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Aligning Corporate Culture with Brand Values

A case study of a financial tech SME

*Master's Thesis in the Master's Programme
Entrepreneurship and Business Design*

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ABSTRACT

This paper aims at understanding what managerial tools can be used to align a corporate culture with a brand value. In order to understand the connection between culture and brand, corporate branding theories have been used as a starting point. The subject of corporate brand holds corporate branding to be at a high strategic level in a business, concerning both the internal organization, what values and visions is guiding it and how this is expressed to an external environment. A case study on a financial tech SME has been performed and compared to a theoretical framework on how to manage cultural change. The purpose of the case study was to evaluate how efforts made to align culture with a new set of values correlated with theory. The insights from the case study were later merged with the theoretical framework to establish a new model for corporate cultural alignment.

Key Words: Brand management, corporate brand management, corporate culture, change management

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1 INTRODUCTION

This paper is about how a culture can be changed through managerial tools to be coherent with brand values. In this introduction a context is given to the researched area and also to the case study performed. Problem statement, purpose and research questions are also outlined here.

1.1 BACKGROUND

In today's society we are surrounded by brands. Products, organizations and even people are branded. Brands are important strategic asset that have the potential to affect consumer perception and ultimately company profitability. For many years, it has been known that a company's brand is a valuable business asset, an asset much like a product or a technology that has the potential of providing a competitive advantage.

Like all other assets, a brand has to keep up with its time. New technology and new demands from the market need to be met. As our society has become more connected, and the access of information has increased, the brand strategies have to evolve.

David Aaker addresses the importance of managing "brand touch points" to control customer perceptions. Brand touch points are all the points of interaction where the customer meets the brand (e.g. customer service, stores, advertisement etc.)(Aaker, 2009). According to the same author, these points need to be managed consistently and in line with the brand strategy to deliver on the promise made to customers. However touch points are becoming more complex to manage, largely due to advancements in Information and Communication Technology (ICT). Touch points are no longer reserved for people assigned to meet customers. As everybody is on social media, i.e. Facebook, LinkedIn or Twitter, all employees of a company becomes a customer-facing employee. How they behave, just as much as how customer service behaves, reflects on the brand. Meaning that everybody at a company is a brand touch point.

The advancement in technology has consequently increased the importance of companies actually being who they say they are, not only having a well-crafted customer service or ad. Companies cannot separate their internal or external environment. Having one brand strategy, and then being a totally different company on the inside will not hold in the long run.

This call for transparency puts pressure on the corporate branding strategy to align its internal organization to its external efforts. Meaning that the organizations and all its employees have to “live the brand”, a.k.a. have an organizational culture that is in line with the brand.

1.2 PROBLEM STATEMENT

As stated in the background it is impossible for an organization to separate between its internal and external environment. To succeed with corporate branding these approaches need to be aligned and send a coherent message. However changing an organizational culture to align with a brand is not done overnight and a lack of frameworks for doing so complicates the process further.

1.3 PURPOSE

Based on the problem statement, the purpose of this thesis is to understand the key factors in alignment of corporate culture and corporate brand strategy.

1.3.1 Research questions

To reach the purpose, the following three research questions have been formulated.

- What theoretical models are useful in aligning corporate culture with brand strategy?
- What activities are used to link corporate culture and brand in practice?
- What are the discrepancies between the theoretical and practical models?

The research questions will be investigated and answered during the thesis through a literature review in combination with a case study. Further information about the method used for gathering data is presented in chapter 2. Methodology.

1.3.2 Delimitations

The following delimitations have been made in relation to this thesis:

- This thesis will not investigate or consider why a cultural change is needed
- This thesis looks at how a corporate culture is aligned with a brand strategy, and not the other way around (how a brand strategy is aligned with an existing corporate culture)
- The case study is performed on Nordnet which is a mid-size company within the financial tech industry, thus the results will reflect the layout of this specific company.
- The thesis will only consider the theoretical frameworks motivated in section 2.4 Data Collection, and will not analyze the possibilities of using other frameworks.
- The case study is regarded as a successful case for implementation and the thesis cannot comment on the outcome of the techniques used.
- The thesis does not set out to determine if the implementation of brand values in the case was successful or not.
- The suggested framework for aligning culture with brand values presented in the end of this thesis will not be tested.

2 METHODOLOGY

This chapter will explain and motivate the methodology used to fulfill the purpose in section 1.3 and answer the research question in 1.3.1. The chapter will start by describing how the research has been conducted and end with a review of the quality of the study.

2.1 RESEARCH CONSIDERATIONS

The research method used in this thesis will follow an abductive theory where observation from a case study in combination with a theoretical framework forms a new hypothesis.

To elucidate the research method further the thesis has largely followed the five following steps:

1. Studied theoretical frameworks for organizational culture and brand management. The frameworks were chosen based on relevance but also from input from the case study.
2. Since no specific process for changing an organizational culture in line with a brand strategy was found, the theoretical frameworks were combined into a new framework (BCA framework) for changing a corporate culture in line with brand values.
3. A case study was performed to understand the process of changing a culture in line with the brand in practice.
4. The correlation between the theoretical framework and practice was analyzed based on; if they correlate, and if there are any aspects missing in theory?
5. Based on the findings in the analysis, a suggested revision of aligning a culture with brand values was developed.

2.2 RESEARCH APPROACH AND RESEARCH DESIGN

This study will have a qualitative research approach where depth of understanding is favored. The qualitative study will be conducted through a case study, where interviews with employees at the company will enable an understanding of how the implementation was conducted.

The case study research design supports the goal of this thesis as the fulfillment of the purpose will require a deep understanding of the research objects implementation strategy and how that connects

to the hypothetical framework. The thesis will only study one case and therefore not use a comparative research design that otherwise could have been used.

2.3 CHOICE OF CASE STUDY

Stake suggests that the selection of cases should be based first and foremost on the anticipation of the opportunity to learn (Stake, 1995). To learn as much as possible a suitable case was selected based on the following criteria:

- The researched object should have developed brand values which has been translated into successful implementation actions related to the corporate culture
- The values should have been implemented recently (recent= 1-5 year ago) so that knowledge of transition is still contained
- The research object should be a medium sized company. A smaller company will enable getting a broader and deeper picture of the company. The company should however not be too small since the challenges faced when changing a corporate culture will not be as strategy-dependent
- The research object should have the opportunity to engage and supply the resources needed to conduct the case study

Finding a case that fulfills the criteria was done in consultation with the supervisor at LynxEye Brand Consultants and ICM. Confirmation of the suitability was made by the case itself.

2.4 DATA COLLECTION

To fulfill the purpose and answer the research questions, information has been collected from both literature studies and empirical findings. A clarification of where in the report the research question will be addressed and what source has been used to answer the question, is demonstrated in Table 1.

Research Question 1: What theoretical models are useful in aligning corporate culture with brand strategy?
<ul style="list-style-type: none"> • Addressed in section 3. Theoretical Framework • Source of information: Literature review
Research Question 2: What activities are used to link corporate culture and brand in practice?
<ul style="list-style-type: none"> • Addressed in section 4. Empirical Findings • Source of information: Case study and documentations
Research Question 3: What are the discrepancies between the theoretical and practical models?
<ul style="list-style-type: none"> • Addressed in section 5. Analysis • Source of information: Literature review (the BCA framework) and case study

Table 1 Research question outline

2.4.1 Literature review

In order to formulate relevant research question and find suitable theoretical frameworks, a literature study was conducted. Finding relevant literature was an iterative process where literature was added and removed as understanding of the field was developed.

The first articles and books were found based on keyword searches on digital databases and in consultation with supervisors. The literature review screening was planned as a funnel where a large amount of abstracts of articles and books were read and evaluated on their relevance to the thesis, the ones that passed were read in whole and screened again based on their relevance to the research purpose.

The following process was used to determine what theory should be included in the theoretical framework in section 3:

- Stage 1. Based on the initial thought of thesis topic “how to align an organizational culture with a brand strategy”, literature relating to brand management, corporate brand management, corporate culture and organizational theory were read and screened based on the relevance to the topic.

- Stage 2. Determined which authors were the most prominent in the areas and which theories could be use when connecting organizational culture development and corporate brand management.
- Stage 3. Evaluated which frameworks could be matched together and used to explain the connection between corporate brand management and organizational culture, in this report referred to as the *Brand-Culture Alignment framework (BCA framework)*.

Theoretical frameworks are mainly based on:

- Hatch and Schultz's VCI (Vision-Culture-Image) framework that connects organizational culture to corporate brand strategy (Hatch & Schultz, 2001).
- Edgar Schein's definition of organizational culture and methods for changing an organizational culture (Schein, 2010). Schein acknowledges two processes for cultural change, one embedding process and the other based on change management. The embedding process was chosen to 1) narrow down the scope and 2) because the initial talk with the case indicated that the framework would fit their case best.
- Collin and Porras (Collins & Porras, 1996) definition of vision and core values that delivered the specific element that connected the VCI framework from Hatch and Schultz to the cultural embedding and definition by Schein.
- David Aaker's perspective on brand management (Aaker D. A., 2009)

2.4.2 Interviews

The interviews performed during the case study were both of a semi-structured and structured nature. The first part of the interviews was semi structured. Structured questions based on the theoretical frameworks were asked in the latter half of the interview. Triangulation was used to increase trustworthiness of the information, meaning that 1) the same questions have been asked to the interviewed people, 2) both authors were present at all interviews and 3) the collected data has been analyzed from both authors point of view. The empirical findings were documented with field notes and in some instances; recordings.

Due to the strategic nature of the thesis topic, top management insight was favored. Thus high-level management is overrepresented among the interviewees. In table 2, the interviewees are presented together with mean of contact, the interviewee’s relevance to the thesis and number of times they were interviewed.

Title	Contribution to the thesis	Mean of contact	Number of interviews
HR manager	Has knowledge of the whole process from decision of developing a new corporate brand strategy to implementation in corporate culture.	Telephone interview	2
Country manager - Norway	Has knowledge of the whole process from decision of developing a new corporate brand strategy to implementation in corporate culture.	Telephone interview	1
Country manager - Finland	Has knowledge of the whole process from decision of developing a new corporate brand strategy to implementation in corporate culture.	Telephone interview	1
Public relations manager	Has knowledge of the whole process from decision of developing a new corporate brand strategy to implementation in corporate culture.	Telephone interview	3
Head of marketing	Has knowledge of the implementation	Telephone interview	1

Table 2 People interviewed for the case study

2.4.3 Documentation

In addition to interviews, documentations were provided by the case. These documents contain information about Nordnet’s brand strategy and implementation strategies. The documents will not be included in the thesis due confidentiality issues, but will be treated as a whole in the empirical findings.

2.5 DATA ANALYSIS

The data gathered from the case study is analyzed based on the third research question presented in section 1.3.1. Theoretical framework as outlined in section 3 will form the basis for this analysis.

2.6 QUALITY OF RESEARCH

Determining the quality of research is an important element in establishing how believable the findings are (Bryman & Bell, 2011). The model used to determine the quality for this thesis is based on Lincoln and Guba's (Guba & Lincoln, 1994) evaluation criteria: Trustworthiness and Authenticity. Trustworthiness is determined by Credibility, Transferability, Dependability and Conformability. Authenticity includes Fairness, Ontological Authenticity, Educative Authenticity, Catalytic Authenticity and Tactical Authenticity and aims at assessing the quality of research beyond the methodological issues (Bryman & Bell, 2011). Only Fairness in the Authenticity criteria will be examined in this report, as the authors will not consider aspects of knowledge sharing and social actions that the remaining elements address.

2.6.1 Trustworthiness

Credibility - if the research is consistent with reality

Since the case study is based on interviews, there is a risk that the information provided is interpreted based on the researcher's own assumptions. To reduce that risk and increase the credibility of the research, triangulation has been used. By always including both researchers in all interviews the findings can be analyzed from two points of view. To further increase the interview understanding, both authors were obligated to take field notes and some of the interviews have been recorded (if the interviewee agreed) so that the researchers can go back and listen to the exact answers. Triangulation has also been applied to the interview methods, as the same questions have been asked to all interviewees, who represent different functions in the company, and analyzed based on their consistency.

As mentioned in the delimitation, the thesis does not set out to determine whether the strategy used by the case was successful or not. As the case was chosen in consultation with supervisors and a discussion with the case itself, the thesis accepts the practiced strategies as being successful. There is a risk that the strategy used is not in fact successful, and therefore a risk of decreased credibility.

Transferability - if the findings can be applied in other contexts

Qualitative approach often includes deep studies in a small group, and is focused on producing findings within one context, meaning that transferring the research results to a more general context

is challenging (Bryman & Bell, 2011). This study has been conducted on one case object and the findings reflect the specific context the case is in.

Dependability - if the findings could be repeated

Since the findings gathered from the case study is connected to a specific situation in time and that this situation is impossible to freeze, the ability to replicate the research is complicated. To increase the possibility of a conducting a similar study with similar findings the research procedure has been outlined in section 2.3 to 2.5. The research procedure supplies the reader with the processes used and the people interviewed.

Conformability - if the findings are influenced by the researcher's own interpretations

In a qualitative research, conducted as a case study, it is difficult to ensure true objectivity. This thesis has as far as possible tried to ensure objectivity by only using the collected data and avoiding bias by the researchers. To avoid leading the interview, an interview guide was set up and used during the interviews.

Methods and frameworks used during the thesis are naturally subject of favoring, but by including explanations of why and how the frameworks were chosen in section 2.4.1, the reader could trace the researchers' motives.

To increase the conformability the researches could add field notes, recordings and documentation from the case study, but due to confidentiality issues these documents are not published.

2.6.2 Authenticity

Fairness - if the research presents all values and perspectives in the inquiry in a fair and balanced way

Since the field of research is strategic in its nature, the case study is mainly conducted with managers at the company. By interviewing leaders at different functional departments in the company the fairness of the thesis is increased. The interviewees, their position as well as their connection to the case study are unraveled in section 2.4.2. All data is valued equally and no information is preferred over the other.

3 THEORETICAL FRAMEWORK

This chapter aims to present the relevant theoretical frameworks used in the connection between corporate brand management and corporate culture change. The chapter begins by explaining corporate brand management theories in section 3.1. In 3.2 corporate culture is defined according to Edgar Schein's levels of culture. 3.3 presents a framework for changing a corporate culture and 3.4 connects corporate brand management with corporate culture. Lastly, in section 3.5, the connection between the presented frameworks are elucidated into a framework thereafter called "Brand – Culture Alignment framework".

3.1 CORPORATE BRAND MANAGEMENT

Authors and researchers have long been occupied with theories of product brand management, but as branding has grown into complex sub branding structures, multiple brand extensions and licensing, focus have turned to the much broader and more strategic corporate brand. This new strategic approach of branding has generated a range of new management theories in the field of corporate brand management, often aiming to merge organizational theories with branding theories. (Aaker D. A., 2009)

In comparison to a product brand such as Pampers (Procter & Gamble diapers) a corporate brand is the brand of the whole corporation, in this case Procter & Gamble. Corporate brands, like product brands, contain logos, visual expressions and communicative means. But unlike product brands, the corporate brand appeal to more stakeholders than just the customer, and has many more layers to consider than just the symbolic elements. (Aaker D. , 2014)

There is no one definition of corporate brands, but the common picture among corporate brand researchers is that a corporate brand is:

- strategic in its nature and intertwined with the corporate strategy (Hatch & Schultz, 2008)
- relevant for multiple stakeholder (Hatch & Schultz, 2008) (Abratt & Kleyn, 2012) (Aaker D. A., 2009)
- top management driven (Aaker D. , 2014) (Keller, Apéria, & Georgson, 2012) (Davis, 2002)
- based on corporate image and identity (Balmer & Gray, 2003) (Urde, 2009)

To exemplify further, author's Mary Jo Hatch and Majken Schultz have created a comparison of product brand versus corporate brand that is shown in table 3. (Hatch & Schultz, 2008)

	Product brand	Corporate brand
Scope and scale	One product or service, or a group of product closely related to each other	The entire corporation, which includes all its stakeholders
Origins of brand identity	Advertisers' imagination informed by market research	The corporation's heritage, the values and beliefs that members of the corporation hold in common
Target audience	Customers of the product or service	Multiple stakeholders, including i.e. employees, managers, customers, investors, NGOs, partners and politicians.
Responsibility	Product brand manager and staff, advertising and sales department	CEO or team of executives, typically from marketing, corporate communications, human resources, strategy, and sometimes design or development departments
Planning horizon	Life of product	Life of corporation

Table 3 Difference between product brands and corporate brands (Hatch & Schultz, 2008)

As seen in the distinction between product brand and corporate brand, corporate brands include a wider field of interest than the product brand. According to Hatch and Schultz as well as Aaker, the corporate brand should be regarded as a business issue, rather than just a marketing issue. The corporate brand covers all parts of a corporation and consequently affects all functions and employees. Therefor the same authors argue that the corporate brand strategy needs to be intertwined with the corporate business strategy to gain positive synergies and cohesion in the company.

Hatch & Schultz, 2008, Aaker, 2009, Davis, 2002, Urde, 2009, to mention a few, all acknowledge that employees are the face of the brand, and how they behave and communicate influences the customer's impression of the brand. As markets are rapidly changing and becoming more transparent due to advancements in ICT, the employees face customer all the time, not only through customer service or sales interactions. Since the behavior of the employees is a function of the internal corporate culture, the corporate culture is important to highlight in corporate brand management.

David Aaker, a leading expert in the field of brand management, suggests that the corporate organization and its culture can be a source of competitive advantage. He explains that the organization and its capabilities, people, heritage etc. are very difficult to imitate for competing brands because they are unique for that specific corporation, so by basing points of differentiation on the organizational expressions a stronger and more resistant relationship with the customer is created (Aaker D. , 2014).

3.2 ORGANIZATIONAL CULTURE

To understand how to align an organizational culture with the corporate brand, an organizational culture first has to be defined. This thesis will consider Edgar Schein's, a well-cited researcher in the field of organizational culture, definition and theory of organizational culture (Hatch & Schultz, 2008)

Cultural formation comes from the human need to develop meaning, consistency and stability. It is developed as members of a group try to make sense of and cope with their environment (Trice & Beyer, 1993). A culture of any sense, whether it is an organizational culture or a national culture, provides meaning and predictability for its members. It is through the culture that the members know how to perceive, feel and act in given situations (Schein, 2010).

Schein's definition of culture:

“The culture of a group can now be defined as a pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.”

An organization culture stretches through the whole organization and influences all operations. As Schein states in his definition of culture, culture exists within a group and is not something that only one person can own. Therefore, as one member leaves the group, the culture can still survive.

According to Edgar Schein's, there are three levels of a culture:

1. Artifacts
2. Espoused beliefs and values
3. Basic underlying assumptions

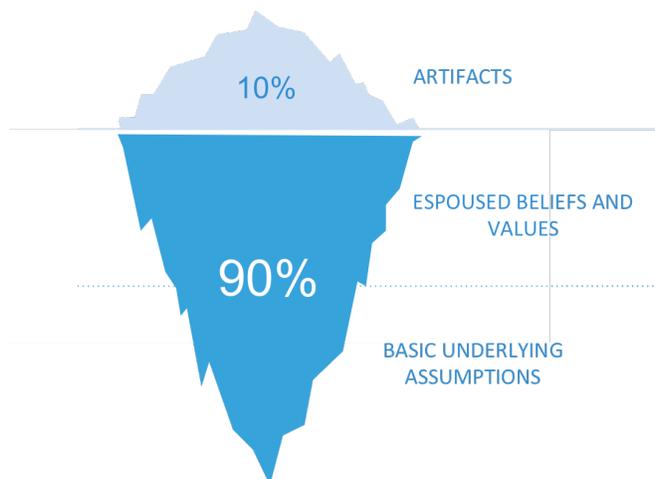


Figure 1 Schein's three levels of organizational culture

The levels are often illustrated as parts of an iceberg floating in water (see figure 1). The top of the iceberg, above the water illustrates the artifacts. These are objects, structures or processes that an observer can see, hear and feel when encountering an organizational culture. These artifacts are representations of the culture and include observable behaviors, architecture of the physical environment, organizational structures, language, style embodied in i.e. clothing, manners of address, myths and stories regarding the organization, observable rituals and many more features that an outsider can pick up when encountering a group.

According to the author, artifacts are easy to notice but much harder to decipher. An observer can describe what is seen and felt, but cannot, by only observing the artifact, know what they mean. As artifacts carry meaning related to the organization culture, it is only through understanding the underlying values and assumptions the artifacts can be fully deciphered.

As illustrated in figure 1 artifacts stand for approximately 10 % of the organizational culture. Beneath the surface lies 90% of the organizational culture, which includes the conscious beliefs and values as well as the unconscious assumptions.

Espoused beliefs and values are conscious beliefs and values that are often embodied in the organizational vision or philosophy. These are used to guide members in how to behave and deal with certain situations in a desired way. Schein however notes that the espoused values and beliefs might give an insight into the values of the organization and how they want the culture to be, but leaves large areas of behavior unexplained. To understand the culture fully one must understand the basic underlying assumptions.

The essence of the culture lies in the basic underlying assumptions. Once understanding of these are developed, the surfacing levels are easier understood and can be suitably managed. These assumptions are usually unconscious and deeply embedded in the culture. They are often taken for granted and little variation will likely be found in the social unit. An example of a basic underlying assumption is a suggestion that once was a hypothesis, only treated as a hunch, that has been so deeply rooted in the organizational processes that it is now regarded as a reality. Behavior deviating from the assumption becomes inconceivable. The consensus in these assumptions has been developed through repeated success in implementing the initial suggestion.

A typical problem arises when the basic underlying assumptions are not aligned with the espoused values and beliefs, when e.g. a company says they encourage teamwork but actually reward individual competitiveness.

3.3 CHANGING AN ORGANIZATIONAL CULTURE

To change an organizational culture, new values need to reach down into these deeper levels to make a true change. The new meanings have to be absorbed by the people in the organization and rooted in their basic underlying assumptions (Hatch & Schultz, 2008). Just changing the higher level, the artifacts or values, does little to change the actual culture.

Due to the human need to create stability it is very difficult to change a culture. As people feel secure in environments they are often hesitant to change their underlying assumptions. As Schein puts it *“Human minds need cognitive stability and any challenge of a basic assumption will release anxiety and defensiveness”*. Realizing a true change requires both time and effort (Schein, 2010).

Schein argues that leadership and cultural formation are “two sides of the same coin”. He believes that leaders¹ are the main influencers of cultural formation and change. Since culture is embedded when something imposed on a group has worked out and become an unconscious pattern, leaders are the cultural initiators as they imposed the new “something”. To change an organizational culture in line with new values, and to overcome the resistance to change is thus a leadership issue.

3.3.1 Framework for cultural change

Edgar Schein has developed a framework for how leaders embed and transmit culture, which he refers to as the evolutionary process of cultural change. This evolutionary process implies using leadership mechanisms to cause culture to change, instead of using change management theories such as those developed by Kurt Lewin and John P Kotter.

There are two interrelated mechanisms that leaders can use to gradually embed their own beliefs, values and assumptions in the organizational culture (Schein, 2010). Both mechanisms are connected to one another where the secondary mechanism reinforces the primary. As the manifestations of the mechanisms are proven to be successful they will be embedded in employees’ assumptions and thus in the organizational culture. The tools under both mechanisms are presented as ways in which leaders can communicate their values and assumptions.

¹ The definition of leaders used by Schein is “anyone who facilitates progress toward some desired outcome”.

The *primary embedding mechanism* consists of behavioral examples set by leaders, based on their own conscious and unconscious convictions. It consists of six underlying leadership tools that will teach employees how to think, feel and behave. All the tools operate simultaneously and the success of the mechanism is based on consistency between all of them. Inconsistency between the tools, and also between the tools and the spoken values, will cause confusion in what to value and how to behave.

1. What leaders pay attention to, measure and control on a regular basis

One of the most effective ways leader can show their employees what they believe and value is by what they pay attention to. If a leader consistently and frequently focuses on a topic, by asking questions about it or by always mentioning it on meetings, employees will notice what is important and valued by the leader. However, equally as important is what a leader does not pay attention to, as this sends a message of what the leader does not value.

Visual emotional outbursts are often something leaders tend to avoid. However, Schein believes that emotional outbursts consistent with the desired values can be beneficial in reinforcing those values. Based on the assumption that employees do not want to upset the leader, the employees will take measures to avoid what the leader reacted towards.

Inconsistency and conflict in what the leader pays attention to can cause a conflicting culture. A conflicting culture is developed when employees create their own measures in trying to control the inconsistency in messages, leading to diverse assumptions and scattered culture.

2. How leaders react to critical situations

In the situation of a crisis (which in this case is defined as: a situation which is perceived and defined as a crisis by the leaders) real underlying assumptions are surfaced. Crises are very important in forming a culture as they create emotionally anxiety that enhances learning.

3. How leaders allocate resources

Where leaders choose to allocate resources, such as time and money, signals what the leader believes creates value in the company and what the employees should prioritize.

4. Deliberate role modeling, teaching and coaching

“Walking the talk” shows the employees how the values are lived. It communicates how the employees should act and behave according to the wanted values.

5. How leaders allocate rewards and status

Having consistency in what is rewarded, punished and perceived as status. Some companies espouse values that are actually contradictory to the ones that they reward. For example espousing that safety is most important, but actually promoting and rewarding the ones that are most productive.

6. How leaders recruit, select, promote and excommunicate

Who they hire, fire and promote. Even what kinds of people are given jobs that are less important (excommunicated) send messages how an employee should be.

Secondary embedding mechanism introduces formal mechanisms and artifacts for reinforcing the primary embedding mechanism. Artifacts are cultural reinforcers, not cultural creators. They work only if they are consistent with the primary mechanism.

1. Organizational design and structure

Organizational structures and hierarchy can reflect the underlying assumptions of how leadership believes authorities and resources should be distributed. As an example, if leadership values entrepreneurial abilities in the company, company might be structured to give a greater autonomy.

2. Organizational systems and procedures

Routine tasks provide predictability for employees. As human nature seeks stability, implementing routine tasks based on desired values opens up for the opportunity to reinforce the wanted assumptions among the employees

3. Rites and rituals of the organization

Recurring activities that can formalize the values and assumptions

4. Design of physical space, facades and buildings

Physical objects of the organization that reflect the wanted culture. Physical spaces and objects can, when not managed, reflect the assumption of the one that created them, and not the assumptions the leaders want to embed.

5. Stories about important events and people

Stories can carry the wanted assumptions and send messages to both internal and external stakeholders. Stories are often artifacts that newcomers will hear about and use to guide them towards the organization culture of the company.

6. Formal statements of organizational philosophy, creeds and characters

Attempt for leaders to state what they value and assume in a public way. Statements might only include fragments of the reality but give the employees a hint of what the leader wants to emphasize.

As mentioned earlier, the success of the embedding framework depends on the consistency between all the tools in the framework. The implementation of assumptions into the culture requires that the new values and assumptions lead to favorable results. If they do not lead to an improved situation, the efforts and learning's are likely to be ignored.

3.4 CORPORATE BRAND STRATEGY'S CONNECTION TO ORGANIZATIONAL CULTURE

In Hatch and Schultz's model for building a corporate brand, organizational culture is recognized as a significant element. The coherence between the strategic vision, organizational culture and stakeholder image (VCI) are the key elements for creating a strong corporate brand. All three elements are interconnected and influence each other, meaning that the corporate culture both affects and is affected by the strategic vision and the stakeholder image. (Hatch & Schultz, 2008)

Organizational identity is a term often used to explain the shared perception of what the organization is. Hatch and Schultz explains identity as the interaction between "who are we?" (Corporate culture) and "what is their image of us?" (Stakeholder Image). In their VCI framework this means that there is a constant interchange of the corporate culture and the stakeholder image. Meaning that the image can affect corporate culture, but corporate culture also has the potential to affect the image. This indicates that corporate culture has a profound part in developing the external image of the corporation, but also that the corporate culture is developed in relation to the external stakeholders.

The understanding of culture and image is significant in managing a corporate brand, but corporations also have to look at who they want to be and how to make that happen, the strategic vision (Hatch & Schultz, 2008). According to James Collins and Jerry Porras, Aaker, Hatch and Schultz the strategic vision articulates what the company should aim at achieving.

In Collin and Porras's model for describing a vision, core values are the elements of the vision that guide the core ideology, (core ideology = organizational culture according to Hatch and Schultz) as shown in figure 2. These core values are principles that guide the organizational culture in how to behave, think and feel. By stating core values employees will have a clear view of what the company wants them to be. (Collins & Porras, 1996)

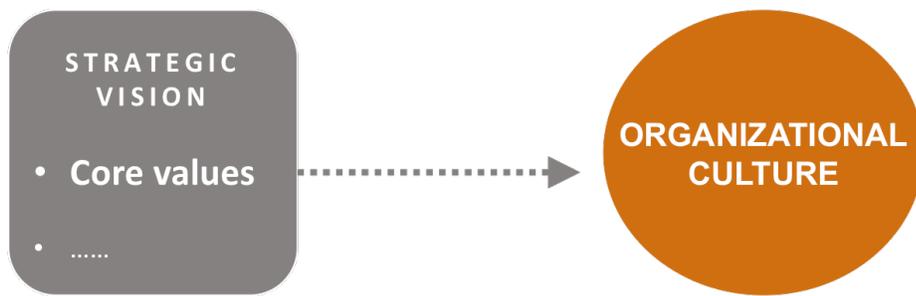


Figure 2 Core values connection to organizational culture

Core values however are considered by Collin and Porras to represent what the organization itself holds to be true without external interference. In contrast, brand values are developed to appeal to the customer and often developed through customer interaction (Abratt & Kleyn, 2012) (Urde, 2009). According to Hatch and Schultz as well as Aaker, by having shared core and brand values the corporation can coordinate brand efforts and gain internal clarity (Aaker D. , 2014).

3.5 BRAND – CULTURE ALIGNMENT FRAMEWORK

Corporate brand management addresses the importance of organizational culture and can explain that the two are connected through brand values. Theory in corporate brand management does however not address how this change should be managed. By merging corporate brand management theories with organizational culture theories a model for changing a culture in line with the corporate brand is developed. Hereunder the theoretical framework used when analyzing the case study is presented.

As previously mentioned, corporate brand theories imply that the stated corporate brand values should set the foundation for the organizational culture. The corporate brand values are in Schein's terms "espoused values and beliefs" and need to be rooted in the basic underlying assumptions, as seen in figure 3.

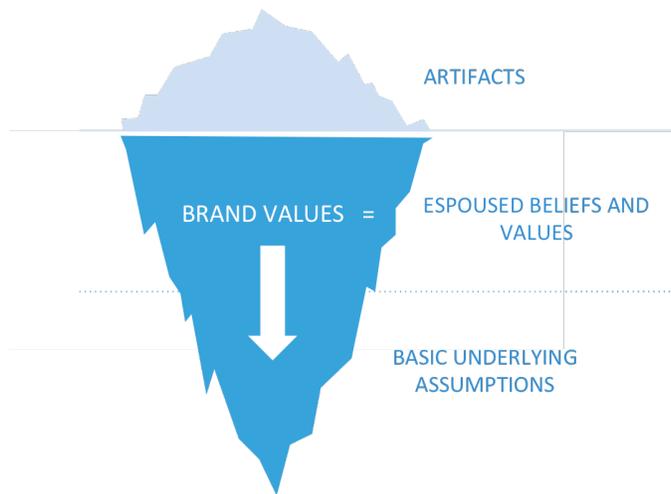


Figure 3 Brand values implemented in the basic underlying assumptions

The method of doing so is based on Schein’s embedding mechanism for cultural change. The process is the same but all the tools are altered to reflect the brand values (see table 4). The thesis will hereafter refer to this theoretical combination as illustrated in figure 4 as the *Brand – Culture Alignment framework* (BCA framework).

Primary embedding mechanism	Secondary embedding mechanism
1. That leaders pay attention to, measure and control based on brand values on a regular basis	1. Organizational design and structure supporting the brand values
2. That leaders react in line with the brand values during critical situations	2. Organizational systems and procedures supporting the brand values
3. That leaders allocate resources based on the brand values	3. Rites and rituals of the organization embodying the brand values
4. That leaders are deliberately role modeling, teaching and coaching based on the brand values	4. Design of physical space, facades and buildings expressing the brand values
5. That leaders allocate rewards and status in line with brand values	5. Stories about important events and people expressing the brand values

6. That leaders recruit, select, promote and excommunicate based on brand values	6. Formal statements of organizational philosophy, creeds and characters in line with brand values
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Table 4 Embedding mechanisms in the BCA framework

As seen in figure 4 the primary and secondary mechanism of the embedding strategy are manifested in different ways. The primary embedding mechanism consists of leadership tools that take the brand values and try to incorporate them directly in the assumptions. Whereas the secondary embedding mechanism are values manifested as artifacts that can help reinforce the primary embedding mechanism in reaching down into the assumptions - thus creating a culture in line with the brand values.

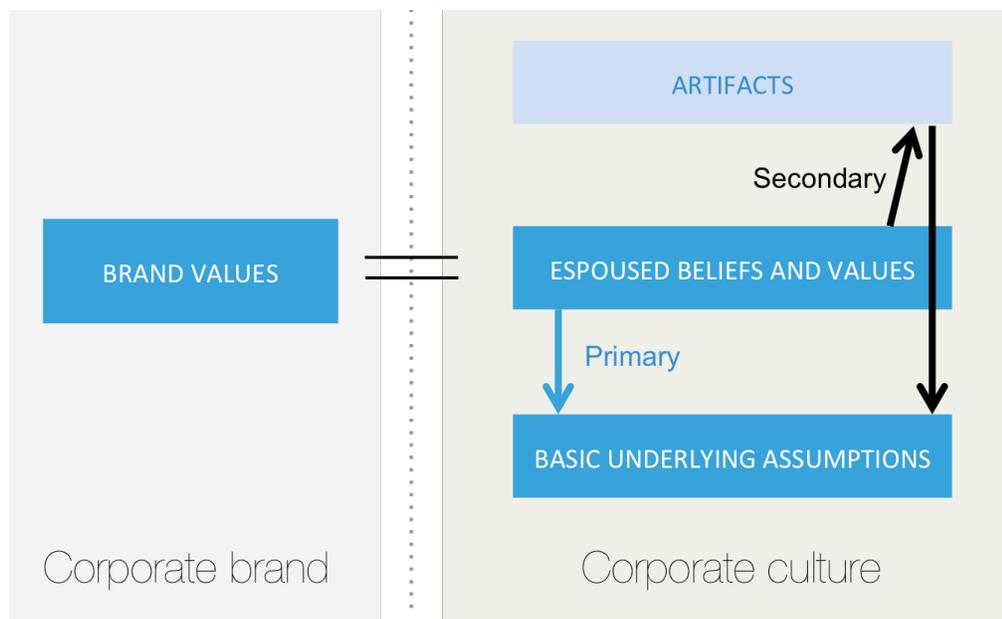


Figure 4 The Brand - Culture Alignment framework

4 EMPIRICAL FINDINGS

This chapter covers the empirical findings from the case study. Section 4.1 describes the case, 4.2 and 4.3 cover the previous and new brand strategy. Section 4.4 presents Nordnet's process and tools for implementing the values in the organization.

4.1 CASE DESCRIPTION - DESCRIBE THE COMPANY

Nordnet is a financial tech company that was founded in 1996 as one of the first internet based stockbrokers in Sweden. The company grew fast and in the early 21st century it had expanded to the other Nordic countries Norway, Finland and Denmark. The core of their business is investments and savings, mainly focusing on making stock trading secure and easy for everyone. The second biggest part of their operations is pension solutions and the third, and most recently added, is banking products meant to be simple and useful complements to their other saving products. The main sources of income for Nordnet are brokerage income and net interest income.

The organization has circa 400 employees where 300 of them are situated in the head office in Stockholm, and the rest are divided among the other countries. The largest market for Nordnet is in Sweden and this is also where most of their development activities are managed. Nordnet has approximately 454 000 customers and is listed on the stock exchange with NASDAQ OMX.

4.2 PREVIOUS BRAND STRATEGY - UNBANK YOURSELF

The vision of the company was and still is to “become the no. 1 choice for savings & investments in the Nordics”. The mission, which was to make investment and savings available and easy for everyone, has been close to the same since they started as an internet stock broker.

The company was founded on an idea of democratizing savings through using the internet and being more straightforward and modern than the old fashioned bank's way of doing things. To differentiate themselves from these banks they have been consistent in updating modern products utilizing new ICT and also referred to traditional banking as “Jurassic Bank” in commercials and annual summaries. This communication concept was called “Unbank yourself” and the values were simple, modern and active.

4.3 THE NEW BRAND STRATEGY - TRANSPARENT BANKING

The new branding strategy based on a new communications concept that reads “Transparent Banking” is a way of broadening and elucidating the previous brand strategy “Unbank Yourself”. Nordnet uses the phrase “*nothing’s new, everything’s different*” which describes the transition to the new brand strategy. Many aspects of the company are the same, but the depth of the strategy has changed the company in many ways. Transparent Banking according to Nordnet means putting the customer in control of their own savings and being open and honest in everything Nordnet does. In this way Nordnet wants to appeal to the customer’s hearts and minds in a deeper way than they had done before.

To clarify the promise that Nordnet wants to make to their customer they have stated a brand promise, which is phrased “*Empowerment, your way*”, a brand purpose “*We redefine the financial world be empowering savers of today and tomorrow*”, and the ultimate strategic vision “*to become the no.1 choice for savings and investments in the Nordics*”.

Transparent Banking is something the company wants to live by, both in the eyes of the customer but also internally. To reach their vision, Nordnet’s strategy includes four brand values that guide the internal organization. These are *smart, honest, curious and committed*. To further explain the concepts of the values, Nordnet has assigned associations to elaborate the meaning of the values. These are:

- Smart: interested, knowledgeable, professional, insightful, competent
- Honest: reliable, trustworthy, customer oriented, inspires confidence, caring
- Curious: new-thinking, up to date, innovative, responsive, open-minded
- Committed: go-getter, determined, passionate, follows through

The brand values were a function of the brand strategy, but as Nordnet is a “one brand organization” they concluded that the brand values would also be their corporate values, becoming what is referred to as corporate brand values.

4.4 STRATEGY FOR IMPLEMENTING THE CORPORATE BRAND VALUES IN THE CORPORATE CULTURE

When setting up the process of implementing the values into the culture, Nordnet did not use any specific change management theory or framework. They used their own common sense and experience to develop an implementation strategy that would suit the Nordnet organization. The implementation process that Nordnet went through was not solely aimed at changing the organizational culture. Their aim was to implement the newly developed brand strategy within the organization, as they knew it was important to anchor the strategy among their employees. However, an ambition with anchoring the brand was to embed the new brand and corporate brand values in the corporate culture so that the whole organization would “live the brand”.

Their process for implementing the new brand values in the organization starts at the development of the brand strategy, and is still ongoing as this report is written.

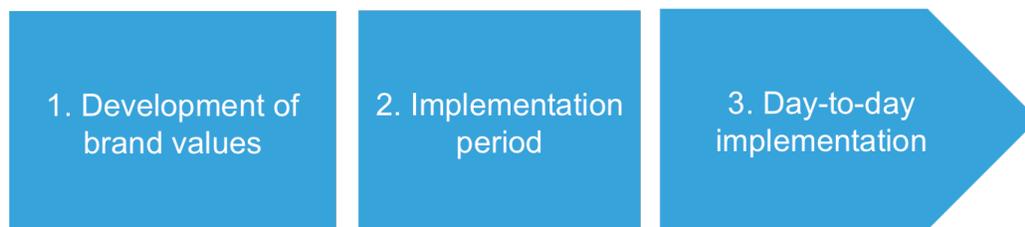


Figure 5 Three stages of implementation

To cover the whole value implementation process, this section is divided into three parts (see figure 5): starting with the process of developing the brand values and strategy, going on to the implementation period aimed at sharing the strategy and elaborating it into actionable processes, and lastly mentioning what structures are in place to continuously implement the values in the organizational culture.

4.4.1 Development of brand values

The first step in developing the brand strategy and the new brand values was to undergo an internal inventory of the as-is values in the organization. By knowing where they were, they would know how far they would have to travel to enforce the coming brand values.

Through customer segmentation Nordnet defined their core target customers. Their primary target group was identified as being financial “achievers” and the secondary target group identified as being financial “explorers”. By asking the target customers what they like and dislike in regards to their savings and investments, Nordnet was able to create their new brand values. From the information given about the target segments, the brand values were made to match both who the target groups are and what characterizes them. Comparing the new brand values and the current internal values, Nordnet discovered that new values were largely in line with the existing.

4.4.2 Implementation-period

When the complete brand strategy was finished, the brand strategy was rolled out in the organization. To enable the internal adaptation to the new values and strategy an implementation period was set up with the ambition of informing, communicating and educating the organization. This phase is used to explain what, how and why new brand values are implemented. During this implementation period Nordnet engaged all their employees in elaborating the brand values and strategy into actionable policies. By doing this, the employees became co-creators of how the strategy would be operationalized.

When the new values were set Nordnet began by engaging all employees to define what these values would mean in terms of leadership and employeeship. The arrangement resulted in 7 principles for leadership and 7 principles for employeeship that everybody at Nordnet should abide by. These principles explain how curious, smart, honest and committed actually translates into daily actions and behavior by for instance answering: How can a leader through speech and actions show how to be smart and honest, and how can one communicate curiosity? These principles are used to both guide the wanted behavior in the company, and evaluate the employees on.

The concretization of the values is manifested in what Nordnet calls “Brand Foundations”. They function as pillars to support the value proposition towards customer’s empowerment and reflect what the organization itself values and aspires to be. The four pillars can be viewed in figure 6.

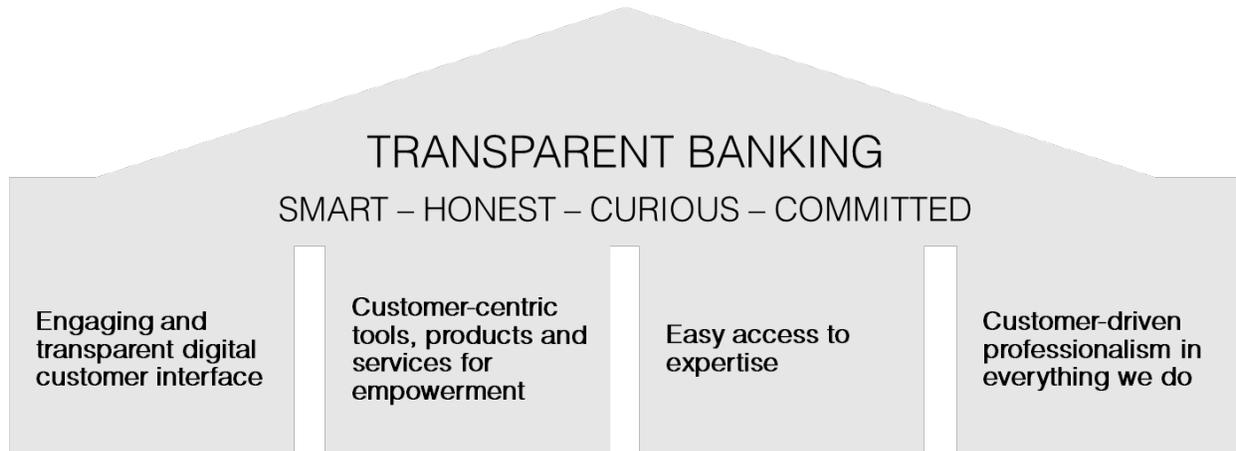


Figure 6 Brand Foundations

The development of these four pillars was an important step for involving and engaging the organization as a means to implement the values in the culture. The development of these focal areas for Nordnet as an organization was meant to give an insight in what is actually expected from each and every one to fulfill in their daily work.

The implementation period lasted approximately 6 months and ended with a big event called the “Nordnet Nordic Summit”. In this event the whole organization, from all the Nordic countries, gathered in a big gala-like event that ended with everyone earning a “Brand License”. At this point the principles and foundations were set and the discussion of how to make these a part of the day-to-day work initiated.

4.4.3 Day-to-day implementation

To make the values part of the day-to-day actions, Nordnet has set up multiple “support-tools” as described below.

Leadership:

Both during the implementation process and the everyday work, Nordnet has focused a lot on involving leaders and engaging them as they are considered to be key in implementing the values in the culture. This is partly made through serving as role models for the employees. The CEO for instance, engages with all employees by hosting seminars where all employees can ask questions. He also takes the time to blog on the Nordnet Blog that is described further down in this section.

The leadership strategy at Nordnet is an involving one. As seen during the implementation period, leaders at Nordnet chose to involve all employees in the elaboration of the brand strategy. This is a manifestation of Nordnet's values of being curious and honest. They believe that involvement of the whole company will motivate the employees to live the brand - and thus incorporate the values into the culture.

Based on Nordnet's brand strategy to always be transparent, the company has a set policy for always telling it as it is. This means that leaders and employees should admit when something goes wrong and try to fix it as soon as possible. The policies of how leaders should behave are presented in the 7 leadership principles that were developed during the implementation period.

7 leadership/ employeeship principles:

The 7 principles present both leaders and employees with how they should behave and what they are evaluated on. They are a way of concretizing the values in daily behavior, and are also used when recruiting for a new position.

When Nordnet refers to the values, it is often through the 7 principles. The principles are a more tangible way of presenting the values than the words smart, committed, honest and curious, which are words open for interpretation.

KPIs:

Nordnet has seven Key Performance Indicators (KPI) that are used to set goals and measure company-performance. These KPIs are also used when evaluating employees and their work tasks.

1. Employee Net Promoter Score (NPS)
2. Customer NPS
3. Growth in net savings
4. Growth in active customers
5. Cost/income ratio (C/I ratio)
6. Return on equity (ROE)
7. Brand, first choice

Brand Foundations:

The Brand Foundations guide employees in how they can implement the values in their work tasks. They endorse values into certain operating elements, and give meaning to everyday work in the light of these values.

Performance management program:

A talent management program for employees is under construction called Performance Management Program. The Performance Management Program is meant to lift those with exceptional talent. This is a way of developing the capabilities of those who live the brand to foster them into even greater ambassadors for the brand.

Tangible manifestations of the values:

Nordnet has tried to manifest Transparency in tangible ways by for instance having transparent business cards and hanging up transparent boards with the values printed on them. They have also changed the name of departments, turning Product Development into Innovation, to cater to the new strategy.

Nordnet Blog:

In order to communicate Transparency to external stakeholders but also as a means to fulfill their brand values internally, the Nordnet Blog is used. This is a platform where employees, customer service, the CEO and different managers blog about the company as well as financial subjects. As a way of showing transparency, the blog is also open for external bloggers to post content such as private investors, entrepreneurs or customers.

Citizenship Program:

Nordnet works for sustainability on a platform named “Citizenship”. This activity has the support of top management, but is initiated and carried out by employees as a result of their innovative capabilities. The purpose of Citizenship is to deliver social value as well as shareholder value. It works through submission of ideas by employees. If the idea seems suitable according to the program, the employee can apply for funding through the program. Nordnet allocates as much money in SEK as they have customers that year to the program. A Citizenship-involved employee has the opportunity to allocate working hours on the project. Based on the role in the program, there are different percentages of the employee’s work time they can devote to it.

Reward system:

Nordnet has one internal reward system to incentivize employees called Performance-Related Share Schemes, which covers about 40 people at the company. This reward system built on a stock saving program where the members get placements in stocks, in return for being part of management or a key talent at the firm. Defining what a talent is, is based partly on how well they perform in accordance to the 7 principles. The purpose of the incentive programs is to encourage “key employees to continued loyalty and continued good performance” (Nordnet, 2015). Due to extensive regulations within banking, there are no other rewards systems in place.

Summing up, by looking at the development and implementation of the values as well as the tools used on a daily basis, Nordnet used the following tools (divided in primary or secondary mechanism as described in section 3.5) for changing their organizational culture in line with the brand values:

Leadership abilities - Primary embedding mechanism	Artifacts that symbolize the values - Secondary embedding mechanism
Leader role modeling	KPI
Act in line with the values all the time	7 Employeeeship and Leadership Principles
Involve the employees in development of operations	Brand Foundations
Involve the customers in developing the values	Tangible manifestations of the values
Hire and promote based on values	Nordnet Blog
Use an implementation period to kick start the implementation	Citizenship program
	Performance management program
	Nordic Summit
	Performance-Related Share Schemes
	Department name change

Table 5 Tools used by Nordnet

5 ANALYSIS

This chapter will present the analysis of the case study. Section 5.1 will analyzes the empirical findings in relation to the “BCA framework”, followed by 5.2 where aspects found in the case study but not covered in the theoretical framework are highlighted.

5.1 WHAT ARE THE DISCREPANCIES BETWEEN THE THEORETICAL AND PRACTICAL MODELS?

To answer the third research question, the analysis has been divided into two. The first part considers if Nordnet incorporated brand values in the formation of their corporate culture, the second part analyzes Nordnet’s implementation strategy in relation to the two embedding mechanisms as described in section 3.5.

5.1.1 Did Nordnet incorporate brand values as a foundation for their corporate culture?

Comparing Nordnet’s implementation of value with the theory, as presented in section 3.5, Nordnet has used the same way of linking values with the organizational culture. Meaning that Nordnet’s brand values are the espoused values that set the foundation for the new organizational culture (see figure 7).



Figure 7 Brand values are used as foundation for the corporate culture

In addition, Nordnet decided to change the corporate values in line with the new brand values, which confirms the strategic character of the corporate brand and corporate brand values.

5.1.2 How does Nordnet's strategy relate to theory?

In this part Nordnet’s implementation strategy will be inserted and analyzed in the two mechanisms in the BCA framework, as outlined in section 3.5.

Primary embedding mechanism

1. That leader's pay attention to, measure and control based on brand values on a regular basis

There are no set guidelines for emphasizing values in the day-to-day work. It is up to the leader what he or she wishes to ask employees or what he or she wishes to start a meeting with. Leaders are however encouraged to base their behavior and day-to-day work on the 7 Leadership Principles, but this can be manifested in many different ways.

When measuring and evaluating employees, leaders use the 7 Employee Principles as well as the KPIs. These principles manifest the values of the company and through recurring employee evaluation the leaders portray seriousness in regards to the values.

2. That leaders react in line with the brand values during critical situations

Nordnet has incorporated this tool in their 7 Leadership Principles. These principles are guidelines for how to act as a leader, regardless of situation. Nordnet argues that the behavior of a leader should be consistent, and even in a critical situation the way of acting should not be compromised.

3. That leaders allocate resources based on the brand values

Collaborations and realization of ideas have been made possible through Nordnet's creation of the Citizenship Program. Through submitting ideas, a Citizenship member is allowed to spend working hours to support and manage the project. As Nordnet values curiosity, which includes the association innovativeness, allocating working hours to the Citizenship Program is a way of allocating resources in line with their values.

Beyond this, there is no change in how resources are allocated based on the new brand values. This tool is not emphasized during the implementation process. This might be based on the fact that the

previous or existing culture is close to the implemented one, making it difficult to decipher if the tool is used, or if it is just not used in this specific process because the resource structure is already there.

4. That leaders are deliberately role modeling, teaching and coaching based on the brand values

This tool is one of the most adopted in the Nordnet case. Early on in the implementation process, Nordnet saw the need to involve leaders in order to educate and spread the values of the strategy. They are well aware of having to “walk the talk” to be able to implement new values in the organization. The 7 Leadership Principles are focused on leaders being role models with statements like “We make sure to inspire and motivate people around us.”

The presence and role modeling of Nordnet’s CEO is also in line with this tool. He is an active blogger on the Nordnet Blog and travels around to the different offices to hold seminars allowing for interaction and questions by employees.

5. That leaders allocate rewards and status in line with brand values

In terms of incentivizing Nordnet has a program for top management and key talents to acquire stock options called Performance-Related Share Schemes. Talents are partly evaluated on the principles, which correlate to having a reward system in line with the values.

In addition Nordnet is constructing a Performance Management Program where key talents, who are evaluated on the principles, are encouraged in their individual development. This management program can be seen as a way of showing what is perceived as status at the company.

6. That leaders recruit, select, promote and excommunicate based on brand values

According to Nordnet, they both hire and promote according to their values. Their brand relevant recruiting practice can be used to identify those that are most likely to fit into the organizational and its culture.

At Nordnet, employees have a set of KPIs that establishes their goals and determines their potential for promotion. These KPIs are in line with the Leadership and Employee Principles, which are used to measure how well everyone is performing in relation to the brand values. By not only using generic performance measures, Nordnet has used measures that correlate with usual indicators, but speak symbolically to the values of the corporate brand. These performance measures can measure how well staff are aligned with the brand values and at the same time encourage employees to engage in the brand.

Secondary embedding mechanism

1. Organizational design and structure supporting the brand values

Nordnet has not made any major changes to the organizational structure and design. Smaller changes have been made by, for instance, changing the name of the Product Development department and calling it Innovation instead. This can be seen as subtle change that still can have an impact on attitudes and feelings about the organization within the culture. As Nordnet aims to empower their customers by supplying easy and understandable tools, innovation is something they try to encourage in their principles and also as a part of their values.

This tool faces the same difficulty as the 3rd tool under the primary embedding mechanism. Since the change is not revolutionary there might already be organizational structures that support the corporate brand values.

2. Organizational systems and procedures supporting the brand values

In accordance to this tool Nordnet have been mindful in adapting their performance towards external sources. Nordnet's brand promise is "empowerment your way" and as a means to reach that promise, they have developed the "brand foundations" that are meant to translate their values into how they work towards customers.

By being transparent you have to expose your weaknesses and bring forth mistakes. This has translated into a progressive transparent behavior where Nordnet strives to be first out is social media in explaining what happened, why and how they plan to fix it when something has gone wrong.

3. Rites and rituals of the organization embodying the brand values

The Nordic Summit is an event meant to emphasize the work done when implementing the strategy and values. The event is a way to say “job well done”, and a starting point for implementing the values in the day-to-day work. Beyond the Nordic Summit, no formal rituals have been shaped with the ambition of value implementation in culture.

4. Design of physical space, facades and buildings expressing the brand values

No major changes have been made to interior design or office spaces or facades. Dispatches are often printed on transparent paper and so is Nordnet’s staff business cards. They have hung their values on transparent boards in their office spaces to increase the both the presence of the values and visually accentuate transparency.

Nordnet offices were already in good shape and modern, so this was not considered to be an area in need of change. This, as mention in 3rd tool in the primary embedding mechanism and the 1st tool in the secondary mechanism, can be caused by the fact that there was no extensive deviation from the previous strategy and that the physical spaces already expressed values in line with their new ones.

5. Stories about important events and people expressing the brand values

Nordnet does not have any explicit stories used for displaying and implementing the values. However, they have a guideline that says what absolutely not to say. To never say anything they are not certain of and to rather apologize and admit that more research is needed, instead of making up an answer. This can be analyzed to fall in the category of storytelling as it can impose both the external environments storytelling about Nordnet and also strengthen their internal value of being honest and smart more than anything else.

6. Formal statements of organizational philosophy, creeds and characters in line with brand values

This tool is utilized to a great extent by Nordnet as made visible in their active blogging and marketing efforts. Nordnet’s ambition to deliver “Empowerment your way” to their customers imprint everything they do, they want the customer to know exactly what they do, how they make money and how they can learn to be better themselves.

5.2 ARE THERE ASPECTS FROM THE CASE STUDY THAT ARE NOT COVERED IN THE BCA FRAMEWORK?

Analyzing the tools and processes used by Nordnet in relation to the theory we can see that there are mainly three implementation aspects that are not considered in the embedding mechanisms. By utilizing the table of tools (table 5) presented in the empirical finding and ruling out the tools mentioned under the 6.1, these aspects are made clear.

Leadership abilities - Primary embedding mechanism	Artifacts that symbolize the values - Secondary embedding mechanism
Leader role modeling	KPI
Act in line with the values all the time	7 Employeeship and Leadership Principles
Involve the employees in development of operations	Brand Foundations
Involve the customers in developing the values	Tangible manifestations of the values
Hire and promote based on values	Nordnet Blog
Use an implementation period to kick start the implementation	Citizenship program
	Performance management program
	Nordic Summit
	Performance-Related Share Schemes
	Department name change

Table 6 Tools not connected to the BCA framework

As illustrated in table 6, one of the aspects that was important in Nordnet's implementation, but was not considered in the framework, was the involvement of outside stakeholder to develop the values. The BCA framework seen in section 3.5, does not take into consideration how the values were developed. But for Nordnet, the external influences of their values were a big part in aligning the brand and the culture. This external impact in values is more coherent with the corporate branding framework developed by Hatch and Schultz where the corporate culture is influenced both from the vision and the image held by external stakeholders. The image perspective was excluded of our framework as this was not at first regarded to influence how to change a culture, but after the case study it could be concluded that the influence from core target customers and how identifying with them gave both meaning and inspiration to what direction the company is heading in.

The second aspect that is not mentioned in the BCA framework is the involvement of leaders and employees in constructing the operational tools for how to change the organization. This involvement in itself, laid an important foundation for the culture to grow with the new values. According to Nordnet this is one of the key elements in implementing the values in the organization and a big part of their success.

Third aspect that was not considered is the implementation period directly after the brand strategy was formed. As Nordnet was implementing a new brand strategy internally, a large part of the change process included teaching the organization what the new strategy was. The BCA framework as used in this section to analyze Nordnet's implementation, is based on a "natural" change process. This process presents tools that leaders can use to communicate their values and assumptions, but does not include the implementation period which includes learning of a completely new strategy.

6 EVALUATION OF ANALYSIS AND SUGGESTED FRAMEWORK

This chapter presents an evaluation of the findings in chapter 5, and a suggested framework incorporating these findings.

6.1 EVALUATION OF ANALYSIS

Comparing empirical findings and analysis shows that the BCA framework as presented in theoretical framework was not specifically used by Nordnet. Many of tools applied by Nordnet could however be matched under the BCA framework, but Nordnet had phrased and used them in a different context. Compared to the Nordnet way of implementing values in a culture, the BCA framework lacked three important ingredients.

One of the big differences between theory and practice can be explained by the logic of the implementation. Nordnet's efforts came from the perspective of aligning operations with brand values. The cultural change is considered a very important element, but for Nordnet it was less of a specific area to manage and more a natural consequence if succeeding with the alignment of operations and values. The theoretical framework only considers the change of a culture and not that a new brand strategy needs to be implemented, which explains why it does not include the three additional perspectives as shown in section 5.2.

With this in mind, revisiting the theories in part 3, one might ask if it is possible to simplify and make a framework more coherent with a branding strategy. In the following section a suggestion of a framework merging the BCA framework and the case study learnings is therefore presented.

6.2 SUGGESTION OF SIMPLIFIED FRAMEWORK

The ambition of the framework is to create a simplified model for aligning values with culture in a branding context. It is built on the BCA framework as explained in section 3.5 in combination with the case study findings. No elements of the theoretical framework are excluded, even if they were not

used by Nordnet, as the analysis can only suggest missing elements and not elements that should be removed.

6.2.1 Building the framework

Figure 8 shows how the BCA framework and the insights gained through the case study are merged and categorized into the new framework.

Two categories result from the case study findings, and are the main content-difference between this framework and the BCA framework. These categories contain elements that originate from a brand management approach, in contrast to the BCA framework which originates in organizational theory.

Several tools suggested in the BCA framework have been merged under one category due to the following reasons:

- They may have been found to accompany each other. In the BCA framework the secondary embedding mechanisms are meant to enable the primary mechanisms. As the purpose of this framework is to mainly offer guidance in what elements to consider when aligning a culture with values, the need for this differentiation have been found redundant in this context.
- The findings from the case study suggests that the tools as presented in the BCA framework may be clustered in this context. For example the category “Principles” is one of the tools Nordnet used to guide behavior. Nordnet wrote two sets of principles for their leaders and employees. In the analysis we could see that these principles were used to guide leaders under the second and fourth tools in the primary embedding mechanism of the BCA framework. Both BCA tools suggest how a leader should act and behave in certain situations, the first is about how leaders react in critical situations and the second is about role modeling and coaching. Through insight made in the case study these tools can be simplified by being manifested in principles. How the tools made in the BCA framework is sorted into new categories can be viewed in the image below.

The framework is meant to simplify an alignment process, hence the definition of each category is condensed and made simple. Each category is outlined with:

- Category name, which is chosen based on the content of the category
- Definition, which is based on the analysis of the case study in combination with the BCA framework
- Tools from the BCA framework that are included
- Keywords to describe the essence of it.

In the image below, figure 8, the category names are listed in the middle, tools or insights that contribute to the category on the left side, and keywords describing the category on the right.

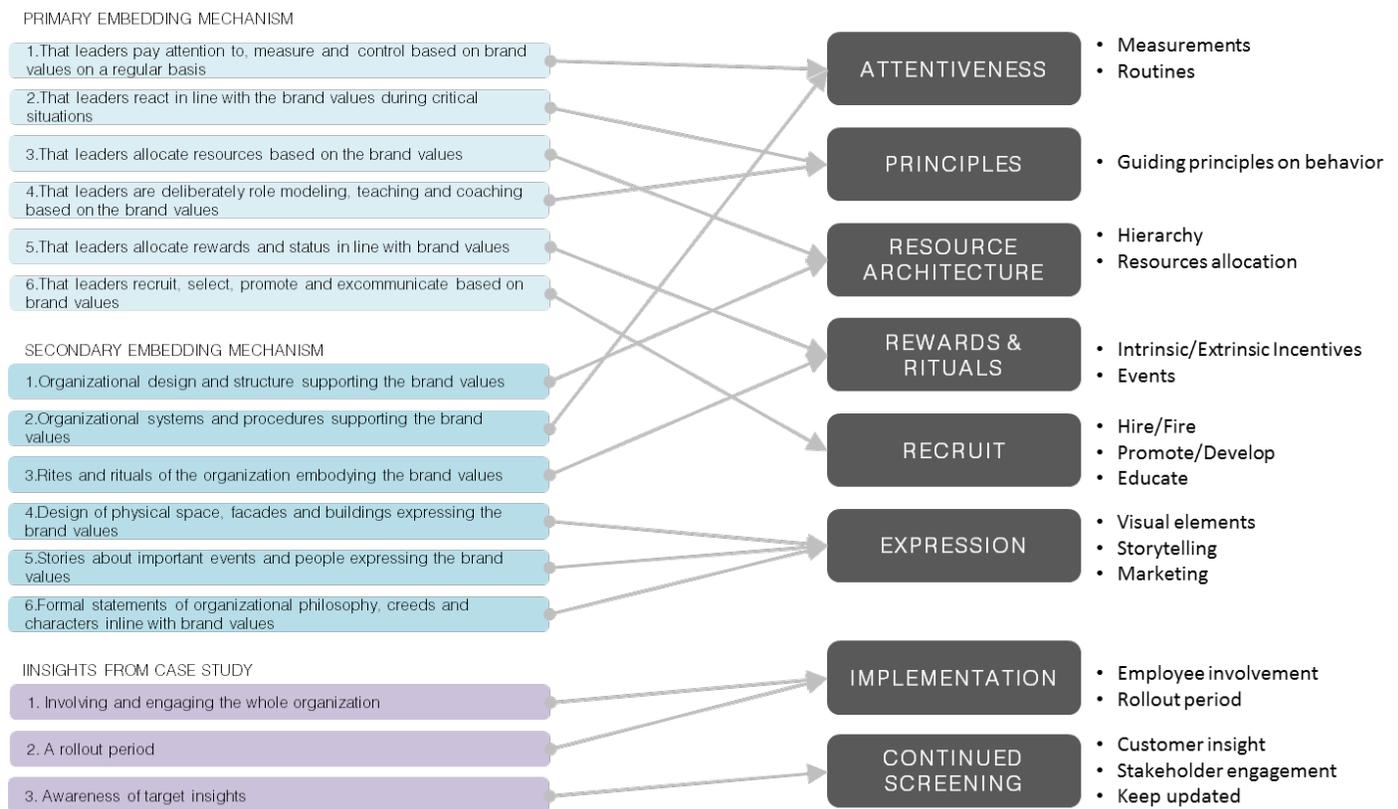


Figure 8 BCA framework and insights from case study connection to the simplified framework

6.2.2 Suggested elements

In figure 9 is the model in its whole.

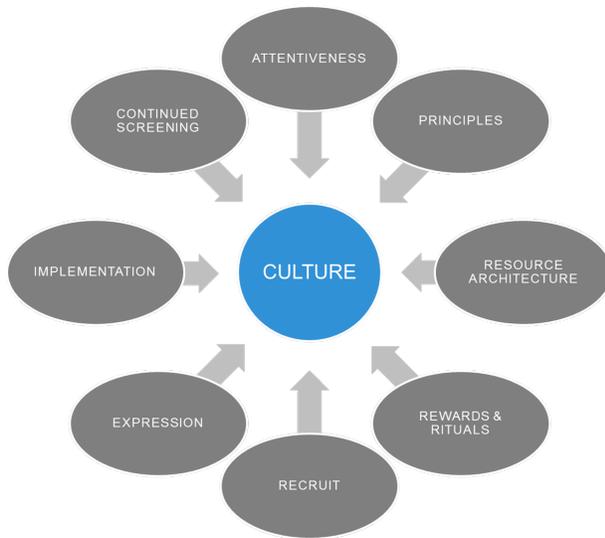


Figure 9 The suggested model

The following section presents the each category.

Implementing	
<i>Definition:</i>	<i>Key words:</i>
By involving the whole organization in the process of developing how the organization should work and act in accordance to the brand values, an increased understanding of the new values is enabled. This also increases knowledge and engagement around the new values leading to a cultural amplification.	<ul style="list-style-type: none"> •Employee involvement •Cultural amplification
Attentiveness	
<i>Definition:</i>	<i>Key words:</i>
Leadership affects culture through what is measured and paid attention to. By having specific routines, dispatches, KPIs or other systems or procedures that correlate to the values, leaders can operationalize what they pay attention to.	<ul style="list-style-type: none"> •Measurements •Routines
<i>Embedding mechanisms:</i>	
<ul style="list-style-type: none"> • That leader’s pay attention to, measure and control based on brand values on a regular basis. • Organizational systems and procedures supporting the brand values. 	

Principles

Definition:

Leaders need to “walk the talk” and act in line with the brand values to show employees how they should behave. These actions need to be consistent both when coaching, role modeling but also in case of a critical situations.

Key words:

•Guiding principles on behavior

Embedding mechanisms:

- That leaders are deliberately role modeling, teaching and coaching based on the brand values
- That leaders react in line with the brand values during critical situations

Resource architecture

Definition:

How resources are distributed and how strict hierarchy the corporation has. What is considered value creating and emphasized in regards to how money and time is allocated.

Key words:

•Hierarchy
•Allocate resources

Embedding mechanisms:

- Organizational design and structure supporting the brand values
- That leaders allocate resources based on the brand values

Rewards and rituals

Definition:

Consistency in what is rewarded or not. A mix of both intrinsic and extrinsic rewards. Rites and rituals can also be part of a rewarding system.

Key words:

•Intrinsic/Extrinsic Incentives
•Events

Embedding mechanisms:

- Rites and rituals of the organization embodying the brand values
- That leaders allocate rewards and status in line with brand values

Recruit	
<i>Definition:</i>	<i>Key words:</i>
Who should be employed and how this person will progress in the organization.	<ul style="list-style-type: none"> • Hire/Fire • Promote/Develop • Educate
<i>Embedding mechanisms:</i>	
That leaders recruit, select, promote and excommunicate based on brand values.	

Expression	
<i>Definition:</i>	<i>Key words:</i>
How the organization expresses itself in their public and visual statements. This can include their tone in social media, speeches to employees, commercials or other communication channels. It is also contain how they use visual elements, such as displaying their values on posters or having an open office space.	<ul style="list-style-type: none"> • Visual elements • Storytelling • Marketing
<i>Embedding mechanisms:</i>	
<ul style="list-style-type: none"> • Design of physical space, facades and buildings expressing the brand values • Stories about important events and people expressing the brand values • Formal statements of organizational philosophy, creeds and characters in line with brand values 	

Continued screening	
<i>Definition:</i>	<i>Key words:</i>
Screening of customer insights for the purpose of continued development of brand foundations and operations.	<ul style="list-style-type: none"> • Customer insight • Stakeholder engagement • Keep updated

6.3 HOW THE FRAMEWORK SHOULD BE USED

The developed framework is meant to present categories of different areas that can have an impact on corporate culture. The framework is based on corporate brand management and organizational theories, and the goal is to change a culture in line with corporate brand values.

The framework as a whole can be used as a guiding tool for implementing new brand values. It can also be used in parts to suggest further developing areas in an ongoing implementation process. The view that corporate branding is a strategic matter is accepted in this report, therefore the framework is meant for leaders in an organization.

7 CONCLUSION

This chapter highlights the conclusions made from the thesis. Starting with a general conclusion in 7.1, followed by key insights that were made during the thesis process in 7.2. The chapter ends with a critical review of the study and recommendations for further research in 7.3.

7.1 GENERAL CONCLUSION

In this paper an examination of how a corporate culture can be harmonized and matched with corporate brand values was made. This was conducted through a case study of a middle-sized financial tech company, Nordnet, active in four of the Nordic countries. Nordnet has recently launched a new communication concept, “Transparent Banking”, which is manifested in a set of new values for the organization to implement and start living by. This implementation made by Nordnet has been compared to theories regarding cultural change (Schein, 2010) combined with theories of corporate brand management (Hatch & Schultz, 2008).

A combination of the theoretical frameworks, in this report referred to as the “BCA framework ” was used to analyze the case study procedure. The conclusion from the analysis was that the presented theoretical framework was not used by the case study. Many of the practical examples found in the case could however be connected to the theory, but were used in a different context. Nordnet implemented a new brand strategy at the same times as trying to change the culture. The implementation process of the brand values in the culture could not be entirely separated from the rest of the brand strategy implementation.

With the motive of combining the practical findings with the theoretical frameworks a new suggested model was developed. The new framework is a combination of the BCA framework and the three elements that were not found in theory, but were used by Nordnet. The new framework has not been evaluated and tested but serves as a suggestion for future implementation processes and possibly future studies.

7.2 KEY INSIGHTS

Key insights made in relation to brand value implementation in corporate culture were:

- employment of deliberate leadership behavior and undertakings
- utilizing external sources
- involving the whole organization
- including a learning period

Based on Schein's theory for changing a culture, leadership is key in employing the values in the basic underlying assumption, which in terms shape behavior and the corporate culture. Schein's model for embedding values and assumptions can guide a leader in how to communicate and act. When analyzing Nordnet's implementation, it was clear that they regard leadership as a crucial part of the implementation, but that they did not phrase and package their tools in the same way as Schein.

Nordnet's involvement of their target segments had an impact on the culture in the sense that it gave direction and meaning to the organization. As their purpose is to deliver empowerment to their customers they understood the need to adapt themselves to what the customer's needs. The involvement of the customer goes in line with the values and associations which they developed (honest: customer oriented, and curious: responsive) and can be seen as a way of reinforcing the espoused values in the assumptions.

The involvement of the whole organization in developing the operationalization of the values was found to be an important element. Nordnet emphasized this as being key in getting everybody involved and engaged in the new values and strategy.

In the means of informing, communicating and educating the organization as to what, how and why new values, the implementation period laid a strong foundation for the continued work of cultural alignment.

7.3 CRITICAL REVIEW AND RECOMMENDATIONS

The thesis is based on a set of predefined theoretical frameworks. The evaluation of the case study in relation to these frameworks is affected by the chosen frameworks and the chosen case study.

In the beginning of the thesis it was decided to only focus on one cultural change process, Schein's embedding mechanisms. Schein acknowledges an additional cultural change process which he refers to as "the managed process". This process is based on Kurt Lewin's theory of change management, where the employees are "broken down", taught new values and assumption, and then built up again in a new form. This method however seemed too drastic and not in line with the case study, thus focus was put on the embedding mechanism. The motivation was that Nordnet's previous values in comparison with the new were not far away and that the change process would be more evolutionary than managed.

After thorough consideration and analysis the embedding mechanisms however did not take into consideration of an employment of a new strategy. If the "managed process" would have been used instead, the results of this thesis might have been different.

However, when looking at the implementation process used by Nordnet, they did not follow the exact logic of a managed process either. Therefor a combination of the managed process and the embedding process might have been a more harmonized theoretical framework in relation to the case. Recommendation for future studies could therefore be to combine the theories and analyze whether they pose as a better combination for implementing cultural change in line with a brand strategy at Nordnet. A further recommendation would be to test the suggested framework in this thesis.

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