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# Creativity in customer care teams

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## *Differences between top and bottom performing teams*

by

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"This thesis was written as a part of the Master of Science in Economics and Business Administration program – Major in Marketing and Brand Management. The institution, the supervisor, or the examiner are not - through the approval of this thesis - responsible for the theories and methods used, or results and conclusions drawn in this work."

## **Motivation and Acknowledgements**

Telecommunications has been the one industry I have worked in for several years, and I have always had a particular interest about it. Due to a project, I came across the NPS, and the concept of loyalty, and I witnessed how important -yet difficult- it was to implement in such a complex and large organization. While in my masters, the topics of creativity and innovation were the ones that caught my attention because of the significance they have in today's business world. Companies either innovate, or they disappear.

This research has allowed me to merge these topics and have a better understanding of how the customer service teams work and interact with other departments within a company. I hope that it will also shed some light to the company on what direction to take when setting objectives and motivating their employees.

First, I want to thank my supervisor, Per Kristensson, who has been extremely patient, provided me with great advice and insights, and most of all, encouraged me along the process.

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Finally I want to thank my family, and specially my mother, to whom I owe all of this.

*Muchas gracias mamá, este título es tan tuyo como mío.*

## **Abstract**

The purpose of this research is to explain the differences in the Net Promoter Score of top and bottom performing teams under the light of their creative environment.

To understand how creativity can be influenced in a company, Telenor opens its doors and provides information and access to interview a group of selected customer care agents. With the interviews and the literature review, it is possible to determine certain patterns and make propositions to improve the creative environment in the company.

The NPS is partly driven by the performance of the agents who provide customer service to Telenor clients, and in turn their performance is driven by factors like their personality, the external environment and their team dynamics. To improve the NPS it is essential to take a closer look at the agents who interact with the customers and understand how they can do their job better.

This research focuses on the creative environment of the customer care teams. The agents in these teams are meant to be problem solvers, which will be done best if creativity is part of their *DNA*. The chosen method is a qualitative comparative analysis of teams that are the furthest regarding their NPS and to distinguish the creativity-related factors that make some teams reach better results.

The NPS as an indicator is also analyzed in relation with the churn, and even though the findings do not present a strong connection, they provide an interesting start for further research.

Finally, a set of concrete recommendations for Telenor is given based on all the above-mentioned analyses.

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## Abbreviations

- ACSI – American Customer Satisfaction Index
- BU – Business Unit
- CA – Competitive Advantage
- CC – Customer Care
- ECSI – European Customer Satisfaction Index
- KPI – Key Performance Indicator
- MNP – Mobile Number Portability
- NCSB – Norwegian Customer Satisfaction Barometer
- NOK – Norwegian Kroner
- NPS – Net Promoter Score
- Telco – Telecommunications Company

# 1 Introduction

## 1.1 Background

The Telecommunications industry has become a dynamic and fierce competitive arena since the late 90s due to the opening of the markets. Despite this more flexible approach and the appearance of several companies, the Telecommunications industry is still regulated in Norway. Regulation includes, among others, the way companies can use the customer information and the prices that companies owning the network infrastructure can charge their competitors. These regulations are essential to avoid natural monopolies, but they also represent a challenge to companies on how they offer their services. Thus companies find themselves in a constant search for new ways to attract and retain customers, while keeping profitable margins.

To reach their financial goals, some companies need to cut costs and, on the way, may sacrifice the quality that they promised their customers. This deviation causes companies to lose customer-base, which has two negative effects. On the one hand, it means the loss of not only the customers but also their network consisting of friends, family, colleagues etc. On the other hand, the replacement of the lost customers with new ones constitutes costs such as price decrease, subsidies<sup>1</sup>, commissions etc.

Since the implementation of the mobile number portability (MNP) and the increase in number of providers, the price competition has become more aggressive (Lyons, 2010). The MNP is a regulatory policy that allows customers to keep their number when switching service providers. This makes it easier for customers to change companies if they are slightly unsatisfied, or if competitors offer better deals. The effects of this policy have been the topic of several researches, which conclude that pricing is the most affected variable, and that it increases market concentration (Shi et al., 2006).

Finally, Internet and especially social media have transferred power to the customers, who now have several channels to make complaints without any

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<sup>1</sup> Subsidies are part of the cost of the phone that the Telecom assumes to sell an XX-month contract.

accountability. This power makes customers less patient when they do not get the service they expect.

When customers contact a Telco, they can do so by several means: phone call, email, store visit, chat on webpage, etc. Generally, they interact with a sales- or customer service representative, which will lead to either a positive, neutral or negative experience. Thus, the motivation, knowledge and emotional intelligence of these agents play a fundamental role in the service delivery and customer satisfaction.

To keep the agents motivated and to increase their knowledge is not an easy task, and there are many human resources policies and trainings in place to do so. Having a creative environment can help to build confidence, to perform better, as well as to increase a person's capabilities and motivation to achieve results (Goldsmith, & Matherly, 1988; Bolandifar, & Noordin, 2013). In addition, creativity is a fundamental driver of innovation, which transforms into a competitive advantage of organizations (Gumusluoglu, & Ilsev, 2009). An organizational culture that thrives on innovation will also be attractive to creative talents, and will develop their creative and innovative traits, which can translate in better problem solvers leading to better customer experiences.

One of the most recent managerial approaches to measure customer satisfaction is the Net Promoter Score (NPS). It represents the net percentage of customers who are promoters of your brand based on the simple question: "*How likely is it that you would recommend [Company X] to a friend or colleague?*" (Reichheld, 2003). The answers separate the customers between *detractors*, those who would not recommend the brand; and *promoters*, those who would recommend the brand. This approach has been adopted by companies to measure performance, and in the case of service companies is directly linked to the customer service performance indicators, due to the interaction with customers through their agents.

The NPS has been researched and tested in different industries, and some of its main advantages include the simplicity of the question that the customer is asked, the promptness to gather and present the results of the survey, and

the impact that it has on the managers when they see these results (Reichheld, 2003).

Research has been done on the effects of the NPS, and its advantages and disadvantages. Also, research regarding the assessment of creativity in the work environment has shown the impact of creativity in the company performance. However, there are not specific studies that combine these variables and apply them to the Telecommunications industry to see the creativity effects on the company results.

## **1.2 Case choice**

This case study is about the Telecommunications industry, with the specific example of Telenor Norway. Telenor is a Norwegian company that has operations in 13 countries and is additionally in other 14 countries through their ownership of VimpelCom Ltd (Baksaas, 2015). It has expanded its operations through the acquisition of different companies, mainly in Asia. The Asian market is in a fast developing stage and has great potential; however, because of the status as an emerging market, many companies from mature markets are locating their business in that region, creating more competition.

The decision to choose the Telecommunications industry for this research is based on the knowledge obtained by the past experience in it. Its dynamism and restrictions, its challenges and opportunities are what make it interesting to study. The existing knowledge provides insights and interest in the area of study. Nevertheless, the notion that preconceived ideas might lead to bias is present, and therefore it is important that the bias is avoided by acknowledging this fact. Additionally, incorporating creativity and innovation, and understanding what fosters these in a company, is appealing to business researchers and will be very useful in years to come. Having Telenor as the researched company seems appropriate since it is the biggest Telecom in Norway, and data access is feasible through their agreement with NHH.

### **1.3 Research question**

Are the top and bottom teams showing significant differences in their creative environment? And how do the different NPS scores impact the financial results of the company?

### **1.4 Purpose and relevance**

The purpose of this research is to identify the difference in the factors that influence creativity and innovation among different-performing customer care (CC) teams, based on their results of the NPS.

Due to the fact that it is based on a single case and because companies, industries and markets can vary significantly, this research does not attempt to reach a general conclusion. However, it attempts to recommend certain measures that can be beneficial to increase the creative environment, and thus increase the NPS of various CC teams within Telenor.

NPS is an indicator that exists for more than ten years, and it has become more relevant through time due to its use by major companies, such as AT&T, KPMG and HSBC (Net Promoter System, 2015). For a company like Telenor, with CC teams around the world that perform quite differently from one another, it is important to understand what makes a team succeed or fail in the indicator. One could be able to understand what can be improved and replicated in other areas of the company by comparing the teams that are situated the furthest apart regarding the NPS. The comparison allows understanding how the teams work and which factors play a differential role in the performance.

The NPS is currently a popular indicator within the company because many departments and managers know it, understand it, and use it. The attention and common use make the NPS a relevant part of the study.

As it happens in other companies, the CC area at Telenor Norway faces an everyday test to improve their processes and demonstrate the impact of their actions. Using the NPS will support the arguments of the CC area when presenting for example business cases.

In addition, different departments within the company are interested to know what makes a team perform in an outstanding way, and compare it to a team that is not getting good results. The results of this assessment can indicate best practices that can be distributed among the CC teams to improve their future performance.

## 1.5 Structure

By the end of this introduction, a section follows describing the literature used for the research. The literature focuses on the assessment of creativity in the work environment, for which the *interactionist model* by Woodman and Schoenfeldt (1990), as well as the *KEYS scale* by Amabile et al. (1996), are used. In addition, literature regarding the NPS, its conception, use, advantages and disadvantages is presented.

The company is then presented with the purpose of situating the reader in the context of the research. Telenor and its presence worldwide, as well as its Norwegian business unit (BU), are described to better understand its position in the market.

The methodology section explains the different choices made in order to carry out the research, for example the epistemological considerations, the sample selection and the analysis model. This will lead to the next section, including the findings of the data collection and their discussion under the light of the literature reviewed earlier. Here, different propositions are made based on the analysis of the KEYS scales and the interactionist model. Furthermore, and based on the quantitative data provided by Telenor, the research presents the analysis of the relationship between the NPS and churn<sup>2</sup>.

Finally, the research presents its limitations and recommends further research to be undertaken in the topic. It also offers recommendations regarding the findings and reaches a conclusion based on the research questions.

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<sup>2</sup> Churn: amount of customers or subscribers who cut ties with your service or company during a given time period (Churn-rate, 2015).

## 2 Literature Review

### 2.1 Assessing the work environment for creativity

All innovation begins with creative ideas (Amabile et al., 1996) and to understand how innovation happens in a company, it is important to take a step back and assess the work environment for creativity. There are theories and instruments that have been developed to assess the work environment, but only a few of these focus on creativity.

#### 2.1.1 The interactionist model

Woodman and Schoenfeldt develop the interactionist model, and indicate that “*creativity is the complex product of a person’s behavior in a given situation*” (Woodman et al., 1993, p. 294). As its name states, the model presents an interaction of several factors that are involved in producing a creative outcome. These are divided in three groups: individual creativity, creativity in groups and organizational creativity. These groups concurrently include factors that will contribute to the final creative outcome.

**(a) Individual creativity** is one of the most complex groups, it is the starting point and it is formed by at least five factors. The *antecedent conditions* influence the personality and cognitive characteristics of the individual, and can also determine the individual’s situation. There are some *personality* traits that can be found to correlate with creativity across studies such as attraction to complexity, autonomy, self-confidence, etc. The *cognitive style* is perhaps one of the most important factors that relates to creativity. It is used to describe the differences between the way people organize and process information and experience. Cognitive styles are to some authors, subordinate to two contrasting modes of thought: *divergent thinking* –the thought process to generate ideas- is related to creativity, and is usually followed by *convergent thinking*, which includes a more structured path to select the idea or solution (Allinson, & Hayes, 1996).

Intrinsic *motivation* refers to an activity that is conducted because it is fundamentally enjoyable or interesting rather than to gain a certain outcome (Hauser, 2014) and it is related to the control of attention, and self-regulation. Once the focus changes, for example with rewards, the intrinsic motivation

may be affected and instead of focusing on creativity, will focus on the more technical details of the reward system. Finally, within the factors that affect individual creativity, *knowledge* plays a key role. People need to have some basic knowledge or experience to be able to create something, however, knowledge can also create mental boundaries for people, thus decreasing their creativity (Woodman et al., 1993).

**(b) Group creativity** relies on the *creativity of the individuals* belonging to the group. Additionally, other factors will influence the creativity of a group. First, the *group composition* influences creativity because the diversity of the individuals in a group increases the chances of producing creative outcomes. Then, the *group characteristics*, though more practical, also affect the level of creativity in different ways. Some characteristics are the size of the group, or the cohesiveness. The third factor, the *group processes*, can increase or decrease creative outcome by influencing the motivation and freedom of its members. For example, studies conclude that fewer novel ideas are conceived in brainstorming sessions. The last factor of group creativity relies on the *contextual influences* of the organization and how it affects the different groups (Woodman et al., 1993).

**(c) Organizational creativity** derives from *group creativity* and *contextual influences*, which in turn derives from the individual creativity of its members. In general, the organization has to provide an environment that will allow both individuals and groups to be creative. Once this is achieved, the process will lead to creativity in the organization (Woodman et al., 1993).

In short, the factors and groups that the interactionist model works with are summarized in the following:

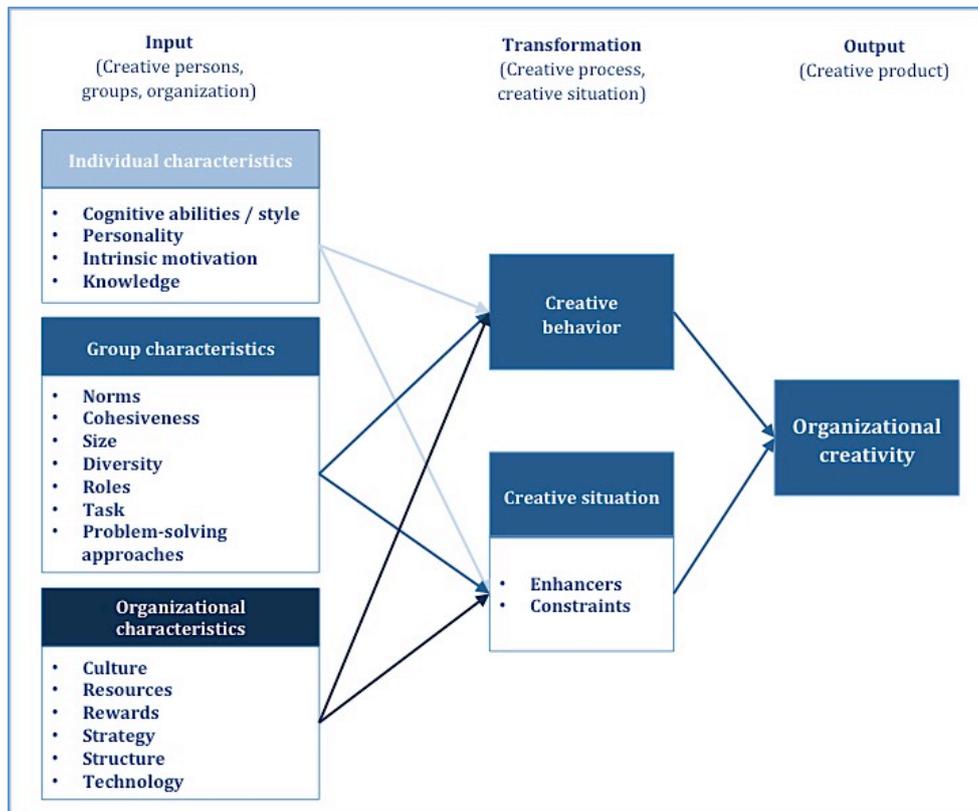
**(a) Individual creativity** = antecedent conditions + cognitive styles and abilities + personality + motivational factors + knowledge

**(b) Group creativity** = individual creativity + group composition + group characteristics + group processes + contextual influences

**(c) Organizational creativity** = group creativity + contextual influences

Additionally, figure 1 presents the systems model by Woodman et al. (1993) to show the characteristics of each level, the transformation and finally the output as a creative product.

**FIGURE 1: CONCEPTUAL LINKS AMONG CREATIVE PERSONS, PROCESSES, SITUATIONS, AND PRODUCTS**



Based on the three propositions that are elaborated and hypothesized, Woodman, et al. (1993) create a model, which is used as the analysis model and presented in figure 6.

### 2.1.2 KEYS Model

Amabile et al. (1996) build upon the interactionist model and other research papers and take their limitations into consideration when developing KEYS. KEYS is an instrument designed to assess perceived stimulants and obstacles to creativity, in organizational work environments.

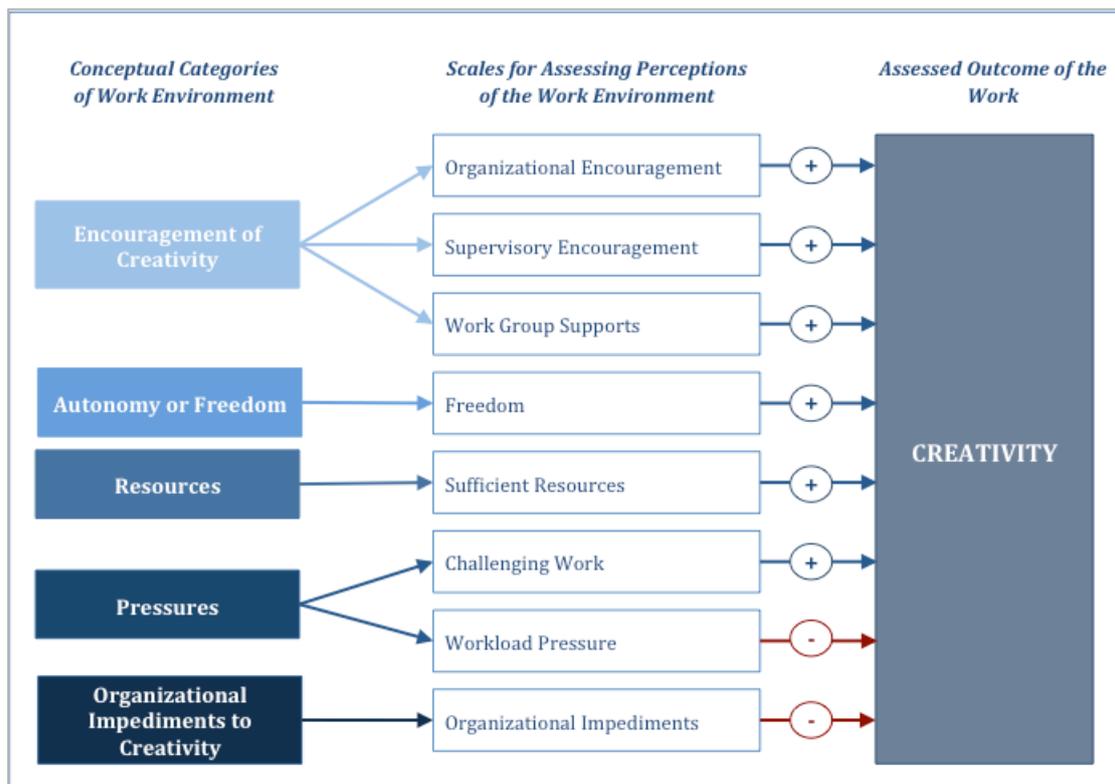
Some of the potential complications of assessing the work environment for creativity are both interorganizational and intraorganizational differences, for example the diverse hierarchical levels within an organization. To overcome these complications, the model underlying KEYS focuses “on individuals’

perceptions and the influence of those perceptions on the creativity of their work” (Amabile et al., 1996, p.1157).

The conceptual model that is used to assess the perceptions of the work environment for creativity is divided in five categories, which in turn have their own scales that can be either a stimulant (+) or an obstacle (-) towards creativity. In figure 2 these categories are conceptualized with their scales and their impact on creativity.

KEYS research also tests the two hypotheses related to the stimulant and obstacle factors. The first hypothesis states that: *the work environment stimulants scales on KEYS will be rated significantly higher in projects rated as highly creative than in projects rated as less creative.* The second hypothesis states that: *the work environment obstacle scales on KEYS will be rated significantly lower in projects rated as highly creative than in projects rated as less creative.*

**FIGURE 2: CONCEPTUAL MODEL UNDERLYING ASSESSMENT OF PERCEPTIONS OF THE WORK ENVIRONMENT FOR CREATIVITY**



To make KEYS a valid tool to assess the work environment for creativity, Amabile et al. (1996) test its validity comparing work environments where

creative work is done, versus other work environments where less creative work is done. This study tests both hypotheses in three different phases. The results provide strong support for hypotheses one and two, making KEYS a suitable tool for assessing the work environment (Amabile et al., 1996).

One of the most important results obtained from the KEYS research is validity that the work environment plays an important role on the creativity level of the organization. Accordingly, managers should pay attention to this factor when designing the internal policies.

## **2.2 Net Promoter Score (NPS)**

### **2.2.1 The conception of the NPS**

The concept of the NPS begins during a forum of CEOs who gathered to share best practices related to customer loyalty. There, one of the CEOs explains that in his company, to get fast results and act upon them, customers are asked only two simple questions. One question refers to the quality of the service experience and the other about the likelihood of making a repurchase. When ranking the different branches, this simplified version of the usual customer satisfaction surveys only counts those surveys that had been given the highest scores. The CEO explains that it is done in this way to focus on the growth factor because the most enthusiastic customers, not only return to buy, but also recommend the service (Reichheld, 2003).

After this meeting, Frederick Reichheld, starts to think about this approach and how it could work in various industries, and if there might be one question that could be asked to track customers' behavior and their purchasing patterns. This question turns out to be unrelated to loyalty or satisfaction, but related to willingness to recommend the brand to someone else. This implies that loyalty is not necessarily related to repurchases only, because loyal customers can decrease their repurchase rate for various reasons. However, a customer that sets his or her reputation on the line by recommending a specific brand can be categorized as a loyal customer and will bring new customers, thus generating growth (Reichheld, 2003).

To get to the NPS as we know it, Frederick Reichheld has a two-year long research process where he and a team study the existing measures linking

profitability and loyalty. The most valuable measure is the retention rate, which can be related to profitability in the sense that it avoids the decrease of customer base, but it is not related to growth. Reichheld also states that many of the customer satisfaction or customer loyalty surveys have fundamental flaws, either in the way they are built or how they are executed.

The research is done in a way that would prove to be useful. Reichheld matches the responses from the surveys of four thousand individual customers to their actual behaviors and referrals over time. The customers are selected from six different industries and help build 14 case studies. Finally, the obtained data allows them to determine the correlation between a question and repurchases and referrals (Reichheld, 2003).

After Reichheld finalizes the research, and the correlations are established, the team finds out that there is one question that had the greatest effect in most industries:

*“On a scale of zero to ten, how likely is it that you would recommend Company X to a friend or colleague?”*

They also analyze the scale of the answers to make the scale clear to anyone who reads the survey and not only for those answering the question. Ten means “extremely likely”, five “neutral” and zero means “not likely at all”. Based on the research results, three clusters are selected: *Promoters* are those who score nine or ten and have the highest rates of repurchase and referral, the *passively satisfied* are those who score seven or eight and *detractors* are those who score from zero to six (Reichheld, 2003). The NPS is calculated by using the formula described in figure 3.

**FIGURE 3: NPS CALCULATION FORMULA**

$$\text{Net Promoter Score (\%)} = \frac{\text{Promoters} - \text{Detractors}}{\text{Total}}$$

In a second publication, Reichheld rationalizes the reasons why the NPS is successful. The promoters, for example, have a longer lifetime with a company, thus the acquisition costs are amortized over a longer period of time (Reichheld, 2006). Also, by recommending to their friends, the promoters increase the market share of the company and thereby its revenues.

### **2.2.2 The NPS and its challengers**

When Reichheld publishes his article and presents the NPS as *the one* number that companies need to grow, several scholars and authors criticize his work. They do not say it is invalid, but that it is incorrect to state that the NPS by itself is the *only* number managers need to predict growth.

Grisaffe (2007) questions several conceptual points of the formulation of the NPS. For example, he states that customer recommendations alone are not enough to have a successful business; that companies also need to retain customers and increase the consumption of their current customer base. Keiningham et al. (2007) also refer to this point not only in a conceptual way, but also scientifically by testing the previous studies made on NPS. Their research concludes that, when linked to revenue growth, the NPS is not a superior metric compared to others such as the Norwegian Customer Satisfaction Barometer (NCSB).

In addition, Grisaffe (2007) stresses the unreliability of the NPS being just one question. The knowledge that a certain percentage of your customer base is promoting your brand and that another percentage is detracting it, does not tell a manager what to do about it. In addition, he also discusses the definition of loyalty, and the ambiguity of what it represents in the NPS, among other things.

Authors like Kristensen and Eskildsen (2014) present their findings to be contradictory to what Reichheld claims about the NPS, stating that it does not predict growth as it is said to do.

Nevertheless, Grisaffe (2007) agrees with other points in the NPS article, for instance the fact that simple and usable measurements are fundamental for companies to understand the benefits of loyalty. In addition, Reichheld himself acknowledges some of these claims and answers, for instance that the NPS

is not something that can be used in every industry or market. As an example, monopolies or oligopolies cannot use this measurement, because customers do not have many choices and growth for these companies is related to economic expansion, which means that the NPS would not yield truthful results (Reichheld, 2003).

### **2.2.3 Touchpoint NPS**

The NPS can be, and usually is, measured through surveys triggered after a frontline interaction with customers. These surveys provide a way of learning, prioritizing and setting objectives based on the past experiences of customers and what they thought of them. This measure is called bottom-up NPS or touchpoint NPS (Bain, 2015)

Nevertheless, for a company to make the best out of the NPS, there should also be a top-down counterpart that focuses on the top segments of customers, and benchmarking the company's performance to its competitors. These two views complement each other and need to coexist in companies that use the NPS as an indicator (Bain, 2015).

On the one hand, the bottom-up NPS sample of respondents is randomly selected when the customer has an interaction with the company. On the other hand, the top-down NPS selects target groups to understand them better through the NPS. The company then uses the NPS to replicate –or avoid replicating- certain actions or experiences when attracting new target customers (Bain, 2015).

It is important to clarify that this research paper is based on the bottom-up NPS, also known as touchpoint NPS.

### **2.2.4 NPS' relation to KPIs**

Despite the criticism that the NPS has gotten, there is also empirical evidence of the relevance of the NPS in some industries. A research in five European Telecom companies shows that there is a strong correlation between NPS and willingness to pay. It indicates that a “5-point NPS per quarter during a year corresponds to a 1€/month increase in willingness to pay”. Unfortunately the correlation with other indicators, such as revenues or profits, is not as distinct due to the fact that these are calculated based on several variables, and the willingness to pay depends entirely on customers (Jeanjean, 2011).

Other studies, like the one by Keiningham et al. (2007), test the NPS and reach the conclusion that the NPS does not qualify as the *only number* or the *superior measure* to predict growth. Authors base their conclusions on comparisons between the NPS and other indexes like the American Customer Satisfaction Index (ACSI), the European Customer Satisfaction Index (ECSI) or Norwegian Customer Satisfaction Barometer (NCSB). Their conclusions often state that the NPS is not superior to any of these measures or a better predictor of growth; however, they do not state the opposite either, that the NPS is inferior or useless.

As read in this section, the NPS has both pros and cons. Nonetheless, leading companies have aligned their processes, analyses and reward systems based on this indicator. The reason why they have done it, based on what the literature shows, is that the NPS is a simple, understandable, and applicable indicator. Yet, to achieve a significant improvement in growth or any other KPIs, the NPS alone will not be enough.

The goal of this research is not to convince the readers about the use of NPS as the best and only indicator. It takes the NPS as a currently used measurement at Telenor to filter the teams according to their performance. It also attempts to gather empirical evidence of the correlation between the NPS and the profitability of the company through churn.

## **3 Telenor**

### **3.1 Background**

Telenor is founded in Norway in 1855 as a state-operated monopoly, named The Royal Electric Telegraph (Telegrafverket). After this, several important dates have marked the development of the Telecommunications industry in Norway and of the company. In 1969 they change their name to Norwegian Telecom (Televerket) and offer several services. In 1990, the Norwegian government decides to open the mobile communications market for competition, and both NetCom and Norwegian Telecom are granted licenses. In 1994, Norwegian Telecom becomes a public corporation and in 1995 changes its name to Telenor (Telenor, 2015).

Telenor expands its operations outside of Norway, first entering the Scandinavian markets and lately focusing mainly on the Asian region. The internationalization of the company will be further explained in the following section. Furthermore, to keep a sustained advantage and growth, the company needs to innovate in the way their business is run. This is done for example by switching the official company language from Norwegian to English; and on a more complex level, by transitioning from an individual achievement company culture to a more collaborative one (Allee, & Taug, 2006).

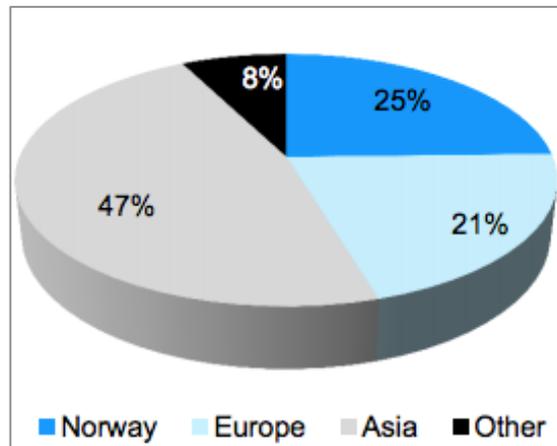
As of the fourth quarter of 2014, Telenor Group presents a net income of NOK 1.8 billion and an organic growth of 3% during 2014, which positions the group as one of the fastest growing Telcos in Europe (Telenor, 2015).

### **3.2 Internationalization**

In addition to its operations in Norway, Telenor has expanded not only in the Nordic region, but also in Central and Eastern Europe, and Asia. According to Wireless industry trade group GSMA (RCR Wireless, 2014), Telenor ranks within the top 30 Telcos in the world in terms of revenue; despite the fact that Norway's population is about five million people. Thus, Telenor has achieved this position in the Telecommunications industry due to its international

presence, through full or partial ownership of local operators. As it can be seen in figure 4, only 25% of Telenor's revenue originates in Norway.

**FIGURE 4: REVENUE DISTRIBUTION 2014 (TELENOR.COM)**



Source: Baksaas (2015) Telenor Group – Fourth Quarter 2014

On Telenor's Group 4Q - 2014 presentation it is possible to get a more detailed view of Telenor's business and how it is going by region. In 2014, Telenor experiences an all-time high revenues and EBITDA<sup>3</sup> and in most countries Telenor is maintaining or expanding its customer base. However, in Thailand, the intensified competition is reducing both their customer base and revenues. The latest country to be added to Telenor's markets is Myanmar; a country that last year opened its market for private Telecom companies. Telenor is one of the two companies that now have a license to operate (Bloomberg, 2014).

Telenor continues to experience a fast growth in an international environment. This growth entails not only more revenues, but also challenges when adapting to different environments and corporate cultures.

Internationalization is an advantage for Telenor; however it requires the company to adapt for it to manage the complexity of the new organization. Being international does not mean only expanding the markets, but also developing and managing international operations (Trapczynski, & Wrona,

<sup>3</sup> EBITDA: Earnings before interests, taxes, depreciations and amortizations

2013). The internationalization of the company provides a great platform to understand for example, network issues, and Telenor can develop and leverage strategic capabilities by connecting expertise between its BUs. However, to accomplish this, the company needs to work on its (1) collaboration and speed of response, (2) alignment of complex relationships, (3) acceleration of value creation and (4) creation of innovation pathways and knowledge expansion (Allee, & Taug, 2006).

### **3.3 Telenor Norway**

In Norway, Telenor is the incumbent operator and the largest provider of telecommunications and data services. The company employs more than four thousand people in Norway and it is located in Fornebu, near Oslo.

Telenor Norway reports 3.2 million subscriptions by the end of 2014 and a turnover of NOK 26.8 million. In the past years competition in Norway and in most countries has increased within the Telecommunication industry. Services become more dynamic; there is a shift from landlines to mobile, and especially to data usage. As of the end of 2013 Telenor's main competitors in Norway are NetCom -a subsidiary of TeliaSonera-, and Tele2, both Swedish companies. Dating March 2013, the mobile voice subscription market share in Norway is divided among these three: Telenor with 50%, NetCom with 25% and Tele2 with 20%. (Telenor, 2013).

In early 2015, TeliaSonera finalizes the acquisition of Tele2's business in Norway, which provides TeliaSonera with nearly half of the Norwegian market share and Telenor has no longer a significant advantage (NRK, 2015). It is more important than before for Telenor to provide its customers not only with the best signal and coverage, which are the minimum requirements from the customers, but also with a differential factor such as the customer service experience.

## 4 Methodology

### 4.1 General Overview

While the research changes and adapts according to the information that is available, its relevance is kept intact to satisfy the needs of the company and the researcher.

This research can be divided in three clear segments because there is a significant difference in both time and the focus in each of them. In the first segment, the focus is set on understanding the situation of Telenor regarding NPS and innovation, and the expectations they have of the research. On the second segment, the focus is set on the collection and analysis of the qualitative data, in the form of interviews and mainly focusing on the creativity aspect. Finally, the third segment includes the collection and analysis of the quantitative data provided by Telenor regarding the NPS and churn, as well as other sources of information regarding the impact of the NPS in company results. Within these pieces, the scope is narrowed, primary data is collected and the focus shifts from innovation to creativity due to a practicality matter (Saunders et al., 2009).

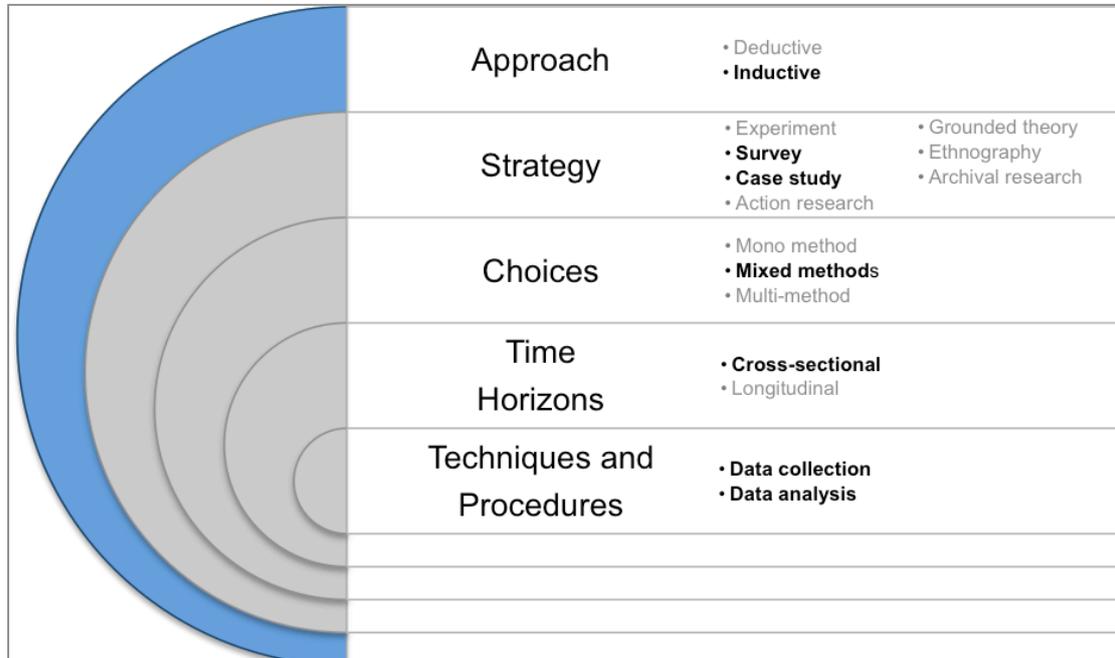
Along the way several decisions are made regarding the methodology of the study. In this overview, a summary of these choices is presented, and in the following sections, the arguments of the choices are presented together with theory and the characteristics of the case.

In figure 5, presenting the *research onion*, one can see the options available and the choices made in each of the sections -highlighted in bold- to decide upon the data collection and data analysis. The research onion is taken from Saunders et al. (2009, p.108) and the choices that are taken in the present research are highlighted. While the research approach is a more strategic decision, the remaining characteristics are more functional and chosen according to the availability of resources and the time span of the study.

In addition, defining the purpose of the research is also a fundamental piece in producing a successful outcome. The current research primarily has an

explanatory purpose; however, to reach this point, it begins with an exploratory purpose because the scope needs to be defined.

**FIGURE 5: RESEARCH ONION (SAUNDERS ET AL., 2009, P.108)**



Due to the choices that are made during the research process, the data collection and data analysis are successful. Supported by the survey strategy, 22 agents are interviewed and their answers are analyzed in the light of different models assessing creativity in the work environment. Secondary quantitative data is used to select the sample, and additional quantitative data is used to find a relation between the NPS and churn.

## 4.2 Epistemological considerations

### 4.2.1 Research strategy

The research strategy is determined by various factors such as the research question, available resources and existing knowledge among others (Saunders et al., 2009)

For this research, and given the previous factors, there is no single strategy that is instinctively optimal. Nevertheless, a mix of strategies seems to be appropriate both for the research process and the research purpose.

The first chosen strategy is a *case study* strategy, which involves an empirical investigation of a particular contemporary phenomenon within its real life

context (Saunders et al., 2009, p.145). This is the selected strategy since the research is based on Telenor, and in particular on Telenor Norway, studying a highly contemporary phenomenon in the company. In addition and as a part of the case study, the *survey* strategy is present in form of structured interviews, where standardized questions are asked to all interviewees. Employing the survey strategy will help answer “how” something happens (Saunders et al., 2009).

#### **4.2.2 Research approach**

There are two approaches that could have been taken when developing this research. One is the *deductive approach*, which tests a theory based on hypotheses through a research strategy (Saunders et al., 2009, p. 124). The other is the *inductive approach*, which develops a theory based on the collected and analyzed data of the research. The inductive approach follows the order of reverse engineering because it builds upon the findings, instead of testing a predetermined idea. A deductive approach, on the other hand, can be generalized if the research has enough samples. Generalizing an inductive approach is not common because it is based on a case (Saunders et al., 2009).

This study works upon the inductive approach. There are three main reasons that support this choice. First, the qualitative data is the main focus of the analysis. Even though quantitative data is used as the secondary source, most of the analyses and findings are based on the interviews that are carried out with the CC agents.

Second, due to the time period of this research, a flexible structure needs to be in place to enable adjustments to changes in the perspective or scope. Also, this flexibility allows exploring further on topics that are relevant both for the case and for the company.

Finally, and perhaps most importantly, is that the research is based on the NPS and creativity. NPS, an indicator that is based on ratings assigned by people; and creativity, which is related to people’s behavior and environment and is challenging to measure in quantity. Due to the ambiguous nature of

individuals, a deeper understanding of human behavior is needed, which could be achieved most appropriately by the inductive approach.

#### **4.2.3 Research choices and time horizons**

From the beginning of a research, it is given that data of some sort will be collected and analyzed. It may be quantitative or qualitative, primary or secondary, and this is where choices need to be made according to different aspects such as the availability of information, the purpose of the research and the research question.

For the current research, a *mixed method research* is applied, which happens when both quantitative and qualitative data collection and analysis are done. This method in particular does not combine the different types of data and only analyzes them accordingly. The research includes both types of data: the interviews -or surveys-, which are qualitative and are analyzed qualitatively, and the databases provided by the company, which are quantitative and are analyzed quantitatively.

As for the time horizons, these define the time of the study and how the results are used. A *cross sectional study* is done to explain a certain phenomenon in a moment in time; whereas a *longitudinal study* shows the development of a phenomenon through time (Saunders et al., 2009).

This research is based on a case study, which is supported by a survey strategy. The survey strategy in particular is related to the cross-sectional studies, which applies to this research. Also, the research is analyzing the current situation of Telenor, and its current practices. Even though the quantitative data has been obtained from a significant period of time, it neither allows presenting a development in the NPS nor has the purpose to do so.

#### **4.3 Research purpose**

When thinking and formulating the research question, the purpose of the research needs to be considered. To be efficient and identify where the efforts must be directed, it is fundamental that the research finds a clear purpose. This does not mean that it can only have one, because the purpose can change overtime (Robson, 2002).

An *exploratory study* is valuable to find out what is happening, to seek new insights and to assess phenomena in a new light (Robson, 2002). An exploratory research can be done for example by interviewing “experts” in the subject, or searching the literature. It is important that the exploratory research stays flexible and that it narrows the scope as it progresses. The first stages of this research can be defined mostly within an exploratory angle, given the literature research on related topics and the meetings with the experts in Telenor.

After gaining a deeper understanding of Telenor, specifically on its use of the NPS, and when the scope is narrowed down to the linkage of NPS to creativity, the study takes an *explanatory* angle. This means that the research establishes causal relationship between variables (Saunders et al., 2009). The causal relationship is the main goal of this research, as it compares teams to find a relationship between team performance, creativity and results. In section 3.6 *Procedure*, one can see that the latter stages of the research process show the above-mentioned explanatory purpose

Thus, the study has a mixed purpose; yet, given the research question, it is mainly explanatory. The causal relationship is also viewed when analyzing the dependent and independent variables in the study.

#### **4.4 Sample**

To make an objective and thorough selection, the teams to interview are selected using *non-probability sampling*, which does not provide the possibility of knowing if specific cases will be represented in the population. Therefore, non-probability sampling can be useful in this case since the research question does not require statistical inferences. Within this type of sampling, the technique that allows answering the research question most appropriately is the *purposive sampling* due to its viability and logic to pursue. This technique is used when selecting cases that are particularly informative. Within the purposive sampling, the *extreme case strategy* is chosen. This strategy focuses on special cases that are related to extreme outcomes and enable to answer the research question, which searches for differences between top and bottom teams (Saunders et al., 2009).

Nevertheless, a rigorous process is followed to select the sample of teams, and the choices made during the selection of teams are as follows.

- i. The NPS per team is calculated using the data collected by Telenor on a three-month period, which includes the columns “Team number”, “Willingness to recommend” and “Telenor unique ID”.
- ii. The teams are categorized based on their NPS score. Moreover, each team is required to have a minimum of 300 calls during the selected period. Teams with less than 300 calls and their respective registries are not considered in further steps.
- iii. Out of the teams selected in step two, the teams that have an NPS higher than 30% are considered **top** teams, and those that score an NPS lower than 15% are categorized as **bottom** teams. The teams that have an NPS between 15% and 30% are categorized as **other** and are not considered in further steps.
- iv. After sorting the top and bottom teams, the database is shortened to a total of 38 teams that could be interviewed. To narrow the sample and make it more homogeneous in terms of the teams’ NPS, an extra column indicating “Employee ID” is used. This provided the NPS per agent and the teams’ NPS standard deviation.
- v. The standard deviation of the NPS per team went from 3% to 31%, and the teams that have a standard deviation lower than 10% are selected. There are 11 possible teams to interview after this calculation.
- vi. Having 11 teams provides a lot of choices; however due to the comparative nature of the research, it is decided to choose two top teams and two bottom teams, and have the largest gap possible. Optimally these teams should have the highest and lowest NPS scores respectively. If any of these teams are not available for interviews, the selection would continue following the NPS score.
- vii. Telenor Norway is requested for access to interview the four preselected teams. Two of these teams are not available, which leads to having to choose two more; and finally the access is granted and interview times are scheduled.

Table 1 summarizes the characteristics of the selected teams

**TABLE 1: SELECTED TEAMS FOR INTERVIEWS**

Team	Category	NPS	Standard Deviation	Number of agents
1	Top	40%	3%	6
2	Top	37%	8%	6
3	Bottom	14%	8%	6
4	Bottom	-3%	9%	15

Out of the 33 agents belonging to the four selected teams, 22 are available for the interview. The cut is mainly done in team four, which has 15 agents. Nevertheless, given the low standard deviation, the homogeneity of the performance of the interviewees within a team is secure.

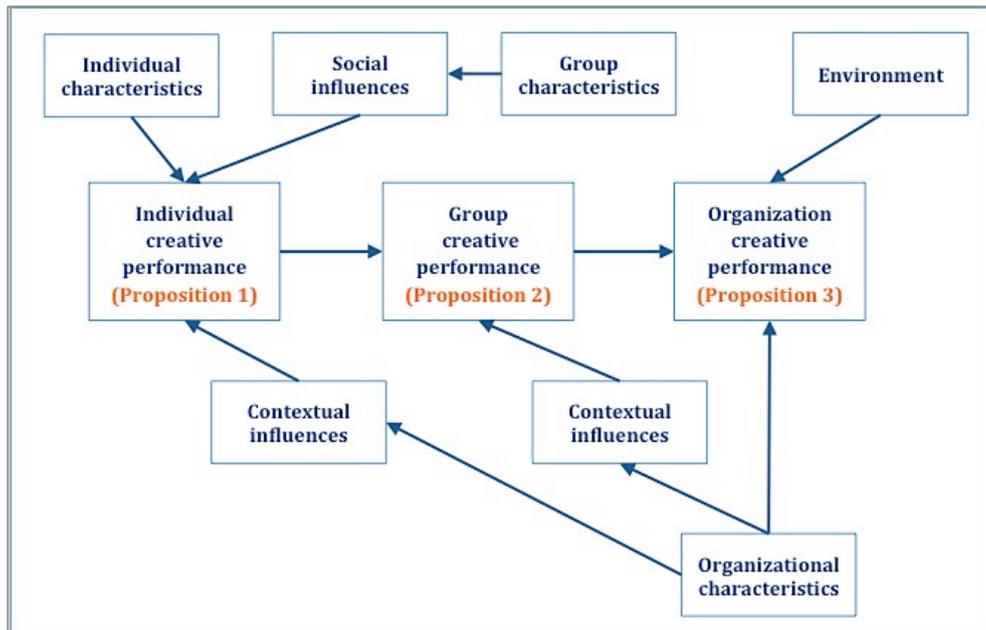
#### **4.5 Analysis model**

Based on the literature review, there are two models that are important for this study. The first model is developed by Amabile et al. (1996) and is an overview of the KEYS tool to assess the work environment for creativity. The tool itself is not used to do the research, but the scales presented in figure 2 are used as sample questions for the interviews. These scales help assess the interviewees in three different aspects: *external environment*, *personality* and *team dynamics* in a more objective way, while keeping the same structure to allow the comparison of the answers in the analysis.

Figure 6 presents the second model, which is developed by Woodman et al. (1993) as part of their paper on organizational creativity. After explaining the interactionist model described in the literature review, the authors make three propositions. In the analysis of the current research, the focus will be on *proposition 1*, which states that the creative performance of individuals is a function of salient individual characteristics, social influences and contextual influences. *Proposition 2* is also tested because part of the study is also related to team dynamics; it states that creative performance in groups is a function of the creative performance of group members, salient aspects of the

group itself and contextual influences on group functioning (Woodman et al., 1993). Each of these propositions has their own hypotheses.

**FIGURE 6: MODEL - HYPOTHESIZED LINKAGES AMONG FACTORS RELATED TO ORGANIZATIONAL CREATIVITY (WOODMAN ET AL., 1993, P. 311)**



## 4.6 Instruments used

### 4.6.1 Researcher / Interviewer

The researcher in this study is also the person in charge of interviewing the subjects. This can be an opportunity when doing the interviews because the researcher has a vast knowledge of the topic; but this knowledge could also pose a threat since it could bias the way the interviews are carried out. Nevertheless, by acknowledging these facts the researcher avoids the bias and the knowledge gotten before the interviews is leveraged to get more insights out of qualitative data. The researcher has previous knowledge of the telecommunications industry and gets acquainted with Telenor throughout the project. In addition, theory regarding creative environments and NPS is studied. With this information, it is possible to prepare the interview guide, which is validated by the contacts in Telenor.

At the time of the interviews, the priority of the interviewer is to gain the subjects' trust so that they communicate freely and extensively about their experiences. This means making the subjects feel comfortable despite the

fact that they have to speak a different language than they are used to. The interviewer then explains that they have the opportunity to talk in Norwegian because translating the interview can be done later, using the recording.

The interviewer also focuses on giving the subjects time to think about their answers, not interrupting them and making pauses so that they can elaborate on their answers.

#### **4.6.2 Participants**

The sample to interview consists in 22 participants who work in the four selected teams. All the participants are customer care agents, whose main task is to provide support to the customers who call. The agents of the top teams have been working in Telenor in average for seven years, while the bottom teams have been working in Telenor for one and a half year in average. Most of the subjects interviewed have never worked in anything similar before joining Telenor.

In terms of education, the participants of the top teams have attended at least upper secondary school -in Norwegian called *Videregående*- or higher education; and most of the subjects from the bottom teams have attended either lower or upper secondary school. All the participants speak English, but some struggle more with the communication, particularly in the bottom teams.

The participants are interviewed one by one, according to their availability.

#### **4.6.3 Structured Interviews**

After selecting the relevant teams, the qualitative data collection method of *structured interviews* is used as the main method for this research. This is a “technique in which an interviewer physically meets the respondent, reads them the same set of questions in a predetermined order, and records his or her response to each” (Saunders et al., 2009, p. 601). This technique is chosen because the main purpose is to compare the teams and look for differences or similarities between them. If the interviews are not structured, the risk of being biased by some answers or interviewees could increase and comparison could be more challenging and less accurate.

The interview focuses on evaluating the factors that influence creativity in a work environment. The guide is divided in three main segments, and one of these segments includes subtopics.

### *Main segments*

- i. General questions: These questions are designed to make the subjects comfortable because they are straight forward and simple to answer.
- ii. In depth questionnaire: The questions in this segment are linked to the different KEYS scales described by Amabile (1996), both to the stimulant and obstacle factors for a creative work environment. The subjects are asked to answer in an elaborated way, to provide examples and to recall personal and professional experiences.
- iii. Innovation and feedback: In the last segment of the interview, the questions asked relate to the perception of innovation within the company and customer feedback.

### *Sub topics*

Within the “in depth questionnaire” segment, three sub topics are evaluated.

- i. External environment: The questions refer to the factors that are not controlled by the agents, such as organizational culture or benefits.
- ii. Personality: These questions are related to the agents’ individual traits, and are meant to be answered based not only on their professional but also on their personal experiences.
- iii. Team Dynamics: This set of questions is designed to elicit feelings and opinions about the way their own teams work, for example if the communication among the team is good.

#### **4.6.4 Interview Recording**

To ensure keeping a casual atmosphere during the interviews without risking the quality of the response transcription, a recording device is used. Participants are informed about the audio recording prior to the interviews and they are also informed that the records are coded without mentioning the names to protect their anonymity. The records are then transferred to a personal computer, and once the research project is over, will be deleted from the device.

## 4.7 Procedure

### 4.7.1 Understanding the context

This stage begins with meetings with the research department at Telenor. Additionally, unstructured interviews are conducted to understand the context and comprehend where the research can be more valuable. The first meeting takes place in the Telenor offices in Oslo; however, due to geographical distance, some meetings are done through videoconference or phone calls. The meetings and conversations not only improve the understanding of the situation from the research department point of view, but also provide a broader view of the company, both Telenor Group and some of their subsidiaries.

At the end of this stage it becomes clear that one of the variables that the study will include is the NPS. The NPS becomes the dependent variable, meaning that its results depend on a different variable, which will be determined in the following section.

### 4.7.2 Data Collection I: NPS Data

Having set up the NPS as one of the variables of the study, the NPS data from Telenor is requested and desk research is also carried out. The requested data includes the call-log of the customers who answered the NPS survey after calling customer service during a specific period of time. This log contains over 98 thousand registries and includes several variables apart from the '*Likelihood to recommend*' –which provides the basis for the NPS calculation-, for example '*District*', '*Age group*', '*Topic of call*', '*Conversation time*', '*Team ID*', etc. Some of the variables cannot be used because of the lack of consistency, or lack of information within a variable itself. Having the NPS as the set variable of the study, and to find any possible correlations, it is necessary to compare it with relevant variables. For example, the '*District*' is an interesting variable since there are certain areas in Norway where people of high-income usually live. However, there is no important correlation between these areas and the NPS. Finally, the variable that shows interesting differences is the '*Team ID*'. It is possible to find teams that have an NPS of more than 40% and others that present an NPS below 0.

The '*Team ID*', which represents the CC teams, is identified as the independent variable and proves to be of interest for the research team. Then, it is necessary to discuss the next steps and scope the research with the person in charge of the different call center teams.

The call-log is the only the data set used to select the sample of teams and therefore the agents to interview. It works very well because it is complete, accurate and up to date (Saunders et al., 2009, p. 214)

#### **4.7.3 Scoping the research**

When both the dependent and independent variables are established, there is a need to determine the scope of the study, and what relation will be tested between the '*Team ID*' and the NPS. Because the topics of innovation, co creation and creativity are considered from the beginning of the project, it is natural to go in this direction. The topics that are of most interest to everyone and what could be achieved in the given time frame are then discussed in a meeting with different representatives of the company.

As a result, the scope of the study is set to be the analysis and comparison of the top and bottom teams in terms of creativity. This allows the study to demonstrate if the factors that foster creativity are present in the teams and how they are similar or different between top and bottom teams.

After agreeing upon the topic and the resources needed to carry out the research, the interview guide is presented to the company representatives and the research supervisor.

#### **4.7.4 Data Collection II: Interviews**

Once the interview guide mentioned in stage 3 is validated, the sample of teams to be interviewed is selected. As previously presented, the sample is obtained as a non-probabilistic sample, using the purposive technique. When the teams to be interviewed are defined, the contact in Telenor Norway internally manages the access and schedules the time for the agents to be interviewed.

The interviews are completed in four days, one day per team, and each interview lasts an average of 25 minutes. The sample of agents that are

interviewed is detailed under section 4.4 – Sample. It is important to note that only agents are interviewed, and these interviews are done individually.

One of the main challenges in the interview process is the language. All the agents could speak English; however, not all of them are comfortable with it, and sometimes it is difficult for them to understand or to express an idea.

The interviews are the backbone of the study and are conducted in a professional way. This means that creating a friendly and comfortable environment for the participants, despite the occasional language barrier, is a priority. This is critical because it helps obtain honest answers rather than what the agents think one expects to hear. Recording the audio of the interviews also allows paying more attention to the non-verbal communication of the interviewees and making them feel comfortable instead of focusing on writing their answers.

In addition to the interviews, there are brief talks with the team leaders and a short tour around the location to grasp the infrastructure and environment of the teams' workplaces.

#### **4.7.5 Interview Analysis**

Once the interviews are finished, the records are reviewed and the interviews transcribed. In addition, summaries of the transcriptions are inserted into an excel file and printed for further and more orderly analysis. After listening, writing and reading the answers several times, it is possible to start comparing them to the analysis model and drawing propositions regarding the creative environment at Telenor. This process streamlines the comparison by separating the questions according to the KEYS scales that determine the creativity in teams, and in addition color-coding the answers of the agents.

The analysis is very stimulating because the top teams have very similar answers in most questions. However, in the bottom teams it is possible to see a difference in the answers between teams, and sometimes within teams as well. Even though these differences make the analysis more challenging, they provide very interesting insights about the team dynamics and other factors that can be neglected when analyzing creativity and innovation. Certain questions help create the propositions that focus on the differences between

top and bottom teams. Nonetheless, when there are differences between the two bottom teams but similarity of answers among one team's agents, it is possible to create a proposition based on the distinctions among these teams as well.

Finally, the analysis also includes Woodman's interactionist model. The purpose is to assess whether the current study validates the relevant hypotheses of the model or not. Due to the qualitative nature of this research, it is important to have more than one model as the basis for analyzing the results derived from the interviews.

#### **4.7.6 Data collection III: Churn data**

The final collected data from Telenor is the churn data. Due to resource constraints like time and accessibility, the company is not able process the raw data in the expected time. However, the contacts in Telenor are able to provide the raw data, which is processed through several steps and analyzed only afterwards.

In order to get the data, it is required to meet with a data expert from the research department at the company offices in Fornebu. The goal of the meeting is to explain the research purpose and discuss what kind of data would be attainable and useful to analyze in this final step. After both parties reach a conclusion of what data will be retrieved, a second meeting is scheduled to transfer it.

The raw data is based on the calls that the four interviewed teams have received in a period of 19 months. Through the call ID, it is possible to determine the *Customer ID* and know if the customer has churned or not by looking at the *End date* column. Because of the way the data is extracted, there are cases where some rows are repeated. If the customer calls more than once, most of the information is repeated and there is no certainty of which of the rows are appropriate to use. Hence, it is necessary to delete all the repeated rows. In addition, some information has jumped from one row to the next, which needs to be fixed too, and is done by using excel formulas. Once all these rows are deleted, the database loses 40% of its contents,

which is not optimal. However, the size of the database is still valuable and more reliable than the original as the excess and repeated data is eliminated.

#### 4.7.7 Final Analysis

Once the data is processed, it is possible to start analyzing it under the light of the relation between the NPS and the churn. The analysis begins with pivot tables like the one shown in table 2, which contains fake numbers only to exemplify the first step of the analysis.

**TABLE 2: CHURN PIVOT TABLE - EXAMPLE**

Count of Telenor.Unique.ID		Column Labels				
Row Labels		Top team 1	Top team 2	Bottom team 1	Bottom team 2	Grand Total
<b>Year</b>						
Month 1		1	2	3	4	10
Month 2		5	6	7	8	26
Month 3		9	10	11	12	42
<b>No churn</b>		<b>10</b>	<b>20</b>	<b>30</b>	<b>40</b>	<b>100</b>
<b>TOTAL</b>		<b>25</b>	<b>38</b>	<b>51</b>	<b>64</b>	<b>178</b>

First, two simple tables are used to see the overall relation, one of the NPS per team and the other of the churn per team. With this information a graph is created depicting this relation, and it is presented in the next chapter of the research.

Despite the fact that this overall view of the relation gives the reader an idea of the relation of NPS and churn, it is not reliable enough to base a conclusion on. Thus, the next step is to separate the data into different tables, for example monthly, quarterly, or by teams. The variable that seems best to provide a deeper understanding about the relation between churn and NPS is *Team*, which means that the analysis will focus on the relation between the churn and the NPS within each team.

Since the teams have different amount of calls, and the teams themselves do not get to choose how many calls they can get, the churn numbers need to be normalized by the total of calls. This is an extra step taken to increase the validity of the dataset.

Finally, the data is transformed from tables to graphs with their respective linear trend lines, which are added to have a richer view of the relation.

## 5 Findings and Discussion

The questionnaire for the interviews is developed based on the KEYS scales. Due to time constraints and applicability, not all of the scales are tested. However, the answers yield interesting insights into the differences and similarities of the top and bottom performing teams.

First, it is important to recall the distinction that the top teams answered in a similar way, while the bottom teams presented strong differences in some answers, but similarities in others. This is the reason why the analysis is not only written as a text, but also incorporates tables that show the most common answers within each scale. Additionally, certain quotes from the interviews are used as examples.

After analyzing each scale, propositions are developed and presented based on the theories explained in section 2 - Literature Review. These propositions are meant to complement those by Woodman et al. (1993) based on the current case study.

Finally, two factors -personality and cognitive style-, which are part of the research made by Woodman et al. (1993) are also analyzed. These factors are merged with the KEYS scales and studied taking into consideration the hypothesized linkages presented in figure 6 (Woodman et al., 1993).

### 5.1 Analysis of KEYS' scales

The current section describes in its majority the *stimulant factors*, which are positive to creative outcome. It also describes one *obstacle factor*, the workload pressure, which is negative to creative outcome.

#### 5.1.1 Organizational encouragement to creativity

The teams differ in the way they perceive the encouragement from the company.

The top teams perceive a strong encouragement from the company, but the bottom teams do not have the same perceptions. If one looks at the results closer, it is visible that the team leaders play an important role. On the one hand, the top teams' members perceive they get a lot of responsibility and that both the company and their team leaders expect them to solve all kinds of

problems, thus to be creative. On the other hand, the bottom teams present a clear difference since one of them perceives no motivation from the team leader and the other identifies the leader's encouragement of creative thinking through regular meetings.

*"Telenor definitely encourages people to be creative and to explore different solutions for varying problems... if you come up with a solution and publish it in our internal Wikipedia, you would definitely get recognized." <agent 21, top team>*

*"We don't get so much 'creds' for the ideas, we just put them together and send them away... If you get some good ideas people love to have credit for it" <agent 12, bottom 2 team>*

As Amabile et al. (1996) explain, supportive evaluation of new ideas is an aspect of organizational encouragement that can boost creativity. In addition, a second scale that is not in the questionnaire comes up naturally in the answers, which is supervisory encouragement. It is possible to perceive that one of the bottom teams has a distant relation with the team leader, and this affects the performance of some of the agents. Amabile et al. (1996) recommend teams to have open interaction and supervisory support. This is clear in three out of the four teams. Thus, the following is proposed:

***Proposition 1: A company that encourages creativity needs to ensure that the leaders transfer this encouragement to its employees, in all areas and teams to the same extent.***

In terms of recognition, there is a clear difference between the two groups, the top teams get recognition, not necessarily in monetary terms, but in other forms. They also have competitions, both formal and informal, which improve their performance. Monetary benefits are not very appealing for them, and they believe it is not sustainable either. In the case of the bottom teams, there is consensus in the idea of a monetary benefit being important to reach the goals. However, they also think that internal competitions or challenges will have a better impact on their performance.

*“I am not really motivated by team bonuses a lot, of course everybody wants money, but I am not sure if it’s working... I think an internal competition would be more encouraging” <agent 3, bottom 1 team>*

Recognition is part of the organizational encouragement, but if done wrong it can harm the creative environment. When recognition is portrayed as a means of enabling one to do better, it will be beneficial as a creative driving force (Amabile et al., 1996). It is important to figure out what works best for the team. Thus, the following is proposed:

***Proposition 2: Monetary benefits (bonuses) are not as important to foster a creative environment as internal competition and recognition are. In fact, bonuses can make performance drop in the period following the bonus.***

Finally, three teams acknowledge that Telenor is an innovative company that is constantly improving and creating new products and services. Nonetheless, they also think that some of the systems are old and rigid, which hinders the innovation capability of the company.

*“[Telenor is innovative] because they put a lot of effort in... for example India... so they try to develop different things for the poor people living there, so I believe that is an innovative thing...” <agent 13, bottom 2 team>*

*“Our company here in Norway is always in front of others with new ideas and new solutions and new services that have never been tried before...” <agent 6, top team>*

TOP	BOTTOM 1	BOTTOM 2
Strong feeling of encouragement	Weak feeling of encouragement	
Get recognition	Perceived recognition	Recognition is not clear and not usual
Expected to solve problems "whatever it takes"	Team leader has meetings to encourage creativity and thinking	Lack of motivation from the leader
Benefits are not so appealing	They believe a benefit would help	
Big competitions are good, but then results drop	They want to have competitions, it will increase their effectiveness	
Most see Telenor as an innovative company. Sometimes rigid	Most see Telenor as an innovative company. Sometimes rigid	
Most acknowledge that Telenor improves and has evolved		

### 5.1.2 Work group supports

In general terms all the teams, top and bottom, show to get along well, communicate freely with each other, help colleagues, and collaborate in work-related topics.

The main differences of the dynamics between the top and bottom teams are how they share information and how they challenge each other. The top teams see each member of their team as a capable person that everyone in the team can learn from. They choose to first ask within the team if something is not clear and be more efficient.

*"We share everything, our calls, NPS and sales... everything! We have talked about it many times and chose to do it like that... when we have problems with something we try to find a person who is available in the team and ask him for help before we go to another person and use more time" <agent 8, top team>*

Regarding the bottom teams, there is a difference amongst them. One team has no internal competition or challenges, some team members do not consider their colleagues to be particularly good at the job and even consider them a burden. The other team has a few competitions and its members trust more in the knowledge of their teammates.

*“Our team is quite good, we cooperate, we talk, we share goals... I think the communication on the team is very good. If I know something that others don’t know, we share experiences” <agent 4, bottom 1 team>*

*“I can tell them [my teammates] anything when it comes to work, if I keep some information to myself it can be a burden because they keep asking...” <agent 13, bottom 2 team>*

Even though every agent is careful when expressing their opinions, the difference between the team dynamics, especially in one of the bottom teams, is noticeable through their non-verbal actions.

Amabile et al. (1996) refer to studies that relate the increase of creativity to certain group characteristics like openness to ideas, constructive challenge and shared commitment. This is the case more commonly in the top teams, where they are more open to ideas due to the confidence in the skills of their colleagues. Also, top team members are constantly challenging each other and perform thereby better by doing this. Thus, the following is proposed:

***Proposition 3:*** *For a team to perform in a creative way and obtain good results, team members should collaborate with each other.*

*The collaboration will be best when teammates trust each other’s skills and competences.*

***Proposition 4:*** *Sharing results within the team fosters “coopetition” (cooperation + competition), and it is a healthy way to encourage improvement through self-motivation.*

TOP	BOTTOM 1	BOTTOM 2
Good communication	Good communication	
Enjoy working together	Cooperation, share knowledge	
Help each other, if one cannot talk, use chat	Help each other. Sometimes they are busy, but not often	
Share results and best practices	Confident to ask for help to their teammates	Some people know a lot more than others, can be a burden
Challenge each other, have internal competitions	Some have internal competitions	No competitions
No conflicts	No conflicts	A serious conflict a year ago

### 5.1.3 Sufficient resources

All the interviewees received training when they started working at Telenor and none of the teams appear to lack any basic tools to perform their job properly. However, after the first training the gap is noticeable. The top teams get training whenever there is a new product or change in the company, or if they feel that they need training in any special area, they can ask for it.

*“If I need something is my job to say what I need so that they can try to educate me more... some of the jobs are going to have big changes, and we are all going to have extra education...” <agent 19, top team>*

In the case of the bottom teams, a division in this point is visible as well. One team refers to its team meetings as training, because they get updated on company changes and the team leader fosters idea exchange during them.

The other bottom team does not recall receiving any training after they started working at Telenor. They also relate the lack of training with the differences in knowledge between the members of the team.

*“...in most new systems and all, we need to go in by ourselves and don't get any message from our leader for example...which I think is bad because we should*

*learn it all the same from the start... if you don't understand and ask many times [your teammates] you feel like you are nagging" <agent 14, bottom 2 team>*

Most agents mention that for their job, dialogue training and technical training about the systems would be the most useful types of training they could get. As Amabile et al. (1996) state in their research, a team's perception of their value for the company will be psychologically increased by the perception of the allocation of resources in the aforementioned team. Thus, the following is proposed:

**Proposition 5:** *To get training on a regular basis or upon request makes people feel valuable in the company and confident in the work they perform. It also enables people to have a solid basis for the work they perform.*

TOP	BOTTOM 1	BOTTOM 2
Training when we start	Training when we start	
Training when the company has changes	Team meetings, presenting new stuff	No training at all after that
They can ask for training	"endringsbakke" (Team meeting)	Self-taught creates a lot of gaps in knowledge
Most valuable training is on dialogue and technical problems	Most valuable training is dialogue and systems	

#### 5.1.4 Challenging work

The top teams have more challenges due to the diversity of cases they manage every day. These challenges are appreciated and taken as learning opportunities by the agents. All teams consider routines and having no challenges to be boring. The complete lack of challenges for one of the bottom teams is related to the narrow scope that their job provides.

“...Every day we get good challenges, one day is never like the other one. There is always a new solution you need to figure out” <agent 22, top team>

“...The little things, for example having someone that is performing better than you” <agent 2, bottom 1 team>

“...Maybe not at the position I have now, because it is the same routine with the customers” <agent 15, bottom 2 team>

Also, the challenges occasionally are self-generated, for example the internal competitions that the top teams create on their own. The absence of these competitions in the bottom teams prevents them from getting any challenges.

Amabile (1988) explains that having challenges and a certain degree of pressure generates positive influence towards creativity, as it increases urgency to get the job done. Team members relate the urgency to the significance of their job. Thus, the following is proposed:

**Proposition 6:** *A challenging work environment helps people keep their edge and be excited about their job. This makes agents perform better than they would if there would be no challenge.*

TOP	BOTTOM 1	BOTTOM 2
Challenge exists	Challenge exists	No challenge
The different cases make the challenge	Can be boring sometimes	The routines and cases are the same = boring
Routines are boring		

### 5.1.5 Freedom

There is a clear difference between the teams in the way the agents perceive their freedom. The top teams have a high level of autonomy, whereas there are some restrictions on what they can do; these are few when compared to other teams. The only “script” the top teams’ agents have when they talk to the customers is the way they have to greet them. Apart from that, top teams’ agents can take the conversation however they consider is best for the

customer and will solve the problem. Also, when it comes to contemplating solutions to certain problems, the abovementioned agents have the freedom and access to a test room. They value their autonomy and use it to benefit the customers.

*“...[Script] Not anything premade, only ‘hello, you are talking to’... we have total freedom” <agent 17, top team>*

The bottom teams do not have a rigid script that they need to follow either. However, they have more restrictions on what they can help the customers with. Thus, the scope of their job limits them from thinking outside the box for different solutions, because they might not be able to implement them due to the systems’ restrictions.

*“We have a framework, we can’t help them with everything” <agent 5, bottom 1 team>*

Several researchers have concluded that high autonomy is crucial to increase creativity for individuals and teams, having ownership of the work people do will produce more creative ideas (Amabile et al., 1996). Thus, the following is proposed:

***Proposition 7: Agents need to feel ownership of the work they do, the more autonomy they have, the more they will feel responsible of delivering an excellent result. Dialogue freedom is necessary but not enough.***

TOP	BOTTOM 1	BOTTOM 2
Total freedom to talk to the customer until they solve their problem	Freedom, to a certain extent	
The script is just a guideline (support)	There are some restrictions on what they can do	
Flexibility is important because customers are very different	Helping outside their “limits” can cause dissatisfaction because if the customer calls again, the next person won’t be able to help	

### 5.1.6 Workload pressure

Similar to the challenges described in point 5.1.4, but instead of being motivating and positive challenges, this point relates to the pressure that leads to a negative type of challenge in the workplace. Amabile et al. (1996) states that time pressure is usually known to have a positive influence in creativity, but when this pressure reaches high levels it becomes a negative influence, which can undermine creativity. The same can be said about the KPIs that agents have as part of their periodical goals.

In the top teams there are two main concerns, which could become a negative challenge. The first concern is the new integrated sales KPI, because many agents due to their technical background are not comfortable selling products. The second concern is customers' high expectations because customers expect agents to fix any and every problem within the first call. This expectation is not realistic since some problems are outside of the agents' resolution capacity, for example, a problem with the network.

*"When there is not really a problem with say a product, but is more a problem at a larger scale...that is challenge I can't really fix, so I need to contact someone else... I don't really like that kind [of challenge]" < agent 9, top team >*

In the bottom teams, the pressure is rather low. They do not feel pressure in general terms, which can also be a bad sign, as discussed in point 5.1.4.

*"...When there are a big line in the call and many waiting, I have a lot of pressure to get done with the customer I am talking to" <agent 1, bottom 1 team >*

Sales affect one of the teams at times, if they are not getting to the objectives or do not reach it in the end of the month, it can demotivate them. Thus, the following is proposed

***Proposition 8:*** *Turning a customer support team into a sales channel can be disruptive of the purpose of the team itself. It distracts the focus from the customer support and adds pressure to the agents that can affect the creative environment.*

TOP	BOTTOM 1	BOTTOM 2
Sales is new, they identify more with technical support	No time pressure	Pressure when changing job and not getting proper training
Have to solve “any” problem	Sales pressure can demotivate the team	No pressure in their current job = boring
High customer expectation		

## 5.2 Individual creativity

### 5.2.1 Personality factors

Agents in all the teams see themselves as creative, but not necessarily innovative, and when they talk about innovation it would be related to incremental innovation. Most of the interviewed agents say that innovation is a mix of both personality and environment; though, in the bottom teams, the agents often refer to the environment as an obstacle to people with innovative personalities.

Moreover, the agents of the top teams continuously relate creativity to work and to problem solving, and they do not consider themselves risk takers, especially at work.

*“I like to find solutions and I can be creative when I do that” <agent 18, top team>*

In the case of the bottom teams, agents relate creativity to their spare time activities more than to work. The interviewees mention that they get to be creative when they get responsibility, and this is tied to point 5.1.5 -freedom- because the bottom teams do not have enough autonomy to follow their desired path at work. However, it is visible that half of them consider themselves risk-takers, although it is not with confidence that they agree to this term, and they state that they are afraid to make mistakes at work.

Woodman et al. (1993) state that there are many personality traits that are related to creativity. Some of these can be perceived during the interviewees from the top teams, such as: attraction to complexity, autonomy, and a firm

sense of creativity. While a list of personality traits is difficult to theorize as a predictor of creativity, these traits are part of the explanation of creativity. Thus, the following is proposed:

***Proposition 9: Personality influences the creative process, but overtime the environment can either encourage or discourage these personality traits.***

TOP	BOTTOM 1	BOTTOM 2
They see themselves as creative people	They see themselves as creative people, especially when they get a responsibility	
Most relate creativity to work	They relate creativity to circumstances outside of work	
Most see themselves as incremental innovators	They don't perceive themselves a very innovative	
Not confident to say that they are innovative	Confident to say that they are creative	
They put more weight in personality than environment as an innovation trait	Half of the people consider themselves risk-takers. They never say a sure "YES", it is more like "sometimes", "a little bit"	
Creativity arises when solving problems	They are afraid to make mistakes	
Most don't consider themselves as risk-takers		
They do not take risks at work		

### 5.2.2 Cognitive style

The agents in the top teams are used to ask why, and prefer to do so. Nonetheless, when the presented solution is simple and logical, they do not ask. Also, if the solution is not given to them, they search and figure out why

something works in a certain way, or if there is a better way to solve a problem. This is a main part of their job, thus they are selected due to their particular traits and trained to solve problems. Agents in the top teams also choose to have a more holistic and strategic view, which means understanding where the organization is directed in order to align their performance.

*"I am a technical guy, so I dig to understand why" <agent 10, top team>*

The agents in the bottom teams do not ask why for two reasons. First, because the tasks they get are too simple and therefore do not need further explanation; and second, because some have lost the motivation to ask, since they did not get responses before. Also, given the routines that bottom teams have, one tends to get stuck in the same way of thinking, and focus on the irrelevant details, hence missing the big picture that could lead to a creative outcome.

*"On my personal life I ask why. In the start I use to ask why, but in a couple of weeks it goes away" <agent 14, bottom 2 team>*

There are a number of cognitive abilities that are related to creativity. Authors demonstrate that training members in creative thinking increases the production of divergent thinking, leading to more creative outcomes (Basadur et al., 1990). Knowledge also plays an important role in the creative process, as a starting point for ideas (Woodman et al., 1993). In addition, Amabile et al. (1996) include in her paper, that the encouragement from the organization regarding risk taking and idea generation is fundamental. Thus, the following is proposed:

***Proposition 10:*** *Team leaders must encourage the questioning of the status quo, and convey a more managerial vision to their employees, because it motivates and allows the agents to ideate ways to reach the company goals.*

TOP	BOTTOM 1	BOTTOM 2
Most ask why. They like to know how the result is reached	Not common to ask why	
If a solution is simple and clear, they don't ask	Simple things don't need to be questioned	
Some do the research on their own	If the solution they get is not good enough, the figure out themselves	
Having the organizational view would help them understand better why things are done in a certain way		They lost the motivation to ask why after they didn't get answers

### 5.3 Merging KEYS with Woodman's interactionist model

Woodman et al. (1993) present three propositions, with four hypotheses in each of them. Based on the previous analysis of the findings, some of the hypotheses can be either confirmed or denied.

On **proposition 1**, Woodman et al. (1993) state that the *creative performance of individuals* in a complex social setting is a function of salient *individual characteristics, social influences* that enhance or constrain individual creativity, *and contextual influences* that that enhance or constrain individual creativity.

On **proposition 2**, Woodman et al. (1993) relatedly affirm that the *creative performance of groups* in a complex social setting is a function of the *creative performance of group members, salient aspects of the group* itself that enhance or constrain individual creativity, *and contextual influences* on group functioning.

Woodman et al. (1993) then establish eight hypotheses grounded on these propositions. Based on the responses from the interviews, only four will be discussed in the following section.

### 5.3.1 Validating the hypotheses based on the findings

*Hypothesis 1a states that individual creative performance will be increased by group norms that support open sharing of information (Woodman et al., 1993).*

Given the results of the top and bottom teams and the difference in their responses regarding the communication, access and use of information, this research validates the hypothesis. As stated in propositions 3 and 4 in the previous section, the top performing teams demonstrate that open communication and trust in each other's competences is fundamental to build a more solid team. In addition, the informal team competitions foster a challenging but welcoming environment, which increases the members' motivation to perform better.

This hypothesis and results also relate to the hypothesis 2d in Woodman et al.'s research:

*Hypothesis 2d states that group creative performance will be increased by the use of highly participative structures and cultures.*

Though the interview does not contain a specific question about the organizational structure, this point is proven in the analysis by several different factors that are salient of the top performing teams. On the one hand, the participation of the agents is clear by the autonomy that they have in the top teams. This autonomy can be seen when testing equipment or new products, solving different types of problems and suggesting new ideas. On the other hand, it is visible that the top teams have a very clear perspective on where they stand regarding their needs and feel that their leaders and the company will back them up. Moreover, bottom-1 team has a certain degree of openness with their leader. On the contrary, the bottom-2 team is far behind in terms of autonomy and openness, and it also has the lowest results. There is a link that can be seen between hypothesis 2b and the bottom-2 team:

*Hypothesis 2b states that group creative performance will be decreased by the use of autocratic styles of leadership*

When interviewing the agents from the bottom-2 team, several comments elicit regarding the leadership style. A critical comment, which is repeated in

different occasions, is that their leader is not really present. In addition, when discussing about freedom or autonomy, agents from the bottom-2 team state that their leader does not listen to their ideas, so they have decided to give up on trying to improve. Given that this group is the one with lowest performance, it validates hypothesis 2b, directly related to the style of leadership.

Finally, regarding other evaluated KEYS scales; the analysis of the following hypothesis is presented:

*Hypothesis 1d states that individual creative performance will be decreased by reward systems that rigorously evaluate creative accomplishment and link these outcomes tightly to extrinsic rewards.*

As the findings demonstrate, recognition differs greatly between the teams. Top teams are aware and feel that they get recognition, not necessarily in monetary terms, but in different ways. However, several agents agree upon the fact that a formal competition can only be done for a short period of time and for a specific goal, for example launching a new product. If it is continuous, it can produce a negative effect on the performance due to stress or exhaustion. This leads to a validation of the presented hypothesis. As proposition 2 in the analysis of the KEYS scales states, the internal -also called informal- competition is more encouraging than a structured reward system. Thus, it is more effective in increasing creative outcomes.

In the case of bottom teams, having a competition would be beneficial because they are performing below average, which means that they have much room for improvement. In this case a bonus, or another type of recognition could be more beneficial than detrimental.

## **5.4 The impact of the NPS**

### **5.4.1 NPS and churn**

There are many indicators of a company performance, and in the case of a Telco in a mature market, the churn is one of the vital ones. The churn is an indicator related to the end of the subscriptions to a service and thus impacts the revenues of the company by decelerating growth. In mature markets, the churn is more stable and lower than newer markets. Norway, being a mature market, has a lower churn rate than other countries; nonetheless, this

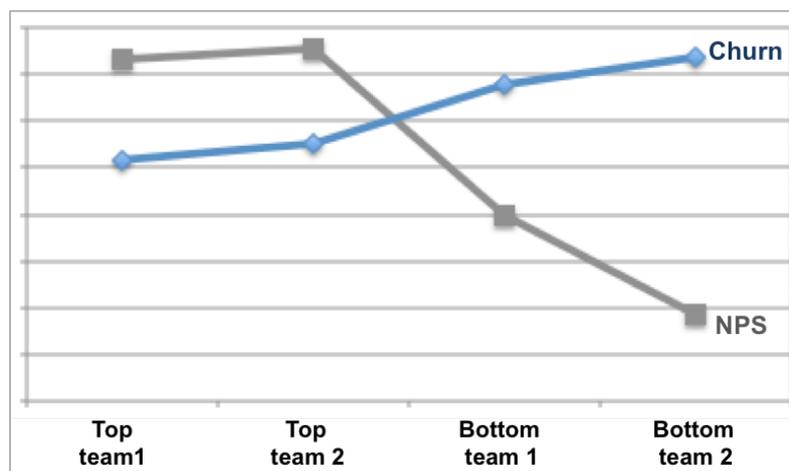
indicator is one to be aware of, because in this type of markets it becomes more challenging to acquire new customers.

When analyzing the churn data from the interviewed teams, it is possible to see that there is a relation –though weak- between the churn and the NPS.

The data used to analyze the churn spans through a period of 24 months. As explained in section 4 - Methodology, the data is based on the customer calls made to any of the four teams in a period of 19 months. The churn is calculated by the amount of customers who cancel their service out of the total customers who call. Figure 7 illustrates the relationship between NPS and churn, which is a negative correlation because the lower the NPS, the higher the churn. This should not come as a surprise, because the NPS is associated with the satisfaction of the customers with the service and/or the company, which means that the less satisfied they are, the more likely they are to leave the company. For confidentiality reasons the numbers cannot be displayed; however, the figure presents a scaled version of the results.

Figure 7 has been simplified to give a first sight of the mentioned relationship and distributed according to the teams that are interviewed. It can be risky to confirm that the only reason why the customers churn is because of the call they make to the customer service team. However, a company in a mature market like Telenor Norway needs to avoid churn, and pay attention to the customers who have a low NPS and are more likely to churn.

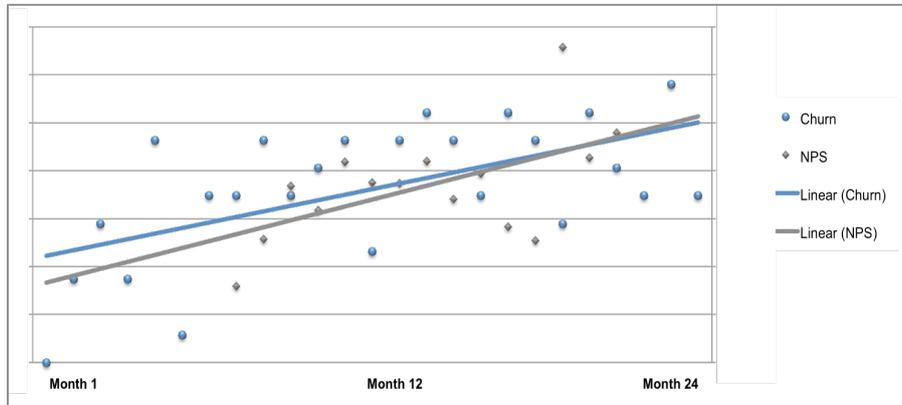
**FIGURE 7: NPS AND CHURN RELATION FROM INTERVIEWED TEAMS**



Source: Telenor internal data

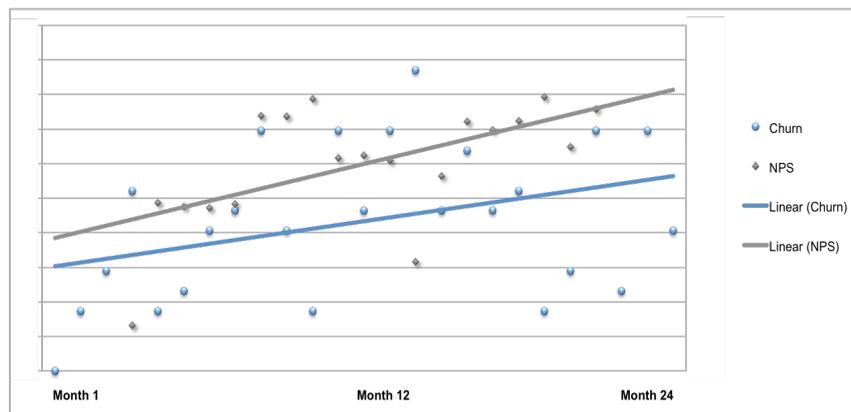
When taking a closer look at the data, and analyzing it separately by team, there is less consistency between the churn and the NPS.

**FIGURE 7.1: NPS AND CHURN RELATION – TOP TEAM 1**



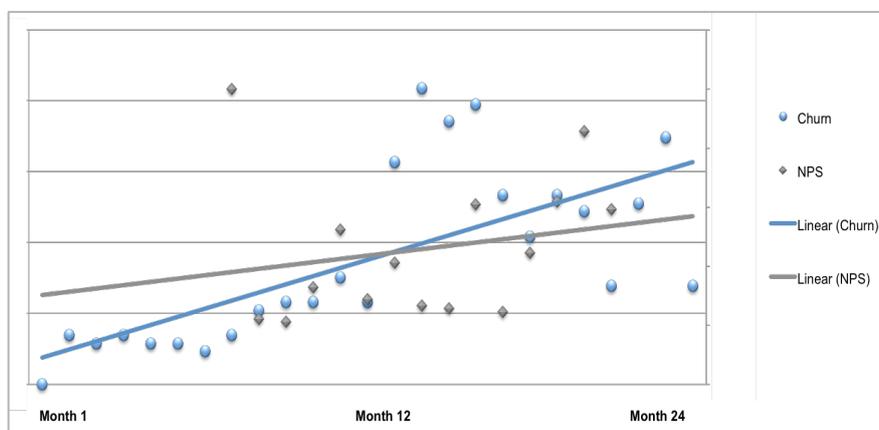
Source: Telenor internal data

**FIGURE 7.2: NPS AND CHURN RELATION – TOP TEAM 2**



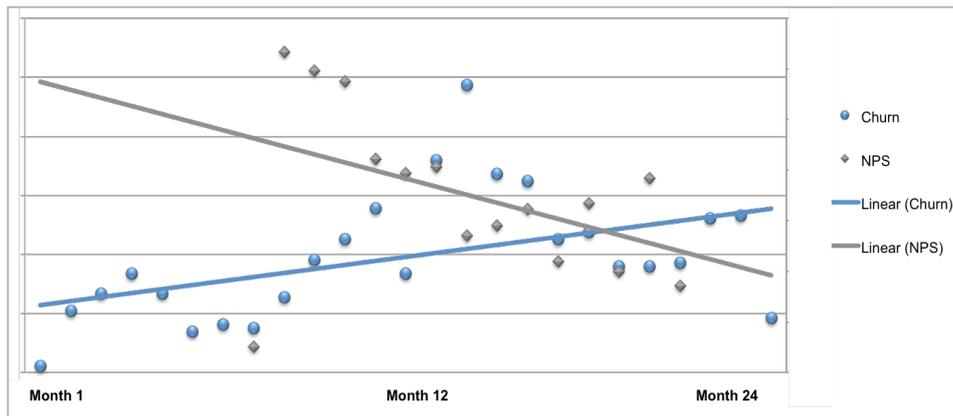
Source: Telenor internal data

**FIGURE 7.3: NPS AND CHURN RELATION – BOTTOM TEAM 1**



Source: Telenor internal data

**FIGURE 7.4: NPS AND CHURN RELATION – BOTTOM TEAM 2**



*Source: Telenor internal data*

While top team 2 shows no negative connection between the two variables, and top team 1 shows almost no relationship, both bottom teams show the negative relationship that is observed earlier.

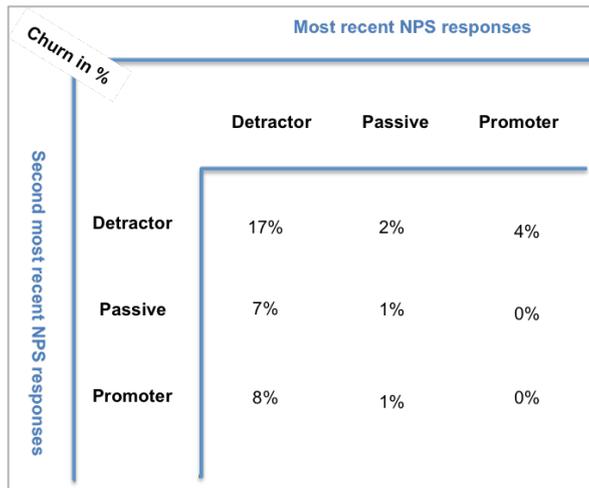
It is not sensible to reach a conclusion about the impact of the NPS in the churn only based on the analyzed data. There is a certain correlation, which can be seen in the lower NPS scores, which leads to the following proposition:

***Proposition 11:*** *The correlation between churn and NPS will increase in significance when the NPS reaches its lowest levels.*

It is possible, with a more detailed study, to confirm or deny the previous proposition. The scope of this research and the availability of information does not make it possible to make an analysis in depth of the churn. A full quantitative study would be suitable to answer the churn question, given the amount and kind of data that Telenor possesses.

In addition, Telenor provides a previous and more in depth analysis of the correlation between NPS and churn. In this analysis, one of their BUs tracks the NPS of customers who have answered the survey in two different occasions, and the result can be seen in figure 8. As it is shown in the chart, which is scaled to increase the confidentiality, the customers who give the company a very low NPS on both occasions, are more likely to churn than any other.

**FIGURE 8: CORRELATION BETWEEN NPS AND CHURN BY TELENOR**



Source: Telenor internal data

From this analysis, one could also infer that the churn is higher when the most recent call has had the lowest NPS, thus the recurrence of the score will affect the overall churn. Hereby, the following is proposed:

**Proposition 12:** *A customer that is surveyed on NPS and gives a score below 6 should be redirected to a special line to increase their level of satisfaction with the company.*

Furthermore, when analyzing accumulated churn, the gap between promoters and detractors reaches 12 points in percentage. The analysts in Telenor consider that a more in depth analysis could be made, including a more extensive dataset, scenarios and cross-analyses to increase the consistency and accuracy of the results.

Figure 8 is presented to support the assumption that the NPS can be linked to the churn and that there is a negative correlation between both indicators. Thus, the NPS as an indicator influences the financial state of the company through the increase of customer life.

## **6 Limitations and future research**

In this section the suggestions for future research are presented, as well as the limitations of the present research, both for theoretical and practical purposes.

### **6.1 Limitations of the research**

The research is developed in the context of a master thesis, which has a limited scope due to availability of time and resources. Therefore, a decision needs to be made between breadth and depth, and the interview subjects have to be narrowed down in order to develop and present significant results. If the above-mentioned resources would have allowed, a more extensive pool of subjects should be interviewed to compare different BUs for example.

A second limitation, which may have affected the quality of the research, is the language barrier. Most of the interviewees have Norwegian as a mother tongue and English as their second language. The interviews are conducted in English, and this creates resistance to answer freely in some cases, because they cannot find the appropriate words to illustrate their examples. This causes some answers to be short and not quite as explanatory as qualitative researches require. Providing the interviewees with the option of speaking in Norwegian minimizes the language barrier limitation, and translation is possible with the audio recording of the answers.

A third limitation concerns the provided data to analyze the churn. When trying to find a relation between churn and any other variable, it is necessary to have an extensive and trustworthy dataset. Due to the filtering errors in the provided dataset, it is compulsory that the set is cleaned and only the rows with complete and non-repeated information are kept. The result is a trustworthy dataset; however the cost is the extension of it, because 40% of the data is lost. Also, due to the scope of the research, it is not possible to determine the cause of the customer churn, which may give a better understanding of the current situation.

A final limitation is the lack of quantitative focus on the NPS and churn analysis, which happens due to the main focus on the qualitative area of the

research. Most of the analysis is spent in the qualitative findings, leaving little time and resources for the quantitative findings.

## **6.2 Future research**

This study provides a starting point for future research, due to the fact that certain trends have been observed, but to be understood they need to be tested and developed.

Firstly, the NPS and churn relation when studied in depth can provide a more insightful argument toward customer behavior and customer life value. In order to achieve the depth required, the NPS needs to be understood with its advantages and disadvantages, the methodology used to deliver the survey, the response methods, understand the customers' journey before they get the survey and follow their journey after the contact with the CC area and after they give their rating. A longitudinal study may be more suitable for this purpose, and if possible across BUs to determine if a pattern arises.

Secondly, a controlled dataset from a group of clients whose behavior can be followed could determine the reasons they have for churning or staying in the company. This group should also get NPS surveys to be able to link the behavior with this indicator and increase the consistency of the findings.

Finally, in terms of fostering creativity in the work environment, a more in-depth and extensive survey can be done, translating it to the BU's respective language to increase accuracy of responses. The survey will complement the qualitative analysis done in this study, thus potentially validating the propositions made in the findings. The KEYS scale would be a suitable study since it is developed by Teresa Amabile, who has a vast experience in the topic (Amabile, 1993; Amabile et al., 1989; Amabile et al., 1986).

## 7 Recommendations

Throughout section 5 - Findings and Discussion, propositions are made based on the results of the interviews, the reviewed theory and the information provided by the company. In this section, the propositions are summarized in concrete actions that the company could implement if considered relevant and realizable.

First and foremost, the team leaders are a key piece in the development of the creative environment. Hence, Telenor needs to provide information and training to the team leaders for them to share with their respective teams. The leaders also have to be able to coach their agents and enhance their creative insights. It is crucial that the vision, values and initiatives that Telenor has are properly spread throughout the company and reach all levels.

The team leaders have the ability to promote informal competition, small competitions that have symbolic prizes and are targeted to enhance collaboration and also to appeal to the competitive side of the agents. In the case of agents that have a monotonous job, rotating or combining their regular tasks with more interactive ones will be beneficial because it will challenge them and thus trigger their creativity.

Then, Telenor should provide periodical training for their agents in the new products, services and processes. Training will keep the knowledge of agents at a more equal level and encourage them to trust each other and collaborate. The training additionally increases the confidence in their own knowledge and provides the agents with a tool to develop their creativity. Moreover, having testing and experimenting sessions also increase the capability of generating new ideas or solutions to the problems.

Regarding the NPS, it is essential to have a larger customer base that receives the survey. Likewise, refining the data extracting methods to provide a better and more trustworthy dataset simplifies the analysis and allows focusing on the different outcomes rather than on the data cleaning. A similar recommendation could be given for the churn data, since it is important to have a clear understanding of the information being analyzed.

## 8 Conclusions

This research is conducted to understand the differences in the creative environments of top and bottom performing teams, based on their average NPS. The qualitative data collection and analysis provide insights into some of the factors that are preventing all teams from having better results. Furthermore, the quantitative analysis on NPS and its link to churn provide an interesting indication regarding where to look and what to look for with future researches.

The methodology is the backbone of this research, having a clear view of what the objective is and how to achieve it is the most important step to concluding this research. Along the way, when the path becomes blurry the methodology choices help to choose and follow a certain direction. In addition, the free flow of information with the contacts in Telenor makes it possible to understand the current needs and provide a contribution.

The literature on creative environment (Amabile, 1988; Amabile et al., 1996; Woodman et al., 1993) proves to be a useful and solid source to base the findings and discussions, where it is possible to elaborate and combine the literature with the data collected through the interviews. To answer the first research question, the findings and discussion support that there are several distinctions between the creative environment of bottom and top performing teams, which can explain the difference in their outcomes. From that section, the company will be able to extract information that will allow them to get their teams performing in a more creative way, and thus improving their results. It is also, as it is mentioned in previous sections, a first step into a complete evaluation of the creative environment in Telenor.

A study on creativity and innovation is crucial in Telenor due to the dynamism of the industry. The customers, the providers, the products, and everything around change constantly and if its people are not ready to adapt and be creative when looking for solutions, staying above the competition and keep expanding the business will become an even more difficult task.

The NPS theoretical background is not as firm as one could have hoped for. The NPS main advantage is that it is well known and widely used across

industries; however, different scholars have questioned its methodology. This research is not primarily meant to prove the validity of the NPS, but to look for its relation to other indicators, especially the churn. The findings prove that in some cases the relation is present, but in others it is not significant. Telenor also provides an analysis done in-house where the NPS is tracked on customers who answer more than one NPS survey, and then link it with their churn. This analysis offers a more interesting connection between the NPS and the churn. Even though a link between both KPIs is found, its lack of consistency does not give enough assurance to answer the second part of the research question. Therefore, the NPS cannot be directly linked to financial outcomes solely based on this study.

Nonetheless, in terms of the NPS and the churn, there is a great potential to understand the connection better through in depth studies and analyses. In order to accomplish this, the data needs to be processed and if possible have controlled groups through a significant period of time. Furthermore, and despite the challenges the NPS might have, it is crucial that its use is not limited to asking the question and elaborating charts with the trends. The NPS must act as a signal to investigate what can be causing a very good or a very bad score.

Finally, the research gives concrete recommendations on what can be implemented in Telenor to improve the current situation. As most studies, it has its limitations, but it also provides ideas for further research based on the research process and the current findings.

In its totality, the research delivers a contribution to the company and the academic world, by comparing the creative environments based on the results delivered in NPS. This merger between creativity and NPS has not been made in previous researches and its novelty makes it valuable.

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## 10 Appendix

### Appendix 1 - Interview Guide

#### Presentation

Good morning/afternoon, my name is Leda Rivero and I am conducting a research on team dynamics for my master thesis at NHH. I have selected four teams to interview and your responses will be kept confidential at all times.

#### Purpose of the study

The purpose of this research is primarily academic, but with expressed interest for Telenor. It will help understand what kind of environment fosters creativity within a team, and how this is transformed -if so-, in innovation.

According to the Oxford Dictionary, creativity is:

***The use of imagination or original ideas to create something***

#### Methodology

Please treat this as an informal conversation. We will start with some basic questions and then we will go into more elaborated questions. Please take your time to answer, according to the facts or your personal opinion, depending on the questions. Please keep in mind that there are no right or wrong answers.

I will record our conversation in order to get a more accurate transcript when doing the analysis. If there is something that is not clear or you prefer to say in Norwegian, you can do so. Once the research is done, all the interview files will be deleted.

#### General questions

- How long have you worked as a customer care agent in Telenor?
- \_\_\_\_\_ Months / Years
- Have you done this for another provider before?
- \_\_\_ Yes (time: \_\_\_\_\_ months)
- \_\_\_ No
- What is your highest level of education?

- \_\_\_ Middle school (Ungdomsskolen)
- \_\_\_ High school (Videregående)
- \_\_\_ Bachelor University / College (Universitetet / Høyskole)
- \_\_\_ Master University / College (Universitetet / Høyskole)
- What is the main indicator of your performance? (KPI)
- Which indicator do you think should be the most important?

## **IN DEPTH QUESTIONNAIRE**

### **External environment**

- Do you think people in the organization are encouraged to solve problems creatively? Why? Do you get recognition if you come up with a creative solution?
- Do you have the freedom to change your script if it will help the customer?
- Do you think that a benefit would increase your performance (and of other agents)? (\$, recognition, promotion?)

### **Personality**

- In which circumstances would you describe yourself as a creative person?
- Do you feel challenged by the work you do? Is this positive or negative?
- Do you question the reason why things are done in a particular way?
- Would you consider yourself a risk-taker?

### **Team Dynamics**

- Do you consider that there is free and open communication within your work group? (Trust, commitment, constructive challenge)
- If a colleague needs help in order to help a customer, do you help him/her? Are you too busy to do it? (Or is that the team leader's job?)  
Example

- Are there conflicts within the team? Do you perceive tension in the environment?

### **Innovation**

- What is innovation for you?
- Do you consider Telenor an innovative company? Why?
- Do you consider yourself an innovative person? Why?
- Are / aren't you innovative because of the environment (your team dynamics and team leader)?
- Can you remember an innovative approach that you took with a customer? Tell me about it.
- Are you comfortable with what you know or do you prefer to explore and find out new things on a regular basis? Give me an example
- Have you received feedback from the customers about Telenor services? Example
- Did this feedback was useful for you? Do you think it could improve the company? Were you able to use this feedback after? Why?
- Do you receive training on a regular basis?
- What kind of training do you think would help you the most?

***Thank you!***