

Processes of organisational culture change to adopt co-creative procedures: a case study in the multinational GE Healthcare

Bianca Zapparoli Barbara¹, Alexander Luzzi Las Casas

Department of Management, Pontifical Catholic University of São Paulo - PUC/SP, São Paulo/SP, Brazil.

ARTICLE DETAILS

Article history:

Received 15 June 2014

Accepted 16 December 2014

Available online in 30 April 2015

Double Blind Review System

Scientific Editor: Felipe Mendes Borini

Keywords:

Co-creative company

Change in organisational culture

The health sector

ABSTRACT

The article seeks to identify the methods and obstacles in the process of cultural change when adopting co-creative procedures. The study analyses the multinational GE Healthcare, which has implemented a global value co-creation strategy named "healthymagination". A conceptual framework for value co-creation and Prahalad and Ramaswamy's (2004) principles of co-creation were used as a theoretical base. A case study method was used that included monitoring techniques and open semi-structured interviews. The results indicate that a decentralised power structure and a culture open to change facilitate the use of various mechanisms. The obstacles faced by the organisation include enabling a collaborative flow and applying this new mind-set among management and all potential co-creators within the company.

© 2015 Internext | ESPM. All rights reserved.

1. INTRODUCTION

In recent decades, consumers have been increasingly connected and integrated in cooperation networks in masses, which has driven and accelerated the communication of individuals on a worldwide scale. This has increased competition between companies, who need to constantly adapt or seek cost reduction alternatives in order to enhance market share, or even ensure survival amid turmoil.

Traditionally, concepts of customer value have been regarded as something delivered by the supplier. Kotler (1998) states that an offer has a consumer-driven added value when it results in differences between expected value and the total cost to consumers when compared with competition. Dialogue with consumers and obtaining information about the market and competitors are inputs required for value creation. For Prahalad and

Ramaswamy (2004), in the traditional management model there is a tough stance on transparency and free access to information. They believe in a co-creative organisation, however, such an approach needs be reconsidered, and infrastructure that facilitates dialogue between itself and its customers should be created. To reach this goal, substantial investment to socialise managers and change management practices are required. This modification implies conceptual changes and requires a better understanding of how new models affect and change the processes of an organisation dedicated to delivering value, as well as how the changes are understood and accepted by the organisation (DOS SANTOS, BRASIL, 2010).

After consulting the Lumen system and the CAPES journal portal, a lack of national studies were found on this articulation of firms' cultural transformation in the value co-creation process. Brasil, Dos Santos and Dietrich (2010) suggested studies that develop

¹ Corresponding Author: Email address: bi_bi_zb@hotmail.com

analysis of the structure of influential elements of value co-creation that deepen organisational culture, which was presented by the authors as a conditioning factor for value co-creation.

Fleury (1996) understands culture as divided among several levels of which the deepest defines the way organisations conduct business and consists of a complex set of values, beliefs and basic assumptions (PETTIGREW, 1979; SCHEIN, 2007). At its highest level it is expressed naturally in structures, systems, symbols, myths and reward patterns within organisations. Cultural change is important because, according to authors as Fleury (1996), Deal and Kennedy (1991) and Kotter (2005), planning transformation processes of cultural standards can occur concurrently with other strategic changes experienced by organisations. Thus, this work has the following guiding question: what are the challenges for cultural change in the adoption of co-creative procedures?

An analysis of the mechanisms used to change corporate culture in order to introduce a new business model is an important issue since it is a conditioning element when adopting co-creative procedures. This is a seminal issue in Brazil to which this study aims to contribute. In a report released in the first half of 2012, the Institute for Applied Economic Research (IPEA) reports that health investments in Brazil amounted to 3.77% of GDP. In 10 years, there has been an increase of 1.27 percentage points. The international standard for this indicator is 7%, pointing to the need to double investments.

These figures indicate that such demand becomes more relevance when it comes to health care (where the country faces structural problems) and for those who better understand processes of cultural change for value co-creation, which can represent a major step forward for developing of management strategies. This adds a beneficial reflection on the growing investment in Brazilian health, given the great efforts already made to improve health services, which are supported by a number of quality programs that have been developed and widely implemented throughout the country. Regarding the context for this research, a case study was conducted in a multinational where analysis of a specific initiative has already resulted in several successful products of value co-creation.

2. ADOPTION OF CO-CREATIVE PROCEDURES

In the new scenario of the market presented by Prahalad and Ramaswamy (2004), customers are connected, informed, empowered and active. In the traditional market customers only participated in the final moment of purchase, with no interference or interaction with the company from the manufacturing process to distributing products in sales channels. Customers now thoroughly examine, analyse and evaluate.

In the emerging market concept proposed by Prahalad and Ramaswamy (2004), focus is on the relationship between the consumer and the company. The roles of both converge and become collaborators in value co-creation and competitors in the economic extraction of value. The market becomes inseparable from the value co-creation process, where a forum for dialogue among consumers, businesses, communities, consumers and corporate networks takes place.

The construction of a co-creative system requires adjustments to be made by managers and consumers, starting with four blocks: dialogue, access, risk-benefit balance and transparency. These blocks challenge the strong positions that managers have traditionally taken to reveal the composition of hazardous substances, risks (such as cigarettes or genetically modified plants), transparency in financial reporting and open access and dialogue between consumers and communities, as well as the traditional focus of managers to provide products and services to a single customer at a low cost. As emphasized by Las Casas, "when a customer remains silent, unresponsive to company stimuli, one must be alert to this fact. Remember that only a minority complains. Therefore, it is feasible to act in advance" (LAS CASAS, 2004, p. 72).

The concept of value co-creation consists of the customer's participation in the production process and their interaction with the company in search of value creation (PRAHALAD, RAMASWAMY, 2004). Experiences are especially important because they can encourage the customer to increasingly participate in the process of value co-creation (PAYNE; STARBOCKAL, 2008). Managers need to change their way of thinking, which is usually centred on a product or service, and focus on the experiences that customers are seeking to co-create. Grönroos (2008) has identified the role of consumers and suppliers in value co-creation: service logic, where

the company engages with customer processes, and product logic, in which the offer is extended to interactions, including company-customer (which can be another company), business-to-business relationship or only business-to-consumers.

Regarding product co-creation, Nambisan (2002) notes that the emergence of new information technologies and communication has demanded that many industries adopt a radical transformation in the relationship between customer and producer, resulting in important implications for the development process of new products. In this sense, it is possible to co-create activities of design, product innovation and development, priority processes and metrics, among others. (NAMBISAN, 2002, p. 392).

Online communities of customers can facilitate the prompt distribution of new innovation models, and involve some of the most varied roles of developing new products. Nambisan (2002) argues that interactions and communication with customers are of great importance in the result of how accurate and understandable the transmission and reception of information is between several other participants in the process, highlighting two important issues involved in the development of virtual communities: customer knowledge creation and the importance of customer motivation. For the creation of customer knowledge, organisations need to carefully choose design elements to provide an appropriate level of support for processes of cognition that consequently enhance value co-creation's potential.

The quality of customer contributions in development process of new products is measured by tangible and intangible benefits that the customer notices. Thus, identifying and carefully analysing benefits ensures valuable insights into how companies can improve contributions and customer willingness to participate in value co-creation by incorporating appropriate elements for the development of virtual communities. Payne, Starbocka and Frow (2008) suggest a conceptual framework for value co-creation that recognises the important role and centrality of the co-creation process, emphasising the need for marketing to be seen as a set of processes and resources with which the company seeks to create value proposals. The processes include procedures, tasks, mechanisms, activities and interactions that support the co-creation of value.

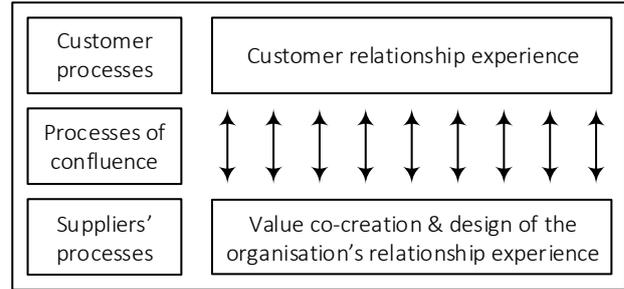


Figure 1. Conceptual framework for value co-creation
Source: Adapted from Payne, Starbocka and Frow (2008)

The structure of Figure 1 is based on the process and consists of three main components: the customer, the supplier and the confluence between the two. Customer processes in a business-to-consumer relationship include the processes, resources and practices with which customers manage their activities. A business-to-business relationship include processes that a customer's company uses to manage its business and relationship with suppliers. The suppliers' processes include resources and practices that suppliers use to manage their own business and relationship with customers and stakeholders. These processes involves reviewing opportunities for value co-creation, planning, testing and prototyping value co-creation with customers; implement customer solutions and manage confluence with customers; and develop metrics to assess whether the organisation is making appropriate value proposals. In the confluence process are processes, practices and interactions of exchange that occur with relationships between customers and suppliers that need to be managed to develop successful opportunities for value co-creation. This can include communication through advertising, pamphlets, home pages on the internet and manuals; for use, where the client uses the product in practice; and services, where the customer interacts with customer service.

The planning of the design of the organisation's relationship requires alignment among the organisation's functions that make and deliver a commitment to the customer. Marketing metrics need to be meaningful to measure the potential value of co-creation of the customer relationship. Payne, Starbocka and Frow (2008) emphasise that the commitments made to customers in the first stages of the relationship, when communication is made by the sales and marketing team, need to be met in the

final stage of use by the service operation department.

3. MODEL OF CHANGE IN ORGANISATIONAL CULTURE FOR ADOPTING CO-CREATIVE PROCEDURES

Fitting in with the concept of value co-creation, Hamel and Prahalad (1995) address the core competencies that, through the collective learning of an organisation, generate differences in a particular market. Industry foresight helps managers to answer questions about benefits offered in the present and future and required new skills, which can even lead to a reconfiguration of the interface with customers in the coming years. (PRAHALAD, HAMEL, 1995, p. 83).

Although the theme of organisational culture is treated as a viable element of co-creation in some studies (BRASIL, SANTOS; DIETRICH, 2010), there has been no studies that deepen our understanding of cultural change in the area. Thus, some studies of organisational culture in other areas will be used, and this article will make an adaptation for co-creation activities. According to Schein (2007), culture is owned by a particular human group, and groups or

organisations must deal with two fundamental issues: survival through external and internal integration.

Pettigrew's article, submitted by Fleury (1996), points to factors raised by studies conducted by the University of Warwick that facilitate changes in organisational culture, such as displacement of people and portfolios to liberate paths and energy; creation of new meetings to articulate and share problems; carefully strengthen married structural changes, followed by awards. Most of all, the search and use of "role models" present key aspects of new culture in their public behaviour. The identification of people who can "walk the talk" seems to be a key aspect to make publicly desired and concrete cultural changes. These new era role models also help the continuous strengthening of change.

Kotter (2005) believes that changes can be undone (even after years of effort) if new methods are not firmly established in rules and group values. In the same vein, Donnelly (1984) supports the relationship between culture and planning, stating that if there is a crisis or changes are not continuous, culture would be perfect. Deal and Kennedy (1991)

Tab. 1

Change of organisational culture and the principles for co-creating proposed by Prahalad and Ramaswamy

Conceptual framework for value co-creation by Payne, Starbocka and Frow (2008)	Methodology for organisational culture change	Principles of co-creation proposed by Prahalad and Ramaswamy (2004)
SUPPLIERS' PROCESSES	<ul style="list-style-type: none"> ▪ Employees should be trained and develop with the principles and beliefs of the organisation. For Donnelly (1984), excellent culture is planned and the mission is clearly defined. ▪ There must be the preservation of transmitted values (SCHEIN, 2007) ▪ Set key attributes and competitive values. Deal and Kennedy (1991) state that for successful change, it is necessary to recognise the real external threat to the dissonance between the organisation and the environment. ▪ - Definition of employees' target audience (FLEURY, 1996; DEAL AND KENNEDY, 1991) 	<ul style="list-style-type: none"> ▪ Leaders must identify the "sources" of co-creation opportunities that make strategic sense. The key is the ability to experiment, learn and perform with the support of co-creative management processes. ▪ Involve people with psychological values (greater job satisfaction, feelings of appreciation and higher self-esteem) or economic values (greater earnings, acquisition of skills and opportunities to progress). For organisations, the value is economic and social (opportunity to do social good). ▪ Employees need to be influencers, while management sets the strategic direction and limitation on what can be co-created. ▪ Interactions should be direct and involve the most experienced as many problems are complex and have no obvious solutions.
PROCESSES OF CONFLUENCE	Formal and informal mechanisms for introducing values (FLEURY, 1996; DEAL and KENNEDY, 1991; KOTTER, 2005).	Companies need to create platforms for all employees to interact and share their experiences in order to develop an understanding of the real issues and key priorities.

Source: Authors

say there is no model on how to best manage change, but provide suggestions to avoid large resistance. These include achieving mutual trust (especially through communication) between the various groups that are affected by change; thinking of change as a skill former and focus on training as part of the change process; patience to allow for time for changes to occur; and flexibility to encourage people to adapt to the basic ideas so that change fits with their real world.

Ramaswamy and Gouillart (2010) speculated that the purchasing department finds it difficult to accept that experiences with suppliers are important, that the plant managers may not like to engage with environmental activities that challenge their sustainable practices and that staff from human resources can feel threatened when employees create processes to measure performance. The values expected for the target audience by the workforce are therefore related to their attitudes and behaviours, such as mutual trust, cooperation and commitment to customer satisfaction. Considering that people on the edge of the traditional process may have better ideas than the experts who designed the processes for many years also requires humility, as well as an influencer and democratic profile. This theoretical framework about changes in organisational culture and the principles of co-creation proposed by Prahalad and Ramaswamy (2004) are summarised below in Table 1:

From this table, it is possible to conclude that the most comprehensive model for developing the process of change in organisational culture when adopting co-creative procedures should consider that the focus of managers is not only to improve processes and protect their competitive advantage in value chains, but also to design new interactions from various parts and create new engagement platforms.

Table 1 is the basis for the analysis of the studied case, which is grounded in a survey of supplier processes and processes of confluence, and focuses on the identification of mechanisms that promote cultural change when adopting co-creative procedures. Figure 1, which outlines the general analytical framework, guides empirical research on the verification of possible obstacles faced internally in the organisation that were expertly managed, in order to ensure synergy between the processes that safeguard value co-creation with customers.

4. METHODOLOGY

The research that led to this article was prepared using qualitative methods with a case study. Yin (2010) proposes a methodology that can be applied to this research, which defines the protocol for the case study. Three factors define the case study protocols: 1) the protocol contain instruments, procedures and general rules to be followed; 2) the protocol is aimed at a different group to those surveyed; 3) the protocol is desirable for all circumstances. The following paragraphs will cover the four sections of Yin's (2010) case-study protocol approaches with adaptation for this study:

1st Section - Project overview: this work seeks to answer the problematic question "What are the challenges for cultural change when adopting co-creative procedures?". The overall objective is to investigate how a culture should (or needs) to be changed for companies to adopt co-creative procedures, and identify any obstacles faced in this process. The investigation was carried out using a case study, which researched the multinational General Electric. The sample was chosen for convenience by the researcher, who works as a supply planning specialist of medical equipment for the company and has access to information. Furthermore, GE is a company that applies co-creation and is therefore an important object for study. The specific objectives are to identify the mechanisms developed for cultural change when adopting co-creative procedures and possible obstacles to its implementation.

2nd Section - Field procedures: triangulation of data was done through:

- a) Direct observation by the researcher through active participation in the company, which looks at the points described in the observation guidelines presented in Table 2.
- b) Document analysis as a way of collecting data from:
 - The institutional internet site of GE that has a presentation of the company's history;
 - The annual company reports for the definition of the company's value co-creation strategy;
 - Printed resources in order to gather information on co-creative products;

- An article published by Harvard University that explains changes in production processes at GE Healthcare;
 - The available documents from the intranet that were used in internal communication awareness program for employees health, and training of the sales force in order to illustrate the mechanisms used for cultural change when adopting co-creative procedures.
- c) Open semi-structured interviews with two leaders responsible for employees' engagement with the value co-creation program, a Peruvian Service Manager and a Service Sales Manager in Brazil, which were held at GE's office from 12 June 2013 to 26 July 2013. An open, unstructured interview with the Medical Services Manager of GE Brazil was also held to understand the purpose and the operating mechanism of the health program on 5 April 2013.

Tab. 2
Observation record

Conceptual framework for value co-creation	Observation guide
Supplier's Processes	How the employee is introduced to the strategic mission of value co-creation. How the employee notices the evolution of performance within the organisation for achieving this mission. How leaders and employees interact and communicate on value co-creation strategy.
Confluence processes	How the employee accesses the values of the value co-creation strategy.

Source: Authors

Table 2 presents the essential aspects for data triangulation that limit the investigation from an internal point of view: how employees are introduced to the mission, strategy and values of co-creation, and how the evolution of their performances is perceived, regarding the implementation of co-creative processes.

Follows in Table 3 the interview guide:

Tab. 3
Interview guide

Conceptual framework for value co-creation	Interview guide
Supplier's Processes	1. Can you say what the mission of value co-creation strategy is? 2. Is your performance evaluation linked in some form to the achievement of this mission? 3. How was the value co-creation strategy transmitted to your employees? 4. Can you identify a group or team who are dedicated to value co-creation strategy?
Confluence processes	5. How are competitive values of value co-creation strategy established? 6. Have you created any platform dedicated to value co-creation strategy?

Source: Authors

Table 3 was used in interviews to meet the research objectives and considers questions about processes of suppliers and confluence, focusing on the identification of mechanisms to promote cultural change when adopting co-creative procedures and verifying possible internal obstacles faced by the organisation.

3rd Section - Case study questions: the interviews were open and semi-structured and the questions asked are shown in the interview guide. These attempted to answer the question and examine the challenges for cultural change when adopting co-creative procedures.

4th Section - Analysis procedures: the evidence collected was analysed according to the suitability to the standard shown in Table 6 of the third chapter.

The study was restricted to the investigation of obstacles when changing organisational culture. It was not the objective to study other enablers for the adoption of co-creative procedures, such as market or product conditions, or to deepen other aspects such as the DART model (dialogue, access, risk and transparency).

5. CASE STUDY GE HEALTHCARE

According to the company website, General Electric has operations in more than 100 countries and employs approximately 300,000 employees

globally. It has been present in Brazil since 1919 and employs around 8000 people. All the GE businesses in Brazil are dedicated to solutions for aviation, energy, lighting, health, transport and household appliances.

This study analysed the Healthcare that provides transformational medical technologies and services for diagnostic imaging and information technology, patient monitoring systems, performance improvement, drug discovery and the manufacture of pharmaceutical products. The company also partners with leaders in the area of healthcare to facilitate global policy discussions focused on promoting change for more sustainable healthcare systems.

Centred on the healthymagination strategy that develops new products through the value creation process, the company is committed to a global investment of US \$ 6 billion for developing 100 innovations that improve health activities in remote areas and create new partnerships within the sector, contributing to a more accurate diagnosis time for a greater number of people at a lower cost. Vscan is a pocket-size affordable-ultrasound device and an example of a healthymagination product that is marketed in Brazil as a replacement for the stethoscope.

GE Healthcare has developed solutions targeted at the domestic market through the production of healthymagination certified equipment in Minas Gerais designed to meet specific local needs.

In the article published in the *Harvard Business Review* in January 2012 by Kumar and Rangan,

Deborah Nustar (Global Manager of Marketing Operations) and Jim Orheim (Director of Ultrasound Marketing Operations) describe the value creation process instituted in the GEHS business unit, which occurs in three ways: identification of a focus segment and customer value specification; care standard identification and determination of how to create a differential that translates into benefits for customers, as well as checking barriers to value co-creation in primary areas (technology, cost-effective products, generation of evidence to quantify economic value).

At GE Healthcare, the value creation process has a stage that is dedicated to identifying barriers and internal alignment among all areas responsible for customer value delivery before the release of a new product into the market. Nambisam (2002) notes that new technology has important implications in the development process of new products.

6. RESULTS AND ANALYSIS

The results after data triangulation with documental research presented in the case study, with observations and interviews, are summarised in Table 4 and Table 5:

General Electric has a formal annual performance evaluation mechanism that consists of the definition of five objectives that are primarily built top-down from the CEO, from which everyone can set their goals.

These goals should be linked to quantitative targets that are revisited at the end of the year for an

Tab. 4
Observation results

Conceptual framework for value co-creation	Script guide	Result
Supplier's Processes	How the employee is introduced to the value co-creation strategy.	Formal performance evaluation mechanism on an annual basis that consists of the achievement of five objectives and evaluation of leadership values (external focus, imagination and courage, clear thinking, inclusion and ability).
	How the employee realises the evolution of performance within the organisation for achieving this mission.	Internal social media, internal newsletters and visits to major global leaders in the region.
Confluence processes	How leaders and employees interact and communicate on value co-creation strategy.	Consulting a global community created on the intranet on the theme of value co-creation strategy, which stores all documents used for certification of equipment and highlights the key attributes of each validated medical equipment.
	How the employee has access to value co-creation strategy's values.	

Source: Authors

Tab. 5
Interview results

Conceptual framework for value co-creation	Script guide	Result
Supplier's Processes	<ol style="list-style-type: none"> 1. Could you say what the mission of value co-creation strategy is? 2. Are their performance evaluation linked in some way to the achievement of this mission? 3. How was the value co-creation strategy transmitted to your employees? 4. Can you identify a group or team who are dedicated to value co-creation strategy? 	<ol style="list-style-type: none"> 1. Both leaders fluently repeated the strategy and mentioned the symbols of the strategy. 2. The employee can check if they performed well in the co-creation strategy when (in addition to achieving the proposed objectives) it meets the expectations of the leadership value we call external focus. 3. The service manager meets weekly with their field engineers to check the services to be done in the week and reinforces the strategic message of co-creation. 4. The strategy leader's presentation and their work team is done during facilitated training, so that the sales force could understand how the value of co-creation strategy should boost sales in the region.
Confluence processes	<ol style="list-style-type: none"> 5. How are competitive values of value co-creation strategy established? 6. Have you created any platform dedicated to value co-creation strategy? 	<ol style="list-style-type: none"> 5. Competitive values are established from a co-creative practice that originated from adequate technical specification for the local need for which it was performed. After certification of the product, these values are adapted to a competitive approach, shared and traded on a global level. 6. Campaign #GetFit released worldwide on platforms of social networks, Twitter and Facebook through the HealthyShare application were done to encourage Internet users to share their own health activities and tips, which help reduce the likelihood of developing cancer and encourage healthier lifestyles.

Source: Authors

understanding of employee performance. The objectives define employee performance as well as the assessment of leadership values that GE sees as fundamental, which are: external focus, imagination and courage, clear thinking, inclusion and ability.

Prokesh (2009) explains that the employee can check if they had performed well in the co-creation strategy - beyond achieving the proposed objectives, when they meet the expectations of the leadership value (external focus), which include using market/industry knowledge to anticipate changes and actions; actively sharing competitive information, discussing plans and guiding actions with the team; creating and implementing processes and solutions that are in agreement with the customer's point of view and the impact in mind; anticipating events that impact the delivery to customers and manage them; proactively communicating with customers and using feedback to improve services, products and relationships; applying knowledge of current world events to their duties and responsibilities.

During the interviews, both leaders fluently repeated the mission and mentioned the cost of symbols, quality and access. The reproduction of the

mission is an important aspect of cultural education when implementing a new business model. As Kotter states, changes can be reversed if new methods are not firmly established in norms and group values (2005).

The mission of the value co-creation strategy is set out on the communal area's notice board, in newsletters sent by email, on the main intranet site and reinforced in leadership emails and during result presentation meetings. Communication is important to give confidence and adherence, thinking about change as skill forming, as noted by Kennedy (1991). So employees could more easily understand the mission and symbols that were created, as shown in Figure 2:



Figure 2. healthymagination symbols
Source: Company documents

During the interview, the Peruvian services manager recalled: "My goal linked to healthymagination is to facilitate the installation of equipment. Here in Peru this year, we held the first installation of the MR Optima 430s system in Latin America with the presence of the most experienced engineers in Latin America and the local engineer, who was celebrated in the press conference covered by major news outlets in the country" (the interview). It is clear, therefore, that there is a predisposition in the company to accept ideas, which demonstrates humility, a democratic profile and the needed cultural aspects, as Prahalad and Ramaswamy mention (2004).

The national sales service manager commented further during the interview that "GE Healthcare has a matrix structure, a culture open to innovation and is focused on improving internal processes". These factors are noted by Brasil, Dos Santos and Dietrich (2010) as characteristics of a company that is able to co-create.

GE Healthcare has identified on a strategic level "sources" of opportunities to co-create, become a company that provides solutions with long-term partnerships and with greater focus on government and the growing middle class. In their study of 5 operators in the health sector, Camarinha, Costa and Vieira (2011) analysed the relationship between stakeholders and the value co-creation process, observing that this industry has a strong need to involve various stakeholders in the search for innovative solutions, which lead to the creation of new competitive forms in organisational environments.

Pettigrew (1979) states that actions and interactions exist in the process that alter the company's stage. Leaders and employees interact and communicate about value co-creation strategy through internal social media, internal newsletters and visits to major global leaders in the region. For a cultural change, it becomes necessary to establish, disseminate and renew standards, according to the practices in the studied company.

The sales manager commented that she remembered when the leader's strategy presentation of her team was held during a facilitated training so that the sales force could understand how the value co-creation strategy would boost sales in the region. During the interview, the sales manager also shared a pamphlet that was distributed to sellers

during training, which detailed how approaches to customers should be made. An internal GE newsletter spread this event so that all employees had training and knowledge of their objectives.

In the last decade, the company globally underwent a cultural change to be more customer focus, as commented on in the article by Kumar and Rangan (2012): Paul Mullen (the Head of Marketing for the line of ultrasound products) noted that "the culture of GE engineering changed from a technical direction, with little experience in business, to a culture with greater focus on the introduction of more products with advanced technology that our customers value". Canan Ozsoy (Head of Marketing for medical systems) argued that "when GE Medical Systems was more focused on engineering and technology, the marketing department had a less strategic role, but with the concept of healthymagination it was possible to bring a focus on the customer's vision of the organisation and clear demonstrable benefits that enable better value co-creation and communication, which in the long run will benefit us".

The employee has access to the GE's value co-creation strategy by consulting a global community created on the intranet for the theme of value co-creation strategy that stores all documents used for equipment certification, which highlights the key attributes of each medical equipment validated. This procedure is consistent with that proposed by Prahalad and Ramaswamy (2004), where companies need to create platforms that facilitate interactions and shared experiences for all employees.

The service manager explains that "competitive values are established from a co-creative practice that started adequate technical specification for local needs. After product certification, these values are adapted for competitive approaches and shared and traded on a global level" (the interview). To strengthen a culture of co-creation, it is important that leaders identify the co-creation opportunities that make strategic sense (PRAHALAD, RAMASWAMY, 2004). The interaction proposed by the company, as mentioned by the service manager, encourages participation and involvement in culture as well as the sharing of results.

The service manager cited an example of an engagement platform called #GetFit, a campaign launched worldwide on social networking platforms like Twitter and Facebook through HealthyShare

application. This encouraged Internet users to share their own health activities and tips, which help reduce the likelihood of developing cancer and encourage healthier lifestyles.

The sales manager said that he noticed a resistance from employees when a process based on the exchange of experiences was introduced, which applied a consultative selling style: "My employees have always been focused on the achievement of sales goal. All my employees have customers in their account who are opinion leaders, and they are responsible for understanding the real needs of these customers" (the interview).

As stated by Ramasmany and Gouillart (2010), different areas may have difficulty accepting new experiences, practices and processes. Thus, regarding the obstacles faced, the need to facilitate internal management is observed.

As the healthymagination business strategy is focused on improving health around the world, the Healthahead program was created in order to promote a culture of health, providing employees and their families programs that promote a good quality of life.

The medical services manager at GE in Brazil added that "the annual investment of US \$50 million that GE globally invests in health programs and wellness brings greater engagement and high employee productivity. We work for healthier life habits and the prevention of diseases, which include quitting smoking, stopping sedentariness and having a better quality sleep".

As a result of transformational change that involved facing the conventional and promoting a mutation in the DNA of the organisation, the company under investigation partnered with a Civil Society Organisation for Public Interest called Americas Amigas, who understands that accessibility to health means mobility, and has the priority of bring health care to remote areas. This aspect is therefore consistent with the cultural change proposals of authors such as Fleury (1996), Deal and Kennedy (1991) and reinforced by Prahalad and Ramaswamy (2004), who state that for the organisation value is economical but also considers opportunities to do social good, as shown by the aforementioned partnerships.

7. FINAL CONSIDERATIONS

As discussed in this research, value co-creation is a marketing strategy that has been present in academic studies in recent years and provides greater competitiveness for the company. Value co-creation aims to develop methods and tools that enrich the experiences of all employees and customers. Co-creative companies are building platforms for participation on internet platforms, which ensures lower costs. However, the involvement of customers and employees in a company's co-creation process requires an adaptation of certain procedures, one of which is corporate culture. Many problems can be traced to the establishment and strengthening of these new values (LAS CASAS, 2014). The purpose of this research was to analyse how a company can deal with these challenges.

In response to the initial question "what are the challenges for cultural change when adopting co-creative procedures?", a case study of General Electric's medical equipment business was created to analyse the company's ability to design value co-creation processes in its organisational culture. From the literature review on the topics of organisational culture and value co-creation, it was possible to propose an adaptation to Pettigrew's model of strategic change, which supports research on the phenomenon of cultural change when adopting co-creative procedures. More specifically, through the preparation of a bibliographic summary that met Prahalad and Ramaswamy's (2004) conditions for co-creation in a framework and a diagram that represented the interaction between the three components, the barriers and mechanisms used to establish a new co-creative culture were identified. Understanding how organisational culture operates in the value co-creation processes is critical to marketing management, since a co-creative company depends on the interactions it has with employees.

GE has a matrix structure that allows a contingency analysis to be quickly adapted. The administrator, with a systemic perspective, sees everything in internal and external environments and thus ensures the legitimacy of systemic management. In this sense, the structure also allows greater flexibility, decentralised decision-making and variable communication networks.

Customers are no longer limited to informing needs and demanding specifications, and they now have an active involvement and collaboration with

the design and delivery of their own experience. The role of organisations is no longer restricted to design processes of traditional methods and delivering it with Six Sigma accuracy, but to provide a platform for engagement and to ensure that all areas of the company are connected to the delivery of the value promised to the customer.

As emphasised by Schein (2007), culture is owned by organisations that have to deal primarily with external and internal integration survival. Fleury (2009) states that the best balance between internal cooperation and competition is present in the DNA of a company as well as the mind of every manager.

It was found that the suppliers' processes to anticipate industry opportunities of the healthmagination strategy was tied to a well-defined focus of change, which started in engineering and marketing subcultures.

In that concern, the processes of confluence, actions, reactions and interactions were taken, such as the training of the sales force on how to use the healthmagination concept, communication with internal newsletters, launching of platforms on social networks for initiatives against cancer and the establishment of a partnership with the government.

Factors such as the presence of a decentralised power structure and a culture open to change facilitated the use of various mechanisms for GE Healthcare. However, to facilitate a continuous interaction among the above cases, there was still the need to facilitate the management of such connections within the company. The solution found by GE Healthcare was to develop the healthahead program, which educated employees about the importance of creating a culture of health.

The triangulation of data with documental research presented in the case study with

observations and interviews (the results of which are summarised in Table 4 and Table 5), showed that in co-creative companies, managers go beyond procedures to activate platforms for engagement.

The biggest obstacle is to provide all parties with a simpler and more effective participation that allows a collaborative flow, rather than just simplifying processes and stifling results. In the study conducted at GE, the greatest difficulties in implementing organisational culture were not noticed in accordance to the initial proposition, where many problems can be related to the establishment and strengthening of these new values. The company has a group of internal and external employees who are engaged and predisposed to participate and also to focus on innovation and a culture of improvement of internal processes. The only obstacle was mentioned by the sales manager, who acknowledged some resistance from employees when a process of exchanging experiences of consultative selling was being introduced. However, the problem was overcome without too many difficulties.

A company wishing to adopt co-create procedures with its customers and various stakeholders needs to apply this new mind-set among the management and all potential co-creators within the organisation. However, to produce such a transformational change it is necessary to face a mutation in the DNA of the organisation with the involvement of people affected by the change.

This study was limited to the analysis of only one company. It can, however, serve as a basis for future studies in other sectors of medium or small organisations to understand whether there is convergence in the observed facts, as well as to identify new mechanisms.

REFERENCES

- AGÊNCIA BRASIL. Disponível em <Investimentos em educação e saúde continuam distante dos padrões internacionais: <http://agenciabrasil.ebc.com.br/noticia/2012-05-15/investimentos-em-educacao-e-saude-continuam-distante-dos-padroes-internacionais-diz-ipea>>. Acesso em: 15 de mai. de 2013.
- BARBARA, B. Z. Processo de mudança da cultura organizacional para a adoção de procedimentos cocriativos: um estudo de caso na multinacional GE Healthcare, 2013. *Dissertação* (Mestrado em Administração) – Pontifícia Universidade Católica de São Paulo. São Paulo, 2013.
- BRASIL, V. S.; SANTOS, C. R. Envolvimento do consumidor em processos de desenvolvimento de produtos: em estudo qualitativo junto a empresas de bens de consumo. *RAE-Revista de Administração de empresas*, v. 50, n.3, p. 300-311, Jul./Set. 2010.
- ____; SANTOS, C. R.; DIETRICH, J. F. Cocriação de Valor: Proposição de uma Estrutura de Análise dos Elementos Influenciadores da Criação Compartilhada de Valor nas Empresas. In: *IV Encontro de Marketing da Anpad*, 2010, Florianópolis.

- CAMARINHA, D.; COSTA, B. K.; VIEIRA, S. F. A. Relação entre stakeholders no Processo de Cocriação de valor: um estudo de casos Múltiplos no setor da Saúde. In: *XXXV Encontro da Anpad*, 2011, Rio de Janeiro.
- DEAL, T. E.; KENNEDY, A. A. *Corporate cultures: the rites and rituals of corporate life*. Massachusetts: Addison-Wesley Publishing Company, 1991.
- DONNELLY, R. The Interrelationship of Planning With Corporate Culture on Creation of Shared Values. *Managerial Planning*. v. 32, Mai./Jun. 1984.
- FLEURY, M. T. L. *Cultura e poder nas organizações*. São Paulo: Atlas, 1996.
- _____. Organizational Culture and the Renewal of Competences. *BAR*. v.6, n.1, p. 1-14, Jan/Mar 2009.
- GE Imprensa. Disponível em: <http://www.geimprensabrasil.com/category/solucoes_em_saude>. Acesso em: 15 mai. 2013.
- GRONROOS, C. From marketing mix to relationship marketing: toward a paradigm shift in marketing. *Management Decision*. v. 32, n.2, p. 4-20, 1994.
- _____. Service logic revisited: who creates value? And who co-creates? *European Business Review*. v. 20, n. 4, p. 298-314, 2008.
- HEALTHYMAGINATION. Disponível em: <http://www.healthymagination.com/wp-content/themes/hm2011/PDF/GE_Healthymagination.pdf>. Acesso em: 15 mai. 2013
- KOTLER, P. *Administração de Marketing: análise, planejamento, implementação e controle*. São Paulo: Atlas, 1998.
- _____. KARTAJAYA, H.; SETIAWAN, I. *Marketing 3.0: as forças que estão definindo o novo marketing centrado no ser humano*. Rio de Janeiro: Campus, 2010.
- KOTTER, J. P. *Liderando mudança*. Rio de Janeiro: Campus, 2005.
- KUMAR, V.; RANGAN, V. K. Healthymagination at GE Healthcare Systems. *Harvard Business School Case*, p. 512 – 539, January 2012.
- LAS CASAS, A. L. *Qualidade total em serviços: conceitos, exercícios, casos práticos*. São Paulo: Atlas, 2004.
- NAMBISAN, S. Designing virtual customer environments for new product development, *Academy of Management Review*. v. 27, n. 3, p. 392-413, 2002.
- PAYNE, A., STORBACKA, K.; FROW, P.; KNOX, S. Cocreating Brands: Diagnosing and Designing the Relationship Experience. *Journal of Business Research*. v.62, n.3, p.379-389, 2009.
- _____. HOLT, S. Diagnosing Customer Value: Integrating the Value Process and Relationship Marketing. *British Journal of Management*. v.12, n.2, p.159-182, 2001.
- _____. STORBACKA, K.; FROW, P. Managing the Cocreation of Value. *Journal of the Academy of Marketing Science*. v.36, n.1, p.83-96, 2008. [DOI 10.1007/s11747-007-0070-0].
- PETTIGREW, A. M. On Studying Organizational Cultures. *Administrative Science Quarterly*. v. 24, n. 4, p. 570-581, 1979.
- PRAHALAD, C. K., Cocreation Experiences: The Next Practice in Value Creation. *Journal of Interactive Marketing*. v.18, n.3, p.5-14, 2004. [DOI: 10.1002/dir.20015].
- _____. RAMASWAMY, V. The New Frontier of Experience Innovation. *MIT Sloan Management Review*. v. 44, n. 4, p.12-18, 2003.
- _____. HAMEL, G. *Competindo pelo futuro: estratégias inovadoras para obter o controle do seu setor e criar os mercados de amanhã*. Rio de Janeiro: Campus, 1995.
- PROKESH, Steven. How GE teaches teams to Lead Change. *Harvard Business Review*, p. 1 – 10, January 2009.
- RAMASWAMY, V. *Guia de sobrevivência da cultura corporativa*. Rio de Janeiro: José Olympio, 2007.
- _____. GOUILLART, F. *A empresa cocriativa*. Rio de Janeiro: Elsevier, 2011.
- _____. GOUILLART, F. Building the Cocreative Enterprise. *Harvard Business Review*, October, p.100-109, 2010.
- SCHEIN, E. H. *Organizational culture and leadership*. San Francisco: Jossey-Bass, 2004.
- YIN, R. K. *Estudo de caso: planejamento e métodos*. Porto Alegre: Bookman, 2010.

ABOUT THE AUTHORS

- **Bianca Zapparoli Barbara** is Master's in Business Administration from the Pontifical Catholic University of São Paulo, PUC / SP, São Paulo, SP, e-mail: bi_bi_zb@hotmail.com
- **Alexander Luzzi Las Casas** is PhD in Management at Getulio Vargas Foundation / FGV. Professor at the Graduate Program of Management at the Pontifical Catholic University of São Paulo, PUC / SP, São Paulo, SP, e-mail: alascasas@terra.com.br

Processo de mudança da cultura organizacional na construção de uma empresa co-criativa: Um estudo de caso na multinacional GE Healthcare

Bianca Zapparoli Barbara, Alexander Luzzi Las Casas

Departamento de Administração, Pontifícia Universidade Católica de São Paulo - PUC/SP, São Paulo/SP, Brasil.

DETALHES DO ARTIGO

Histórico do artigo:

Recebido em 15 de Junho de 2014

Aceito em 16 de Dezembro de 2014

Disponível online em 30 April 2015

Sistema de "Double Blind Review"

Editor-Científico: Felipe Mendes Borini

Palavras-Chaves:

Empresa co-criativa

Mudança na cultura organizacional

Setor da saúde

RESUMO

O artigo busca identificar os métodos que podem ser utilizados para a mudança cultural na adoção de procedimentos cocriativos, bem como os obstáculos enfrentados nesse processo. O estudo analisa a multinacional GE Healthcare, que atribui à cocriação de valor a estratégia global nomeada Healthymagination. Como embasamento teórico foi utilizada a estrutura conceitual para a cocriação de valor, e os princípios para cocriar de Prahalad e Ramaswamy (2004). O método utilizado foi o estudo de caso, valendo-se das técnicas de observação e entrevistas semiestruturadas abertas. Os resultados obtidos indicam que a estrutura de poder descentralizado, e uma cultura aberta a mudanças, facilitou a utilização de diversos mecanismos. O obstáculo encontrado pela organização está em permitir um fluxo colaborativo e aplicar essa nova mentalidade entre a administração e todos cocriadores dentro da empresa.

© 2015 Internext | ESPM. Todos os direitos reservados.