Case study:

Implementation of a change process within Smaland Airport

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# Table of Contents

## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>5</td>
</tr>
<tr>
<td>EXECUTIVE SUMMARY</td>
<td>9</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENT</td>
<td>4</td>
</tr>
<tr>
<td>LEGAL NOTICE</td>
<td>8</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>1</td>
</tr>
<tr>
<td>1. INTRODUCTION</td>
<td>11</td>
</tr>
<tr>
<td>1.1 BACKGROUND SITUATION</td>
<td>11</td>
</tr>
<tr>
<td>1.2 THE PROBLEM</td>
<td>11</td>
</tr>
<tr>
<td>1.3 THE COMPANY</td>
<td>12</td>
</tr>
<tr>
<td>1.4 RESEARCH QUESTION</td>
<td>12</td>
</tr>
<tr>
<td>1.5 SUMMARY</td>
<td>14</td>
</tr>
<tr>
<td>2. METHODOLOGY</td>
<td>15</td>
</tr>
<tr>
<td>2.1 UNDERSTANDINGS AND PRE-UNDERSTANDINGS</td>
<td>16</td>
</tr>
<tr>
<td>2.2 SCIENTIFIC APPROACH</td>
<td>17</td>
</tr>
<tr>
<td>2.2.1. What is knowledge?</td>
<td>16</td>
</tr>
<tr>
<td>2.2.2. Ethnographic approach</td>
<td>17</td>
</tr>
<tr>
<td>2.2.3. Inductive vs. Deductive approach</td>
<td>18</td>
</tr>
<tr>
<td>2.2.4. Qualitative vs. Quantitative approach</td>
<td>18</td>
</tr>
<tr>
<td>2.3. FIELD RESEARCH METHODS</td>
<td>18</td>
</tr>
<tr>
<td>2.3.1. Interviews</td>
<td>18</td>
</tr>
<tr>
<td>2.3.2. Text analysis</td>
<td>19</td>
</tr>
<tr>
<td>2.4. LIMITATIONS</td>
<td>19</td>
</tr>
<tr>
<td>2.5. VALIDITY AND RELIABILITY</td>
<td>20</td>
</tr>
<tr>
<td>2.6. SUMMARY</td>
<td>20</td>
</tr>
<tr>
<td>3. BACKGROUND AND PRESENTATION OF THE FIELD</td>
<td>21</td>
</tr>
<tr>
<td>3.1. INTRODUCTION</td>
<td>21</td>
</tr>
<tr>
<td>3.2. THE BUSINESS ENVIRONMENT OF SMALAND AIRPORT</td>
<td>21</td>
</tr>
<tr>
<td>3.2.1. History of the environment</td>
<td>21</td>
</tr>
<tr>
<td>3.2.2. Company history and description</td>
<td>22</td>
</tr>
<tr>
<td>3.2.3 Present role of Smaland Airport in the region</td>
<td>25</td>
</tr>
<tr>
<td>3.3. THE SWOT ANALYSIS OF VÄXJÖ AIRPORT</td>
<td>26</td>
</tr>
<tr>
<td>4. THE CHANGE IN SMALAND AIRPORT</td>
<td>29</td>
</tr>
<tr>
<td>4.1. WHAT IS CHANGE?</td>
<td>29</td>
</tr>
<tr>
<td>4.2. WHY WAS THE CHANGE NECESSARY?</td>
<td>32</td>
</tr>
<tr>
<td>4.2.1. Change in the market competition</td>
<td>32</td>
</tr>
<tr>
<td>4.2.2. Change in the environment</td>
<td>34</td>
</tr>
<tr>
<td>4.3. THE AIRPORT SEEN THROUGH METAPHORS</td>
<td>35</td>
</tr>
<tr>
<td>4.3.1. The airport as an organism</td>
<td>35</td>
</tr>
<tr>
<td>4.4.1. The airport as a “Machine”</td>
<td>38</td>
</tr>
<tr>
<td>4.2.3. Consequences of the environmental change</td>
<td>40</td>
</tr>
<tr>
<td>4.4. LEADERSHIP AND COMMUNICATION THROUGH THE CHANGE PROCESS</td>
<td>41</td>
</tr>
<tr>
<td>4.4.1. Leadership and change process</td>
<td>41</td>
</tr>
<tr>
<td>4.4.2. A transformational leader</td>
<td>42</td>
</tr>
<tr>
<td>4.4.3. A charismatic leader</td>
<td>43</td>
</tr>
<tr>
<td>4.4.4. The vision</td>
<td>45</td>
</tr>
<tr>
<td>4.5. THE CHANGE PROCESS SEEN BY DIFFERENT STAKEHOLDERS</td>
<td>51</td>
</tr>
<tr>
<td>4.5.1. Communication of the change process</td>
<td>51</td>
</tr>
<tr>
<td>4.5.2. Change process and the board</td>
<td>52</td>
</tr>
<tr>
<td>4.5.3. Change process and the airport personnel</td>
<td>56</td>
</tr>
<tr>
<td>4.5.4. Middle managers and the change process</td>
<td>57</td>
</tr>
</tbody>
</table>
4.5.5. Employees and information flow .......................................................... 61
4.5.6. Employees from outside the airport .................................................... 61
4.5.7. Information as a tool of power .............................................................. 63
4.5.8. A different perception of the situation .................................................. 64
4.6. CULTURAL CHANGE WITHIN THE AIRPORT ........................................ 67
  4.6.1. A new strategy ..................................................................................... 67
  4.6.2. Re-branding the airport ................................................................. 70
4.7. THE VALUE CHAIN .............................................................................. 74
  4.7.1. Theory ............................................................................................... 74
  4.7.2. Field study and analysis ................................................................. 75
4.8. USE OF INTELLECTUAL CAPITAL .................................................... 77
  4.8.1. Theory ............................................................................................... 77
  4.8.2 Field study and analysis ................................................................. 78
4.9. DEVELOPMENT OF THE EMPOWERMENT .......................................... 79
  4.9.1. Theory ............................................................................................... 79
  4.9.2. Field study and analysis ................................................................. 79
4.10. TEAM-WORK BASIS .......................................................................... 81
  4.10.1 Theory ............................................................................................... 81
  4.10.2. Field study and analysis ................................................................. 82
  4.10.3. The example of the cafeteria ......................................................... 83
4.11. THE AIRPORT AFTER THE CHANGE PROCESS .................................. 84
  4.11.1. Follow-up of the change ............................................................... 85
  4.11.2. Success and motivation for further change .................................... 86
5. CONCLUSIONS ....................................................................................... 88
  5.1. SUMMARY ......................................................................................... 88
  5.2. FINDINGS ........................................................................................... 89
    5.2.1. Strengths ......................................................................................... 89
    5.2.2. Weaknesses ................................................................................... 90
    5.2.3. Opportunities ................................................................................ 91
    5.2.4. Threats ......................................................................................... 92
  5.3. SUMMARY OF THE SWOT ANALYSIS ........................................... 93
  5.4. THE CHANGE IMPLEMENTATION PROCESS .................................... 94
    5.4.1. Creating the sense of urgency ......................................................... 94
    5.4.2. Building the change team ............................................................. 95
    5.4.3. Creating vision and values ............................................................ 95
    5.4.4. Communicating and engaging ...................................................... 95
    5.4.5. Empowering others ....................................................................... 96
    5.4.6. Creating short-term wins .............................................................. 96
    5.4.7. Consolidating ............................................................................... 96
  5.5. FUTURE STRATEGIES FOR THE AIRPORT ........................................ 97
6. BIBLIOGRAPHY ..................................................................................... 98
7. APPENDIX ............................................................................................. 104

APPENDIX 1 - MAP OF THE AIRPORTS WITHIN SWEDEN ......................... 104
APPENDIX 2 – INTERVIEW TRANSCRIPTS .................................................... 105
  Interview transcript with Jan Fors, the Managing Director of Smaland Airport ....................................................................................................................... 105
  Interview transcript with Bo Frank, Member of the City Council of Växjö .......................................................................................................................... 115
  Interview with May Rogenfall, Chief Financial Officer at Smaland Airport ................................................................. 120
  Interview with Cecylia, working at the cafeteria of the Airport ................................................................................................. 124
  Interview with Smaland Airport security Officer Göran Ganekind ......................................................................................... 129
List of figures

Figure 1 - Understanding and Pre-understanding process.......................... 18
Figure 2 - Data-Information-knowledge.................................................. 19
Figure 3 – Truth-knowledge-beliefs......................................................... 20
Figure 4 – Växjö Airport Owners............................................................. 26
Figure 5 – Växjö Airport Organization.................................................... 27
Figure 6 - Organizational Subsystem...................................................... 39
Figure 7 – Passenger Volume 1997-2005................................................. 42
Figure 8 – Halpert’s dimension of Charisma............................................. 46
Figure 9 – Double-loop learning............................................................. 49
Figure 10 – The Management of Strategy............................................... 69
Figure 11 – Life Cycle model................................................................. 70
Figure 12 - Relationships between Växjö and Smaland Airport................. 73
Figure 13 – The Value Chain................................................................. 76
Figure 14 – Results development 1990-2005.......................................... 90
Figure 15 – Kotter’s steps of change implementation................................ 94
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We hope that this thesis will be interesting to read and you will enjoy it!

Jeremie Corbeau and Janis Sijats

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Abstract

Change process in the company nowadays is one of the main factors, for sustainable growth and development in the market. Moreover, a change process should be dynamic – the company should take into consideration many factors; not only the ones happening inside the organization, like education of the employees and their motivation, but also the processes outside the organization – change in the environment, new requirements from the state, and competition. In this thesis a company that faced a change process, due to a changing environment, is analyzed.

Smaland Airport is a small airport located in southern Sweden, five kilometers outside Växjö city. Because of its geographical location it plays an important role not only in the city but in the whole region. The airport was used by 170,000 passengers in the 2005, and the situation is improving. But that is not even close to the 270,000 passengers in year 2000. [56., 14]. What happened?

On the 11\textsuperscript{th} of September, 2002, a lot of people all over the world saw on their TV screens the events in New York that changed the world forever. One of the industries that faced the most radical changes was the airline industry, along with the airports. If airlines could choose other routes, lower prices, or fly to different airports, then airports had a small, if any, possibility to change, so they had to adapt to the new situation and use the changes as an opportunity.

Smaland Airport, previously known as Växjö Airport, felt these changes almost immediately. In 4 years they lost almost 50\% of their customers. [56., 14]. Big airlines (like SAS) withdrew several flights immediately after 9/11. The future of the airport was very unclear. Everyone in the airport understood – if we are not going to change our strategy on how to earn money (airport taxes), then our future will be like the other airports in our region, which were already closed down (the airport is a state-owned company, which is financed by the state in case of financial losses).
Jan Fors, the managing director of the airport, decided to change Växjö Airport into a well-known brand, which would offer clients more services. The name of the airport was changed to Smaland Airport (Småland – region in southern Sweden), therefore emphasizing the airport’s role in the whole region. Now negotiations have begun with Ryanair about further cooperation, which, unfortunately have been stopped because of the unclear situation regarding the Swedish government’s decision about extra environmental taxes for each ticket (approx. 100 Swedish crown or 11 Euros). The airport has also opened direct charter flights to several European destinations, and has signed an agreement with SAS for about 5 flights per day to Stockholm, which is an impressive number for a small city like Växjö. The airport is also attracting new companies, like car rental companies, tourist agencies, and advertising agencies.

A lot of changes have also happened inside the company – the number of employees has been reduced, but extra employees have been hired for the marketing department. Some employees had problems understanding the necessity of change. They also had trouble with having more freedom to put their ideas into action while keeping in mind that it should bring profit for the whole company.

This thesis will mainly analyze the internal changes at the Smaland Airport, and will concentrate on finding the problems which are stopping the development of the company. Of course, external factors also will be taken into consideration. This thesis has been written using the qualitative approach, comparing the existing situation with theory and then drawing the appropriate conclusions. Finally, the current situation is compared to that of the year 2002.

To get a whole picture about the change process in Smaland Airport, interviews were used as the main source of information; the reader can get acquainted with the whole text of them in the appendix. Interviews were made with the people working in the airport (like the managing director and managers), people working for the airport (security, cafeteria), as well as the owners of the airport (city council). Therefore the author has tried to obtain the information about the issue and people’s perception about change from as many points as view as possible.
In addition to the interviews, information is also obtained from the airport’s internal materials (intranet, presentations, statistics as well as yearly overviews), as well as materials about the airport (internet, information in the newspapers). In this thesis there are 103 pages, 15 figures and 2 attachments.
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The name “Smaland Airport”, “Växjö Airport”, Växjö City Council, the logo of the company, the names of the people, the information obtained from employees and company’s internal sources are published with their permission.

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______________________   ______________________
(Jérémie Corbeau)    (Jānis Sijāts)
Executive Summary

Change is not about competing in the future; it is about creating the future. Given that change is inevitable, the real issue for the managers is whether it will happen belatedly, in a crisis atmosphere, or with foresight, and a calm and considered manner; whether the transformation agenda will be set by a company’s more prescient competitors or by its own point of view; whether the transformation will be sporadic and brutal or continuous and peaceful [8., 35].

In my thesis I am going to analyze the change process of Smaland Airport, a small airport in southern Sweden, which, like many others faced serious problems after 11th September, 2002 in terms of passenger loss. The purpose of this thesis is to understand how the change process was implemented within Smaland Airport and what the main problems with it were. Moreover, a solid contribution of this thesis is its furthering of the understanding of the tools and methodology that can be used to describe the change process and its implications.

I will describe how one could learn from the change and the problems that arise as well as compare the theory with the field material. I hope that in addition to the results that will be presented in this thesis, it will be useful and provide knowledge within the specific area – small airport development in crisis situation. At the end of the thesis the efficiency of the change process is evaluated in terms of comparisons between the present situation and the one before the change was implemented.
The main aims of this thesis are:

- Describe the change process in Smaland Airport
- Relate the change process to the organizational theories
- Find out the positive and negative aspects in the implementation of the change process
- Draw the conclusions about the effectivity of the change process
- Suggest the possible improvements about the way how to improve the work of Smaland Airport

The main objectives how to fulfill the aims of the thesis are:

- Information collection about the change process at the Smaland Airport
- Information collection of the theoretical data about change process management
- Writing thesis and analyzing the gathered information to answer the research question

The research methods:

- The thesis is written as a qualitative, using ethnographic approach
- The information obtained from the field is compared to the theoretical data

The sources of information:

- Interviews with people working in Smaland Airport and outside the organization
- Smaland Airport’s internal data – intranet, official documents and reviews
- External information about Smaland Airport – internet, press materials
- Literature about the change management – books, magazines, internet, lecture notes
1. Introduction

1.1 Background situation

“Change leadership is as multifaceted as a diamond. The days when workers followed their managers’ directives by blind faith are gone. New challenges call for new approaches to leading” [23., 27]. When people are looking at organizations, they often see an evolution between the situation at the beginning and the present situation.

It is also amazing to see how lots of companies are doing a change in their structure, and sometimes it crashes. When we are watching or listening the news on the TV or radio, very often we see or hear stories where the change process was implemented in a way that led to problems. Moreover, one can not deny the leaderships’ role in the whole process. In addition, Burnes [10., 103] questioned the fact that “many organizations appear to adopt approaches to change which are inappropriate or inconsistent.”

A change process within an organization should not be made without being prepared. Since the change process is very important for an organization, it should be made in the ‘easiest’ way possible. A lot of organizations fail in implementing the change process because people are not prepared enough or because they did not know what to do or what was expected from them. Mintzberg and Quinn [38., 115] set up a list of elements that should be evaluated before and during the change implementation.

I wanted to see how the change was implemented in Smaland Airport, what the managing director thought when he implemented the change, and what other people, both inside and outside the organization, thought about the change.

1.2 The problem

In today’s changing business environment the role of the leader is obvious. For the leader it is very important to know how to implement a change process in his/her organization; accordingly, it can prevent conflicts or problems with the employees who would not understand the need of having a change.
Johnson and Scholes [30., 125] explain how the role of the manager should be seen during the change process. They also show different stages how the strategic change should be organized. Dawson [13., 167] lays down a list of different steps that should be followed in order to achieve a successful change process. Therefore, in the research I also wanted to observe these stages as well as hear from managers what they think about the change and how it affects their work. I also wanted to observe the problems that arose during the change implementation and how the management coped with those problems.

1.3 The company

In the research I wanted to study an organization that had to implement a change, in order to know how it has been made and to know what the difficulties were, what the results of the change process were, did it “walk”, and what role did the leader play in implementing the change process. I wanted to study the change process and its implementation in an organization that is directly affected by the external environment and the changes there. It is also interesting to see what the people in the same organization think about the change. Smaland Airport had implemented a change process, so I was interested to know how this change was made and to understand the difficulties that arose.

1.4 Research Question

Lots of authors have written about different topics on the change process.

Burnes [10., 753] claims that “while there are a number of different approaches to managing organizational change, none of these can claim supremacy over the others per se: rather the suitability of a particular approach to change is dependent on the circumstances in which it is deployed.”

Then, he explained that a model for a change process is set up for a specific situation depending on how evolved the environment is. However, in several circumstances the environment is not the same, so a model should be adapted to each situation. What I can note is that Burnes highlight the need of having a precise plan on how an organization should think about the change in order to make it easier and to meet fewer difficulties.
The aim of the thesis is not to provide a universal model on how to solve the particular problem, in this case – how to implement a change in an airport. Rather, I wanted to observe the change process and how did it go and which problems arose because there are no two similar cases. I hope that this paper will be useful for people to see how the change was implemented in a dynamic organization. Nevertheless, the method and approach to how the change was done is a unique example in Sweden how to develop the small airports. Moreover, other companies, like Jonshoping airport, are already copying the strategy and it proves to be successful there as well! Therefore I think that the thesis might provide a useful insight into the change process and its implementation. To better understand how the change process was implemented within Smaland Airport I wanted to focus on a specific topic that could describe the ongoing process in the company. After discussing all the alternatives of how to better describe the change process that took place, I came up with the research question. As a result, the thesis will focus on studying the research question of how a change process was implemented within Smaland Airport.
1.5 Summary
In the following section the structure of the thesis is presented.

I start by introducing the readers with the methodological approach of the thesis. The theoretical approach will be presented as well as the field research methods. I will also look upon the validity and reliability of the data.

Secondly, in order to better understand the present situation, one should also take into consideration the history that has shaped the present. Therefore, by describing the environment and the company before the change the researcher aims at understanding the necessity of the change.

Thirdly, the change process in the airport is described from different points of view analyzing such aspects as vision, communication of change, leadership and peoples’ perception towards the change process.

Fourthly, I have analyzed the situation after the change took place in Smaland Airport to understand did the problems were solved and are there any new ones. Finally, I finish my thesis by drawing conclusions and recommendations of the main findings.
2. Methodology

In this chapter the methodological approach of the thesis is presented. The understanding and pre-understanding of the author is presented in order to better understand the thesis. The Methodology section gives an insight about the scientific approach as well as depicts the field research methods. Finally I discuss the validity of the data and tackle the main limitations I faced when writing the paper.

2.1. Understandings and pre-understandings

Pre-understanding is the knowledge that the researcher possesses before starting to conduct the research. [21., 36]. Therefore one should take into consideration the knowledge the researcher possess and how it is going to affect the outcome of the thesis.

The researcher, before starting to write the thesis had taken courses in change and leadership in different universities in Europe. Moreover, the different academic background and culture, if compared to the one in Sweden, made the thesis an interesting combination of the knowledge and experience obtained before.

I am aware that my understanding is directly affected by the pre-understanding I had before and this will be reflected in the thesis. Therefore, the aim is to use the pre-understandings to get the understanding which I am going to use as a pre-understanding for the next step. As a result, I aim to achieve the understandings necessary to answer the research question of the thesis.
2.2 Scientific approach

The Research Approach is a technique that has been chosen to write this thesis. Through the ethnographic approach, I will be using an inductive approach, which is “based on the study of particular cases rather than just derived from a theory” [51., 378]. It means that I am going to explain how the change was implemented into Smaland Airport, and then I will apply theories to it in order to explain how the change process was made.

When developing the research approach towards the thesis, the researcher took into consideration what the main problem is, and what is the main information to obtain to answer to the research question. I know that the Research Approach will influence the structure of the thesis and, accordingly, the analysis and findings of it.

2.2.1. What is knowledge?

To be able to answer to the research question that was presented before, one must understand what the aim of the question is and the answer, respectively. The research question should provide the reader with the insight about the problems discussed in this paper. According to Stewart [50; 19], one can talk about data; information, knowledge and wisdom (see Figure 2). In the thesis I wanted to provide the reader not only with the information about the research problem, but present the information in a way that it gives knowledge about the particular issue. Therefore it is interesting to define the word knowledge.

![Figure 2: The structure of the information [adapted from 50]](image)

In Plato's dialogue with Theaetetus, Socrates considers a number of definitions of knowledge. One of the prominent candidates is “justified true belief.” We know that, for something to count as knowledge, it must be true, and be believed to be true. Socrates
argues that this is insufficient; in addition one must have a reason or justification for
that belief (see Figure 3) accordingly, one can say that knowledge is distinguished from
true belief by its justification, and much of epistemology is concerned with how true
beliefs might be properly justified [59].

2.2.2. Ethnographic approach

To justify the beliefs, described in the previous chapter, I have chosen ethnography,
because it emphasizes differences and similarities in socialization among culture groups
and explains or describes the situation. Therefore in this paper the ethnographic
approach will be used as a basis for the research. Ethnography comes from “the words
‘ethno’ which means ‘folk’ and the word ‘graph’ that means ‘writing’. This concept
refers to social scientific writing about particular folks” [51., 378]

This thesis and the problems discussed here are mostly written from the viewpoint of
the Managing Director of the company as he was the initiator of the whole change
process. However, during the analysis the researcher has taken into account the different
peoples attitudes and their opinion about the change process. Thus, the research aims to
provide the reader with different opinions about the change process within the company.
2.2.3. Inductive vs. Deductive approach

If deductive research starts with existing theories and concepts, inductive research starts with real world data from the field. [21]. In the thesis I will use the inductive approach as it allows comparing the data obtained from the field with existing theories and draw conclusions based on the comparisons.

2.2.4. Qualitative vs. Quantitative approach

A very important question how this thesis is constructed is the one about the data collection method. To put it more simply, what is the approach on what the empirical findings are based on? I have chosen the qualitative approach as it “stresses the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry. They seek the answers to questions that stress how the social experience is created and given meaning.” [51; 145] Therefore in this thesis I will use the qualitative approach.

2.3. Field research methods

As discussed before, a lot of information about the field should be gathered for later comparison with theoretical material. Therefore the interviews as well as text analysis will be used to obtain the necessary information. However, due to time limitation, other methods are not included; therefore I have put a lot of effort into analyzing the information from the sources that have been available to me.

2.3.1. Interviews

In the thesis, I am going to analyze the change process in Smaland Airport by carrying out interviews with different airport employees. I have chosen interviews as the main method of obtaining the information because they provide a lot of information during a rather short time period. The interviews were semi-structured or unstructured, in the hopes of encouraging the interviewee to provide the researcher with as much information as possible. Moreover, I was able to ask exactly the questions that I though to be relevant to the topic that I had chosen. However, a careful planning was done before each interview.
Through the interviews I am going to show how the change process was seen from different points of view (Managing Director, managers, and employees). Each interview was recorded (with the permission of the employee) and afterwards transcribed for further analysis. A total of 6 interviews were conducted at different levels of the organization. One additional interview was conducted with a person outside the organization from the Växjö City Council. The aim of the interviews was to obtain as much information as possible about the problem that is addressed by looking at it from different points of view. Therefore, I also interviewed a person who is working in the buildings of the airport, but does not belong to it – security director Goran Ganekind and the person from the airport’s board – the non-managing member of board, Frank Bo. For further information about the interview texts, the reader can consult the Appendix 2 at the end of the thesis.

2.3.2. Text analysis

To analyze the environment as well as support the research, I used text analysis, using all possible sources that I could obtain: articles about Smaland Airport, the company’s internal data, the Internet and other sources. I wanted to see how the text I analyze goes along with what the people said during the interviews. I believe that this information also reflects the process that I have analyzed and helps everyone to gain a broader view of the whole problem.

2.4. Limitations

To better understand the findings of this paper, one should also take into consideration the limitations of it.

First of all, to make the thesis more thorough, it would have been better to have more time. Indeed, it would have permitted to interview more people in different positions.

Another limit that I encountered while writing the work is the fact that the airport is an organization that is working 24/7. It means that the employees and managers are busy, and it is sometimes difficult for them to find the time to be interviewed.

The third limitation is the barrier of language as well as culture. The researcher comes from Latvia and represents the culture of his home country, whereas the people whom I
interviewed are from Sweden. Moreover, the interviews were carried out in English, therefore I risk to misunderstand or misinterpret some important information.

Fourthly, the research was carried out with the help of Managing Director – the person, which is the initiator of the change process. At the same time he is the „gatekeeper” and some interviews were made with the persons, which were selected by him. This fact can restrict the objectivity of the thesis.

Finally, I do not intend to provide a complete solution to the particular problem in general, as I only describe it from the point of view as I see it and draw the conclusions on the information basis I had obtained during the research.

2.5. Validity and reliability

According to Silverman [51., 57], validity is the extent to which an account accurately represents the social phenomena to which it refers. I wanted to present the data as objectively as possible without my personal judgments, as they are not the purpose of this thesis. As I had obtained the knowledge, both empirical and theoretical, from different sources, I believe that the broadness and validity of the research topic is high.

Meanwhile, I know that a researcher conducting research in the same field as I did probably would not come up with the same findings, mostly because of the different pre-understandings. Moreover, by providing the facts and figures in the thesis from their original source I try to ensure the reliability and credibility of the thesis.

2.6. Summary

The Methodology section of the thesis provides an insight about the scientific methods that I am going to use and stresses the field research methods which show how I will obtain the information from the field. In this thesis I am going to use the qualitative approach to obtain the field information.

The pre-understandings and the definition of knowledge was presented as well as the research methods eliciting the knowledge from the information available.

Finally, the limitations as well as validity and reliability of the data were presented in order to ensure the objectivity of the information.
3. Background and Presentation of the field

3.1. Introduction

This part of the paper will in detail present the company where I conducted the research as well as analyze the surrounding environment, which directly affects the overall situation. Smaland Airport and the ongoing processes there will be presented to help analyze the situation afterwards.

3.2. The Business Environment of Smaland Airport

3.2.1. History of the environment

According to Albert [1., 49], “airport management has become one of the 21s century’s most strategically important industries.” The surrounding environment plays a very important role in this business sector. Moreover, the changes which occurred in last few years, especially 9/11, have initiated the changes that took place in Växjö Airport (which I am analyzing in the paper).

However, it is important to note that there have been a couple of events in history which have built the situation as it is today. For example, in 1973, there was an oil crisis. Indeed, countries member of the Organization of Petroleum Exporting Countries (OPEC) decided to limit the extraction of oil. It was a difficult situation for lots of countries that were using large amounts of oil. Moreover, it was very difficult for air companies because they had to use a lot of kerosene for the planes. That time was very difficult for air companies and airports.

In the early 1990s there was the Gulf War, when Saddam Hussein invaded Kuwait. The result of this situation was an increase in oil costs. It was another difficulty for the air market but the situation resolved in a favorable way after few years.

However, in 1995, Sweden joined the EU. Being a member of the EU means that national companies and organizations are acting in a larger market and the requirements for the airports changed.

In 2001, there were the 9/11 attacks in New York, with different planes. This event has dramatically changed the air industry, because people in the USA and in the rest of the
world started to be very scared of the possibility of airplane attacks, even if the menace was not necessarily real.

It has affected all air companies and airports in the world; as a result the number of passengers decreased significantly. Several air companies and airports have declared bankruptcy. The consequences for the different airports were fewer flights due to fewer customers. In addition, McLay [39., 184] explains that “the recent situation has been that some airlines collapsed in the aftermath of the events of September 11, and also because of financial difficulties that had been growing for a number of months prior to those events. This had a serious impact on the main airports at which these airlines were based […] however, the general fall in traffic of 10-15 per cent in the last three months of 2001, and to a lesser extent thereafter, will have affected all airports.”

The Managing Director of Smaland Airport explained that “traditional airlines such as SAS or Air France had immediately problems with the passengers; their number decreased dramatically.” For the airports the situation was also difficult.

Therefore, the evolution of the environment has directly affected and influenced the current situation of Växjö Airport, and, consequently, necessitated the change process within the company.

3.2.2. Company history and description

Smaland Airport is an airport located just outside the city of Växjö, Sweden. With a passenger volume of 155 000 passengers in 2004, it plays a very important role in the whole region, providing fast and regular connections to Stockholm as well as Copenhagen. Recently, due to increasing competition, the airport is negotiating about opening new routes and attracting lower-cost carriers. Smaland Airport, in co-operation with local tourism agencies, provides charter flights directly to Turkey, the Canaries, and other destinations.

If we look at the past, one can see that already in 1938, there was a discussion in Växjö City Hall about an airport in Växjö. An investigation was conducted to explore the possibilities of establishing an airport. With the outburst of the Second World War, these plans were put aside. In the beginning of the 1950s, the first known domestic flights started as a “newspaperflight”.

22
In the end of the 1950s, a flight committee was put in place to once again examine the area’s need for an airport. In 1961, the committee approved the necessity of an airport. In 1971, the decision was made to begin the construction. The construction started a few years later outside Öjaby, Växjö. A few years later, on September 13th, 1975, Växjö airport was inaugurated by H M K Carl XVI Gustaf.

Since the opening of the airport there have been lots of continuous investments in Växjö Airport in order to make it more efficient and modern. In 1977, there was the construction of an aircraft hangar. In 1987, a car parking area was made. Later, Växjö airport continued to grow and to be extended. In 1997, the runway of the airport was extending by 300 meters. In 1998, a new terminal was built and the following year a new building was built. Since 2000, the airport is getting new equipment. For instance, it got new automatic weather supervision as well as new snow cleaning equipment. Since the beginning of the construction of the airport in 1971, approximately 150 million SEK has been invested totally.

Today, 55% of the airport is owned by Landstinget (County) of Kronoberg (the part of the community that, among other things, is in charge of medical treatment and hospitals), 42% by the County of Växjö, and 3% by the County of Alvesta (see the figure below). The goal of the owners is to offer a good flying infrastructure in the region at a low cost. This is a goal that has been reached both economically and for the company.

Smaland Airport is a brand to represent the airport “as a whole” to potential investors. The decision to rename it from Växjö Airport was made in the framework of the organizational change discussed later in this paper.
Today the company employs 33 employees. However, there are 65-75 other employees working on the airport premises (police, car rental staff, etc.), who are not employed by the Smaland Airport.

The airport has faced serious financial problems in the past few years. For instance, Växjö Airport lost 19% of passengers in 2002, and the airport lost 44% of passengers between 2000 and 2004 [56]. This is a very sharp decrease in the passenger volume; it can be seen as much more difficult for a small airport since its weight and influence in
the market is little, and the airliners tend to decrease the number of flights a lot for the small airports, like Smaland Airport in this situation.

However, the passenger volume has started to increase and in 2005 by 19.7 % in the first two months. In addition, a profit is estimated for the financial year 2005.

Smaland Airport is an active airport in Sweden. It has 8 daily departures for Stockholm, with SAS and Stockholmplan. (These are passenger flights); there are also two nightly cargo departures to Stockholm. It also has an international scope, since it has departures to Denmark, Turkey, the Canaries, and Egypt [56].

3.2.3 Present role of Smaland Airport in the region
Nowadays, the airport is playing an important role in the development of the Småland region. Indeed, Smaland Airport is an airport that covers an area of that can be “reached by 1 350 000 persons in two hours by car” from the South of Sweden, and “it covers one of the most dynamic regions of Sweden within one and a half hour surface transfer” (Jan Fors, Smaland Airport’s Managing Director).

Smaland Airport is defining its mission as:

“to be a valid partner to airliners, domestic and international as well as low-cost companies, and to the travelers in our catchments area be able to offer a widespread choice of destinations and departures irrespective of if they are traveling privately or on business” [56].

The airport is very important for many companies in the region because of the importance of globalized trading demands and quick communications between the different stakeholders and the rest of the world. Through the everyday traffic to Stockholm as well as Copenhagen, it is possible for people in Småland to reach Europe and the world. Everybody in Småland is positively affected by the airport. By its position in the region, the airport has several charter flights to the Mediterranean, which has attracted many people who enjoy traveling throughout the years.

Smaland Airport is fully owned by Växjö Flygplats AB and has the assignment to increase the traveling back and forth to Småland. This is supposed to be accomplished
through an increasing amount of charter traffic, many flights back and forth to 
Stockholm and Copenhagen, and also with new and exciting destinations. Smaland 
Airport is also going to have an active cooperation with tourism companies around 
Småland as a way to increase the incoming traffic to the airport.

However, there are also other airports offering exciting destinations as well as low-cost 
carriers, which make the competition quite tough. Ryanair, a low-cost airline, is 
operating from Gothenburg and Malmö. The possibility for Ryanair to set up a route to 
Växjö is still under consideration, because of the present uncertainties in the 
environmental taxing policy from the Swedish government’s side. As the Managing 
Director mentioned, due to the lack of money, Swedish Civil Aviation authorities are 
considering shutting down the most unprofitable airports. Therefore, even though the 
financial situation is improving currently, there are still a lot of uncertainties in the 
present business environment, which, of course, makes the future even harder to predict.

3.3. The SWOT Analysis of Växjö Airport

Before starting to analyze the change process to Smaland Airport, I wanted to look at 
the organization using the SWOT (Strengths, Weaknesses, Opportunities and Threats) 
analysis. The information for it is purely obtained from the interviews with employees 
and all data are from the company, so it is not the company’s own analysis. By 
evaluating the company in terms of the SWOT analysis, I wanted to see, and to provide 
the readers with, the background of the problems the company was facing before 
implementing the change as well as the things that the company can call it “competitive 
advantages” – advantage that a company has in its business and over its competitors. I 
believe that this will help the readers to better understand the necessity of implementing 
the change which is discussed in the following chapters. Moreover at the end of the 
thesis, I will provide the readers with a SWOT analysis of the company after the change 
to see how the company looks after the change.

3.3.1. Strengths:

One of the strengths of the airport is that the company is good at running the airport. 
The airport has existed for 30 years, and the people have learned do to their jobs in an 
efficient way; they know what to do and how to do it. The Managing Director explains:
“What we have built up is a high-skilled efficiency in running an airport; it is what my staff knows about”.

In addition, Bo Frank, member of the board explains that

“We are very lucky because our airport has been very successful. And they have given back money to their owners some years, we have been very lucky”.

3.3.2. Weaknesses:

The airport has not developed a lot its marketing opportunities. It has to develop them more in order to attract more customers and to be able to make more profits.

3.3.3. Opportunities:

There are a lot of passengers that would be interested by traveling with low-cost carriers because they are cheaper. Indeed, people would prefer air travel over land travel, if the price was appropriate—for a long distance.

The airport also has the support of the Växjö City Council and its board to implement strategies in order to have an efficient airport. The board is not looking for a ‘bureaucratic airport’, which may have financial difficulties. The other airports of the region are also having difficulties getting more customers and making more profits. In other words, the opportunities could be described as to reach the company’s vision, what to do “to become the second largest airport in southern Sweden.”

3.3.4. Threats:

There is a strong competition between the airports presents within Småland. Småland is composed of three different regions: Blekinge in the south, the island of Öland to the east and Småland itself. There is competition made by different airports present within this region. There are three main airports in Småland, Kalmar Airport, Jonshöping Airport and Växjö Airport.

There is a new governmental tax that may be created in the coming months. This tax should be increasing the price of each air-ticket by 100 crowns. Bo Frank explained:
“It would be a tax with at least SEK 100 per passenger. [It would be a big problem] but especially for airports that are trying to attract new flights. It is a bigger problem than if you have already established flights.”

There is also the train connection between Växjö and Copenhagen that would be improved by 2007. The board member adds:

“There will be 1 train per hour to Copenhagen Airport. So, that can mean that we might lose the flight connection between Copenhagen and Växjö, because there will be a train too frequently.”
4. The change in Smaland Airport

We are living in a world where the environment is constantly changing. Kotler [32., 18] illustrates that by the fact that “if you have told a typical group of managers in 1960 that business people today, over the course of eighteen to thirty-six months, would be trying to increase productivity by 20 to 50 percent […] that magnitude of change in that short period of time would have been too far removed from their personal experience to be credible.” Pollard [46., 3] explains that there are several challenges facing an organization in the actual world. For instance, there are increases of small and large firms, since the world economy can be seen as more ‘open’. There is the chaotic environment, everything is changing all the time and the secure environment is not necessarily so stable.

4.1. What is Change?

It is interesting to know what a change process is. Indeed, there might be different way of seeing this word and its meaning in different contexts and cultures. I am also going to analyze the reasons that lead an organization to make a change. Then, we will see why there might difficulties for implement a change

4.1.1. Defining the change process

In the Thesis I am going to study the change process in an organization. It would be interesting to start by explaining what change is. A change situation can be defined as “going from one phase to another.” According to Dawson [13., 45] “the change process is influenced by members to improve organizational performance and their own position within the organization.”

An organization that is doing a change is going to move from one situation to another. Doing a change means also that there might be a change in the habits, the corporate culture, the strategy, and the number of employees, or the personnel skills:
“Organizations are never static; something about them is always changing. For example, there is turnover in the membership, new administrative procedures are introduced, or a new customer arrives on the scene” [13., 209].

This shows us that when a change process occurs there are lots of characteristics of the organization that can be changed. It is a complex and important work, and unpredictable situations may arise from there. “Change occurred incrementally and infrequently” [32., 437]. A change process is not necessarily wanted/wished by a leader, it should be seen more like a process to keep the organization alive and competitive.

“The common factor is that when something changes, whether or not it has been planned or decided by organizational members, it will have repercussive effects which will be variously welcomed, discarded or ignored by people within and outside the organization. Their reactions will in turn affect other things” [13., 209].

A change in the customer strategy may have an impact in the corporate culture, because the way of seeing the customers will be different.

4.1.2. Reasons for making a change process

A situation that leads to change can be the result of lots of things. Kotler [32., 19] explains different situations that lead to a change process. For instance, he shows that a technological change in the market or in the organization can be the premise of several deeper, future changes. When there are new technologies, people should start to get to know them and how to use them. For instance, an organization such as an airport should adapt itself when new technological process, like new X-ray, or new internet facilities are created. It is important to adapt in order to stay competitive and to attract people.

There is also the role of the international economic integration because nowadays international competition is much harsher. Organizations and companies have not only to compete within their national, but also international markets. For instance, the European Union (EU), has created an international, common market for all member countries.
Within the EU, the competition is much more important. For instance, the EU tries to limit and to decrease the national barriers of trade, to encourage competition and dynamism. To adapt to the EU market, a lot of companies have had to change their strategy and to adapt themselves to the EU-regulations. The European Commission, in collaboration with the airports, set up a list of services that should be present in an airport within the EU. For instance there is assistance to the passengers when a flight is late and regular cleaning and maintenance of the airport.

Therefore, if an airport does not fulfill these engagement *vis-à-vis* the customers, it may have a bad image or air companies may decides not to use this airport, and, consequently, the airport will loose money and be less efficient. Moreover, it is important for an organization to adapt itself to the market if it does not want to loose its market share.

Kotler [19., 168] also explains that the maturation of markets in developed countries is a factor of change. When the market is getting mature, companies should start to set up a new strategy and to be offensive in the market. This can be enacted through a change in the organizational structure or in the objectives. For instance, if there are too many airports in a small region and if the market is fully grown, some of the airports may die if they do not change their strategy.

4.1.3. Difficulties to implement a change process

A change process is something difficult for an organization. “People must often abandon the roots of their past successes and develop entirely new skills and attitudes. This is clearly a frightening situation” [38., 93].

Indeed, when a situation is changing the people do not know what is going to happen, how it is going to affect their future. In several situations they may have to do their job in a different way, or learn new things in order to obtain new skills. People are often ‘scared’ or anxious about new situations. In fact, one can say that the most problems arise not because of the external change, but because of employee’s inability to adapt or understand the change.
“In many cases, first effects of change on employees, leaders, and on performance levels are negative. These effects include fears, stress, frustration and denial of change. Most employees tend to react with resistance to change rather than seeing change as a chance to initiate improvements. They are afraid of losing something, because they have incomplete information on how the change processes will effect their personal situation in terms of tasks, workload, or responsibilities” [50., 249].

4.2. Why was the change necessary?

In a change process, the environment is very important, because it is due to the environment that the situation is going to be changed or adapted. When a company decides to change its strategy it is either to change the market or because of a change in the market. Burnes [10., 753] explained that “it becomes possible to show why some organizations appear to be in control of their own destinies, while others operate as though they are in a straitjacket over which they have no control.”

4.2.1. Change in the market competition

The element that influenced the decision of making a strategic change in the airport was a change in the airport’s environment.

We could also say that “new entrant airlines engaging in the promotion of competition between airports has also been a recent feature of airline deregulation in Europe” [5., 2]. Indeed, the deregulation of the air market in Europe leads the air carriers and the airports to have to compete between themselves.

May Rogenfall, the Chief Finance Officer at the airport illustrated it by saying that “there have been so many new companies, lots of new air companies, more than in the 90’s. Now, we have to do something to be involved with it”.

“European aviation has been described as being characterized by a conspicuous absence of overt competition between airports, due in part to the restrictive effect of bilateral international agreements upon the development of air services” [5., 25]. In addition, McLay [40., 189] explains that “airports have traditionally attracted monopolistic
government ownership and investment - and consequently regulatory attention – on the basis that each is natural monopoly.” Being in a monopoly situation can lead to inefficiency because there is no need to try to improve a service since there is no competition; “airports could reduce their average costs by reducing the scale of their operations.”

When there were high levels of regulations in the airport management, it was much more difficult to compete because airports had mostly the possibility to behave as a monopoly in their area. When they were owned by government or local authorities their objectives were mostly focused on regional development instead of competition and efficiency. “The existence of significantly underused airports close to the catchments areas of slot-constrained airports may be attributed to a lack of competition in both the airline and airport sectors, lack of new entrants and a lack of commercial focus at the airport” [40., 190]. The airlines’ deregulation increased the competition between airports that were not necessarily used to focusing on the development of the marketing. So, airports have to learn to adapt themselves to this new situation, they have to be attractive to both, airlines and passengers.

May Rognefall explained that “Yes, I think, more competition [since the EU integration and air market deregulation]. I think it is good and bad. It will be more pressure on everybody. We have to work harder to make us known”.

There is more competition, and from this perspective, there is more pressure on the airport to be competitive. But competition is an element that can bring much more efficient and proficiency for the customer, because companies always have to improve themselves to become more competitive.

Moreover, one can note that an organization is evolving in an environment. This can be illustrated by the four different constraints that are surrounding the company. The industry sector would describe the characteristics of the air carriers and airports. The national characteristics would be illustrated by all Swedish and European legislation on the air market. The organizational characteristics would be seen as the characteristics of Smaland Airport, such as its weight in the market, or its technological development. The business environment is the ‘health’ of the market, the characteristics of the market surrounding the airport.
4.2.2. Change in the environment

When the 9/11 attacks happened, it caused a very difficult situation for the world air market. Air companies saw their passenger volumes decreasing. It led to decreased number of flights and it has decreased airport activity. It was much more difficult for small airports because they have fewer flights, and so the situation can become much more difficult in shorter time. After 9/11, Växjö airport started to lose passengers. Indeed, in 2001, the airport had a decrease in the passenger volume by 6%.

It is also important to note that the 9/11 attacks were an unpredictable event for the air market, which have had a huge impact in the air market organization and competition. It has led lots of air companies to declare bankruptcy. Moreover, the situation was very difficult for the small airports because they have fewer flights than other airports, and when the air companies have difficulties, small airports are the first to be dropped.

The change in the market organization, through the European deregulation and the 9/11 attacks, has led the airports to re-think their strategies.

One can note “the emergence of competition between continental airports for low-cost carrier traffic [because they can bring a lot of passengers]” [5., 25].

The Managing Director of Smaland Airport explained:

“For a small airport, such as Växjö airport, the situation [following 9/11] was immediately difficult with our customers. They withdraw several schedules that we had on weekly basis.”

Indeed, the main air carriers decreased a lot of flights per week from the small airports because it is where less people are going. For instance, “Scandinavian Airlines (SAS) reduced almost immediately several flights per week. I had to negotiate a lot with some the air carriers in order to convince them not to cancel the flights between Copenhagen and Växjö.”
4.3. The airport seen through metaphors

In *Images of Organizations*, Gareth Morgan uses metaphors in order to show and illustrate an organization. The use of metaphors helps people to understand a situation, “it implies a way of thinking and a way of seeing that pervade how we understand our world generally” [42., 4]. For the reason that in many ways “a person may actually declare that he or she needs to read what’s happening in a particular situation” [42., 3]. For instance, using a metaphor between a tree a human would leads to see the similarities between both. However, it is not going to show the differences. That is why metaphors are limited.

“Organizations and organizational problems can be seen and understood in many different ways. Each way of seeing will produce distinctive insights with their own pattern of strengths and limitations. The challenge is to integrate the insights to obtain an understanding and action strategy that can suit our purposes” [41., 352].

4.3.1. The airport as an organism

The organism metaphor is one of the metaphors that can help to understand the relationship between an organization and its environment. Metaphor requires interpretation, so the same situation can be seen in different ways; people would see things but not necessarily the same. In the case of Smaland Airport, one can try to see the situation of the airport as if it was an organism. Indeed, an organism is living in an environment that surrounds it, and so it is very important for it to be aware of the different elements of the atmosphere in which it is evolving, such as air carriers, customers, busses, or taxis.

Looking at an organization as an organism leads to see the “organization theory as a kind of biology in which the distinctions and the relations among molecules, cells, complex organisms, species and ecology are paralleled in those between individuals, groups, organizations, populations and their social ecology” [42., 34].

The organism metaphor sees also the role of the environment surrounding the organization as important. When the organization is evolving in an environment that is
not close, without any exchange, it is said that it is evolving in an ‘open system’, it is like seeing the relationships between the airport and its environment.

The theory says that “organic system at the level of the cell complex organism and population of organism exist in a continuous exchange with their environment” [42., 40].

Moreover, when an organisation is ‘living’ in an open system, one can also see it living in a subsystem. At the airport it could be seen as the evolution of the different departments within the company. It means that the different parts of the organization are evolving within the organization and also with their own environment.

“This way of thinking has helped us to recognize how everything depends on everything else and find ways of managing the relations between critical subsystems and the environment” [42., 40].

If the environment and the organization are linked, it is interesting to note the kind of relationships that exist between them. The environment can also be seen through the Darwin approach. This approach is derived from the Darwin theory on evolution.

It means that “organization like organisms in nature, depend for survival on their ability to acquire an adequate supply of the resources necessary to sustain existence. The environment is thus the critical factor in determining which organizations succeed and which fail, ‘selecting’ the most robust competitors through elimination of the weaker ones” [42., 61].

Seeing an organization as an organism lead us to see the organization - Smaland Airport – as evolving in an ‘open system’. It means that the airport is interacting with some other elements. “Open systems are characterized by a continuous cycle of input, internal transformation, output, and feedback” [42., 40]. In Smaland Airport, this refers to the services and competencies used by the employees to make the airport efficient; the outcomes that are produced and the experience that the personnel acquire from the work.

To better describe the situation, I can represent Smaland Airport through an Organizational Subsystems figure (see the next page).
In this graph, one can see that the inputs represent the personnel, the finances, and all the elements that compose the airport. Then, there are the human-culture, the structural subsystem, and the strategy and the technological subsystem; they represent the different elements of the airport that are influenced by the outside environment. For instance, the technological subsystem can be influenced by the creation of new technologies. The outputs represent the “products that are exported into the environment” [48., 448] it would correspond to the services delivered by the airport to the air companies and to the customers. The environment of the airport is important, because it can lead to creating good or bad strategies. The environment can also be seen through the Darwin approach. This approach is derived from Darwin’s theory on evolution.

According to this way of thinking, Växjö Airport is seen as submissive to its environment, and the airport has to adapt and change itself continuously in order to
survive. Indeed, one can note that the 9/11 events had a lot of impact on the environment, which can still be seen today. The change of Växjö Airport to Smaland Airport could be seen from this perspective as the creation of a new or better organization.

However, it is important to note that since Växjö Airport was an efficient organization for managing the airport logistic, it has been kept and integrated within the Smaland Airport entity. So, there is one company, Smaland Airport that is composed of a marketing department and Växjö Airport. The problem of Växjö Airport was not its lack of competitiveness - it was gaining more and more customers until the September, 2001, event. Indeed, one can note that between 1997 and 2000, Växjö airport had an increase of passenger volume by 41%. [56]

4.4.1. The airport as a ‘Machine’

Seeing the airport thought the machine metaphor leads to see it as something where there is

“an introduction of ranks an uniforms, the extension and standardization of the regulations, increased specialization of tasks, the use of standardized equipment, the creation of a command language” [42., 16].

However, seeing an organization as a machine would also imply some limitations:

“It can be seen as an organizational form that have great difficulty in adapting [itself] to changing circumstances, it can result in mindless and unquestioning bureaucracy,” [42., 28].

In addition, Morgan [42., 28] explains that “mechanistically structured organizations have great difficulties adapting to changing circumstances because they are designed to achieved predetermined goals; they are not designed to for innovation”.

In addition, when we see an organization as a machine “we tend to expect them to operate as machine: in a routinized, efficient, reliable an predictable way” [42., 13].
However, seeing an organization as a machine would also imply some limitations. If we start to look at Växjö Airport as if it was a ‘machine’ we can see the airport management and organization from a different way. It is like if the airport was a system where everything is planned, organized, and controlled, everybody has a specific task to fulfill. Indeed, in an airport it is important to have all the employees doing their jobs correctly and seriously. It is important to have the security doing their job perfectly, not to have security problems at the airport. It is also very important to have the personnel from the air control tower doing a good job, it is dangerous if one of these employees would miss some data or would be inefficient at this work.

For instance, one can note that the change in the airport environment affected strongly Växjö Airport, and it had difficulties in changing the situation and adapting itself to the new market organization. The airport was not prepared for such a situation, and it did not have a strategic plan in case of problems. Nevertheless, it is important to note that the 9/11 attacks and their consequences were not predictable, and lots of airports had financial difficulties at this time. The Managing Director explained that “everyone thought back to the 1990’s [the Gulf War and the oil price increased] that we just had to sit and wait until the situation changed in about a year. But it did not change and the situation became worse and worse the following years.”

Indeed, one could argue that companies owned by a public authority are not asking to make ‘profit’, but to develop a region. In a way this is how we could have seen Växjö Airport before the change process. It could be shown by the fact that the Managing Director of Växjö Airport had a lot of difficulties to make the company board – owners – understand that there was a need for change in the company development in order to make a living, “it took me six months to make them [the owners] understand that we had to change the strategy of the airport if we did not wanted to die” (Jan Fors).

Seeing the airport as a machine lead to see it as an organization that had had a lot of difficulties to adapt itself to the environment.

Pollard [46., 3] explains that “organizational adaptation in a novel, changing environment must take advantage of creativity and innovation”. It means that when there is a change that needs to be done, an organization should think about implementing a ‘new’ strategy that could be different from the “old” one. In Smaland
Airport, the managers had to think about a new strategy that would lead the airport to be successful; to take the competitive advantage and to be more efficient.

4.2.3. Consequences of the environmental change

The direct consequences of the change in the environment surrounding the airport were a loss in the passenger volumes. Indeed, as can be see from the figure below, it is easy to note that since 2001 there has been a steady decrease in the number of passengers.

The decrease of passengers leads to a decrease in the company financial gains. Facing this situation, the airport had to decrease the number of employees, and so to fire several employees. Moreover, the airport that was usually open 24/7 was not able to continue to work in this rhythm. Sometimes it had to close for a few hours, “we could not keep the airport open as we normally did.”

To understand the situation, the Managing Director of the airport met different organizations surrounding the airport in order to understand what was happening and what the customer needs were. For instance, a survey was taken on the customer willingness to continue to fly, and why they stopped flying. The managing director of the airport summarizes the results:
“people were still traveling but they are not flying anymore, when the distance was 400 km or more they were using their cars. People also decided not to fly when the cost was too high. For the international flights people are more interested in the low cost than in the traditional air carriers that are more expensive.”

The airport had to think about a new strategy to attract air companies, low cost carriers, to become more attractive in the region.

4.4. Leadership and communication through the change process

It is important to implement a change process in a proper way. Through this part I am going to present how the change was implemented in Växjö Airport in order to make possible the creation of the new brand – Smaland Airport.

In order to make the airport more efficient the Managing Director and the managers had to think about a new strategy to attract customers. To make the new strategy realizable, employees have to understand what is going on and what is going to be expected from them. In this part I am going to analyze the implementation of the change process through the role of the leader, the impact of the vision and the communication of the change process.

4.4.1. Leadership and change process

4.4.1.1. What is a leader?

Firstly, I am going to focus on the role of the leader in the change process. According to Kotter [33., 25] “leadership is a set of processes that creates organizations in the first place or adapts them to significantly changing circumstances”. Secondly, the role of a leader is important since he or she is going to influence the future of the company strategy. It is interesting to see how the leader in Smaland Airport can be seen. There are several different ways to define the characteristics of a leader.

For Vecchio and Appelbaum [3., 290] “leadership is a process through which a person tries to get others in the organization to do what he or she wants”. Moreover, for Sleeth et al. [49., 20] “leadership is also about stating the actions that link people and tasks to
accomplish work”. The leader is the person who is going to drive the organization vision and lead people.

To implement a vision or a new idea for the strategy, different ‘styles’ of leaders can be identified. For instance there are authoritarian leaders, team leaders and charismatic leaders; all of them have different ways of leading people. One can identify two main approaches to leadership, which are the transactional and transformational leadership. However, I am going to focus mainly on the transactional approach.

4.4.2. A transformational leader

The transformational approach sees the leader as being focus on the relationship between “the technical and human aspect” [3., 300], whereas a Transactional leader would be seen as “using conventional reward and punishment to gain compliance from their followers”.

According to Dubrin [14., 54] “transformational leaders possess the personal characteristics of other effective leaders – their actions facilitate group members’ attainment of productivity, quality, and satisfactions. [They are also charismatic], they have a vision and a sense of mission, and they have the respect, confidence, and loyalty of group members”.

In addition, Boje [9., 15] states that “the transactional leaders negotiated and bargained over the means”. And, “people will follow a person who inspires them. A person with vision and passion can achieve great things. The way to get things done is by injecting enthusiasm and energy”.

The Managing Director of Smaland Airport can be seen as a transformational leader since he puts emphasis on the need of change within the airport, and he wants to make the change with the employees, he does not want to impose the view on them. He wants them to understand what is happening. He explained that “it is important to have managers and workers [who understand what is happening]”. It leads the change process to be easily understood and accepted by the different stakeholders. During the change process the Managing Director started to talk to people in order to make them understanding and then he was able to lead them through the change process.
In addition, the Managing Director explained “I can show to the staff why this is so and why this is another way. And I could show them if we continue this negative journey we would die, I could show them when we were running out money”.

I can note that to find a solution to the crisis in which the airport was, the Managing Director claimed:

“When it comes to my staff it always like that people look at what is good for me. And if you can prove that the change is good for everybody that is easier to do what you want”.

Indeed, he started to search for a solution; this is the role of the leader, looking for a goal and leading people there. It is also interesting to note that during the change process, it was the Managing Director that was leading all the time the change process. For instance, May Rognefall stated “for the change process it was him, not me. I think it was him most of the time”.

4.4.3. A charismatic leader

The Managing Director of Smaland Airport can also be seen through the theory of a charismatic leader.

For Besson [7., 187] a charismatic leadership can “influence major changes in the attitudes and assumptions of organization members, and build commitment for the organization’s objectives”.

Bass [35., 20] adds that a charismatic leader is “a combination with consideration, intellectual stimulation, and inspirational leadership”. It means that he can lead people in such way that they will accept his vision and his strategic plan for the airport development.

Hutt [28., 129] adds “charismatic effects can be demonstrated by the degree of similarity between the leader's goals and values and those of the followers”.

43
I could define the leadership ‘style’ of the Managing Director as a ‘Socialized’ Charismatic leader. This means that the leader is not trying to impose his idea to others but he is seeking for their agreement.

Dubrin [14., 57] identifies such leaders as “pursuing goals that fulfil the needs of group members and provides intellectual stimulation to them”. The Managing Director explained that it was easier for him to motivate employees to change their habits “when it is for “securing their job”.

Moreover, through the Halpert Dimension of Charisma (see Figure 8) [42., 189], one can identify where the authority of a charismatic leader comes from. The charisma is based on a combination of Referent Power, through which the leader inspires confidence in his ability to make decisions, expert power, in which the leader makes decisions based on his knowledge (the Managing Director can make decision because he knows the situation of the company and what should be beneficial), and job involvement, in that the person is going to decide things because of his position in the organization (since the Director is at the top of the airport chart organization, he is able to make decisions for the airport management).

![Figure 8 - Halpert’s Dimensions of Charisma](image)

To motivate people one has to explain why he or she is doing something and what advantages the employees will gain through it. The Managing Director explains that the
airport is very efficient “it is what my staff knows about; it is very hard to change the staff into new situation”.

Furthermore, the role of the Managing Director can also be illustrated by the one of the board member who explained that “I don’t remember [who had started to have the idea of making a change], but I think it was Jan Fors, from the beginning”. This shows that it was the Managing Director who had to lead the change process, not the board.

On the other hand, one can also note that one of the goals of the airport is to make more profits. This is a view that is shared by different stakeholders at the airport. For instance May Rogenfall said “I am looking for the financial situation […] the traffic is increasing, the situation is better”. And Bo Frank illustrated that by stating that “in all company you should be focus on profits”.

4.4.4. The vision

One can also note that the Managing Director had difficulties at the beginning of the change in the environment of the company, understanding what to do and to doing something in order to make the company live or survive. A vision usually is the first thing that should exist and grow within the mind of the leader. Only then, can he have a clear idea of the goal that should be reached.

A vision is the articulation of the image, values, direction and goals that will guide the future of the organization [6., 241]. For Hendry [23., 328] “creativity is a thinking process associated with imagination and insight”, but he notes that “creativity is not just about novelty; and that for innovation to happen it must also be appropriate and useful”. It means that the company needs to have idea to develop itself upon the competition but it also has to have good idea. When an innovation or a change process does not correspond as the good solution facing the specific problem, the situation would not be better whether a strategic change had been implemented or not. Having a vision of the future, and an idea about what should be done, would lead the airport to have a clearer and more efficient strategy.
Kilpatrick & Silverman [51., 30] define the vision as “the beginning of doing business [...] one should develop awareness of self-knowledge”. As pointed out by different organizational theorists, such as Kotter [33., 128] and Morden [41., 87]. The vision is one of the core elements when it comes to the organizational change; it is the element that is going to drive the strategy. Morden [41., 668] adds vision is “an imagined or perceived pattern of communal possibilities to which others can be drawn”. Therefore it was interesting to see to what extent the theories matched the practical situation.

It is important for a company to have a leader who knows where the business is going. If there are several leaders or managers who have different views and who compete to make their own idea successful, there is a risk of not implementing a good strategy that will fit into the environment. This idea is develop by Boje [9., 16] “being aware of one’s motives, one’s own connections and disconnections [...] leads to a sense of unity”.

One can also note that there is a distinction between the leader and the managers when it comes to the vision. The role of the leader would be mostly to set an objective for the company’s future, while the role of the manager is to make it possible, “to solve the problems or to identify the deviations form the plans” [32., 27].

The vision is one of the elements that should be transmitted from the leader to the employees. Kotter [32., 25] explains “leadership defines what the future should look like, aligns people with that vision, and inspires them to make it happen despite the obstacles”. To make it possible the leader has to start thinking about the future. We can also note that for Bennis [6., 50], “leadership is the capacity to create a compelling vision, to translate it into action, and to sustain it”.

As Harris states [24., 33] “A vision should evoke emotion, or, at least, call for fulfilment. It should be compelling, it should be simply stated and easily understood, and it should be easily achievable. It should be a stretch. It should tie in with the mission and, but add a dimension of measurability. (...) It should ultimately add value to society and be shared among all those who contribute to its attainment.”

In the change process in Smaland Airport the vision was an important element. Indeed, changing the situation of the airport without having an idea of what to do would have
been difficult. The first ‘vision’ that the Managing Director had about the airport was that there was a need to do something. He saw and understood that if nothing was done the airport would die.

The Managing Director said “I started to think when I look on the future trying to make some business plan for the future; I started to argument with myself, if it never changes what would be the outcome of our business”.

When the Managing Director started to think about the situation, he had to evaluate the different situations and elements which had led the company to this situation. He also had to think about different strategies that could be implemented. Pollard [46., 129] explains that “during the discovery stage there is a fundamental questioning of the mental model”, such as why is there a problem in this situation since it was fine in the past. It “involves a changing mental model, breaking the old and creating a new one. It is difficult because we have to constantly examine our assumptions” [46., 129]

On the other hand, I could use the theory of the double-loop learning process in order to understand the process that led the Managing Director to understand the need for a change. As the Managing Director said “I started to think “on myself” what could be done to improve the situation”. The fact that he had to think about what was happening can be understood through the theory of the Double Loop Learning.

![Double-loop learning diagram](adapted from 42., 174-175)
The aim of this theory is “the ability to detect and correct errors […] and to take a ‘double look’ at the situation by questioning the relevance of operating norms” [42., 87].

Someone has to think about what happened and why, what to do, and what the consequences of the future strategies will be. The person should look on the different elements that have led to these consequences and to find a solution. This process can help an organization to learn about a specific situation.

However, when we look upon the situation, the Managing Director took into consideration all the factors when developing the vision for the airport, and accordingly short and long-term goals. One of the objectives that the airport wishes to reach is that of becoming one of the main airports of the south of Sweden.

The Managing Director explained “the long term is to be the second largest airport in the south of Sweden”. This is the vision that the airport has; it has to be one of the first. To make it possible it has to be more efficient and so to make a change in its organization.

In order to get more passengers and international tourists, it is important for the airport to be more attractive, and so to get new air companies which would fly ‘to’ and ‘from’ the airport. In this perspective low-cost companies are very important, because they are able to bring a lot of customers. However, since the prices of their air-tickets are low, they are not necessarily a great source of income for the airport.

When talking about the vision it is not enough just to have one person who has it. The way in which the vision is communicated to other employees within the organization is more important, making everybody go to work with the aim of reaching the goals of the vision.

The Managing Director set up a meeting with the board to think about what to do to make Växjö Airport more competitive. He also set up meetings with the board (Växjö Council and County Council) and discussed what to do. He explained the situation that the airport without any change is not going to exist for more than an extra five years. The board decided to carry out a marketing research and after analyzing the results they found that customers are willing to travel with low-cost airlines, and that they would
rather travel by bus or train or car if the prices are lower. In addition, people are also prepared to go to other airports when there are low-cost airlines.

The middle managers work closely with the Managing Director of the airport. They have to know the strategic objectives and how the airport should be run in order to reach them. That is why they may have easily understood the vision and objectives of the airport. I noted that when talking with May Rognefall, the financial officer at the airport.

However, lower management employees at the airport see the communication with the management as quite poor despite the attempts to facilitate the process by the introduction of IT system. I can also note that is not enough just having this system “out there” with informational materials delivered to the employees. What is more important in the eyes of the employees is the personal communication with the higher management; they would like to have meetings more often, than “once a month”. As one of the employees said “sometimes I see the changes first of all in the newspaper before somebody wants to talk about this here (at the airport)”.

**Different perception of the vision**

However, when it comes to the understanding the vision, I observed that the employees and the people from the board have different perception about the vision.

For the Managing Director, the vision is “to be the second biggest airport in southern Sweden”.

According to Bo Frank, member of the airport’s board it is “to keep the same amount of departure between Växjö and Stockholm, to keep traffic to Copenhagen, to expand shorter flight to more parts of the Europe and also to establish connections with companies like Ryanair and EasyJet”.

The vision given by the chief finance officer is “we are going to be the Airport in Småland. When you talk about airport in Småland, you should tell about Smaland [Airport], not Kalmar [Airport], or another one. I think this is the vision, and I hope it will be like that. My vision is to have more traffic, more companies like Ryanair. For example Ryanair decided not to operate here, because of the taxes”.
So one can see that although the main ideas are the same, the perception of the vision is more “practical” and “how-to-do” in the eyes of the City Council, than for the airport, which has set a long-term objective. Therefore, one can say that the airport has set long-term objectives, while the owners – the board – want to see more short-term practical goals. The perception of the board and the Managing Director are different, but not opposed. Although they have different perceptions of the vision, they do not have different views for the airport’s goals. The vision of the middle-manager is for it to be an inexpensive airport, and be one of the best in the region; this vision is quite similar to the one of the Managing Director. One can say that the vision was more easily understood by the middle managers than the Board. Indeed, the board is composed of several public organizations and political representatives.

As the Managing Director explained “So, for these reasons [implementation of the change process] I would say that the board knows what is happening at the airport but it is not necessarily aware about the strategy and its management. The airport manager is responsible for this task.”

The vision should also be anticipated by the employees of the company. Then, it would be easier to implement the vision if there is as little resistance as possible. To do so, a change process would have to be implemented all the time. The situation should not be static, we should always keep in mind that the environment is evaluating and in order not to lose market shares, we always have to make small or little innovations.

However, when it comes to the employees working at the airport as well as employees working with the airport, the situation is slightly different. For instance, some people do not really see the change. Mostly they describe it as “just the feeling that it is going better”. That is their impression of the change process in general, because they see that the number of passengers is increasing. I could note that they do not have a deep understanding of the vision and strategy of the company.
4.5. The change process seen by different stakeholders

4.5.1. Communication of the change process

The managing Director of the airport explained that it was very difficult at the beginning of the change process to convince employees that there was a need of change. It was difficult because the airport as a ‘logistic’ company was efficient. That is a reason why people at the beginning had problem for understanding the reason of having a change process. For this reason it was easier to show them the financial loses and so a change in the strategy would make the airport more attractive and successful, and it would permit the employees to keep their job. Having the managers understanding what is going on is important for the leader since they would support him during the change process. It is also important, when it comes to talk about strategy and change communication to know what to say to different people. The fact, that the Managing Director explained that he started to talk about the change with the board and the managers.

He explained that first he started to talk about the concept of being a more ‘marketing’ airport. Whereas, one of the middle manager said that “First, it was the managers and the business developer who made a presentation to the board”. Therefore, for me it was interesting how the change was communicated with different parts of the organization: the board, the managers and the employees.

It can be seen as more efficient to use different speeches or arguments between the different categories of persons. It is easier for them to understand what need to be done, what kind of change is going to be made in their habits. For example, the board might be more interested by arguments about the airport efficiency and proficiency than the workers. Workers and employees would be more interested by knowing the consequence of the change on their job than the marketing evolution and consequences of the new brand.
4.5.2. Change process and the board

4.5.2.1. Collecting information

When the Managing Director analysed the situation in which the airport was, he decided to carry out a marketing research. By analyzing the results the managers and the board found out that the customers were willing to travel by low-cost airlines. The survey also showed that instead of flying customers preferred using buses or trains or their car - when the price would be lower. In addition, they are also ready to go to other airports where there are low-cost airlines.

In addition the managing director explained “in autumn 2001, a travel agency in Sweden did a market survey to find how much risk the passengers were willing to take, as cheaper the price was as higher the risk they were able to take. So, we did quite huge survey in the market we also had interview of our customers in both going in business and we found out that people are still travelling but we are not flying any more we are going by car, and that was the main group; people that have stopped flying went from the aircraft to their cost, automobile. And when it comes to the international flight we are going where the tickets fares are the cheapest, we are going where are going to that airport that can give us low fares”.

It is also attractive to note that the Managing Director was not sure if the board will give them money to survive.

“The question was if our owners were prepared to give us more money. And I was not certain of that. And then I though what to do? We started to discuss with the board, the directors of the board”.

In addition, Bo Frank explained that “we don’t want to take tax raise money and to put it on the airport. So, they must have profits by themselves. It is number one, what we want to get, of course!”

From this perspective, it was necessary to find a solution not to lose but to earn more money.
4.5.2.2. Meeting with the board

The Managing Director needed an approval from the board in order to start to implement the change.

Bo Frank explained that “[the board] is only [there] to discuss about budget and strategy. And sometimes, the board members have to go back to the owners, for example to the city and county council to discuss about the strategy”.

It shows that the Managing Director needed to have the board agreement in order to make the change possible in Växjö Airport. He set up a meeting with the board to think about what to do to make Växjö Airport more competitive. He also met with the board (Växjö Council and County Council) and discussed about what to do.

4.5.2.3. Creating a sense of urgency

He explained the situation and that the airport without any change is not going to exist more than five years. The Managing Director had problems to convince the board that there was a need of change; he explained that it took about six months, because they did not understand the difficulty and the urgency of the situation. However, after long discussions with the board Managing Director proposed two alternatives – change and development or slow death.

The Managing Director explains “The outcome of that was, ok we have a lot of money in our company and we are very solid, we could probably survive up to five years of decreasing [market]. But after that no more money in the pocket, we will have big difficulties. The question was if our owners were prepared to give us more money. And I was not certain of that”.

Kotter [33., 48] explains that “establishing a sense of urgency is crucial to gaining needed cooperation. With urgency low, it is difficult to put together a group with enough power and credibility to guide the effort to convince key individuals to spend the time necessary to create and communicate a change vision”.

53
It is important in the change process when the personnel follow and understand the change process. In some companies we can note that there would have been difficulties to implement the change process since people did not understand the need of it and its objective. Creating a sense of urgency or crisis lead people to have understood the need for a change, otherwise the organization will ‘die’.

4.5.2.4. Different perception of the situation

Nevertheless, it is intriguing to note that the perception of the change process by board members is not necessarily the same. Indeed it was claimed by a board member that it was very easy for the board to understand the change and “it took few minutes to understand it”. The interesting thing there is to have two different perceptions of the same situation.

One could ask why such different views about the same situation can arise. I could see this difference through the ‘perception’ of the situation by the different stakeholders. The Managing Director knew that the situation of the airport was difficult and there was a need of doing something. He knew that before the rest of the stakeholders because he is the first person to be aware of the airport economic situation. However, the board members did not necessarily have the same view of the situation since there are not in the ‘situation’ of the airport direct management.

Allott [2., 3] explained that “perception is not intermittent but continuous, producing change in the perceiver”. It means that it might take times for people to understand a situation seen by different perceptive.

Moreover, “perception is itself a motor of performance, requiring direction of the head, the eyes…And perception is closely involved with the determination of patterns of action following perception. Not all perception leads immediately to action: reading a text may modify the reader’s ‘ideas’ without resulting in any overt motor action” [2., 3].
The perception of having a ‘need’ for a change may have happened earlier for the Managing Director of the airport. But when the board had understood the need for a change, it may have been very fast for them to understand what as proposed.

The board supported the idea of change and since then is supporting the Managing Director in all his attempts to change the airport in order to attract customers, as the airport plays a big strategic role in the entire region. For instance, they have to be more international; they need to attract low-cost companies - customers are very attracted by low prices for air travelling, but an airport does not earn a lot of money with them.

4.5.2.5. Did the political background of the board have influenced the change process?

From a business-political perceptive, the fact that Växjö airport is owned and supervised by political institutions could means that there might be political influences on the strategic objectives. Indeed, it would be possible to have different views and perceptive for the development and the change process of the airport.

Morgan [42., 161] explained that when we “talk about ‘interest’ we are talking about predispositions embracing goals, values, desires, expectations, and other orientations and inclinations that lead a person to act in one way rather than another”.

People from different political backgrounds may have different approaches to a situation, and the strategic objectives may be seen as different.

Morgan [42., 178] added “by influencing decision premises one can control the foundations of decision making – preventing crucial decisions from being made and fostering those that one actually desires. Hence, the attention is devoted to the control of decision agendas and to strategies for guiding or deflecting people’s attention to the grounds or issues defining a favoured point of view”.

From this perceptive, I could see the difficulties perceived by the Managing Director during the change process as results of an opposition or a difficulty to understand the new strategy for certain board-members. Moreover, one could argue that sometimes
state owned companies are not enough efficient, because there is too much bureaucracy on the management. In addition, Pitt [45., 153] states “how different forms of ownership influences an airport’s economic growth”. However, Bo Frank, member of the board, and who also is member of the political group, Moderaterna (right oriented Swedish political group. This political party is member of the European People’s Party at the European Parliament) – represented within the City Council – explained:

“The political background of the board members did not have an influence in the objectives of the airport. [There are no problems or conflicts between the board and the airport] but there is high expectation about what they should accomplish”.

4.5.3. Change process and the airport personnel:

When it comes to the airport management, everything has its own importance. For instance, is it better to implement a change by informing everybody at the same moment, or should we decide everything with the managers, and what information to share with the employees. As the managing director explained:

“But it was a question: do you have to make the information flow bottom-top or top-bottom? So I had to make simultaneous work. Otherwise if you do not have the employees in bottom with you, you have to make the change within a military way. It is more the ‘Swedish way’, to point out the goal, convinces everyone that it is the right way, and then everybody will follow”. As an illustration, Mabon [35., 2] illustrates the ‘Swedish way’ as “Sweden has for many years been famous for the harmony in its labour market, the small number of strikes days per year and the lack of demarcation disputes between unions which plague other countries”.

From this perspective there was communication between the top and the bottom of the company. The decrease of passenger volumes was quite significant and so it was easier to show to people that the situation was not very good, and the company had to seek for a new strategy. Otherwise, in an organization, the way of leading the change is very important.
The “change must be top-down to provide vision and create structure, and bottom-up to encourage participation and generate support. Ultimately, leading change is a shared responsibility of everyone in an organization, from top to bottom” [42., 68]

4.5.4. Middle managers and the change process

Firstly I am going to focus on the middle-managers, in order to understand their view and perception of the change process.

4.5.4.1. Need of having the support of the managers

Appelbaum et al. [3., 5] explained that “managers are given the role in translating top management’s vision through exercising skills of pathfinding or problem solving”. Kotter [33., 52] claimed “a strong guiding coalition [with the managers] is always needed […] it is always an essential part of the early stages of any effort to restructure, reengineer, or retool a set of strategies”. Managers should be aware of the vision and the strategy of the company in order to be able to lead the rest of the organization’s personnel.

However, “no one individual has the information needed to make all major decisions or the time and credibility needed to convince lots of people to implement the decisions” [33., 56]. In order to make the most of people possible understanding the situation, it is important to share the information

4.5.4.2. Reluctance to the change

However, when it comes to the idea of change some people are reluctant. The Managing Director explained that it was more difficult to implement the change process with the middle-managers than the employees, because they are involved in the company management. Kotter [33., 47] explained that there is the need in a changing organization “to create a change coalition [that is going to] guide the vision, sell that vision to others”.

57
Even if the brand has been changed the employees were still working for Växjö airport organization, it can be difficult to understand at the beginning. The Managing Director noted that “his managers were not running behind him” and following the new strategy, but they were “running far back from him”.

Kotter [33., 45] explained that “visible crises can be enormously helpful in catching people’s attention and pushing up urgency levels”. At the airport, to show to employees that the airport was running out of money.

On the other hand, Lewin explains that to be able to implement a change process there is a need for the organization to unfreeze the actual situation. It means that people are behaving in their work, with their own habits, and methods. There is a need to make them changing. People should understand that “if there is no change we will fail to meet our needs or fail to achieve some goals or ideals that we have set for ourselves” [47., 23]

To change people’s view of the organisation, Lewis [34., 50] highlighted the need of ‘disconfirmation’. It means that “all forms of learning and change start with some form of dissatisfaction or frustration generated by data that disconfirm our expectations or hopes” [47., 2]. When the environmental situation surrounding the airport has changed, the Managing Director was thinking a lot about what should be done.

At the earliest stage of the change process it can be seen as a reaction of the managers facing the unknown situation. People are always reluctant to change because it leads them to be in a situation that they do not necessarily control. They have to learn how to get adapt to this new situation; they might need to learn and to get new skills vis-à-vis this new situation.

In addition, the change process was not necessarily easy to implement with the staff, the personnel had problems to understand the change. People knew that the organization needed to change and to implement a new strategy, but they had problem to understand the strategy proposed by the Managing Director. For instance, “what is Smaland Airport? Why do we have to change it?” Some people had problems to understand where they were belonging – Växjö or Smaland Airport. Even if the brand has been changed they were still working for Växjö airport organization, it can be confusing.
“The key change management becomes the ability to balance the amount of threat produces by disconfirming data with enough psychological safety to allow the change target to accept the information, feel the survival anxiety, and become motivated to change [42., 2]

In order to make people confident in the change process, it is possible to “provide practice fields in which errors are embraced rather than feared, providing positive visions to encourage the learner, breaking the learning process into manageable steps […] and thus creating genuine motivation to learn and change” [42., 2]

However, it is interesting to note that from the point of view of a middle manager, the situation was perceived differently. Indeed, it was explained that it was not too difficult for them to understand the change and the re-branding since they knew that the economic situation of the airport was not so good.

May Rognefall explained “I don’t think it was difficult to understand it. I think it is good, because we have one company focus on the airport, and one focus on the marketing. I can see that here. I think some people may have problem to understand that.

4.5.4.3. A strategic position at the airport

Information is important because, it shows who is able to understand and to know what is happening; this is a sign of power. “By controlling these key resources a person can systematically influence the definition of organizational situations and can create patterns of dependency” [42., 179].

When you know what is happening, you can be prepared to it, you can prepare and adapt yourself to what is going to happen. One of the middle-managers in charge of the airport finance explained “Of course people who are working close to Jan Fors know things better than others”.

59
This can be illustrated by Morgan [42., 180]: “Finance staff are important not only because they control resources but because they also define and control information about the use of resources”.

May Rognefall is working with the airport finance, so she may have had a better understanding the situation than some other managers who may have difficulties. Indeed, being able to decide and to influence the future of the decisions and the money that is going to be allowed to them is an important power within an organization.

4.5.4.4. Understanding the need for a change

The economic situation of the airport had not been very good since 2001, the personnel agreed to the idea that ‘we need to do something’. When I interviewed May Rogefall she explained that “no, I don’t think it was difficult for us [to understand the need of change]. Most of us had understood that there was a need of change. I think it can be difficult to learn.”

One can note that from different perspective and hierarchical level at the airport, the vision of this situation is not necessarily the same. The leader of Smaland Airport felt that some managers had difficulties to understand what was happening within the airport. Being seen as a marketing company is not something that the middle-managers were used to see. They did ask a lot of questions to understand where the airport was going, what were the implications of the new strategy. People knew that the organization needed to change and to implement a new strategy, but they had problems to understand the strategy proposed by the Managing Director.

He explained that “I had very, very hard to explain to my staff what we are doing. […] most of the questions come form my managers. […] it took me a long time to inform, why are we doing this? What is the purpose? So it’s huge question on information to the staff”.

Here, one can note that the perception of the situation for the middle-mangers and the Managing Director are different.
4.5.4.5. Overview of the change

It is also important to note that middle-mangers have a good overview on the change process that was made at the airport. Even if some managers may have had difficulties to understand the change process at the beginning, they do not have a negative view of what was made.

May Rogenfall explained that “I think it [the change process] is positive, because there are lot of change in the market today, and [thank to this change] we are here today”.

4.5.5. Employees and information flow

When it comes to the employees and workers at the airport, it is interesting to see how the change process was made in terms of the information flow. To start to implement the change process with the employees, the Managing Director explained change in Smaland Airport.

4.5.5.1. Employees and information flow

The Managing Director explained to the employees that there was a need of change in the airport organization.

According to Kotter [33., 9] “major change is usually impossible unless most employees are willing to help, often to the point of making short-term sacrifices. But people will not make sacrifices, unless they really believe that a transformation is possible”.

Unions did not have problems to understand this since they knew that the airport’s economic situation was not very good. It was explained that there is in the Swedish law an obligation to inform the unions about the situation and to negotiate with them.

Moreover, some meetings were organized within small groups in order to get closer to the people and to understand better their interrogations. It was also sent to the employee’s documentation by postal mail to make them understand the situation better. Different meetings were organised for different categories of employees. People who
were working at the airport for a long time had a common meeting, while those who were ‘new’ in the company had a separate meeting. This can be explained by the fact that older employees may have some habits and an understanding of the company that could be different from a person who has just arrived. The management also sent information packages to the employees to explain them the situation and what was planned to be done.

4.5.6. Employees from outside the airport

4.5.6.1. Communication of the change process

One can also note that the information were sent to people that are working at the airport, but who are not employed by it, such as the police officers. Indeed, their job consists in checking the work made by the security employees, but they are employed by the government and they are following the security-rules and laws set up by the government.

Johnson and Scholes [30., 537] explained that “different approaches to change [should be made] according to their level of interest and political influence”.

This is necessary to get involved stakeholders who are working in the company even if they are not directly employed by it, in order not to get people confused or misunderstanding elements.

The police officer explained that he received information about the change by “by mail and by writing information”.

However, the message delivered to the different stakeholders may be different, “those with a high level of interest in the organization, but low power may simply need to be kept informed of change requirements and processes. Others, with a low level of interest, but high actual potential political influence, need to be kept satisfied” [30., 536].

However, it can be interesting to note that for some people the creation of Smaland Airport was seen with no real perception of change in the daily work.
The police officer explained “I did not notice it (the change process) at all; for the police it does not matter. It is just [a new] name”.

Some employees have not noticed any change or significant differences, except a ‘possible’ increase in the passenger volume between the Växjö Airport – as it was before the change - and Smaland Airport.

4.5.7. Information as a tool of power

During the change process there was lot of information about the change that were exchanged within the organization. Information and knowledge are important in an organization.

Morgan [42., 179] said: “power accrues to the person who is able to structure attention to issues in a way that in effect defines the reality of the decision-making process”.

To manage information about the change process, the Managing Director explained “We also build a kind of information material that was aiming in specific group, one specific for the staff, one of the customers… but the conclusion of all the documents were the same”.

Doing this leads to give specific information to each group of people that they are able to understand.

Morgan [42., 180] added “by controlling information flows and the knowledge that is made available to different people, thereby influencing their perception of situations and hence the ways they act in relation to those situations”.

Moreover, there are some people who are increasing their influence in the company because they are able to “summarize, analyse and, thus shaping knowledge in accordance with a view of the world that favours their interests”.

When I interviewed the employees, it was interesting to note what was said by one of them. “The information is very poor here from the management. I think
...they do not give us enough information. Sometimes you can read it in newspapers before finding it out there”.

It is nice to note the difference of perception between employees and the Managing Director.

Indeed, the Managing Director explained that “information meetings, we made short meetings, one or two hours, in small groups. We started with the older staff and had big information, where we explained why we are doing that. What the decision was built; we did that on Saturday, the whole, it was day activity. After that I continued to inform in smaller group we also made an information package that we mailed to the employees at home where a brochure explained what we were doing”.

The middle-manager in charge of the airport finance explained that everybody had been informed of the change process by the Managing Director “tried to inform everybody of the change. It was directly to everybody. We all had a meeting at the same time”. She also thinks that everybody knows most of the time what is happening within the airport, “but maybe other employees have a different point of view about that”.

4.5.8. A different perception of the situation

For one of the employee there is a lack of communication between the top and the bottom of the company, and about the information flow within the company.

One of them said “It (information) is like rumours… spreading around. We get to know what people are doing. It is like ‘you know what I heard, and somebody else heard this….’ And then we tried to find out if it is true”.

About the information and the communication of the change, one of the employee explained that he or she had the feeling that the communication has been improved. Then, she explained
“It’s good. But I still would like to have more information and meeting more often. Now we have the meeting once in six months, we would like to have it more often”.

Moreover, from the perceptive of the police officer, who works at the airport but who is not directly employed by it, “most of the employees know very well what is happening the airport”.

However, I could say that people at the different level of the company hierarchy and in the company organization do not need to have the same amount of information about the change, because people are not necessarily involved in the company at the same level.

In order to have a better communication flow within the company, a new information system was set up. The Managing Director explained

“We have a kind of public network –intranet- where the employees can find the information like instructions and so on. But recently we have created an information system, where I can, for example, put small notices of something that happened and all our employees can access it. It’s open for everyone.... Here is what we call a “white-board” where everyone can put a notice. For instance, here is the reference telling all the employees that they need to bring back plates to the cafeteria, because they are running out of them. ... Here is a notice from me that we had a problem with one of our customers, they didn’t pay the invoice. And everyone was concerned about it. ... Now, I have informed everyone that everything is ok, no more worries, they have paid...”.

However, an employee had a different view of the situation, because he thinks that there is more information with the new intranet system, but it is not complete information, and he would like to have more of it to know what is happening at the airport.

On the other hand, one of the employees would also like to be able to ask more questions:
“We would like to ask questions, if we have something to ask… We never see our managers. The managing director is talking most of the time with other managers and not really we us”.

In a way, when people feel as if they do not know information, they might feel as being not ‘important’ for the company. However, when they feel like having information, they do feel as being part of the airport ‘team’ and to be important and so they are more efficient for doing their job. It can be highlighted by the work of Elton Mayo, when people feel like their point of view is integrated within the business development; they are more efficient in their work. George Elton Mayo was in charge of certain experiments on human behaviour carried out at the Hawthorne Works of the General Electric Company in Chicago between 1924 and 1927. His research findings have contributed to organization development in terms of human relations and motivation theory [36., 86]. Bellini [4., 9] explained that “verbal communication is better than writing or phoning way of communication” because it shows to people that you are interested in them.

This can also be balanced by the view of the Managing Director who has a different view of the situation:

“I also had a kind of open door for people that want to ask questions. It is easier to have an argument if you see the people immediately. If it is a time gap you tend not to remember what the basic issue here was”.

It is possible to explain this difference between the view of the manager and this employee by the fact that there are probably more communications between the managing Director and the other managers. So, there is good communication at this level. However, there is not necessarily a ‘high’ level of communication between the Managing Director and the rest of the workers. The communication with the worker is probably delegated from the Managing Director to the Managers of the different departments.
4.6. Cultural Change within the Airport

When the Managing Director of Smaland Airport had communicated his vision to the employees of the Airport as well as the shareholders, he had to start to implement the change within his company.

The change process within the airport has led to a change within the culture.

According to Morgan [42., 360], the culture of an organization can be seen as “the shared values governing and cognitive and affective aspects of membership in an organization, and the mean whereby they are expressed, and the shared meanings, assumptions, norms and values that govern work.

The different assumptions lead people to behave into a certain way, the norm and value of employees can be expressed through different ways. One can distinguish a change in the culture, and so in the company assumptions through the strategy, the customer focus and the use of empowerment at the airport.

Accordingly, this section of the paper deals with the process of change implementation as well as depicts the main problems that arose.

4.6.1. A new strategy

To make to the vision and the objectives realisable, the Managing Director had to think about the new strategy - how to proceed in order to make the airport more attractive, more dynamic, and how to give it a more ‘international’ position.

One of the middle manager explained “maybe we will have to change our strategy in order [to get more flights]. We have to make our brand more known in Europe”.
According to Figure 10, Strategy is a mix of the environmental situation, plus the expectation (what we want to do) and the resources (what we can do). It was understood that to make the airport more attractive, there was an obligation to develop the marketing. To do so, it was decided that there was a need of employing someone, because the airport needed someone who has important skill in marketing development.

From a business point of view, as we can see on the Figure 11 that represent the life cycle of a product. I could say that the ‘product’ Växjö Airport was in a declining situation, such as the end of the life of a product. It was necessary to do something in order to change the situation. One can say that the market in which the market was evolving was getting ‘full’, because there are too many airports; and some of them have real difficulties to compete.

Figure 10 - The management of strategy [41., 245]
Member of the city council Bo Frank explained “there is a great competition between the small region airports in Sweden; it is also a reason for creating this new company”.

In a way, there was a need for creating a new ‘product’ that would be ‘new’ on its market and more competitive. From this perspective Smaland Airport is innovating because it highlights the need and the importance of the marketing in order to develop the airport.

Having two brands for the same airport can be seen as confusing for someone who is not from the airport. People are asking, why two brands, what is the main company firm, are the objectives of Småland and Växjö Airport different.

There are two different brands. It was decided to keep the brand Växjö Airport because it had existed for a long time, and it was a very efficient organization for running the airport management. However, the brand ‘Smaland Airport’ has been created in order to be focus on the marketing only.
The objectives of Smaland Airport are set up as:

- Stating a large catchments area
- Attracting incoming charter tourism through an international well-known name for the region.
- Building partnership with tour-operators both domestic in the region and international for both incoming and outgoing air-travelling” [56].

4.6.2. Re-branding the airport

4.6.2.1. Why re-branding the airport

To make the airport more competitive at the international level, people were thinking that the name ‘Växjö Airport’ is not necessarily the best. One of the reasons is ‘Växjö’ is difficult or to pronounce, and to remember for a non-Swedish speaking person. To attract a brand should be easy to remember and to be identified. So, it was agreed to re-brand ‘Växjö airport’ to ‘Smaland Airport’.

It is interesting to note that to make the airport more attractive and ‘more international’, it was agreed to use an English brand instead of a Swedish one. For instance the name of the airport before the change process was Växjö Flyplats AB - Växjö Airport, in English. If the airport has been re-branded through ‘Småland’ as Swedish name, it would have been ‘Småland Flyplats AB’. It is evident to note that ‘Smaland Airport’ is simple to read and pronounce, and easier to remember for an international person or a tourism office.

It is illustrated by May Rogenfall who explained that “I think the change of the name was mostly for the international flights, because people do not know Växjö. They even have difficulties to pronounce the name, but Småland is more an ‘international name’, that is the main point because we need more tourism, more people”.
4.6.2.2. The new airport structure

One of the board member explained “when a pilot is landing, he is [still] flying from Växjö Airport”. Someone from outside the airport could see this situation as confusing.

Växjö Airport is composed of a board; and Smaland Airport is owned by Växjö Airport. However, Smaland Airport is also led by a board. The board of Smaland Airport is composed of persons ‘from the business life’, people who are used to make trade and to manage a business.

For Bo Frank, member of the board, this is very important because the board of Växjö Airport is composed of politicians, while the board of Smaland Airport is made up by business people who may know better the economic situation of the market. The Managing Director of Växjö Airport and Smaland Airport is the same person. Before taking strategic decisions the board of Smaland Airport has to refer it to Växjö Airport that will agree or disagree on it.

The relationship between Smaland Airport and Växjö Airport can be seen in the following figure (see the next page):
However, it is important to note that Växjö Airport and Smaland Airport are two different companies. Indeed Växjö Airport is composed of thirty-three employees who are running the airport, such as the luggage, the cafeteria, the finance etc. Meanwhile, Smaland Airport is just a marketing company – composed of one person - with an aim of developing the marketing aspect of the airport, such as attracting more customers and developing partnerships with other institutions such as the tourism offices, and travel agencies. Smaland Airport is 100% owned by Växjö Airport.

Having a strong Marketing development can be seen as ‘new’ in the airport management. Indeed, as was said by the Managing Director, this is quite new in their market, that is why they have to employ someone to make it more efficient. In order to implement a new strategy, it can be seen as useful for an organization to employee some ‘new’ people like an expert in his working field. It can shows to other employees that there is a real need for a change, the organisation needs experts to find a solutions.
Hutt and Specch [28., 330] explained that “market knowledge and marketing proficiency are pivotal in new product outcomes. As might be expected, business marketers with a solid understanding of market needs are likely to succeed”.

It means that being a new company evolving in an open market – without having a strong competition - for a new marketing product can lead a firm to get a competitive advantage.

The new company is composed of one person who is in charge of the marketing development. This new employee has been employed especially by the airport. Johnson and Scholes [30., 537] explain that “the use of outsiders in the change process can be productive”. Indeed, new people can bring new skills, new ideas, and different views on how and why we are doing things in a specific way. “He or she brings a fresh perspective on the organization, not bound by the constraints of the past, or the everyday routines and ways of doing things which can prevent strategic change” [30., 537].

“We haven’t really made a formal decision about the name of the airport. But suddenly we though about Smaland Airport [as a new brand]. Well, it was ok. But officially it is Växjö airport” (Bo Frank).

However, it is interesting to note that even if people had difficulties to understand the change at the beginning, I was able to note that employees know and have understood the difference between Växjö Airport and Smaland Airport.

When I made the different interviews it was clear to understand that everybody agreed to say that the new name, Smalnd Airport, is good for the airport development.

About the brand change, one of the employee said “it is good. Now we do more advertising in the newspaper. Before some people did not know that we had an airport in Växjö. Now, they can read it in the newspaper”.

Bo Frank says “To strength our position and to do a better marketing, and Småland sounds bigger than Växjö”.

73
Göran Ganekind, the police officer says “I think it is good. Småland is a bigger area than Växjö which is just a city”.

4.7. The value chain

Nowadays, it is very important for different companies to get focus on their customer; “airports regard both airlines and passengers as their key customers” [1., 51]. Otherwise, they may leave the company for one other.

4.7.1. Theory

I can see that the company focus on customer through the Porter’s Value Chain. Indeed the value chain highlights the need for a company of having all its structure such as departments focus on the customers in order to create value as a competitive advantage. “From a Value Based management point of view, the Value Chain framework can be seen as one of two dimensions in maximizing corporate value creation [58]. The value chain is mostly focused on the customers, such as how to deliver more value to them.

The Strategic Direction – Journal of Management - (2002) explained “ensuring customers are satisfied by delivering ‘value’ possess a number of challenges dependent not only on the product or service offered but also the type of customer served. Who are your customers and what are their requirements? When and where should value be delivered? To what extent are customer needs being met and how can service be continually improved? Having studied all these questions, the crucial issue must be how do you manage a value delivery ‘system’ capable of satisfying your customers?” [58]
A value chain is generally represented by two main different activities; the primary activities and the support activities. The primary activities are characterized the vertical data on the figure, they correspond to airport Inbound Logistics, Operations, marketing and Service. The secondary activities – horizontal data - represent the supporting activities, such as the infrastructure; “they enable the performance of the primary activities” [1., 51].

“The core tasks of an airport are the supply, maintenance and protection of the infrastructure that is necessary for landing, starting, taxis and parking of the airplanes” [1., 51].

4.7.2. Field study and analysis

The Managing Director explained that the airport was very efficient at being run, and so there was no need for changing it – the secondary activities were well-organized. However, there was mainly a need for improving the primary activities, such as the marketing.
In addition, Graham [20., 32] explained that “Underdeveloped until the 1980’s, the primary activity marketing has finally turned out as an integral part of the value chain of an airport as well, reflecting its importance as the core activity of a commercially run enterprise also for the airport business”.

However, the value and the efficiency of a product are “determined by the ultimate customer”; the company needs to get focus on them. The fact that the brand has been changed; it can be seen as a tool for making easier the view of the brand by the customers. The aim of the airport is to get more passengers, it has to make them satisfied.

To be pleased by the customers - people and airlines - the Managing Director explained that “we have a new customer – a charter flight - at the airport, they want us to buy services that we have never done, we always sell everything to make a back on it, …the staff said, ok we will do it, and they started to think about how to do it.”

It shows that the airport tries to do as much as possible to have its customers ‘happy’ about its services, and everyone is doing the maximum do make it.
4.8. Use of intellectual capital

4.8.1. Theory

In the implementation of the change process one can note the role and the importance of the Intellectual Capital.

The Intellectual Capital can be defined as the “the intangible assets - the talents of [the organization] people, the efficacy of its managers, the character of its relationships to its customers” [50., 55].

This corresponds to the knowledge that the employees or members of an organization do have, it is “such as the creativity, energy, passion or dynamism”. Stewart [50., 61] explained also that the intellectual capital is an element that leads some companies to be bought for a price higher that the value of its actual value book. This is because the knowledge developed by the employees and their ability of doing a proper job is very valuable.

A lot of companies are paying a lot to employ the best person for a job. In addition Hugh McDonald [50., 67] explained “knowledge that exists in an organization can be used to create differential advantage”.

Hatch [25., 13] claimed “in today’s organizations one of the biggest managerial challenges is to find and keep good employees. Human resources specialists predicts that in the 21st Century, where job security will be a thing of the past, organizations that offer ‘employability’ will lose their best employees to firms willing to offer them a higher wage or different training opportunities”.

The Intellectual Capital can be seen as the ‘hidden gold’ since it is an element that is not possible to touch but it can lead an organization to make a lot of money.

Moreover, I could also note that role and the importance of the tacit knowledge which is the knowledge that someone gains from his or her own experiences. If employees are efficient and good at running the airport, it is probably because they have learned things; they do know how to proceed in certain situations, this is the knowledge that they have
gained from their working practice and understanding. That is why the knowledge of the employees is so important at the airport.

The essential element for the airport would be to know how to keep this knowledge, and how to transmit it to the new employees. In order to make the transition of knowledge, there could be the organization of ‘training’ from former employees to new ones. There would be also the possibility of having the creation of different groups of people in order to discuss and to find solutions in case of any difficulty, such group can meet to find a solution in case of having a difficult problem to solve and to transmit knowledge to the new employees.

4.8.2 Field study and analysis

Employees at Växjö Airport were good, and efficient at running the airport. It was important for the Managing Director to keep this system working. The problem was ‘how to make it attractive’, it was stated that it was missing at the airport someone who was good and efficient in marketing work.

To make the airport more efficient someone has been employed especially for this task. It is interesting to note that the development of the airport was designed to be run just by one employee. In a way it would mean that the ‘future’ development of the airport depends on the competence and the knowledge of ‘one’ employee. Even if all the employees are important for running the airport, the marketing knowledge of the person in charge of it is very important and it can create a competitive advantage facing the different other competitors. It is interesting to show how important is the intellectual capital nowadays. An organization that does not try to manage in a proper way the knowledge may have a risk to lose it.

The Managing Director explained that people should be more responsible for their job, people should think about the consequence of what they are doing. When employees are efficient for their work, know how to do it properly and in an efficient way it is very important, so that the managers do not have to be checking every things that employees are making. They can make them more responsible, more confident in their work, and managers can be focused on wider and different subject.
4.9. Development of the empowerment

4.9.1. Theory

In order to make efficient the Intellectual Capital, one can note that there has been a use of the empowerment.

For Jenkins [29., 34] empowerment is a way “to enable people to do things that they would otherwise be unable to do. It means to remove the restrictions – artificial or otherwise- that prevent people from doing the things that is within their ability to achieve”.

Today the organizations has been faced with the challenge of reinvesting and repositioning itself through new visions and shared values that can help mobilize a new-style corporate culture capable of dealing with the new reality [42., 147].

In order to have worker that are empowered, it can be good to have a ‘flat’ hierarchy within the organization. It does not necessarily mean ‘no’ hierarchy, there can be a hierarchy where the relationships between the leader, managers and workers are close. Nevertheless, one can note that the police officer has the feeling that there is “a flat hierarchy” at the airport; it would be seen as a way of encouraging the empowerment.

Morgan [42., 31] explained that “mechanistic organization [with a strict hierarchy] discourages initiative, encouraging people to obey orders and keep their place rather than to take an interest in, and question what they are doing”.

In addition, Wilkinson [53., 48] explained that “empowerment leads to job satisfaction and better quality decisions and that gains are available both employers –increased efficiency- and workers –job satisfaction. It results to a win/win scenario”.

4.9.2. Field study and analysis

The managers have the perception of being close to the workers, this is also a vision of the company that is shared by people working at the airport, such as the police officers; and workers are feeling responsible for their work.
First of all, the Managing Director decided to get rid of the obstacles that were standing between him and his employees. More effective communication was needed.

The Managing director explained “[you should] keep the dialogue, when there are questions, try to answer in an open way, and I do not have all the answers, many of the ideas of what to do and how to do are from my staff”.

Therefore, to facilitate the flow of information, the Intranet was introduced. According to the Managing Director, it is possible to everyone to get access and everyone is able and encouraged to post his or her message there. Everybody should know what is going on as well as the information could flow from bottom-up not only top down.

It is very useful, as all employees instantly know what is going on and can appropriately act. In the Intranet there is also other relevant information, like times of flight arrivals and departures, surveys carried out by airport or other organizations. The Intranet is open not only to the staff of the Smaland Airport, but also to the other employees working there such as for the car rentals or the police. So everyone stays informed about the latest news. However, one of the employees has the feeling that not all the information is available on the intranet network.

Secondly, the staff is encouraged and empowered to act on their own. The Managing Director explained “a lot of ideas what to do and how to do come from the staff”. Moreover, when dealing with low-cost carriers it is not enough to get the money only from the airport taxes, as they are reduced to minimum. Therefore, the airport should make money on other sources. For example, the cafeteria people are encouraged there to take the initiatives on their own, as long as it brings profit. Of course, some notions on business were offered for the employees to better understand what is financially tangible”.

However, the personnel are also responsible for planning their own time.

The Managing Director explained that “they [the staff] have a lot of freedom, but they also have to take the responsibility of what they are doing. And every part of the airport takes part of the responsibility of their own part of the job, plan how to work, when do to, how to do and why to do it”.

80
The Managing Director thinks that this is the way how the different units of the airport should be managed, in order to make some money.

“This is one part of how we managed to do this [to implement change], because my staff is responsible for their work”.

It is also interesting to note that one the employee explained that “I think that now [we have more responsibilities], it feels like that”.

It is interesting to note that the point of view of this employee confirms with what was said by the Managing Director. And they do have the same perception of the situation.

As a result, everybody in the organization knows that he or she can come up with new ideas, they are listened to and they are encouraged to bring ideas, as long as they are profitable. It is important to note that employees agreed on saying that they are able to take decisions and are responsible for their work.

4.10. Team-work basis

4.10.1 Theory

As I could identify that the use of empowerment has been increase in the management process within Smaland Airport. I could also identify that there is an increase of the used of team work. Team work is defined by Morden [41, 268]:

“When a number of people have a common goal and recognize that their personal success is dependent on the other interdependent. In most teams people will contribute individual skills, many of which will be different, the full tensions and the counter-balance of human behaviour will need to be demonstrated in a team”.

Furthermore, Katzenback and Smith [31, 27] added “teams will become the primary unit of performance in high-performance organizations. But that does not mean that teams will crowd out individual opportunity or formal hierarchy
and process. Rather, teams will enhance existing structures without replacing them”.

Dubrin [14., 433] defined a team as “a small number of people with complementary skills who are committed to a common purpose, set of performance goals, and approach, for which they hold themselves accountable”.

Another illustration of a team is “its roles describe a pattern of behaviour that characterises one person’s behaviour in relationship to another in facilitating the progress of a team. This approach enables an individual or team to benefit from self-knowledge and adjust behaviour according to the demands being made by the external situation. It is what we tried to do while writing this essay” [14., 458].

Team work can be differentiated from a group work; in a team the people have more ‘conscience’ of being together to reach a goal, than in the group.

4.10.2. Field study and analysis

The Managing Director explained that teamwork is an important element within the airport.

“Everyone is taking part of the work. For example, here (in the intranet) my operative manager informs our staff about the security”.

It also means that every element of the organization is important for the development and the economic expansion of the airport.

The airport can be seen as a ‘team’ where each part is working with another one in order to be efficient. The Managing Director illustrated this by “for example, at control tower [where people are employed by the Swedish Civil Aviation Authorities], people also have access to this [intranet] system, as well as others.... It is very efficient for the airport”.

82
Team work can be seen as an advantage for several organizations, it can produce effectiveness. For instance it is more difficult for one individual to have knowledge about everything in a business, but lot of people sharing their knowledge is more efficient because they can think about what the others do not think. At the airport, team work can be seen through the cafeteria example.

4.10.3. The example of the cafeteria

The airport cafeteria can be seen as an illustration of the change process within the airport. Indeed, before the change process the cafeteria was running with considerable financial losses. The Managing Director was thinking on shutting down the cafeteria or on how to make it more efficient. I can note that since the strategic objectives had been changed in Smaland Airport. The main aim of Växjö Airport was mostly to run an airport while the objective of Smaland Airport is to run an airport and to make it efficient.

In order to make it more successful, a plan was set up a plan that should be followed by the employees. However, some of the employees did not like this plan, they disagreed with it. The Managing Director agreed with the employees in order to allow them to make their own a plan, but they were asked to make it efficient, the cafeteria could not afford to lose the money anymore.

The Managing Director explained “everybody should take part of the airport responsibility, such as how to work, when and how doing something, and why doing it in a specific way”.

Employees have been interested and excited about being able to make their own plan, and so they did organise the cafeteria in a more efficient way. The result of this policy was that the employees were glad to be able to make their own plan and it makes the cafeteria more productive. One of the employees explained that he had the feeling of being responsible for his work at the airport. Through this example one can see the importance of the empowerment in the relationships between the employees and the managers.
Empowerment can be defined as “a means to enable employed to make decisions and as a personal phenomenon where individuals take responsibility for their own actions” [16., 325].

Moreover, it was explained that cafeteria’s employees feel to be working without having a ‘direct leader’ that would be imposing his or her view; they have responsibilities in what they are doing.

4.11. The airport after the change process

Nowadays, in airport business the change should be looked upon as continuous process and everyone of the organization should participate in the change process. In Smaland Airport the change played very important role, and every employee is involved. Therefore, as we can see, the implementation of the change should be constantly revised and a follow-up process carried out. In Smaland Airport these are regular meetings with the employees, although employees would like to have them more.

As stated before, everyone was involved in order to make the change. What it is important to not here, is that very few people got fired, so employees in the organization are treated as the most valuable assets. Of course, it also reflects in their thinking and willingness to work as well as their ability to get adapt to the change process.

When the Managing Director is talking about the company, he rarely uses word “I”. It is used only to express his personal opinion or the ideas that he came upon. Instead, he uses words like “we” - as for a team - to describe the ongoing processes and performance of the organization. That unifies the organization, and the customer-oriented behaviour that is created is a part of more effective management under better leadership.

It is also interesting to note the actual perception of the change process. For one of the employee the situation has not really changed. “Now, it is like before 9/11. Because we had a big downhill and now it is almost like before”. In addition one of them did not really notice an increase on the volume of international passengers, and one of them explained that the re-branding was “not a big change” for the airport.
Moreover, the police officer explained that he did not feel a change between Växjö Airport before and after the change process. He explained that “I did not notice it at all” and he has “no more work”. However, he noticed that “Now, I think there are more people who use the airport, but I don’t know why. Yes, there is a change”.

It is interesting to note that some people think that the change process within the organization did not change a lot the situation. This is probably when people do not have a big overview of the situation; for instance when they do not know all the financial data or marketing data.

4.11.1. Follow-up of the change

When talking about the change, it is also very interesting to observe, what was done in order to correct the mistakes that apparently would arise during the implementation process and how it was done. The change process itself is a never-ending, so this section of the thesis will deal with the « Check » component. One can say that the measurement is the main point to have a successful and sustainable change.

The Managing Director of Smaland Airport states that there were some problems with the employees, especially the middle management; in understanding what to do « I needed to have meetings with my managers because I discovered they were not on the track ». Moreover, the Managing Director also admits that the process could be done more effectively if he would be more involved and realistic:

“When you start a project earlier than the rest of the staff, I am so much in the thinking about the strategy and the decisions that sometimes I have problems to understand what I am meaning. I also noted that the managers were not running behind me, but far back me. So I had to start the explanation to make sure that they were following me”.

Therefore, as we can see, the most problems arose in the middle management. It is understandable “they -the managers- are more involved in the company’s management.
They -the managers- have a larger knowledge of the company. It is sometimes hard to motivate them; they do not really see what it is for me”.

4.11.2. Success and motivation for further change

“Change leaders have the difficult task of promoting change when employees are seeking a sense of stability. Employees would like to have period of time when the organization is ‘at rest’ so they can assess where they are relative to the change. Unfortunately, the external environment is not stopping for a breather. It just keeps changing” [12; 60].

In the paper the fact that the environment is ever changing means that the change also is a continuous process and it can be hard to handle by the employees. And because the time frame for such a change as presented in my paper takes a lot of time, it is hard to see where the company is standing and do the change works.

Managing Director explained it “if it is a time gap you tend not to remember what the basic issue was. It took me almost six months of meetings to convince them (the board) that this is the right way to do it (to implement the change). However, in year 2005 (first half), we increased our market share by 3.2%. Now the board is supporting me and wants us to move more rapidly than we have done so far”.

This example clearly shows that by providing ‘tangible and measurable’ results, support and motivation increases for further change.

It is also interesting to note that Kotter [42: 22] explained that a change process needs to be made with different steps in order not “to get too far ahead without a solid base almost always creates problems”. It is interesting to see that for some people who are working at the airport; they did not really feel a change process.

One of the company’s objectives can be seen as being focused on a continuous change, to get an advance on other competitors.
To do so, the airport could be focused on a strategy of ‘continuous change’. It means that there is a need of realization of a new pattern of organization in the absence of explicit a priori intentions. Doing continuous change within an organization can be seen doing continuous innovations and improvements.

“The view of organization associated with continuous change is built around recurrent interactions as the feedstock of organization, authority tied to tasks rather than positions, shifts in authority as task shifts, continuing development of response repertoires, systems that are self-organizing rather than fixed, ongoing redefinition of job descriptions, mindful construction of responses in the moment rather than mindless application of past responses embedded in routines” [54., 368].

The middle-manager explained that being on a continuous change process is good for the company, and she added “we have to go on all the time”.
5. Conclusions

5.1. Summary

The research objective of the thesis was to see how the change process was implemented within Smaland Airport; did it walk and what problems did the company faced. The objectives of the thesis were to study the field by carrying out interviews with employees from different levels in the organization, also outside it. By analyzing several aspects concerning the change implementation, such as the role of leadership, vision, communication of the change and implementation of the change I came upon with interesting findings.

From the analysis the reader could see that although the company was facing serious financial problems and had to fire some people, and to implement a change process. The reason of the financial decrease can be seen mainly by the change in the airport environment following the 9/11 attacks. The financial situation of the airport was becoming harsh, and so the Managing Director decided to do something. Since the airport was efficient for managing the airport logistic. The Managing Director had the idea to re-brand the airport in order to make it more attractive and more efficient form a marketing point of view. We saw that having a vision and objectives to reach -here it is to be one of the most important airport in the southern of Sweden has been important for implementing the change, because it leads people to make things possible to reach the company goals. It has paid off as the number of passengers has been increasing, and the airport estimates a profit for the financial year 2005.

We can also note that employees and managers who would have had difficulties to accept and be aware of the advantages the change process have understood and agreed on it.

In addition one can note that the change process has highlighted the importance of the intellectual capital and the empowerment in order to have a more ‘dynamic’ company.

However, I could notice that there is a wish from some employees to see and to have a better communication with the top managers of the company. For instance, they do
believe that it is sometimes difficult for them to get access to information even if there are modern communication tools, such as Intranet, within the airport.

5.2. Findings

I thought that the most effective way how to present the findings would be to compare the present situation with the situation before the change took place. To do so I have chosen the SWOT analysis as the tool of doing the comparison.

After the implementation of the change process (if one can say that the change process can end) within the company, it is really interesting to see how the SWOT analysis would look like. I found out that many of the weak sides (weaknesses and threats) had become company’s opportunities and strengths. However, there are also new weaknesses and threats, which most probably will require more change in the future. Therefore, one can say that although the company successfully coped with the problems it had before, the process will still continue because of the new challenges.

5.2.1. Strengths

- Know-how in change

The company has acquired the know-how how to cope with the problems in terms of customer attraction and change process itself.

- Marketing awareness

Before the change process there were not so many marketing activities, now the company has a good knowledge of how to market itself and make themselves attractive to the customers and potential partners outside the organization.

- Improved efficiency of the functions

Financial pressure has put the company to cut some staff as well as revise the efficiency of some functions and make them more effective. So, now one can say that the efficiency has improved a lot if compared to the former situation.
- Improved financial situation

Finally, the main aim of the airport has been reached – the company is making money. So, I can say that the main goal of the board and the company has been fulfilled, and the tendency is getting better (see the figure below).

Figure 14 – Profit of Smaland Airport 1990-2005 [56]

5.2.2. Weaknesses

- Flow of information and communication

As I concluded from my study the flow of information now is one of the main weaknesses which in the future will become more and more visible. As I concluded from the interviews, people in the same organization have different points of view about the same problem, which, of course, is not bad. However, sometimes they did not have the information at all. Moreover, some facts people interpret from completely different points of view. So, although the situation was improved, the employees still would like to have more face-to-face contacts or meetings more often. I think that there is a room for improvement, mostly through more meeting between all employees of the airport.
5.2.3. Opportunities

- Market and customer awareness

Now, the customers are aware of the brand Smaland Airport. Moreover, since the security 9/11 has been improved dramatically, so more and more people are willing to travel by airplanes. Nevertheless, they still prefer the cheapest way of transportation. However, the marketing process is still in the development stage, so there are almost endless possibilities to attract new customers, if the financial situation allows it.

- New markets

Because of the co-operation with the tourism agencies the airport now is offering not only local flights to Stockholm and Copenhagen, but also to more exotic countries, especially in winter. So the range of offered services has grown steadily and it is not surprising that there are more and more customers. The airport is also planning to open new routes, e.g. London, which proves to be number 1 destination in the region, according to the customer satisfaction survey, made by the airport.

- New tactics

The airport now is more aware of the changes around itself. If after the 9/11 management hoped that the situation will improve just by itself and passengers will continue to fly again without any encouragement, then now the changes in the environment are carefully taken into consideration. Moreover, the experience gained is invaluable, because the strategy itself proved to work, meaning that the management is on the right way. However, a lot of things can be done to improve the management practices even more, taking the communication flow as the main problem, which I found.

- Improved partnerships

If the partnerships before the change were not so strongly developed, now they play a very important role in airports’ everyday life. Moreover, they have also helped to raise the awareness of the airport and the possibilities it offers. As the Managing Director
explained some people in Växjö did not know that there is an airport in their own city. Now the situation has changed, and more and more people are aware of the existence of the airport, due to the noticeable advertising in local media, as well as due to the cooperation with SAS.

- Improving financial situation

As the main aim of the change is achieved and the financial situation has been improved, the airport can get developed even more. The airport is developing a lot, new investments have been made into the infrastructure. A lot of money now is put also into the advertising, so as the airport is a state owned institution, it does not have to pay the profit to somebody, but can invest it in further development. However, the main aim – to become second biggest airport in the southern of Sweden – is not yet achieved and there is still a room for improvement.

5.2.4. Threats

- Political legislation

Recently the government of Sweden has agreed to put an addition tax on airplane tickets. It will make all flight about 100 crowns more expensive. If for the traditional carrier SAS, who has been working in Scandinavia for quite a long time it is not a big problem -because of the turnover and strong flight networks- for the companies like Ryanair it is a dramatic change, as the ticket price would sometimes increases by 50%. Therefore, Ryanair has cancelled the negotiations with Smaland Airport, even though before it wanted to fly from Smaland Airport.

Secondly, there is ongoing debate about the regional reform in Sweden which will influence the decision about where the ‘capital’ of Småland will be. So, if it will not be Växjö, the importance of the airport might decrease as well.

- Competitors

Another big threat is the competitors. As can be seen from the map in the appendix 1 (marked with dots), there are a lot of competing airports within close range. Moreover,
some of them are copying the strategy of Smaland Airport, because it proved to work. In the future it will make the competition even tougher.

- Customers will prefer the cheapest options

Even though the prices to Stockholm are not very high, people still prefer the cheapest option. Trains and cars are still preferred over airplanes when it comes to the price. Moreover, in the coming year there may be a direct train connection between Växjö and Copenhagen which will take a bit more than an hour (if compared to 40 minutes by plane), it will be a serious competitor.

5.3. Summary of the SWOT analysis

Through the SWOT analysis of Smaland Airport I can conclude that the airport is evolving in a continuous change process. It means that the airport is aware of the need to change in order to continue to be efficient and to develop the marketing strategy to be a leader in its market.

However, one of the weaknesses of the airport could be the communication. Even if the new intranet system is efficient to facilitate communications, some employees would like to have more contact with the managers.

The opportunities of the airport can be illustrated by new markets chances that are surrounding the airport, such as the new EU markets like the Baltic States and the other eastern counties of the Enlarged EU.

The main threats of the airport could be seen through the competition made by the different regional airports. And also from the new governmental tax that would lead airports to have higher prices for their customers. It is not a good ‘advertisement’ for the airport expansion.
5.4. The change implementation process

At the end of the thesis, it was also interesting to see how the change has been implemented so far, by analyzing it using the Kotter’s change model [33], because it very clearly describes the change process itself as well as change implementation. Therefore it was interesting to analyze each aspect of the change implementation, in terms of what people think about it, as well as to analyze it in more detail.

5.4.1. Creating the sense of urgency

The first step, when talking about the change implementation is creation of the sense of urgency. However, in the particular case it happened outside the organization, so it was not initiated by the organization, but by the external factors. Nevertheless, the people understood that there is a sense of urgency and that without any further changes the airport is not going to exist for a long time. That was understood by everyone and employees could see themselves that there were less passengers and, accordingly, less work to do.

Figure 15: Kotter’s steps of change implementation [33]
5.4.2. Building the change team

After everyone understood that there is a critical situation, some actions had to take place. The managing director of the airport decided to fire some employees, and hire additional people for the marketing department. Theoretically, the people hired should possess strong leadership skills as well as have an initiative to take the actions themselves. Therefore, when hiring the marketing manager, the managing director acted very wisely, because the future of the company more or less depends on him. Now everybody is more or less working together, trusting each others expertise, so one can say that the objective of building a change team has been accomplished.

5.4.3. Creating vision and values

The vision of Smaland Airport (to be a second biggest airport in southern Sweden) is a very tangible and understandable vision for everyone, yet a bit “impersonal”, and the values it creates are very hard to associate with the vision. At the beginning the vision was born in the mid of the managing director of the airport and afterwards communicated to other people, who, as I concluded from the interviews, understand it quite differently, though. However, everyone working at the organization should be inspired by the vision, and work towards accomplishing the vision for the common value.

5.4.4. Communicating and engaging

The main aim here is to get as many people as possible to act towards the vision. One of the main steps here is to ensure an effective communication flow. In Smaland Airport an Intranet was set up, as well as a lot of meeting with people form different departments. However, the employees would like to have even more meetings, as well as smoother information flow. People should “feel” that they are working towards the vision. What I found out is that employees would like to have more “personal” communication, especially with the top management.
5.4.5. **Empowering others**

The goal of the empowerment is to remove any obstacles that are stopping the employees from acting towards the vision. The people in Smaland Airport were empowered mainly through giving them more freedom, they could do mostly what they wanted, but they also had to make money, meanwhile. Training was given to the employees, where appropriate. For example, people in cafeteria took training in accounting in order to better understand the financial situation. The people now “feel” more free about what they have to do.

5.4.6. **Creating short-term wins**

For the employees it is also important to see that the work they are doing was fruitful. A very objective measurement is the financial report of the company, made every quarter, the employees could see there, that the situation was improving. They could also notice it visually – more people were using the airport. With increase of more flights and marketing campaign the positive changes were obvious for the people working in the company.

5.4.7. **Consolidating**

The positive trends that at the present moment are taking place at the airport are obvious. The situation is improving continuously; the airport is making the money again as well as attracting more and more passengers every month. However, in such a situation, it is important to note that there is a goal for every company, vision in this case. And even though the situation is improving, it must be said that people still need to keep up the good work, and that the improvements must be continuous. That creates a new behavior among the employees that keep the company developing despite the changes that might occur. To sum up, that is what is happening at the Smaland Airport at the present moment, so one can say, that although there are mistakes in the change implementation, the process proves to be successful.
5.5. Future strategies for the airport

In order to stay competitive within the market, Smaland Airport should continue its marketing offensive and to adapt itself to the change within the market. The airport should lead the market environmental change instead of being led. It shows the different airlines that Smaland Airport is a dynamic airport that wants to be one of the strongest of the region. From a strategic point of view, the airport should improve the partnership agreements with the different business stakeholders of the region. That would permit the airport to be known and to attract more customers. It would lead to stabilized reputation of the airport as well as increased its financial performance.

At the internal airport management, I would suggest managers to communicate a bit more with the workers. The intranet system is good and efficient to deliver information, but employees might need to discuss a bit more about what is going on at the Airport. It would lead people to feel like being more involved in the work, and they would be more efficient.

To sum up the change process, one can say that a lot of things were done to make it successful. However, there are also mistakes, but if you don’t do anything, nothing will happen. Therefore, it is a positive aspect that these mistakes have been identified, and that they can be used as an advantage for the company. A lot of initiative was taken by Jan Fors – the managing director of Smaland Airport. He undoubtedly possesses strong leadership skills, maybe a bit charismatic sometime, but very essential in critical situations. The communication processes, nevertheless, have to be improved, both internally in the company, as well as with the owners of the airport. However, none of the parties admitted the conflict situation, but it was seen that they are talking about the same things from very different points of view. Finally, the example of the Smaland Airport shows the reader how the change process was successfully implemented within a small airport in Sweden, in a crisis situation. Nowadays other airports are copying the approach of Smaland Airport, so the paper illustrates the story of how a small airport not only managed to survive in a turbulent market, but also developed, and is a unique example not only in Sweden, but all Scandinavia.
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7. Appendix

Appendix 1 - Map of the airports within Sweden

Sources: Information from Smaland Airport's internal sources [56]
Interview transcript with Jan Fors, the Managing Director of Smaland Airport

Jeremie Corbeau – JC
Jan Fors – JF
Janis Sijats – JS

JF: I used to work for Scandinavian Airlines in Riga…couple of projects…in the beginnings of the 90’s.

If you have to look at the change in my market when it comes to aviation, you have to look at 9/11; because what happened in New York has changed the market.

In the past some situations have changed the market, back in the 70s there was the oil crisis where a lots of air companies had difficulties; then there was the Kuweit crisis in the 90s with the Iraq problem.

Most of the problems for the air companies started back in 1992, and they more or less survive themselves…when 9/11/01 came, traditional airline (SAS, AIR FRANCE…) had immediately problems with the passengers, their number decreased dramatically.

The low cost air company were very fast to reacting themselves on the market.

In autumn 2001, a travel agency in Sweden did a market pool /survey to find how much risk the passengers was willing to take, as cheaper the price was as higher the risk they were able to take. True connection between price and risk.

The low cost airlines showed that it was like that. For a small airport, or regional airport like Växjö airport we immediately had difficulties with our customers. They withdraw several short less schedules that we had weekly basis…on our traffic to Stockholm, SAS withdraw almost immediately several flights per week. When it comes to our traffic towards Copenhagen we… it took about 3 or 4 weeks where I was in negotiation with the airlines that were flying in that schedules they anted to shut it down completely, we had to make a very large cost reduction to make them maintain the traffic, that was pretty hard. However, both me and everyone else, though that back to the 1992 it took about 1 year to be back to business as usual; so every one thought that we just had to sit and wait and they will change in about a year. But that did not come in 2002 it was worst that what it was in 2001, and in 2003 it was worst. I started to think when I look on the future trying to make some business plan for the future; I started to argument with myself, if it never changes what would be the outcome of our business. The outcome of that was, ok we have a lot of money in our company we are very solid, we could probably survive up to 5 years of decreasing (market), but after no more money in the pocket, we will have big difficulties. The question was if our owners were prepared to give us more money. And I was not certain of that. And then I felt in a deep depression, I though what to do? We started to discuss with the board, the directors of the board.

JC: …are they managers of the airport?
JF: No, they are representing the City Council, the region…the owners of the airport. In my discussion on how to handle the situation, it turned out … we started to discuss so much about the costs, …the major costs in the airport is the personnel. To reduce our costs in a level… we had to fire a lot of stuff. We could not keep the airport open as we normally do; we are open more or less 24 hours … 7 days. And it was very dramatic at that time. So, what I did was I worked out a strategy where I said to …my owners that we have to do this probably, we have to start with the survivor in the region, try to figure out how the market has changed around our airport. When it comes to our passengers? How they are thinking? How they think today? How they are travelling? Because one of the thesis that was driving us was that people are still flying…from where, because obviously they did not fly form our airport. So we did quite huge survey in the market we also had interview of our customers in both going in business and what we find out rapidly was that …we put the question like that they have to travel 400 km or more, because that is the distance between Växjö and Stockholm. So…the answer we had was: we are still travelling but we are not flying any more we are going by car, and that was the main group; people that have stopped flying went from the aircraft to their cost, automobile. And went it comes to the international flight we are going where the tickets fares are the cheapest, we are going where are going to that airport that can give us low fares. So, what we did, then was, I had my owners that said to me you can decides 2 strategies, one…you can continue the cost reductions and make a market offensive; and I said to the owners that ok we go to the first line, if you are like John Wayne, if you are going to die, it is better to die with the boots on…(laugh). And that worked, so we planed a plan for 3years, the goals what that we wanted to increase our income to make a positive result on the net, and to have a growth in the market; the market for us is the south east part of Sweden. We have competitors on Kalmar…Jonshoping.

JC: The objective is to be the one of the biggest airport…

JF: yes, the long time goal is that we put a very high goal that is to be the second largest airport in the south of Sweden and we are not even close to be that, but we are working on it; that the long term goal. So, we have broken it down into several different goals in which we are working in. during that journey when we started that we realised that… quite immediately that what my staff and my company is good in is to run an airport, when it comes to marketing, it is something that we do not really know about it. Therefore, I had a cultural problem within my company, I had very, very hard time to explain to my staff what we are doing, why we are doing it?

JC: It was for the change…

JF: when we took the decision and when we started to implement the change in the airport. And also it was quite hard for me to explain because at the same time we were doing cost reductions.

JC: Ok…

JF: So during this project and this work we said we have to run 2 companies at the airport, one company with just the marketing and the other with the airport management, and running the airport. In that way, the Växjö airport who is the company who runs the airport is very efficient and they can show it to the owners and they can show it for themselves, and that’s why it was easier to implement this change with what we have done. We also needed some ways to inform the market that we had a new agenda, this
small market with our region, and traditional work is not enough because if you have the goal that we want to be the Second largest airport in the south of Sweden, we have to expand our market area to be quick more competitive than it is today, to have a product and a schedules that is very important at the international level. To have success we have to expand our market, we have to make a statement in the market of our ambition; one way of doing that was to change our name, I mean Växjö airport is the name of a city of the south of Sweden, the name of the region is Småland, and so we understand that we had to change the name of the airport to Småland, because it shows that we want to be bigger. Just by the name you can understand that we have another agenda we want to be bigger, to take marketing shares from the other airports. This marketing company was set up in 2004 it takes a long time, we will brand it as Småland Airport, it is the brand that we communicate to the market, one way of doing the change as large as we have done, we chose to do it in 2 companies, to keep Växjö airport as it was because what they are doing when it comes to run an airport they are doing it very, very well, to become more efficient they have to get the feeling that what we are doing is meaning something, we are doing at efficient, with the profit; when it comes to the marketing is a long term business process, what you do today will have an effect after 3 years. It takes time especially when it is airline companies, they are no quick when it comes to decisions.

The other part was that we could actually involve in more …the decision to make a marketing company…we had other prospects in the Småland Airport concept. One of them was today we are working very, very much isolated in our market in our region, we said that we need to make partnerships with several other authorities, tourism companies, manufacturers companies.

So, because our work is in some way more important for them than for us. They are more business in it for them than for us. They have to be part of the airport, therefore we were seeking partnership and it was easier to do that with a new company than in our traditional one. Because every said, when they came to Växjö airport that you have not a fixed economy, so just fixed it by yourself we are not interesting at the same time we put it in a marketing company, called Småland Airport it was more easily to communicate the region that you have to take the responsibility for the airport otherwise it would be close down in the future. And what we have seeing in the south part of Sweden, the Swedish civil Aviation authorities running a lot of airport here in the south of Sweden, they were discussing to selling them out or to close them down, and it is after 4 of these airports that you bring the discussion of those 4 airports 3 are near the airport by 2 hours. This make the region understand easily that it has to do something. By setting up this new Småland Airport, it was easier. One of the main objectives was to make partnership with the region, of course also to build partnership with the other airlines like SAS. To actually take a responsibility from the airport point of view to marketing the schedules in this case for Stockholm Arlanda. And what we would say is that if your business is our business, if you have a good business on the airport, we have a good business; and so we have to take responsibility and we have to help each other in the communication and the market here. To do that we have to be in a partnership. We have a kind of marketing agreement, the airport are willing to do this and this, when it comes to business travelling, you have it we will be able to put in about … (for example) 100 000 SEK on this marketing campaign, we are building partnership we all are customers at the airport who had (traffic) when it comes to shop or schedules for normally traffic, regional and domestic and international. It was easier to do that in a new company to isolate it. It is more difficult to make it in a company that work more or less to working the same way since it started in 1975. Because what we have built up is a high skilled efficiency in running an airport, it is what my staff knows about; it is very
hard to change the staff into new situation. It takes a long time, and it took me a long time to inform, why are we doing this? What is the purpose? So it’s huge question on information to the staff. Very important!

**JC**: So how did you convince that that the change is good?

**JF**: I am not sure. At the beginning it was very difficult. Actually we convince them in that we have done our work very well, we have solid ground standing on, when it come to pure fact, I can show to the staff why this is so and why this is another way. And I could show them if we continue this negative journey we would die, I could show them when we were running out money, when it comes to an easiest way to show people to make them changes that you have to give it I for me that they are employed at the airport and if we don’t do anything we will that they will continue to be employed by the airport in the future. We have to do something. Keep the dialogue, when there are questions, try to answer in an open way and I don’t have all the answer, many the ideas of what to do and how are from my staff. You have to have an open mid, not close the doors, we are a small company, and we can do it.

**JC**: Is like for the cafeteria, where people were empowered to manage and organised…?

**JF**: yes…yes, they a have lot of freedom, they have to take the responsibility of what they are doing. And every part of the airport takes part of responsibility of there own part of the job, plan how to work, when to do and how, and why to do it. They have to take a larger responsibility of that. And that is one part of how we managed to do this because my staff is by taking responsibility, they work, they also have…. we think very like: if you take responsibilities, you also have to plan your one work you also have to make decisions on data basis, therefore, you can have a dialogue, ‘if we do that or that what will happen, and is we do that or that what will happened, ok, I got your point’. They have an open min in doing changes, and I have an open mind in doing new things. For example we have a new customer at the airport, (charter flight) they want us to buy services that we have never done, we always sell everything to make a back on it, …the staff said, ok we will do it, and they started to think about how to do it. They have huge freedom for that, we try to have dialogue with the staff, that me that they have to plan how to do things by themselves.

**JC**: Is it not difficult to implement the change with employees?

**JF**: when it comes to the workers unions, there is no problem because when we started our agenda, we had to start working with the company, because of the decrease of the traffic. In Swedish law we have not only to inform the unions, but to negotiate it. That started in the end of 2002 and during 2003. I think that was one part that it went so smugly and we did this change. Because if we don’t do this we will lose more employees. With us at the beginning there was no problem with this, when it comes to negotiation, you think you want to do something, but it is not always happening as you want. That went quite well. The problem for me was to convince my owners to do this, at the first they did not understand what was the aim of the new company, and what was the change in the airport; it took me almost 6 month of meetings to convince them that this is the right way to do it. In 2005, we can show it that we are in the right truck; we have turned a negative economic situation in a positive one. This year we are going to make money. And we have also turn that we are taking market share here in the region of the south part of Sweden, and we increased our market share by 3.2 % (for 2005). So,
now they are not only on the train my owners are pushing the train they want us to move rapidly than we have done so far, they us to succeed. The airport is very important for the region. Without the airport a lot of companies wouldn’t be living. A lot of company in the region are exporting almost everything there are producing, for them it is good communication is it vital to have an airport in the region.

When it comes to my staff it always that people look at what is good for myself. And if you can prove that the change is good for everybody that is easier to do what you want. I did not have problem pushing this change? I had problem with my staff to understand where they are working. Because now the brand is Smaland Airport but they are still working for Växjö Airport. It is a bit confusing at the beginning; they are working at Smaland Airport for Växjö airport.

**JC:** It was more difficult for the managers or the employees for understanding the change?

**JF:** Both, most of the questions come form my managers. The company is one thing, the brand another. But it is very new in our business; generally you do not do what we have done. They have seen both the positive and negative that is we are the first that made this no one has made that before.

**JC:** What are doing the other airports?

**JF:** They are starting to copy it. Especially the airport of Jonshoping, regional airport about 150 km from here. The key fact is to try to keep the distance to our competitive. By the end of this week we are starting to plan for next year. And one of the main goals from my point of view is to keep the distance to have a leading position when it comes to develop the airport with the marketing.

**JC:** What do you mean by leading the market?

**JF:** I don’t want them to be to close to us. They are running very fast in our track, we have to be faster in the future. This year has been quite easy. The big trick is on the future, to maintain and increase the market shares. To make sure that our competitors are loosing market shares.

**JC:** Is Jonköping Airport very competitive?

**JF:** Yes, because, it is not only a competition between airports but also between regions. The government noted that there are too many regions in Sweden, and it is not that efficient to manage. And a couple of weeks ago they started to make conclusion that would lead to have around 8 regions. And one region in Småland. Växjö and Jonköping have always made a competition to decide where should be the capital of the region. You can see it clearly when you look at where our politicians put there words they are very, very kind on making sure that Växjö would be the capital. In this way, the airport is very important, because it will have the most important schedules, international and national flight.

**JC:** how did you manage the change with managers? Did you meet first with the board and then the managers?
**JF:** I started with the board, with a kind of idea concept. And I understood rapidly that I needed someone that is good at communication. How to both in the region, outside the region communicate with air companies, tour operators. When I was doing that I had a guy involve in this work, and we established a list of tasks that we have would have to change if we do not want to have any further problems. We have to make that we know who to do it, what to say, to whom, how to say. We started with the board, the customer, the passengers, our managers, our staff, every one interested in the airport. The university is also very important for the airport. We also build a kind of information material that was aiming in specific group, one specific for the staff, one of the customers…but the conclusion of all the documents were the same. Then, I start with my managers, and I had done for a long time make them understand that we have to change. It was a long time process. When alone with the process I convince the owners, I reach out the managers and I went to the rest of the staff. But it is always a question: do you have to make the information bottom-top or top-bottom?! So you have to make simultaneous work. So if you do not have the company form the bottom with you, you have to make the change with in a military way. You have to point out the direction you have to run behind them. It is a more ‘Swedish way’ to point out the goal, convince everyone that is the right goals, and then everybody will follow. That’s take more time than the military way where you do not have to prepare the staff. The information part of this way take more time, but it is better because everyone knows what we are doing. It was a lot of hard work.

**JC:** How did you communicate with employees? Did you make meetings?

**JF:** yes, information meetings, we made short meetings, 1-2 hours, in small groups. We started with the older staff and had big information meeting, where we explained why we are doing that. What the decision was built; we did that on Saturday, it was a whole day activity. After that I continued to inform in smaller group we also made an information package that we mailed to the employees at home where a brochure explained what we were doing.
I also had a kind of open door for people that want to ask questions. It is easier to have an argument if you see the people immediately. If it is a time gap you tend not to remember what was the basic issue here. You have involved so many analyse that you have a problem to see what the problem is. We did that as well. I also needed to have a meeting with my managers because I discover that they were not on the truck.

When you start a project earlier that the rest of the staff, I am so much in the thinking, the strategy and the decisions, that sometimes I have problem to understand what I am meaning. I noted that the managers were not running behind me but far back me. So I had to start the explanations to make sure that they were following me. I have to decided this winter to make a free time of 2 days where we are setting out our strategy with the managers. It is important to have managers and workers. It is easier for the workers, because they do not have to responsibility on the strategy (only on the work). It is easier to explain them why we are doing this: “to secure your job”, and so they say: “ok, I like that since I have my pay-check every week, it’s ok with me”. When it come to managers it is more difficult. They are more involved in the company management. They have a larger knowledge of the company. It could be hard to motivate them, they don’t really see what it is for me. Now, we try to catch it with the free time meetings.

**JC:** Meeting every week?

**JF:** Three times, monthly bases, we have a two days meeting, we sit for two days.
JS: tell me a bit more about your vision. How did you come up with the vision?

JF: when we looking on the survey we did on the market, we saw that low cost companies had increased there market shares so much that we were quite surprised about it, in 1998 the low cost had a market share of the EU market about 7%, and in 2005 it would be around 30%. If we want to survive in an airport we need to have low cost companies, even if we will not do a lot of money on it, but because we need it for the passenger volume. We need to have a critical mass of passenger, and if you go under this mass of passengers, we have huge problem. When were doing this, we were that in some other airport were under this mass volume, and it was a catastrophe for them. We need to keep at least the critical mass of passenger, and to do that we need to have low cost companies.

JC: Here, do you have a lot of low cost companies?

JF: - At the moment - none, actually. And when you come to traditional low-cost carriers then in the market today everyone is a low-cost carrier, more or less. I mean, you can fly with SAS to Stockholm for 450 SEK. Actually when I was looking through all these journeys we have collected a lot of facts. One of the things is to look upon what the ticket fares are when you travel from Växjö to Europe, for instance - Paris. So when I looked upon it I realized that part of the work for collecting this information (and I have been in this business for 20 years) its the same fare to Paris from this region today than it was when I started 20 years ago.

JC: - Is it very expensive to go from Växjö to Paris?

JF: - No, today you can travel for... i was going to a European airport business meeting in Milan. Actually, I booked a fare with SAS from Växjö via Stockholm down to Milan for 2400 SEK including all taxes.

JC: - It’s like 200 euros?

JF: - Yes, about 200 euros. That’s the same fare I had to pay 20 years ago, and, of course, that is one part. We have to in some part live with the costs if the ticket fare is as low as they are, airliners have to make cost reductions, and we are one part of their costs. So they are telling that every time we have a meeting - you have to reduce the costs. You have to give us more services for the same money. But, when we come to low-faire, we realized two things - one thing was that the market we have today is not enough, we have to take larger market and its also needed for low-cost carrier - its needed to have approximately one million people, so that they will actually consider setting up the schedule. If you take Ryanair, for example. So, that was one of the principles. And we also knew that if we had a low-cost carrier, our market would increase very rapidly and very, very much. Today we are considering our market 1.2 million.

JC: - Are you talking with low-cost carriers?

JF: - Yes, today we are in negoitation with low-cost carriers for setting up the schedules on our airport. But, that was one part of our plan. Then we started to think how we will make profit from low-cost carriers, because for the airport its lousy business. You really don’t make much money with these guys. And then, what we did was that we... how do you call him?.. a business manager... so he and I - we went away to a hotel far away, in
the middle of nowhere for two days. We started to think how to make business with low-cost carriers. And what we came up was that it must be in larger interest with the region than it is with the airport. Therefore you have to make partnerships with those companies, who actually are winners with the low-cost carriers. And that was one of the main ideas that built Smaland Airport as a marketing company, because it was more easily to approach the region companies when we were seeking for partnerships. If we have a marketing company it was easier than with the old airport company. That was one of the main reasons. And the other reason was that we could show to our owners that marketing is one thing - it’s a long term activity. Very seldom you can see the results the same year you started the marketing activities. That takes 2 or almost 3 years to see the results. And therefore to show the owners that we are an efficient airport, we are doing very, very well, we are doing business out of it. It was easier to convince our owners to do this market offensive, because they realized - Ok, they are right. If it doesn’t work we just close down and continue with the old airport. So it’s a different agenda on purpose, but it’s aiming on the same goals - that you are aiming goals that you have to inform and that you have to have a different agenda, depending on what people you meet. That’s important, because you don’t try do it always with the same arguments, because it doesn’t work since it depends what people you meet...was that the answer to your question?

**JC:** - Yes! On partnerships, for example, if you are doing advertisements, does the City Council pay something?

**JF:** - No, it’s a business for the airport. They don’t pay anything. Actually, they haven’t paid to the airport for the last 20 years and that’s quite unique. Even in international perspective. Airports are mostly costing their owners and sometimes a lot of money. That’s one of the reasons why Swedish Civil Aviation wants to close down the airports. They can’t afford running them anymore. And that’s, of course, the outcome of the marketing change that we are going through for the moment. So you can’t be number 2 anymore, you have to be number one.

**JS:** - And they (the owners) when they are doing some kind of advertisements for you?

**JF:** - Yes, of course. They are proud of the airport, that they are the owners of the airport. That’s its efficient and very well run, and therefore they are helping us marketing the airport as much as they can. And what they are helping us the most is that they are connecting us with all airports in the Europe, with a lot of cities. They are connecting us to the networks that we needed before.

**JC:** - One question. Who is leading the airport? Is it board or is it only you or are there some managers?

**JF:** - Well, it’s more me and the managers. But, of course, the board has to say go or don’t go. Especially, when it comes to investments. And this is an investment. And it has its price label on it - 5 million SEK, that we are putting in this marketing investment. Quite a lot of money for a small company.

**JS:** - Did you use some financial incentives to support the change from the employee side?

**JF:** - You mean some money or salary rise? No, no. Actually not. I just convinced them that it’s the right thing to do. But on the other thing you can say like this - if you take
one of my guys out there. If he just loads and unloads the aircraft he don’t earn so much money. However, if I can use him as a fire stopper, I can use him to clear the snow from the airport, I can use him for other jobs. Then he gets quite a good salary. So the employees are quite flexible in doing the jobs. There is something in it for them. Not only in their own satisfaction but also in the pay check. The more work they are doing the higher salary they get.

JC: - How many people are employed by the airport?

JF: - 33 people in my company. And total in the airport there are about 60-75 people here. It’s for the police, security, car rental companies.

JS: - They are working in your company?

JF: - No, they are from different companies.

JS: - So, in case of change are they informed?

JF: - Yes, I have been informing them as well. They are very important for the airport in this change as partners, so everybody has been informed. Somebody says - ok, whatever, and somebody finds it difficult to understand what we are doing. Im meeting with the air controllers this afternoon. Its quite difficult to convince them that this is the right way. That’s because their job is on the stake and also because they are very, very expensive and I try to do everything to make them cheaper. And they are the only ones I haven’t managed to make cheaper. And I am quite upset with that and we have a conflict at the moment. Its has gone actually all the way up to the Swedish government.

JS: - Is it the airport that pays?

JF: - No, actually, when it comes to the air controllers, they are organized by Swedish Civil aviation authorities and that’s why its up to the government, our transport and communication minister. She don’t like me either, I can tell you. They don’t want this problem. They said to leave it, I said I will leave it if you make some cost reduction. I will be off your back.

JC: - So, basically, the government decides and you have to pay?

JF: - Yes. Actually, it bothers me very, very much that I have one organization at the airport, and I have tried to make all these cost reductions, and it makes me upset. So it will be an interesting meeting this afternoon. I am looking forward to it.

JC: - And for example, for the police?

JF: - No, it’s the government paying for them. However, when it come to the security it’s the customer, who is paying. So I have staff, who conduct the security for the passengers going through security check and payment for that is from the passengers. They are paying for this when they buy a ticket.

JC: - Is it possible to have the financial data?

JF: - Yes, our economic results are public. The problem is that it’s in Swedish. .......

113
We have like a public network (intranet), where the employees can find the information like instructions and so on. But recently we have created an information system, where I can, for example, put small notices of something that happened and all our employees can access it. Its open for everyone.... Here is what we call a „whiteboard” where everyone can put a notice. For instance, here is the reference telling all the employees that they need to bring back plates to the cafeteria, because they are running out of them. ... Here is a notice from me that we had a problem with one of our customers, they didn’t pay the invoice. And everyone was concerned about it. ... Now i have informed everyone that everything is ok, no more worries, they have paid. ... What we also have is the connection to that system, we also have it in our homepage, which shows the time of departure/arrival of all our flights..(Provides an example) .. We have a weather system so we can see what weather we have, so at the moment we have (provides an example)... And also we have our management system that is connected to the other airlines, because they need to know what we are doing, what services we are offering, the surveys we are conducting... Of course, this is open for everyone, and everyone can put a message, and it works very, very well.

JS: – And do they also have information about the airport?

JF: – Yes, they have the information how the airport is developing. And also when it comes to the economical situation, I have information on my laptop, because 2 or 3 weeks ago I was explaining how things are running for the moment and that we are making money. So, basically it’s everything here (intranet), from things happening outside the organization to things happening here. It’s important for everyone.

JC: – So the airport is something like a big team where everybody takes a part?

JC: – Yes, everyone is taking part of the work. For example, here (intranet) is my operative manager who informs our staff about the security (provides one more example). Also, what we are doing, we are using it (the intranet) so much that we are using it for processing our work to hook up the information from the other companies. For example, the control tower, they have access to this system, as well as others.... Its very efficient for the airport.... Also, what we have tried to do is to capture the information about the market.... And here we have newsletter, so far in Swedish, where you can apply for the recent information and so far almost 400 people have done this. We also try to develop our webpage, but that’s costly.

JC: – Do you do it yourself (make and maintain the webpage?)

JF: – Partly. Some parts we manage ourselves, but for others we have a company who does the job.

END
Interview transcript with Bo Frank, Member of the City Council of Växjö

Jeremie Corbeau - JC
Bo Frank - BF

JC: What do you think of the change process from Växjö Airport to Smaland Airport?

BF: It is a way of marketing the airport. When we were discussing with the low-cost companies to negotiate with them, and to ask them to flight from our airport, we understood that we needed a new company. And a new company should also bring money from the business live to the company. We are normally not allowed to provide a company with money in the purpose to ask for a new enterprise. So, it is the way of doing a better marketing to create a new company, and a new brand. Smaland Airport is more famous and known than Växjö. So it is a way of involving the business live in the development of the airport, and a way of marketing the airport. That the purpose of the creation of this new company.

JC: …to make money?

BF: It was also a way to get money from the business live into the airport.

JC: Do you mean that the aim of Växjö airport was not to make money?

BF: Of course, Växjö airport must earn a lot of money. And the only way to earn money is to have more passengers to flight from the airport. To get extra money from marketing from the company, we needed extra a new company.

JC: Do you see Smaland Airport more or less efficient than Växjö airport?

BF: It is not a matter of being efficient or not. It is a matter of marketing and involves business live in the process. It has nothing to do with the efficiency.

JC: In the way that it could earn more money to the airport.

BF: It could be a way to bring more money to the airport. A new company sounds more like it is; it is just one person. It is just a marketing company.

We did not really take the decision, but the name of the airport, Smaland Airport, the decision, but the name of the airport now, is Smaland Airport. But officially, it is still Växjö airport. That also a little bit strange.

I am a member of the airport board, and I am also a member of the City Council, and as you know also own the airport with the County Council. We haven’t really made a formal decision about the name of the airport. But, suddenly we though about Smaland Airport. well, it’s ok. But officially it is Växjö airport. When the pilot is landing, he is flying to Växjö airport.

JC: It might be confusing for people.
BF: It might be confusing, yes. But, and it also teased our neighbors very much. In Kalmar, Jonshoping… They don’t like the name, Smaland Airport, because it includes also these cities. So, they think that we are cheating them a bit.

JC: Why did you create just one company instead of 2?

BF: Yes, but also 2 companies… another reason is in the second companies, in Smaland Airport most of the people are not politicians – just one or 2 -, most of the people are from the business life. Växjö airport, the mother company, all members are politicians (from the city council and the county council), so, we also wanted to bring in the new company, business people in the new board.

JC: …you mean people that are more specialists in the business?

BF: Yes, and the business people are working with all kind of business, tourism and manufacturer.

JC: What do you think is the main change for Smaland Airport, the EU integration, the 9/11?

BF: … yes…as you know it is a great competition between the small regional airport in Sweden; it was also a reason for creating this new company, Smaland Airport. to strength our position and to do a better marketing, and Småland sounds bigger than Växjö.

JC: What is exactly the work of the board in the airport? Strategy?

BF: Yes…it is only for discussing about budget and strategy. And sometimes, the board members have to go back to the owners, for example to the city and county council to discuss about the strategy.

JC: Would you say that the objective of Växjö airport and Smaland Airport were a bit different. I sit more focus on profits than before,

BF: It’s the same. Because, in all company you should be focus on profits. Because we are not, we don’t to take tax raise money and to put it on the airport. So, they must have profits by themselves. It is number one, what we want to get of course

JC: If the airport is losing money, you can put money?

BF: Yes, we can. And many cities in Sweden have put money in their airport. We are very lucky because our airport has been very successful. And they have given back money to their owners some years, we have been very lucky; but it is not the case in the other airport, which may have to put money on it. That’s what we do not want to do. We develop marketing with this new company, you have to make good profits.

JC: Was it difficult or not for the board to agree on the change?

BF: Very, very easy,

JC: Did it take times?
BF: No, no just a few minutes, to understand what it is about.

JC: Is Jan Fors independent to take decisions, when it comes to the strategy or he should always refer to the board?

BS: He has free hands to work with the strategy and the budget.

JC: Does the board check very often the finance of the airport?

BF: Of course, we are checking finance, at every meeting.

JC: How often do you meet?

BF: The board, Växjö airport, we meet maybe 6 times a year. More frequently; when we have some urgent matter, such as the discussion about Ryanair…And the company Smaland Airport, I don’t know how often they meet, but I assume it is also 6 times a year.

JC: What is your vision for the airport?

BF: The vision is to keep almost the same amount of departure between Växjö and Stockholm, to keep the traffic to Copenhagen, to expend shorter flight to more part to Europe, and also to establish some more new companies to the airport, such as Ryanair or EasyJet. And also to establish some kind of connection between the south of Sweden and the Baltic States, in short term.

JC: Do you plan to expend to…Latvia…?

BF: It depends on the market. It depends on the demand on the market. This is the most important thing. Number 1 objective, if you count passengers that are going aboard, London is still the 1st destination; expect for Copenhagen.

JC: Are they mostly Swedes who are traveling?

BF: Actually, I cannot say, you should ask to the company. They know better about the passengers.

JC: How do you think the idea of the change was created? From the board? Form Jan Fors?

BF: I don’t remember, But I think it was Jan Fors, from the beginning. But, you have to find it out, you are doing the research.

JC: From a political point of view, would you say that political organization have an influence on the management of the airport? Objectives?

BF: No, not really the objective of the company is to run the airport like other business. Let’s attract as many passengers as possible, and get as much profits as possible. …Generally state owned companies are not very efficient. Because, there is too much bureaucracy on the management. So, if you want to compete on the market, you should not be owned by the state. This is my opinion, because you are not so efficient.
JC: Does Jan Fors communicate a lot with the board?

BF: He is the one, who talk the most with business people, so we see him quite frequently, we see him also meet very often with the managing director of the area. So, he is quite well known for the public life, and he also meets the owners of the airport quite frequently.

JC: Do you know that Smaland Airport wants to make partnership with different companies, like tourism office; do you think it’s good? Does it work?

BF: I don’t know if it works, you have to ask to the company. But they have to do it, because it is important.

JC: Was it the case before, or it is new for the airport?

BF: Hum…the airport has more contact today, since we created Smaland Airport, with business life and network.

JC: Is the airport important for the region development?

BF: Yes, University is number 1, infrastructure including airport is number 2. And, also that we are very close to Copenhagen area. As you know about Sweden, some cities from the south of Sweden are increasing population, most city of the north are decreasing. So, out of 300 cities in Sweden, 60-70 are increasing the population. But in the future there might be a train connection between Copenhagen and Växjö, in 2007, there will be 1 train per hour to Copenhagen Airport. So, that can mean that we might lose the flight connection between Copenhagen and Växjö, because there will be a trains too frequently.

JC: It is like competition. Do you have competition form the bus companies?

BF: No…

JC: Mostly from the train?

BF: Yes, but there are also people who just take their car and drive to the bridge, and then take the train over the bridge.

JC: Is it the same from Stockholm?

BF: The prices to Stockholm are quite low, compared to what it was 10 or 20 years ago.

JC: Do you use Smaland Airport?

BF: Yes, very often, at least 1 to 3 times a month.

JC: Have you already had conflicts/problems with the airports?

BF: No, no. there is high expectation about what they should accomplished. As you know, there is a new tax that is going to be introduced in Sweden, and that led Ryanair to say ‘no’ to our airport, for the moment. But I don’t know what is really going to happen. I hope we could continue the discussion with them.
JC: What is this tax? For all Sweden?

BF: It is not clear yet, about how it should be implemented. As far as we know, it would be a tax with at least 100 crowns per passenger.

JC: It will be a problem for all the airports?

BF: Yes, but especially for airports that are trying to attract new flights. It is a bigger problem than if you have already established flights.

END
Interview with May Rogenfall, Chief Financial Officer at Smaland Airport

Jeremie Corbeau - JC
Janis Sijats - JS
May Rogenfall - MR

JC: What was your impression about the change?

MR: I work here as a manager, so I get the information, I have enough time to accept this, to learn about this. I think it is positive. Because there are lots of change in the market today, and we are here today. There are lots of airport in the region, Jonköping, Kalmar…

They are these airports that are not very far from Växjö. It was the right thing to do, because in the future you cannot be a free airport. It is very popular to point out that we are going to be the airport of the region.

JC: was it difficult for you to accept or to understand that there was a need of change?

MR: no, I don’t think it was difficult for us. Most of us had understood that there was a need of change. I think it can be difficult to learn. Because we are two companies, Smaland with one employee and Vaxjo with the rest of the personel.

JC: Was it difficult for people to understand the connection between Växjö and Smaland Airport?

MR: yes, I think so a bit. Because sometimes when you meet someone, you say that you are calling from Växjö airport or Smaland Airport. Växjö Flygplat AB is the main company, and I am employed by it. Sometime, you don’t know if you are working for Smaland or Växjö airport.

JC: would you say that the culture has changed between Växjö and Smaland Airport?

MR: hum… I don’t think so. Växjö airport was successful for providing the airport organization. I think, the change of the name was mostly for the international flights, because people do not know Växjö… They even have difficulties to pronounce the name; but Smaland is a more ‘international name’, that’s the main point, because we need more tourism, more people. That’s why the change was important.

JS: Did it change something about viewing the customer? Strategy towards customers?

MR: the strategy was to get more tourism company to attract people to make Smålând more attractive, to bring people to Småland. To bring people in the whole region; not only Växjö. You know that Smålând is made by three smaller regions…

JS: Could u tell me about the vision:
MR: we are going to the Airport in Småland. When you talk about airport in Småland, you should talk about Smaland, not Kalmar, or another one. I think this is the vision, and I hope it will be like that. Our vision is to have more traffic, more companies like Ryanair. For example Ryanair decided not to operate here, because of the taxes.

JC: Do you think it is going to change?

MR: Well, I think so. I think it will change in a couple of month. It is the government that decides about the tax. In May, the situation might be that, in the south of a small airport would have to pay more taxes than an airport in the north of Sweden. Well, they haven’t decided yet about the proportion of this tax. But it might be a tax about 70 to 80 crowns per fight. That’s a lot for a family or students; it was decided 2 weeks ago.

JC: Do you think the EU integration and deregulation has let to have more competition?

MR: Yes, I think, more competition, yes. I think it is good and bad. It will be more pressure on everybody. We have to work harder to make us known.

JS: to what extent are you free to take decisions?

MR: all major decisions are taken by the board. We have a business development at the airport to collect all information we can find about the company. I am chief finance, so I can take decision in my business. When it is a bigger decision, I have to discuss with the managers.

JC: Are employees free to take responsibility for their work?

MR: yes, people are free, we are working in group. People are responsible for their work.

JC: Did you have during the change process to have to take more responsibilities?

MR: it was always the same.

JS: do you see Växjö as more focused on running the airport and Småland more focused on profits?

MR: well, I think now, it is more like that. Even before, we were much focused on the profits, and now, we are looking more. That’s how I see the situation.

JS: how did you see the change?

MR: hum… on the 4-5 last year there were so many change in the market and the society. There have been so many new companies, lots of new air companies, more than in the 90’s.

Now, we have to do something to be involved with it. For instance Ryanair we want to have it here. May be we will have to change our strategy in order to make it possible. We have to make our Name more known in Europe.
JC: Did people have difficulties to understand the change from Vaxjo to Smaland?

MR: I don’t think it was difficult to understand it. I think it is good, because we have one company focus on the airport, and one focus on the marketing. I can see that here. I think some people may have problem to understand that.

JC: What do you think about the partnership that the airport is trying to make? Is it good from the economical point of view?

MR: yes, it could be. But it is very difficult because there is too many different organizations. May be it will be better to have just one company that will take care about every thing. Because we have one tourism office, everything is over Småland. The problem is Småland, because the region is divided in 3 regions. So it is difficult to coordinate the partnerships. And people from Kalmar would like to have the airport market.

JS: Did you inform other employees about the change?

MR: Jan Fors tried to inform everybody of the change. It is directly to everybody. We all had a meeting at the same time. Of course people who are working close to Jan Fors know things better than others.

JS: Did the change process was implemented by the managerial team or with the board?

MR: for the change process it was Jans Fors, not me. I think it was him most of the time. He had information with the board, and then he informs the personal. We have one representative of the personnel at the board. He can inform.

JC: did everybody know what was happening?

MR: yes, most of the time, but may be other employees have a different point of view about that.

JC: who was meet the 1st by Jan Fors to talk about the change? The board? The managers?

MR: First, it was the managers and the business developer who made a presentation to the board. And then, the board decided that you can do that or that.

(SHE DRAWS THE ORGANIZATIONAL CHART)

JS: It seems that the change process is never ending?

MR: It is good! We have to go on all the time

JS: What are the points that are you looking at?
MR: I am looking at the financial situation, also if we can employ more people. We haven’t employee anyone since we have made the change. The financial situation of the airport is very good, the traffic is increasing. The situation is better. Main of the flights are from SAS. We have one more daily flight. It is better to have smaller plane so that they are more full, than if we have big planes.

END
Interview with Cecylia (fake name), working at the cafeteria of the Airport

Jeremie Corbeau - JC
Janis Sijats - JS
Sofia - S

JC: For how long time has you been working here?
S: I have been working here for almost 6 years.

JC: How did you feel the change in Vaxjo Airport?
S: We haven’t noticed it. The only difference is that thing happen ‘more’ here. More ‘going on’ so to say.

JC: Do you feel that there are more customers?
S: Yes.

JC: Did you have information about the change?
S: Yes, we had meeting with our manager.

JS: Was it difficult to understand it?
S: No.

JC: If I would ask for which company do you work, what would you say?
S: Växjö Airport.

JC: If I would ask you to draw how do you see the airport? The link between Smaland and Växjö Airport.
S: …. I don’t understand…. ok. Smaland Airport is here, but we work for Växjö Flygplats.

JS: So you are still working for Vaxjo Flygplats?
S: Yes, in Växjö Flygplats for Smaland Airport.

JC: So, if I would ask you to draw how do you see the Smaland Airport?
S: Ok! There is Smaland Airport and everybody is working here.

JS: How often do you have meeting with somebody from the airport? Regarding your work… I mean you see them every day, but…regarding issues about your work…
S: Once a month.
JC: Are you allowed to take decisions on your own?

S: Yes, pretty much.

JS: You said that you can make decisions… was it like this before the change to Smaland Airport.

S: Yes. It was the same.

JC: So, the number of passengers has increasing and…

S: It feels like that. Now we have much more work to do. If we compare it to the situation like 2 or 3 years ago. It feels like that… More people and more money in the cash machine.

JS: How do you feel the change with the new brand – Smaland Airport? What do you think? Does it help?

S: It’s good. Now we do more advertising in the newspapers. Before some people didn’t know it that we had an airport in Växjö. Now they can read about this in the newspapers.

JC: How is the management in the cafeteria? Do you have a leader?

S: No. We are four people working here. Pretty much taking all the decisions ourselves.

JC: How do you feel the hierarchy of the company? Is it flat? Is there communication between the employees and the managers?

S: Well, the information is very poor here from the management. I think they don’t give us enough information. Sometimes you can read it in the newspapers before we find it out here.

JS: But most information… how is the way? First it’s like informal talk with the people?

S: Yes. It’s like rumours… spreading around. We get to know what people are doing. It’s like ‘you know what I heard, and somebody else heard this….’ And then we tried to find out if it’s true.

JS: So, you like check what you have heard?

S: Yes.

JC: Did you feel that there was change in the culture? If you compare the cafeteria before and after the change?

S: Hmmm… That’s a difficult question. I think that yes, because now we are able to make our own decisions and to propose our ideas, to present them… Also the management is more interested. They want to find out more.

JS: About the meetings… did the communication improved?
S: Yes. It’s good. But I still would like to have more information and meeting more often.

JC: So you would like to have more flow of information?

S: Yes. Especially, when it concerns all the people working here. Now we have the meeting once in six months, we would like to have it more often.

JS: But you have access to this Intranet system?

S: Yes.

JS: So you think that the information there is not complete? You would like to have more information…

S: Yes. And we would also like to ask questions, if we have something to ask…

JC: To the managers?

S: Yes, because we never see them. For example, Jan Fors. We never see him. He comes here, takes the coffee and goes…

JS: So, as a leader, he doesn’t speak very much to the employees?

S: No, more to the other people around.

JS: Do you have somebody who represents your group there?

S: Yes, we have one of my colleagues who is in the union.

JC: Are there many unions?

S: No, we all people from the airport, we are in one union.

JC: Do you have a good atmosphere in the airport between the employees?

S: I think so.

JC: Has it changed? I mean, was it different before?

S: No…. if talking about the change, the number of passengers just were decreasing and they cut down the staff here to 5 employees. There were 7 before.

JS: Do you think that they can fire someone now?

S: No, I don’t think so. We are not worrying about the future.

JS: Sometimes I think that the people who come here for the first time that the airport is the first impression of the region and you are the first people who they meet. So your
role here is not only to work for the cafeteria but also communication with the customers.

S: Yes, we have to be polite and nice to the people. They talk to us and we have to answer and sometimes we are the only ones with whom they speak here. They have a cup of coffee… also international people…. How many people before me have you been interviewing?

JS: You are the fourth one. I just wanted to look at the airport from all points of view. Management, employees, police…. Maybe somebody outside the organization… I would like to come back to the change. I mean, when you were running the cafeteria before 9/11 and now, there is a change?

S: It’s more like before 9/11 now. Because we had a big downhill and now its almost like before.

JS: And for the cafeteria, did the management change?

S: No.

JC: So now you feel like 5 years ago? The number of passengers is increasing and

S: Yes, it’s almost like when I just had started to work.

JC: But the responsibility, did you have it more before or now?

S: I think that now. It feels like that.

JS: So the work security is higher now and you are not afraid that you can get fired. There should be really something important.

S: Yes.

JC: Is there an increase in the number of international people?

S: I don’t know. I haven’t thought about that. I think that no.

JC: But the number of the Swedish-speaking people has increased?

S: Yes.

JS: So for you the main change was 9/11?

S: Yes.

JC: Do you think that re-branding the airport to Smaland Airport is a big change?

S: Not a big change.
JS: Yes, a final question now. If I am going to write all this now, am I allowed to mention your name?

S: No, I don’t think so!

JC: Thank you very much for the interview!

END
**Interview with Smaland Airport security Officer Göran Ganekind**

Göran Ganekind - GG  
Jeremie Corbeau - JC  
Janis Sijats - JS

**JC**: So, you know that there was a change from Växjö to Smaland Airport, how did you feel the change?

**GG**: I did not notice it at all; for the police it does not matter.

**JC**: Did you have more work?

**GG**: No, it is the same. It is just a new name, may be better.

**JC**: Did you have information about it?

**GG**: Yes, of course. And I have a sign (kind of advertisement) on my own car, (I support the airport). For my work it does not matter.

**JS**: How were you informing of the change?

**GG**: By mail and by writing information.

**JC**: Do you think the change has change the relationship within the airport?

**GG**: I don’t know.

**JC**: It is just your opinion, how did you feel the change?

**GG**: I think it is good. Småland is a bigger area than Växjö which is just a city.

**JS**: Did it worry you if there are more people now?

**GG**: No, no.

**JC**: Did you note an increase in the number of passenger?

**GG**: No, not really.

**JS**: What is the job of the police here?

**GG**: The work of the police is to check the work of the security. Look at the quality of the check. We have EU rules and national rules to follow. In Sweden, we adapt the EU law. For instance the EU allows knife of 6-9cm in the planes, but in Sweden we prohibit all kind of knifes. We follow EU line all the time.

**JC**: Did you feel a change since the 9/11 attack?
**GG:** Yes, it is not the same today, now everything is checked. It was a big change. We did not check everything before.

**JS:** Do there are more securities employees at the airport since 9/11:

**GG:** We are more people, yes. We have an X-ray in the hall here, before 9/11 it was not here.

**JC:** Do there is more people employed at the airport for the security in Växjö (Airport) than in Smaland (Airport)?

**GG:** No, it is the same.

**JC:** Information at the airport with the computer…

**GG:** ... or by letter.

**JC:** How often do you have a meeting with Jan Fors?

**GG:** Not so often. The security is just 3 people everyday, and we discuss about everything that had happen within the airport.

**JS:** Do you think that employees are free to take decisions or they have to ask to their managers?

**GG:** No, they have to follow the rules. No, we have to follow the rules, but we cannot to anything more or less.

**JC:** Do you think the hierarchy is important at the airport.

**GG:** Hum…the hierarchy is important; we need someone to take responsibilities.

**JC:** Do you think that the hierarchy is quite flat?

**GG:** Yes, quite flat.

**JC:** Do employees know what is happening?

**GG:** most of the employees know very well what is happening the airport.

**JC:** But for you there is no change between Växjö and Smaland?

**GG:** not really, just a change in the Airport’s name. For me it is the same. I think it is better with Smaland Airport. I think there will be more passengers. I have been working here for 2.5 years.

**JS:** How do you see the relationship between the managers and the employees?

**GG:** well, I think they are quite close.

**JC:** How many people are working here at the police?
GG: Three, all from the city. We work here all the time.

JC: Who pays for the police security?

GG: The police, it pays for all security. Last year the police was paying for all the security. Today, the police pays the officer, but not the security. The airport pays the security. It is the government who pays.

JC: Do there are more customers at the airport now?

GG: I think there are more people who use the airport now, but I don’t know why. Yes, there is a change.

JS: Could it mean that there might be more police officer at the airport?

GG: No, we don’t need more, there is just on police officer at the airport at the same time.

END