interviews were semi-structured which allowed us to increase our understanding of respondents' answers, through asking follow-up questions, which according to Bryman (2002) makes a study credible.

According to Lincoln and Guba (1985), a qualitative study can be transferable if it is built upon "thick descriptions", including details of a culture. Through our company description, seen in chapter four, a presentation of the organizational context and the culture that follows is provided. We have looked at Stena Metall's values, which constitute an important part of the culture. It led to a deeper knowledge of Stena Metall and its current context, which indicates this study to include "thick descriptions" and therefore is transferable to all parts of Stena Metall. However, this study cannot be generalized to other social environments, which was never the intention of the study.

For a study to be dependable it must include an available review of how all parts of the study were conducted (Lincoln and Guba, 1985). In this thesis, the method part describes all stages of the study, including an explanation of our method and how choices were made during the study. It is in line with Lincoln and Guba's idea of how a study should be dependable. Another factor that according to Lincoln and Guba makes a study dependable

is judgments of the theoretical connection (Lincoln and Guba, 1985). To assure our study was dependable we have used theories about both values and communication, which made it possible for us to ask appropriate questions during the interviews held at Stena Metall.

The last term of trustworthiness, described by Lincoln and Guba (1985), is confirmability. In a qualitative study, where objectivity is not possible, one should try not to color the work with one's own thoughts. In this thesis, it was done by not using leading questions during the interviews, through continually using both the theoretical framework and the empirical material when analyzing our material.

## 4. Empirical Presentation

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*This chapter presents how Stena Metall was founded and how complex the organization is today. Stena Metall's values are investigated, and include what they are, what they mean and how they were formulated. Further, the employees' perception of the values are described, which includes what the employees perceive of the values and how they use the values in their daily work.*

### 4.1 Stena Metall

Stena Metall was founded in 1939 by Sten A. Olsson, then under the name Sten A. Olsson Metallprodukter. The company expanded for the first time in 1941 when Generator AB was acquired. During the Second World War the times were good, but when the war ended the access of iron became limited. Therefore, the company expanded outside the Swedish boarder to find new suppliers. They began to produce oil-drums from recycled pontoon-tanks (Stena Metall, 2010b).

In 1952 the first scrap-yard was established in Gothenburg, and in 1960 they became a supplier to JBF, the monopolistic organization of distribution to the Swedish steelworks (Stena Metall, 2010b). Sten A. Olsson's father was a sailing master, and already in 1962 Olsson bought his first ship. It was now possible to transport their products with their own ships, which became an important part of the company activities. However, the company was separated into two different parts in 1972; Stena Line AB and Stena Metall Group (Stena Metall, 2010c).

During the 1970s Stena Metall established plenty of subsidiaries, and after the acquisition of PLM Återvinning the company's scrap-yards reached from Ystad in the south to Luleå in the north. An important acquisition during the last decades was the Gotthard-Nilsson group which took place in 1998. The company has extended its business into the environmental service area as well as in the Nordic and Baltic markets (Stena Metall, 2010c). Today, Stena Metall Group is the leader in recycling and environmental services in the Nordic countries. The company is a part of the Stena sphere which consists of the parent companies; Stena AB, Stena Sessan AB and Stena Metall AB. Stena Metall works within nine different business areas in seven different subsidiaries (see bullet points and figure 1 below), the total number of employees is about 3,450 (Stena Metall, 2010d).

- *Stena Aluminium* is the leading Nordic supplier of aluminum alloy, and uses only recycled aluminum in their activities. A significant part of the company's customers is in the car industry, explaining why Stena Aluminum has had a hard time during 2008 and onwards (Stena Metall, 2009).
- *Stena Stål* is a nationwide steel supplier with a broad selection of different steel components. Due to decreases in the Swedish export industry Stena Stål has been deeply affected by the financial crisis (Stena Metall, 2009).

- *Stena Miljöteknik* manages research and development within areas which are or can be interesting for the corporate group. The company is important for the entire Stena Metall Group since it develops innovative solutions for the customers in all business areas (Stena Metall, 2010e).
- *Stena Oil* is the leading physical supplier of marine fuel oils in Scandinavia. The company has operated for more than 25 years. During the year 2008/2009 Stena Oil accounted for its best result ever (Stena Metall, 2010g).
- *Stena Technoworld* is Europe's leading company within the electronic waste business area. The company has, after large expansion, 19 subsidiaries in ten countries. Stena Technoworld collects, adapts and recycles WEEE-waste (Waste Electrical and Electronic Equipment) from households, companies and producers (Stena Metall, 2009).
- *Stena Metal Finance* handles all the corporate group banking activities. The purpose of the company is to assure the corporate group's long-term financial situation by commitments with creditors, finance acquires and other financial activates (Stena Metall, 2010f).
- *Stena Recycling* is the largest company within Stena Metall Group, and the leading recycling company in Sweden. The company has more than 100 affiliates and production facilities spread nationwide. By collecting waste from industries, trading, offices, communities and households Stena Recycling can convert the waste to new materials and sell it to steelworks, foundries and paper-mills (Stena Metall, 2009).

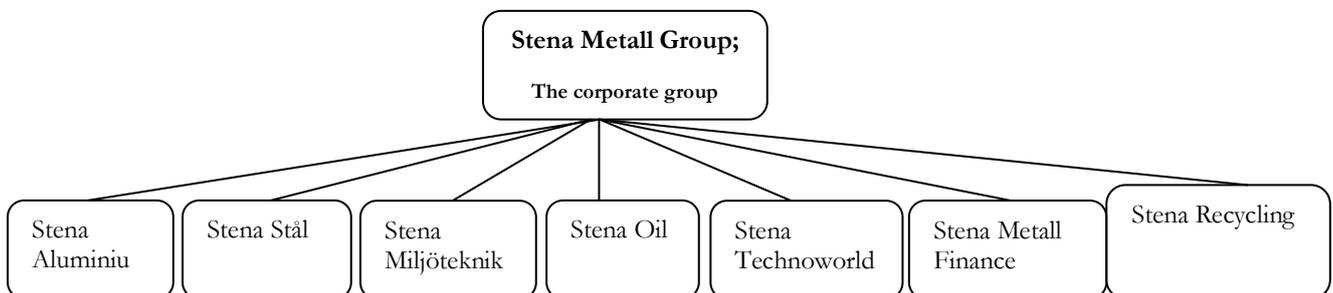


Figure 3 Stena Metall Group, Sweden - 7 companies; 9 business areas (Stena Metall, 2010c)

At first sight it seems as Stena Metall is constructed by companies only dependent of hard bodywork, waste and raw-materials. However, this is not the case; one of the most important factors for Stena Metall's companies is additional value for the customers. Therefore, innovativeness and development are high rated within the whole organization, as a key factor to success (Stena Metall, 2009).

During the latest years Stena Metall has developed and expanded to a large extent, mainly by acquisitions. As could be seen from above, Stena Metall is a complex company working within many different areas all over Sweden. Until recently all companies in the corporate group have worked independently and not been especially good at cooperating (D. Jansson, personal communication, 18 February 2010).

#### 4.1.1 Stena Metall's core values

A cornerstone in Stena Metall is the “Stena Culture” and according to their annual report 2008/2009, this is what the organization is built upon, see in figure 4 (Stena Metall, 2009).

The Stena Culture has its roots in their outspoken core values; **Simplicity**, **Reliability** and **Development**. The core values are first and foremost articulated for the use of employees working in connection to the external environment, and secondly for internal use. It is communicated at meetings, the intranet and by posters pinned up around the offices. The posters contain the pyramid (see figure 5) and the logotype, which changes dependent on whether the poster is put up on a Stena Stål or Stena Recycling wall. Here is the intended meaning of the core values;

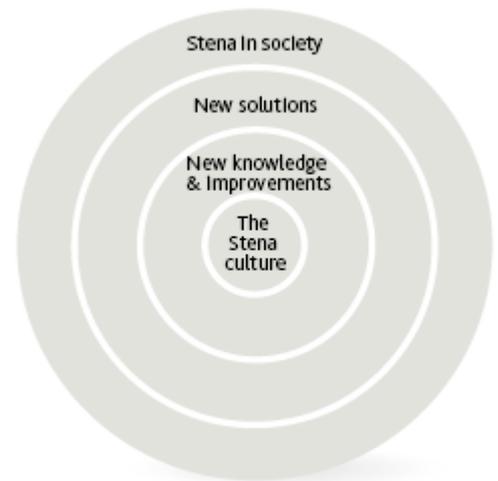


Figure 4- Sustainable Business (Stena Metall, 2009)

**Simplicity** ensures customer it is easy to make businesses with Stena Metall. The reason is because Stena Metall's companies are spread nationwide and can therefore have close relationships and understand the customer's needs in their daily operations.

**Reliability** is used to qualify the experience and knowledge Stena Metall has received during their 70 years of operations, which can guarantee their customers security. Still, improvements are important to always be able to offer the best solutions to the customers.

**Development** describes how Stena Metall contributes with new knowledge and sustainable solutions, constructive for society as a whole and for the customers (Stena Metall, 2009).

These values originate from the culture of local business acumen, which Stena Metall has had for an extended period of time. It has been expressed through a decentralized



Figure 5 - Simplicity, Reliability and Development (Internal Material, Stena Metall 2010h)

organization form, where every subdivision has had its own management which has made the decision making process fast and efficient. Stena Metall struggle to be able to offer their customers overall solutions, and by excellent business acumen this will be easier to accomplish. On the top of these values we find innovativeness which is an important concept for the Stena Culture. The innovativeness is expressed in the affiliated company Stena Miljöteknik and gives Stena Metall the opportunity to find new answers of old problems (Stena Metall, 2009).

### 4.1.2 Stena Metall's new values

Due to Stena Metall's negative result in 2008/2009 an action program, with its purpose to adapt the operations to the new business environmental conditions, was established. To achieve these changes, three new values were introduced in May 2009; **Share**, **Measure** and **Follow-up**. These words aim to be used as guidelines to better gather up internal expertise (Jansson, D., personal communication, 18 February 2010).

**Share** includes the relocation of ideas and activities successfully implemented in parts of the organization. It put emphasis on copying ideas from one division to another. To encourage sharing and copying ideas, two internal forums have been developed; Copy potential (CP) and Copy activity (CA). The honor title "The crock of the year" is given to the employee who copies the most ideas during a specific period. "The share-project of the month" is another honor title developed to encourage distribution of ideas in the organization. On Stena Metall's intranet a link with the phrase "Strategy and continuous improvements" can be seen.

**Measure** involves measuring for example daily activities, projects and goals.

**Follow-up** involves analyzing events and project outcomes to be able to develop and make improvements. Organic growth will also be prioritized to be able to go over and cherish the already existing organization (Jansson, D., personal communication, 18 February 2010).

The official language of Stena Metall Group is yet to be decided. The core values exist both in English and Swedish while the new values are only formulated in English.

## 4.2 Top Management and Employees Perspectives

This material is based on the interviews held at Stena Metall and its subsidiaries. The interviews were made on three different levels of Stena Metall's organization and the material from the interviews will be presented in accordance with these levels.

The first level includes personnel involved in the creation of the values, with three employees, two from Stena Metall Group and one from a subsidiary. The second level contains personnel with a chief position, but who did not participate in the creation of the values. It includes five employees with one from Stena Metall Group and three from the different subsidiaries. The third and final level includes personnel working within Stena Metall, but without a chief position. Five employees from two of the subsidiaries are represented.

### 4.2.1 Level 1

#### The values

The three interviewees explained the main thoughts of Stena Metall's core values Simplicity, Reliability and Development, in two diverse ways. Firstly, the values were constructed as a reminder, with a strong connection to the goals and strategies of the

organization. The values serve as a direction of how the organization should operate. Secondly, the values function to cohere with the mentality of Stena Metall. One interviewee pointed out that this is important since Stena Metall is a large and complex company, and makes it hard to act collectivistically. The interviewees stated that the values could be used both internally and externally. Internally, the values should work as guidelines for the employees and how their work task should be accomplished. Externally, the values should be associated with its business manners. It is important to be able to attain customers and other stakeholders, and give a clear description of how Stena Metall conducts its business.

The new values, or guiding words that help the internal leadership, Share, Measure and Follow-up, were stated to be as important as the core values. They work as a tool to help alter Stena Metall's current situation, which is a decentralized organization, into a more centralized organization. The culture should include sharing and copying more ideas and knowledge between the subsidiaries. Both negative and positive experiences are of importance. To measure events and projects is vital as well, to know what is wrong and how severe the situation is. Follow-up is an essential part of Stena Metall, to be able to analyze how an event or project was performed, the outcome and how it could have been done differently.

Share, Measure and Follow-up do not replace Simplicity, Reliability and Development, they rather work as a complement to them. One interviewee explained that the new developed values are just interpretations of the former values, not new values. The former values are however developed from the decentralized Stena Metall culture. It is clear that management has had some misapprehension about the new values, whether they are new core values or only a guiding set of words. One interviewee claimed they are not values at all, another said they are new additional values.

One interviewee explained Simplicity, Reliability and Development as guidelines to all the employees and should be used in their daily activities. They can, for example, be used to analyze if one deals with a situation in the simplest way. Reliability can include safety aspects which can be applied both for Stena Metall and its customers. One example of safety is truck drivers who always should use a safety net so the load stays in place.

*“The point of the values is that all the personnel in the organization should use these values because it keeps the culture together”.*

(Business Developer, 31 March, 2010)

Share, Measure and Follow-up are for one interviewee the most relevant values to discuss. They should, according to him, be used in all communication channels and mediums. It includes staff meetings, ongoing projects, follow-up meetings and manager meetings. Additionally, it is important to talk about these values during the coffee break.

### The origin of the values

Simplicity, Reliability and Development originated after several other value-words were discussed. These words summarized what Stena Metall represent, one interviewee pointed out. For the customer, Simplicity stands for the uncomplicatedness of cooperating with Stena Metall. Reliability refers to that customers can always trust Stena Metall to work safe and according to plan. The value Development aims to improve the organizations ability to act as a market leading organization compared to its competitors.

Share, Measure and Follow-up were formulated to describe Stena Metall's direction, goals and vision. Stena Metall is a decentralized organization and the new values, especially Share, refer to the diverse subsidiaries and the aim to use each other's resources and knowledge. Neither Measure nor Follow-up are strengths in Stena Metall today, which made management emphasize these areas. Measure and Follow-up are needed to strengthen Stena Metall's position in the marketplace, but improve their local business strategies as well.

### Communication

When Simplicity, Reliability and Development were introduced about five years ago an education tour was performed. The aim of the tour was to educate and promote the new values of Stena Metall. One interviewee mentioned the re-organization, Stena Metall was moving towards a more centralized organization form, when the values were introduced. A re-organization is not an optimal climate to communicate new and important information. Today these values are communicated in different contexts and according to one interviewee the communication processes can vary between the subsidiaries. The values can be seen at billboards, on the company webpage and the internal intranet. One interviewee explained that every subsidiary in each country has a project coordinator, who two times per month has tuning meetings. In addition, these coordinators carry out videoconferences, once per quarter, together with physical meetings every six-month. The project coordinators both communicate and collect information in their particular area of expertise. Another communication channel is the meetings the top management has every six-month with the management of every subsidiary.

The interviewee's general indication of the communication process within the company is its need to be developed and improved. One interviewee pointed out that he needs to improve his personal relationship with the affiliated employees in order to be able to communicate and obtain a better understanding of the organization as an entity. Another interviewee pointed out, that new employees do not get any additional information than the billboards when being introduced to Stena Metall. This is a problem discussed at the company. One interviewee says, due to the predominated situation when the implementation of the values occurred five years ago, there is still much to improve. Overall communication seems to be acceptable, and the information load is neither too detailed nor too general. The interviewees at this level believe they have time to receive or find the information they need, and it is in fact a part of their job to possess suitable knowledge.

Two interviewees believed the information about Stena Metall's values have not spread throughout the entire organization. One interviewee said it may be due to some personnel's inability to see the advantage of applying the values. However, he believed some personnel subconscious uses the values, but without specially labeling them. Another interviewee believed that a certain category of people will never use the values due to lack of interest. However, the employees who are in most need of the values, such as sales person, management developer, chiefs and personnel with customer contact, are aware about as well as uses the values.

#### Forwarding and Follow-up of values

One interviewee knows that the values are used by the employees, especially the new value Share, because it is seen in Stena Metall's database for share and copied ideas. Five is the average number of shared activities per day, which have made the database include about 1600. The same interviewee claimed that some parts of the organization have not reached the same maturity in measuring and follow-up events and activities. Another interviewee explained Stena Voice, which is a system for measuring how the personnel feel about their own work situation. According to this system, the interviewee sees a good result and therefore no other measuring system is needed. The last interviewee explained the act of measuring if the values are used is the information department's task. He does not know if any follow-up of the values have been made.

The interviewees thought more information about the values could be communicated. Especially, to be able to make the personnel see the whole organization as one entity. To successfully accomplishing cohesiveness, leadership in the different subsidiaries is of great importance. One interviewee argued that values at Stena Metall could be communicated clearer. However, improvements have been made compared to previous years.

### **4.2.2 Level 2**

#### The Values

All of the five interviewees knew the core values of Stena Metall; Simplicity, Reliability and Development. One of them used the word Leading instead of Development, but was aware of the correct version when it was presented for him. One of the respondents also mentioned business acumen as an important value at Stena Metall since it permeates the whole organization.

All five interviewed had similar perception of the core values. Simplicity means it should be easy to conduct business with Stena Metall. It includes that the company and its employees shall be accessible for the customers, with a geographical spread. The perception of reliability is customer's ability to rely on Stena Metall and feel confident about supplies and payments being handled properly. Development is perceived a little bit differently between the interviewees. Some stated it to symbolize recycling and that the company is positioned in a contemporary industry. Others perceive development to be more about working together with the customers, and that Stena Metall can help its customers to develop their

businesses. All of the descriptions of the core values only consider external use, how the employee should face customers. Most of the interviewed thought that Stena Metall is skilled at development.

Three interviewees have heard the words Share, Measure and Follow-up and they had similar perceptions of them which were all positive. One expressed that Measure and Follow-up have existed for more than one year and these are values existing in the culture of Stena Metall. When it comes to Share, the focus has increased during the last year. Today Stena Metall does not have a culture including Share, which can partly be explained by the strong business acumen that exists at the affiliated companies. Employees at Stena Metall are used to make their own decisions and do not cooperate between and within the different subsidiaries. One of the respondents saw these words from a leadership-perspective and argues all these to be important for good leadership.

All the interviewees thought the values represent Stena Metall (the ones who did not recognize Share, Measure and Follow-up have only considered the core values; Simplicity, Reliability and Development). One person believed core values have been established by words that described the already existed culture at Stena Metall, which is why they suit the company so well.

*"We put in words what was already here."*

(Chief Executive Officer, April 9, 2010)

When it comes to whether the values are helpful in the daily operations, the opinions differ. Two of the interviewed think the values are helpful as a foundation that describes what Stena Metall embodies. One had not reflected over using the values in his daily operations at all. All of the interviewed thought the values should be communicated more often.

### Communication

The interviewees expressed it exists a lot of accessible information. Instant, Stena Metall's intranet, is the largest forum for information with more than one or a few receivers. The information at Instant is pertinent to all employees of Stena Metall. Other communication channels are email and physical meetings. In addition, billboards are used to a large extent. Two of the interviewed think they do not receive enough information directly communicated to them (via verbal communication). All interviewees said they have the possibility to find out about information required for them to solve their daily operations. However, two of the interviewed argue that lack of time is a problem hindering information to spread.

When it comes to how the values are communicated throughout the organization the interviewees especially emphasize on meetings. One of them mentioned a meeting held four years ago focusing on the core values; Simplicity, Reliability and Development. Management meetings have been an important source of information concerning the

values. The core values are often viewed in a triangle, which exists both as a poster which decorates the walls at Stena Metall and at the intranet. The new values; Share, Measure and Follow-up are not communicated as much as the core values. The three interviewees, who knew about these new values, think more effort must be put into communicating these. A forum including both the core values and the new values is Instant. On the front page of Instant there is a focus on the new value; Share.

#### Forwarding and follow-up of values

All of the interviewed said it is more or less included in their daily operations to forward the values to staff at lower levels of the organization. Two argues they are forwarding them through acts more than in words; to behave in a correct manner, conduct the work properly etc. Another of the interviewed said he transmits the values at meetings and when a new person is employed.

None of the interviewees knew if any follow-ups of the employees' perception or use of the values have been conducted, but most of them think the core values are well known in most parts of the organization.

### **4.2.3 Level 3**

#### The Values

Most of the interviewees at this level of the organization are aware of the fact that Stena Metall has values but do not know what they are. Two of five knew the values Simplicity, Reliability and Development and two of them remember the poster with a pyramid where these words were printed. According to one of the interviewees everyone at Stena Metall is suppose to know what the values are. The general consensus seems to be that these words do not affect the work task they perform at this level. The new values were only recognized by one of the five interviewees on level three. Therefore, the rest of the interviews will only concern the first values, Simplicity, Reliability and Development.

They all agreed the values, once we told the interviewees what they are, to be representative for Stena Metall. Some said they cannot speak for the whole corporation, but for their subdivision of Stena Metall. Many said they only knew what happens in their own subsidiary, and some view Stena Metall as a completely different company, separate from the company they work in. The perception of Simplicity is that it stands for the simplicity of being an employee at Stena Metall and it should be easy to be reached by customers. The sales and other processes should not be complicated, but kept as simple as possible. One respondent commented on the relation to other employees at Stena Stål, that simplicity can work internally. The personnel politics is particularly good at Stena Metall, said one interviewee. Reliability appears to represent Stena Metall as a reliable partner and the customers gets what is agreed upon. One respondent thought Development stands for innovativeness, if a customer wants a new product Stena Metall works together with the customer to reach a solution in a simple way. The view of the values for most employees was positive and they said they work in real life, but were mainly applied in external situations.

None of the interviewees at this level claimed they use the values when performing their work tasks. They all said they do not need to use the values in their position or department, because they do not have any customer contact. The values should be used in leading positions for example branch managers should share their experiences with each other, one interviewee said. One also said he performs his task in a simple and safe way. Another of the interviewee said she thinks the values are being used unconsciously.

*“We do not use such things”*

(About values, Accounts Payable, March 30, 2010)

### Communication

There is a disagreement about where most of the information originates from, some said from the top, Stena Metall, and some said they get the information from their closest manager. Most of them claimed there is a lot of information sent out; some which cannot be received due to lack of time. All but one of the interviewee said they seek their own information needed to execute their work task. Concerning other, more general information about the organization not needed in their day-to-day job, they rarely read. Most of the information seems to come from the intranet, Instant. One commented that there is a good, functioning information process and another said she is satisfied with the information that reaches her.

The information about the values seems to have been primarily communicated in meetings, when they were articulated. In the “launch meetings” management informed the organization about how to use the values. There were various ideas of when it occurred, some said last year and others claimed the values to be older. The information has also been communicated at other meetings, as sales conferences as well as posters pinned up around the offices, to remind the employees. One of the interviewees said she has heard about “follow up meetings” the vice president holds. The last comments were from two of the five interviewees at this level, and it was about the new additional values. They thought it is unnecessary to express them in English and due to this they are hard to understand.

In summation, the chapter presents the complex Stena Metall Group which includes seven subsidiaries that all holds Stena Metall’s core values, Simplicity, Reliability, Development and Stena Metall’s additional values, Share, Measure and Follow-up. Interviews built on three different levels of the employees are used as a platform that hereafter will be linked to the theoretical material of our thesis.

## 5. Analysis

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*In this chapter we analyze our empirical material according to the structural order of our theoretical framework. The two set of values Stena Metall possesses are defined and discussed. The difference of perceptions about Stena Metall's values is presented, as well as some possible explanations to why they differ. The communicational processes of the values at Stena Metall are linked to the empirical material by the different levels, and underline possible affects of disruption of the process.*

### 5.1 Stena Metall's Values

To find out if the values of Stena Metall are useful for their employee's, one must begin to learn why they have the exact values they have today. If the values only exist because they sound good to the stakeholders, the values become empty words which can harm the organization (Lencioni, 2002). According to Collins and Porras (1998), values should be traits already existing in the organization, not fabricated words. As one of the interviewed managers said "We put in words what was already here", referring to the values Simplicity, Reliability and Development. These values have been described by all employees to be representative for Stena Metall. We have, because of this, reason to believe the values are a reflection of the basic assumptions at Stena Metall.

According to Schein (1984), values can be formulated both from basic assumptions and from artifacts. It seems as the core values of Stena Metall were formulated based on the basic assumptions of the company, since the core values have only existed for five years and Stena Metall's culture has evolved during the last 61 years. "The values function to cohere the mentality of Stena Metall" one manager explained.

The additional values Share, Measure and Follow-up were established to create an organizational change. The change of the culture caused a larger focus on cooperation and sharing ideas within the entire group. According to Hofstede (1994), a new culture is only learned when one unlearn what one already knows about the old culture, which takes time and effort. If the culture of Stena Metall should be totally changed it would mean employees must unlearn their previous culture of business acumen and decentralized organization. However, in this case the culture is complemented by new values, which must be incorporated in the old culture.

*"Share, Measure and Follow-up work as a tool to help alter Stena Metall's current culture".*

(Strategic Business Developer, May 9, 2010)

Changes of this kind will not include unlearning the old culture, but still the employees must accept and learn the altered culture. Many of the interviewees agreed that personnel politics are good and they were pleased with the current culture. It can cause a dislike against changes within the culture, if the employees do not understand the use of the

altered culture. Therefore, it is likely the shift of the organizational culture, that the additional values are built on, will take time and a lot of effort to implement.

## 5.2 Categorization and Use of Values

When studying the communication of values, it is crucial to first grasp the term values. In Stena Metall the values have been identified as Simplicity, Reliability and Development and the additional values Share, Measure and Follow-up.

Stena Metall defines the first set of words as core values. Core values are according to Collin and Porras (1998) values giving a company a sense of purpose beyond making money. This study shows that Simplicity, Reliability and Development are taken for granted words, due to the fact that all of the interviewees agreed that these values are representative for Stena Metall. Lencioni's (2002) theory about the categorization of values supports the findings; he says core values are deeply ingrained principles that guide companies action. These values are used by some employees in their daily operations which indicate they are used the way core values are supposed to. As one interviewee at level two expressed "Simplicity is that it should be easy to make business with Stena Metall". However, the core values are expressed as if they turn to external parties and not to the employees at Stena Metall. It is not in line with the idea about core values expressed by Collins and Porras (1998), meaning core values should be of importance for people inside the organization. This was seen during the interviews where many employees thought the core values exist in order to guide their behavior to the external environment, as customers and suppliers, while the idea of core values is to penetrate all aspects in the organization (Deal and Kennedy, 1982). One interviewee said "We do not use such things" and another expressed "I do not use the values, because I do not have any customer contact". Both quotes are from employees at level three.

The second set of words Stena Metall mediates; Share, Measure and Follow-up, is said by one manager to be a guide to reach the visions and goals of Stena Metall. When compiling the interview data it seems as management at the first level has not agreed upon the meaning of these words. Some called them values and others guiding words. However, Lencioni (2002) has a word for these kind of values; aspiration values. He explains aspiration values as the values the company needs to survive in the future. One can see Stena Metall introduced these set of words to be more efficient during and after the financial crisis.

*"These words aim to be used as guidelines to better gather up internal expertise".*

(Jansson, D., personal communication, 18 February, 2010)

In the remaining part of the thesis the new values; Share, Measure and Follow-up will be referred to as aspiration values, while the old ones; Simplicity, Reliability and Development will be named core values.

To clarify, there is a lack of understanding concerning the aspiration values in level one. At level three, most people are not even aware of them. To have successful values, as the aspiration values, management needs to be in consensus of the meaning on field of use. On that account, it could lead to a clear communication and people know how and when to use them.

As mentioned earlier, Schein (1984) explains culture by dividing it into layers. The artifact, the first layer, is what you see and how you do things. The artifacts will express the values which in Stena Metall's case reflect the basic assumptions. We have noted throughout our study that many people do not know how to use the core values, and do not know the aspiration values. This indicates that a more clear communication of how the values are supposed to be used through making the values visible by artifacts is needed. Today, the only visual artifacts concerning values, this study has encountered, are the posters containing the core value pyramid pinned up on billboards at Stena Metall's facilities as well as on the company's intranet. These artifacts are not enough since employees do not know how to use the core values and are unaware of the aspiration values. Therefore, we argue that Stena Metall must visualize the values in new innovative ways, for example organizing events where the values are presented in an entertaining and positive manner.

### **5.3 Establishing Values**

We have found Stena Metall's values to be short, simple and catchy. According to Collin and Porras (1998), core values should be simple in order to keep the fundamentals, which means no more than five to six words. Stena Metall's two set of values has both three words and are straightforward. Simple values make people remember them easier. It is seen at Stena Metall where ten of thirteen interviewees could recite the core values. When it comes to the aspiration values, this is not the case, though the values are short and simple, which indicates that these values have not yet been implemented properly in the organization. Some mention the aspiration values and them being articulated in English, which can lead to some linguistic confusion. Two interviewees at level three stated their concerns with values only expressed in English, one said "It's odd with values in English", and another said "It's hard to understand Follow-up, why is it in English?". The top management commented on Stena Metall not having an outspoken corporate language, which is the norm for Stena Metall's mass-communication. This is another source of confusion management should address. When communicating information it is important to be as clear as possible and minimize possible noise. Language issues, as a form of noise, will be discussed later on.

Lencioni (2002) emphasizes the importance of not seeing the launch of values as a onetime event, but as a constant picture in the organization. Stena Metall had launch meetings introducing the core values five years ago, though according to our study they have failed to properly remind and communicate the usage of the values. According to Collin and Porras (1998), a good set of values should stand the test of time and a changing environment. Stena Metall has kept its core values throughout the financial crisis and has

added a few more. The financial crisis has tested the organization, with its first negative result in 30 years, but it has kept the values and keep endorsing them. One interviewee at the first level stated “An organizational culture takes a lot of time to implement, why a stable value-system is so important within Stena Metall?”. This confirms the earlier statement that the values; Simplicity, Reliability and Development are core values and are both sustainable and useful.

Another aspect of the core values is that they are truly Stena Metall’s. The company has not copied the words, and it is not words obviously used by other companies. It could be a reflection of the strong culture of the organization. As stated before, one interviewee said “we put in words what was already here”. It is supported by Colling and Porras (1998) who say successful values are not imitated or a reflection of the current situation. Though the core values are a product of the “local business acumen” strategy and the decentralized organization they previously had, they are still equally valid and easily applicable in present and future environment. However, the aspiration values are a product of the financial crisis which is an influence of the external environment, which supports our conclusion that Share, Measure and Follow-up are not core values.

#### **5.4 Risk with Values**

As Hofstede (1994) contends; there is a plus and a minus side with values, there are both gains and risks. Some risks, identified in this study, with the values at Stena Metall are supported by Lencioni’s (2002) theory of risk with values. The first is the risk of obsolescence, meaning Stena Metall may keep its old values though they are not congruent with the changing environment. However, the risk is minimized by Stena Metall’s additional values matching the present external situation. Having introduced the new values in the time of crisis helps the old values stay relevant and useful. It is supported by the employees’ thoughts about the core values being representative for Stena Metall.

The other aspect is the risk of resisting change, which can be connected to the statement above, where employees perceive the core values in a positive manner. It may be the reason why they do not see the additional values as necessary to use in their daily work. According to our empirical material there is a lack of knowledge about the additional values which could be a resistance to change.

#### **5.5 Values and Communication**

As stated by Kreps (1990) there is an undeniable correlation between values and communication. Due to that Stena Metall’s aspiration value; Share, the communication within the organization must increase. However, the increased communication can be said to be opposed by the old core values since they are impregnated with the concept of “local business acumen”, which is more about fast decisions and making quick businesses than about communicating and sharing successful strategies. To be able to increase the communication and cooperation within the company the aspiration values must be implemented and connected to the culture. Before the horizontal communication can

increase, the idea of share must become a natural part of the daily operations. It includes incorporating the aspiration values with the core values to get an obvious culture including both fast decisions and cooperation within and between Stena Metall's subsidiaries.

*“The purpose of Share is to shift the current culture at Stena Metall towards a culture where ideas and knowledge transfers between different subsidiaries. Local business acumen is still important”.*

(Strategic Business Developer, 9 April, 2010)

The focus of implementing the aspiration values Measure and Follow-up has not been as extensive as the focus on Share. Kreps (1990) means the first function of organizational communication is to share information about culture and values; then, members socialize into the communicated culture. If the new aspiration values are not communicated throughout the organization, the employees will not be able to take part of the values, and socialize into the culture it represents. Then the point of the values will be useless. The question is then if it is better to erase these two values or to keep the other values as simple as possible. To have short and catchy values, as stated before, are argued by Colling & Porras (1998) to be crucial to not confuse the employees. Still, the management had a clear thought about the purpose of Measure and Follow-up when these were implemented as values. Therefore, it would probably be better to keep them and increase knowledge about them in the organization.

Axzo Press LLC (2003) states that organizational communication has two parts. First it exists across and between hierarchical levels, which will be analyzed further in connection to the model of communication. The second part describes how an organization develops a communicational structure to improve its information flow. Stena Metall's aspiration value Share is an example of an attempt to extend its communicational network. However, as some of the interviewees mention, more effort needs to be allocated to communicating both the core and aspiration values. One interviewee at level one said “I need to improve my personal relationship with the employees at the affiliates to be able to communicate and get a better understanding of the organization as a unit”.

## **5.6 The Model of Communication**

The Model of Communication, first introduced by Shannon and Weaver (1948), describes the communication process in an accessible way. The model can be applied at Stena Metall's process of communicating values. From this study it can be seen that the values were first established by the top management, who can be recognized as the information source the information originates from. The values are transmitted into the channel, which will be discussed later on. It is in the channel the concept of noise appears and may alter the message. The receiver in Stena Metall's communication process is mainly the middle management, who will interpret the message. After this, a new communication process begins, where the middle-management is the information source and their employees, at lower levels, the receivers.

*“The values are first communicated from top-management, and then they are communicated by area- and floor managers”.*

(Chief Executive Officer, 9 April, 2010)

One aspect identified at Stena Metall is the mental models at different levels of the organization, which differ a lot. Mental models, described by McShane & Steen (2009), are the perception of the external world, transformed into an internal context. Depending on work task, the usage and meaning of the values are perceived in different ways. The top- and middle-managements believe most of the employees are aware of the core values and that they are used by people within the organization. One interviewee at the second level stated “I think that all employees are aware of the values even though they cannot recite them. All employees know the feeling of our culture”. This could be a result of their mental model, where using the values is taken for granted on this level. However, people at lower levels do not feel as the values are designed for them, because they have a different mental model. When people within the same organization have different mental models much communication is needed to reach a common foundation. Increased communication is desirable to make it possible to understand the information communicated in the same way. According to our study, the perception of the values differs from higher to lower levels of the organization. To decrease the gap between the mental models within Stena Metall the top management needs to better understand the mental models of employees at lower levels. This may be achieved by frequent visits by top-management to lower levels and affiliates.

Familiarity, also described by McShane & Steen (2009), means communication becomes easier when both the sender and the receiver are familiar with the subject communicated. Because there is a difference of work-tasks the familiarity of various subjects will differ. The top-management is more focused on values and concern for the future success of Stena Metall, than employees at lower levels. This phenomenon can be seen at the lowest level of the middle-management. It seems like responsibility causes commitment, which may be solved by altering the communication processes to involve the entire workforce. Our study shows that the message about Stena Metall’s various values is not received throughout the organization which can be seen as a result of not using the most suitable communication channel. This will further be discussed under “communication channels”.

## **5.7 Noise and Information Overload**

*“The greatest problem with communication is the illusion that it has been accomplished”*

(Shaw, cited in McShane and Steen, 2009 p. 220)

In the communication model noise is a factor that interrupts communication. Information overload can be a sort of noise and is described by Koski (2001) as when a person receives more information than what he or she has capacity to handle. At lower levels of Stena Metall, employees think they need to handle a lot of information. Most of them claim, due

to shortage of time, information will sometimes not be received by them. The fact that employees at lower levels do not prioritize to handle information can be seen as a type of noise because they think other tasks are more important. Basically, an information overload can be identified at Stena Metall.

At higher levels in the organization, information can be seen as more valuable since it is a vital part of their daily activities. Management at all levels handles information as daily operations and has an interest to know what is happening within the organization. It is similar to the phenomenon as was seen with familiarity; commitment to the organization is more obvious for people who have responsibility. The reason why lower levels view the information about values as overload may be because it is not an obvious part of their work tasks. One interviewee at the third level said “The information I take part of is mainly about things concerning my own department”. The information overload may be a contributing factor to why employees do not receive information about the values.

When it comes to Stena Metall’s aspiration value Share, there are some acts preformed by the management that can be identified as noise. One example is the posters with the pyramid entailing the core values (see figure 5) shown at billboards around Stena Metall’s head office and affiliates. The pyramid expresses the core values of the entire corporate group, but dependent on what subsidiary one is located at, the logotype printed at the poster will change. Simply, if one is at Stena Recycling, it is Stena Recycling’s logotype that will be printed at the poster. Stena Metall wants employees to share and cooperate within and between subsidiaries, which is why the posters should have the same logotype, Stena Metall, independent of location. If Stena Metall wants to achieve a common culture where sharing is one of the lynchpins, they must penetrate the whole organization with this message, and it must be clear. It is important that personnel who work at each of the subsidiaries realize their company is a part of Stena Metall. It became obvious during the interviews that this is not the case today, people who were asked about the values of Stena Metall could only express the values of their own subsidiary. An accounting clerk at Stena Stål expressed “I can only state the values of Stena Stål”. They did not know the values are the same for the entire organization.

Some of the employees identified the aspiration values as difficult to understand since they are expressed in English. Therefore, we identify the language as a type of noise. This is supported by Fiske (1990), who claims noise is anything around the message that can interrupt the signal.

## **5.8 Formal & Informal Communication**

Today most information at Stena Metall is communicated from the top. This is called downward communication and is described by Bloisi et al. (2003). Downward communication, which is an example of formal communication, is used by the management to reach their employees. Stena Metall’s values, both core values and aspiration values, are established and communicated from the top. To get employees to use Stena Metall’s values, upward communication can be used. Upward communication gives

employees an opportunity to express reflections about their daily operations and how things can be done in a better way. One of the interviewees at the first level expressed a wish for “spending more time on the floor”. To interact with lower level workers, this would be a good way for management to facilitate upward communication. It would give a possibility to establish a common foundation for employees and management, which is important when decreasing the gap between employees and managers mental models, which was discussed earlier.

Stena Voice is a tool used to collect thoughts of the employees at Stena Metall. According to the management, it is a tool providing useful information. However, it can be seen from our study that the tool is not enough as the solitary channel of upward communication. The management believes people at lower levels of the organization know and use the values, which is not the case. The management does not have a correct picture of how employees perform their daily operations, which proves the information collected by Stena Voice is incorrect. Some tools that encourage upward communication are suggestion boxes, employee surveys and face-to-face meeting (Bloisi et al., 2003). Today, Stena Metall has an employee surveys in the form of Stena Voice. However, our study has not come across suggestion boxes. The face-to-face meetings about values have only contained downward communication, which makes room for improvement. According to Schein (1984), the culture and its values are grounded in its employees basic assumptions of the organization. Therefore, it is important that values are communicated both upward and downward, to include the entire workforce perceptions.

It can be seen that the downward communication at Stena Metall is not working properly. This is grounded on the same argument as before; the management and the employees at lower levels do not have the same perception of the values. Simply, the signal top-management has sent out has not reached the receiver appropriately. A way to improve the message about the values, that top-management has sent out, could be to increase the use of the intranet Instant. Today the channel is mainly used for downward communication; “Instant mediate information from the top-management”. The channel can be used for both downward and upward information. For example, a discussion forum, which may include the topic of values, can be established. There is an opportunity for the management to make the values more visible at Instant, so employees understand the importance of using the values. However, a large extent of information is communicated by Instant, therefore, the information communicated must be prioritized. This is likely the reason why the aspiration values do not have more space on the intranet today.

Horizontal communication is the third process of communication, also presented by Bloisi et al. (2003). It covers communication between employees at the same level. Horizontal communication is encouraged by the aspiration value Share; it increases communication between employees in the same position but in different subsidiaries. Bloisi et al. argue that horizontal communication is important due to the interchange of information. This is congruent with the purpose of the aspiration value Share, which was introduced at Stena Metall in May 2009.

The grapevine, also called the informal communication channel, is important because employees rely more on this channel than on those channels used by the management (Modic, 1989). When it comes to values within the grapevine at Stena Metall, improvements can be made. During the interviews, it became clear that employees at Stena Metall did not use the values, and did not even talk about them. Meaning the values do not exist in the grapevine. This is most evident at lower levels of Stena Metall, but the interviews indicate that the grapevine is not used in middle-management either. Some interviewees in middle-management are not aware of the aspiration values at all. Including the grapevine as a tool for informing the staff about values, should be considered by management. This is supported by Kreps (1990) who said the grapevine can affect the daily work of personnel.

## 5.9 Verbal and Non-verbal Communication

At Stena Metall verbal communication channels is used both in written and spoken form. According to the interviewees at the third level, it is the pyramid with the core values that is used to communicate the values the most. Another finding during the interviews with staff at the third level was that most of the interviewees are aware of the pyramid but cannot specify the information it contains. According to Kreps (1990), both written and spoken communication is important. It is better to communicate information in spoken form, if the source wants the receiver engaged in the subject matter. Because the work-tasks on the third level do not include a large focus on receiving organizational information, spoken information will probably be the best communication channel. Communicating values should be engaging, since it concerns the culture, and this is why the spoken word should be used. The spoken word makes people interact more personal and emotional than the written word (Kreps, 1990).

When information is communicated in a spoken form, it is important to not focus on details (Kreps 1990). If the information needs to be detailed a combined communication can be used, a mix of both spoken and written channels. An example of this is the meetings held when the core values were launched. The combined communication style will demand a time commitment in form of meetings. Employees at this level do not think taking part of information, such as values, are a part of their daily tasks.

Although, the spoken word is preferable, pictures as the core values-pyramid can be helpful. Stena Metall's staff recognizes the pyramid and that it symbolizes the core values, which indicate visual effects as useful.

*"I think about the pyramid at the posters when I hear about Stena Stål's values"*

(Purchaser, 30 March, 2010)

Posters are a simple and inexpensive way to distribute information, for example values. It could be a good idea to spread the word about the aspiration values, which today are more unknown than the core values, to employees all over the organization. It could be a way to include the values into the grapevine, when there is a poster pinned up in the staffroom.

Stena Metall has worked hard with its values. They have realized the importance of values to keep the organization on the right track and they use many different channels to communicate the values within the company. However, Stena Metall needs to work more with its values, both the core and the aspiration values, to make sure all employees know them and understand the use of them.

## **6. Conclusions and Suggestions for Future Studies**

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*This chapter contains the concluding thought of the analysis. Stena Metall's values and the perception employees have of them, the value's communicational process and whether the perception of the values in lower levels of the organization match the perception of the top-management is presented. The chapter closes by discussing suggestions for future studies.*

### **6.1 Conclusions**

#### The values and its perception

Simplicity, Reliability and Development are Stena Metall's core values. These words are not, according to our analysis, fabricated words but are existing traits in Stena Metall. The core values are well formulated and easy to remember, and has proven to stand the test of time during a changing environment. The core values are perceived as representative for Stena Metall, and the analysis indicates that the values represent the organizations basic assumptions. The analysis shows that the core values represent the organization toward the external environment. This could cause confusion for the employees of Stena Metall, as the purpose of the core values is to function as a foundation for the entire organization and be of use in all employees' day-to-day work.

Share, Measure and Follow-up have in the analysis been identified as aspiration values, what Stena Metall needs to survive. The aspiration values are a consequence of the negative result Stena Metall presented due to the financial crisis of 2008-2009. It is a tool to adapt the organization to a more centralized organization. New values are hard to learn, as our analysis shows, the aspiration values have not yet been incorporated in Stena Metall. A risk with values is the resistance of change, which could be the case in this organization, due to their current local business acumen culture. The analysis illustrates top management, who was part of constructing the aspiration values, as disagreeing on what they stand for. If they are not in consensus, the message about the values cannot be communicated clearly. On higher levels of the organization, the majority perceives them as useful. None of the employees on the lower level of the organization were aware of the aspiration values.

#### The communication process of the values

Share is one of the aspiration values, which means increasing communication between and within subsidiaries. This has not yet occurred, as employees at different subsidiaries only are concerned with events and ideas of their own subsidiary, and do not see themselves as part of the Stena Metall group.

Values should not be seen as a one-time launch but consistently communicated in the organization. Stena Metall should therefore increase information about values. Images are good reminders but other channels, using the spoken word, should be added to ensure the receiver is personally involved with the information.

The downward communication process is faulty given that the information about how to use the core values and the aspiration values are not received by the lower level.

Interruptions in the communication process are information overload and lack of time. According to our analysis, this may be a contributing factor of why employees do not receive information about the values. Management is not aware of that employees at lower levels do not use the values in their daily operations. This suggests that the upward communication through Stena Voice is insufficient, since it does not represent the perception of the employees on lower levels.

#### The perception of values- from top management to lower levels

The perception of the values differs depending on position within the company. Lower levels of the organization focus mainly on their specific work task and do not perceive any values to be of significance in their job. Employees on higher levels are generally more informed about both the core values and the aspiration values, because their work task demands a broader knowledge of the organization. According to the analysis, responsibility causes commitment at Stena Metall. The imbalance of knowledge about the values could also be a result of different mental models depending on position in the company. Management should consider the different mental models when deciding on how to communicate the proper meaning of the values.

To conclude, our analysis shows that Stena Metall's core values are well-known within the organization while the perception of them differs depending on position within the company. The aspiration values are not known on lower levels of the organization due to insufficient communication process. In higher levels, the aspiration values are known, but the perception of what they actually are differs. This may be improved by increasing communication to inform and remind the employees of the meaning and benefits of the core and aspiration values.

## **6.2 Suggestions for Future Studies**

During our interviews at Stena Metall it was seen that the information about the values given to newly-employed staff members differed. Some managers include much information about values while others do not. It would be interesting to study the perception of those employees who obtained information of the values when starting at Stena Metall, and those who had not. For example, if the early information of the values affect the employee's perception of Stena Metall's daily operations and culture.

Stena Metall is a large and complex organization that has Swedish and international stakeholders. The company uses both Swedish and English when communicating information in the organization. In this study, some reflections of the language used have been raised, and have shown to be an issue for some employees. A suggested study would be to investigate if an official organizational language would improve the understanding of the communicated information.

Another area to investigate more thoroughly would be Stena Metall's grapevine, and how it could be developed into a communication channel used by the management. Modic (1989)

argues that the grapevine is an important communication channel that employees rely more on than on other communication channels. We found in our analysis that improvements in Stena Metall's grapevine could be done.

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# Appendices

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## Appendix 1

### Intervju underlag

#### Nivå ett

- Vad är tanken med era värden? (Både kärnvärden och interna värden)
- Hur formulerades dessa värden? Varför dessa?
  - Vilka har inflytande på utformandet av värdena?
  - Hur vill ni att värdena skall uppfattas och användas?
- Hur kommunicerar ni ut värdena? (Vilka kanaler)
  - Hur kom ni fram till detta, varför?
- Anser ni att informationen om värdena går fram?
- Upplever ni att värdena används i olika delar av organisationen?
- Har ni gjort en uppföljning av kommunikationen av värdena?

#### Nivå två

- Har Stena Metall några värdeord?
  - Vilka?
- Hur uppfattar du dessa värden?
  - Vad betyder dem för dig?
- Tycker du att värdena är representativa för Stena Metall?
- Använder du värdena i ditt dagliga arbete?
  - Hjälper värdena dig i ditt arbete?
- Kommer det mycket information i organisationen?
- Hur har dessa värden kommunicerats till dig? (Vilka kanaler?)
  - Hur ska du använda dessa i det dagliga arbetet?
  - Använder du dem?

- Ingår det i dina arbetsuppgifter att kommunicera ut dessa värden vidare i organisationen?
  - Hur gör du det?
  - Om nej - hur får andra i organisationen reda på det då?
- Har ni gjort en uppföljning av kommunikationen av värdena?

### Nivå tre

- Har Stena Metall några värdeord?
  - Vilka?
- Hur uppfattar du dessa värden?
  - Vad betyder dem för dig?
- Tycker du att värdena är representativa för Stena Metall?
- Använder du värdena i ditt dagliga arbete?
  - Hjälper värdena dig i ditt arbete?
- Kommer det mycket information i organisationen?
- Hur har dessa värden kommunicerats till dig? (Vilka kanaler?)
  - Hur ska du använda dessa i det dagliga arbetet?
  - Använder du dem?

## Appendix 2

### Interview guidelines

#### First level

- What is the purpose of your stated values? (Both core values and internal values)
- How was these values formulated? Why these did you select these values?
  - Which members of the organization had influence on selecting the values?
  - How do you want them to be interpreted and used?
- How do you communicate these values? (What channels)
  - How did you decide on this method?
- Do you perceive that these values are used in the different part of this organization?
- Do you consider the information understood and registered by people of this organization?
- Have you made follow-ups of the communication of the values?

#### Second level

- Does Stena have any core values stated?
  - What are they?
- How do you interpret these values?
  - What do they mean to you?
- Do you think these values are representative for Stena Metall?
- Do you use these values in your day-to-day work?
  - Are they helpful when you are performing your task?
- Do you receive a lot of information from the organization?
- How was the values communicated to you? (What channels)
  - How are you supposed to use these in your work?
  - Do you use them?

- Is it part of your work task to communicate these values to other parts of the organization?
  - How do you do that?
  - If no – how do others in the organization receive information about the values?
- Have you made follow-ups of the communication of the values?

### **Third level**

- Does Stena have any core values stated?
  - What are they?
- How do you interpret these values?
  - What do they mean to you?
- Do you think these values are representative for Stena Metall?
- Do you use these values in your day-to-day work?
  - Are they helpful when you are performing your task?
- Do you receive a lot of information from the organization?
- How was the values communicated to you? (What channels)
  - How are you supposed to use these in your work?
  - Do you use them?

### **Appendix 3**

#### **List of interviewees**

- Interview 1, Strategic Business Developer, May 9 2010
- Interview 2, Business Developer, March 31 2010
- Interview 3, Chef Executive Officer, May 9 2010
- Interview 4, Chef Executive Officer, May 9 2010
- Interview 5, Vice Chief Financial Officer, March 30 2010
- Interview 6, Local Manager, March 31 2010
- Interview 7, Sales Manager, March 31 2010
- Interview 8, Financial Manager, May 9 2010
- Interview 9, Accounts Payable, March 30 2010
- Interview 10, Purchaser, March 30 2010
- Interview 11, Accounting Clerk, March 31 2010
- Interview 12, Sales Person, March 31 2010
- Interview 13, Material Handler, March 31 2010