

# **Bachelor Thesis: Influencing Employee Behaviour for Successful Strategy Implementation**

Author: Fabian Frank  
University of Twente  
P.O. Box 217, 7500AE Enschede  
The Netherlands

## **ABSTRACT**

**Companies often develop the most elaborate strategies to steer the organization in a preferred direction but they have no strategy on how to implement that strategy. Many valuable strategies therefor are faced with problem and failure in the implementation stage. Despite a strong need for information the current state of research lacks far behind when it comes to strategy implementation. It is one of the most difficult and underestimated elements of strategy, often just seen as the strategic afterthought. The problem often lies in employees not knowing or understanding the strategy of the company. This paper develops a framework for managers to motivate employees to internalize strategies using the Fogg Behaviour Model.**

**Supervisors:**  
**Dr. Raymond P.A. Loohuis, MBA**

## **Keywords**

strategy, strategy implementation, persuasive design, motivation, behaviour change, simplicity, triggers

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# 1. INTRODUCTION

Companies often develop the most elaborate strategies to steer the organization in a preferred direction but they have no strategy on how to implement that strategy. Many valuable strategies therefore are faced with problem and failure in the implementation stage. Despite a strong need for information the current state of research lacks far behind when it comes to strategy implementation. It is one of the most difficult and underestimated elements of strategy, often just seen as the strategic afterthought. There is only little systematic knowledge about how organizations go about executing their strategy. This makes studying the approaches and challenges associated with strategy execution very relevant.

## 1.1 Background

Strategy has only been identified as a distinct subject of study in the last fifty years. Since then much has been written about what companies, that aim at corporate success, should adopt in their strategy (Kay, McKiernan, & Faulkner, 2006). Still, there is not much agreed of what actually defines strategy (Whittington, 2001). Markides (2000) clarifies that we simply do not know what strategy is or how to develop a good one.

G. Johnson, Scholes, and Whittington (2008) define Strategy as direction and scope of an organization in the long run with the goal of creating benefits to the organization by applying the correct use of resources on a competitive environment and to meet market demand and meet stakeholders' expectations. A more broad definition which is available in the literature defines that strategy is the activities of a business and how it creates competitive advantages (Pettigrew, Thomas, & Whittington, 2001).

The topic of successful strategies has gained a lot of attention in the last 60 years. But, well formulated strategies only produce superior performance for the firm when successfully implemented (Bonoma, 1984). According to (L. K. Johnson, 2004), however, 66% of corporate strategy is never implemented. Despite the significance of the implementation process, however, relatively little attention has been given towards the research topic. This could have been due to a common bias in strategy research, where the implementation is seen as only a strategic afterthought and the main focus lies in the development of shrewd strategies.

*Many of the models of strategic management... tend to assume too simple a link between the development of strategic direction and its actual implementation via the allocation of resources. In practice,... the actual process of resource allocation often incorporates a number of implicit but critical strategic moves (Day & Wensley, 1983)*

According to Thompson and Strickland (1992), strategy implementation is the conversion of a strategic plan into actions in order to complete defined objectives. It is crucial that businesses, together with capable employees, are cooperatively working towards the objectives, this requires the workers to be committed and motivated.

Without a well-thought-out strategy implementation the execution of strategic decisions will not follow in practice since there is much more demanded in order to overcome the difference between planned and actual strategy (Von Krogh, Roos, & Kleine, 1998). Strategy implementation is a set of actions that are to be carried out in an organization

in order to perform the desired strategy; these activities coincide with organizational management, budgeting, motivation of employees and initiating corporate culture (Von Krogh et al., 1998).

Implementing a strategy in practice is a difficult procedure with a lot of different actors that have to be aligned for the implementation to work.

According to Hrebiniak (2006), organizations not using structured models of strategy implementation are doomed to perform poorly. The most common scenario for poor execution of a strategy is making the strategy complicated through using heavy communication channels like documents (Rumelt, 2012). Hrebiniak (2006) states that managers of organizations need a logical model to guide execution decisions and actions in order to communicate the objectives.

According to a study held by Kaplan and Norton (2005), 95% of employees are not aware or do not understand their companies strategy. When employees lack awareness and knowledge of the central strategies of an organization, it is not likely that an appropriate implementation of the strategy will follow.

Kaplan and Norton (2000) also disclosed that 75% of managers lack harmony in the issue of how strategy should be established and communicated throughout the organization. If managers would find consensus and improved their communication of strategic changes, the likelihood of a more successful strategy implementation process would increase.

## 1.2 Scope of the Thesis

The main goal of this bachelor thesis is to provide a framework for managers with steps to commence to influence employees to internalize and successfully implement new strategies.

The main research question is how managers can encourage employees to cope with new strategies.

Sub questions which will support to answer the research questions are:

1. What are motivators for employees to accept a new strategy?
2. What are enablers for employees to cope with a new strategy?
3. What are triggers which empower employees to actively execute a new strategy?

Drawing a conclusion from these questions I will establish a model for practical use for managers.

# 2. THEORETICAL FRAMEWORK

In order for a new strategy to get successfully integrated, the behaviour of employees has to change. They have to learn the new strategy, internalize it and adapt to it. This is often not an easy task especially when employees do not even know or understand the strategy.

In this chapter a model is introduced which aims at changing behaviour towards a target behaviour. The model aims to motivate people, simplify the strategy and triggers them to act like the targeted behaviour. This model will later be used to develop persuasive strategy implementation strategies.

## 2.1 Fogg Behaviour Model

The Fogg Behaviour Model (FBM) looks at three elements which have to converge at the same moment for a desired

behaviour do occur. These three factors are: motivation, ability and triggers. Each of the three factors have their own subcomponents.

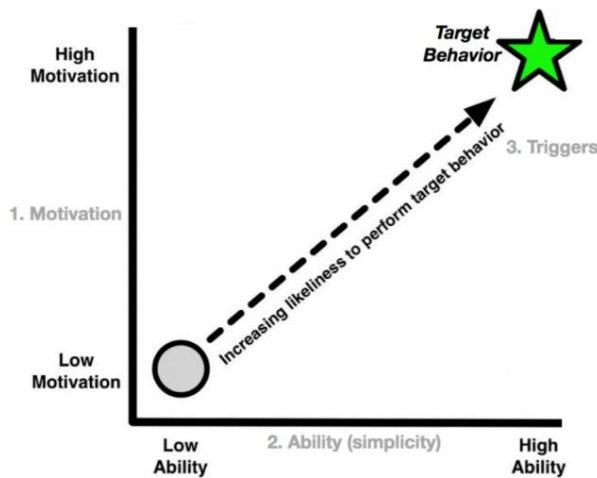


Figure 1. The Fogg Behaviour Model

Figure 1 serves as an explanatory tool to visualize the model. The figure consists of two axes one for motivation and the other one for ability. In the further paragraph the model will be explained in detail using the figure as reference.

There are no units on the model since it is only conceptual. The vertical axis for motivation, a person with low motivation to perform target behaviour would be scored on the lower end of the vertical axis; a person with high motivation would register high on the axis (Fogg, 2009).

The horizontal axis is for ability, a person with a low ability to perform the target behaviour would score on the left side of the axis, and a person with high ability would be marked towards the right side.

The star in the upper right hand corner represents the given target behaviour, placement is symbolic, explaining that high motivation and high ability are usually necessary for a target behaviour to occur.

The third factor in figure 1 are triggers, these are close to the star as they are necessary to be present for the target behaviour to occur.

In the following the model will be elaborated on an example. Suppose a web site creator wants to persuade visitors of the website to enter their email to get the regular newsletter of the webpage. The target behaviour in this case would be the 'typing in of the email address'. In the figure this would be the star in the upper right hand corner. We can generalize now that every user's ability is high, since typing in an email address into a give field is easy, for almost everyone. Therefore we can already assume the star on the right side of the horizontal axis ability.

For motivation this is a different case. Most visitors will not be motivated to type in their email address. They maybe are in fear of getting their inbox flooded with spam mail all the time or simply do not care about receiving a newsletter from the given website. Those users will land on the lower part of the vertical axis for ability.

Only people with high motivation and ability are likely to perform the target behaviour when applied with a proper trigger. Triggers will get explained later.

In the last section, it was explained how motivation works in the Fogg Behaviour Model. Now the scenario will be changed to show a situation where the user has high motivation but low ability. Imagine a scenario where the website designers program the site to only unlock the field to enter your email address when finishing a math puzzle.

In order for users to be able to submit an email address, they must also solve given puzzle. In this scenario, some users may have difficulty completing the task. So even if someone would want to submit his or her email address, their ability is low: They can't figure out the math puzzle.

In this scenario, the star representing the target behaviour would be in the upper left part of Figure 1: high motivation and low ability. In this scenario with the hard math puzzle, note that even if the web site creator increases the motivation level, the behaviour is still not likely to occur.

The FBM makes clear that motivation alone – no matter how high – may not get people to perform the behaviour if they don't have the ability. In order for behaviour to occur, people must have some non-zero level of both motivation and ability (Fogg, 2009). The implication for designers is clear: Increasing motivation is not always the solution. Often increasing ability (making the behaviour simpler) is the path for increasing behaviour performance (Fogg, 2009).

The FBM implies that motivation and ability are trade-offs of a sort. People with low motivation may perform a behaviour if the behaviour is simple enough (meaning, high on ability). For example, right now I have very low motivation to buy a new car. But if someone offered me a new car for \$1, I would buy it. My ability to pay \$1 is high, so I would buy the car despite my low level of motivation (Fogg, 2009).

The reverse scenario can be applied as well. Returning to the math puzzle, if someone would offer a user 1.000Euro for submitting an email address to the website, even though his ability to solve the math puzzle might be low, because he is terrible at maths, his motivation is high enough to try until he successfully completes the puzzle and can enter the email address. Or he would search for an alternative route, maybe contacting a friend that is good at math and will help him to solve the puzzle.

On this example it becomes clear what people are able to do if their motivation is high enough. In most real life scenarios, however, the users are not in the extremes of either motivation or ability. They are mostly somewhere in the middle of both, motivation and ability. To get the person to perform the target behaviour usually one thing has to happen that boosts either the ability or the motivation. For example, amazon introduced their 1-click ordering, making it so simple to buy something, and thereby boosting the ability. Now even though motivation might not be too high, the process is so simple that users are more likely to buy something.

There is a third factor in the FBM which is often the missing spark to actually get someone to perform the target behaviour. Even though both motivation and ability are high a targeted behaviour might not occur.

To elaborate this we take the example of entering the email address. Even though someone has high motivation to get

the newsletter and therefore to enter his email address and his ability is also high because it is such a simple thing to do, he might not enter his address. Why? Because there is nothing really telling him that there is this option. If now a trigger was in place like a pop up, reminding him of this possibility. Additionally this pop up could tell the user that he would get a coupon if entering the email address, getting 10% of a purchase. This trigger would push users that have high motivation and ability over the edge, making them actually perform the behaviour.

But there are two cases where this trigger would be annoying, these scenarios being a person with either low motivation or low ability. If motivation is low, this trigger will annoy the person because it is one more thing to click before actually being able to see the website. If ability is low, the person will get frustrated getting advertised something he or she is not able to do. Therefore timing is very important when setting a trigger. A poorly placed and timed trigger can perform exactly the opposite of what it should do.

The FBM is designed to give a clearer understanding of what motivates people, what gives them the ability to perform something through making it simpler and elaborates the triggers that push people over the edge to actually do the target behaviour.

In the following section every aspect will be described and elaborated in more detail.

## **2.2 Motivators**

In the following section the core motivators will be explored. These are the most common reactions which should aim at to get a specific response.

### *2.2.1 Motivator #1: Pleasure/Pain*

Pleasure and pain are very powerful motivators. They trigger almost immediate responses, which differentiates them from most other motivators. Users do not have to think about them, they respond to what is happening in the moment. Pleasure and Pain are primitive responses, for example the pain of feeling hungry triggers one to eat.

Even though the motivator is strong, in a lot of cases it is not an ideal approach, especially when thinking about using pain. Even when not applicable in most situations, for a complete list of motivators these should get included (Fogg, 2009).

### *2.2.2 Motivator #2 Hope/Fear*

The second motivator again has two sides which oppose each other. This dimension is the expectation of an outcome. Hope is the anticipation of something positive happening. Fear is the apprehension of something bad happening.

Hope and Fear are both compelling motivators. An example from everyday behaviour is getting a flu shot. Most people overcome the pain of getting a flu shot, because they fear getting the flu. The anticipation of getting the flu (the fear) triumphs over the short pain one feels when getting vaccinated.

In some scenarios hope/fear is a stronger motivator than pleasure/pain but the FBM tries not to rank the different motivators since their power changes with each different scenario.

### *2.2.3 Motivator #3 Social Acceptance/Rejection*

The third and last motivator is social dimension with two sides: Social acceptance and rejection. These two factors influence quite a bit in our daily life. They e.g. determine what we wear to work or the language we use.

A banker for example is going to wear suit and tie to work every day because it is socially accepted. Or more likely a banker is motivated to wear a suit and tie to not get socially rejected by other bankers.

The power of social motivation seems to be hardwired into our behaviour and probably into every living creature that are dependent on living in groups to survive. Where being banished from a pack means certain death, trying everything to fit in and get socially accepted is the only viable option.

Regardless of the origin of these motivators, its power is undeniable and with our current social networks, the methods to motivate through social acceptance and rejection seem to have blossomed.

## **2.3 Ability (Simplicity)**

The next factor we will take a look at is ability. Increasing ability is not always about teaching or training, since people are mostly resistant to training because it requires effort. Human adults are essentially wired to be lazy and therefore something that requires training and forces people out of their routine often fails.

Therefore persuasive design aims for simplicity, making behaviour easy. However since we are aiming at changing behaviour towards a new strategy in the later analysis we will still include teaching since it seems to be a requirement for changing employees' behaviour to cope with a new strategy.

In the following six elements will get elaborated which build a framework for simplicity. They relate to each other like links in a chain: If a single link breaks the whole chain fails, which in this case is the simplicity.

### *2.3.1 Time*

The first element of simplicity is time. If the target behaviour requires time which is not available to most users, it is not simple to do. Returning to the example of entering the email address, if somehow a user had to spend 30 minutes on the site before being able to so, he will most likely not do it because he does not have 30 minutes to spend on the site and wait for the field to unlock.

### *2.3.2 Money*

The second element of simplicity is money. If a person has limited financial resources, a behaviour that requires the person to spend money is not simple. However there are large differences here, for a wealthy person something that costs money but saves time, like hiring someone to clean the apartment, is an option that simplifies his life. The trade-off between money and time makes sense for some.

For someone not wealthy, this link in the simplicity chain will break easily. Therefore when designing something, one should always keep in mind: what's simple for one person might not be simple for others.

### *2.3.3 Physical Effort*

The next element of simplicity is physical effort. Behaviour that require physical effort are most likely not simple. If one would have to walk to Paris from Enschede, that would not be simple because of the physical effort

required. Taking the train instead is a much simpler behaviour.

#### 2.3.4 Brain Cycles

The fourth element in the chain of simplicity is brain cycles. If performing the target behaviour requires the person to think hard, the behaviour most likely is not simple. This is especially true if our minds are occupied by something else. Some people might not care about this, but most will find it hard, especially if it requires the person to think in new ways.

#### 2.3.5 Social Deviance

The next element of simplicity is social deviance. If the target behaviour goes against the social norms, it is no longer simple. Most people will feel resistant when performing such behaviour. An adequate example is wearing a pyjama to an official meeting. It might be the easiest option since one would just have to get up out of bed and was ready to go, but there would definitely be a social price one would have to pay.

#### 2.3.6 Non-Routine

The sixth and last element in the chain of simplicity is non-routine. People tend to find things easier that are routine, something they do over and over again. Breaking this cycle of routine often means something being perceived as difficult.

#### 2.3.7 Key Points of simplicity

Each person has a different simplicity profile, what is easy for one person might be extremely hard for another. Not only does simplicity vary by person, but also by the context.

Depending on the scenario, the designer has to think of the different simplicity profiles that could be targeted. Figuring this out, simplicity should be reached with the finished design.

### 2.4 Triggers

The third factor in the FBM is Triggers. A trigger is something that reminds people to perform the behaviour. Often just presumed as existing or overlooked, triggers are an important aspect of persuasive design. In fact, a trigger is all that's required when motivation and ability for a specific behaviour are already high. Not all triggers function in the same way. Below, three types of triggers are described, namely: sparks, facilitators, and signals. A spark is a trigger that motivates behaviour. A facilitator makes behaviour easier. And a signal indicates or reminds. The following text explains each trigger in more depth. (Fogg, 2009)

#### 2.4.1 Spark as Trigger

The spark is a trigger that should be designed as something that motivates a person that lacks motivation to do the target behaviour. An example for a spark is a video that highlights hopes or fears. When designing a spark, the designers can elaborate the 3 motivators described above. These motivational elements then should get leveraged. The channel or embodiment of triggers does not matter; they can come in various forms. The only important factor is that the trigger is recognized by the users and that it comes at the right time when the user has the ability to act on them.

#### 2.4.2 Facilitator as Trigger

The next type of trigger is a facilitator. This type of trigger is applicable when the user has high motivation but lacks

the ability to perform the target behaviour. A facilitator can get embodied in graphic, text or video, triggering the behaviour whilst also making it easier. Effectively, this trigger should tell the user that something is easy to do and that he has every resource needed to perform the behaviour. A prominent example is software updates which advertise themselves as easy to do since it is only one mouse click. Or an address book uploading function for social media apps, simplifying the behaviour of connecting to friends.

#### 2.4.3 Signal as Trigger

The third and last kind of trigger is a signal. This trigger should be applied when both, motivation and ability are high. This type of trigger does not serve as a motivator and does not aim at simplifying the behaviour. It serves solely as a purpose to remind the person of the behaviour. A common example is a reminder to do an activity in a mobile phone calendar that has set a specific time to remind the person of something he or she has to do. 30 minutes before that action should take place the phone will make a tone to draw the users' attention. A spark or facilitator will most likely just be annoying or condescending. Another popular example is a traffic light, it just reminds the people that want to cross the street when the behaviour is appropriate.

## 3. METHOD SECTION

This section will present the chosen plan of method regarding the testing of theory in relation to the purpose of the study.

### 3.1 Scientific Approach

It is important to determine which scientific approach shall be taken when gathering information and evidence material. There are two different procedures in social science methodology: quantitative designs and qualitative designs. A qualitative approach indicates that a study is based on a descriptive approach to the characteristics of the obtained data and not by statistical procedures or other means of quantification (Strauss & Corbin, 1990). A quantitative approach often delivers a definition of the cause of the problem, while a qualitative approach is more open and informal and allows for a deeper understanding with the experience with strategy from the interviewee (Strauss & Corbin, 1990). For this study a qualitative approach seems more favourable since business strategy and implementation are often complex and a quantitative approach would most likely not deliver a result with the required accuracy (Pettigrew, 1992).

Qualitative research, in contradiction to quantitative research allows the interviewer to achieve more detail about the questions asked since the interviewee is not only able to answer questions but can also go into detail when explaining his answer. This kind of interview gives researchers the possibility to get in contact with people from practice, allowing a comparison of theory and practice and through that gain deeper insight into the topic (Hancock, Ockleford, & Windridge, 1998). The value of the findings is increased with deeper insight.

The research was performed to compare the important factors from theory and practice, to discover solutions to challenges of strategy implementation from practice. The interview was carried out on the 3<sup>rd</sup> of June 2015.

A selection criterion for the respondent was their available experience with strategy and strategy implementation. The interview was semi-structured meaning, the interviewer had predefined key questions that build the framework of

the interview, but for the most part interviewer and interviewee engaged in a discussion about the different parts of strategy implementation.

All question of the questionnaire were established through the knowledge gained from literature.

## 4. ANALYSIS

In the following section, the findings from the interview will get combined with literature about strategy implementation. As a conclusion a framework will be elaborated for managers with steps to initiate for a successful strategy implementation process.

### 4.1 Motivation

#### 4.1.1 Pleasure/Pain

Using pleasure as a motivator to implement strategy seems like a reasonable idea. However, pleasure seems to relate too much to a physical idea. In this context the motivator should get changed to gratification. Gratification is the enjoyable emotional reaction to an achievement of a goal.

But what triggers the feeling of gratification for employees in an organisational context? Durant, Kramer, Perry, Mesch, and Paarlberg (2006) explain that feedback involving monetary rewards as well as social recognition serves as a good motivator. Giving feedback shows that you are on the right track and that you are doing the right thing.

This aspect is utilized a lot in organisations, but in the majority of cases only when achieving short term financial goals. 70% of middle managers and more than 90% of front line employees do not have incentive compensation tied to successful strategy implementation (Kaplan & Norton, 2005). If managers can utilize this aspect, employees will see value in the long term goal of internalizing strategy instead of just trying to accomplish short term goals. The gratification of receiving a monetary reward for the achievement of implementing strategy will motivate employees to move further with incorporating strategy.

Giving a financial reward for achieving a goal seems like the most obvious motivator, however, it should not be the only one. As Christian Heinkle put it in the interview:

*"In my personal experience it has never proven that financial rewards were a good motivator in the long term for employees to drive them towards a target. A monetary reward is gone after a few weeks along with the motivation that this reward brought"*

What seems to be more important according to the literature is the process of goal-setting. Goal-setting directs attention and action towards the goal, mobilizing energy expenditure or effort, prolonging effort over time (persistence) and motivating the individual to develop relevant strategies for goal attainment (Locke, Shaw, & Latham, 1981).

According to Kaplan and Norton (2005), experience indicates that human capital is greatly enhanced when these processes align employees and their development to the strategy.

The alignment of both, the personal goals of employees and the goals of the strategy is of great importance. Through linking employee focused processes to strategy, every employees goals, objectives, compensation and development plans become aligned and make strategy everyone's job (Kaplan & Norton, 2005)

For each strategy, there needs to be a 'milestone' measure and an associated date, so that managers will know what is expected to be delivered and by when. These will also be used in management reports to check if the overall plan is on track to achieve the objectives.

The whole management process has to be built around measurements, reconstructing the rewards process around rewarding performance as defined in the new strategy. Personally write notes of praise to those who performed well. Institute zero based budgeting and standardize equipment (Higgins, 2005).

Pain does not seem like a suitable motivator in most cases. The "pain" of getting a salary cut will most likely motivate employees to work towards a certain goal but it will overall create a bad atmosphere which will hurt the firm in the long run, along with the bad press that a company will get as soon as such a form of motivation gets public.

#### 4.1.2 Hope/Fear

Hope is the anticipation of something positive happening. This can be a strong motivator in organizations. A strategy should aim to generate the feeling that things are going to get better. For different levels of employees this could mean different things.

*Different parts of the strategy have to be received by the different departments. For a worker on the production line there is another part of the strategy that is important for him. His job security is probably most important for him. If the new strategy gives him that, he will most likely be satisfied (C. Heinkle, 2015)*

Hope could mean having job security with the new strategy. Job security is often a by-product of a firm that generates income. If a new strategy promises this, a worker on the production line will not have to fear losing his job, which is a great motivator.

*Christian Heinkle: "You have to show every employee that there is additional value for the company and for himself with the new strategy"*

This will help the successful implementation of the strategy. If every employee realizes that there is additional value for him and hope, that things get better, the employee is more likely to internalize the new strategy and gets intrinsically motivated (Harackiewicz, 2000). Intrinsic motivation is the inherent tendency to seek out novelty and challenges, to extend one's capacities, to explore, and to learn (Ryan & Deci, 2000). Intrinsic motivation is one of the most important parts when it comes to strategy implementation, this will get elaborated later.

#### 4.1.3 Social Acceptance/Rejection

Social Acceptance/Rejection is all about making things the social norms. If the managers succeed in making the new strategy the social norm, implementation is far more likely.

But how do you make something a social norm? Christian Heinkle had the following answer:

*The communication should not left only to each department and its leader, it should be carried from top to bottom from the initiator himself personally. Specific people have to get formed into the team that are intrinsically motivated to push the new strategy through (ibid).*

If there is a team in place that overlooks the process, the strategy has to get set as the new social norm. This can be

done when new ideas for improving strategic actions which can arise anywhere in the organization are applied in different units and functions. These so called “best practices” should get identified and shared throughout the different departments. (Kaplan & Norton, 2005).

This would align the different departments with each other as well as with the new strategy Galunic and Hermreck (2012) go as far as saying that teams that are well aligned with strategy are more likely to be dynamic and productive. So not only would the strategy implementation be successful but also would it create a more productive organisation.

## 4.2 Ability

### 4.2.1 Time

The most important concept here is to make the strategy easy, regular work is hard enough, having to read through a whole document to get the ideas of a new strategy is too time intensive. Avoid long, drawn out descriptions of lofty goals and instead stick to clear language, describing their course of action (Mankins & Steele, 2005). Meetings where top management explains the new strategy can help, not having everyone to read through documents to find out the new strategy.

### 4.2.2 Money

Here it is important that every employee has clarity on job responsibilities, adequate resources (equipment, software, tools) and the access to necessary information. An employee that has every resource available to act out the new strategy will understand and embrace the new strategy (Galunic & Hermreck, 2012).

Kaplan and Norton (2005) discovered that 60% of companies did not link their budget to strategic priorities, resulting in firms not allocating sufficient resources to strategy implementation.

This is often a critical point for companies, but the resources have to be available for employees otherwise the implementation is highly likely to fail.

### 4.2.3 Physical Effort

Physical effort in an organisation is mostly equal to the money aspect. Enough resources have to be available for the employees to not have to travel for endless hours.

Consider a strategy where the employee has to be in touch with customers as part of a proactive customer service, a strategy which requires the employee to travel, the budget for traveling should be available to the employee (Galunic & Hermreck, 2012).

### 4.2.4 Brain Cycles

This aspect is about making the strategy simple. As in time, most employees have a busy day at work anyway. They cannot or do not want to have to learn a new strategy. If a strategy is not understood, there is no point in having it at all.

*CH: You have to make a strategy simple for everyone to be able to understand it.*

If you want employees to understand and internalize the strategy, you have to make meetings during work time in which you elaborate on the most important part of the strategy and why it is important to implement it.

Translate the new vision and ideas into workable plans and metrics will help to clarify strategy for every employee

without having to go through pages and pages of new outlines.

### 4.2.5 Social Deviance

Social deviance is again about the social norms. You have to create alignment to build focus and coordination across even the most complex organisations. Unfortunately, many organisations do not manage alignment as a process (Kaplan & Norton, 2005)

Alignment will make the new strategy the new social norm, not doing this will make the social aspects working against you. If the new strategy is socially rejected by employees, no one will implement it seeing it as they will become social outsiders.

### 4.2.6 Non-Routine

This part gets a little bit tricky when it comes to organisations.

*Breaking routine can be positive, people at work often like to learn something new and get a challenge (Christian Heinkele).*

However stepping out of routine for some is also very uncomfortable. Therefore managers have to work that the new strategy gets routinized as soon as possible. Making the strategy easy to understand so that it will become easier to routinize it and setting regular meetings.

However, senior executive meetings focus on meeting short-term targeted performance. 85% of executive leadership reports that they spend less than one hour per month discussing their units strategy and 50% indicate that they spend zero time on strategy discussion (Kaplan & Norton, 2005).

To routinize strategy, there have to be constant reminders that it exists, what it is and how to do it. Setting meetings which explain the progress of the strategy is very important. There are other triggers which will get explained in the following section that remind the employees of the strategy.

## 4.3 Triggers

The last aspects of the employee behaviour model are the triggers that can and have to be applied when certain aspects are missing in the employees. First of all for successful strategy implementation it has to be said that the message should be delivered in multiple ways through multiple media.

The most effective communication channels is having each and every employee hear the new strategy directly from the CEO (Kaplan & Norton, 2005). Galunic and Hermreck (2012) agree, that hearing the strategy from top leaders can be very powerful, they are the ones that formulated the strategy and therefore have the best knowledge of it.

Christian Heinkele agrees and stated:

*“If you do not come out as a manager and explain to the employees what the new strategy is and why there is additional value, the employees will not be committed. Managers establish the strategies but the employees are the ones actually implementing them.”*

Therefore small reminders have to be in place, which call the employees attention to the strategy.

*A mission and vision has to be communicated e.g. as a slogan framed in the office, they have to get internalized and the employees as well as managers have to live them. The communication has to find place on a daily basis, for*

everybody to recognize how important the goal of the company is for them personally. This is called the intrinsic motivation. And for the long-term this is the most important part.

At the end of the day this is what it seems to come down to, intrinsic motivation. You have to communicate the strategy to every employee and remind them daily, that there is additional value to get them intrinsically motivated.

#### 4.3.1 Sparks

When employees lack motivation, a spark is something that motivates them to internalize the strategy. Employees should get controlled that their motivation is not lacking. After all the work for the company, they get paid and they should act in the way that the strategy of the firm intends.

Monthly management meetings should be the cornerstone of the control process; it provides the opportunity to review performance and to make strategic adjustments. The underlying hypothesis of the strategy are tested, learning takes place and new actions are initiated (Kaplan & Norton, 2005)

These monthly meetings should motivate every employee to implement the new strategy. It is a constant reminder and motivator.

#### 4.3.2 Facilitators

When employees lack the ability to perform the strategy, facilitators should be in place to elaborate that resources are available for the strategy implementation. This can happen through videos in which gets explained what has to

be done or in the worst case if nothing else available, through emails. Through this every employee will be reminded that doing the behaviour is simple and that he is in fact able to do it.

#### 4.3.3 Signals

The last factor of triggers are signals, these act as small sparks that remind employees of actually acting according to the strategy when the employee has both, the ability and the motivation to do so. Examples for signals are posters that hang in the office space with slogans of the strategy or the vision or emails that elaborate the strategy implementation process.

Christian Heinkele explained a case where he had little items with the logo on it. In this case it was footballs with the new strategy of the company. These small signals trigger the person and remind them that this is their new strategy and that it is important to act according to the new strategy.

## 5. THE EMPLOYEE BEHAVIOUR MODEL

The main goal of this bachelor thesis was to create a model for managers as a practical tool for strategy implementation. Figure 2 is the finished model. It was established through the analysis section and is comprised of every aspect which was addressed. The two grey blocks, motivation and ability are the main pillars of the model, the arrows are symbolic for the triggers that affect either motivation or ability and push the employee over the edge to actually do the target behaviour.

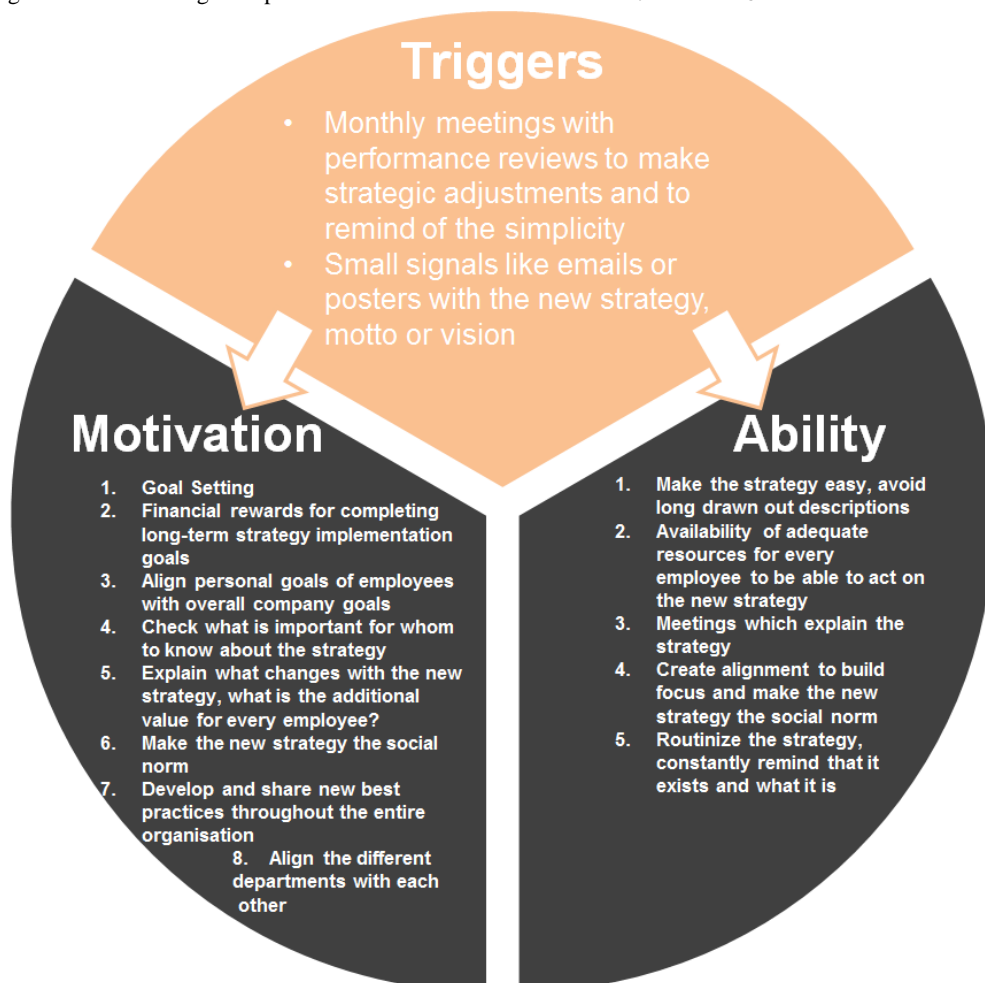


Figure 2. The Employee Behaviour Model



## 6. DISCUSSION

Strategy and especially strategy implementation is a very difficult topic, it changes with every company and with every case. Formulating an implementation strategy is a challenging topic. This bachelor thesis aims at creating a general overview for what can be done to motivate and enable employees to perform the target strategy.

Each employee may experience the different strategies differently since there are multiple factors which cannot be taken into account when formulating a broad overview. These factors have to be identified by each firm individually.

Unfortunately only one interview could get conducted to get insight into the practical side of strategy implementation. For further research I would suggest a more quantitative approach to gain insight into different industries and different countries as perception of implementation might be completely different.

## 7. CONCLUSION

Strategy is the most important part when it comes to giving companies a direction. Often company leaders think that having an outstanding strategy alone will lead the firm to success. But research has shown that creating even the most genius strategies is not the only part. A strategy to implement the new strategy is required for it to be successful. Therefore, many valuable strategies are faced with problems and failure in the implementation stage. There is an obvious gap between the paper on strategy and the actual implementation of the strategy. Many believe that one of the problems is the missing knowledge of employees about their company's strategy. Managers do not know how to motivate employees to cope with new strategies. This paper aims to give senior management a model on how to design strategies that motivate employees, how to make them simple so that every employee is able to understand it and which triggers have to be in place. For this purpose the Fogg Behaviour Model was utilized to create the Employee Behaviour Model. This model aims at giving a broad overview on how to simplify strategy implementation. Using the motivators "financial incentives" and "goal setting" managers should work towards aligning personal goals of employees and the overall strategic goal of the organisation. Managers have to check what is important for whom to know about the strategy since there are different departments and information should be tailored to each individual department. Top management should explain what changes with the new strategy and what value it holds for each individual employee of the organisation. Making the new strategy the social norm, so that it is socially accepted to perform like it, through sharing new best practices discovered in different departments, throughout the whole entity. Managers should give employees the ability to perform the target behaviour, which means meetings to make the strategy easy and avoid long, drawn out descriptive documents about the strategy. Instead meetings which explain the strategy have to take place every month. Elaborating performance and changing the strategic plan if necessary. This will help routinizing the strategy and make it simple for every employee to perform. Giving the ability also means to make adequate resources available for employees to be able to e.g. fly to a new customer if the new strategy means being closer to customers and working with them. These behaviours should get triggered by small signals like emails or posters with the new strategy, motto

or vision to remind employees of their existence. Through these steps the company strategy will get internalized and employees will get intrinsically motivated to perform the target behaviour.

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